

**TOWN OF CHESTERFIELD, NH
BUDGET COMMITTEE MEETING MINUTES
JANUARY 3, 2006**

Present: Gary Winn; Chairman, Fred Szmit; Vice Chairman, Deb Hogancamp; Chesterfield Fire Precinct, Dave Thomas; Spofford Fire Precinct, Judy Idelkope; School Board Representative, Susan Newcomer, William Bucknell, Bob Brockmann, Nelson, Fegley, Steve Laskowski, Elliot Rowsey and Rick Carrier; Town Administrator

Absent: Anita Barber, Wanda McNamara; Selectman's Representative

Winn as Chairman called the meeting to order at 7:00 pm at the Chesterfield School.

Approval of Minutes

Winn opened the meeting with a request that everyone take a moment to review the minutes from the December 20th meeting. Szmit made the motion to accept the December 20th minutes and was 2nd by Laskowski. Winn asked that under the meeting schedule that January 2, be changed to January 3. Fegley asked that the 2nd sentence under the Library regarding the Highway Roof be moved to under the Highway. Fegley asked that the word conventional be added to the 2nd to last sentence under the Police Department after the word Explorer. Winn asked that under the General Concerns and Suggestions, last paragraph, 3rd sentence, that the word "emit" be changed to the word "omit".

Fegley made the motion to accept the minutes as amended and was 2nd by Newcomer. The motion carried.

General Concerns and Suggestions

Winn updated the committee as to his conversation with Tim Ruehr regarding the School Budget. There was a decision to not do an overview and just talk budget on January 10th.

Carrier mentioned that the dates for signing up for Budget Committee seats will be January 25-February 3 at the Town Clerks office. The Town Clerk will be open on Friday, February 3rd for this purpose from the hours of 3-5 pm. The available seats are 3-3 year terms and 1-2 year term. Carrier also mentioned that Bucknell, Fegley, Brockmann and Rowsey will need to run if they would like to continue their seat on the committee. Winn mentioned that they may want to consult with each other to see which seat each of them is running for, to insure all positions are filled.

Carrier updated the Budget Committee as to the updated budget changes and warrant articles that were made by the Board of Selectmen at their December 29th meeting. A few of the changes included:

In the Executive Budget, the Selectmen's Salary and Trustee of Trust Funds Salary was lowered. Previously the numbers had reflected a 3.2% over the proposed 2005 budget not the actual budget.

One Line Budgets - Ambulance line was increased due to actual figures received from Keene Ambulance. A copy of the letter from Keene Ambulance was passed out. The increase results from incorrect past invoices. Keene Ambulance was not billing Chesterfield correctly.

Due to the drop in Gas/Fuel, the Gas/Fuel lines for each Budget were decreased to \$2.50 gallon from \$3.00 gallon.

Highway Construction/Reconstruction CRF was lowered to \$100,000.

Town Office Committee Engineering - A dollar value has still not been placed so a placeholder has been used in the amount of \$200,000. The Building Committee anticipates having a final figure prior to Public Hearing. There was a discussion by the Budget Committee to amend the warrant article to request \$100,000 from taxes and the balance from the CRF. There was a discussion that instead of taking \$100,000 from taxes, why not take it from the CRF. This discussion was tabled for later in the night.

Computer-aided revaluation - This warrant article has been withdrawn and the Board of Selectmen will be seeking \$20,000 to be added to the Revaluation CRF.

Szmit asked for a complete list of all Warrant Articles. Carrier will e-mail this out.

Transfer Station

There was a detailed discussion on the roll-off truck request for the Transfer Station. Representing the Transfer Station's request were Tom Duston, Leon Dunbar, Joe Kowalski and Adam from Twinstare Truck Service. Dunbar handed out an estimated cost of the budget with hired out trucking and versus cost of budget with own truck. Dunbar stated that the price of the truck has dropped to \$113,159 with trade in. The quote received for a municipal lease is 5 years at 5.33%. The warranty would be a 1-year bumper to bumper, 3-year drive train and a 5-year on major components. The trade in value of their current truck is \$12,000. Adam stated that the use for the truck will most likely be ok for the next 6 months, but then it will definitely need a list of repairs done. A repair in urgent need is the radiator, which would cost around \$4,300. Duston feels that why keep putting a lot of money into a used truck. Newcomer questioned the dollar amount spent on the used truck. Carrier mentioned that initially when the truck was purchased used, they spent \$10,000 in the first 1-1/2 months, bringing the truck up to workable condition. Newcomer questioned if there are good used trucks out there better than this truck or do all used trucks have problems. Adam explained that yes, you could get a used truck for \$40,000 and could piece mail it together. Szmit questioned keeping the current truck and having it overhauled every few years. Dunbar explained that you need to remember the cost of down time, when the truck is down. Laskowski asked what problems they are trying to solve. Dunbar explained that there would be convenience and a huge cost savings. Duston asked the committee to examine the dollar savings on the form that Dunbar prepared, which shows a better control

over our cost. Brockman questioned that there appears to be less tonnage per haul. Dunbar explained that yes there is less hauling, but they are hauling more often and not waiting for it to lock out. There was a discussion on whether \$10,000 savings a year for repairs to a used truck justify spending \$113,000 for a new truck. Dunstan explained that yes it does, because in the life of a new truck, you would most likely need to replace a used truck 2 or 3 times at a cost estimate of \$15,000-20,000. A new truck gets ½ million miles.

Greenwood arrived at 8:05 pm.

Dunbar explained that the yearly cost for repairs to a new truck would be around \$1,000, for routine maintenance items the first few years. If keeping the truck this year Adam explained that the following repairs would need to be done, Radiator, Air Compressor, Hoses, Air Dryer, Battery Box and miscellaneous other repairs. The Radiator repairs alone could cost around \$6,000. Thomas suggested looking into having a radiator built for possibly ½ the cost. The new truck would have 1 payment due up front at delivery time and 4 additional yearly payments of \$25,000 if lease to own. There was a discussion again about good used trucks. Dunbar explained that in an opening statement on a price quote received for a used truck quoted “will make state inspectible”. Szmit would like to see another year on this truck when not such a huge impact on the budget. Greenwood explained that this year we lost 2 months of productivity due to the truck being down. Winn mentioned that he remembers that between 20-30 years on the fire truck, after being washed after every run, they would looking at the body failing, not the engine. Duston explained that this truck would be on the same type of schedule as the Highway Department has. Hogancamp expressed a Thank You to Kowalski for the generous donation of time and equipment that he shared when the truck was down. Kowalski’s other truck hauled at no cost to the town. Saving the town approximately \$1,948.50. Bucknell questioned the amount of time it takes for one haul. Dunbar explained about one hour. Laskowski made the motion to close the discussion. Winn summed up that these gentlemen will be available for further questions.

Chesterfield Fire Precinct

The Budget Committee reviewed a budget of \$100,910. Jane Perham and Deb Hogancamp presented the budget for the Chesterfield Fire Precinct. Hogancamp explained that since the town had agreed to a \$2.50 per gallon gas/fuel cost, that the Precinct would follow this as well. This brings the new budget line for Heating Oil to \$8,500 and a new bottom line of \$99,060. Winn questioned the jump in the line for Equipment Testing. Hogancamp explained that this is due to more regulatory testing mandates. Rescue Supply line is down due to a one time increase last year. Hogancamp explained that the Spent YTD for 2005 for Operations Payroll was not up to date on the budget form. The new number is \$18,860.88. There was a discussion on the line for Emergency Contingency Fund. Hogancamp explained that this budget line is only used in cases of emergency for example the Transfer Station Fire and other catastrophic events that they can’t budget for. There was question as to why the bottom line wasn’t showing an over expenditure when for example the Heating Oil and Vehicle Maintenance was over budget. Perham explained that a portion of surplus goes back into the general fund and a portion is carried over. Hogancamp explained that it was the Budget Committee who asked the Chesterfield Fire Precinct to set up the Emergency Contingency Fund. Hogancamp explained

the warrant articles. The Heavy Equipment CRF is asking for an increase due to the recalculation done by Don LaFontaine according to the schedule. They were not putting in enough in order to follow the schedule. If not bumped up, they won't have enough in 2013 to make the purchase needed. The Small Equipment CRF is up due to the same reason.

5 minute break.

Spofford Fire Precinct

The Budget Committee reviewed a budget of \$56,725. Dave Thomas presented the budget for the Spofford Fire Precinct. Thomas explained that the budget for the Heating Oil was already budgeted according to last years usage and at \$2.50 per gallon. Thomas explained that the Financial Audit line is down, due to the fact that a Full Financial Audit is done every few years and in 2006 a Partial Financial Audit would be done. The current balance of the CRF for Heavy Equipment is \$101,087, Small Equipment is \$12,850 and Waterhole is \$9,697. Thomas explained that the Spofford Fire Precinct is currently in negotiations with a piece of property for the new station. They would share the cost of putting a driveway in. Thomas hopes to have a bond issue this year for the new station. As of the end of 2005 the Building CRF had \$139,953. The new station will cost approximately \$1.4 million which includes everything. The property for the new station has an access off of Route 9 and lines up with Old Chesterfield Road, with an emergency exit to Pierce Road. 1st lot on right. The new station will be 7,000 square feet at \$200 per square foot. Thomas explained that the CRF withdrawal schedule has not changed. Rowsey, Bucknell and Idelkope will need a copy of this. There was a discussion as to a separate time for the bond hearing for the new station from the Public Hearing. This will need to be a hearing of its own and will need to be specifically advertised as a bond hearing in order for it to be official. Carrier explained that yes this will be held on a separate day from the Public Hearing and can be mentioned at the Public Hearing.

Revenues

The Budget Committee reviewed a list of estimated revenues of \$1,789,950. Carrier presented the Revenues. Brockmann questioned license and permits. Carrier explained that it is down due to Pine Tree Cable not paying. Newcomer questioned the line for Insurance Claim Payments. Carrier explained that this is the final payment for the Transfer Station. Szmit mentioned that it would be good to know what impact this budget makes on the bottom line. Carrier explained that he has a spreadsheet that shows the budget overview. Carrier will e-mail this out and copies will be available at the next meeting. Carrier explained that he hopes to receive \$144,000 back from FEMA for the flood damage.

Other Business

Winn questioned returning to the discussion on the Town Office Committee. Szmit thinks that the town should do just like the Spofford Fire Precinct and issue a bond. A straw vote was taken and ½ the committee choose this option. Carrier explained that in this case, the Budget Committee could say that they either recommend or do not recommend as written, and could then amend on the floor as long as the same dollar amount was already mentioned. Carrier will bring this point to the Selectmen.

Winn explained that next week's meeting will be on the School Budget. Winn is not sure when the binders will be available, but either Carrier or Moreau will send out an e-mail when they are ready.

Laskowski made the motion to adjourn the meeting at 10:00 pm and was 2nd by Fegley. The motion carried.

Respectfully submitted:

Jody Moreau
Secretary