

Minutes of
Litchfield Budget Committee Meeting

Held on October 16, 2008

The Litchfield Budget Committee held a meeting on Thursday October 16, 2008 in the Media Room at Campbell High School, 1 Highlander Court, Litchfield, NH 03052.

PRESENT: B Lemire (Chairman) arrived at 7:10 p.m., J Harte (Vice Chairman), P Parker, D Miller arrived at 7:25 p.m., M Falzone, R Peeples, G Lambert (Selectmen's representative)

ABSENT: B McCue

Mr. Harte called the meeting to order at 7:00 p.m.

1. PUBLIC INPUT

There was no public input.

2. APPROVAL OF MINUTES OF PREVIOUS MEETING

The Committee agreed to table approval of the minutes of October 9, 2008 until the next meeting.

3. TOWN BUDGET REVIEW

Highways & Streets – Expenditure for 2008

Mr. G De Costa presented his budget with input from Selectman Lambert. Selectman Lambert stated that a detailed report on the expenditures this year to date on roads was included in the information handed out to the Committee. Mr. Harte asked Mr. De Costa about the expenses for Brickyard, and there followed a discussion regarding an amount which will be backed out to 2007. Mr. De Costa went through the items on page 13 of the expenditure lists explaining what each line item was for, confirming that the larger percentage of the bills were for the Albuquerque bike path project. The rest were allocated between General Services (\$19,000) and Engineering services for Brickyard. He also explained what the items on page 31 were for.

Mr. Falzone queried an item which appeared twice and Mr. Dilworth Jr. explained a check had been issued then voided. Mr. Harte asked about the timing of the billing, and Mr. De Costa explained it was not uncommon to hold monies back until the job had been completed. He clarified for Chairman Lemire that the Brickyard project was completed around July this year. There followed a discussion with Mr. Dilworth Jr. regarding monies encumbered for Brickyard. Selectman Lambert provided an explanation that expenses for Brickyard had been mistakenly omitted from the Board of Selectmen list due to the delay in the work being done. He then explained that, through discussions with the auditor, they had discovered that what had been billed

in 2008 could actually be taken from last year. Mr. Dilworth Jr. explained the adjusting journal entries have not been done as yet and confirmed the current report will change. There followed a discussion about the amount encumbered which includes the Brickyard money. Chairman Lemire requested the Committee receive as soon as possible the bottom line figures after the adjustments from Mr. Dilworth Jr.

Mr. Harte enquired as to whether the Town has received any monies yet from FEMA. Mr. De Costa reported they have received \$60,000, and stated he would attempt to get more money for Brickyard when the job has been closed. There followed a discussion regarding how much the Town had been expecting to receive and why that amount had not been forthcoming from FEMA. Mr. De Costa stated he was unsure what FEMA had disallowed and the Town can attempt to justify their claim. And he explained the appeal should be done when project has been closed out. He clarified that the construction finished in July but there is still a bond on it as he was waiting to see whether the embankments will hold. He explained there had been an erosion problem and he would probably meet with the Stantech engineer within the next two weeks to close the job out and apply for the additional FEMA funding after that. Selectman Lambert pointed out they need to ensure they do not miss the window of opportunity to sort this out with FEMA. Mr. De Costa explained when the \$60,000 came in he thought it was a partial payment. There followed a discussion about whether FEMA makes partial payments for disaster funds, and also a discussion about help for Mr. De Costa to keep track of and process this kind of paperwork.

Mr. Harte handed over the Chair to Chairman Lemire.

Highways & Streets - 2009 Budget

Highways & Streets Administration (a/c 4311)

Selectman Lambert summarized this account.

Line item 811(Seminars & Conventions): He stated this line should be higher but as the Board of Selectmen had asked for level funding they had not increased it.

Engineering (a/c 4311.20)

Selectman Lambert reported that the total for new engineering work expected next year amounted to \$65,050. Mr. De Costa explained \$25,000 was required for general services, and \$27,844 has been requested for drainage for Winter Circle.

Mr. Falzone queried the \$12,206 difference between the Board of Selectmen amount and the back up request, and Mr. De Costa explained there had been an error in the wording of the warrant. There followed a discussion regarding the additional work which was necessary up and down stream of the culvert on Albuquerque and Selectman Lambert spoke about the Board of Selectmen's concern regarding the wording of the warrant which did not specifically speak about the three projects involved. Chairman Lemire stated there was no accurate backup for this account and asked for backup detail as well as detail of what the Board of Selectmen approved.

Chairman Lemire asked for clarification regarding the \$540,000 referred to in the footnote of the backup material and Mr. De Costa explained they are in the design phase and the construction phase will begin when the DOT approves the money.

Highways & Streets (a/c 4312)

Selectman Lambert explained what the road maintenance projects will be.

Action: Mr. Dilworth Jr. was asked to copy the detailed information on the projects for the Budget Committee.

Mr. Peeples pointed out that the figures are estimates and not real figures as the engineering has not been completed to enable accurate bid estimates.

A discussion took place regarding voter understanding based on the wording of last year's warrant article.

Mr. Harte asked why no culvert replacements had been done this year. Mr. De Costa reported that the work for the culvert on Talent is currently out to bid and Roberts has not been completed due to the current state of the budget. He confirmed that FEMA funds have been received for these and clarified for Chairman Lemire that the expenditure for Talent is can be seen in the Engineering line item. It was clarified for Mr. Falzone that the \$628,962 for next year is only for construction.

Road Maintenance (a/c 4312.20)

Line item 125 (Workmen Wages): Mr. De Costa and Selectman Lambert explained this item is for plowing, as detailed in the backup. Selectman Lambert explained that if they hired someone at the contract labor rate which is a higher rate it would be allocated to Equipment Hire (line item 445). There followed a discussion about Mr. Foto and clarification was provided that he is a part time employee and not a contract employee. There was further discussion regarding the additional \$5,000 in this year's budget. Chairman Lemire stated he did not understand why the Board of Selectmen had not level funded this line and wait until later in the season to revisit it.

Selectman Lambert pointed out Mr. De Costa's request for administrative assistance to help him keep track of his paperwork. Mr. De Costa clarified for Chairman Lemire that he receives a stipend of \$700 which is for administration, and confirmed all his hourly rates are for completed labor and his Road Agent work hours are not submitted. There followed a discussion regarding some of the maintenance projects he has not been able to do and the fact that this money is still in the budget. Mr. Peeples provided some historical information on the Road Agent position and administrative assistance for it. Mr. De Costa explained he would like a set number of hours allocated from someone working in the Town to assist him with his administration, which could be paid from his budget. There was further discussion about this and clarification provided regarding how the situation has changed regarding administrative support since Mr. De Costa became the Road Agent.

Action: Selectman Lambert offered to remind the Board of Selectmen about this situation.

Line item 411 (Propane): There was a discussion regarding the rate for propane.

Line item 575 (Road Maintenance/Improvement): Selectman Lambert explained the Board of Selectmen wish to revisit this line as \$408,110 does not provide Mr. De Costa with additional monies for any other work which might be required in addition to the work outlined in the backup information. Mr. De Costa explained how he had arrived at the figure for reclaiming and overlaying Albuquerque Avenue from Mockingbird Lane to Blackbird Lane and talked about a quote he had received which would reduce the figure. A discussion followed regarding bonding a road maintenance plan. Mr. Harte asked whether Mr. De Costa looks at the CIP to determine how to come up with a figure for road maintenance, and another discussion took place about whether this would work and other options which might be available for financing the road work.

Line item 631 (Equipment Repair & Maintenance): Chairman Lemire asked about the 2008 expended figure as the line has been overspent and Mr. De Costa explained backhoe repairs have been charged to this line. Chairman Lemire asked why the Board of Selectmen had approved a higher figure than what had been requested, and a discussion about the repairs required to the backhoe took place, with Mr. De Costa commenting he did not expect to require the full amount as they are not using the hoe in same way. He confirmed that the total amount spent on the repairs amounts to approximately \$12,000.

Line item 635 (Vehicle Fuel): In response to a query from Mr. Peebles, Mr. De Costa explained this line is diesel fuel for all trucks.

Snow Plowing (a/c 4312.50)

Line item 631 (Plow & Spreader Repairs): Mr. De Costa reported the cost of many of the parts and components has increased. Chairman Lemire clarified the Town does not pay additional fuel or repairs for any private trucks.

Line item 686 (Salt Purchase): A discussion took place regarding the use and cost of salt. Mr. De Costa reported he has managed to obtain a lower bid through the company used by the State of \$61.41 and the rate is locked in for the year. Mr. De Costa reported to the Committee how he has been dealing with road clear up in winter weather.

In response to a query raised by Mr. Harte regarding the direction being taken as to the use of chemicals versus salt on the roads, there was a discussion about the options and what is being used by the DOT and other towns.

4. OTHER TOWN BUSINESS

Mr. Dilworth Jr. pointed out he had provided additional information on the equipment for the Fire department, stating he had totaled what has been spent in 2008 so far.

Chairman Lemire deferred action on the Budget Committee account until next week.

Mr. Dilworth Jr. reported on the meeting he had attended with the DRA auditor regarding the town tax rate and stated that the current valuation of properties in town is 107%, and there would be no change in this until April 2009. Mr. Miller provided information on the breakdown of the figures and Mr. Dilworth Jr. confirmed the Budget Committee will be copied when the official breakdown has been received.

5. SCHOOL BUSINESS

Mr. Miller reported he had sent Mr. Martin's report to Chairman Lemire for distribution to the Committee. He stated that, excluding salaries, the school budget is 1.5% over last year at present.

Action: Mr. Miller agreed to obtain the enrolment figures for the next meeting.

Mr. Miller confirmed for Mr. Parker that the teachers' contract is in negotiation and will be a warrant article. He also provided a status report of the energy buying group negotiations, stating they are already \$15,000 ahead.

MOTION: by Mr. Harte

Motion to adjourn the meeting

SECOND: Selectman Lambert

VOTE: 7-0-0

The meeting adjourned at 9:25 p.m.

Minutes taken by

Sandra Maxwell, Recording Secretary