

## Tilton-Northfield Fire & EMS Budget Committee Meeting

Meeting Called By: Budget Committee      Date, Time: 01/23/2020 at 6:00 PM

Transcribed By: Beth Joslin      Place: Tilton Town Hall, Downstairs Meeting Room, 257 Main Street, Tilton

Jason Wright called the meeting of the Budget Committee to order at 6:02 PM.

Present: Paul Blaisdell, Charles Broughton, Dennis Manning, Kevin Waldron, Jason Wright, Jane Alden, Fire Commissioner Eric Pyra and Chief Michael Sitar.

Firefighters: Captain Jon Powell

### Minutes

#### January 2, 2020

Jane made a motion to approve the minutes of January 2nd. Dennis seconded the motion. Being no discussion, vote was taken. Motion passed.

### 2020 Operating Budget

Chief Sitar informed the committee that they will be holding the Budget & Warrant Hearing on Monday, February 10, 2020 at 5:30 pm in the Tilton Town Hall upstairs meeting room and there will be another hearing Monday, February 24, 2020 at 5:30 pm in the same location, specifically to discuss the change of purpose of the Apparatus and Equipment Fund.

#### **342.11 QuickBooks Hosting**

Chief Sitar directed attention to line 342.11 for \$2,200, noting that it was something they had missed in the original budget. Paul asked how it was different from the user licenses. Chief Sitar explained that that the user licenses were to allow each person access to Quickbooks, while the hosting is the offsite server where Quickbooks is stored. Paul asked if there was any way to host Quickbooks without being remote. Chief Sitar replied that they can but their IT service, Mainstay, had informed them that they would need a new server costing in the \$12,000-\$15,000 range. Paul asked what makes this server so special other than being a storage drive. Chief Sitar replied that this hosting will take the responsibility off the district should something happen to the server, they have redundancy built in to prevent the loss of data. Kevin asked if there were any other storage fees. Chief Sitar replied that there used to be a fee for an off site back up of their server but they no longer have that, he also stated that there is a one time \$5,000 fee to swap over the server. Discussion continued regarding offsite storage fees.

Chief Sitar explained that the cost of the VPN Certificate will go away after this year but that they need it to access the inhouse server till the changeover is complete. Chief Sitar continued to explain the other items in the category. Kevin asked if the district is saving money in the long run by going to the cloud versus buying a new server. Chief Sitar replied that the consultants at Mainstay have told them that the cloud is the more economical route. Jason commented that the money is about the same but there is less risk with the cloud if they are guaranteeing protection. Charlie commented that he sees them replaced about every 5 years at his company. Paul asked Charlie with his experience, does this seem reasonable? Charlie replied yes, and they shouldn't be losing money on the deal but very well could be saving money.

Jane made a motion to fund line 342.11 for the amount of \$2,200. Charlie seconded the motion. Being no further discussion, vote was taken. Yay: 6; Nay: 1. Motion passed.

## **660 Vehicle Repairs**

Chief Sitar directed attention to line 660 vehicle repairs, commenting that with all the numbers in for the year the total is almost \$70,000 and that he had requested \$59,468. Chief Sitar comments that the budget committee had previously cut that by \$5,000 to save some money. Chief Sitar asked the committee to reconsider given the cost of maintaining aging vehicles. Jason comments they had tabled the discussion from the last meeting to allow all members to weigh in. Kevin noted that they had overspent in 2019 and asked where the extra money had come from. Discussion ensued as to where the money came from to cover the overage and the costs of maintain the aging vehicles.

Jason made a motion to fund line 660 at the amount of \$57,000, adding approximately \$2,500. Jane seconded the motion. Paul asked why \$2,500? Jason replied it was to meet in the middle of where they were and where they were asked to go. Paul asked if they need the money. Jason replied that its hard to know with repairs.

Dennis asked why some things were not spent, which allowed for the overspending in the vehicle repairs, such as tools and repairs to pagers. Chief Sitar replied that they were able to save in places that they can't always predict for example when the SCBA flow test is done they also make repairs. On average it usually costs about \$2,000, but they needed fewer repairs this year and so only spent \$900. Jason commented that they were lucky with fuel costs this year and were able to not spend too much but could have easily gone the other way.

Eric asked if there was anything major that has not been replaced on Engine 3 in recent years that has the potentially need to be replaced. Chief Sitar replied that it is hard to predict but that the rear end has not been replaced but is regularly maintained, the transmission is regularly maintained but has never been replaced.

Kevin commented that there was nothing hurt by overspending the line in 2019. It did not prevent the district from acquiring necessary equipment or paying utilities. Being no further discussion, vote was taken. Yay: 3; Nay: 4. Motion failed.

## **4900 Capital Outlay**

### 4901 Land

Chief Sitar noted that there are 4 lines that need to have \$1 to stay open.

Dennis made a motion to fund line 4901 for \$1. Jason seconded the motion. Charlie commented that the Chief and commissioners had both agreed on a budget of \$500,000, that now is \$1. Chief Sitar stated that after the commissioners voted they had a change of direction and wanted to see what the building committee came out with for a recommendation. Charlie commented that if land were to become available, they wouldn't be able to do anything. Paul commented that they could sign a purchase and sales agreement contingent on future financing. Being no further discussion, vote was taken. Motion passed.

### 4902 Capital Out Machinery, Vehicles, & Equipment

Dennis made a motion to fund line 4902 for \$1. Jane seconded the motion. Being no discussion, vote was taken. Motion passed.

### 4903 Capital Out Building

Dennis made a motion to fund line 4903 for \$1. Jane seconded the motion. Being no discussion, vote was taken. Motion passed.

### 4909 Other

Dennis made a motion to fund line 4909 for \$1. Jane seconded the motion. Jason asked what other was. Chief Sitar replied that last year it was voted to add \$200,000 to other for architectural fees. Also noting that because most of that was not spent it will be returned to the general fund. Being no further discussion, vote was taken. Motion passed.

**Operating Budget**

Dennis made a motion to recommend the total operating budget of \$2,404,255. Jane seconded the motion. Paul commented that the budget was only recommended by two of the three commissioners and asked why that was. Chief Sitar replied that Paul Auger voted against it, he believes it was related to personnel. Being no further discussion, vote was taken. Yay: 6; Nay: 1. Motion passed.

**Warrant Articles**Article 05: Apparatus & Equipment Fund Budget

Dennis made a motion to recommend Article 5 in the amount of \$478,793. Jane seconded the motion. Kevin commented that every year this particular article goes up, he doesn't understand the need to buy so much new equipment. Eric commented that the bulk of the money is going toward new SCBAs which is a once every 15-year purchase. Kevin asked what happened with the grant money for the SCBAs. Chief Sitar replied that he had written a grant but it was denied because they have \$1.5 million in the Capital Reserve Fund. Kevin asked how many SCBAs they were buying. Chief Sitar responded there are 26, for the 26 riding positions. Discussion ensued regarding the number of SCBAs.

Kevin expressed concern over how much was being spent from the Apparatus and Equipment Fund and Article 7 changing the purpose of that fund. Chief Sitar replied that the fund was probably the best thing the district had done and he plans to keep it healthy. He showed the committee his conservative budget of revenue and purchases for the coming years, explain that there is room in the budget to be able to put money towards bonds or a new station. Discussion ensued regarding the Apparatus & Equipment Fund. Being no further discussion, vote was taken. Motion passed.

Article 06: New Fire Engine

Dennis made a motion to recommend Article 6 in the amount of \$811,450. Jane seconded the motion. Jason asked where in the process they were and if they had a definitive number. Chief Sitar responded that it is still in the bidding process and the bids are due back at the end of the month. Paul asked which truck this amount was for. Chief Sitar replied that it was for the Seagrave. Paul confirmed that Seagrave was really the only viable option at this point because the other companies couldn't guarantee that the truck would fit into the building. Chief Sitar replied that that was correct. Paul asked what will happen if another company comes back saying they can meet the size specifications. Chief Sitar replied that they have 88 pages of specifications and will go through each one and ultimately will choose the company that meets the most specifications for the lowest price. They will amend the amount at town meeting when they have a final number. Paul commented that the current amount was for the most expensive truck so any amendment will be less.

Paul asked for clarification of how the recommendation process works with the committee. Captain Powell responded as head of the committee, explaining that the committee met with several vendors and formulated a list of specifications they want in a truck. Chief Sitar has since sent those out to bid, when the bids come back the committee will look at them to determine their final recommendation. Paul asked Chief Sitar if he would override the committee's recommendation. Chief Sitar replied that he would look at the bids and probably only recommend a different truck if there was a glaring item that was overlooked. Paul asked what they would recommend if 2 trucks came back meeting the same number of specifications but one cost \$50,000 less, which recommendation would they go with. Chief Sitar replied that it is hard to say without going through the bids. Jason commented that though they could meet 90% of the recommendations that they won't necessarily be the same ones. Chief Sitar commented that some specifications are more important than others and that will need to be weighed.

Jane asked if there was a policy to receive a certain number of bids. Chief Sitar replied that they have a purchasing policy that items will go out to bid and the look at all the bids that come back. Jane asked if there was a cut off date. Chief Sitar replied there was. Jane commented that if a lower bid came in half way through the year it would not be considered because it is past the cutoff date.

Paul asked if there was any formal quote for the amount in the article. Chief Sitar replied not yet, the bids are due back January 31, 2020. Paul suggest in the future that all bids should be due before the

warrant articles are created. Discussion ensued regarding the lack of a definitive price. Captain Powell commented that he and Captain Gilman, who is also a tax payer in the district, make up half of the committee and are very mindful of the cost as much as they are of getting a truck that meets their needs. Paul replied that he had full confidence in the committee but was only concerned that it was not a final quote. Discussion ensued regarding truck specifications. Paul asked if there will be a final price by the district meeting. Chief Sitar replied that they would have a final price by then. Being no further discussion, vote was taken. Yay: 5; Nay: 2. Motion passed.

Article 11: Design, Engineering, and Architectural Fees

Kevin stated that last year it was felt they needed \$200,000 for this purpose and this year it is at \$100,000. Chief Sitar replied that he had requested \$200,000 but the Commissioners had changed it to \$100,000. Kevin asked if it was raised by taxation. Chief Sitar replied that it was. Chief Sitar commented that Article 12 is to take \$50,000 from the general fund to put into the Land and Building Capital Reserve Fund. He commented that that number could change depending on the results of the upcoming audit and will likely be amended at the district meeting.

Kevin asked if the Commissioners had opted not to put in a warrant to change the bylaws. Chief Sitar replied that they did vote to put in a warrant but that the DRA threw it out because of RSA 670:2-A-Optional Election of Commissioners in Districts within the towns of Merrimack and Hooksett. He stated that the RSA only allows commissioners in Merrimack & Hooksett to put in warrant articles to change the number of commissioners from three to five. Every other village district within the state it has to be petitioned. Kevin asked when the deadline was. Chief Sitar replied that he wasn't sure but that there was time.

Article 07: Change Purpose of Apparatus & Equipment Fund

Dennis made a motion to recommend Article 7. Jane seconded the motion. Dennis asked where the number would come from. Chief Sitar replied that every year the commissioners will recommend a warrant article to move money to the land and building fund or to pay a bond. Dennis commented that the number would likely be recommended by Chief Sitar then and would not be some arbitrary number.

Paul commented that this warrant article is specifically changing the purpose of the fund, not how the money is distributed from the fund. Chief Sitar replied that that was correct, that any money coming out of the fund will still need to be a warrant article. Dennis commented that they are just adding onto what it can do but its current purpose will be unchanged. Dennis commented that it will likely need to be explained at the district meeting. Being no further discussion, vote was taken. Motion passed.

Article 08: Health Insurance Deductible ETF

Dennis made a motion to recommend Article 8 in the amount of \$1,600. Jane seconded the motion. Chief Sitar explained that they maintain \$5,500 in the Health Insurance Deductible Fund and that they spent \$1,600 out of it last year and this article is to replace that money. Jason commented that it's not coming from taxation but from the Unassigned Fund Balance. Being no further discussion, vote was taken. Motion passed.

Article 09: Fire prevention Expendable Trust Fund

Dennis made a motion to recommend Article 9 in the amount of \$8,734. Jane seconded the motion. Dennis commented that the money would come from permit fees raised throughout the year. Being no further discussion, vote was taken. Motion passed.

Article 10: Fire Prevention Budget

Dennis made a motion to recommend Article 10 in the amount of \$7,520. Jane seconded the motion. Jason asked if Deputy Joubert had a plan laid out as to what the funds were for. Chief replied that he does. Some being for plastic hats and books for kids but also training for addition personnel to be fire inspectors, pay for addition people to assist with Fire Prevention Week at the schools. Jason asked if this was an average year. Chief Sitar replied that it was up from last year, because of the training costs.

Charlie commented that is article will not affect the tax rate. Jason commented that it comes from the Fire Prevention ETF that they talked about in Article 9. Being no further discussion, vote was taken. Motion passed.

#### Article 11: Design, Engineering, and Architectural Fees

Dennis made a motion to recommend Article 11 for the amount of \$100,000. Jane seconded the motion. Dennis commented that they are raising it by taxation and asked Chief Sitar if they had raised money in the past for the current building committee. Jason commented that they had but it is going to lapse. Chief Sitar stated that they did budget for money last year but did not spend it all. Dennis asked where that money was now. Chief Sitar replied that it was in the general fund. Chief Sitar went on to explain Article 12. Dennis stated that he still didn't understand. Dennis asked Eric why the Commissioners had approved Article 11. Eric replied that he wasn't sure the Commissioners had connected the dots on that. Dennis expressed concern that they continue to fund building committees that result in nothing tangible. Jason commented that the same thing has happened with the police department, they have spent hundreds of thousands on planning and yet still do not have a building.

Paul asked how much was spent of the \$200,000 last year. Eric replied they spent \$11,092. Paul commented that they have approximately \$189,000 remaining. Jason commented that it has lapsed. Paul commented that the article last year was lapsing so they only had one year to spend the money and this one is non-lapsing so the money will continue to be there. Paul asked if the unspent money will be returned to the taxpayers or used to fund this year's budget? Chief Sitar replied that with Articles 11 and 12 they would like to put that money back to use as its intended purpose towards building a fire station. Paul asked who will determine when the money is spent. Chief Sitar replied that it would be the district. Paul replied that it would be through the budgetary process or a warrant article. Dennis commented that they do have a warrant article to spend some of it. Paul replied that he was only concerned with the money that was not spent last year and asked again if that could only be spent using a warrant article. Chief Sitar replied that that was correct. Paul asked what the intent of the fund was. Chief Sitar replied that it was for building design and engineering fees for a new fire station(s). Paul stated that he was concerned that that the money had been raised for a purpose and was not used for that now they want to put it towards something else. Discussion ensued regarding the money being used for its originally intended purpose.

Chief Sitar commented that the article could be amended to be funded from the unassigned fund balance rather than through taxation, so that they are pulling from the money that had been raised last year for that fund. Discussion ensued regarding how that is done.

Dennis commented that it still doesn't address his concern that the money is just going towards planning a building that won't be built. Discussion ensued regarding the building committee's plans.

After speaking with administrative assistant, Kathy Tobine via phone, Chief Sitar relayed to the committee that the Commissioners have the ability to change the warrant articles before the public hearing. That the next commissioners' meeting will be February 4<sup>th</sup>, so they will be able to make that change if they decide to. Dennis commented that the budget committee will not be meeting between the commissioners' meeting and the public hearing. Chief Sitar suggested the budget committee meet before the public hearing starts to recommend or not recommend. Paul asked if he would be able to vote via email as he will be traveling. Chief Sitar replied that he could vote via phone if he was on speaker phone during the meeting. Paul asked Eric if he had down exactly the changes, they were recommending the commissioners make. Eric replied that he has that they want to change it to pull the funds out of the unassigned funds balance. Chief commented that they wanted to change the amount to the exact amount that was not spent the previous year (\$188,909) and restore it to line 4909 Other where it lapsed from. Eric asked if they were circumventing encumbering funds by doing that. Chief Sitar replied that they were not, they are putting it in the hands of the voters.

Paul commented that in Article 12 they were looking to take \$50,000 from line 4909 Other to put in the Land and Building Fund. Jason corrected that the \$50,000 would come from the undesignated fund balance. Paul asked if they should take money from the \$188,909 for design fees to move to the Land

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and Building Fund. Chief Sitar commented that he would feel better leaving it where it is. Jason commented that he thinks they will spend every bit of it. Chief Sitar commented that the \$50,000 amount could change based on the results of the audit, it could be more, it could be less. Discussion ensued regarding the undesignated fund balance and whether there would be enough money.

Being no further discussion regarding Article 11, vote was taken. Motion failed.

Article 12: Add to Land & Building Fund

Paul made a motion to recommend Article 12. Jane seconded the motion. Being no discussion, vote was taken. Motion failed.

Chief Sitar commented that it was his feeling that if anyone was going to raid the Undesignated Fund that it should be for the Land & Building Fund so when it comes time to borrow money for a building it isn't as much. Dennis commented that for the record he is not against a station or the land and building fund, he is just against Articles 11 and 12.

Article 13: Communications Tower ETF

Dennis made a motion to recommend Article 13 for the amount of \$1.00. Jane seconded the motion. Chief Sitar states that the revenue from the tower lease at Park Street will go towards the land and building fund. Paul asked if it would be the income after expenses, or just the income and expenses would come from somewhere else. Chief Sitar replied that they don't have any major expenses, just a small electric bill. Paul asked if the revenue going into the fund will be net or gross. Chief Sitar replied that it will be gross and the electric bill will be paid by taxation. Paul asked if electricity was the only anticipated expense. Chief Sitar replied that that was correct and that any equipment they need in the future will come from the Apparatus & Equipment Fund. Dennis commented that the fund will offset the budget more than the effect the electric bill will have. Jason commented that it is better to have the revenue going into a designated fund rather than just into the general fund. Being no further discussion, vote was taken. Motion passed.

Article 14: Establish Contingency Fund

Dennis made a motion to recommend Article 14 for the amount of \$24,710.00. Jane seconded the motion. Dennis asked if that number will be changing. Jason commented that it will not because it is based on the previous year. Being no further discussion, vote was taken. Motion passed.

**Adjournment**

Dennis made a motion to adjourn. Jane seconded the motion. There being no discussion, vote was taken. Meeting adjourned at 8:19 PM.

Respectfully submitted,

*Beth Joslin*

Beth Joslin  
Office Clerk

**Next Meeting Date, Time, Place:** February 10, 2020 at 5:00 PM.  
Tilton Town Hall, Downstairs Meeting Room  
257 Main Street, Tilton