

## Tilton-Northfield Fire & EMS Budget Committee Meeting

Meeting Called By: Budget Committee      Date, Time: 06/25/2020 at 5:30 PM

Transcribed By: Beth Joslin      Place: Northfield Fire Station  
149 Park Street, Northfield

Jason Wright called the meeting of the Budget Committee to order at 5:36 PM.

Present: Paul Blaisdell, Charles Broughton, Kevin Waldron, Jason Wright, Jane Alden, and Chief Michael Sitar.

Members of the public: Don Stevens, Kevin LaChapelle, Paul Auger

### **Fire Truck Purchase**

Chief Sitar introduced to idea of purchasing two fire engines rather than just the single engine they had previously approved. Noting that both of their current engines have been out of service repeatedly and are costing an average of \$41,000 in repairs and maintenance annually.

Paul B. asked if that average included the rebuild that was done one of the engines because it would influence that average. Discussion ensued

Jason commented that it was a good question but would like to finish hearing what the chief has to say before they get to into questions.

Chief Sitar continues his explanation stating that the second engine would be financed through Franklin Savings Bank and explained the cost savings of \$50,600 if they buy two engines at the same time. Payments for the loan would come from the Apparatus & Equipment fund and would not affect the tax rate. Though there is interest on the loan it is less that what they are saving in engineering fees. Chief Sitar also noted that he was informed that the price for trucks will be raised in September by 2% - 4%.

Don commented that the payments for a loan should not come from the apparatus and equipment fund. When it was created it specifically stated that it would not pay loan payments.

Chief Sitar replied that the purpose of the account was to buy and replace fire apparatus and equipment.

Don stated that if the loan payments come from that account that the interest will be paid from that as well and that is not how it should be. In order to do it legally it would have to be through a warrant article.

Kevin L. asked if he could speak and stated that he much prefers paying cash over borrowing money but given the circumstances he stated that they don't want to have to borrow fire trucks. He feels they should take the lease now and then pay it off, they have the money to do it and there is no penalty for paying it off. This year they pay for one engine and next year if the budget supports it, they can pay off the loan for the second engine. Discussion ensued.

Jason asked if the trucks will be identical and will they still pay the higher cost for both to have them fit in the station.

Chief Sitar replied that they would be the same and there would be that extra cost. Discussion ensued.

Kevin W. stated that he does not support purchasing two trucks. He believes that they spend all kinds of money from the fund just because it is there. Extensive discussion ensued.

TNFD Budget Committee Meeting

06/25/20

Jason asked if they could order two trucks now to lock in the price but get delivery of the second truck in a different fiscal year.

Chief Sitar replied that he spoke with the manufacturers about that but the price would not be locked in for the second truck.

Jason commented that he would rather pay 3% more than pay interest. Discussion ensued regarding payment arrangements.

Charlie commented that he doesn't like the big repair bills.

Kevin L. commented that in his experience the build time for engines is about 14 months, if they time it so they don't get both engines at the same time. Tell them you want an engine as soon as they can get it and take the first one when it is ready and then begin the second one and maybe that will take 22 months and that will put a few years between the life of the trucks.

Kevin W. stated that there is a history of screwing up when it comes to purchases.

Don commented that he isn't sure he likes the firemen telling him what kind of truck they should be buying. He would rather ask somebody who really knows fire trucks.

Paul B. asked him who would know the trucks better than the people who work with them every day?

Kevin L. commented that every department has a different philosophy on how they like their trucks but that it isn't just the fire service but all companies ask the opinion of the people operating the vehicle before buying it.

Kevin W. questioned if there was anything in the 80 pages of specs that they could cut out or downgrade. Discussion ensued.

Jason commented that even if they ordered a truck today, they would still be going on calls with their fingers crossed for the next 14 months till a new truck arrives. Discussion ensued

Don if there would be a public hearing before district meeting.

Jason replied that if there was a bond there would be but he believes they are past that. Discussion ensued.

Chief Sitar comments in terms of the vehicle maintenance budget that the committee has voted on \$54,468. So far, the department has spent \$41,763 as of a few weeks ago. So, there is \$12,705 remaining.

Jason commented that they knew when they cut it back that they would potentially have to find money elsewhere for repairs.

Paul A. that it's great that they want the voting body to decide but the commissioners and budget committee should really have something they can recommend to the public. He feels that if they don't recommend anything that the public may feel like the committee doesn't care or doesn't know.

Jason replied that they will vote on the issue but whether they recommend it or not they have had the discussion and can inform the public why they do or do not recommend. Extensive discussion ensued regarding the choice of fire engine.

Jane asked if there was a way to negotiate with them so that the payments come out of 2 different budget years. She believes it will make a difference with the voters; it would make a difference to her. Extensive discussion ensued regarding payments for the trucks.

Paul commented after looking at the numbers that it was completely doable to buy both trucks without borrowing money. Although it may mean that they are unable to put any money towards a bond for a fire station.

Chief Sitar commented that when it comes to engines and ambulances, they are listed in the budget year but often the money isn't spent till the following year because it takes anywhere from 8 to 14 months to receive the vehicle after it is ordered.

TNFD Budget Committee Meeting

06/25/20

Paul B. stated that if they buy both trucks through the Apparatus & Equipment fund, they will save \$41,000 in interest as well as a saving of projected maintenance costs. He questioned if they were getting sufficient value in purchasing two vehicles? Paul continued that the only way to save an additional \$50,000 is to buy the trucks simultaneously. They all need to remember that the repairs for the vehicles effects the tax rate. It is clear that we need two machines, and we need one of them immediately and the other one is not far behind. If we can save around \$180,000 in the process, then we should do it.

Charlie asked if they need to change the philosophy of the Apparatus & Equipment fund?

Jason replied that they wouldn't if they paid cash for the truck.

Chief Sitar commented that in 6 years he has been with the department he has purchased what they need in a timely matter and increased revenues to the fund. He works hard to not put the fund or TNFD in danger. Discussion ensued regarding the capital improvement plan and the conservative spending and projections.

Paul B. asked if in order to receive the discount if they have to pay for both trucks up front.

Chief said yes that if they only paid a down payment the savings would go down but he wasn't sure how much. Discussion ensued regarding how to pay for the trucks.

Jason stated that its hard to propose a vote because they have discussed so many different options and scenarios. Extensive discussion ensued.

Paul B. asked if Chief Sitar could provide a list of repairs that have been made on the engines in the past year. Discussion ensued regarding repairs and maintenance.

Paul B. asked Chief Sitar for numbers in two scenarios relating to purchasing 2 engines. The first is buying both engines for cash out of the apparatus & Equipment fund. The second is buying an engine with cash from the apparatus & equipment fund and the second engine being purchased on a lease. Showing the lease being paid within the first year out of the apparatus and equipment fund (not including the interest). Discussion ensued.

The committee agreed to continue the discussion at another meeting to be held Thursday, July 2, 2020 at 5:30 pm.

**Adjournment**

Meeting adjourned at 8:00 PM.

Respectfully submitted,

*Beth Joslin*

Beth Joslin  
Office Clerk

**Next Meeting Date, Time, Place:** July 2, 2020 at 5:30 pm  
Park Street Station  
149 Park Street, Northfield