

**BUDGET COMMITTEE MEETING MINUTES – January 21, 2020**  
**Lincoln Town Hall, Lincoln, NH**  
**(approved as amended)**

**ATTENDING:** Chairman Mike Simons, Vice-Chairman Herb Gardner, Jack Daly, Cindy Lloyd, Tracey Brumlik, Susan Chenard, Jim Spanos, Paul Beaudin, Dennis Ducharme, Ray D'Amante, Jayne Ludwig, Lutz Wallem  
Audience: Town Manager Butch Burbank, Finance Officer Johnna Hart, Fire Chief Ron Beard, Tamra Ham, Police Chief Chad Morris, OJ Robinson,

**Call to order:** 5:30 pm

**Review and Approval of Minutes:**

January 9<sup>th</sup> minutes

Motion to approve: Herb Second: Dennis

Discussion:

Mike states you are not required to abstain if you are absent from the meeting.

Amendments made: line 13: "we are signing," line 18 after TC/TC insert "line," line 20 "Paul asks" not "ask," Line 40 ..."is once employee" should be "is one employee," line 43 "time to snow" should be "time due to snow," line 45 "responsibility" should be "responsible."

Decision made: We will table these minutes until the 23rd meeting so we have longer to review them.

Motion to table the minutes: Ray Second: Susan Motion carries unanimously.

A draft of the 2019 PLANNING DEPARTMENT SUMMARY was given. It does not take into account the time it takes to pull the permits, some taking 3 weeks of work to complete.

Discussion of when to discuss Capital Reserve since our last meeting was cancelled. We do not need to post changes to the agenda. We are not taking a binding vote and we still have time to hear from tax payers. Decision is made to move discussion of Capital Reserve to January 23 with the Warrant Articles.

**Review of Budgets from Administration:**

**TRUSTEE OF THE TRUST FUND REPORT:**

Herb reports that Jeanne Beaudin is now the Chief Financial Officer and he is the Chairman. Herb reads the handout of the interests, dividends and CD's we carry as follows:

We switched from Citizens Bank to Bank of NH in May. There were no dividends with Citizens Bank just interest. The interest with Citizens is \$29,020.62, interest from Bank of N.H. is \$25,506.71 and the dividends earned \$19,575.21 since May. Primary Bank interest is \$5,835.79 and a CD for \$230,000 at a rate of 2.45%, TD Bank interest is \$1,934.06 and a CD for \$100,000 at a rate of 1.90%, Interest earned in 2015 was \$229.34, interest earned in 2016 was \$8,169.32, interest earned in 2017 was \$23,881.78, interest earned in 2018 was \$50,520.25, interest earned in 2019 was \$80,780.40. TTF Board had 12 meetings in 2019 and spent \$433.25 of its budget. Trustees are requesting \$1500 this year since they are anticipating having more meetings and thus more time spent on minutes. They are expecting to meet with Bank of NH 4 times and 1-2 meetings with TD and Primary Bank.

Herb then reads the Summary Report: Balance as of year-end 2018 (Capital Reserve and Trust Funds) equals \$3,688,356.56, TD Bank CD in the amount of \$100,909.17, Primary Bank CD in the amount of \$238,485.77, Interest earned through 4/30/19 with Citizens equals \$29,020.62, Interest earned with TD Bank \$5,835.79, Interest earned with BONH (May-December) \$25,506.71, Dividends earned with BONH (May-December) \$19,575.21, Capital Gains Earned on Securities \$5,025.49, Accrued interest paid on bond purchases \$16,503.35, Wealth Management Fees paid to BONH \$6,154.09, Disbursements paid to Town equals \$1,227,847.66, and transfer from Town to funds equals \$1,043,974.15. The balance at year-end is \$3,908,118.43.

Discussion about increasing money from \$1000-\$1500. Jayne states the BOS can't justify more since other committees make due with \$1000. Jack states that if they don't use it then it can revert back. Jack supports the \$1500. Butch states that they pay a part-time minute taker at a rate of \$25/hr. Herb says it's possible they could have over 12 meetings. Jayne says that even with 12 meetings it wouldn't put you over \$1000.

Jim asks if it's realized gain or paper gains and if they backed out the two expenses from the total earnings. Herb says those are questions for the Chief Financial Officer.

Lutz asks why they switched banks. Herb says they weren't happy with the other presentations.

Ray makes a motion to increase the budget to \$1500. Second: Jack

In-favor: 5      Opposed: 5      Chairman: in-favor      Motion Carries

#### **FIRE:**

Discussion of increases and changes are as follows:

Wages increased due to the 3% raise and the 53 weeks in the year. Chief Beard's total salary increase is \$6614, which is 4.8%, due to his other two jobs in code compliance and as health officer. Last year after the budget review it was decided that the ON-CALL fire

fighters increase is due to bringing them up to a more competitive rate. Chief Beard says they took 54 less calls last year. If last year's call volume was matched it would have been about \$6542 over budget. That's why the line item was increased.

Chief Beard goes over the 27 types of calls and the number in each of the major categories. There has been a downward trend in some calls due to education and getting systems in compliance. Jayne states that there is revenue coming in for the false alarms. Butch states that the fines for false alarms go up considerably after the 2<sup>nd</sup> and 3<sup>rd</sup> call. (\$700-\$1000).

Jack asks about the results from the audit from ISO. Chief Beard gives the committee a handout (see report) titled, Public Protection Classification Summary Report. Butch and Chief Beard reviewed with the auditors the fire flow assessment, the GOT BIG WATER study, other records and visited dispatch etc. The review from ISO resulted in our community classification being a CLASS 04/4Y. Some of the areas we are high in are: dispatch, engine companies (pump ladder truck), pump capacity, deployment analysis, operational considerations and hydrants. We've identified our issues and we are working on them. We received a 4.26/5.50. This moves us up from a Class 6 (2007 = 47.98/100 points) to a Class 4 (2019 = 61.78/105.50 points). We are in the top 24% in NH. Butch says that because of this ISO report there could be a 10%-20% decrease in insurance rates after April 1st.

Paul states that under Training we only received 3.82/9, possible, indicating that we need more training. Why then, was only \$531/\$2000, of the training budget, used? Discussion follows about the training offered and the large commitment from the fire fighters that would be needed. Most of the time their jobs do not allow for them to leave for the training. We need certified instructors and it's very expensive. Fire-1 is \$880 and Fire-2 is just under \$600. Butch says for Fire-2 it's a 2-week course, so they have to find a way to get out of their primary jobs for 2 weeks, including weekends. Chief Beard states that some training can be done on-line, but classroom time is necessary. We may be able to provide some of the training in-house. The fire fighters have training but need more, as some skills are limited. It could easily cost \$4000 to train 2 people. Instructors have to go through state approval. Chief Beard says a Fire-1 class is 280 hours plus a weekend and travel time, which is \$16.50/hr. = \$4620 per person and Fire-2 class is 148 hours at \$17.50/hr. = \$2590 per person. They volunteer their time, but we'd pay for the class. Paul asks Butch and Ron to come up with a figure, before we vote, that would be necessary for more training. Mike asks that we have numbers and analysis from Chief Beard by January 28<sup>th</sup>. January 28<sup>th</sup> will be the budget review.

The \$8000 on the line that says "Mechanical gate @ box culvert" is to put in a box culvert by the Mountain Club at Loon. It would raise the spillway to be used as a drafting point. This is a Selectman's recommendation based on the BIG WATER REPORT. Paul asks why it's

not in CIP. Butch states it came out after the CIP was done, but that moving forward, it could be moved there.

Chief Beard states that the GRANT REVENUE line is for a grant they are applying for now. It would be for 25-26 SCBAs with a bottle. Butch says that If we don't get the grant, we don't spend it.

Materials and supplies were increased because of town monitoring who makes copies and there is a lot of paperwork and documentation with the inspections for the short-term rentals. This is the only budget that Chief Beard uses for fire, code enforcement and health officer. Mike asks about the number he read of 900 units operating as short-term rentals. Butch states that there is some double counting going on due to the fact that units use different platforms, like AIR B&B and Home Away. Each platform counts as one in that number.

Paul asks if code enforcement and health officer hours are tracked for Chief Beard weekly. Butch says that it's listed on his time card. Chief Beard states that in 2019 he worked 1735 hours for the fire department, 693 hours for code enforcement and 523 hours as the health officer, for a grand total of 2951 hours.

#### **LEGAL:**

Discussion of increases and changes are as follows:

Butch states that he asked for \$200,000 last year and \$160,000 was budgeted and he went over by \$92,732. Some cases in Supreme Court are proving to be very costly and aren't covered by insurance and there is also some potential litigation coming up that could be costly too. Butch wants to be more realistic budgeting, but will spend if necessary. Paul doesn't want to inflate the budget for something that may or may not happen. Jayne says she wants to cover the basis and feels \$200,000 is a good number. Jack asks where the money comes from if you don't have it. Butch says it goes into taxation.

Jack asks if the property values will go back up now that the Saber property is out of bankruptcy. Butch states that the new owner has put in one cistern and the turn arounds. The Chief has waved the 2<sup>nd</sup> cistern, but the new owners will change the covenants to say that they will have to put in sprinklers and cover 50% of cost of sprinklers for every home that goes in. There is some final paperwork to be done and then we can start issuing land use permits.

Herb leaves meeting at 7:25

Discussion of Code Enforcement/Violations line as follows: Should this be an increase in revenue? Do we need to start enforcing the fines? Will we get sued? Planning Board is not the enforcer of these.

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Butch states that generally we do not recoup legal expenses just damages.  
Dennis and Ray feel \$200,000 is a fair number.

**INSURANCE:**

Discussion of increases and changes are as follows:

Butch states that this is a “not to exceed” number and that is the best the insurance company can give us right now. Paul asks why we only split the Solid Waste portion and not the community center portion. Butch says we’d have to change the agreement that we have on paper. The ISO report would not help on liability, only the building insurance. Chief Beard states that they look at building construction, sprinklers, alarms, and distance from a water source (cistern or fire hydrant) to make the determinations.

**PATRIOTIC PURPOSES:**

Discussion of increases and changes are as follows:

Butch states that this is the first increase in Planting/Maintenance in 2-3 years. The Electricity increase is due to the rates and usage going up.

**Other Business:**

Mike asks Johnna for the tax rate effect for each budget. before we vote.  
BOS needs to look at the financial penalty on code violations.  
Capital Reserve and Warrant articles will be discussed at next meeting.

**Motion to Adjourn at 7:40**

Motion: Cindy      Second: Jayne      Motion carries unanimously

  
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Chairman Mike Simons

  
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Date: