

HUDSON, NH BOARD OF SELECTMEN
Minutes of the October 26, 2017 Budget Review Meeting

1. CALL TO ORDER - by Chairman Luszey the budget review meeting of October 26, 2017 at 7:30 p.m. in the Selectmen's Meeting Room at Town Hall.
2. PLEDGE OF ALLEGIANCE - led by Finance Director Kathy Carpentier.
3. ATTENDANCE

Board of Selectmen: Ted Luszey; Roger Coutu, Marilyn McGrath, Angela Routsis, Dave Morin

Staff/Others: Steve Malizia, Town Administrator; Kathy Carpentier, Finance Director; Jim Michaud, Assistant Assessor; Police Chief Jason Lavoie; Recreation Director Dave Yates
4. BUDGET PRESENTATIONS
 - A. Handouts
 - B. Follow-up items

Chairman Luszey recognized Finance Director Kathy Carpentier.

Kathy Carpentier first wanted to point out that you have three documents in front of you. One is the default budget that we'll talk about later on this evening. The second one is utility expenses for the Hills Building that you asked for from the Library. We can talk about that during revenues because that was the conversation. The third one is outside the budget request from the Police Chief that we can talk about when the Police Chief does his presentation.

The last and final thing I have to mention, Ms. Carpentier stated Steve and I walked away with the follow up to figure out how much a chainsaw costs for the Conservation Commission. I reached out to the Road Agent. An average size decent saw will run us about \$500 give or take a little. Safety equipment like a helmet, chaps, gloves, etc. will run about \$400 per person so about \$900 is needed. As you recall, the Conservation Commission was already asking for \$1,000 so in addition to this \$900, a motion should be made to increase 5586-202 Small Equipment from \$150 to \$2,150, an increase of \$2,000 if that was the wish of the Board.

Motion by Selectman Coutu, seconded by Selectman Routsis, to increase line item 5586-202 Small Equipment from \$150 to \$2,150, an increase of \$2,000, to purchase items such as a gas powered trimmer, chainsaw, protective gear, and other typical trail maintenance equipment, i.e. hand shovels and shears, carried 5-0.

Assessing (5410 & Warrant Articles J, O, P)

Chairman Luszey recognized Assistant Assessor Jim Michaud.

Good evening Board members, Jim Michaud, Assistant Assessor, for the Town. I presented a budget that is fairly flat compared to the current fiscal year that we're in. The department is made up of three full time employees. This is the first fiscal year that we're looking at it in that perspective. We had a conversion of a part time position to full time the prior year. You'll notice some differences in the 100s related to that. Beyond that in automobiles 5410-402, one thing we learned about hanging on to older vehicles that we obtained from the Police Department was we were hanging on to them too long. One idea was to take one of the Chevy Impalas that we currently have and trade it in for a better hand me down from the Police Department when their cycle comes up. I put \$5,000 in there as a placeholder because we don't know how much the Police Department - they're in the bid process now. I understand next year they're probably going to seek some replacements. I had to pick a number for the difference between what the value of my trade in would be to substitute for the value of their trade in. I assume that their trade in will be higher in value and this is intended to make up that difference so that the Police Department is held in the net. It's something that we did most recently a year and a half ago I believe.

Chairman Luszey indicated if we were to get that amount of money for a trade in, I would love it because normally the last few years all we've been getting is about \$500 a car on the trade in.

Jim Michaud thought the differential that I had to pony up last time was around \$2,000 difference. Ours was worth...Steve Malizia indicated we've gotten a little bit better than that. It's much more than \$500. Mr. Michaud said the other differential is that right now we have Chevy Impalas. Right now in the current bid process, the Police Department is looking at trading out some Chevy Impala and also I don't know what the SUV model is but also some SUV. The idea is that we try to get the better pick out of the lot. One of the things when Mr. Malizia was heading up to Concord for a legislative meeting he asked if he could use one of the Assessing vehicles. I said well you should probably take a look at it before you take any Selectmen in it. Not because we trash them, not because the Police Department trashes them, they're used vehicles and they are used. Need I say more? Steve Malizia noted we didn't take that vehicle that day. Jim Michaud asked can we survive. Sure we can survive. I'm just making a point that we hang on to the vehicles too long in the past and we ended up with some repair items.

Selectman Coutu commented first of all we're talking about July of 2019. You're going to get continuous wear and tear in the existing vehicle. I think that when I look at your bottom line of your budget Mr. Michaud, you're slightly lower than the Fiscal Year '18 budget, so you're correct in your opening statement that you're relatively level funded. You're slightly lower and that includes with the \$5,000. I certainly have no objection to your augmenting enough money within your budget to make a vehicle swap. You've been less fortunate than some others in the vehicle swaps in the past. I'd like to see you get something decent on the next swap.

Just for the viewers at home, Steve Malizia indicated we're talking July of '18 and not '19. It goes by fast. I just want to make sure people know it's not two years. Selectman Coutu noted it's still a half a year out almost.

Selectman McGrath indicated I have no issues either.

With that said, Kathy Carpentier said Mr. Michaud has an outside the budget on page 7. He has a memo on page 4 - cyclical data collection program - \$57,500.

Jim Michaud indicated one of the things that we do whether we own a vehicle, a house, or responsible for ongoing maintenance of something is we try to maintain it. We're just coming out of the 2017 revaluation. One of the common items that I heard from folks was you haven't been out to my property. You haven't gotten inside my property. How can this number be accurate? We have through a variety of reasons including one was a medical fall. We've been slipping on our data collection. The idea to contracting out some percentage of our data collection each year is so that we will maintain the viability, the accuracy of the data we have on property attributes for property. Going out to the property, doing a review of the exterior, requesting to do the interior, and then we phase this in of so many per year leading up to the next required re-evaluation which will be in 2022. I say the next required one if the market dictates up or down and things go a little haywire or you can certainly tap the capital reserve fund to have a re-evaluation done early. The point of this outside the budget request is to ask the Board for some level of funding so that we can maintain the product that we have. We are not required by State law to visit property. We're not required by purposes of revaluation. We're required to maintain accuracy of data associated with building permits. Folks want us to go out because of an abatement discussion. There's not State requirement for us to go out and do this. This is called "best practice". This is the best industry practice. I'm not going to sit here tonight and tell you if we don't do it, someone is going to cry foul. That's not what I'm saying. What I'm saying is that it makes sense for us to make sure that our data is accurate and that is why I'm asking for that.

Selectman Coutu said if I were a citizen listening to this at home, the first question that comes to mind is do we not pay a company to come in and do re-evaluation for us. Jim Michaud explained under a traditional re-evaluation model, we're talking about 2002. That was the last traditional full re-evaluation that we had. We hired a company to come in. It was our first one in 11 years and they did a full scratch. That company had employees. They did a full scratch. They went out to property measured and listed it and they did the valuation analysis and they did the values. Since that time through a combination of either part time staff within the Department and outside contractors, we've cobbled together the data collection cycle ourselves. We've done the residential valuation part - right so these are made up of different components: data collections, valuation analysis, setting the values. We've done the residential valuation part. We've hired public utility valuation contractors to do the public utility. We've hired to do the valuation and the data collection for public utility which is mostly getting reporting and from the public utilities companies and we hire commercial industrial valuation contractor. The last time we did a full scratch of commercial industrial was for the 2007 revaluation. In 2012, we did a statistical component commercial industrial. For 2017, we did a statistical component commercial industrial evaluation. The long answer is like many communities, we've left the traditional route behind. We've hired valuation contractors to value the property when we come up for a reval., and we try to cobble together the data collection in the interim years which we've had some success doing but we've kind of fallen out of that. We did go through kind of a tough economic cycle as well so there are items that we were not funding.

Selectman Coutu said you're saying in your presentation for this you said that the number was never mentioned. You're outside funding request is \$57,500 for the Fiscal '19 budget. You said it was a four year process. Are you saying you're going to need almost a quarter of a million dollars? Is this going to be requested every year for four years? Mr. Michaud said yes. This would be a cycle to complete the whole community. It would be probably close to 10,000 properties by the time we come up to that 2022 required re-evaluation. Instead of doing it all in one fell swoop like we did in 2002 and having a really large contract, phasing it in budgetarily phasing it in.

Selectman Coutu asked why not go to a warrant article. Jim Michaud said that is an available option. There are warrant articles that might see success because they have certain department names attached to them and there's warrant articles that may not see a lot of success because they have certain warrant articles attached to them - certain department names attached to them. Selectman Coutu noted we'll leave those unspoken. Thank you.

Chairman Luszey had a quick question. Go back on page 3 for a second. You have a line item 5410-450 and it's for re-evaluation. FY16 you had \$15,000; FY17 you had \$45,000; FY18 you dropped it to \$15,000 and then '19 to zero. Steve Malizia indicated you can't fund capital reserve fund through the budget and that specifically was funding into a capital reserve fund. 450 was the capital reserve fund account. He cannot do that anymore. Chairman Luszey said right but my question is do we have any monies in that or has that been all used. Mr. Michaud said yes we do. We do

have money in there. I exchanged e-mail discussion with Kathy Carpentier the Finance Director and we're looking at once we pay off the bills for this revaluation that the uncommitted capital reserve fund will be at \$108,000. Chairman Luszey said you have \$100,000 left in that. You're asking for \$57,000 sounds like a per year now for the data collection part. How much is the other parts of it? If I understand what you're trying to do, you're going to start this process in motion that is now becoming a perpetual re-evaluation of the town so that come the mandatory cycle, we won't have a quarter of a million bill looking at us to do 100 percent of the town because you've been doing it right along. Am I understanding that correctly? Jim Michaud said almost and maybe I didn't explain it well. We're doing a cycle of the manual labor part - the cycle of data collection physically going out to property. That's what I'm talking about for the \$57,000. The capital reserve amount, that's for paying the valuation contractor for public utility for the re-evaluation. That's for paying the commercial industrial evaluation contractor. Frankly I'm also asking you to budget for a contractor for the residential part which I've been handling since 2007 re-evaluation. My recommendation is to farm all of those parts out. You can combine probably two of those parts with one contractor. I wouldn't recommend having the public utility done by someone other than who we've been very successful with so far. Two parts - physically doing the data collection. It's not revaluing the property. It's collecting the data to maintain for accurate property attributes. The valuation part, that's when you're coming up to reset to full market value like we did this year.

Selectman Coutu asked how many people do we have in your department that can actually go out and do valuation right now. Jim Michaud said right now we have Mike Pietraskiewicz. He is full time in the field doing sales data collection and doing building permits. We have myself. I can go out in the field. I tend not to. I tend to review his work. I tend to do all the more administrative aspects of the department. Amy McMullen is Administrative Aide. She mainly maintains exemptions and credits. She maintains our equalization program in the State of New Hampshire, all of the deed changes that come in, most of the foot traffic that comes in. Full time field - when we say full time field, Mike comes into the office and then he comes back in from the field into the office. We have one full-time field person.

Selectman Coutu asked on average how many would you say he does a week. Mr. Michaud said I haven't done that calculation because his work is not made up of going out and doing map 100. There's 1,000 properties. He's going to do 50 a week. He's going out doing, again, the building permits. He's going out and doing the sales. As you'll hear from the Fire Department, Inspectional Services, we've got more than enough work for Mike just on doing those. We don't have a full time data collection person just doing the data collection for re-val. Selectman Coutu said I just want you to be assured that I'm not questioning what he does and how much work. I just want people to understand what we have and we have a lot of properties that no one has gone physically to the homes. I've heard it from people say well they never came to my house. Where did they come up with this number? Call them and challenge it if you feel it should be challenged. That's another thing that you have to handle on a daily, weekly basis is people come in and challenge their assessment. We can't wait until the next full evaluation to do it and we have to go out there and do it because a formal request was made. Correct? Mr. Michaud said correct. Selectman Coutu wanted to make it clear. I'm not questioning you or your staff. I realize there was only one person. If I didn't know that, than I'm a terrible assessor.

Jim Michaud said you can look at the \$57,000 and say well we get an employee with benefits for that. Paying he or she \$25,000 or \$30,000 to do that. That's certainly a different way to go and we've had a part time person in the past that we've used in that kind of fashion. We also ran into about an 8 or 9 month period when that person went out on workman's comp. because of an injury out there from walking around and you can get hurt. You can say we're farming out our risk to a contractor who has workman's comp. insurance by doing it on the outside contractor side. If you asked me 10 years ago, I might not have said that. I don't know if that means growth or it's just easier to hire a contractor.

Jim just so I understand it, Selectman McGrath said you're suggesting that we farm it out to an agency or data collection company. They'll go out in the field. They'll do the actual review of the properties and then you're going to actually review that and come up with the actual values. Is that right? Jim Michaud said but changes in data. It's important to say because it's accurate to say when we're going out to physically remeasure and hopefully gain interior access that we're updating the property attributes. Now if there's no change in the data, then there's no change in the assessment. If the deck has become a porch and the porch has become living area, and the basement isn't just concrete any more, well then that's going to lead to a change in value or vice versa. The in ground pool is really in the ground now because everything is on top of it. It's been filled in. So it goes both ways but it's not revaluing to market value. It's having accurate data. It's not a reset to market value. We did hire a contractor to do 1,000 parcels in the prior year. You say well how do you measure success? Well success is they went out and did their job. They've been reviewed by myself and my staff. They've also been reviewed by the Department of Revenue Administration. They do a percentage review of their work and they've achieved an acceptable level of accuracy in what they were doing.

Selectman McGrath said it makes more sense to hire someone over the course of four years and will get the full assessment data collection done for all of the properties in that four-year period. So then we're not looking at hiring one agency to just go out and do it all at one time. It's like little bites of the apple. Mr. Michaud said that's how we've been trying to manage it.

Chairman Luszey said the request is really to increase line item 5410-252 by \$57,500 professional services. Jim Michaud agreed. How I got to that number which is in that briefest memo I have - I never do a one-page memo - at \$25 a parcel. What if we get it for \$20 a parcel? What if we get it for \$16 a parcel? The last contract this 1,000 parcels was

for \$16 a parcel. I think the next closest bid was \$25. I think one was \$35. If you're looking for well maybe we get it for \$20. You can reduce the number to get to \$20 a parcel and obviously we'll see what happens. It's not this burgeoning industry of folks dying to go knock on taxpayers' doors to say I'm here to help you get a fair data on your property because they have to be trained. They have to deal with folks and things that you find it in the field. It's not a fun job for a lot of folks but it is a job. Chairman Luszey said if you were to go and do this - add it to that line item going forward - would you have the ability to put it out for bid for multiple years to get the best extended price. Mr. Michaud said we'd have to sanbornize it but we could go out for multiple years to get that done. We could say we're going to have a four-year contract. We're going to do 2,500 properties a year. These are the parameters we're looking for. This is the bid specs. and we could accept bids on a single year basis. We could accept bids on a 2, 3, or 4 year basis. We could have some different options out there. They've realized that we have to - "sanbornize" is the word I use. Steve Malizia said we'd have to have them make sure there's a non-appropriation clause. If something happens in year 2 or any subsequent year that you'd be able to get out of the contract. Mr. Michaud imagined that contracts that do this work - whatever this work or other work - they'd build that risk factor in I would imagine.

Selectman Coutu said to move it out to budget review. Move it out to when we do wrap up. I don't want to deal with this right now. We have to look at the overall budget before we commit \$50,000 here, \$50,000 there in my opinion.

Chairman Luszey said we'll put that on the "W" list.

Kathy Carpentier stated the Assistant Assessor also has Warrant Article J - funding for property revaluation capital reserve fund.

At the time that I put in a dollar amount, Jim Michaud said well first of all how did I get to a capital reserve warrant article. I think we understand House Bill 251 says we can't do it in the budget. So that's how I got to a warrant article. How do I get to the \$25,000? At the time I didn't realize fully how much I was going to have left over in the capital reserve fund that we already have for re-evaluation - \$108,000. I'm estimating we could need \$130,000 to \$140,000 in that fund to hire either one contractor or multiple contractors to do the valuation component of a revaluation. Putting the 25 in there would mean the July 1, 2018 for every year thereafter, the Board would have the money in that fund that if the market went haywire and we weren't going to wait until 2022, that outside 110 percent of value, we had outside in 90 percent of value, and the Board would have that ammunition to get a re-evaluation ordered. With that being said, the 25,000 could be reduced. We could do 10,000 per year to get closer to that number - 130 - 140. I just didn't want to have a year where we didn't have it in the budget. We didn't have it in a warrant article and we just assumed we're going to have enough money if something happens for 2019 let's say. 2018 is too close and the market is not going to change in that manner. I guess what I'm saying is this doesn't have to be at the \$25,000 at the time I wrote this. I was under one understanding of how much was in the capital reserve. It's more than what I was understanding. We did start this capital reserve 8 years ago at \$5,000. That worked because one of the few assessing articles that does pass. Ms. Carpentier noted it was 2008.

Selectman Morin said the question is if it doesn't have to be 25 what do you think it should be. Jim Michaud said we can go for 10. Go moderate go 10 because then at 10 then bid out 108 and I understand this money is invested so this money on the investment as well. Yes that would be my answer 10.

Kathy Carpentier assumed we'll revisit this when we vote on it. Is that the will?

Selectman Coutu said from my perspective, it's a warrant article. It's to replace the line item which would have not been a warrant article had we not had the new legislation. In light of that, I'm a strong proponent of warrant articles obviously and have been in the past. I have no opposition whatsoever to changing the number to ten. We're going to revisit all the warrant articles anyway. For future reference, I guess we'll just write in the 10 because that will be a reminder. I just do have one question. Jim I understand what this money is for. This money here in the capital reserve fund is for the full re-evaluation of the town. If we didn't do the statistical component at all, we just said we're not doing a statistical component. We're going to let them do the re-evaluation. How does that factor in or does it factor in? Jim Michaud said it's actually the inverse. If you said you didn't want to do the house to house data collection, you can't get away from trying to get the job done right to have an accurate statistical update to market value. I'm required to reset market value in 2022. That's the next required one. You wouldn't be collecting the data and then say in 2022 you know we're not going to do a reset of market value. We're resetting accurate property data attributes by going out to property but we're not going to reset the value. That's an inverse. If you said there has to be a choice Jim, the choice would be you need to make sure you have some ammunition to get the re-evaluation done. It could be on data that's stale, old, and may not be that accurate but at least you're revaluing. At least you have money in the account to revalue property which you are required to do. Originally I started with you're not required to go out and collect data. It is best management practice. It was all those things that I've spent my career investing my time and expertise and how to do it right.

Selectman Coutu asked you're still a member of the State assessing group. Mr. Michaud said I am not. We only had to serve one term and I am not a member of the Assessing Standards Board. I monitor them. Selectman Coutu said as having been appointed by the Governor to serve with you concurrently, not necessarily concurrently but appointed at the time that you were on the Board, I was going to say you know a lot of assessors. Does every municipality in the State of New Hampshire do this two-step process? Jim Michaud said the answer is no. You'll find that the largest

communities such as Nashua and Manchester do not invest in maintaining the data on their properties. They do statistical updates. They go out and they do their building permits. They go out and somebody says this property is wrong please go out there aldermen or whatever, abatement processes. Manchester doesn't go through and do a full scratch. We're a community of almost 10,000 properties. I want to say Manchester is a community of close to 30,000 properties and Nashua is probably closer to like 25,000 properties. You can imagine the money attribute stacking up. The smallest communities is actually the ones that maintain - they'll have a five year contract with a contracting company where they do 25 percent a year data collection and then the year of reval. they do a reassessment. When they get done with that one, they have money in the capital reserve, they keep maintaining the data. It's actually the smallest communities that do the most up to date.

Selectman Coutu noted I lived in Woodstock. I know - 1,400 residents.

Mr. Michaud said I can't tell you that all the communities don't and I don't have a number. Is it 90 percent? I would say it's more than 50 percent because most of the State is made up of small communities. Department of Revenue would probably be able to give you a better idea on that. It's not 100 percent of the communities.

Chairman Luszey asked if there were any more questions.

Kathy Carpentier noted there are two more warrant articles for the Assistant Assessor. If I could bring your attention to Warrant Article O - revised property tax exemption for the disabled.

Chairman Luszey said before we go there I do have a question. As part of tonight's agenda, item 5, we actually forward everything to the warrant tonight. This is the figure that we're going to go is the 10,000, correct? Mr. Michaud agreed.

Jim Michaud stated I asked the Board to consider and it's something some Board members have talked about in the past year. We have not reset our exemptions for elderly and disabled or blind for that matter in about ten years. Components of the disabled exemption and the elderly exemptions - so you've got to look at these kind of at the same time Warrant Article O and E. There's items that are income requirements, income restrictions. So currently the income restriction is \$35,000 for single for both of those programs and \$45,000 for married for both of those programs. That means if I'm applying and I'm under 65, Social Security disabled, or I'm 65 years of age, I cannot have more income in a calendar year than \$35,000 if single. I cannot have more in a calendar year than \$45,000 if married. I also cannot have more than \$150,000 in assets whether single or married for both of those programs excluding the value of the home. There's also an exemption amount. How much off of the assessed value am I not going to be taxed? So we haven't done those relooked in this in ten years. One of the things that Mr. Malizia and I talked about was well what are other communities do? I did a chart - and I don't know if you have that - I can easily hand it out - that looked at area communities: Amherst, Bedford, Litchfield, etc., and said what is their disabled one and this is the elderly one. Two separate charts. How are we stacking up against area communities in terms of our income amounts? Are we keeping people out of the program? Are we lower than other communities? We can look at revising the income amount. We can look at increasing the income amount. Revising the asset amount - increasing the asset amount. We can look at increasing the amount of the exemption how much off of the assessed value will I not be taxed on. What I did was I accessed the data from the Department of Revenue, confirmed it with those communities as well and found that on average where we're weakest that our income amounts are under the median for the communities selected were in geographic economic region. We know we just went through assessment review process where we're asking people to requalify. We lost exemptions. We have people that were for lack of a better word "kicked out of the program" primarily because our income amounts are too low. The assets amounts doesn't kick anybody out honestly. If they've got more than \$150,000 in assets, they're not coming in.

Jim Michaud indicated it's the income amount. Even though Social Security has not increased barely that much at all in the last ten years, it has increased so you look at the natural passage of time and you say well maybe we should consider raising the amount of the exemption and that's what you have as a recommendation in front of you is to ask you to ask the voters to raise the income limits for both disabled and elderly. Those two programs have income and asset requirements. Blind does not. At minimum, raise the income amount. The asset amount seem to be okay. You could actually make an argument that it's more than okay. I'm not suggesting that we change that. The amounts of the exemption seem to be in order. The amount of the exemption if I'm disabled is \$105,000 off of my assessed value. If I have a home assessed \$210,000 probably a little more than that with the reval., \$105,000 off of that would cut my tax bill in half. That's how an exemption works as opposed to a tax credit on a tax bill. It has the same net affect, it reduces how much money I'm going to pay in taxes but people were getting kicked out of the program in 2017, 2016, 2015. We're not required to adjust it. We're well above the required norms in the Statute which are ridiculously low but we are large State with different economic climates from top to bottom. You put this on the floor at Town Meeting, this can be raised. This can be adjusted. This can be lots of things can happen to it. That's the world of the Town Meeting. Once it goes to ballot, it gets voted on. This is the only way to do it that I believe is the recommended way to do it is to ask the voters to raise those amounts. You can make them higher. You can make them lower. You can leave them the way they are. If you leave them the way they are, no warrant article. This likely will increase the number of exemptions being granted in the amount of exempted value. Right now we're exempting roughly \$32 million in value for personal exemptions. If it goes up to \$35 million, it's \$3 million more. It's not a large impact at all upon the tax rate. I believe a penny on the rate how much money in value Steve for a penny on the rate. Ms. Carpentier indicated \$5

million. You don't have to make a decision on this tonight necessarily. This could be amended.

Selectman McGrath asked Jim what towns are similar in size to Hudson so that we can determine. Jim Michaud said if we looked at size as a metric, we're a little less than \$25,000. Londonderry is a little bit more than \$25,000. Merrimack is closer to \$26,000 plus. The ones on that side of the river or this side of the river with Londonderry. One metric to use would be population. Another one could be what the median income - I think I have a metric in there for a median family income. We can measure income six ways to Sunday like every statistician can. Certainly they're in our economic zone.

Selectman Coutu thought Merrimack is the closest - comparatively both in population and median income.

Kathy Carpentier asked a question from my notes. What are you changing it from and to? Mr. Michaud indicated current single is \$35,000. The recommendation is to go to \$40,000. Current married income limit is \$45,000. The recommendation is to go to \$50,000. It's a moderate increase. It's not excessive. Windham is a different community we share a border with. Their amounts are \$45,000 and \$55,000. The amounts of their exemption are also significantly higher - \$160,000 and \$195,000 and \$500,000. How much they take off of the assessed value. There's quite a range. If you look at this chart, there's quite a range. Year last changed - you might want to see that column and say well how long has it been for some of these communities. Well Merrimack was 2004. That was a long time ago. Londonderry was more recent at 2014. You might want to say well Londonderry - they were looking at the 2014 economic market maybe when they were setting this. Bedford has got a different community than Hudson. They've instituted a metric of using a chain CPI where they're like adjusting it yearly. They have a town council. They just go ahead and do things. So there's different ways to look at it.

Selectman Coutu asked are you saying we don't do things. Mr. Michaud stated no we do things. I'm just saying as town council, they have a different form of government. That's all I'm saying. Selectman Coutu noted they have more latitude to get things done quicker than we can. They don't have to go to Town Meeting. Jim Michaud said their median family income is a little bit different. I think I saw something in the paper that they're the highest median income in the State or something like that. We may not be like that. It isn't a money article per say but as I say, it's going to increase the amount of exemptions but that's okay. That's the intention of the program is to assist elderly and/or disabled.

Selectman Coutu asked what is the definition of a disabled person. Jim Michaud explained the Statutory definition of a disabled person for the disabled exemption is under Title II, Title VI I want to say of the Social Security Act considered disabled. We'd look at the federal form for disability which actually can block out some even of the civil service disability when we say the State of Massachusetts. Selectman Coutu said it's not your family doctor saying you're disabled. Mr. Michaud said correct. It's the Social Security Administration disability determination letter. That's not a required exemption by the way. You'll see on that chart there's some communities that have N/A - not applicable. That's not required by State law. That is an exemption that is optional. Elderly is required.

Selectman Routsis asked a quick question because you said it's been what about ten years since we've made an adjustment. Do you think that \$5,000 bump on both numbers is the right adjustment? There are towns that I see - I'm just asking because of the information you gave me. There are towns that I see that have similar populations but they have higher median incomes that we do that have bigger exemptions. Our community is making less but our exemption number is less. I want to make sure that we're doing what's fair and just. Jim Michaud indicated you can look at the chart and use it two different ways. Certainly one way is to do this broad brush of averages and medians. Another one is to say well if it's been ten years if we used 3 percent compounded inflationary adjustment, would that give us a different number? I believe it would give us a higher number if we used a compounded inflation adjustment. That would still put us in this group, it would probably put us above the average or median. I don't know if that answers your question. I presented one way of looking at it. It's not the only way of looking at it. This as I say can be amended. You could forward this to the ballot the way it is today and come back in the cycle in February with a different amount. I don't think you can amend it at the public hearing. It leaves here, goes to the Budget Committee. It's not a money article. Once it leaves here, the only next opportunity would be Deliberative Session.

Selectman Coutu indicated we could change it here. Steve Malizia said of course you could. Once it leaves here, nobody else can change it until you get to the Deliberative Session. Mr. Michaud said you could say well Jim is saying 40. What if we went to 45? Well Merrimack is at 45. Amherst is above 40 roughly. I want to say 45 single is what I was looking at. Obviously you get to 50, 55 unmarried.

Selectman McGrath noted their asset limit is higher in Merrimack. Mr. Michaud agreed.

Selectman Coutu said right now we're second from the bottom. Mr. Michaud noted our current.

Selectman McGrath asked is this something that we need to decide on tonight. We're just kind of...Chairman Luszey thought so. Again it gets back to my previous comment. Selectman Coutu says we'll wait for the general review. Tonight we put everything to the warrant. When we get to item 5, we're going to make a decision about adding that \$57,000 to line item 252.

To be clear, Kathy Carpentier said you do have a scheduled wrap up night on next Thursday, November 2. You could finish this whole agenda tonight or defer it. That is the intention was for you to vote on the default budget, the revenues, the operating budgets, and all of the warrants. It is the will of the Board.

Jim Michaud explained we have 193 elderly properties receiving elderly exemption. We have 47 disabled properties receiving the exemption just to give you a count.

Selectman Morin asked you said a lot of people were being kicked out of this because of the numbers. What do you expect the change to be? Mr. Michaud said there have been a number of people. I don't know that I would say a lot. When I say a number, I would say about 10 or 15 this year. About 10 or 15 the prior year but they do add up. It seems to be 20 or 30. If you counted 20 or 30 additional, you probably want to count more than that - maybe 40 or 50. Our age progression rate or median age is getting higher in this State. I think if you add some percentage allowance for that. What's 50 times 105,000? I think we're getting to that penny that we were talking about earlier. It's a penny where if it helps somebody stay in the house, it may cost less somewhere else.

Selectman Coutu asked when was the last time this was visited. Mr. Michaud indicated ten years ago. Steve Malizia noted 2007. That's the last time it was on the warrant. It's been ten years. If you figure 2 percent a year, you're \$5,000 right there. That's kind of what the rational. Selectman Coutu said we're not going to do this every year. We should plan out beyond this year. Jim Michaud said I should probably should have brought this here before this year in retrospect.

Selectman Routsis thought that making the change is something we need to do. My personal thoughts are we should make it \$45,000 and \$55,000 at least. It's going to help some people out that are going to need it. I don't qualify for it either way. I'm thinking like I don't know if I can make the motion or not because my husband is disabled. I don't qualify for the income part of it. I would like to an increase to cover us because it's been ten years. I'm not saying you won't but what if we wait another ten years.

Jim Michaud stated they don't have to match. It made sense for Jim when he was doing this ten years ago. They don't have to match.

Selectman Routsis asked does it make sense for you now for it to match. Mr. Michaud indicated it's an easier process for this reason. If you're disabled and you reach the age of 65 and now you're into the elderly program, you're no longer disabled under the eyes of the Statute for tax exemption purposes. I don't have to do a requal. just because they hit that. Selectman Routsis indicated it makes it easier for you and it keeps it...Steve Malizia said for the citizenry too. Mr. Michaud said it doesn't mean that's the right idea.

Chairman Luszey asked have we modeled out if we were to make these changes what it would look like to the tax rate for the people that would fall out of it. As we get older, more people are going to fall into the elderly exemptions. That's a fact. That's not me making this up. Over the next ten years, we're going to start seeing this big spike of elderly exemptions coming in. What does that mean to the rest of the taxpayers should we basically we're lowering the threshold, right? Jim Michaud said you started have and the answer is no. I haven't done that 5 or 10 year demographic look at what this would look like. I think the office of State Planning which I think is office of strategic initiatives probably has some extrapolations that they look at what the median age is going to look like in New Hampshire 5 years, 10 years, 15 years out. Once you grant something, well you grant it.

Chairman Luszey suggested to the Board that we do that modeling over this next year and have the Board look at it next year because it is dramatically going to affect what happens years future.

Selectman Routsis said it's going to cost what on average a penny per thousand. Jim Michaud said if we added 50 and they were all at the \$105,000 exemption - we're not talking about changing the amount of the exemption that can happen at Town Meeting. But 50 at 105 is in the range of \$5 million which is a penny. I think I just answered the question via Selectman Morin you know we lost 15 or so, and 16 lost another 15 or so, in 17 now we're at 30. We pass this. We advertise it. We don't talk about it - 30 plus 20, now you're at the 50. I guess by extrapolation if we increase the amount at the income allowed, it stands to reason you would gain some more. I don't know what some more is and that was to your point. I don't know what some more - we won't know what some more is. All I'll know is...Chairman Luszey said we also just passed another thing recently and that's the Veteran's gap. We're going to see a lot more Veterans coming in for that exemption and we have seen it. There's this impact to the overall tax base that we're affecting by allowing all of these exemptions that somebody's got to pick up the tab for and it's everybody else. I'm not sure we fully understand what that somebody else is going to have to start paying and all that.

Selectman Routsis said let's say on average, and you're faster at this than I am, \$280,000 house. Let's say its 2 cents just for giggles. What's that going to be on a year? Ms. Carpentier said I'm not following your question. Selectman Routsis explained my house let's say its \$280,000 and we're going to add 2 cents to my tax bill. What's my total dollar amount? Steve Malizia said \$5.60. Selectman Routsis said that's what my math was. I just wanted to make sure I wasn't wrong. To his point, Kathy Carpentier said the example that Jim just gave, it would be about a penny. So it would cost an average single-family home \$3 and yet it's going to save 40 to 50 people maybe if that was who grayed

out or disabled. They would be saving the \$4,000 or \$5,000. So on the burden of all us, \$3 might make up for 40 or...Selectman Routsis said it could technically cause people to not lose their homes. Jim Michaud said that's where I was going to go. I don't view it as a black and white issue. People stay in their home. They tend to stay healthier. They're in their home and they're not costing the system - the County, the Medicare system, etc. They're more self-sufficient. They stay in their home longer societal wise so it's kind of a big picture. It isn't just about the property tax. That's what we're talking about but it is a larger society question. The program was designed to help folks with what the tax is. What does that mean? Well if it helps them stay in their home because they're not paying as much in taxes as they might otherwise would have, well then it's serving a different purpose but that's okay. I think that's part of the intent of the legislature when they were doing this. That's a policy discussion. I should probably stop there.

With that all being said, Selectman McGrath thought that we should adjust the amounts for this warrant and then perhaps do a study over the next year and try to determine whether or not those amounts are adequate or if they should be adjusted further. We're just kind of spinning our wheels here because we haven't done that analysis. I think adjusting it 45 and 55 for this year and then next year we can take another look at it for those that are will be here or won't be here. That's my thought.

Selectman Coutu asked Mr. Malizia to make a note of us doing some sort of statistical analysis in the upcoming year. I'd appreciate that so that doesn't fall by the wayside. If this should pass which I hope it will, then we can take a closer look at it and Jim with all these people you're going to have out there doing a statistical analysis of property values, you'll have some time to do this. Jim Michaud said I look forward to working on it.

Chairman Luszey asked it would be nice if we had the first pass of that data for the Deliberative Meeting so when we present it because we've got to convince the voters. Right? Mr. Michaud said a statistical analysis in that timeframe...Chairman Luszey said not an analysis. More of a generalized modeling of what this means to the community overall. Selectman Coutu said based on evidentiary matter that's already available. Chairman Luszey said we've got to be able to talk to this in a way that will be understandable to the folks out in the crowd. Selectman Coutu thought we should do a 5 year Jim. Mr. Michaud indicated I will do a draft, and route a draft, and probably refine it, etc. right before February.

Selectman McGrath proposed that we add the asset limit to 160. Windham has done that. It kind of goes with the amounts of the limits. Selectman Coutu asked isn't that for both. Actually we're only obligated for the elderly. Selectman McGrath indicated right now we're at 35, 45 with \$150,000 of assets. Selectman Coutu noted we're going to go 45, 55, at \$150,000. Selectman McGrath said I was saying \$160,000. If you look at Windham because we're kind of modeling that. Selectman Coutu asked so you want to raise that to 160. Selectman McGrath said yes because if we're raising the income limits, then we should be able to adjust that as well.

Jim Michaud indicated one of the things that we do - and I don't want to speak too early - is we're doing our forms for next year. People are going to start applying January 1st. We take folks in provisionally. We actually did a top sheet today and we let them know don't self-deny yourself that you don't meet 35 and 45, and 150. Look at what the warrant article is going to be and we can hold you in reserve because that's what we did with the all Veterans tax credit. We held people in reserve. If the article passes, then they haven't lost their opportunity is my point. We don't approve it or anything like that.

Kathy Carpentier indicated that concludes Jim's budget material for this evening.

Police (5610-5673)

Chairman Luszey recognized Chief Jason Lavoie.

Before we start, Chief Lavoie said I want to thank my staff for helping me prepare this packet of information for you. Both Captains spent a lot of time with me and I drove them nuts as well as my Administrative Assistant Sherrie Kimball. Without them, I couldn't have put this all together. It takes a lot of work. Also the budget process is always a great process because it's really what helps our organization keep itself as being a professional and I think one of the best ones in the State. I look forward to this process. We were given direction to come in level funded. It's been the same rule since 2003. We've been doing that. Our budget did come in level funded. I do have some outside of the operating expense requests. I also had a warrant article. I am asking the Board to respectfully pull that warrant article out as I cannot make that happen successfully.

Kathy Carpentier noted Warrant Article F. If the Chief is done with his opening remarks, we're going to start on page 1, 5610, administration.

Chairman Luszey asked if there were any questions.

Kathy Carpentier said if not, we're jumping to page 6, 5615 - police facility. I guess it sometimes helps if you say this is \$257,000 budget.

Selectman McGrath said I have nothing on this section. You can keep on going.

5620 - Police Communications, page 20

Ms. Carpentier noted \$715,816.

Selectman McGrath asked the salary and benefits increased by 10.6 percent. Can you explain that? Chief Lavoie indicated that would have been something that would have been voted in by the taxpayers. We only handle the operating budget. Steve Malizia indicated benefit changes, people get married, people change their benefit package, and you have different people come in. They also had a contract which had multiple years to it. Things like that affect the budget. You didn't add any people, correct? Chief Lavoie said correct we did not. Selectman McGrath said I was looking at it and I was looking at the percentages. Chief Lavoie said in the operational spending, we're up zero percent. Selectman McGrath noted I noticed that. I went through it line by line. I'm kind of familiar but I have a couple of questions going through.

Selectman Coutu asked it seems like we granted what a 2 ½ percent raise. Steve Malizia said 2.75 - one of those two numbers yes. Selectman Coutu said it seemed like the increase and the wages exceeds that. Chairman Luszey stated if someone changed their insurance from single to a family and was taking the pay down and then whatever they called it...Mr. Malizia said the flex payment. People go from that column to a much higher insurance benefit. That happens. Ms. Carpentier noted you also had promotions to Master Patrol Officer. Selectman Coutu noticed the flex change. The request is down \$12,000 in the flex. It must have shifted up to the salaries line. Mr. Malizia noted if you go down to the insurance benefits, a couple of lines down from the flex, you were up from 99 to 121. That means someone took more insurance which they're entitled to per the contract. What ends up happening is when you look at all the labor pool, that's a factor in there. So it's easy to increase your 101, 100 line items because of benefits - the mix of benefits. People leave and new people come in. Maybe somebody single left, maybe somebody married comes in. It's all based on the contract.

5630 - Police Patrol, page 13

Kathy Carpentier stated \$5,802,141.

Selectman Coutu said I had an interesting question posed to me today and I hope I gave the right answer. I was asked by a citizen of Hudson who was in Pelham and saw a special detail Hudson police officer. We have reciprocity with Pelham, correct? We have an agreement with them just like they do if we didn't have anybody. I used the track as an example because that's a difficult shift to fill usually on a Sunday. The Sheriff's office might come in. I want people to understand that if they see one of our cruisers doing a special detail in another town, it's because the town didn't have anybody to fill the position. They're required to have a detail there for the utility company or whatever the service was, and they called and asked our Chief if he could provide manpower if we had not one of our duty officers. It would be somebody who's not usually scheduled. If he or she wanted to do an extra detail, that was available. That was the correct answer, correct? Chief Lavoie said the hiring company for that outside community is the one that pays expenses for it. Selectman Coutu said if you see our cruiser in another town, they're doing a detail. It's not because they're just over in another town horsing around. They're doing a detail. Chief Lavoie agreed. It doesn't cost our taxpayer for them to be over there.

Selectman Morin asked about a couple of the repair for equipment repair lines. Most of them went up a little bit. Is this equipment old - 5630-325 and there's another one. They had gone up a little bit. Chief Lavoie said for 325 we're looking at our manikins for CPR training for example. They've been around for some time and we need to get those up to date so we can provide the technology, and control, and put the officers through scenarios that they incur in the field. What we have now is the static ones that if you recall when CPR first came out. What's the other one?

Steve Malizia said 403 - cruiser radar units you look like you're replacing. Chief Lavoie said we have some that our repairs are half way to the price of a brand new one. Some of our radar systems that we do have are pretty old. They were here when I came on the department in 1991. We have not because of the zero budgeting and zero increases in some of these areas, we are now at that problem point.

Selectman Coutu asked Chief do we have - I looked at sophisticated handheld radar where you can lock in on a vehicle. There's a tractor trailer or anything is not going to interfere with it. It locks in that vehicle regardless. Has that been adopted in vehicle radar as vehicle radar not as sophisticated as that. Chief Lavoie said we can lock in our speeds with the radars that we do have. I think the one they handle that you're talking about I believe Captain Avery we have one and that's assigned out usually to the motorcycle unit. Radars now are both a front antenna and a rear antenna so that when the officers are on the side of the road, they can watch vehicles in both directions. Selectman Coutu said we're not getting as much interference for tractor trailer...Chief Lavoie said we'll still get interference. Selectman Coutu said if they're broadside, it's pretty tough to lock in the car because there's steel in the tractor trailer. Chief Lavoie said yes these are not laser radars that we have. We only have one laser radar where it's basically crosshairs and we can point right at a vehicle which eliminates that interference in what you're talking about. That would be the handheld. We do have a couple of other handhelds but we don't utilize those unless it was an emergency or whatever and we were down

radars. The ones that we do have, it just works on a Doppler. It sends a radar. It sends out a bunch of waves and then we pick up those waves back. Then the officers have to use their eyes to see if vehicles are closing, etc., one is gaining on another to figure out which one the speed is. Selectman Coutu asked if they're still being certified annually. Chief Lavoie said that was correct.

Chairman Luszey asked how many radar units are you talking all the cruisers. Chief Lavoie said no. This is just buying...Steve Malizia asked do you mean to say how many you have now. Chairman Luszey said well he's got in cruiser replacements right in 403 and he's got a dollar amount there but it doesn't say how many units. I'll get down to my real question. When we rotate the vehicles every three years, what is the life cycle of the radar units because you said these are like 10 years old now and that's pretty old for that type of technology. Why wouldn't we have that like your laptop units that are in the cruisers on a rotation basis that says every three years or something like that they're upgraded with the purchase of a cruiser? Chief Lavoie apologized for bringing this up again but with the zero base budgeting since 2003 has kind of kept us where we really don't have money that we'd have to be adding on every year to be able to do that. We've kind of been paying to have things replaced but now we're at that point where it is electronics. We're starting to see the deterioration of the electronic components. Something like a radar for me isn't as important if you will as a police officer's portable radio. One of my outside the budget requests, that's one of the areas that we'll be talking about. That's officer safety. That's citizen safety with the portables. So that to me we need to start trying to get that on a cycle to replace. The radars, again, are not a life safety. It doesn't put anybody in jeopardy if that breaks down and the officer may not have a radar for a couple of days. We have a radar unit in every cruiser. We have about 14 marked units that are out in the field but maybe only 6 at any one time. If a radar is down for a little bit, we can assign an officer to a different vehicle to take out and still be able to perform his duties as motor vehicles - speed violations would just be one component of it. We're okay and that's why we've been trying to prioritize where our funding needs to be. That's just a choice that I've made that we're going to keep trying to do okay but now I'm starting to get hit with these - we have about \$800 of repairs that need to be done on a couple of pieces of equipment.

5640 Police Investigation, page 18

Kathy Carpentier noted a budget of \$10,670.

Selectman McGrath said no questions.

Selectman Morin said just to again 5640-325 repairs and stuff. Is it the same situation just equipment is getting old. That one has gone up also. Just to get it out there. Chief Lavoie said that there is a lot of with our evidence stuff. That can be crime dependent or the types of calls that we have as to whether or not those products get used up. That's your evidence lifters of fingerprints, or footprints, dusting, narcotic kits.

5650 - Police Animal Control, page 20

Chairman Luszey asked if we were all good.

5660 - Police Information Services, page 23

Selectman McGrath said no questions.

5671 - Police Support Services, page 26

Selectman McGrath indicated no questions.

5672 - Police Crossing Guard, page 28

5673 - Police Prosecuting Dept., page 31

Selectman Coutu commented I'm looking at the insurance line. It bites us every time. Ms. Carpentier noted it did go down 5.8 percent this year. Selectman Coutu indicated it's not reflected in this budget. Ms. Carpentier said yes it is. It's reflected in the roll up numbers yes. With that, that concludes going through the departments that represent the Police Department. If I could bring your attention to page 36, the Chief has a few outside the budget requests. This one is for fire alarm systems \$24,020. Chief Lavoie said as you know, the Police Department maintains three buildings: the police facility, the animal control facility, as well as the training annex. We've been informed by Capital Alarm Systems that we've had a few lighting strikes across the street that have disabled the fire alarm system. Those there were the original systems when those buildings were built. There's no longer replacement parts for those systems and their concern is that if we don't replace them and we have a failure, we're not going to have a sprinkler system that's running. I don't need to talk about the dangers of that. We're putting this in the budget with a request to take care of this before we do have a failure. Again it's all three buildings.

Selectman McGrath had a general question only because I had fire alarms hardwired into my home the alarm systems and carbon monoxide. Don't the actual alarm itself don't they have a certain life? I was told on mine that they're

generally good for about 10 years and then you have to replace the actual alarm system so that it works. Is that the same? Chief Lavoie said the police facility is 1994. So we're 23 years into it. The training annex is older than that. It was the former Kirby building and the animal control building I believe was built in 1998 so we're 20 years into that. It has aged.

Selectman Morin said that is true 10 years but where they've got struck by lightning it probably burned up the whole system so everything would have to be replaced.

Selectman McGrath stated I would never have known that had I not had it installed in my own home. It drives me crazy when one of them all of a sudden quits and they haven't reached their 10 year life.

Selectman Coutu asked on the system that you put in a quote of \$24,020 to replace the three systems that may or may not work. Where did you get that number? Chief Lavoie said one of the buildings would be \$6,150. The second building would be \$4,550, and the police facility would be \$13,320. Selectman Coutu asked is that from Capital Alarm Systems. Chief Lavoie said yes. Selectman Coutu said the new systems that they provide now are they better grounded than the old systems? Chief Lavoie said they are grounded it's just that the Kirby one has taken a lot of hits to that building and I don't understand. I'm not even going to try to explain how those were impacted by it but we've had a number of storms. I think two or three strikes to that building in the last two or three years that has done some damage to it. Selectman Coutu asked can we ground it better than what it's grounded. Selectman Morin said technology has changed a lot since the alarm systems are in those buildings. Yes it would be much better. Selectman Coutu knew in the old days you didn't have to loop it. Today you have to loop it. I was wondering if it was the looping network that's all screwed up. So when they install it, I'm sure they'll make sure all that is done. For me this is a no brainer. I think our insurance company might be reluctant to want to pay for damages if we knew the system was failing and we didn't take adequate steps to replace the equipment especially if this is going to set off the sprinkler alarm system if need be for a potential fire. I think this is a no brainer.

Chairman Luszey asked with the renovations of Central and now with the building of the Lowell Road station are we standardizing on a fire alarm set of hardware if you will and vendors to get the best pricing or is each department still out doing their own thing. Chief Lavoie said that's a good point. I can certainly speak with Chief Buxton. I'm not sure who the Fire Department uses.

Selectman Morin asked if that alarm system out of service right now. If you get a fire or a sprinkler goes off for no reason is that being tripped into the Fire Department? Chief Lavoie said it should be tripped in. There are no more parts to replace anything that breaks. That's our issue. As long as we're running, we're okay.

Chairman Luszey said this would go out to competitive bid in the budget should it be approved, correct? Chief Lavoie said yes. Capital they have been our sole source vendor for as far as maintenance of the systems and stuff. Because of the pricing, we could send it out to competitive bid.

Kathy Carpentier indicated he has another outside the budget request on page 41, \$60,000 for a needs analysis.

Selectman Coutu said we can move to the next one but I mean I don't know if it's your intent to want to wrap this thing up tonight or you want to come back next Thursday.

Chairman Luszey said based on all of this outside budget stuff, it almost sounds like we're going to be back here. Selectman Coutu asked to revisit this one. Chairman Luszey said yes. It looks like there's 4 or 5 that we're going to be revisiting.

Kathy Carpentier said I was making a list of all the outside the budget requests because you really haven't taken a position on them. You cannot take a position on them. I haven't heard that.

Just to jump in, Selectman McGrath said that's a requirement. It's not a want to have. They need to have it.

Chairman Luszey said if the system is out of service right now, that's not a next year discussion anyways. It's a this year discussion because it's a safety issue. Selectman McGrath said we certainly wouldn't want the sprinkler system to go off for no apparent reason and damage or destroy whatever material whether its files, or the evidence room, or whatever it is. That's critical. It's a critical need.

Steve Malizia said it's not out of service right now according to what the Chief said. Let's say you had a lightning strike in April. You could use the major capital repairs to repair that if you had to. Right now what you're doing is you're looking to do this next year. If something happened before then, you'd have the ability to at least go to that major repairs. Right now it's in service, correct me if I'm wrong. Chief Lavoie said that's right. Let's say it was just the training annex that goes down. We'd be looking at like \$5,000 versus the whole \$20,000 something that we're asking for.

Needs Analysis, page 41

Chief Lavoie indicated we've been coming to capital improvement meetings for a bunch of years since I've taken over as Chief and actually I think the first time as a Captain around 2006 I became Captain. A couple of years after that, I would go to the capital improvement meetings and I'd be encouraging that we take care of the Fire Department needs because the Police Department back in 1993ish when stuff was being worked on to build a police department, the original police facility was designed back then to be 24,000 square feet. The Board of Selectmen at the time wasn't interested in the size of the building. They just wanted to know the price tag. That was \$3 million at that time. Chief Gendron was told to cut that in half. You got \$1.5. Build your building for \$1.5 million. That was done and that took us to a 14,000 square foot facility. Castle Bows the designers of the building said you're going to outgrow that in about 10 or 15 years. I think it was like 15 years. Again the building was built in 1994. We had 23 by the time this budget is over. It will be about 25-26 years old. We'll be more than a decade outside of what Castle Bows felt that we would outgrow the building. Again I've been coming to capital improvement meetings. I've been coming to Board of Selectmen workshops. I've been advocating well when asked what my needs are, I've explained to everybody that my needs are to take care of the Fire Department for the taxpayers because we needed to start taking care of projects because the Police Department is coming. I felt that the Fire Department was in more need and they were and those things have been starting to chip away.

Chief Lavoie indicated the Police Department in order for us to prepare for the future, I don't think I'm qualified to figure out how to expand our building. I think that there are needs and I think that we're better off having an outside person that has this type of specialty or an outside company that knows construction, setbacks, etc., what's out there that they should be the ones that come in and provide us with some information. Now the estimate that we got was between \$45,000 and \$60,000 and that was a couple of years ago. Boards have been asking me for a number of years come in with pricing. So you come in, you ask, but companies stop answering you because they're spinning their tires in mud because they're never getting any results from their efforts but I'm back again to say this is the last assessment that we got. The price range was up to \$60,000 and maybe we don't need as thorough of one but we need something to start planning for the future I think that gives us I'm not coming in here saying we need to build an expansion next year but it's coming We need to start planning for that. We have outgrown a lot of the areas of the police department. We really have no more storage for example. We're starting to get like the old police station where we have boxes and offices for storage. Pretty soon it will probably end up in the hallways like we did at the old facility. We need to start planning.

Selectman Coutu said let me ask you a question. We've not had this discussion but I want to ask you an opinion. Would you think that rather than because the lot is limited in size to what we can and can't do up there in my opinion anyway. I think we need more parking and that parking lot needs to be redone too. Would you consider looking and talking to your administrative staff about using the Burns Hill Fire Station as a satellite station and move some of your operation there? Would you consider that? Chief Lavoie said I would certainly give consideration to it to exploring pros and cons of it and having some discussions about it. We do have from what I'm used to is we have so many frequent informal meetings all day long - what's going on with this case? What's going on with that and pulling people together because some cases it's just not one person investigating something. It might be a couple and they're getting together going somewhere, then they're bringing information back, and then we're discussing. We would have to vet it out certainly. Selectman Coutu noted it was just an idea. I understand what your problem is administratively. It's under your direction that the first modification was made and it all started with the evidence room needing more room and you were shifting a lot of things around and you were successful. Then it was across the street making some modifications over there. That was successful. Eventually you do run out of room I understand that and I think you're saturated.

In thinking, Selectman Coutu said I just was thinking about the satellite station. In thinking about it, it really wouldn't work because the problem is with really the administration of the force and the investigation unit. I've been in there. I know how crowded that room is. You know how it is Jay you worked there. I have an appreciation for the work and the tight quarters you're in. I'm not favorable to spending \$60,000 to study something we know what the problem is. I would hire an architect to design something that you and your staff come up with what your needs would be rather than paying somebody \$60,000 to go grab a drawing out of his draw from another police station to say this is what you need.

Chairman Luszey asked to add on to that Selectman Coutu. During our last workshop, one of the goals for Mr. Malizia was to take a look at all of our buildings, and utilizations, and come up with some recommendations. Before we go and hire an architect to design a police station, I think this Board needs to grapple with all of the current buildings that they own and if they're going to go and build something new is it just a police station or is it a community complex that fixes the problems with this building, and storage and all that, and possibly sell some of the then excess buildings. That's what I'm more in line to do and not just say let's go off and design another police station.

Selectman Coutu said are we going to spend \$60,000 for...Chairman Luszey said I would not be in favor of spending \$60,000 for designing a study that says we know what the problem is. For me sitting here a quick solution to an immediate space problem would be to move all of our IT equipment out of that facility - all your servers and stuff like that put them in a secure space here and that frees up that whole back space where you've got all that. The IT person space and it buys you a couple years' worth of space to get this addressed. You're into it for a couple of years. You're not going to get a new police station next year. Chief Lavoie said I'm not looking for a new police station. Chairman Luszey said something needs to get done in the meantime to help you there and I think it's that work that takes a look at all the buildings that we got and how do we best utilize what is becoming available down at Burns Hill. What's available with the consolidation of recreation over at the Community Center and all that?

Selectman Morin said he just answered my question but I didn't think he was looking for a new home - police station either. You have some ideas where you wanted to go with this building right? It's just a matter of moving to that direction? Chief Lavoie said it's a matter of trying to figure out because our roof is kind of like a hip roof is what I would call it. It's a matter of finding out the price that we got here is from Castle Bows the original architects of our facility was to have them come down and figure out can we expand off the back side by the roll call room. I know you're all familiar with our roll call room and detective area. Can we go off towards our parking lot more and if so, how far? Maybe we're going to have to park cars across the street. Maybe we have to move our impound lot to another - maybe we've got to shift that somewhere on our property. I don't know. I have lots of questions and I still have more questions. I have to figure out what are my questions.

Just to go along with what you were talking about, Selectman McGrath thought as a town we need to start thinking about because this building is getting overcrowded. It's pretty tight spaces. The police department and I know that you're tight on space there. I think I had told you when I met with you a couple of years ago that Chief Gendron had told me after they had moved into the building up there, they hadn't been there for very long. I don't remember how long but not terribly long. He was indicating that the location of where the police station is causes difficulty in getting to some areas of the town quickly and that he also told me that the State Police were looking to acquire their building so that they could move somewhere else within town. Needless to say, I was really shocked at hearing that because they weren't there very long. I understand the feeling of desperation of getting out of the closets that we're in this building and getting to a new facility that gave them more space and a better work environment. I think that we need to do a needs analysis of this building and any other whether the Fire Department is going to be looking to maybe change Robinson Road. I think it would be nice to get a needs analysis of all of our facilities, police being at the top of the list, and then trying to come up with a solution for that and maybe trying to find a piece of property that the town currently owns or can acquire with the idea that we're going to sell off other buildings that we no longer need and co-located some of these departments. Much like what Pelham has done and which I believe Londonderry had done. I don't know maybe we could contact those communities and find out exactly how they went about it and if they did a needs analysis or if they did something else. It might give us some food for thought. I agree you need more space. You definitely need more space. I haven't been out there very often. I've been out there a few times but I can see it every time I go. It's just coming up with the right way of approaching it. Maybe it is adding on to that building. You may need more land too. That will be a prohibiting...

Chairman Luszey indicated we sold it.

Selectman Routsis said I completely understand your space needs. Have you reached out to similar size communities just to see what their square footage is or their footprint of their buildings are in comparison to what ours are? Chief Lavoie stated Londonderry has the most recent new facility and they're over 26,000 square feet I believe. We don't have the ability to go up because a lot of the cuts that were made were I'm going to use the word "structural designs of the roofing" so they can't go up any more. My hope is that we go out and up. That we make this one here a second floor if we can expand if the taxpayers eventually support this down the road. Again I don't know because there's got to be issues with snow coming off. There's got to be issues with water drainage from the roof and where is it going to go. Things that I need expertise advice on.

Selectman Routsis said the reason I asked that was because I think anyone watching if they haven't seen our police department for similar sized communities, they're 10,000 plus square feet larger than ours. It does put a strain on what you do every day. I absolutely think we need to find a way to alleviate some of that for you.

Selectman McGrath said I think I asked you this before and maybe you don't want to answer this but what is your feeling about moving the facility to another location within town. Would that make a difference for your department or are you completely satisfied with the location unlike Chief Gendron? Chief Lavoie said it's a pointed question. I really don't have an issue where we're at only because for the most part we're already out in the field. Our offices are that's where they are. Could we be more centrally located and then Monday through Friday during normal business hours there are more officers centrally located within the community, yes. Then maybe we're fighting more traffic through the town during the business hours in order to get somewhere even though yes we have the blue lights on. Now we can take back roads to get somewhere from where we're located. To me that current location there's definitely pros for where we are and there's definitely cons for where we're at. If the town was to say we're going to move you more center located, we're going to co-mingle a couple of departments, I'm fine with that. My concern though is how long is that going to take? We saw how long it took to get the police facility built this first one. We saw how long it took to get the fire station stuff done whether it was renovation or if it was a new building the goal originally was to get a brand new Lenny Smith station. We went through a number of Nos over a period of years. As a department head and looking out for the Police Department in a microscope, I would have to advocate that I have to be concerned about the Police Department and its functionality. That expansion would be at a smaller cost than what it would be for a larger build which I think is going to be a more difficult sell to the taxpayers. It's just an assumption and maybe wrong. I'm just focusing on that. I don't have an issue with if the town is committed to moving forward and starting to work towards something. I'm on board with something like that. I don't have an issue with that.

Selectman Coutu noted a lot of people had asked me why the Police Department is so remotely located. For a lot of

people who are new to town, they don't realize that the circumferential highway had a lot to do with it. It was always anticipated that the circumferential highway would go across 111, 102, and now over the river and into Merrimack at the new exit 9. It was built because they thought they'd be able to access the circumferential highway and get down at this end of town much quicker, get over to 102. That's why it's isolated where it is. It's a nice facility and I agree with you that there's potential there to do some expansion. I forgot about if we went out we could easily go up. The construction was a little different than what presently exists. I'm more inclined to want to do a combined study of this facility and your facility and find - I think this is going to be a serious problem in five years. This building is going to be a serious problem. I think we need to either relocate and have a central Town Hall/Police Department and I would be in favor of having someone do that kind of a study and see what lands are available to try to accommodate that but in the center of town as opposed to one end or the other. I think finding land in the center of town is going to be very difficult.

Selectman McGrath agreed with that. We're bursting at the seams in this building and I know you're bursting at the seams where you are. I think that just in response to the length of time that it would take, I think that if this Board and we decided that we were going to try and co-locate Town Hall and we found a piece of property maybe that we own or that we could acquire and then reducing that cost by selling off other properties that we own that that process would go quicker. The Police Department as it is today if we moved and created a new department elsewhere, that property would be sold. That could reduce the impact to the taxpayers. It's a little different than what the Fire Department did because the Burns Hill Road station is so small to begin with and they're creating a much larger facility. I think that the issue for me in supporting that process was the location because they're right on Lowell Road and because of the traffic in that area. That concerned me more than anything. I agree that they needed the facility it was just the location of it.

Selectman Morin indicated the police station where it is now is pretty close to dead center of town for one. The second one did Mr. Cashell already start this? I remember him talking about a community center somewhere in the area of Benson and I thought he had started working towards that. Selectman McGrath said he did. He talked about that because there's property that he was able to identify that he thought would be a good location for co-locating town services, and police, and if there's any other need. He didn't pick a piece of property and say this is available but he was saying that that general area around Kimball Hill Road would be an ideal spot to locate town services and police.

Steve Malizia stated he was more talking about the traditional old style center of town. If you recall, that's more what his focus was at the time. He didn't specifically focus on town buildings but more like the recreation or the creation of a downtown. Selectman Morin thought he had said a new town hall, a police station. At one point, he had mentioned that as part of that. Mr. Malizia said he may have mentioned it but the thrust of it I think in his mind was redeveloping that area as the quintessential center of town because geographically I think it was. I know that he didn't identify any specific land. He just looked at a revitalization of the existing buildings and what's there. I remember that was on his list at one point in time.

Selectman McGrath said to go one step further, he talked about properties that were further down towards this area on Central Street that were becoming available and there was interest from outside developers or people that were interested in acquiring those properties and making changes - putting in more commercial type uses. There's two or three residential properties I think that he was talking about.

Chairman Luszey asked where do you want to take this.

Selectman Coutu asked the Town Administrator obviously we tasked him with the responsibility of looking into doing some sort of a study relative to looking at these buildings and have you given and Steve Malizia said I've started to give thought to the buildings. I have no money to do a study. Just like here, I'm certainly not an expert in buildings. Selectman Coutu asked would it be better for us to put a warrant article out requesting monies to do exactly that and get an RFP. How quickly can we get an RFP? Mr. Malizia said if you're looking for a warrant article, we wouldn't need an RFP until the warrant article passed. Selectman Coutu said I know that but can we get an RFQ between now and the time we have to submit these warrant articles on what it would cost to do a comprehensive study of the two buildings. Mr. Malizia asked would that be to include quote, numbers, figures and that sort of stuff. Selectman Coutu said the selling of the property because the market value changes every year. When you look we could sell Burns Hill. We could sell the police station. We could probably sell this building. There's a lot of properties we could sell if we became centrally located and we pick up probably 50 percent of everything we're going to need with the property we're going to sell or even 25 percent. Mr. Malizia said I have no idea because these are obviously depreciated buildings. Probably a very specific use. I don't know what somebody would do with them. Again I have no idea what a market value is of an old police station. Not old in the sense of old but I have no idea what someone - whose that market? Who's buying that? That's a piece over here. Selectman Coutu noted the medical technology. You never know. Mr. Malizia said you're looking at funding but you're basically trying to figure out what's the need. What do we need? What does that facility need? That's a different study than how are we going to pay for it in my opinion. I think you'd need to, again, like you said have someone come in and look at our facilities and say what's the optimal, what's the best, where would that best be. I have no idea if there's land available. If there's land available, you have to have a willing seller unless you want to go eminent domain which we're not even going down there at this point in time. What do you want to combine? You just built a new fire station down here. You've got a fairly decent highway garage so you're not obviously considering them. You're looking at police and town hall basically somewhere I think is where you're looking at.

Selectman Coutu asked do either municipal resources or Nashua Regional Planning...Steve Malizia said I would be inclined to look at more municipal resources before I look at Nashua Regional Planning. Selectman Coutu said they're more inclined to want to look at traffic. They did a good job with the traffic over here. Mr. Malizia said MRI might be a better resource to at least inquire and find out can you do something like this and what would it cost. That would be the more appropriate avenue in my opinion. They've got expertise and a lot of different areas and we've got contact there. We've had communication there. Frankly they've done some studies here. Years ago they did the fire department. At one point they did Community Development as a department and not as where they should be. I think they have some expertise but we'll find out. We'll get something from them and see what they got.

Chairman Luszey indicated I'm still not clear on where this Board wants to go.

Selectman Coutu said I'm not inclined to want to spend \$60,000 to look at the Police Department. I know that it needs to expand. If he's happy with the building and we have sufficient land to build it, do we need \$60,000? Chairman Luszey said no and the reason I say no quickly is because you don't need a needs assessment. You know what the needs are. You need more space. What you need is an architect to draw the plans for whatever it is you're going to change. Then that gets back to the basic question is is that the approach that we want to take or is the approach we're going to take is a combined building if you will. I think what you want is an architect to design that. Having the location is actually secondary on this problem because the first problem is understanding what you need for a building. Then once you understand what that building is, that would determine or dictate the type of property you would need to place that building on in terms of parking, access, and all that. If we use the fire station as a model, well we already kind of got that. We can go talk to Londonderry and say what did it cost you to build yours? They're roughly the same size community. We use it all the time. We can go down that route or we can say do we want to budget some monies and I'm sure we could get some figures for an architect by budget time to go and have an architect to start putting this thing together next year. Its two different approaches. Adding on to what he's got and then adding or doing something to this one at some future date versus collapsing that into one project.

Selectman Routsis asked do we want to revisit this when we revisit everything else. Chairman Luszey said it's definitely something to mull over between now and then. We only have a few days before we have to make a decision.

Selectman Coutu said we as a Board need to determine what our priority is. Do we look at combined or do we say look he has enough space let's go that route and get the study done and then come back with a figure on how much it's going to cost to build, what size it's going to be, whether or not it accommodates your need, and then once we get that behind us or in the interim while that's in the process, we get a study done of this building. Is this property big enough to tear this down and rebuild 2, 3, stories high, be sufficient to meet the needs or do we need to look for another parcel for Town Hall? The third option obviously is combining them both. Go or combine but we need to make that decision so we've got one week to think about it.

Selectman Morin said if you talk about Town Hall, and this is nothing against you, and I know we just spent a bunch of money at Central but combine a police and fire station, have your safety all in one area, either knock that down or use that building for Town Hall. Make this the whole Town Hall complex and then put all your safety departments together somewhere else.

Selectman Coutu said build a fire, police combination and us take over this whole property. A brand new municipal complex. We'd have plenty of parking.

Chairman Luszey thought that will be a very tough sell to the voters saying you just \$1 million.

Selectman Morin said I'm just throwing it out there that's all.

Kathy Carpentier said I'm going to draw your attention to page 42 then - a \$10,000 increase recommended by the Chief for cruiser purchase line increase.

Chief Lavoie indicated we've been very successful at turning over our fleet on a regular basis. This has been going on since way before I took over. Normally we would be turning over anywhere between 4 and sometimes even 5 brand new cruisers a year. Again this was prior to be taking over as Chief or even when I took over. The Impalas were costing us between \$16,000 and \$18,000. At that time and since roughly around I think a couple years back when Selectman Jasper was here, he was saying that there's \$120,000 can go back to the early 2000s that we were using for a fleet turnover. It was only two years ago where we bumped that \$120,000 up by \$10,000 to \$130,000. The problem that we have is that the cost to make a vehicle is more expensive. Specifically with what we have access to now is the Fords. Those per vehicle is a \$10,000 increase per vehicle. We've gone from 120 to 130 and trying to keep our fleet rotated. What's always been the practice has been about 80,000 miles. When we turn it in, we get a little bit more of a trade in value for them for the vehicles but because we don't have the money to maintain that rotation, I know have 6 vehicles coming into next year that's going to be between 80,000 and 100,000 miles. We're getting behind because of the cost of the vehicles have increased. If we were normally flipping 4 a year, that's \$40,000 extra I would need in that line item. We've only gone from 120. We've only increased it by 10. So I still have that \$30,000 which is another vehicle but I'm just not getting it because I'm trying to manage the mileage as best we can but again I have six vehicles that are coming

up on very high mileage. I'm here to ask the Board to try and bump this up another \$10,000 to \$140,000 and that will give us a little bit more flexibility with managing our fleet.

Selectman Coutu asked were you here when the Assistant Assessor made his presentation. He's going to give you \$5,000 to buy one of those vehicles. That should help. Steve Malizia said helping to defer the trade ins. Chief Lavoie indicated it's a wash. Mr. Malizia noted plus you also fit up the vehicles with that money too am I also correct? Chief Lavoie said yes. Mr. Malizia said just so you think about it, everything including the fit up and the switch over and all that has to happen in that same budget. It gets tighter.

Selectman Coutu said my personal opinion is we can't argue the rise and costs of vehicles.

Chairman Luszey indicated you can't argue the rise and cost of vehicles but you could debate the rotation schedule versus 3 years, versus 4 years, versus 5 years. Selectman Coutu said you could stretch it out but it's going to depreciate the trade in value of the vehicles. Chairman Luszey said the last time I looked at one, and I'm dead serious, it was only about \$500 because I made the inquiry to buy it. Chief Lavoie said that may have been like a vehicle that came back from - we'll give Town Hall a vehicle and then they'll run that for a few more years. When they want to get rid of that to buy one of the ones we're giving in, we take that as a trade in as well. Normally our trade ins for the police cruisers themselves with the Impalas, they've been about \$5,000 each is what we were getting back to those. With the Fords, I can't think of the prices off the top of my head. I don't know if one of the Captains can. He's brand new to this system so he's going to be getting his first exposure to it. Steve Malizia said it's not less than \$5,000 probably, right? Chief Lavoie said probably not.

Selectman Coutu said we could change the rotation. We changed the rotation if I recollect approximately 8 years ago so that we could have a better turnover of vehicles. The argument made then was that we wanted to have updated equipment, updated fleet. With the construction that was going on, more miles of road being constructed every year so there's more wear and tear on the vehicles. We wanted to get into a rotation schedule that made sense with not having so many - at that time we were having a lot of vehicles repaired every year. There was always something breaking and malfunctioning because they were aging. We wanted to quicken up the rotation process. I would not like to see us go back to that rotation. I don't see \$10,000 as an outlandish request. I think it's a reasonable request. If you think \$10,000 is going to make a difference in order to keep the rotation, you must have done the numbers, take them up with this \$10,000.

Chief Lavoie said what I'm trying to do is I have a lot of things here outside of the budget that are starting to fail and I'm trying not to spike the tax rate that much. Chairman Luszey said you already have. Chief Lavoie said I know I am but ideally I'd love to come in here and say yes bump this up \$30,000.

Selectman Coutu said an argument can be made is that we've held you to a flat budget for years. Your department has seldom come in for outside the budget requests. I'm surprised that you have this many this year. It's time we had a conversation with somebody before the meeting where I said it's time we start paying attention now to the Police Department because of what's going on. We're not blind to what's going on within our community. We have a serious drug problem. We're just as akin to crime as everyone else. People read the paper. They can see what's going on. Those real great shoppers at Walmart and all these other things that's going on. There'd embezzling going on all over the place not just in Hudson. I'm generalizing here. The crime is not going away. It's here. The drug problem is not going away despite what the President says. He's going to have more education programs. I don't think that's the answer. The answer starts in the home. Your requests are not unreasonable and I certainly can support this one.

Chairman Luszey asked did you look into the lease purchase type of arrangements for your fleet like fire and highway has. Chief Lavoie said they run a little bit different with the length of time. Ours is bulk. I did this once before a few years ago with Londonderry. I don't have all the particulars but I remember looking at it going it was just not of interest to me it seems. Chairman Luszey said given the cost of the vehicles have gone up and most commercial fleets are a three-year lease program, I think it would be worthwhile for us to look into that now. What that would do is allow us to flat fund that line based on a lease line versus a spiking every now and then based on the cost of vehicles going up. It would give us a little flatter consistency to the budget. Chief Lavoie said I'll take a look at some of the reports that we had from Londonderry and how it worked. As I recall, it actually came out I think more of a loss for the community because we weren't getting as much value back for the vehicles. They project out what they think they'll be worth and then when you turn them in they're not worth that much. We've done well with our trades overall. I can certainly explore that some more.

Kathy Carpentier said the one in front of you - the handout - was given to you tonight is for portable radios. Its \$55,279. Chief Lavoie apologized for not having this in sooner to everyone. This was my fault. We had a number of discussions on it and then when it came down time for me to submit it, it was out of my mind. It was a late submittal this evening. I appreciate Finance and Town Administrator's help to get this to you. We have some radios that are out there that are 14 years old. This goes back to that conversation and I won't repeat it because I'm sure Mr. Yates wants to get up here so he can go home. This is electronics. This is that life safety side for both the officers and the citizens that we need to have active. This does not replace the entire fleet of radios. It would like to get ten. We have 48 sworn officers that are out there plus we keep an additional six more for the SOU officers because it just makes it easier for when they get

a call that they can just grab their heavy gear and off they go. Radios are expensive nowadays. They're a little bit more expensive than what I thought they were when we had the department head meeting earlier this week. This is where we're at. I'd like to do ten this year and then what I'd do is I take whoever has the oldest radios, get rid of those, make sure that the front line - the guys and gals out in patrol - they have the newest radios out there and then we'll take care of the rotation part. That's really not for you to worry about. We need to start getting into a rotation system with the radios.

Selectman Coutu thought we just did radios not too long ago. I can remember sitting here with Selectman Maddox and he said at that time I thought we just did radios not too long ago so we did it again. Regardless - I believe you Jay but - homeland security don't they have grants to replace our radios? Not our radios but radios in general? Chief Lavoie indicated we are not seeing a lot of grants for that stuff. We just received an equipment grant that was like \$5,000. There's not a lot of money there that's available. Sometimes when you get these equipment grants, you're not as eligible to get the grant the next time that there is an equipment grant available. You have to skip a cycle or something. They come in from the State and then we start applying through them and then the State acts as the administrator from those grants. Selectman Coutu asked can't we go direct to homeland security. I was under the impression they were putting out radio grants nationwide. Chief Lavoie said I have not seen any in my correspondence. If that were the case if there is something between now and then, I have about 20 radios that are more than 10 years old. It would certainly be matching funding or funding coming from the town with something like that. These radios are almost \$7,000 per radio. We'd be able to change out more. I'm just trying to take a little bite of the apple - a little bit of the elephant to start replacing some of these.

Chairman Luszey thought the radios that you're talking about and this one is going from analog to digital and those were under a grant. Selectman Coutu I think the radios when Maddox were talking about, it was some of the replacement stuff inside the station the Motorolas. They're all radios but they're different types. You've got the bay stations, you've got the ones in the cruisers and these are portables - hand held users. It's depending on what flavor we're talking about of the year. Chief Lavoie indicated our newest radios were 2013. We bought 6. In 2012, we got 28. In 2007 we have 10 and 2005 we have 10. We have some radios that go back to 2002.

Selectman McGrath stated I'm in favor of this if we can move this along.

Selectman Coutu said I was a police officer. Having a radio when you're outside your cruiser is vital to your safety.

Selectman Morin noted I was going to say the same thing the two Selectmen said. This is something that they need.

Chairman Luszey said let's see if your number matches yours - \$149,279 out of the budget. Ms. Carpentier said that sounds about right. Chairman Luszey said to add another 545 for assessment.

Selectman Coutu stated there's a lot to think about between now and Thursday.

Kathy Carpentier mentioned he's withdrawing Warrant Article F but we said somebody wanted to talk about it and you said we'd talk about it later. Warrant Article F is being withdrawn. Chief Lavoie asked I don't know if the Board wants an explanation as to why. Ms. Carpentier thought somebody said they wanted to go over it earlier. Selectman McGrath asked a question of it but I'm fine.

Recreation (5810-5845)

Chairman Luszey recognized Recreation Director Dave Yates.

Good evening. Dave Yates said I'm here proposing the recreation budget to you. Per the Selectmen's parameters, we're actually down in both operation expenses and labor and benefit expenses. We're not asking for any warrant articles or additional requests this year. I did make adjustments to the budget based on spending and different things. The biggest adjustment I made was moving 5810-450. There was \$15,000 in a capital reserve and I'm requesting to move that to the ballfield 5824-267. Those funds would allow us to fix the lights at Jette Field that we had discussed earlier at the Board of Selectmen's workshop. Other than that, it's just a lot of small adjustments to the budget.

Selectman McGrath noted that was the biggest change. Mr. Yates agreed. That was a big change. By having that \$15,000, we've been over it and it would allow us to fix a problem without going to warrant article or making adjustments to the budget.

Selectman Coutu asked you highlight that. It's page 2 and 15. You're moving it over to Jette Field. That's a project. You already had the remainder of the money or that was originally in the line item. I see it was originally in the line item. So you added \$15,000 to the 26. Dave Yates said correct. That would allow us to do that project this year. Selectman Coutu said that was a good move. Thank you. Overall your budget is a hair lower I understand. Ms. Carpentier said (inaudible) lower because of the change from the full time position to two part time positions.

Selectman Coutu knows that we don't consider at this point but we obviously can ask questions. The overall

assessment of your programs we had done a revision of the fees to try to make it as level funded as we possible could so we could ease the burden to the taxpayer. How is that working out? Dave Yates said very good. The revenue had increased again this year. Revenue went from 272 to 277. The summer program is higher than ever. That's paying for itself. If you take that 277, I think our actual programs are almost all paying for themselves. The administration and that is extra but programs themselves being 277, we're pretty much paying for ourselves. Selectman Coutu said that was what we were trying to achieve. Mr. Yates though the biggest issue was the summer program and that one if you look at the summer program the revenue for that one - supervised play, page 9 - \$156,696. Our proposed budget is \$107,821 and \$156,696 was the revenue. That was the biggest issue years ago. Selectman Coutu said it must be the after-hours care program. Mr. Yates said that was a big help.

Just for clarification, Kathy Carpentier said that revenue is actually what happened in FY17 and not what's budgeted.

Selectman Coutu said that was awesome. Your overall budget is down \$8,000. Again adults and our youth in this community are well served by the programming that's being offered. I want to congratulate you for having an outstanding recreation program for our community.

Chairman Luszey had one question. Where is it reflected in here that Oakwood is no longer part of the Recreation budget. Steve Malizia said it was never called out separately so it's not called out. In his Rec. Admin. would be where he had any...Chairman Luszey agreed so all the utilities for that should be out of here. Dave Yates said that's Recreation Admin. which includes water, sewerage. Selectman Coutu said we didn't order him out of the building though. Chairman Luszey said we're going to use it for something different so it wouldn't be part of the Recreation budget. It should be separate. Selectman Coutu indicated we haven't formalized that. Chairman Luszey thought we did. We voted on it. Selectman Routsis noted we said to put it out but we also have to account for what the increases were going to be at the new facility which we're not going to know until he's in there for at least a full cycle. Selectman Coutu said that's when you brought the notice in and what it would cost. Selectman Routsis said we did \$78,000 or whatever it was but we're still going to need to know because that building is going to be used more to a certain degree so he's still going to have utilities budgeted. We just have it labeled differently in here for now because he's still going to be in that location until when? Chairman Luszey said March is what we said.

Kathy Carpentier said if you choose to put somebody in there, then they're going to have electric expenses and water expenses. At that point, you could in next year's budget take the some number out of Rec. and give it to...Chairman Luszey said right but this is next year's budget. That's what I'm saying. There should be a break out now of that building's expenses so that we know what they are in terms of electric, and water, and sewer. Ms. Carpentier said it depends who is going in there or nobody. If nobody is going in there, then this budget could go down.

Selectman Coutu agreed. We haven't decided whether we're going to move a department in or sell the property.

Chairman Luszey said that's why it needs to be broken out. Kathy Carpentier said that didn't happen in the last five days since you made the motion. Chairman Luszey said it needs to so that we know what that budgetary impact is going to be. Ms. Carpentier asked so you want somebody to take an action item to see how much his incremental expenses, Rec.'s expenses will be, and Hudson Community Center. Chairman Luszey assumed that would happen because any time you consolidate a facility, there is the utilities that kind of get moved around. If we're moving the Rec. Administration out of that facility into the Community Center 100 percent of the time, I would expect the Community Center to fluctuate in this budget to reflect that estimated ongoing cost for full time occupancy and then there would be a reduction for a lack of better words a mothball facility until we decide what we do with it. If we sell it, it's empty and its mothball or if we convert it into a storage facility that should be...Ms. Carpentier stated you haven't made any of those decisions. Chairman Luszey noted the only decision we made is that we're moving Rec. out of there. Therefore for me the assumption should have been for this budget that it's a minimum use the Oakwood one.

Steve Malizia said we did this budget before you did that. That's \$7,700 for the three utilities that would be affected in this budget. He has three lines: gas, electricity, and water at \$7,700 for those. We don't know what he's going to spend at the other building because that's not fully occupied all the time.

Selectman Morin said I had asked if we want to increase the 78 when I made my motion and you wanted to stay at 78.

Kathy Carpentier asked do you want an action item down the road. I don't think it's going to be...Chairman Luszey said I'm not hearing that as a consensus from this group.

Selectman Routsis thought we have to give him a year in the building to know what his usage is going to be and I think we need to decide what we're going to do with the other building before we reduce or increase anything for that building. If we're just going to turn it into storage, well that's going to drastically drop it. If we're going to move say Finance, or IT, or Steve there, there are going to be different circumstances.

Dave Yates indicated the Community Center is currently under the Town Administrator's budget now. Steve Malizia said it's in a separate cost center under Administration. Down the road it may move. We'll see how that goes. It still has a separate cost center. Kathy Carpentier said we can always do line item transfers is what I was saying come July

1st after decisions have been made by this group. Chairman Luszey and Selectman Coutu said okay. Ms. Carpentier asked are you okay with the summary overview or did you need to go function by function. Mr. Malizia said he's overall down and he has no other articles and he has no other...

Selectman McGrath said I'm good. I looked at each line item and I'm fine.

Just so you're aware, Steve Malizia stated the article to extend the agreement for Freedom Field is a Warrant Article but that was the discussion we had. It's not a monetary article. It's not necessarily his article but just so you know, that article is in there. That was the agreement that we reached. Selectman Coutu said it may not necessarily be his but he was instrumental in helping. Mr. Malizia said I just wanted to point out that that is there.

Chairman Luszey said if there are no other questions for Mr. Yates, have a nice evening. That concludes the overview of each of the departments and it brings us to Item 5 and that is to discuss the default budget.

5. DEFAULT BUDGET, REVENUES AND FORWARDING WARRANT ARTICLES

Chairman Luszey recognized Town Administrator Steve Malizia to discuss Default Budget.

Steve Malizia explained basically we do three default budgets. As you're all well aware, each of our operations - our water, our sewer, and our general fund are separate warrant articles. Each of them needs to have a default budget. If you look at the document that was passed out this evening, this was prepared by the Finance Director and with myself reviewing, we have the first column is the 2018 budget. That was the approved budget for this fiscal year. The 2019 is the default budget. That's calculated on last year's budget plus or minus one-time expenses and/or contractual expenses. So for example if you had a multi-year labor contract, we have to account for that. It accounts for equipment coming off for example if we come off a lease. We do have the labor contracts. We have retirement benefits. We have any of that sort of stuff that's contractual getting adding back in. The methodology we use is example the same every year and we lay it out. On the next page, you'll see the general fund a calculation. The page after that is the sewer fund. The page after that is the water fund. We include these documents so people can visible see what was the adjustments to get to the default budget. The third column is where you are right now with your budgets. Presumably water and sewer aren't going to change it in here and a conversation about that. So you can see the delta between the sewer default budget and the proposed budget as is \$540,000. That predominately is the pump station work that they're going to do down to Sagamore Park. As you recall, we did one on Industrial Drive but we have to take that out because that was one time. We have to put another one-time project in. If the voters vote for the default, we won't be doing that replacement it's that simple.

Steve Malizia explained the water budget has a couple of projects. One of them is to put a gas fired/propane generator over at the Dame/Ducharme Well so now all of our equipment will have a robust power backup along with a shut off valve over in the Pelham line so that we can regulate better our water leaving our borders. Those are one-time projects in the water budget but we had to take out certain other projects like the Windham Road booster station and the Weinstein Well generator. Those were one-time expenses. So that delta is \$631,000. Again if something doesn't pass in the water budget, the core mission will be accomplished but those projects to fix those last issues will have to be deferred. I say those, those are fairly simple. We are pretty close on the general fund budget but anything you add or change - if you add to the general fund budget for some of these out of the budget items will increase that delta. So right now it's \$146,000. If you added \$50,000 for police radios, that would now be 196 because you're increasing the 2019 column. That's the primer on that. However, the default budget is not going to change. You can vote on that tonight if you so choose. Its housekeeping. Its business that you should take care of and those numbers aren't going to change. We've calculated it consistent every year. Unless anybody has a question, there's no change there. You can do that. It doesn't affect the operating budget for this conversation.

Selectman Coutu asked have you advised the department heads to give thought to where they're going to go if we end up with a default budget. They have to make some decisions financially. Steve Malizia said as we did three years - one year and then we had a break, and then I think we had two years in a row - we as a collective group sat down and came to the Board with our recommendations right after that election. I would anticipate if we were to have a default budget on the general fund we'd have to do that. Water and sewer is a little bit more. It doesn't affect the police and it doesn't affect fire. It affects sewer and water. Those conversations would be on a smaller group of people - probably the Finance Director, myself and maybe the Town Engineer.

Selectman Coutu asked what did you say the outer budget was Mr. Chairman. Chairman Luszey stated I only have for this evening - were there any other out of budgets? Kathy Carpentier said there's like 10 of them that you've been talking about. I don't have that total at this point. Chairman Luszey said tonight the number I have is \$149,279. That's just for police and then you have \$54,500 for Assessing. We're over. Selectman Coutu said we're at \$350,000. Ms. Carpentier said plus you had \$50,000 for the IT Director. Selectman Coutu commented that's a lot of money. Chairman Luszey said about a half a million. Ms. Carpentier said it's about \$356,000. Mr. Malizia said plus the number that's already there. Selectman Coutu said it would be \$.40 on the tax rate. Kathy Carpentier said this would be an additional \$.10 more. Selectman Routsis said your 146 is \$.05 on the tax rate. You'd be at about say \$.15. Ms. Carpentier said if you add it all but I don't know that I heard consensus on all of those others.

Steve Malizia said the bottom line is the default budget is the default budget so you can make a motion and we do have one if you want it to dispose of that piece tonight to kind of lessen your burden. It's not going to change between now and next Thursday.

Chairman Luszey stated before we do that, let's do the revenue and then we'll do the motion because that's the way it's structured.

Kathy Carpentier said we're jumping inside your books to the end of the summaries. There's a revenue sheet and it starts on page 6, 7, and 8. I'll make an opening statement if I may. We look at our most recent actuals which would be FY17 which just ended in June. We do take into consideration budget for '18. Steve and I looked at it both and we adjust the numbers. Then we also just give the department heads a chance to review it. In front of you is our best estimate to this point forward.

Chairman Luszey said a couple of questions I had on the interest on property tax, you're seeing that going up and then motor vehicles you're continuing to up on that based on what we're seeing.

Kathy Carpentier stated I had a conversation with the Town Clerk/Tax Collector and even though we made \$5.2 million in our most recent fiscal year, she said be careful because as it goes up and up, sometimes it dips off. She said don't be too aggressive. She'd even stop increasing it after this increase. As far as the interest on property taxes, I believe during the year Selectman Coutu might have asked about that. If people aren't paying their bills, we're going to have a lot of interest on our property taxes. Last year we overestimated that which meant that people are paying which is a good thing so we brought it back down to closer to actual.

Chairman Luszey said on building permits we upped that. Are we actually seeing that increase or is that just a good guess - 4218. Steve Malizia indicated 282 is the actual number. 225 is this year's budget but we're looking at 275 based on the actuals we just did. That's a solid number according to the Chief and his analysis of it. There is some department head input into some of these because they're a bit more specific to that department.

Selectman Coutu recommended that based on the action that we took this past year, ambulance revenues couldn't we easily adjust that number from 775 to 825 - add \$50,000. I'm basing that on actuals of 2017 and the new rates that we just applied. Steve Malizia wasn't aware that we changed any rates. Chairman Luszey thought this was reflected in the Medicaid we changed or something like that. Kathy Carpentier said not this spring. It was two years ago. So we're already realizing the impact of the increase. So that \$800,000 is what we realize the latest increase that we voted on.

Selectman Coutu said we have an increase in services request (1); (2) we're charging out now for services rendered; we're charging for ambulance even if they refuse to take the ride, correct? Mr. Malizia said not in every case. In certain specific cases but not in every case. It's a limited sort of circumstances. Selectman Coutu asked can we adjust the \$775 to \$800 safely instead of \$825. I'd like to lift this up in order to accommodate - do you know what I'm doing? Ms. Carpentier said yes. Selectman Coutu said otherwise we're going to have to start saying no to almost all these requests. I am not going to support a half a million increase in the budget unless we can adjust our revenue lines. Ms. Carpentier believed that I could support that. Selectman Coutu said if the Board is amenable to doing that. Increase 4730 to \$800. I'd like to go to \$825 but I'd be contradicting what I've said in the past about over estimating. \$800,000 I think would be a better number. That's \$25,000. That just bought half the radios.

Selectman Routsis asked and we may have covered this at some point. 4748 - insurance reimbursements. We had \$30,000 and we have nothing. Kathy Carpentier said unfortunately if we had 30 vehicles and had accidents in that type of stuff. Hopefully you don't want to buy...Selectman Routsis said I don't know what it was. Steve Malizia said we have to gross appropriate everything and we don't want to budget all that. Ms. Carpentier said that just means that they had to spend that much more on vehicle repair.

Selectman Coutu said the meals and rental tax, we won't get that number until...Steve Malizia said the rooms and meals tax is a State and they're not inclined to give us any more money than they're already giving us to be frank with you. Selectman Coutu said they told us they were going to give us more money. I'm just telling you what I heard. We don't have much that we can play around with.

Chairman Luszey noted sales of property are we not...Steve Malizia said we are but I can't guarantee it. Anything that comes goes to surplus and then you can decide what to do with that surplus. Could you bump it \$25,000? Yes you probably could if you're looking to get to 50. Chairman Luszey said that's kind of what I'm looking to do based on what we have up for sale. Mr. Malizia said you could add 25 to that to get to your 50.

Selectman McGrath commented so bump it up to 65.

Selectman Coutu said \$100,000 makes more sense to me.

Chairman Luszey was not inclined to disagree.

Steve Malizia said I'm telling you I'm not sure next year we're going to have that kind of property. I have two right now that I'm working on. That will probably be this year in this fiscal year and not next fiscal year.

Selectman Coutu noted we may have the Burns Hill and we may have the old rec.

Selectman Routsis said you can't go on a may have.

Selectman Morin said the way we've been talking about those, we've got some pretty good ideas that we're going to use them for.

Kathy Carpentier asked to talk about revenues in a bigger picture. Right before you set the tax rate, you have an opportunity. If you went out and sold a half a million dollars' worth of property, you could affect the tax rate that's going to happen next fall by that \$500,000 if you were to sell that much property. This is just estimated revenues. You do have one more chance right before you set the tax rate to change revenues if we had any drastic changes. Does that make sense?

Selectman Coutu said yes it does. We've done it before. We don't have too many numbers to play with. I'm just trying to get some equity on our side so that we can offset with some of these requests. Otherwise like I said, I'm not voting for a half a million dollars' worth of increases. Right now, I'm going to back off \$400,000 of them.

Chairman Luszey had a question on the change in the capital reserve funding. All the capital reserve funds that are in place today if they didn't show up in a warrant today to be voted on, monies will not be placed in them. Steve Malizia said they will not receive additional funds. Chairman Luszey asked how does that affect this revenue line. Mr. Malizia said it doesn't. That's recognized by the Trustees of the Trust Funds and not on our investment.

Kathy Carpentier said I'll give you Greeley lights. Last year you did Greeley lights about \$20,000. You put that in the budget. You also anticipated getting \$20,000 from the capital reserve fund. It didn't cost the taxpayers any money.

Chairman Luszey stated no I'm talking about putting money into these capital reserves. All these capital reserves have something that says we're going to put X number of thousands of dollars in these capital reserves. It's coming out of the surplus. No impact to the tax rate. Mr. Malizia said some have and others have come straight to the budget from the taxpayer. Chairman Luszey said there's a lot of them that say no impact to the tax rate because we're taking it out of what we don't spend. Mr. Malizia noted only the one warrant article that funded the major town repairs, communications equipment, and land.

Kathy Carpentier said before you what you haven't voted on is \$200,000 for communications infrastructure fund \$200,000 into their capital reserve fund from surplus. So that has no tax impact. The \$20,000 that the Assistant Assessor wants to put into his capital reserve fund right now the way its worded is a tax impact. Chairman Luszey indicated that's a new one and it would have a tax impact. Ms. Carpentier said it's not a new one, he's just funding into it. Steve Malizia explained he can't fund it in his budget so now he's put it as a warrant article. That's you're only other option. When they were in the budget, there were appropriations. They were appropriated and they weren't all coming from surplus. They were just being raised and appropriated. If somebody had a capital reserve fund in their budget, it's being raised and appropriated.

Chairman Luszey said that's what I'm saying. Let's use the Assessor's. There's \$50,000 something that was being funded to that capital reserve fund out of surplus every year or \$10,000. Steve Malizia said that was raised by taxes. Kathy Carpentier said his was \$15,000. He had a \$15,000 line item in his budget every year. So \$15,000 was raised for Assessing and given to the Trustees as what I like to call a saving account for a future purchase. Steve Malizia indicated that was not from surplus. It was appropriated from the taxpayers. Chairman Luszey asked how many capital reserve funds did we have that were from surplus then. Mr. Malizia stated three that I'm aware of the last two years. You did three the last two years. That was not typical. That was something extra you were trying to accomplish. Ms. Carpentier said right now before you is the \$200,000 to the communications. Chairman Luszey noted the ambulances was one of those correct.

Steve Malizia explained there was field space which we are accomplishing this year. It was communication's equipment and it was major repairs to buildings. Those were the three reserved funds that were funded from surplus on a warrant article the last two years. Chairman Luszey thought we put money away every year for ambulance. Mr. Malizia said we did through the budget. In the budget we did not on a surplus into a capital reserve account but not through surplus. It was doing an appropriation. Chairman Luszey said what I'm saying now is that money is not...Mr. Malizia stated he's not appropriated that. That's correct. Chairman Luszey asked what does that mean to this whole budget. Steve Malizia stated it means that your budget is lower because you did not appropriate - theoretically if you're not appropriating into a reserve fund, your budget is lower or it's been repurposed.

Chairman Luszey asked how big is that number that was no longer appropriated through surplus this year. Kathy Carpentier said its zero because each department head took whatever their line item either put it on an outside the

warrant capital reserve fund like the Assessor did or lease purchase a ladder for the fire guy, or lights for Rec. In light of that, Chairman Luszey indicated the Assessor's request should be a zero impact to the tax rate if we approve it because he's been getting it every year. He's been funding it through...Steve Malizia said one could make that argument 6 and ½ a dozen of another. One could make an argument that way. Ms. Carpentier said his budget is only down...Mr. Malizia said he took some of that and put it in is budget because he needed to do something. This is a tricky year because it's the first year we've had to do that. It hurts us. I'm not going to tell anybody anything otherwise. It hurts us because now we don't get the benefit of doing that savings that we did. Now it's out and guess what if we get to put it back in, it's going to hurt us again because now our budgets are going to be higher next year.

Selectman Coutu asked how many in total how many warrant articles will be on the ballot. Kathy Carpentier indicated 19. You did one less. We're all the way up to the letter "R" and you took one away tonight. Again, Steve Malizia said it's your choice whether you forward all of them. Ms. Carpentier noted three of them aren't money articles - the field one and then the two exemption ones. I know its money as far as assessed value but it's not non-appropriation. Selectman Coutu said I can't see where we can do any more with revenue. I just went through every single one. That's about the best we can do there. Ms. Carpentier said you've picked up \$50,000. You did 25 and we did 25. Revenues don't need to be again because they're just estimated. They don't need to be voted on. I believe it was your intention Chairman Luszey to go back to the default budgets and vote on those. The motions are in front of you I believe.

Motion by Selectman McGrath, seconded by Selectman Morin, to approve the General Fund Default Budget in the amount of \$25,560,233, carried 5-0.

Motion by Selectman Routsis, seconded by Selectman McGrath, to approve the Sewer Fund Default Budget in the amount of \$1,702,566, carried 5-0.

Motion by Selectman Routsis, seconded by Selectman McGrath, to approve the Water Fund Default Budget in the amount of \$3,362,420, carried 5-0.

Chairman Luszey indicated the next one is the general operating budget. Are we ready to decide what we want to do? Kathy Carpentier said you're definitely not because you haven't decided the ten outside the budget requests. Chairman Luszey asked how do you folks want to do that. Do you want to know what the total is with all ten? Selectman Coutu said I'm ready to sit here and vote them and get them over with. I'm ready to go. Wish of the Board do you want to wait until next Thursday or wrap it up tonight? Selectman McGrath said I'm losing steam here. Selectman Coutu said that's fair enough. We'll do it next Thursday.

Steve Malizia said you could motion to the sewer and the water fund budget. It would be very quick because you have no other controversial items there. Maybe someone would like to make a motion to forward the sewer fund operating budget in the amount of \$2,243,192 to the warrant.

Motion by Selectman McGrath, seconded by Selectman Routsis, to forward the Sewer Fund Operating Budget in the amount of \$2,243,192 to the warrant, carried 5-0.

Motion by Selectman McGrath, seconded by Selectman Routsis, to forward the Water Fund Operating Budget in the amount of \$3,993,645 to the warrant, carried 5-0.

Steve Malizia said that's probably your logical break point.

Chairman Luszey said there is one that I do want to bring up before we move on. During the meeting that I wasn't here, the cable utility positions were moved from part time to full time and all that. We have a Warrant Article E that talks about the same type of issue where we want to take a part time employee and move it to a full time Water Clerk. Based on the criteria that this Board used to do the cable utility, I believe that we should be doing the same with the water utility because it has no direct impact to the general taxpayers. That position is paid by the water utility.

Selectman Routsis agreed with that.

Selectman Coutu said I haven't even heard a motion and somebody is moving something. Let's discuss this a little bit. The criteria is different. There is an impact.

Chairman Luszey said no it's a utility user.

Selectman Coutu apologized. It's a user versus users. Go ahead it will give the newspapers something to write about.

Chairman Luszey stated if there's no further discussion, I would make a motion.

Motion by Selectman McGrath, seconded by Selectman Coutu, to convert the Part-time Water Utility Clerk position to Full-time Water Utility Clerk effective January 1, 2018. This position is funded by the water fund, carried 5-0.

Motion by Selectman McGrath, seconded by Selectman Routsis, to assign Barbara O'Brien as the Full-time Water Utility Clerk at here current pay rate of \$18.18 per hour, Step 5. This position is part of the Hudson Support Staff AFSCME Contract effective January 1, 2018, carried 5-0.

Chairman Luszey noted it will be Articles D through R we would...

Kathy Carpentier asked a procedural question. Since F was withdrawn, it is part of your budget. Don't you need to still - its part of your budget? I think what you need to do is vote to not forward it. I don't know. I'm asking. It isn't a public document. Steve Malizia said it's better to look back and say we did that as opposed to what happened to it.

Motion by Selectman McGrath, seconded by Selectman Morin, to withdraw Warrant Article F from the budget, carried 5-0.

Motion by Selectman McGrath, seconded by Selectman Morin, to not forward Warrant Article E to the ballot, carried 5-0.

Kathy Carpentier said one last thing I'd like to say. I'm going to help you. I'm going to take all of the outside the budgets, write up motions whether you support them or not, that's what the motion would start at. Is that okay? I could send it to you prior to next Thursday night so you can decide your positions on the motions. I will just write out motions and say motion to increase the automobile line for police by \$10,000 moving it from \$130,000 to \$140,000. Steve Malizia said if you vote yes it goes. If you vote no, it doesn't go. Chairman Luszey said it would have the cost center and the line item to increase. If you were to take all the outside items and add that to the budget and tell us what the total impact would be because then it's a subtract matter to get to where we normally are.

Selectman Morin stated this is an observation of mine being the first budget. I've got to ask. Doing level funding for all these years how has it actually saved the town because my perception is listening to everybody we're playing catch up. We're not moving forward. You have ten year portables. If they're not working, you're fixing all this equipment and things to that nature. Next year, we're probably not going to gain anything if they got the school and we got five contracts. Where are we gaining?

Chairman Luszey said you kind of already answered part of your question. It's not level funded every year. We ask them to come in level funded and then do exactly this exercise that we just did what is outside. The Board of Selectmen then prioritize those items that they believe they can get support for by the community. Contracts drive up the cost of the town. The biggest piece - insurance and employees. If we were truly level funded, our tax rate wouldn't be what it is today. It would be much, much lower.

Selectman Morin said let's talk about the contracts for a minute. We had a chance to split up a couple of the contracts so we weren't having five in a year and it didn't go that way. Chairman Luszey said we actually had that. What happened is the voters put them all back into the same cycle. We had them all nicely spaced out at one time. Selectman Morin said no that's not because the negotiation for the Supervisors we asked for a one-year deal and that got turned down by the town and not the voters. That's why I'm asking. Chairman Luszey said there are probably reasons why that got turned down because they couldn't come to terms.

Steve Malizia said most of it was the healthcare. The possibility of the Affordable Care Act financially affecting us at some all year. I think they tried to get everybody not to go past that year and that shortened the duration of some of them and lengthening the other ones. Selectman Morin understood that but there is sidebars and things like that and we were willing to go that route. That's why I'm asking. What I'm hearing is we're just playing catchup. We're not making any progress.

Selectman Coutu thought we made tremendous progress and I'll explain why. Mr. Malizia and Ms. Carpentier have been here a lot longer than I have in terms of serving the government. Historically budgets when they were reviewed and at full capacity to put whatever they wanted in the budget, a lot of attention wasn't given to the budget as it should have been line, by line, by line, by line. It's not just me. I know Selectman Maddox and myself and then Selectman Jasper got involved. We decided we're going to take these budgets line, by line, by line and we're not going to miss anything. The first year I had said I'll keep you here until 4 o'clock in the morning. We are not going to raise the taxes this year. I think it's because of that approach to budgeting that we have undertaken as a Board that we're going to review these budgets line by line and we're going to force them to level fund and come in with their demands, other requests separately. This is what I'm hearing in the field. The overall taxpayer really trusts that we are doing our best to stabilize the tax rate and as a result of that, I think they've rewarded because we went a few years with no contracts. We weren't getting anything we requested. I think they view that as you know what these guys are doing a damn good job and then we profess about - we don't just profess, we have evidence of how great our firefighters are and EMT in field, how much we're on top of the drug situation and how we're trying to assist that people appreciate it and are willing to give a little more for the service rendered. They rewarded us with a new fire station. They were very generous with the contracts that passed a few years. I don't think we're playing catch up. We got our vehicles in a better rotation than we've had in a long, long time. Our road paving is catching up because we're not there yet but we've made tremendous strides there.

Selectman Coutu stated when my first conversation with the Town Administrator when I became a member of the Board of Selectmen was - Steve said to me Selectman Coutu you have to remember the citizens want police on the streets, a fire truck if they need one, and their garbage picked up.

Selectman McGrath said I've heard that.

Selectman Coutu said if you can provide them those three services, they're happy. We've gone above and beyond that. We made tremendous strides with our Highway Department in that we have an able bodied man who is leading that department and has done a tremendous job in negotiating our contract with Waste Management. We have saved I'd say in the past 4 or 5 years \$1.5 million easily. Easily \$1.5 million. Our department heads have been awesome. Not a single department head has come to me and said I don't like the way you treated my budget. They realize what we were up against. We had some lean years and we had some good years. Right now we're kind of in the middle. We're getting there. I think if we give impetus and emphasis to those warrant articles we feel very strongly about even though they're going to have 17 to 20 warrant articles on the ballot, they're pick them out and they'll give them to us. We just gotta really push for the ones we as individual Selectmen prioritize. That's what I usually do. People call me. What should I vote for and what shouldn't I vote for. I give them suggestions. They'll do what they want to do when they get to the polls. You're always going to have that block of no on everything.

Chairman Luszey said and you're competing against the school literally for the same dollar.

Selectman Morin agreed. I went line by line when I looked at these but I heard it from almost all of the department heads. This is at zero leveling since 2003 has hurt us. One or two percent won't make a big difference but maybe will move us forward. Being an employee versus being here, I got to see both sides of it now. I'm not very experienced. This is my first budget. This is why I'm asking the questions so I understand further. There is an effect of going zero budget every year whether you think we're moving forward or not. We do have good equipment. I can't complain about that. The pay compared to other towns that could be worked on a little bit. We're working in some cases the police. They're working with portables that are that old. That's a serious problem that shouldn't be at that point. The Assessor - we used to use hand me down police cars for fire cars. I know what the problems were with that. I understand where the gentleman is coming from. When we have to tell the Town Administrator you need to look at the car before you go to Concord, that's an issue. That's what I'm asking. I understand where we're going with the budget and why we have to be strict but there are some things that we are way behind. We're sending our town official in a car to Concord that could break down on 93.

Selectman Coutu said he could take his own vehicle.

Selectman Morin understood. If we're getting rid of it for \$500 that tells me it's in pretty tough shape. That's what I'm asking.

Steve Malizia said it's an incremental business. Like I tell people if you try to hit a home run in the business, you're probably going to strike out. What we need to do is get on base and move around. We had a couple of default years. Default years that truly when you feel it. This debate is healthy. We've had this debate for years. I know its different perspectives but this debate really vets the budget so that you have a public confidence or more of a public confidence on what you're asking for is legit. I'm not saying you've never not asked for legitimate things and the public has rewarded us. We had some years that I can think of that was in default. Those are painful and then you really have to prioritize - police, fire, public safety, and then all the other functions of town government. So people come in and they ask and they say hey I do need this because we're all conditioned. We know the expectation and frankly we had one year I think we had a one or two percent increase. So it wasn't all level funded. There was one year as I recall. It's always that ying and yang. We have a responsibility to the taxpayers, to the citizens but also for their safety and for the public. It's a tough balance. I know what you're saying. It sounds like we're far behind and yes there are things that we need to do. That's this process. That's how they get done as opposed to it would be wonderful to have everything recreation, or other departments...

Selectman Morin said we're never going to have that. I understand that. Mr. Malizia said we're getting there. Incrementally we are getting there.

Chairman Luszey said the other thing too is we've got another hurdle to get through before we even get to the voters and that's the Budget Committee. Once we turn this book over to them, it's their budget. They can take stuff out of it that we want that they don't feel is a priority to the town in terms of spending.

Steve Malizia said that's improved if you go to the Budget Committee. I don't think there were hardly any if any cuts to the budget whereas in previous years as an observer - I wouldn't say painful but it was lengthy and there would be a lot of discussion. I think the Board is working well and the Budget Committee is working well in trying to provide a responsible budget to the citizens. I know what you're saying everybody knows. That's what it sounds like.

Selectman Coutu said speaking of Budget Committee, it was Jon Drabinowicz's birthday this past week. Happy birthday Jon.

6. DISCUSS WRAP-UP MEETING ON THURSDAY, NOVEMBER 2, 2017
7. ADJOURNMENT

Motion to adjourn at 10:35 p.m. by Selectman McGrath, seconded by Selectman Routsis, carried 5-0.

Recorded by HCTV and transcribed by Donna Graham, Recorder.

Thaddeus Luszey, Chairman

Marilyn E. McGrath, Vice-Chairman

Roger E. Coutu, Selectman

Angela Routsis, Selectman

David S. Morin, Selectman