

HUDSON, NH BOARD OF SELECTMEN  
Minutes of the October 20, 2011 Budget Review

1. CALL TO ORDER - by Chairman Jasper the meeting of October 20, 2011 at 7:00 p.m. in the Selectmen's Meeting Room at Town Hall.
2. PLEDGE OF ALLEGIANCE - led by Assistant Assessor Jim Michaud.
3. ATTENDANCE

Board of Selectmen: Shawn Jasper, Roger Coutu, Rick Maddox, Ben Nadeau (arrived at 8:37 p.m.), Ted Luszey

Staff/Others: Steve Malizia, Town Administrator; Donna Graham, Executive Assistant; Kathy Carpentier, Finance Director; Jim Michaud, Assistant Assessor; Patti Barry, Town Clerk/Tax Collector; Chief Shawn Murray; Deputy Chief Rob Buxton; Torrey Demanche, Executive Secretary; Paul Inderbitzen; Michael O'Keefe, Chairman of Cable Committee

4. BUDGET PRESENTATIONS

Assessing (5410)

Chairman Jasper recognized Assistant Assessor Jim Michaud.

Mr. Michaud had a very brief introduction. For those who don't know me in cable land, my name is Jim Michaud. I'm the Assistant Assessor. I've been here since 1995. It's a two person full time department, along with two part timers, along with some external resources. We do a lot of the assessing functions as well as related functions. We deliver an annual assessment role twice a year. In the Assessing Department we don't teach generations, we make possible the foundation that funds our public schools. We don't put out fires; we help make possible the foundation that funds our fire department. We don't arrest law violators, but we help make possible the foundation that funds our police department.

Speaking of the budget itself, one can see that approximately 76 percent of it is related directly to in-house labor costs. When you roll in outside human resources, about 89 percent of the budget is human resource intensive. We don't have capital requirements in terms of a lot of vehicles or items like that. What we have is human resource intensive and it's more human capital that is driving a lot of this department. The Board had asked for a requested/instructed a budgetary directive to come in at zero percent, inclusive of all commodity codes. We have come in at that. Not counting the labor costs, there's approximately \$37,000 other assessment costs and the most significant part of that is a request to fund \$13,000 in an existing capital re-evaluation reserve allocation.

This budget year will be the budget year that encompasses addressing the results of the re-evaluation. Next year we send out notices approximately in the summer. Then we'll be having discussions at that point. We'll send out the tax bills. Usually in a re-evaluation year, you'll have an elevated appeal load. We certainly expect that. I believe we funded for it. It's how currently in terms of tax appeals, and these are items that would impact the current fiscal year and possibly the next fiscal year. We have some appeals from 2010 that were perfected approximately \$9 million in value on a \$2.9 billion tax base. It will spill over potentially into next July 1<sup>st</sup> thereafter. I can't anticipate what's going to happen with the 2011 property appeal load. I bet you we will have some and I imagine we will have some that will go to the next level.

We also have the Department of Revenue doing assessment review process next year for the Town of Hudson. So they're going to come in and they have quite a few criteria that they will go in and evaluate us and see if we are doing our job according to the guidelines established by the New Hampshire Assessing Standards Board. This will be our third time through that process. It hasn't changed dramatically from the first time it was done. The entire State goes through it. They go through a quarter of the State each year approximately. I am ready for any questions the Board has.

Chairman Jasper indicated that they would start on page 1 with the total of the first section being on page 4. This area is down about \$2,400. Any questions? Based on what you know at the moment, what do you think to do? Another evaluation in 5 years should we have in that capital reserve fund? How much should we be putting in each year? Mr. Michaud said just going based upon the recent history we're in the \$70,000 to \$80,000 range. I can't speak for what will happen with Green Meadow. That's an elephant to itself and if that were to get developed, that would see in the range of \$78,000 based upon today's labor, today's costs and having the department do substantial

component, which is the residential component. Chairman Jasper said \$15,000 (inaudible) too far off. We're putting in \$13,000 this so whether the Board wants to consider making that a number that does not need to spike in future years or not is up to you but I did bring it to your attention knowing that it will need to spike at some point if we don't put the correct amount in.

Selectman Luszey (inaudible). Chairman Jasper said it would get us to \$75,000 in 5 years. We need somewhere in that range. Unfortunately it's not likely that the interest rates are going to help us out much in the next few years anyhow like they used to. We used to be able to count on a decent amount of interest just knowing that going forward if we leave it at \$13,000. If Selectman Luszey could ask, all in 2000 that's like less than half a cent. Ms. Carpentier said it doesn't even register. However, the capital reserve fund currently in fiscal 2012 has just about \$71,000. Jim has put in \$13,000 so you'd have approximately \$83,000 next year to do the project in the 70 range.

Mr. Michaud indicated that what's in there now is intended to take care of the reassessment for 2012. The money I'm asking for in this FY2013 is intended for future re-evaluation in 2017. Chairman Jasper said that you're not really expecting any balance to be left over when we're done on this project. Mr. Michaud said he is not.

Selectman Coutu asked if Mr. Michaud just said he's not expecting any balance. Chairman Jasper said he's not expecting any balance to carry forward. We squeezed this one pretty hard to get it done as it was as I recall in the conversation. Ms. Carpentier said \$71,000. Selectman Coutu said he would support it.

Motion by Selectman Coutu, seconded by Selectman Luszey, that we increase line item 01-4152-5410-450-00 Assess, CRF Revaluation, from \$13,000 to \$15,000.

To my motion, Selectman Coutu was glad Chairman Jasper made that observation. I thought Jim that there was going to be some carry over funds from this evaluation. I knew you were in the \$70,000 range. That was what my original question was going to be. You're saying that we're going to use all of it. So better safe than sorry. I concur Mr. Chairman. Thank you for discovering that. Selectman Luszey reiterated that.

Selectman Maddox was going to make the Board happy. I'm going to vote no. Worry about it at the end and hopefully the State will change that rule. Selectman Coutu said he may be on the Assessing Board, so we'll see. Chairman Jasper said that actually wasn't a rule. It's actually in the Constitution. So don't bet on that being changed. What was happening is it really was not being enforced for many years. It's really not a good thing when you do not follow your Constitution. That's really not a very good way to go.

Vote: Motion carried 3-1. Selectman Maddox in opposition.

Moving along to page 6, Chairman Jasper indicated that this was the IT end of it. We pretty much did that the other night with Lisa. Certainly if there are any questions. If not, Jim thank you very much.

Mr. Michaud wanted to say he appreciated Lisa Nute's help in arriving at the numbers for the IT budget and all of the work that she's done in the department for this year and last year to call on those in terms of IT. That department has put in a lot of effort.

#### Town Clerk/Tax Collector (5030)

Chairman Jasper recognized the Town Clerk/Tax Collector Patti Barry. Good evening. Do you have an opening statement?

Ms. Barry indicated yes. I'm pleased to present the budget for the Town Clerk/Tax Collector's Department. This year we came in just slightly under the requested zero percent. That was due to a decrease in the overtime line item. However, I do want to draw your attention to Professional Services line item 5030-252. Last year I had requested an increase of \$3,800. This account includes our town storage of public records and professional services for mortgage research and the liens and deeds. Last year the Board requested that we go to storage and purge documents that we don't need any more. It's been an ongoing project all year. We've purged about just under 100 boxes. It has brought our bill from a high of \$535 a month down to the lowest, which is this past month of \$425. However, the budget to actual for last year was even higher. I have reduced a few of my line items to try to make up some of that amount but I am still short and I don't expect that number to go down each year. I am concerned about that line item.

Chairman Jasper said Ms. Barry spent \$12,250 and you're at \$10,400. We've only reduced that probably about \$1,200. Ms. Barry said last year the storage amounted to about \$6,300. The mortgage research was about \$5,700. So we're not saving a lot of money on the storage. Chairman Jasper asked if Ms. Barry was seeing any slowdown in

the mortgage research activity. Ms. Barry said no. He is charging us the same rate. That amount is charged back to the residents. So we do get that money back.

Selectman Maddox wanted to know how many boxes are still over there. Ms. Barry said about 1,000. Again, Selectman Maddox knows that people have been chewing through them but, again, old Planning Board tapes don't need to be saved once the minutes are done. How much of that stuff is still over there? Ms. Barry was not sure of that. Ms. Carpentier said each department, me being one of them, Steve and Mark have been dedicating some time and resources to go over there, pulling boxes, and having them destroyed. Unfortunately it also costs \$2 to take a box out and then have it destroyed. She's not realizing all the savings because of the destroyed boxes because we're taking them. It is an ongoing project that departments are working on. Selectman Maddox thought maybe a little bit more direction from us to say...then again, Chairman Jasper said we destroy 100 boxes or save \$100 a month. Think of the staff time that's going into that. I wouldn't exactly recommend redoubling. That's more a thing of when there's time available. We take people away from their primary job to try to save a tiny bit over there, that's not very productive either. Selectman Maddox thought part of that was to scan some of these documents so that we could get to them. Probably nobody knows what's over there.

Chairman Jasper thought that's what's been ongoing. I'm just saying how much of our resources do you want to put into doing that? Ms. Barry said the documents in my department we could scan them, but ultimately they're required to be stored in paper format.

Selectman Luszey asked for how long. Ms. Barry said it's a wide range. Most are permanent records. Some have a life of 10 to 20 years. I've gone through all the stuff that is required of a 5 to 6 year max. Chairman Jasper said he could tell them on the legislative end, we have looked at a number of those requirements particularly as they relate to things relating to the Town Clerk/Tax Collector. There's a lot of things that we have to hold on to for a good number of years. We've tried to standardize it a little bit more so there aren't a lot of different time lines for so many different things. Still, it's fairly important to keep some of the records for a long period of time.

Chairman Jasper asked what would you estimate what you were going to be spending in this line next year? Ms. Barry is looking at about \$12,000. I'm anticipating an increase in the amount of liens that we are going to be doing this year because we haven't seen an increase each year. Equally with the impending deeds, I have to research all of those. We have had an increase every year on those. I would be comfortable with \$12,000. I still have a little room in my postage budget, but I do have to allow for increase in fees and the increase of number of impending liens that I'm sending out. Chairman Jasper indicated that postage is going up again. This is probably about \$1,600 short.

Selectman Luszey said the \$12,000 that was for sending people over to clean stuff up or is this just a search. Chairman Jasper said it's about half storage and about half the profession services to do the deed research. Ms. Barry said correct. If we were to stop the cleanup and we only did the research, Selectman Luszey asked what would the number be. Ms. Barry indicated that she'd still be paying monthly storage fees. Chairman Jasper stated that this is the rent on the facility. Selectman Luszey understood that. Isn't part of it the labor to go over? Chairman Jasper said no. This is just the rent. Ms. Barry said the amount that they charge for taking a box on and restocking it once you've gone through it is small. It's not really going to make a big difference. Selectman Luszey thought she was short.

*Motion by Selectman Luszey, seconded by Selectman Coutu, to increase Professional Services line item 252 by \$1,600, increasing it to \$12,000, carried 5-0.*

Ms. Carpentier said Ms. Barry also has an IT Department - cartridges reviewed by the IT Director on page if you wanted to see it. Chairman Jasper said it was only \$2,700, which is exactly the same as this year's budget. Thank you very much.

Selectman Maddox asked if they could take out of order the Supervisors of the Checklist. They're only going to be 30 seconds. Chairman Jasper said, "Certainly without objection."

#### Supervisors of the Checklist (5042)

Sandy LeVasseur indicated that they didn't have anything for you. If you have any questions. We could use a new filing cabinet but I forgot to have Steve put it in the budget. Ms. Carpentier asked what size draw. Joyce Goodwin said they had one on hold and somebody took it out from under us. I don't know. The thing is we need space because we need a new file cabinet and we need to keep them. A black cabinet is already in there.

Selectman Coutu received a signal from the Fire Chief that he'll contact them. He will try to accommodate them. Chairman Jasper thought Community Development may have some. Selectman Coutu said they could accommodate

you with a file cabinet. Other than that, Ms. LeVasseur said that our budget is just about the same. We don't spend any extra money. We do have 4 elections next year. I think our salary for that is in our budget. At present, we only have two of us. DJ Clement resigned. I haven't had much luck finding somebody who can make the commitment. We want to make sure this time that we get somebody that can make the commitment. We're going to be a little fussy about who we appoint. Nobody has come forward at this point.

Selectman Coutu asked if there has been notice that there is a need. Ms. LeVasseur said yes. I sent one to Hudson TV. Did you put it up? Mr. O'Keefe said he will call and see if it is up.

Moderator (5041)

Selectman Maddox said it was a 63 percent increase. Chairman Jasper indicated that there is going to be twice as many elections as there were in this budget. The two of them will be much heavier than the normal. You would have had only one election budget in the fiscal year we're in. There'll be a 2/3 increase. That's right along the line of 67 percent.

Good evening ladies and gentlemen. Mr. Inderbitzen said as he stated there, in fiscal 2013, there will be 3 elections. The State Primary in September and then the big State general election and Presidential election in November. That's going to be our big one and then, of course, the town election. If you look at the long term fiscal '09 if you notice the cycle. That's our four year cycle. That was when we had our last State Primary and Presidential election as well. That was the one I got my baptism at fire the first time walking in the door. The sheet that I've given you, I've outlined all the different ways. I tried to calculate. I noticed in FY2011, we basically underestimated a little bit in the printing and equipment programming. I realize that for Primaries because there are two separate ballots, the programming is more than 1,000 for election. It's more like 1,600 to 1,800. I budgeted for that this year. We were over in that. The printing is because we only estimated 2,500 ballots. We ended up getting 3,800. We had to and we actually did pretty good on it. We were coming close with the sign. Now there's been a purge in the Supervisors and I think our registered voters is down to around 13 something. So that's a little bit better and I'm going to recalculate the number of booths used based on that and take a look at them this year and see if we're going to replace. I'll probably use the next fiscal year because that's when there's only 2 elections and my budget goes down significantly and I look really good in that year. Next year I'll come down with a 60 percent decrease and it will look really good.

Mr. Inderbitzen said he was thinking of maybe replacing some other booths that are really in rough shape. I'm also going to look at the possibility of our machines are getting up in years and possibly getting a one replacement like every 2 years just to have a backup. When we get a backup from the company, it takes them hours to get it there. If we lose one or lose the jams and stuff, I'd like to have an extra one handy. Plus put the current ones in reserve so that we can...we still have to test them and everything. I just think it would be nice to have a backup if something did go down. One of these big elections, it would really, really hurt us. We had a couple of glitches two meetings ago. They've all been refurbished. New batteries were put in this year, so that's an expense that will be in this fiscal year. I upped it a little bit on the printing and the programming. I also schedule extra ballot clerks for the Presidential. We did that in '09. That worked really well because I put 16 people. It was a little crowded, but we had 16 lines instead of 8. That helped a lot. I've actually budgeted for an extra 8 ballot clerks for the Presidential Election. We're going to see. I'm still looking at the layout.

Chairman Jasper indicated that there was not much you could do there. Mr. Inderbitzen said I could cut a couple hundred bucks if I had them bring their own lunches. That's only going to be \$200. I don't think it's going to save us a lot of money. Chairman Jasper asked if there were any questions. If no, thank you very much Paul.

If you don't mind Chief Murray and without objection from the Board, Chairman Jasper indicated that we'd take the Cable Committee.

Cable Committee (5045)

Chairman Jasper recognized Mike O'Keefe. Would you like to make an opening statement?

Michael O'Keefe, Chairman of the Cable Utility Committee. I think as the Board knows every year when we go through the process of calculating the next fiscal year budget, we utilize the revenue from the franchise fee that Comcast pays to the Town. We budget based on that anticipated amount. Since history of cable in Hudson, that's always been 3 percent franchise fee. The current franchise agreement has expired. We're in negotiations for a new franchise agreement. One of the items in that agreement could be a change to the franchise fee.

I'm kind of in a bit of a predicament here trying to estimate the revenue side for this fiscal year. We used 5 percent because that's what the Cable Committee is recommending we go to. I know obviously that's not etched in stone yet

because the agreement hasn't been approved. To some extent, I don't want to necessarily debate that in public. That's kind of a contract in negotiation. We used the 5 percent number. As typically happens when there's a significant amount in revenue more than what we're anticipating for expenses, we allocate that difference to the capital reserve account. That's why the budget I submitted does a significant amount in the capital reserve line item. All the other fields are either similar to the prior years or modest increases based on anticipated growth.

[Michael O'Keefe] I don't know how exactly to proceed. I know we can change this number until we get through to Town Meeting literally. If it needs to be adjusted down because we don't end up with that franchise fee, we can scale back the capital reserve line item to match.

Selectman Luszey had two questions. On line item 380, the lease improvements to building, if I'm reading this right, you went from zero to \$20,000. Mr. O'Keefe indicated he'd tell him what that line item is. Again, it's another one of these ones that we're trying to anticipate. If we end up with a new cable facility building at Benson Park, we're obligated to restore the current facility back to its original condition. We had significant work done - walls removed and rooms built. So the Committee added that amount into that line item to cover what we call the transition from the old access center to the new access center. It also would include removing things like the lighting grid, equipment, and everything that's in place. It's not technically leasehold improvements, which is what we've used for in the past. It's more of transition money. Again if the new building is not approved, then that wouldn't be spent in that fiscal year.

Chairman Jasper remembered we did have discussions about the franchise fee. The Board is the franchising authority. Should we have a nonpublic discussion sometime soon? Mr. O'Keefe indicated he could update you without going into specifics. We've met a number of times with the representative from Comcast. The people who have been in that meeting - Town Administrator, Selectman Coutu, myself, and the Cable Facilitator believe are close to an agreement with Comcast which would then come before this Board for discussion and approval. At our last meeting, we were aiming to have the agreement done by December 1<sup>st</sup>, actually literally approved by the Board by then. We think we'll get a final draft agreement back from Comcast within the next week or two.

Chairman Jasper asked if the 3 to 5 percent is not actually a point of negotiation. That's something that's merely a pass through that we just decide. I don't think we...Mr. O'Keefe wanted to correct Chairman Jasper a little bit. It is a point you can negotiate with Comcast. Five percent is the limit. We can't just say we want a certain amount and they have to agree to it. It is negotiable.

At this point Mr. Chairman, Selectman Coutu advised that we no longer discuss this but we do go into nonpublic as soon as possible. Not necessarily tonight. Chairman Jasper was going to suggest perhaps the workshop that we should put on nonpublic for the workshop for November. Selectman Coutu thought at that point we can further elaborate the reasons why. I think you need to know that. We're going to be voting on that contract. Chairman Jasper thought they needed to be on the same page as we move forward when it comes to that.

As Mr. O'Keefe said Mr. Chairman in terms of the two most significant members obviously are the transitional monies that we're going to need to restore the building and the amount of money that's going to go into capital reserve. Both are contingent upon whether or not this gets to the ballot and it is approved. If it isn't, the \$20,000 can go down into capital reserve and capital reserve may change depending on what we agree on the fees. Chairman Jasper indicated that the \$20,000 will not be able to be changed unless we know we don't go to the ballot. If we know we're not going to the ballot, then that can change. If it goes to the ballot, we don't know what's going to happen so it can't change. Selectman Coutu said it would go to the general fund at the end. Chairman Jasper said yes. Any of the operating monies go to the general fund.

Selectman Maddox said the part time salaries and professional lines are both jumping fourfold and the other one goes up almost double. Mr. O'Keefe stated that the salaries line item includes the recently approved Production Assistant that wasn't in previous budgets. I also bumped it up because again we're looking a year and a half out here. I think there was anticipation that the number of hours would potentially increase over that time. Selectman Maddox said from \$6,800 to \$26,000 in the actual for 2011 for the 102 line item is \$6,812 and you have \$26,202. Mr. O'Keefe said that \$10,000 of it was my anticipation for the Production Assistant. It would have been \$16,000 without that. I base it on an estimation of meetings that we're going to do and a guesstimate of a number of hours of each meeting. We know the hourly rate but I never know exactly how long meetings are going to take. Yes it does generally estimate on the high side.

Again, Chairman Jasper indicated that this is not money that comes from the property tax stream. If he didn't put this money here, it merely goes into the capital reserve account because we do have a policy of keeping the money within there. It's only the money that is not expended in the lines that actually goes back to the general fund. Selectman Maddox indicated to the Chairman that he has told me repeatedly that budget is the time to bring all this up. You're looking at a fourfold increase in that line item expecting great things out of the additional revenue coming in. That's

still a cost to the taxpayers. I think that again...Chairman Jasper didn't see how it was a cost to the taxpayer. It's a cost to the subscribers but that's based on the 3 to 5 percent and how we allocate it doesn't cost anything. The decision here is the 3 to 5 percent. I happen to think that if we can actually spend \$26,000 well, and I trust the Committee with the advice of our representative to the Board if they actually can do that much programming, that's what this is all about. This is not we have to keep the salaries down here. We have to keep the hours down; this was always about getting as much programming as we possibly could. The only way to accomplish all that is through salaries.

As Chairman O'Keefe said, Selectman Coutu stated that we're planning out a year and a half. We anticipate that with the addition of the assistant to the facilitator that we're going to be able to spend more time doing other access programming. With that anticipation, it was determined by the Committee and I took part on those discussions, that this was a safe number. We're also at presently in this fiscal budget which wasn't budgeted, we may have to put two people at the School Committee meetings because of some of the logistical problems we have with the lack of proper equipment. We recognize as a committee that Hudson Cable Television has an obligation to televise the School Committee meetings. We're going to do everything we can. Chairman Lee Lavoie from the School Board serves with us on the Committee. We've listened to him very carefully and we've taken into consideration the fact that we have an obligation to broadcast all municipal meetings with a school or on the municipal side. I understand where you're coming from Selectman Maddox. I do. You have to understand that like most budgets, the workload is not going to significantly increase in the municipal unless we have a lot more fires and a lot more action on the police side. The police and fire don't go out looking for more crime and more fire. We're looking to do more programming so we have to budget accordingly. We anticipate that we are going to do more public access programming. Thank you.

Selectman Luszey indicated that Selectman Coutu brought up a point that some of this cost is being incurred because of our obligation to broadcast the School Board meetings. I agree with that. I don't think we're obligated to broadcast from venues that they choose. We have rooms that we have put a lot of time, money and effort in to make them so that we have decent quality broadcast. For me, I don't think we should be adding cost to the cable subscribers because the scoreboard wants to go somewhere else that's making it more costly for us to televise those broadcast. If we had that obligation, we have the facilities. Just like if we were to go to Channel 5, it would say come on down and use our facilities. I think we should take some type of position on that.

Chairman Jasper agreed with Selectman Luszey. The key point is the cable subscribers are paying for it. It is cable subscribers who are watching it. Therefore, I think we have the obligation to under the circumstances give them the best quality that we can. Right now the quality is terrible to the point you often have no clue who is actually speaking. That is something that the subscribers should be taking up with the School Board about the money that they are causing us to waste and the fact that there's a perfectly good venue here. I think it's a case of cutting off our nose despite our face because you're not giving a good product to the people who are paying for that product and want to watch it and learn. If the School Board wants to be meeting over there, I think they should be providing the proper equipment or they should meet over here. We can't make them do that. They have no legal obligation to be televised. They'd probably be very happy if we said we weren't going to do this and they say we're not going to be penalized. Oh well. It's funny. Nobody really seems to care what the School Board does because no matter what they do, we get blamed.

Selectman Luszey said if this Board is the franchise authority for the Town, we're supposed to be the shepherds of the cable subscribers' money. Just like we are for the taxpayers on everything else, I don't think it's a legitimate argument to say well the School Board wants to meet somewhere. We have to provide the technology and the resources to do that. That's like saying they're going to want to rent the Crowne Plaza conference room and we're going to have to put the resources over there to do that. I don't think that's a legitimate argument. I think if the School Board wants to be televised and the subscriber, like myself, who wants to watch them, I think this Board has the obligation to say we need to contain that cost on behalf of the subscriber and we have facilities for you to use. They can elect to use them or not.

Chairman Jasper said it's all a question of we're right now talking about drastically increasing our franchise fee, which I'm not sure that I will support. As you see, that goes from putting \$10,000 in the capital reserve to \$130,000 in the capital reserve even with those types of increases. That's a serious discussion we have to have about how much money we need. We need to have that conversation about what our long term plans that cause us to need that much money particularly if a cable facility is going to be proposed and built in the next fiscal year, then certainly building up a huge capital reserve after that, there needs to be a plan for that. My suspicion is that the School Board really doesn't care if they are televised or not. Again, as long as we are going to televise them, if we're going to televise them, I think we have an obligation and we have the funds available, I think it's wrong to say well real simple we're going to put more money into the capital reserve account and deliver a terrible quality product. We should be hammering on the School Board for what they're doing. I agree that I don't necessarily want to put in a whole new

camera system over there. However, if we're going to deliver the best quality product and that's what the School Board is going to be insistent on, I don't know what else we can do.

Selectman Luszey said if we don't as a Board tell the School Board that if you want to be televised, you use our facility or we're not going to. Otherwise, there is no incentive and they can go wherever they want and the expectation is we're going to fund that. Chairman Jasper didn't know why Selectman Luszey thought that there is an incentive for them to care. They have made their decision that that's where they're going. We made the decision to follow them with the cameras that we did and if we said if you don't come back over here we're not going to televise you, I don't think you have any objection from the School Board. I think that would give them exactly what they would be happy with. Hopefully I'm wrong. Given that they moved out of here over there, I don't see any evidence because there was no pre-planning. They didn't come to us and say we really want to get out of here. I don't know why. That's still not their facility. It's not like they're meeting in the SAU building. That's over there and this is over here. The distance isn't much greater. Yes they only have a parking lot to walk across. I think you're flawed in your reasoning that they really have a great desire to have a quality product.

Selectman Luszey stated that was their choice. That's not our choice. That's their choice. Chairman Jasper said that's not a choice I'm prepared to let them off the hook on. I want them televised. I want people to see what our elected boards are doing. I'd like to have better quality than what we're having right now. As I said, you can't always tell who's saying what and you can't always hear what's being said. That's not a very transparent government. That may be their choice. That may be their goal. I do not intend to assist them in that if that's the case. Selectman Luszey heard your side of the argument and maybe we need to approach it differently.

Mr. O'Keefe wanted to add a little bit of information specifically on this topic. When the School Board decided to move over to that meeting room, the Committee investigated possibly equipping that room to do what's done in this room. We were essentially given direction and I don't know if it was formally or informally that we weren't going to spend money on that. So the School Department outfitted that room entirely on their own. So all the equipment there was paid for through the School District and not through franchise fees. Subsequent to that, they are working to improve the room to be similar to what this room is with 4 cameras, switches, and the whole nine yards. So we will get an equivalent production that you get here, again, through their own funding. I worked with them to specify it but it's not coming out of franchise fees. In the meantime, we're limited to the one camera that they have installed over there. What we discussed at our meeting was to slightly improve the quality of the productions, we send a second operator over there to run the camera. We need one assigned to do the audio. The second camera operator is essentially costing \$22 a meeting. In the scale of things and the number of meetings that this may have to go on for, it's probably small. There's just a little more info. on that specific topic.

Selectman Maddox agreed with Selectman Luszey. I think that this is a case of where taking money out of rate payers or the taxpayers being the same people, this seems like a waste of money. I'm also pointing out that we have increased this package substantially on two lines for labor that have almost doubled on each line. Again, this is my place to complain in the record that, again, I think these monies are excessive. Unless we're going to start doing *Gone with the Wind* as a weekly sequel, there's an awful lot of money being spent here on salaries.

Chairman Jasper thought that was all relative. It's \$26,000 for the whole operation. Selectman Maddox stated no. Then you add in the professional services that went from \$30,000 in 2011 to \$56,000 in this budget. All I'm saying is that's a big increase.

Chairman Jasper said, I think, what you have to stop saying to make people understand, we're not taking any more money from anybody. It's the same pile of money. It's all a question of how we divvy it up. Now that gets to the issue of going from 3 to 5 percent. Whether you put zero dollars in there, you could zero out all these lines and we would still take the exact same amount of money from the subscribers and they would get zero, which is what we did for many, many years before. As long as I can remember, we had a franchise fee. We didn't put the money into capital; we simply offset the tax rate. It's not the same people. Many of the people who subscribe to cable do not pay property taxes. Many of the property taxpayers do not subscribe to cable. Everybody that lives in town does not pay property tax. Everybody that pays property taxes does not subscribe to cable. So don't say they're the same people. They're not. Some are but not all of them.

Selectman Maddox said we could get into this semantics for hours. Chairman Jasper said it was not semantics. Selectman Coutu indicated it was not semantics. I rent my building where I'm in, and I'm paying for cable. My landlord isn't. He's the property taxpayer. I subscribe and I pay a franchise fee as a result of that. If I was a transient from Lowell, Massachusetts, and I was renting it to run the business, I'm not a taxpayer in Hudson, New Hampshire, but I'm going to be paying the fee. There's a difference between a fee payer and there's a difference between a taxpayer. I've always said that if you rent an apartment, it's fixed into your rent. In essence, you are a taxpayer. I've always maintained that argument since I've started in politics at the age of 20 that I've always felt that a rent payer is

also a taxpayer. That the substantial amount of this money, not all of it, but a lot of it comes from a portion of advertising revenue. We do get a portion of that. We collect not substantial but a considerable amount of fees from people who own businesses in this Town who don't own the buildings that these businesses are located. That's the way this is configured. It's based on total revenues to Comcast be it by subscribers or by advertising. By advertising what it has done is there's a pool of people who are entrepreneurs who advertise on cable television. It's proportioned according to the number of rate payers you have in each community. That money is divvied up and we get a portion of that money. We may not have a single advertisement in Hudson. They may be all advertisements out of Manchester advertising their restaurants or other such businesses that we may not even have any advertisers from Hudson. Because they're contacted with us to provide us a certain portion of that advertising revenue, it's apportioned according to the number of subscribers in each community. Because of our population of subscribers, we get a good chunk of that.

Selectman Coutu thought the argument about the School Committee, I think that contrary to what you might be thinking Mr. Chairman and based primarily on what we have foreseen or certainly heard and seen at our meetings from the School Committee Chair Lee Lavoie. He has expressed a sincere concern about the quality of programming. Never once did I ever get the hint, and I'd be the first to tell you if I did, that they wanted to not have cameras. His goal and I think the Committee's goal and the Superintendent's goal is if they can find the funds, there's to better the quality that's being produced out of that building. I sympathize with what Selectman Luszey is saying because we in fact, this Board, said to me last year that I was to go back to the Cable Facilitator and tell them we were not going to spend any money on equipment over there because we didn't think it was the right thing to do. We had a facility here. I took that message back to the Board. We gave that message to Lee Lavoie who was also a member last year. He took it back to the School Committee and the School found whatever they spent \$25,000 to buy some cameras that exist there now. The quality is like looking into a room from a key hole. It's very, very difficult. The sound equipment and Mr. O'Keefe is much more knowledgeable about the technicalities. When one microphone is one and somebody else is speaking, you have to have a switcher to get that microphone on. It was my concerns; I expressed it at the last meeting that we need to improve the quality. The rate payers deserve more. Like Selectman Jasper, I'm not a fan but I watch. I want to know what's going on in my community. I watch meetings. It was a waste of time to watch it. You didn't know who was speaking. You couldn't hear half the speakers half the time. Now we suggested we put a second person in there to actually handle the switching of the microphones so we can hear whose speaking or what's being said is even more relevant. It's not just you want to know who's speaking. Sometimes you can't even hear what's being said. If the Superintendent is talking over here and a microphone down there is being used by School Committee Member Sousa or what not, for him to get off the camera, run down and make the switch so that mike is on and that's off because there's an echo effect in that room. It's just not set up for it. The School Committee does want to change that. In terms of the facility, I can't disagree with you Selectman Luszey. We tried to send that message last year and they didn't listen.

Selectman Luszey said he had a thought. I was part of that effort last year where I took every penny out of the School Board budget that they spent on the Library. Maybe part of the solution is at the start of every School Board telecast, we run a banner that says, "This broadcast brought to you by SAU 81 at a cost of \$\_\_\_\_\_." and let the taxpayers know it's coming out of their pocket and not the subscribers pocket at that point. It is tax dollars that is paying for the fit up of that building and not cable money.

Chairman Jasper thought that's part of it. As angry as I am about what they did, I will stay with my comments only because if they cared, they would have had a plan before they moved. They obviously did not care about the quality or if they were actually being televised. If they would have said we want to get out of here, they would have come to us and said how can we plan? How can we budget to do a fit up of a room over there? Here are the reasons we want to get out of there. They didn't do that. They did a lousy job at taxpayer's expense. Frankly you look at the numbers here and it does again. It goes back to what we do with the franchising fee. I would much rather take money from this budget that is paid for by the franchising fee and fit up that room than have them take taxpayer money which affects the tax rate. That's not the discussion.

If there are no motions, Selectman Jasper said we're going to move on.

Mr. O'Keefe indicated that they would come back after for discussion on the franchise fee and readjust. Chairman Jasper said yes on the first Tuesday of November. If you'd like, perhaps we should since that is just a Workshop, maybe we should put them on for nonpublic first so that Mike doesn't have to wait around all night. We'll come in at 7 p.m. and go right into nonpublic session. We'll start at 7 p.m. There may be budget work to do. Rather than have Mike have to wait until we get through that, there shouldn't be a terribly long discussion. If we do have that and you want to plan on not coming in until 7:30 if we get done early, then we can wait.

Selectman Maddox indicated that they might change some of these numbers based on that.



Mr. O'Keefe asked if we would do it at that meeting. Chairman Jasper indicated we would do it that night. Yes if we make any changes to what's going forward on the franchise, we'll change the budget numbers that evening.

Chairman Jasper declared a 5 minute recess at 8:00 p.m. The meeting was called to order at 8:06 p.m.

Fire Department (5710 to 5770)

Chairman Jasper recognized Chief Murray. Would you like to give us an opening statement?

Good evening Mr. Chairman and members of the Board. Chief Murray indicated that the Fire Department has met the zero percent increase budget parameter directed by the Board of Selectmen for this year's budget process. Our goal in the delivery of our services this year is focused primarily on maintaining our current staffing levels for emergency response and our vehicles, apparatus, and facilities. We do have some budget items outside of the budget to discuss with the Board. I'm sure we'll be doing that later on. We also have a replacement ambulance warrant article. With that, I'd be glad to answer any questions the Board may have.

Chairman Jasper indicated the starting point would be on page 26 of the Fire Department.

Ms. Carpentier indicated 5710, Fire Admin., page 26.

Chairman Jasper asked if there were any questions. This area is up about \$12,000. If I recall though, the good news on the retirement is this rate is going to be set. Normally they would set a new rate in October for the following year. I think this one is set essentially for a year and a half. The retirement rate will be the same in this budget and then in the 2014 budget. It won't change until 2015 I believe.

Selectman Coutu said there's also a significant increase in the insurance. If you go down the lines, you'll notice some offsetting costs. That's why the Fire Chief ends up with a \$12,000 gain as opposed to all of those in the insurance and retirement lines.

Chairman Jasper asked if there were any questions in service.

Selectman Maddox indicated it still has that open Deputy Chief. This is for FY2013, but it is...Chairman Jasper said that we haven't had an in depth discussion about it. Really the only reason that we have not filled the position or the Chief has not come in to request it filled is because of the additional hit that we got on retirement. Then we had \$80,000 to make up in this year's budget. So we have a position in the Police Department and a position here. That number depending on what the Senate does with the other Bill, its \$110,000 that we have to make up. At this point, that's the only reason that those positions are open, is simply because of the budget shortage. The Board has not said it would not fill the position. We just haven't had the discussion because of the financial reality. Certainly you're free to have the discussion for the budget but that's the background on why we are where we are at. It's not because it hasn't been deemed to be an unneeded position by anyone at this point other than perhaps you. Selectman Maddox said that they might as well move along.

Chairman Jasper indicated that 33 would be the next area. Ms. Carpentier indicated Fire Facility, Dept. 5775. Chairman Jasper indicated this area is up about \$7,000. As you can see, this is the amounts of where the actual for (inaudible). Chief Murray indicated that was correct. Chairman Jasper said which we'll be lucky if we can hold at that.

Chief Murray said the other was overhead door maintenance. That, again, is reflecting what we actually spent last year on overhead maintenance and repair for all stations.

Selectman Luszey had a comment on the electricity usage. I met with the School Board facilities people this week. If we can come close to the rate that they're paying, we would see based on the numbers that NRPC gave us, we could see about a \$5,000 a month savings on electricity. So hopefully we can help this in the next few weeks. That would be town wide. Their rate was significantly less than what NRPC has in their proposal to us. Chairman Jasper indicated that could be something you could save for the Budget Committee so they could feel good about doing that. Selectman Luszey thought he'd let the Board know. Electric bills on some of these facilities are hefty. If we can save some money there, it would be great. Chairman Jasper said that certainly would be. Anything else in this cost center?

Ms. Carpentier said page 37, 5720 is Fire Communications. Chairman Jasper indicated that this area was down about \$5,000. Could you comment on how you were able to (inaudible) the \$25,000 here?

Chief Murray said part of it is medical insurance. State retirement for particular people drops it down. We also dropped some of the small equipment maintenance in the dispatch center. Again, that's part of that bigger picture of improving our communications in dispatch center through the grants and everything that we received.

Ms. Carpentier indicated page 42, 5730 Fire Suppression. Chairman Jasper said this area was down by \$18,000.

Chief Murray indicated that this was his largest budget line.

Selectman Maddox asked if the 105 line, salaries overtime, for actual 2011, is that because that's where you took it for the retirement. Chief Murray said no. Selectman Maddox asked if it was earned time when somebody buys out. Chief Murray said it may in some ways. Some of that may come out of there. The number that you're seeing there actually reflects what I spent last year. I think I had \$3,000 left over at the end of the fiscal year. So we have overtime tuned in right to where we've been spending every year.

Chairman Jasper said that was a great job because I guess you'd be the only one. We were under the previous Fire Chief; we were headed towards \$1 million. I was having kittens about that and being laughed at and told that there was nothing that we could do about that. Obviously the Chief and his staff have done an excellent job in bringing that down. I don't know what it topped out at but it was probably over \$750,000 at one point. That's been a great job in dealing with that issue.

Selectman Coutu said what he did was if you look at the line for year 12 and 13, they're relatively close. We still don't know what the impact of the 24s is going to have on that line. We're hoping that it may reduce the need. We don't have a clear picture yet. I think it's fair to allow them to go with a 6 month period before we look at some serious numbers.

Ms. Carpentier indicated page 52 is 5740, Fire Prevention. Just as we move away from that last, Chairman Jasper wanted to, again, compliment the Chief and his staff. In FY09, the suppression budget actual was over \$3.5 million and this is less than \$3.4 million. There's been a substantial savings in this area over a period of time.

Selectman Luszey had a question on the comment Selectman Coutu made just previously going to the 24 hour shift. Is there any way to model out what overtime might look like based on that so that we could give some narrative to the Budget Committee that if it works out the way we hope it to work out, what savings could be possible in future years and not necessarily this year?

Chief Murray said we actually have been modeling or trending for 2 or 3 years now. We just went to 24s back in July. The few months we've been looking at it, I still can't get a clear picture. I can tell you there's no spikes except for summer vacation and stuff. Hopefully I am going to be able to give you a clear picture of what we're going to see going down the road.

Selectman Luszey would like to say something that hopefully we could see a reduction in the 2014 budget based on the 24. I know we can't guarantee anything on this. Chairman Jasper was not so sure where that is really coming from that we hoped to see any real savings that are going to be significant. When we did this, that was not what we were looking at. There would be no additional costs and that there might be a few thousand dollars in savings. When you're looking at a \$350,000... Selectman Luszey said you are expecting this trend from 2009 right through now. Given the numbers, it's very flat. Chairman Jasper would expect that this is going to be a flat number. Based on what we heard, maybe next year down \$5,000 or \$6,000. The number \$8,000 sticks in my head but that wasn't a guarantee. We did not go to 24s in an attempt to save money. I don't think we ought to be looking to try...Selectman Luszey didn't know if there was an unintended consequence of a possible savings by doing that. If there was, Chairman Jasper said it was not anticipated to be much. I think it was a number that (inaudible) was less than \$10,000. In \$350,000 of overtime, that can be eaten up by a few major incidents. So you wouldn't necessarily ever see it even if there was a savings and all things being equal and one thing I can tell you is things are not ever equal from one year to another in terms of an incident in the Fire Department.

Just a quick side note somewhat related to this budget, Chief Murray was working with FEMA this morning. It looks like we're going to get reimbursed \$12,000 to \$13,000 for Hurricane Irene. Selectman Coutu said that was an about face. We weren't going to get anything. Chief Murray said Hillsborough County wasn't declared a federal emergency. There are provisions within the federal emergency management for the money we spent and not only preparation and response, there's certain categories you can plug in and be reimbursed for. It just so happens we qualified for that.

For the record, Chairman Jasper indicated that the Town Administrator has arrived at 8:20 p.m.

Chairman Jasper asked if they were ready to move on to Fire Prevention. It's up about \$3,000. Questions or comments?

Ms. Carpentier turned to page 56, Fire - Ambulance, 5750. Chairman Jasper said this being up about \$22,000. It looks like perhaps you've moved some of your part time salaries around from part time in suppression into ambulance.

If you recall, Chief Murray said we reduced the EMS Coordinator's position last year. So this year I took that money from suppression to fully fund her part-time position. The other change Mr. Chairman and members is the National Registry, the National Certification that the EMTs have, they've revamped the EMT certification levels. They're going to come up with new names for the different levels of EMT. They are raising the skill levels of some of the EMTs. However, an unfunded mandate through the National Registry has come down. We now have to transition all our EMTs through this specialized training. We did add some funding to accomplish that. Selectman Coutu asked if that was 237. Chief Murray said yes it is. That's some of the money that you see there.

Chairman Jasper asked how we are doing on the capital reserve. It's held steady at \$30,000. Are we still okay in that area? Chief Murray said that's one of the outside items that we'll need to discuss. On the warrant article too. If we're going to replace the ambulance, we are short. I do ask you in there on outside to bump it up again. Chairman Jasper thought we ought to deal with that while we're right here then.

Selectman Luszey wanted to make clarification for my notes. On the training, that's a new requirement to retain EMT certification? To retain a certification of EMT, they've upped the requirement and that's what this is to cover right?

Selectman Coutu asked if you got the explanation on line 102, the top line on the salaries and what happened there. We had moved someone out then we're putting it back in to properly fund it. Selectman Luszey said yes.

Ms. Carpentier indicated that on page 69 is the warrant article for the ambulance. Chief Murray indicated on page 6 in your book in the first section. This request is to increase the ambulance capital reserve account to \$45,000 in order to provide funding for the next ambulance replacement in 2015, which is Fiscal Year 2016. It is an increase of \$15,000. The ambulance capital reserve account will be expended if the warrant article for replacement of the ambulance passes this year. Another problem we ran into is Ford is no longer supporting diesel engines for ambulances. Therefore, we're going to have to seek out potentially a different dealer or engine manufacturer. We're told that price will increase the cost of an ambulance of about \$12,000 if we go with a Chevrolet or some other brand. Then in the long term down the road, estimated ambulance costs for future purchases will rise to approximately \$165,000.

Chairman Jasper said that's what you're saying this next one is going to cost. We need to be putting at least \$55,000 into this year's budget for that reserve account.

*Motion by Selectman Coutu, seconded by Selectman Luszey, to increase line item 5750-450, Fire-Ambulance, Capital Reserve, from \$30,000 to \$45,000, an increase of \$15,000.*

Selectman Coutu has had ongoing discussions with the Chief and Deputy Chief throughout the budget process. We recognized that there was going to be increases in vehicle costs. They're increasing every year as we all know. As he explained what muddies the situation somewhat is that we no longer can be reliant on an ambulance that has a diesel engine. We're going to have to change manufacturers and we have to estimate the costs. The estimates are based on information that was garnered through research what ambulances cost today and what the anticipated replacement costs are going to be. In the discussions what's relevant here is the reason why we need to replace ambulances is they only have a certain life span. Time is of the essence and is critical. When our fire department, which we do our own ambulance service, we want that response time to be better than adequate. We want them to be there as quickly as possible to render whatever emergency services are necessary. Having first line equipment and in excellent running condition is critical to achieve that need. That's why I feel that it's imperative that we fully fund this and not have to ask the taxpayers through a warrant article to add additional monies to the budget where we're going to put it in here.

Chairman Jasper indicated that Selectman Coutu has really confused me. If we're estimating that the ambulance that we need to buy in 2012 would be \$165,000 going forward with your motion, you're only budgeting for \$135,000; the number should be \$55,000 to even get to here. That would be the number that I would start with and then we evaluate in the years going forward whether that number needs to move to \$60,000 - \$65,000. Based on the information we have now, we should be putting \$55,000 a year. I will not support the \$45,000. I will support a \$55,000.

Chief Murray is looking going forward on the warrant article what we're going to have to look at, there is going to be a shortage but no warrant article this year.

Chairman Jasper said to Chief Murray that you are asking for \$165,000 for the ambulance to be purchased in 2012. Mr. Malizia indicated that was your gross appropriation. Chairman Jasper said that's 55, 55, and 55 is 165. We can't possibly think that the cost of an ambulance is going to go down \$20,000 in the 3 years after that.

Ms. Carpentier asked that they pause for a moment. **\*\*\*at this point in the meeting, the video transmission stopped\*\*\***

...Ms. Carpentier said there's 84 in there right now. The motion on the table is \$45,000.

Selectman Maddox said that \$45,000 is an increase of \$15,000. We're better off than we are. I think that at least that starts the program. Chairman Jasper indicated that we if we leave the warrant article the way it is, at least that gives us \$15,000 left in the account moving forward. We've fallen a year behind. This account never used to be this way. By the time we got there, there was already enough money in there. We've fallen behind a year in this whole process. Selectman Coutu indicated that we may have to readjust next year.

Chairman Jasper said it works doing this this way. I'm just saying that because we've been stingy with this account, we have now fallen a full year behind from what we had been in previous years.

Vote: Motion carried 5-0.

Just so Chief Murray can note it correctly, Mr. Chairman you're going to go with bringing it up to \$45,000. Chairman Jasper indicated that next year when you come in you'll at least need to go to - you'll have 15 in the account so probably \$55,000 would be all right.

Chairman Jasper turned to page 60, fire alarm.

For the record, Chairman Jasper indicated that Selectman Nadeau has arrived at 8:27 p.m.

Ms. Carpentier repeated - fire alarm, page 60, department 5765. There is no increase. Chairman Jasper indicated it was exactly the same. Questions or comments?

Ms. Carpentier turned to page 62, emergency management, department 5770. Chairman Jasper indicated there was a slight decrease - a reduction in the telephone. Questions or comments?

Ms. Carpentier turned to page 64, IT for fire, handled by the IT Director. Chairman Jasper indicated that it was essentially flat.

Ms. Carpentier indicated that there was a warrant article on page 69. I don't know if you'd like to look at that. Chairman Jasper asked if there were any questions or comments.

Selectman Coutu asked to make one quick comment. I think that through this budget process considering what we did last year, we cut approximately \$92,000 out of the fire budget last year. So his bottom line changed when we finished the budget process. He and the Deputy and his staff are to be commended that they were able to hold that line again this year. That's why I certainly had no reservation increasing the ambulance line. It doesn't restore the \$92,000 we cut, but he was able to maintain that line and manage the budget well. He's to be applauded and his staff is to be applauded for doing that.

Selectman Maddox would also say that of all the department heads for the 10 percent exercise, I thought that the Fire Chief really looked from the satellite. I thought that was a very comprehensive view of what would have to be done in a logical and well thought process. Thankfully we don't have to use it. It was a nice report.

Ms. Carpentier indicated that the Chief does have some things outside the budget. I don't know if you wanted to entertain them.

Chairman Jasper thought that it may be easier just to stay with this. We've had the discussion about the ambulance and actually take a vote on the warrant article at this particular time. This is not really an optional item anyhow.

Motion by Selectman Maddox, seconded by Selectman Nadeau \_\_\_\_\_, to forward the warrant article to the ballot with a favorable recommendation from the Selectman

Selectman Luszey indicated on page 72, the tax rate impact. Can we get that figure? Selectman Coutu said it was zero. It's a capital reserve. Chairman Jasper indicated it was capital reserve and money from the unencumbered fund balance. The tax rate will neither go up nor down based on this warrant article. Selectman Luszey said he'd reframe it later. I can't quite put it the way I want. I know we're going to be looking for a number. I know its zero in practicality but there is a value that should be there that the taxpayers are looking for. First of all, Chairman Jasper said the \$45,000 we just put in there is one of those numbers. That can't appear here because it's already in the budget. The \$51,000 is money that we have in the bank now so it doesn't affect the tax rate. If you want to put a dollar value, we're looking at roughly \$25,000. Mr. Malizia indicated every \$29,000 to \$30,000 is a penny. When we fill out the forms with the Department of Revenue of the appropriations actually voted by the Town Meeting, as we go through this process there is an appropriation. There's also offsetting revenue. So from a DRA perspective, fast forward to next year's tax rate. This will not impact the tax rate. We have an obligation...What Selectman Luszey is looking is the expectation of the Budget Committee right now. They're looking for a number on this line. This is probably a bad one to try to put there.

Mr. Malizia said that has been the practice when this warrant article, because this is a recurring warrant article every 3 years. When this article goes forward to them, I believe they're under the expectation that it is a zero article. That's been the practice of the Town. I'd be concerned if we changed that practice that somehow that would lead to confusion. It has always been represented as a zero tax. Selectman Luszey said he'd let them ask the question and I'll come back.

Chief Murray indicated it's just like what we've done with the engines - using capital reserve and unexpended funds.

Chairman Jasper indicated that when they get to the Budget Committee, we'll fill out that dollar by putting the 0.00 in there. Then nobody has to ask why there's nothing there. It will be fully filled out.

Vote: Motion carried 5-0.

Ms. Carpentier noted they went to page 5.

Mr. Chairman as the Board gave us the opportunity to bring forth for the Board's attention additional budget items outside and above a zero based budget, Chief Murray has brought up some items for the Board to inform you that these are ongoing things that are beyond our budget and for the deliberation or consideration on moving forward. The first one is the paving and grading project of the Robinson Road fire station. We did bring that forward last year and brought it forth again this year. There is an estimated cost of \$51,000 to rework, repave the front ramp and driveway around the Robinson Road fire station. These figures came from the Highway Department. The thing that really ramps the price up is environmental engineering. The problem is that along the front on either sides of the fire station is some wetlands and drainage areas that would have to be re-engineered. That was the reason or that cost there. I bring this forward to you.

In light of the conversation we had relative to doing Robinson Road, Selectman Coutu said we could probably make this all inclusive and not have to go for additional monies. As far as the engineering, we should be able to do that in house.

Chairman Jasper said the environmental engineering I don't think we'd be able to. What I was going to suggest is that certainly if we put the warrant article forward and that gets approved, what we could do is look to see if we could find \$20,000 in this year's budget at the end of the year town wide, and do the environmental engineering in this fiscal year and then either tie it into town-wide paving or wait until the end of the next fiscal year and try to do the same thing. I'm not in favor of adding the \$51,000. I think we can do this over a couple cycles that we've done with other projects. Just remind us of that looking forward and see if we can find that money to do that. We can certainly talk with the engineer and see what's necessary.

Chief Murray said the next item was increasing the ambulance capital reserve, which we just took care of.

The next item was consideration of increasing the fire equipment capital reserve fund. That is to increase the fire equipment capital reserve account to \$20,000 from \$10,000. This would be a \$10,000 increase. Our SCBA units are approaching their 5 year age mark. We expect to get 10 years out of them and will most likely need to be replaced in 2015. In addition, the fire equipment capital reserve account allows for replacement of other high cost equipment such as protective clothing, larger equipment like thermal imaging cameras. Chief Murray said by increasing this account now, we'll have the ability to avoid large budget impacts in the future by offsetting the costs through the use of the account. If anyone recalls when we replaced the SCBA units back in 2005, it had a cost of over \$285,000 to us.

Chairman Jasper asked what the Board's pleasure was on this.

Selectman Coutu asked Chief Murray if he relative to the SCBA units and of course thermal imaging cameras, we know that you can get grant for that. Are there any monies through emergency management or through any federal monies that we can apply for within the next 5 years?

Chief Murray said we could go ahead and apply to the Assistance to Firefighters Grant. I can tell you we will not have any success in replacing them until they're at that 10 year mark, which is which these grant programs consider the equipment becoming old and obsolete. We have done it with our protective clothing. We got a grant a couple of years ago.

Selectman Maddox said for \$20,000. If we were ever worried about the ambulance fund, this is spitting into the wind. I guess it's better than nothing. I would move to increase that line item by \$10,000

Motion by Selectman Maddox, seconded by Selectman Luszey, to increase the line item to from \$10,000 to \$20,000. Chairman Jasper would certainly agree. This is probably one that should be up closer to \$50,000 a year to have an impact. Obviously we can't do that now. I think we're going to need to look at steadily and increasing this to have any impact. It's doing nothing at \$10,000 and not doing much at \$20,000. Any further discussion?

Vote: Motion carried 5-0.

Selectman Luszey had a question on the SCBA units. Would there be any benefit to start looking at replacing some of them prior to the full 10 years. It's almost like to get them onto a rotating basis where we don't have to replace all of them at one big whack. We're replacing a few.

Chairman Jasper said no. It's the training and the fact that you want to have everybody able to pick up any breathing apparatus and know what they're doing. Selectman Luszey said it was like a model type thing.

With today's technology, Chief Murray said they're changing the models. So you would have different levels. Chairman Murray said you put people in that potentially very high stressed situation and suddenly you're trying to figure something out in the dark and it's not where you think it is. It's not a good thing to happen.

On page 89, Chief Murray said these are relatively minor projects. One is to repair the apparatus floor drain at Burns Hill and carpeting at Central Station. Subsequent to me submitting my budget, I've had a discussion with our liaison. I'm going to hold off on this. I'm going to try and do it within my budget this year. Especially where we may be getting some FEMA reimbursement, I'll be able to use that money towards that.

Selectman Maddox thought this was on his first tour of the fire station 7 years ago that that floor drain, again, I think its \$5,000. We can find that in the budget somehow. If somebody trips, it's going to cost us more than that. Wait until 2013 to do this...

As Selectman Maddox said, Selectman Coutu thought that with FEMA reimbursements, we should have sufficient monies to be able to take care of the next two items.

The other thing Chairman Jasper said we should keep in mind probably in keeping the previous item in mind as well; we have not refunded the earned time account. So we may want to consider if that becomes an issue at the end of the year that we may have to reimburse the Fire Department from any earned time to at least get these things done. That's one way of doing it because we have not been taking money out of the earned time account. But these things are probably important enough that if the budget is that tight, we should at least give part of the money back to allow this to happen. We have some options available with those.

Chief Murray said the next discussion I'd like to have with the Board is about our fire apparatus replacement program. I'll start tonight and we'll see how far we can get. It may require us to perhaps get together with your workshop if we can't pull this all together. We'd like to introduce a concept to you which is related to our apparatus replacement program, long term savings...if the Board is in agreement with me, Chairman Jasper said we'll do this at a workshop. I think we need to really be focused entirely on this and with a clear mind. Chief Murray asked to give the Board the documents now so everyone can get a look at them. We'll try to get into the next workshop. We have some additional information just to further enhance what you have there.

Selectman Maddox asked if there was any impact on this 2013 budget. Chairman Jasper said what you're proposing is not an impact on...Chief Murray said it potentially could become a warrant article if the Board goes towards a replacement. I can give you a quick overview. You could hear what it's about and then you can decide. Chairman Jasper said to let them come in for the workshop. It's still within our time frame. We'll be finishing up the budget and

we'll do it then. It's 9:00 p.m. and we want to get through a bunch of other stuff. This probably isn't a good time to be focusing on that.

Ms. Carpentier had a clerical question. Should I pull out pages 8 and 9 on the request that you're going to try to do this year before they go...this is not going to go to the Budget Committee is that correct? Chief Murray said that was fine.

Just for your information Mr. Chairman, Chief Murray said they changed 10 and 11. It gives you that broad concept if anyone wants to just review it. Then when we get into the workshop, we'll go in depth with it.

#### Hydrant Rental (5960)

Mr. Malizia said it was a flat number. Before the Town bought the water utility, the private water company used to charge the town a hydrant rental fee. When the town bought the water utility, we tried to keep everybody even. So in the general fund there was a payment from the general fund to the water utility for hydrant rental. In the water utility there was a payment in lieu of taxes to the town, taxes that the water company used to pay. Several years ago, we made a motion to take the payment in lieu of taxes out and reduce the hydrant rental by a commensurate number. This 285 is a revenue that goes to the water utility for the hydrant system that we have in the town that the general fund supports. I think that's the simplest explanation.

Chairman Jasper indicated that this was certainly a policy decision that the Board can consider when looking at the overall impact because the water utility is profitable. We don't have to support it at this exact number. I'll just throw that out there. This is an area where...

Mr. Malizia agreed. You don't have to support it at this number. It would be a decrease in water revenue. Therefore, you would have to find some corresponding decrease in water expense. Whatever we decrease on the revenue side of the water utility if you don't want to adjust the rates, we'd have to find a corresponding decrease in water utility expense. Chairman Jasper didn't know what's going into capital reserves. Mr. Malizia said \$135,000 which is to fund future water utility projects so that we don't have to perhaps bond or raise a bond at a certain number. To move this to \$250,000 or \$260,000, or \$270,000, Chairman Jasper said it could be used to offset some of what we've done. This number has gone up to \$285,000. A thought for something to consider for future meetings.

Selectman Coutu said when we get near the end of the budget process. Let's remember that we can go back to this one.

Again, Mr. Malizia said you'd have to lower the water revenue and then probably look at the water. Perhaps that capital reserve fund if you want to make a decision to put less into that. Selectman Coutu stated that we'll see what the bottom line comes out. We can refer to this. That's not a bad idea Mr. Chairman. Thank you.

Just as some correlation then, Selectman Maddox asked what would Pennichuck charge Nashua right now for that very service. Chairman Jasper indicated it was not a service. It's a number that was based from Consumers Water was charging us a number per hydrant per year. I don't think it has quite the same correlation.

Mr. Malizia said they had a tariff in the old days for the hydrants. You can go back to the 60s and 50s and find that same tariff on the books. I have a budget document in my office from 1961 that has that charge. It's the hydrant system to have the hydrant system charged and available and ready to go. All Selectman Maddox was saying is what are they charging in Nashua. Just so if we wanted to reduce it, we'd have some justification to say their only charging X amount of dollars just using it as a fund source.

When the Board reduced this, Mr. Malizia said they didn't really even take that into account. At some point in time, there was a tariff that Consumers had gotten from the PUC to charge a rate per hydrant. When this decision was made years ago, probably more than 4 years ago now, the Board just said we want to get rid of payment in lieu of taxes of \$400,000, therefore do a corresponding reduction here. It doesn't correlate to anything Nashua does.

Chairman Jasper thought when you look at this and say this is roughly \$1 on the tax rate to have these hydrants out there, that's a pretty substantial number on the tax rate. At the time, we didn't have a lot of room in the budget. Almost all the places where the hydrants are, there are people who are paying for the water anyhow. To some degree does this benefit people who are out of the water district, yes because the water tankers can come in and tie in to those hydrants. If you look at this and say is it really justifying \$1 on the tax rate to have that there, I personally don't think that it is. Mr. Malizia interjected for a minute. It's more like \$.08. Chairman Jasper thought it was \$30,000. I'm sorry. Just a thought. I apologize. I said I was tired and I am tired.

#### Trustees of Trust Funds (5020)

Chairman Jasper assumed nobody wanted to come in and talk with us.

Insurance (5910)

Ms. Carpentier said right. Can I make a recommendation? Can we stay in the 5900 and jump down to insurance so that we don't have to jump around. If you go to page 1 of the section we're currently in, it's the insurance.

Mr. Malizia said there are three kinds of insurance accounted for. As you can clearly see, unemployment which if we have any claims from employees that leave here that even if they've had a part time role here, they could possibly collect against the Town. We have the Workers Comp. insurance, which is pretty much based on our payroll and our experience factor. In general, we've experienced a very good experience factor. We have an active safety committee; we meet quarterly; we look at Workers Comp to try to improve to improve that. In general, we've had a very good Workers Comp. record. The third kind is property and liability insurance. That's all the hard assets, the vehicles, the buildings. Again with our liability, so that municipal officials, town employees were all insured for liability. That's where those three types of insurance reside.

Chairman Jasper asked if these were based on estimates you've received. Mr. Malizia said the property liability is based on what we just experienced for a bill. Again the unemployment insurance, you can see what we had for an actual last year. It's just a modest estimate. Workers Comp. is a little bit of a variable. We'd have to take a look. We just got a bill.

Ms. Carpentier indicated it potentially could be \$10,000 light. We just got a bill close to \$155,000 for fiscal 2012. Our claim factor went up by 10 percent. Hopefully it doesn't in fiscal 2013. Chairman Jasper indicated that's certainly \$10,000 that we can find if we need to.

Ms. Carpentier indicated page 3 is the next 5920. I'm sorry; we didn't put that on this agenda for tonight.

Mr. Malizia did have a question because that's Community Grants there was one new applicant. Does the Board wish to entertain that applicant next Thursday or not? There have not been any phone calls to anybody to come in but it's been the practice that the Board considers somebody new to have them in. They're requesting \$500.

Chairman Jasper indicated that if they want to come in, we ought to at least grant them the courtesy. We've always done that in the past.

Mr. Malizia also articulated this request was level funded. However, all the charitable organizations asked for more money and there is a sheet, page 5, at the far right hand corner is what they've actually asked for. Because we were directed to be level funded/zero funded, I put it in at what it was last year. However, that's what they've requested. I don't know if the Board wishes to consider any of those requests. It's certainly your prerogative. I did not put those numbers in.

Selectman Coutu wasn't sure if Chairman Jasper read the article this week in The Telegraph. A lot of communities are eliminating this account from their budgets.

Chairman Jasper had no interest in entertaining any increases. Again if somebody wants to come in and make the case, they have the right to do that. Unless someone has intended to cut the current ones, the only calls that I would suggest that we should have Donna make are for those who requested an increase. You can tell them that the Board is not likely to grant that but if they wished to come in and make the case, they may. Is that reasonable?

Selectman Coutu said no. Just tell them we're holding the line. That's what I would do Mr. Chairman. There are a lot of requests for increases. Chairman Jasper indicated it was about \$22,000. Selectman Coutu said it was the number of clients that we may potentially entertain. Chairman Jasper hated not to give someone the courtesy of allowing them to come and make their case. I don't know how many will. Selectman Maddox said there are 13 that would be requesting an increase.

Mr. Malizia said that they've all submitted a document. I think the majority as the documentation is here with the exception of some of them turn in a financials. You could quite simply look through the documentation. It's in the order that the sheet is. If you perhaps saw something maybe a Board member might make a motion. What you've done is a practice for the last few years at most is entertain anybody new. I'm not aware that you've had anybody existing because the majority of these have been in existence for quite a while. I'm sure you're all well aware of the majority of their purpose what they do. They're all fine organizations. I'm sure they all come in and give you their story if you're not really interested in entertaining an increase.



Selectman Maddox read through these today. I saw most of them. I think page 8 is the only one I think that I didn't see a corresponding where it impacted Hudson. Most of these we're getting \$17,000 worth of services and they're asking for a \$3,000 donation. I think those are the kind of things - I don't disagree that it would be nice not to pay it. We're going to pay one way or the other I think in a lot of these - mental health, alcohol, and all the things that these are supporting. I think if we just level fund it and that one person comes in, I can see where I can come up with that money out of the existing.

Mr. Malizia had one piece of news for the Chairman. I just received this letter yesterday. The Nashua Mediation program, they requested \$1,000 in the past. They're now defunct and closed. You could take that \$1,000 and either a) remove it from this list or b) shift it to someone else. That someone else possibly could be the new agency if you're interested in that or if you don't want to, you could take it up. That \$1,000 there's nobody to send it to any more. So Nashua Mediation for \$1,000 is now defunct. I just got it and brought it with me to talk about it.

Selectman Coutu just asked Selectman Nadeau to refresh his memory. If I'm not mistaken, CASA was the agency that Selectman Massey had given us an explanation of. Rather than have them come in...Mr. Malizia indicated you could take \$1,000 away from this...Selectman Coutu was not adverse to telling him that we honored their request of \$500 and be done with it and not have them come in. If you remember the explanation that Selectman Massey had give us relative to CASA and the services that they perform, I think it's a viable organization. Obviously they are. They're registered and certified with the State. The explanation he gave us I certainly see that there's certainly justification to give them \$500. It's a small amount. We have \$1,000. Decrease the request from...Ms. Carpentier said \$89,927 is what's in the budget. Selectman Coutu said that's what's in the budget. So if we're going to hold that line and we can add \$500, we're still below. Mr. Malizia said it would be \$89,427.

Motion by Selectman Coutu, seconded by Selectman Luszey, to add \$500.00 to the 2012 appropriation and award it to CASA of New Hampshire, carried 4-1. Chairman Jasper in opposition.

Mr. Malizia indicated that we probably should make a motion to take \$1,000 out because I don't recall hearing that either. Chairman Jasper said now its \$500. Mr. Malizia said that they didn't remove the \$1,000. Ms. Carpentier said he did. It's in the second to last column. Selectman Coutu knew where it is but if they're not in existence, we wouldn't give them the \$1,000. Chairman Jasper said that we're still budgeting...Mr. Malizia said he just level funded the budget.

Motion by Selectman Coutu, seconded by Selectman Maddox, to remove \$1,000 appropriation to Nashua Mediation Program, carried 5-0.

If everybody is fine now, we're going to go down \$500 in the total. That's where we are. Everybody is good with that? Okay.

Ms. Carpentier indicated that we're not bringing it up again right next time. Chairman Jasper said right.

This is a side note. Mr. Malizia indicated that the \$1,000 will not be going there this year either. They are defunct. So there was \$1,000 raised this year. That will just float to the surplus or could be charged for one fifth of the range. We won't spend it this year.

Patriotic Purposes (5930), page 44

Ms. Carpentier indicated that this was level funded.

Mr. Malizia indicated that this is a contribution to the Legion for the Memorial Day observance and parade along with a contribution to the Hudson Historical Society for Old Home Days and Old Home Days' fireworks. The next page after, the page you're looking at, has the breakdown of where the \$5,600 goes. That's what it has been going to for the last several years unchanged.

Chairman Jasper said it doesn't say "parade". Remember when Len thought it was just for the parade. We can leave it the way it is and still do that. Everyone fine with leaving this budget as it is? All right.

Other Expenses (5940), page 46

Mr. Malizia indicated that this is where your contingency of \$50,000 resides. This is where funding resides to places of the capital reserve for earned time. Those numbers are unchanged from before. This also has a \$25,000 appropriation to the Senior Center capital reserve. There's 50 going to the earned time trust fund and 25 going to the Senior Center capital reserve fund for a total of 75. This is where you fund those reserves or trust funds. There are a

couple of other expenditures - telephone, which instead of breaking it up everywhere, we put it here. This is the main phone system. The postage meter is also in here too. Again, they are unchanged.

Just so everybody understands, Selectman Maddox said that the earned time fund is at 23. So it's probably right there with paving and several other things that we underfund because it would be such a hit.

Chairman Jasper said the only thing on here is it doesn't really matter as much because unless everybody quite and left in the same fiscal year, it doesn't ever really end up with an impact. We'd continue to try to build it up. It's one of those ongoing continuous. Selectman Maddox indicated that we're down to 6 percent. Mr. Malizia said the percentage is improving with this allocation. What's it going to be a 23 percent, which is certainly far better than the 6 percent? Selectman Maddox said right because we've been taking it out of the departments Mr. Chairman. We know that the Chief was alluding to that. You pay Peter you pay Paul. It's one way or the other. It's a case of we've managed to build this up to a whopping 23 percent by taking out of the departments that the people work in.

If we should be building the Senior Center next year, Selectman Luszey asked if this 25 still go into the capital reserve? Chairman Jasper said we could develop the warrant article just as we just did with the ambulance so that it took whatever the anticipated balance was out. We should continue to make the contribution and if the senior center is built this next year, then we would not fund it in a future year.

Ms. Carpentier believed we're done in this section. If you want to go back up to the other offices, 5,000 Town Officers - our Trustees of the Trust Fund. I was asked to speak on that. Page 1. I'm the staff liaison to the Trustees of the Trust Fund. I meet with them monthly or I attend their monthly meetings. They've level funded their budget. They've been running a little light on the outside hire but if they have projects as scanning the documents, they've scanned all the documents that they've had with the history. Nothing more to say there.

Town Treasurer (5050), page 25

Ms. Carpentier said the Treasurer is an elected position. This is just representing the salary of the elected official and the taxes. Its level funded.

Ethics Committee (5080), page 34

Ms. Carpentier said it's only \$100 level funded. For this evening, finishes that section.

BOS/Town Buildings (5110, 5120, 5125), page 1

Mr. Malizia said that's where all of us are. That's the Selectmen's salaries, Administration, Administrator, Executive Assistant, Assistant Town Administrator, and the other clerical person in our office. It's a little bit less than level funded. We've benefited from the pension rate decrease.

Ms. Carpentier went to page 6, Town Hall Operations, Department 5120.

Mr. Malizia said obviously the cost of utilities here, the cost of part of the salary for maintenance - Wayne our maintenance person. Again, benefited slightly from the decrease in the pension rates. When we level funded, obviously it depends on what goes next. Chairman Jasper indicated that we're pretty lucky.

Mr. Malizia said we've had some of the air conditioning and/or heating system handled. There's a bunch of them in the building have gone through the years. I had to replace them as they've gone. I think we've actually chased all of them now. Chairman Jasper said we'll probably be lucky in that area. Mr. Malizia thought we might get an off year there. I think pretty much this is the last one that's getting a little long. The rest of them on the roof - Mr. Maddox and I were up there this week. They were replaced recently and some of the other ones outside.

If Mr. Malizia could also point out real quick as you are well aware, we did some carpet replacement upstairs in the Selectmen's office and in the hallway. On page 9, it shows you the remaining schedule based on need. I took out the Community Development side because obviously that was already done. The Board can either a) put some money into the budget to do this or b) when we get to the end of this fiscal year if we have any money left, we could may be knock some of these additional areas off. Again when we evaluated the carpeting, we did it in order of need or preference. We did the hallway upstairs, the Selectmen's office, the Community Development Meeting Room, and I believe the stairs are going to be done soon over there. That was all done with the Planning Board money. Again, this is just the remaining areas and again if the Board chooses at the end of the year if there are funds left, we could do these offices. Chairman Jasper thought we should take a look at the end of the year. We know they're there and evaluate. Mr. Malizia wasn't aware that there's any trip hazard or any kind of hazard like that. They're a little bit less

public than the hallway was and certainly the Administration Office when folks come in. Again, just to identify those areas. That was the ranking that we looked at last year.

Ms. Carpentier turned to page 11, Hudson Community Center.

Obviously Mr. Malizia indicated that this is the community building. The Budget Committee made a cut to the janitorial supplies last year. It appears this year we're spending a little bit more on them. We had asked for the \$2,800 last year and they put it down to \$1,500. It depends on the use and who's using it and who's doing what. I don't think I have any other initiatives in this particular one though I do have a concern with the roof over there. I put that on here too.

Chairman Jasper said we didn't do anything with the roof. We've been chasing leaks. We've had local roof companies, Lee Lavoie for example. We've been chasing some leaks. We've been repairing flashing. If you start to look at the age of that roof..Ms. Carpentier said page 14 he has those additional requests/proposals. Mr. Malizia didn't have the date on the roof because we bought the property in 1995. In 1994 it already had the roof obviously. Selectman Luszey asked if it was a flat roof. Mr. Malizia said no. It has all kinds of pitches and different angles on it. If you're looking at it just from an estimate perspective, again this isn't a sharpen to pencil, its \$37,000 to \$39,900 somewhere in that ballpark to replace that roof and the underlayment that may be needed underneath it. I just give it to you for your consideration. It's a big ticket. It's a big number. Again, we seem to be chasing leaks more and more often. Chairman Jasper thought we probably need to bit the bullet and deal with the roof. Selectman Luszey indicated that if we don't take care of it, we'll be paying a lot more in the future. Chairman Jasper thought we probably ought to put \$40,000 in the budget. Hopefully we won't need it all.

Selectman Maddox asked if there were 3 roofs. Chairman Jasper said the garage area has to be done with the main roof. You could do the office area later. Selectman Coutu said to do it all. Chairman Jasper thought we probably ought to. The other way you can do it and that one is east/west. I have some that go 15 years longer on the east side than they do on the west side because of the sun. The only difference is you're just going to do the cap twice. We could look at that roof. This is a pretty big nut. We could do it half at a time if it's weathered that way.

*Motion by Selectman Maddox to put \$20,000 into this account for a roof.*

Selectman Maddox indicated that if at the end of the year there are monies, then we may do it all. At least we're doing something. I think the 40 is going to be a tough one to do.

*Motion by Selectman Maddox, seconded by Selectman Nadeau, to put \$20,000 into this account 224 for a roof.*

Selectman Maddox said none of us want to do it but it needs to get done. If we can put \$20,000 into the budget, you know we can at least do, like you said, one side, get somewhere. If there are monies to finish it or we get a price that is significantly lower than that and it may only be an additional 14, again, we don't know. At least this puts money in the budget. It says we need to get it done and it starts the process.

Selectman Coutu said he would not support the motion and I will tell you why I'm not going to support the motion. This is a municipal building. This is an intrical building. It's where people go and vote. We have all kinds of recreational programming. We rent it out. I think if we're going to do it, let's do it right and let's put in \$40,000. Let's go out and get a bid. Let's 3 or 4 bids, whatever it takes, and let's do the whole roof. Let's not do just piece meal. Let's get it done once and for all so we have a longevity period that's established. It's a 20 year roof; a 30 year roof whatever it is, let's do it once. Let's get it over with. Let's not do half of it and find out next year we should have done the whole thing and we're going to go back and do another half next year. I just think we should do the whole thing. I'm not against doing the roof. I'm against doing half of the roof. I wouldn't do half of my house. I understand your building. You have a huge barn. It's also cost effective to do it the way you're doing it. This is much smaller. It's a municipal building and I'm concerned about the statement that Selectman Luszey made. We're just going to spend a little money now and a lot more later. Let's get it done. I would rather see that at \$40,000 and hope the bids come in much lower.

Selectman Luszey is where Selectman Coutu is. Unless we went and scanned the roof to see what the overall condition of it is given that the Town has owned that building for 20 something years now or close to it. Mr. Malizia said somewhere around 18 years. Selectman Luszey said the roof is at the end of its life expectancy. If we want to maintain our buildings and keep them in proper maintenance, I would support replacing the entire roof so that we're not piece mealing a little bit every year. The cost difference on the tax rate is insignificant.

Chairman Jasper didn't know that there's a right or a wrong here. I think we need to find out a little bit more about if the leaks are all taking place on one side. If they are all taking place on one side, then it may be a better way to do it.

Frankly I think it's a good policy not to replace a roof before its time. If you have a roof that has 5 years left in it, why replace the roof just for the sake of it. Sometimes roofs are woven together in such a way that it makes sense. I very rarely, and my father has done the same thing, we very rarely replaced a whole roof at a time simply because of the fact that it's the old Yankee thing. Well this side of the roof is good. We have gotten in some cases 20 years more out of one side of a roof than another on a 20 year roof when you're talking 40 years out of a 20 year roof that hasn't leaked. I'm going to support the motion but if we get some additional information that says that side is shot too, then I could change my mind. Because it's one side versus the other, there's really other than doing that cap, which is relatively insignificant, we could save money. You could wait another 5 years and do it that way.

Selectman Luszey asked if there was a way that we could postpone this particular motion until we get the additional information. Chairman Jasper said we certainly could.

Selectman Nadeau withdrew his second.

Chairman Jasper said unless there's another second, the motion dies.

Selectman Luszey asked who do we send out to have that look at. Mr. Malizia asked if you want to report on what's already happened. Chairman Jasper thought what we needed to find out is first of all have all the leaks occurred over in the area of the valley. That tends to be the first area that can go on a roof like that. Selectman Luszey thought it was more than that. It's a condition of the asphalt on all of it. Chairman Jasper indicated that's why generally it's the west side that goes. The east side doesn't have nearly as much sun. By noontime, the east side is done with getting sun. It's gotten maybe 5 or 6 hours of sunlight and the other side could get 9 or 10. It's getting a substantial amount more of sunlight. That's what really will do that to the roof. That's why I suggest somebody take a look at it. Selectman Luszey asked to have Mr. Malizia have a roofing company or somebody to look at it to give us a formal report back. Chairman Jasper said Mr. Malizia can assign it to Mark.

Selectman Maddox said that Wayne is fluent in roofing. Mr. Malizia said he's been around roofs, yes. Mr. Lavoie has been over there repairing the roof for us. Any roofing company is going to come in and say yes please replace it and give me the bid. Chairman Jasper said Lee's not likely to bid on that job because I don't think he does that. Mr. Malizia indicated he does the small leak repairs. He might be someone that you would turn to and say between him and Wayne could you take a look at it. I'm just concerned you use a roofing company, what do you think they're going to tell you. Mr. Malizia was just telling the Board that's probably why you're better served using someone like that.

Selectman Luszey asked if we could have that for the next Thursday. Mr. Malizia couldn't guarantee with Lee's schedule. I will ask him if he's available.

Chairman Jasper indicated that we'll come back to this.

#### Town Poor (5151), page 19

Mr. Malizia indicated that his was level funded. As you are well aware, this is an account that we need to support when folks come in and they meet our guidelines. We need to provide assistance to them on a temporary nature. As you recall I think last year, we took this number down because we had \$8,000 in a donation account. We haven't used that donation account. That was sort of our back pocket if we got into trouble with this account. Again, we're just going to roll that \$8,000 forward depending what happens. I can tell you if you look at last year - I wouldn't say it's counter intuitive, but if you look at the number we spent last year and you think of the economy, a lot of folks aren't coming in here.

As you are well aware, Mr. Malizia indicated we have an employee, Ms. Wilson that really takes this very serious, works very diligently. I know that Donna and Linda sometimes support that effort too. I think KC does. We try to help people who truly have a need. This ties into some of the community grants because we refer our folks to those programs. I try to keep this line (inaudible) but obviously exhibit some compassion for people who truly have a need.

Chairman Jasper said the other thing here is when the budget and the Trailer Bill, House Bill 2 that goes along with it was passed, there was a provision in there that while communities normally have to just keep spending, the State law has changed to say that we do not have to spend beyond what our budget is. I don't think that would apply if we took this \$120,000 and cut it down to \$8,000. I think as long as we level fund it, that's all we'd be required to spend. I wouldn't necessarily agree with that, but I think we need to spend what we need to spend to take care of the residents of the Town. I don't think we need to increase it either. There at least is a stop point there where we can evaluate what's going on without...Mr. Malizia didn't mean to imply that we need - I think this is a sufficient number. I just wanted to point out that we did have a little bit of money in a donation account. Again, based on what we've been doing and how Ms. Wilson is basically managing this, we should be okay with this. We haven't seen anything really

different. The majority of this is housing too just so you know. It's either rental type of housing followed pretty closely by heating. Even some of our older residents they have needs for heating assistance. We refer them to whatever programs are out there, but there's criteria. If they meet it, we help them here.

Just a little information. Ms. Carpentier said 77 families we helped last year; 153 people with 54 of them being for rents.

#### Legal (5200)

All Mr. Malizia tried to do here was keep the budget level but recognizing that we tend to spend a bit more money in the collective bargaining area compared to the regular general legal. As you are probably well aware, you see the manifest, we have our general legal fairly well under control. The bills are pretty reasonable given that it's not a real litigious time right now. When I say litigious, sometimes when you get a lot of development you get a lot of folks wanting to do all kinds of things and they start filing lawsuits because you tell them no. I would say that our regular legal bill, our general counsel bill with Hage, Hodes, is probably \$5,000 to \$6,000 a month, which is pretty reasonable. Unfortunately, that's been balanced with our collective bargaining, our labor attorney. As you are well aware, we've had some cases that we've had to deal with in arbitration. This is also where the negotiating where the money comes from when you negotiate contracts and we use the outside assistance. I just tried to represent that maybe the split needs to change a little bit. I put a little bit more into collective bargaining and a little less in legal fees. The bottom line is still the same.

Chairman Jasper didn't think that would be enough this year either. Mr. Malizia said the last collective bargaining agreement was more in line with what I would expect to see. So it's slowing down a little bit. The legal bill is still well under control. As we look at the budget to actual, we'll keep a close as I always have. If we need to there's contingencies out there. At this point the last collective bargaining bill we just received was significantly less than the previous three. Chairman Jasper said it's been the arbitrations. Mr. Malizia said yes which those are very expensive processes. While those are over now, Chairman Jasper said they were in this fiscal year and they were substantial.

Through October, Ms. Carpentier indicated we're 51 percent spent. Mr. Malizia said we're really watching legal and frankly I haven't called them very much at all.

#### Finance (5310, 5320)

Ms. Carpentier said she's down a little bit in the audit and the other piece is insurance benefits and New Hampshire Retirement.

Selectman Coutu asked if her budget was down. Ms. Carpentier said it was Sir. Page 4, my accounting, this is for my staff and accounts payable, payable, payroll also down.

Chairman Jasper said IT which we already went over. Ms. Carpentier said we already went over and it did go up \$400 as Selectman Coutu pointed out because I need to replace my 11 year old printer. With that, I think that's all that we had scheduled for this evening.

Selectman Luszey had a comment on page 2 publications. You have to divide by zero error. I think there's something wrong with your program. The top went 214 did work out correctly. Ms. Carpentier indicated that she would take care of that. Thank you for pointing that out.

Chairman Jasper asked Ms. Carpentier if she was going to make a plug for GASB this year. Ms. Carpentier said no. I did do a GASB - the fund balance policy, I changed that. The auditors without additional expense have changed our financial statements around a little bit. So we're not completely GASB compliant but the financial statements are laid out that way. At some point, we hope to look at fixed assets and get better control and move that way but coming to the Board for no additional appropriations.

#### 5. ADJOURNMENT

Motion to adjourn at 9:41 p.m. by Selectman Maddox, seconded by Selectman Coutu, carried 5-0.

Recorded by HGTV and transcribed by Donna Graham, Recorder.

HUDSON BOARD OF SELECTMEN

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Shawn Jasper, Chairman

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Richard J. Maddox, Selectman

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Benjamin J. Nadeau, Selectman

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Roger E. Coutu, Selectman

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Ted Luszey, Selectman