

**OSSIPEE BUDGET COMMITTEE  
MEETING MINUTES  
November 17, 2021**

Meeting recorded for Minutes summarized by Laura Nash, Budget Committee Recording Secretary, amendments are noted by ***bold/italic*** type.

Call to Order: Chairman Joe Goss called the meeting to order at 6:30 PM.

Pledge of Allegiance – was recited by all attendees.

Attendance by Roll Call: – Joe Goss, Donna Gridley, Lynne Parker, Roland Millette, Donna Sargent, Cameron Quigley, Dallas Emery, Connie Billings, Matt Sawyer, Jr, Jonathan Smith (Selectmen's Rep.), Andrea Picard, TJ Eldridge.

Absent: WOFP Representative

Meeting Minutes: Review of minutes from November 3, 2021.

A **Motion** by Billings to approve the meeting minutes of November 3, 2021. Gridley seconded. No discussion. All others voted in favor. Abstained: Jonathan Smith, since he was not present for that meeting **Motion passed.**

**Selectmen's Report & 2021 YTD - Budget Report:**

Jonathan Smith reiterated what Matt Sawyer Jr. had previously stated. Fiscally doing well, tax rates are set, the Town portion went down by 0.11 cents. The schools went up about \$1.50 per thousand. The Unassigned Fund Balance was met and exceeded our goal of 11%, resulting in a little over 2 million but we're down to about a little over 1.8 million now with roughly 2-month's remaining to the year.

**2021 Revenue Report:**

Jonathan Smith noted they didn't bring any reports. There about the same, revenues aren't really going to change much at this point until we get the meals and room tax. But that amount is already known.

**2022 Town Budget Proposal by Department:** Chairman Goss stated all budgets will be taken under advisement at this time.

- **Center Ossipee Fire Precinct** - The 2022 proposed budget request is \$585,898.00

Joe Deighan presented the COFP proposed Total Precinct Expenses budget and read through each line item resulting in a Total Precinct Expenses budget \$161,250.00 which increased by \$4,900.00.

Joe Deighan continued presenting the COFP proposed Fire Department Operating budget and read through each line item resulting in a Fire Department Operating budget of \$424,648.00 which increased by \$31,664.00. Bringing the total proposed budget to \$585,898.00 with an overall increase of \$36,564.00.

Joe Deighan read and explained each of the 3 – 2022 Proposed Article being put forth this year.

Article 3	2022 Second Year Truck Payment	87,000.00	Second of 7 payments for new truck voted in last year.
Article 4	2022 Replace Water line	45,000.00	Replace lead leaking water line pipes from Town to inside Fire Station.
Article 5	2022 Radio 5% Grant Match	9,573.00	FEMA Awarded \$191,000.00 grant towards new radios provided the department supplies a 5% match.
	Total 2022 Warrant Budget	727,471.00	
	Difference from 2021	82,756.00	Total Increase

Discussion: Parker inquired if COFP had put in bid for oil. Deighan noted they had already locked in with Irving at a low rate. Parker asked about their call rate. Quigley noted it's up 17% over last year, which was up over the year before that. Deighan gave background on the new LED street light which have a 10-year warranty and are expected to last for 20-years.

Jonathan Smith inquired if the fire department ever had an internal audit done. Deighan commented they have had an internal audit done to DRA specifications.

Millette questioned where does the fire department get it's test for testing lead. Deighan commented it was taken from the sink faucet without flowing water and houses to either side were also tested, and they did not show any lead in their drinking water. Discussion ensued.

Emery questioned if the amount requested is enough to cover the repairs. Deighan noted they have received two quotes and the amount requesting should be adequate to cover the cost of the repairs.

Billings noted the department has spent \$5,600 on radio's and now have a grant to replace radio's, so what is the fire department going to do with the radio's just brought. Deighan explained each personnel will receive a handheld radio, new radio's for each truck, plus a couple of repeaters, and repeaters in the trucks to ensure a connection with county. Any extra's will be kept as reserves and the radio's being replaced are the ones provided to all police, fire and EMS responders from 9-11.

Chairman Goss stated all budgets will be taken under advisement at this time.

- **Ossipee Corner Light & Power Precinct** - The 2022 proposed budget request *is \$381,040.00*

Chief, Adam Riley presented the proposed budget of with Government Buildings having a \$150.00 increase in furnace maintenance, general maintenance increased by \$1,500.00, Telephone/Internet increased by \$200.00, insurances increased by \$1,308.00 based on quotes received. Fire Department Payroll increased by \$5,000.00 due to increase in calls. The Capital Outlay request is decreased by \$20,000.00 but the \$20,000.00 was put in this year, out of surplus money to help purchase a monitor, basically zeroing each transaction out. The Capital Outlay shows a decrease of \$11,342.00 but it's actually for taxes it's a \$8,658.00 increase from General Budget, which is roughly a 1.78% increase.

#### Warrant Articles

4915	CAPITAL RESERVE					
4915-01	Fire Apparatus		95,000.00	95,000.00	-	95,000.00
4915-02	Water Supply (Trust)		-		-	
4915-03	Fire Equipment Maintenance (Trust)		-		-	
4915-0 5	Building Fund (Warrant Art) (Trust)		30,000.00	30,000.00	-	30 ,000.00
4915-06	Payroll Reserve Trust		-		-	
4915-07	New Equipment		-		-	
<b>Total Capital Reserve</b>			<b>125,000.00</b>	<b>125,000.00</b>	<b>-</b>	<b>125,000.00</b>

Chief Riley informed the Committee members they are waiting on final figures on a new truck from the vendors, who will not provide them with anything more than a 30-day quote. But in order to present the budget, they can only bring \$95,000.00 up from the Capital Reserve for Fire Apparatus and will be put on a warrant article towards the price of the truck and the remainder is to come out of the Reserve Funds. If the truck warrant article fails, then a warrant article will be put forth to add the \$95,000.00 to the Fire Apparatus Capital Reserve fund. But if the truck passes, the warrant article for the \$95,000.00 will be withdrawn. A separate warrant article will be put forth for the Building Fund in the amount of \$30,000.00, bringing the Total Capital Reserve amount to \$125,000.00.

Discussion: Parker and Chief Riley explained the beginning amount of \$640,000.00 for the new truck. Currently, there is approximately \$543,000.00 in the trusts funds and with the \$95,000.00, they were hoping to be closer to the \$640,000.00 figure.

Smith inquired of the amount currently in the Fire Apparatus Capital Reserve fund. Parker reported there is \$338,611.00 in the account. General discussion ensued over alternative ways to gather funds towards the purchase of the truck including asking the County Commissioners for assistance.

Chairman Goss stated all budgets will be taken under advisement at this time.

- **West Ossipee Fire Precinct** - The 2022 proposed budget request is \$440,675.00.

Chief Carl Huddleston presented the West Ossipee Fire Precinct's proposed budget increased by approximately \$2,000.00 compared to last year's budget. Insurance cost increased this year. Protective Clothing is budgeted for \$16,000.00 and Mutual Dues is the same as other precincts. The furnace at Jewell Hill was replaced for over \$10,000.00. The Jewell Hill Fire Suppression System line item for \$11,500.00 is for the design of the tank and pump. The actual plumbing is in the building, but the overall cost will be approximately \$250,000 - \$275,000.00 to finish the suppression system. The Long-Term Debt for the Mini-Pumper truck purchased in 2019 will get paid off in 2022 for less than \$60,000.00. But going forward the \$60,000.00 will go into a Capital Reserve Fund to support the Suppression System. Chief Carl Huddleston noted they have 4 Street Lights for \$150.00 each for a total of \$600.00 budgeted. The department figured out the cost to change the lighting over to L.E.D. lighting but it would take roughly 75 years to offset the cost of changing them over. Call volume is up approximately 8% over last year, they have 20 members, and they use the same auditors as the Town uses of Plodzick & Sanderson, P.A.

The total operating budget is \$440,675.00 and one warrant article for \$20,000 for Fire Department Equipment to come from the Capital Reserve Fund.

Discussion ensued over the benefits of utilizing an external auditing company and setting up Capital Reserve Funds for larger projects.

Goss reminded Chief Huddleston of providing a department representative to the Budget Committee.

- **Police Department** - The 2022 proposed budget request is \$1,203,600.00.

Chief Tony Castaldo presented the proposed budget noting that 3-line items have been removed and re-assigned to another department. The line items removed are Gas/Deisel in the amount of \$20,000.00, Tires in the amount of \$2,700.00 and Vehicle Maintenance in the amount of \$8,000.00 for a total of \$40,700.00 reallocated to a different department. The proposed budget includes cutting back to 8 full-time officers, increasing the part-time officers with more hours and increasing pay to \$30.00 hourly. FICA increased based on a percentage of part-time pay and administration pay. Computer line item decreased by \$10,000.00 since utilizing RMON support, all computer users have migrated to .gov emails and are now aegis compliant. Telephone increased by \$2,000.00 and training was decreased due to no classes because of COVID. Overtime was increased in anticipation of more call outs, which automatically pays 2-hours of overtime.

Discussion: Goss suggested leaving it at \$10,000.00 because you never know what will happen next year. Smith explained there is a 3% decrease due to going to an on-call service from 2:00 – 6:00 AM. Part-time pay was increased to \$30.00 an hour because it's been difficult to get and maintain full-time officers. Smith explained this change is for 1-year to determine if it will work or not. If it does not work, they will look to hire someone next budget cycle.

Parker inquired if full-time service was being maintained. Smith explained their going to an on-call service from 2:00 – 6:00 AM, similar to other surrounding towns. Response time is estimated to be 13 minutes depending on where the call is located and to where the officer is located. Chief Tony Castaldo explained how the schedule is going to provide the required coverage. The State Police and Sheriff's department continues to provide coverage when Ossipee Police are on other calls.

Since Parker was not in attendance for the specific meetings, Chief Castaldo, Matt Sawyer, Jr., and TJ Eldridge explained the new department formed, cost savings and the 3 - line items removed from the Police department budget which are Gas/Deisel in the amount of \$20,000.00, Tires in the amount of \$2,700.00 and Vehicle Maintenance in the amount of \$8,000.00 for a total of \$40,700.00 reallocated to a different department. Discussion ensued over cost savings of having in-house vehicle maintenance, possible delay in police call response. Chief Castaldo had asked the President of Police Association contacted every police department in the state of NH and asked of towns of 4,000+ residents; does anyone of them not have 24-hour coverage. Chief Castaldo reported there was not 100% response, but the towns that did respond indicated they do not, we had to cut back to 20-hour coverage because 50% of them told me it was because of staffing. They have the positions still available, but they can't fill the positions, so they had to drop coverage. I said this is a one-year trial and if we turn out that it doesn't work financially or it's not working for the town, or it turns out that 2:00 AM to 6:00 AM becomes the hot zone. Then we reverse back. But again, the idea is to get part timers, and by increasing the pay by 20%, hopefully they will get some officers to fill the gaps. Chief Castaldo expressed major concerns with the gaps but during this time the town is quieter. Discussion ensued over the difficulty in hiring part-time officers, looking at the colleges for hiring criminal justice students as part-time patrollers to fill the gaps.

Emery had concerns with hiring students and concerns about policy. Emery commented that he works with a lot of college students, who are book smart but are not hands-on so much. Emery has concerns because college student's decision-making skills at this age is sometimes really hard. Chief Castaldo understands, but also noted there are strict standards to the hiring process.

Billings asked for clarification and was confirmed that there are 8 full-time officers. Billings reminded Chief Castaldo that the Town voted a few years ago to maintain 24-hour coverage. So, the Selectmen by-law cannot over-ride a Town meeting vote. Smith stated, it's not a binding law, it's a resolution. There's a distinct difference there, and what may have occurred back 15 years ago may not necessarily be the best solution for today. Billings and Smith debated the validity of Town warrant articles as Law or resolutions and whether it must be changed by a Town vote to change it. Smith says. No.

Goss inquired about Effingham's coverage in the past. Chief Castaldo confirmed if there was call for mutual aide, Ossipee PD would respond and prior to making the changes, they were already looking at creating a mutual aide billing system. But that may create other issues. Goss commented it's not fair to Ossipee taxpayer and Ossipee PD offices to respond to Effingham calls, when Effingham PD won't respond to a call when the on-call officer does not respond. Goss suggested the Selectmen of both towns should meet and discuss how to resolve these issues or Ossipee is going to ask for some reimbursement. It can fall under the special duty category. Discussion ensued over the number of times Ossipee gets called to Effingham for coverage but after discussion it was determined to be minimal at this time but if it increases, discussion should resume on obtaining reimbursement.

Goss inquired if the new computer system is set up the way they want it, and the officers can do their training via the television screen. Chief Castaldo confirmed it is and working perfectly and very secure.

Warrant Article: Police Cruiser & Equipment in the amount of \$45,000.00.

- **Special Duty – Police Dept.** - The 2022 proposed budget request is \$25,000.00.

Goss questioned if the reimbursement money coming back. Chief Castaldo noted not many grants were done during COVID. Goss specifically wanted to know if we're getting the money in from the public service, etc... Chief Castaldo confirmed they are.

- **Water Department** - The 2022 proposed budget request is Level Funded at \$215,680.00.

TJ Eldridge explained he has level funded the full-time wages. Overtime went up \$1,000, because they used some out of it. Maintenance/Monitoring is increased by \$8,400.00 because there were a few breaks this year at Arrowhead. There were a few incidents with squirrels down on the pump station on Route 25, of which

two instances cost the town about \$10,000.00. We fix that with squirrel cages, but for any future situations we just want to have a little bit more money in there. The total proposed increase is \$12,750.

- **Sewer Department** - The 2022 proposed budget request is Level Funded at \$226,350.00

The fulltime wages went down because for some reason it wasn't section out into the part-time wages. Put \$10,000 in the part time wages for Joe Duchene's, who mows the leach beds, and the other fulltime wages is for Jimmy. The Overtime Wages is level funded at \$8,000. The biggest increase is the line item for Stipend which increased by \$15,000. A lot of people get paid a stipend out of the water and sewer, i.e.. Kelly Skehan in the tax office and her assistant get paid out of it. TJ Eldridge gets paid out of it. There's another private contract stipend to have Dawson Excavation on call 24/7 so, he has to respond with a certain amount of time, and we have used it five times this year. FICA went up \$1,500 which is out of our control.

In prior years, the town would get a lot of money out of our sewer haulers and the past administrations, and the water and sewer department thought that 627,000 gallons was as much as we could take in for wastewater from our haulers. The Town gets \$120 per thousand, with a substantial amount of revenue. TJ Eldridge looked into it this year and found out that 627,000 gallons was incorrect, and we could actually take in 990,000 gallons. So, that calculates to about \$500,000.00 a year in lost revenue, that we're going to start getting now. We're actually looking to go to a million a half, which would yield about \$1,000,000.

Warrant Articles: Requesting two trucks to water and sewer. They're both equipped with the exact same tools. Because with the water system you have to be on both North and South ends to try to shut it down in order to find the leaks. One truck was purchased years ago and it's a 2-wheel drive and rotted out and we're going to buy another one-ton truck that can be used for a plow truck in the event plow truck breaks down and the highway guys would not be able plow. So, by having two one-tons, there would be a backup truck. Funding will come from the Unassigned Fund Balance since there is approximately \$500,000.00 in the account and with the increase of revenue the account should continue to grow substantially.

Smith noted the rates will be re-assessed as each year proceeds. The water will most likely increase but sewer will be lowered to offset the impact. TJ Edridge stated prior to the changes the bills were always split 60% to sewer 40% to water. From now on if something is purchased for the water department, it's getting billed to water.

Discussion:

Quigley inquired the amount paid for mowing the leach beds at Camp David. Several members explained the size of the fields and how often it's needs mowing. TJ Eldridge informed the committee it would usually cost about \$25,000.00 to have the lagoons cleaned out but the highway guys did it themselves for \$4,000.00 by rent an excavator for a day.

Millette inquired about the non-payment policy. TJ Eldridge informed the committee that first notice is \$15.00 late fee, but penalties can get to the point of placing a tax collectors lien on the property or the water can be shut-off.

Sargent inquired if there are plans to add more residents to the system. TJ Eldridge commented not until they get the current users corrected. Discussion ensued on expanding the system users.

Emery inquired and was informed that the water lines run up Route 16 as far as Northern Tire. Discussion ensued.

Billings inquired about a bill recently signed for infrastructure and questioned if the Town would be getting any of the funding. TJ Eldridge informed the committee aside from replacing the fittings at Arrowhead, Huckings Street and Dorrs Corner Rd., would be next in line to go on the system.

Smith noted the water bond will be paid off in 2023.

- **Revenues** - The 2022 proposed budget request is \$3,041,030.00



Matt Sawyer, Jr. explained the 2021 and 2022 budgets were mirrored except for the Motor Vehicles/Boat Permits Fees were much higher than anticipated. The 2021 budget was for \$900,000.00 and 2021 DRA final estimated revenue was \$1,040,000.00, so the 2022 budget proposed is \$1,000,000.00. Under the States Shared Revenues is the anticipated use of \$200,000.00 from the ARPA funds, pending final word from the state on allowable uses. Meals & Rooms Tax Distribution is budget for \$325,000.00. December 4<sup>th</sup>, 2021 is the property auction, then there is 30 days to settle and then Attorney Sager has final paperwork and debt to take care of with the former property owner. Water and Sewer will now have to offset themselves.

Warrant Articles: there is \$60,000.00 for a truck from Sewer – Unassigned Fund Balance. The truck will be purchased out of the Unassigned Fund Balance, which will be specific to the sewer as an enterprise fund and use \$100,000.00 from the Town's General Fund to reduce the taxes, which will put the 2022 proposed Revenues at \$3,041,030.00.

Billings questioned why the water and sewer surplus funds are not being turned over to the trust funds. Sawyer noted per MRI they could either deposit it into the water and sewer trust funds or add it to the water and a sewer unassigned fund balance. Billings suggested they close the trust funds and move the money into the water and a sewer unassigned fund balance. Discussion ensued over the intended use of the trust fund as being for major repairs or replacement.

Smith stated this is the first full audit with Sawyer, Eldridge and the Budget Committee that the system is being managed properly. Where water is being counted under water and sewer counted under sewer, raising the rates, while trying to see where their at with the system and this was the first audit with the system being run properly. Smith suggested letting run for another year and then they will reassess and if they need to transfer funds they will. Billings noted there has no funds added to the water and sewer trusts funds in 3-years.

- **Warrant Articles** - The 2022 proposed budget request is \$845,000.00.

Sawyer explained he felt it good having the department heads come and explain their own warrant articles and any others are the standard warrant articles. Smith explained about having to do a complete re-evaluation in 2023 verses 2024 is because of property values going up. Billings noted there is currently \$18,500.00 in the re-evaluation trust fund and with this year's warrant article of 15,000.00, will give a total balance of \$33,500.00. But that will leave a deficit of \$75,000.00 to make up over the next 2-years.

Discussion ensued over the amount remaining in the Benefits Trust Fund after this year, and not replacing employees who retire from the Transfer Station. Smith clarified the budget reviewed reflects going down to 35 hours, but it can be revisited up to the town meeting floor, meaning we have an entire two months up to the public hearing and then town meeting. If somebody did retire we can reassess that budget downward to reflect the loss, but as of now we are at 35 hours. That's the lowest the Town can go and keep the employees in the retirement system. We were going to go to 32-hour weeks but couldn't because otherwise the employee would get kicked from retirement. So, the idea is not to hurt the employee, but the idea is to make it work best for the taxpayer without harming an employee and that's not something we want. We are restructuring the hours and restructuring the entire recycling operations as we go forward. So, the savings will be even better than presented if someone retires before town meeting, we will reduce that operating budget. Discussion ensued over hauling fees, recycling fees verses reimbursement and general operations.

Sawyer noted he submitted a draft of the MS-737 and the master budget, so theoretically the budget is looking pretty flat over last year's.

Sargent inquired if Main Street had submitted a request for funds. Sawyer explained it did, but the Selectmen declined their request. Sargent commented that the request never came to the Budget Committee, and it has to. Several members disagreed stating if the Selectmen are going to fund something, it does not go before Budget Committee. Smith noted even if it gets funded on the Town floor, the Selectmen do not have to fund it. Discussion ensued until Goss explained if the request is from an Outside Agency,, and the Selectmen deny

the request it does not have to go to the Budget Committee. But if the request is done by petition, then yes it would have to come before the Budget Committee. Sargent disagrees with the process. Sawyer will review the RSA for the next meeting.

Goss inquired of the deadline for petitions. Sawyer noted the 5<sup>th</sup> Tuesday before Town Meeting which would be February 1, 2022. Discussion ensued for selecting the Public Hearing date.

**Next Meeting:**

December 1, 2021 – 6:30 PM at the Freight House

January 19, 2022 – 6:30 PM at the Freight House – **Finalize Budgets**

February 1, 2022 – 6:30 PM at the Freight House – **Warrant Articles due**

February 2, 2022 – 6:30 PM at the Freight House – **Review Warrant Articles**

February 10, 2022 – 6:30 PM at the Town Hall Bud Avery Gymnasium

February 10, 2022 – 7:00 PM at the Town Hall Bud Avery Gymnasium - **Public Hearing on Petition Articles**

March 8<sup>th</sup>, 2022 – **Town Election** at the Town Hall Bud Avery Gymnasium

March 9<sup>th</sup>, 2022 – **Annual Town Meeting** at the Town Hall Bud Avery Gymnasium

**Any Other Business that May Come Before the Committee:** None heard

**Adjournment:**

A **Motion** by Parker to adjourn the meeting. Emery seconded. No further discussion. A unanimous vote was taken. **Motion passed.** The meeting adjourned at 8:26 PM.

Minutes approved by majority vote of the Board on

\_\_\_\_\_  
Date

\_\_\_\_\_  
Joe Goss, Chairman  
Budget Committee

\_\_\_\_\_  
Donna Gridley, Vice-Chair  
(*In the absence of the Chairman*)