

Gilford Budget Committee Minutes

January 9, 2014

6:30 p.m.

Town of Gilford

Members Present: Jeffrey Beane, Gus Benavides, Fred Butler, Phyllis Corrigan, Sue Greene, Richard Grenier, Robert Henderson, Dave Horvath, Kevin Leandro, Kevin Roy, Karen Thurston, and Allen Voivod.

Town Representatives Present: Town Administrator Scott Dunn; Police Lieutenants Kristian Kelley and James Leach; Town Clerk/Tax Collector Denise Gonyer; and Finance Director Geoff Ruggles.

Gilford School Administrators Present: Director of Buildings and Grounds Tim Bartlett; Elementary School Principal Danielle Bolduc; Superintendent of Schools Kent Hemingway; Assistant Superintendent for Business Scott Isabelle; Director of Student Services Esther Kennedy; Curriculum and Assessment Director Scott Laliberte; Middle School Assistant Principal Kara Lamontagne; Technology Director Brenda McGee; Middle School Principal Marcia Ross; High School Principal Peter Sawyer and Assistant Principal Anthony Sperazzo.

Other attendees: School Board members Susan Allen (chair), Paul Blandford and Kurt Webber.

Phyllis Corrigan opened the meeting at 6:29 p.m. and led the Pledge of Allegiance. She reviewed the agenda.

School Budget

Scott Isabelle reviewed the differences between the school's proposed budget (\$24,662,210, with a tax impact of \$9.86 per thousand dollars of assessed value) and the budget committee's proposed budget (\$24,610,610 with a tax impact of \$9.83 per thousand dollars of assessed value). He also reviewed the default budget at \$24,389,177 with a tax impact of \$9.74 per thousand dollars of assessed value. The net estimated tax increase is \$1.01 for the board's proposed budget; 98 cents for the committee's proposed budget; and 89 cents at the default budget rate.

Phyllis Corrigan moved that the committee recommend the school district budget at the committee's revised amount of \$24,610,710. Bob Henderson seconded the motion, which passed by unanimous vote 12-0.

Teachers' Contract

Kent Hemingway reviewed that the proposed three-year contract represents two years of concerted negotiations between the bargaining unit and the school district, with emphasis on containing health care costs.

Subsequent to discussion about sick leave, "buyouts" for non-participating employees (those covered by other, non-district health insurance plans), maximum guaranteed rate increases, and pay increases beyond step levels, Phyllis Corrigan read the Warrant Article III into the record and moved that the committee recommend it as written. Bob Henderson seconded the motion, which passed by majority, 6-4 with 2 abstaining.

Fund Balance

Phyllis Corrigan read Warrant Article V into the record and moved that the committee recommend it as written. Kevin Leandro seconded the motion.

Scott Isabelle reminded that the board's intent on adopting the measure is to help stabilize tax impacts for the district's portion of the budget. He gave as an example the possible tax ramifications given the uncertain and irregular amount of state funding for vocational education. The language of the article is fixed by the State and cannot be changed by individual districts. The measure marks an attempt by the legislature to give school districts authority similar to that given to towns to manage these funds.

Kevin Leandro voiced his view that other means are in place to respond to emergency situations. Dave Horvath concurred.

Kent Hemingway emphasized that any retained funds are not spent solely at the district's discretion; rather there is a process of approval by the State Board of Education. Any retained fund balances are non-accruable.

Esther Kennedy likened the proposal to a \$150,000 reserve fund that the budget committee approved approximately nine years ago for special education. "You have to trust us. I've never had to use it...but it's helped a lot of districts."

Phyllis Corrigan moved Warrant Article V to question. The committee voted against recommendation, 7-5.

At 7:28 p.m. the school district's portion of the meeting was concluded and those representatives, including Karen Thurston, departed the budget committee meeting.

Gunstock Acres Village Water District

Fred Butler presented the water district's 2014 proposed budget at \$335,370, representing a \$26,000 increase from last year's budget. \$25,000 is proposed to increase the capital reserve fund and \$1,000 is requested for chemical expenditures. The budget is fully offset by user fees within the district and has no effect on any other Gilford taxpayer. If approved, the district will formally finalize the budget at its annual meeting in April. Fred explained that the capital reserve fund increase will be used in conjunction with an asset management plan to begin replacement of 60-year old pipes, beginning on Mountain Drive.

Fred moved that the board recommend approval of the Gunstock Acres Village Water District budget as presented. Gus Benavides seconded the motion, which after discussion passed, 11-0.

Warrant Article 9 (Police Station)

Phyllis Corrigan read Warrant Article 9 into the record. Gus Benavides moved that the committee recommend approval of the article as presented at \$1,213,000. Richard Grenier seconded the motion.

Gus Benavides noted that the police department "has worked hard to fine-tune this figure yet leave some room for expansion. They're trying to avoid having to come back, saying we've already outgrown the facility." A major difference between this proposal and the 2009 proposal not passed by the voters is that geothermal energy is not included.

Scott Dunn anticipates receipt of Homeland Security grant funds of approximately \$150,000, which will reduce the amount of bond. The grant will be applied to an emergency generator, dispatch equipment, an emergency operations center, and security cameras.

Committee members' respective views are summarized as follows:

- Kevin Leandro agreed that the present facility needs upgrades, but was reluctant to incur debt. "We just retired some debt; because you pay off one credit card doesn't mean you can max out another one." He termed the proposal at \$165 per square foot "over-aggressive." Ultimately he changed his position and voted in support of the proposal, noting that the present conditions in the police station are unacceptable.
- Phyllis Corrigan voiced her approval of the proposal. She also advocated replacing one debt with another as opposed to "piling one debt on top of another." Further, construction costs are unlikely to decrease in the future and moving forward with the project as a whole would be preferable to a piecemeal approach.
- Richard Grenier observed that since the 2009 proposal the town has had three chiefs of police. "You don't build a building for a chief: you don't know how long he's going to last." If the voters disagree with the present proposal, it will be voted down. "I'm willing to let the voters decide."
- Allen Voivod inquired about increases in call volume. He sought assurance that the proposed design would still be adequate ten years from now. "I'm concerned for the safety of the police officers in Gilford and the residents who come through the station as well."
- Sue Greene inquired why dispatchers do not use the lunchroom downstairs. Kris Kelly explained that dispatchers cannot leave their posts while on duty.
- Jeffrey Bean asked about a reported exercise room. Kris Kelly corrected that if there is extra space, officers would be permitted to bring their own exercise equipment to be used in such space. He reminded that police officers must maintain specific fitness standards, but affirmed "I would never go to the taxpayers and ask for an exercise room." Jeff agreed that the proposal represents a considerable space increase and termed it "a little aggressive. I'll leave it up to the taxpayers."
- Fred Butler inquired about anticipated technological changes 20 years hence and about bond rates. Kris Kelley discussed changes in access and security, door locks, and related chain of custody issues. "We can't project 20 years into the future but we're trying to stay up as high as we can." Scott Dunn remarked that bond rates have increased over the past four years.
- Bob Henderson applauded the efforts of those who contributed to the current proposal. While he is reluctant to authorize large expenditures of this nature, a lawsuit resulting from missing or mishandled evidence "could cost the town twice as much" as the cost of the building. He supported the proposal.

- Dave Horvath inquired about an emergency operations center. Kris Kelley responded that the proposed center would be in a secure, as opposed to non-secure, public area. “There’s a need for separate facilities to do that.” Dave also voiced his concerns that committee members are charged by the community to scrutinize all proposals carefully and make appropriate recommendations.

Dave Horvath moved that the proposal be modified to reduce the amount by \$5,000 for fees and permits and to eliminate a five percent “contingency” provision at \$60,000 for a total reduction to \$1,153,000. Kevin Leandro seconded the motion, which failed after brief discussion, 4-8. (Karen Thurston returned at 8:32 p.m.)

Gus Benavides called the warrant article to question at \$1,213,000, which passed unanimously 12-0.

Warrant Article 10

Kevin Leandro read the warrant article into the record at \$11,686.756. Scott Dunn advised that the matter was not yet ready for the board’s ruling as supporting matters first required consideration. The article was revisited at the end of the meeting, see Page 5.

Warrant Article 11

Phyllis Corrigan read the warrant article into the record. Gus Benavides moved the question and Kevin Leandro seconded the motion. After brief discussion the article was recommended unanimously, 12-0.

Warrant Article 26

Phyllis Corrigan read the article into the record and confirmed that the committee’s only function was to recommend or not recommend the article, not to change any dollar amounts. She reminded that extensive input was provided five years ago.

Gus Benavides moved that the board reject the article. Richard Grenier seconded the motion. Kevin Leandro voiced a procedural objection and noted that moving to reject rather than approve a proposal can confuse the record. Gus withdrew his motion and Richard Grenier withdrew his second. Allen Voivod moved that the board approve Article 26 as presented. Karen Thurston seconded the motion, which was called to question by Gus Benavides.

After discussion of the definition of “welfare” and whether to fund non-profit agencies with taxpayer funds, Allen’s motion failed 5-7.

Warrant Article 27

Kevin Leandro read the warrant article into the record and moved that the board recommend it as written. Phyllis Corrigan seconded the motion which failed, 5-6 with one abstention.

Warrant Article 28

Phyllis Corrigan read the warrant article into the record and moved that the board recommend it as written. Kevin Leandro seconded the motion, which failed 5-7.

Warrant Article 29

Kevin Leandro read the warrant article into the record and moved that the board recommend it as written. Richard Grenier seconded the motion, which failed 5-7.

Warrant Article 30

Scott Dunn pointed out that the petition had yet to be received. The filing deadline is January 14. Accordingly the matter was tabled.

Insurance and Benefits:

Gus Benavides moved that the committee recommend this item at \$219,105. Kevin Leandro seconded the motion.

Allen Voivod noted that the motion called for amendments to individual line items throughout the budget and asked for more specificity. Scott clarified that the account number is 4196. Phyllis called the motion to question which passed, 12-0.

Lakes Region Planning Commission:

Sue Greene moved that \$8,528 supporting the Lakes Region Planning Commission be removed from the budget. She cited House Bill 1573 which proposes to eliminate planning boards statewide. "I support that move." Dave Horvath seconded the motion. Gus Benavides called the motion to question, which passed 7-5.

Health and Dental Insurance for Elected Officials

Gus Benavides moved that this line item be reduced by \$24. Richard Grenier seconded the motion. Phyllis Corrigan moved the question and the motion passed unanimously, 12-0.

Warrant Article 10

After discussion, Kevin Leandro moved that the board approve recommendation of this warrant article at a modified amount of \$11,274,368. Phyllis Corrigan seconded the motion, which passed 11-1.

At 9:18 p.m., Phyllis Corrigan moved for adjournment. Gus Benavides seconded the motion, which passed unanimously 11-0.

Respectfully submitted

Mark Williams
Mark Williams
Meeting Recorder

