

Gilford Budget Committee Minutes

October 29th, 2013

6:30 pm

Town of Gilford

Members Present: Phyllis Corrigan, Jeffrey Beane, Gus Benavides, Paul Blandford, Fred Butler, Richard Grenier, Robert Henderson, Dave Horvath, Kevin Leandro, Kevin Roy, Allen Voivod

Members Absent: Susan Greene

Phyllis Corrigan started the meeting at 6:30pm with the Pledge of Allegiance, Phyllis reviewed the evenings agenda will review the Cemetery and Public Works budgets. Dave Horvath would like to reopen the minutes from October 17th, will review the accrual payout issue, vote on the minutes from October 24th and adjourn.

Discussion ensued regarding the corrections to the previous meetings minutes, Kevin Leandro complimented Denise Gonyer and Phyllis Corrigan seconded the motion to approve the Parks and Recreation budget.

Cemetery:

Dave Horvath reviewed the Sub-Committee minutes.

- Seasonal wages are down, changed from 35 weeks to 26 weeks with associated costs.
- Operating budget includes dues, general supplies, equipment
- Biggest part of the budget is maintenance costs, request of \$17,000 survey proved valuable was money well spent.
- Overall budget is down 14% for a total budget of \$40,836

Phyllis Corrigan commented that the cemeteries look well kept and looking really nice. Geoff Ruggles stated that was mostly due to the efforts of Dee Chitty and Susan Leach.

Dave Horvath stated he feels the same way and moved to approve the budget in the amount of \$40,836 Kevin Roy seconded motion passed with all in favor.

Department of Public Works:

Kevin Leandro reviewed the highlights of the budget.

- Administration:
 - o With the exception of wages and benefits this budget is mostly flat.
 - o Increase of 52.2% in wages and benefits due to adding an operations manager in anticipation of the director's retirement.

Kevin Leandro moved to approve the Administration budget within the Public Works Department in the amount of \$276,853 Phyllis Corrigan seconded. Dave Horvath moved to amend the amount by taking out the accrual buy out of \$1,280 and moved to approve \$275,573 pending further discussion Kevin Leandro seconded motion passed by a vote of 8 yes and 3 no.

- Highway:
 - o \$6,500 was reduced from part time wages due to the reduction of seasonal workers.

- Discussion ensued regarding the percentage in retirement costs vs. the Fire Department due to the rate difference for the Fire Fighters.
- \$4,000 increase for traffic control due to road striping, which was backed out last year.
- \$175,000 increase in road reconstruction which fell behind this year due to the culvert repair on Cumberland Rd. trying to get caught up on the ten year road plan.
 - Fred Butler asked if the \$39,000 for gravel was on top of the road maintenance Sheldon Morgan explained that account is for repairs the Public Works crew does while the road reconstruction account is for paying the vendor chosen to pave the roads.
 - Fred Butler asked if the \$8,000 could more easily be spared out of the road maintenance account instead of the gravel account if Sheldon felt he needed the money there. Discussion ensued.

Kevin Leandro stated the Sub-Committee recommends the Highway budget in the amount of \$2,028,400 Phyllis Corrigan moved to approve that amount Robert Henderson seconded. Dave Horvath moved to amend the amount reducing it by \$3,703 for the accrual buy out until the issue is resolved and moved to approve the amount of \$2,024,776 Robert Henderson seconded motion passed with a vote of 7 yes, 3 no and 1 abstention.

Kevin Leandro stated that while they will not be voting on the warrant articles the DPW is in need of a permanent salt shed to be in compliance with state environmental requirements due to the brook. It is now being covered with large tarps that become dangerous to the employees. The Selectmen chose to reduce the \$60,000 request to \$20,000 however the author feels that is inadequate and the Sub-Committee does not recommend passage of the warrant article however requests the establishment of a DPW capital reserve fund raising and appropriating \$20,000 as the initial deposit. Discussion ensued regarding the cost of a permanent shed.

Allen Voivod asked procedurally about the Sub-Committee minutes stating "it is the opinion of the author" and asked if the minutes should be amended. Kevin Leandro stated he did not want to speak for the other Sub-Committee members. Discussion ensued regarding specifying Kevin Leandro as the author or changing the minutes to "it is the opinion of the Sub-Committee". Kevin Roy stated that they all discussed the issue, Phyllis Corrigan stated that they could change the minutes to state it is the opinion of the Sub-Committee. Phyllis Corrigan moved to amend the minutes Kevin Leandro seconded motion passed with all in favor.

Kevin Leandro stated the Sub-Committee also recommends the warrant articles for replacing the 2 vehicles as well as placing \$100,000 in the capital reserve fund.

- Bridges:
 - Kevin Leandro moved to approve the Bridges budget in the amount of \$1,000 Phyllis Corrigan seconded motion passed with all in favor.
- Street Lighting:
 - Kevin Leandro moved to approve the Street Lighting budget in the amount of \$26,500 Phyllis Corrigan seconded.
 - Discussion ensued regarding the 8 new street lights for Meadowbrook and whether they are on year round as Meadowbrook is closed in the winter.
 - Scott Dunn stated the new amount for street lighting is \$29,000 due to a change in rates. Kevin Leandro moved to approve the new amount of \$29,000 Phyllis Corrigan seconded. Motion passed with all in favor.
- Vehicle Maintenance:

- \$5,000 increase in mechanical parts feels it is justified due to aging of the trucks.
- Selectmen reduced the replacement parts line item by \$2,000 the Sub-Committee understands how important preventative maintenance is and recommends putting it back in
- Dave Horvath asked if the price per gallon on the fuel budget was high. Discussion ensued regarding the volatility of the market, the state has not gone out to bid this number is the best estimate. Kevin Leandro stated that if he could purchase diesel at that amount he would be happy and does not have an issue with this portion of the budget.
- There is a large increase in tires due to the tires that are in line to be replaced.
- Kevin Leandro moved to approve the Vehicle Maintenance budget in the amount of \$253,348 increasing the Selectmen's budget by \$2,000 Kevin Roy seconded
 - Discussion ensued regarding having a mechanic on staff certified to repair Fire equipment. Sheldon Morgan stated he will touch base with Chief Carrier and look into it.
 - Fred Butler proposed backing the \$2,000 Discussion ensued regarding changing the dollar amounts in the specific line items.
 - Phyllis Corrigan moved to amend the motion reducing the Vehicle Maintenance budget by \$2,000 and moved to approve the amount of \$251,348 Gus Benavides seconded. Motion passed with all in favor.
- Solid Waste:
 - Budget is up \$13,557 mostly due to crushing. This produces valuable material that the town would otherwise have to purchase at a greater cost.
 - Discussion ensued regarding the cost differential and the quality of the material that is crushed.
 - Discussion ensued regarding the \$5 fee for trash coupons going to the City of Laconia the next \$10 fee goes to reduce the Town's portion of the debt. Scott Dunn stated that the town is currently in negotiations with the City of Laconia.
 - Phyllis Corrigan stated there is also a budget amount of \$8,000 for concrete pads to go under the bins. Discussion ensued regarding this not being mandated but to make it safer.
 - Allen Voivod moved to approve the amount of \$604,707 Kevin Leandro seconded. Dave Horvath moved to amend the amount taking out the accrual making the total \$604,269 Kevin Leandro seconded motion passed with a vote of 8 yes and 3 no.
- Health Officer:
 - Kevin Leandro stated the majority of the budget is the Health Officer stipend and moved to approve the budget in the amount of \$3,119 Phyllis Corrigan seconded motion passed with all in favor.
- Buildings and Grounds:
 - Kevin Leandro stated there is a lot going on with this budget and moved to recommend the budget in the amount of \$255,852 Phyllis Corrigan seconded.
 - Dave Horvath asked for time to peruse the budget. Allen Voivod asked about the increase in specialized services. Sheldon Morgan stated there was a need to add plumbing services to winterize the sprinkler lines as well as increased vendor costs. Dave Horvath commented on the decrease of 54% due to the Town Hall improvement amount that was included in 2013. Dave Horvath moved to amend the motion by reducing the accrual

payout making the total \$255,198 Kevin Leandro seconded. The motion passed with a vote of 8 yes and 3 no.

Discussion ensued regarding the capital reserve funds Fred Butler asked about the sidewalk fund, Scott Dunn stated that was for a new sidewalk on Potter Hill Rd.

- Sewer:

- o Kevin Leandro stated there was a drop in this budget of \$69,490 due to the retirement of debt. Sheldon Morgan stated the retired debt was the Village Sewer Extension.
- o Discussion ensued regarding the Selectmen reducing the postage line item and the new rate going to 49¢, sewer budget is an enterprise fund completely offset by user fees and is not paid through taxes. Gus Benavides asked Scott Dunn to remind him why they reduced the amount. Scott Dunn stated they reduced it to the amount that was historically expended.
- o Kevin Leandro moved to approve the Sewer budget in the amount of \$782,115 Richard Grenier seconded. Dave Horvath moved to amend the amount by reducing the accrual payout making the amount \$781,760 Fred Butler reminded the members that they needed to take out the warrant article which would make the amount \$771,760. Kevin Leandro seconded motion passed by a vote of 8 yes and 3 no.

Phyllis Corrigan moved the meeting on to discuss the accrual payout issue. Kevin Leandro asked if the people listed with a zero balance have left employment, Scott Dunn stated yes. Dave Horvath asked about the number difference of 83 on the list but 82 under insurance. Scott Dunn stated people come and go. Richard Grenier asked about the payouts of 75 and 100 percent. Scott Dunn stated those are people who left employment 75% for sick leave and 100% vacation.

Discussion ensued regarding when the policy changed. Dave Horvath asked that the Budget Committee be made aware of policy changes and the cost impact as a courtesy. Phyllis Corrigan stated that if it is feasible an explanation in the budget packet could have alleviated the issue.

Dave Horvath moved to request the Board of Selectmen notify the Budget Committee of changes to the personnel policy with a summary of the cost impact.

Discussion ensued regarding accrual payout's being done in 2013 from a new line item. Phyllis Corrigan reminded the Committee members that there is a motion on the floor and asked Dave Horvath to repeat his motion. Dave Horvath stated when a personnel policy change happens and there is a cost impact he asks that the Budget Committee be provided with a summary of the changes and what the cost impact will be. Kevin Leandro seconded.

Discussion ensued regarding the process the School has for explaining line item transfers at the end of the year, and if the Town does the same thing. Gus Benavides stated the Town does that at the last properly posted Board of Selectmen's meeting when they go through the budgets line by line. Discussion ensued regarding employees that leave being paid out their accrued time and the only new piece is the buy-back which was previously being paid out of the salary line item.

Discussion ensued regarding how much the town is saving and if a police officer calls out sick it would require paying someone overtime to cover their shift. Dave Horvath wanted to clarify that looking at the wage line item they look at 52 weeks per year at 40 hours per week for a total of 2080 hours paid, never separated out the accrual with any anticipation of buy-out which is money above and beyond the 2080 hours per year. Kevin

Leandro asked Robert Henderson what the Fire Department does when someone needs to take a day off. Robert Henderson stated they swapped shifts which save in over time.

Allen Voivod called point of order there is a motion on the floor that needs to be voted on.

Gus Benavides asked what the time table was. Dave Horvath stated there is no expenditure without appropriation. Phyllis Corrigan stated when a policy change affects the next budget cycle. Gus Benavides asked if the policy changes on April 29th what is the time table, who do they notify, what are the rules to disseminate? Allen Voivod stated that the Chair should be notified when applicable when the budget would be affected and they could bring it to the Budget Committee at the next meeting. Dave Horvath stated that you cannot make up a line item and spend against it. Richard Grenier called the question. The question was re-read and Phyllis Corrigan called for a vote, the Budget Committee respectfully request the Board of Selectmen notify them of any policy changes and the associated costs prior to the budget season. Motion passed with a vote of 8 yes 3 no.

Phyllis Corrigan asked if there was a motion to replace the withdrawn accrual payouts leaving it in for future budgets Gus Benavides so moved Allen Voivod seconded. Dave Horvath stated they cannot go forward until they further discuss the issue. Phyllis Corrigan stated they have discussed it in two meetings. Dave Horvath moved to amend the motion sub dividing the accrual payout by individual line items separating out management, with no second the motion to amend failed. Further discussion ensued regarding the buy-back, Robert Henderson called point of order Phyllis Corrigan called for a vote to replace the removed accrual payouts. Motion to replace the withdrawn accrual payouts passed with a vote of 9 yes and 2 no.

Discussion ensued regarding the previous meetings minutes with the members not having the chance to read them they will postpone approval.

Phyllis Corrigan stated next week they will review Police and Fire budgets. Dave Horvath stated he would also like to review the minutes of 10/17 but can delay until next week.

Gus Benavides moved to adjourn Richard Grenier seconded. Motion to adjourn passed with all in favor.

Meeting adjourned at 9:00 pm.

Respectfully Submitted,



Mia Gagliardi
Recording Secretary

