

Gilford Budget Committee Minutes
October 20, 2011
6:30 p.m.
Town of Gilford

Members Present: Richard Hickok, David Horvath, Dale Dormody, Kevin Leandro, Kevin Roy, Fred Butler, Pat Labonte, Gus Benavides, Rae Mello-Andrews, Skip Murphy, Sue Greene and Phyllis Corrigan

Members Absent: None

The Budget Committee recited the Pledge of Allegiance.

PARKS & RECREATION:

Richard Hickok turned the meeting to Fred Butler to discuss Parks & Recreation.

Fred Butler reviewed the one page summary. Parks & Recreation budget is \$223,382.00 overall down 1.7% from 2011. (CRF and skating rink are separate)

- Non Discretionary spending 1.7% increase due to wage increase. Selectmen looked at Herb's salary and had to bring it in line with the wage scale. Part time wages biggest cost driver, also reclassification, \$500.00 for overtime wages for Tracie Bettez emergency coverage at beach.

Richard Hickok asked about the reclassification.

Herb Greene stated with Tracie's certification to maintain supervisory position at beach needed to bring pay in line with job description.

Phyllis Corrigan clarified the change in pay will start after April 1st. Herb confirmed it was to take place after town vote and will reset her anniversary date.

Fred Butler continued his review of the summary with operating expenses stating there was a decrease of 14.4% from last year with biggest cost reduction in facility maintenance.

- NRPA Nationals was free last year, due to Herb being president of state P&R association. Will not be attending in 2012. Discussion ensued regarding locations of NRPA Nationals.
- 2012 budget is flat.
- General Supplies, some items are revenue generators ie: guest passes and money goes into general funds
- Old home day flat every year doesn't include fundraising
- Community band request flat
- Vehicle maint. Flat

Skip Murphy asked about the community band.

Gus Benavides stated this is what the voters wanted.

Sue Greene asked if there could be fundraising to cover the \$1,500.00 for the community band.

Skip Murphy asked about the stipend for the community band leader.

Herb Greene stated that the stipend is \$900.00 for the band leader and the rest goes towards cost of sheet music etc.

Skip Murphy asked about having this position go to a non paid position, or "pass the can" given the economy.

Dave Horvath asked about the different programs ie: soccer etc being paid programs.

Herb Greene stated that there are a number of community wide programs that are not paid for by the participants.

Dave Horvath asked how many concerts are held each year.

Herb Greene stated there are 8 concerts throughout the year.

Discussion ensued regarding "passing the can" for community band Phyllis Corrigan is concerned about "passing the can" and losing a good band leader to a town that pays.

Rae Mello-Andrews feels it would be negligent to cut this out of the budget.

Richard Hickok states that if the voter votes this in we look foolish to try to take it out. If we take it out they will vote to put it back in. If the voters want it he has a hard time fighting it.

Skip Murphy states that they set a precedence of cutting stipends will be making a motion to clamp down.

Fred Butler continued with the operating expenses.

- Utilities are now split between the departments.
- Facility Maintenance – dropped a lot

Discussion ensued regarding hood cleaning, replacement of Ladies room door and electrical costs. Energy provider out of Massachusetts there is a one year contract.

Sue Greene asked about the swimsuits. Herb Greene stated that they purchase one suite per person approximately 15 guards at \$40/\$50 per person.

Kevin Roy asked about Scuba equipment. Herb Greene states that is for putting in the swim raft and buoy's every year.

Discussion ensued regarding turnover of life guard staff

Skip Murphy asked about the "revolving fund", how is it going and has Herb Greene done a per person cost analysis for programs. Herb Greene states that he does a revenue expense report for each program. The revolving fund is not a budgeted amount that tax dollars contribute to, annually expended over \$30,000.00 program expenses with revenue covers that. Fund not set up to be a money maker but set up to cover expenses.

Skip Murphy asked why revolving fund cannot cover some other expenses. Herb Greene stated they felt certain programs that are community wide should be budgeted for.

Programs that are not well attended or cost affective do get dropped and others are picked up.

Dave Horvath asked about the money that has been collected for next year Old Home Day. Herb Greene stated there is a special account those funds go into however the money that is fundraised goes towards the current year.

Discussion ensued regarding Bicentennial Committee. Herb Greene stated that is not covered under his budget.

Fred Butler made a motion to accept the budget of \$223,382.00.

Gus Benavides seconded.

Richard Hickok asked if there were any other questions.

Skip Murphy made a motion to amend the budget by reducing line item 01-4521-366 by \$900.00.

Phyllis Corrigan seconded for purposes of discussion. Discussion ensued regarding reducing this amount in half last year.

Fred Butler stated that he would be a proponent of cutting that amount. Has a hard time saying that the community band is more important than someone's job.

Richard Hickok called for a vote to amend the original budgeted amount;

6 yes

6 no

Motion failed, there is no tie breaker.

Dave Horvath made a comment regarding merit wages in general, asked if this is the year we should be looking at cutting merit wages.

Richard Hickok asked how the lump sum is used. Scott Dunn said not part of merit, discussion ensued regarding wages. Richard Hickok stated that it should be brought up at a different time. Vote for this budget and put that on the agenda for another time, before finalizing budget.

Richard Hickok goes back to original motion to approve the Parks & Recreation budget of \$223,382.00.

9 yes

3 no

Motion passed

OTHER:

Fred Butler stated that Capital Reserve Fund was not funded in 2011. Department request to go back to 2010 level, Selectmen reduced the amount from \$30,000.00 to \$20,000.00 for playground equipment however new beach fencing would need to be put off another year.

Kevin Roy asked Herb Greene to explain the three phases.

Herb Greene stated that the Recreation Commission and Department looked at the facilities that needed to be updated initial plan was to put money aside and do the project all at once, after further discussion wanted to put some things in right away so they came up with a three phase project.

- First phase, swing structure done in 2009.
- Second phase, small play structure for younger age children done in 2010.
- Third phase will finish the project by putting in a structure for the older children.

Sue Greene asked if this is something that could wait.

Herb Greene stated that they have postponed putting it in one year already there is nothing that is falling apart however people are looking for play structures for their older children. Have had a lot of compliments on the play area so far and it will ultimately go to a public vote.

Discussion ensued regarding just doing phase three Herb states that is the plan only \$20,000.00 budgeted. Question was asked what is left in that account, Geoff Ruggles states end of 2010 there was \$27,678.00. Herb Greene states that some money was spent for repairs at ice rink, there is approximately \$22,000.00 left.

Herb Greene states the cost for phase three is approximately \$30,000.00 to \$35,000.00, the plan was to keep a balance for repairs to facilities when unanticipated failures come up that need to be addressed right away.

Kevin Roy clarified that the budget of \$20,000.00 will cover the cost of phase three but not the beach fence this year. Herb Greene confirmed.

Herb Greene also states the tennis courts are due for resurfacing probably 2013 and would like to make sure money is left for that.

Skip Murphy asked if there was an ETA to having this done will this be finished or will this account be a constant. Herb Greene stated they are also looking at replacing some of the play structures down at the beach. They don't expect this to continue forever.

Richard Hickok asked if there were any further questions.

Gus Benavides moved to approve the Capitol Reserve Fund of \$20,000.00

Phyllis Corrigan seconded.

12 Yes

0 No

Motion passed with all in favor.

SKATING RINK:

Fred Butler reviewed the summary sheet for the skating rink overall budget is down 2.2%, mostly flat. Discussion ensued regarding the phone at the skating rink would a cell phone be more beneficial. It is a land line at this time there is a messaging system with this line for outgoing messages. There is a long distance block on this line mostly used for staff to get a hold of Herb, is part of the Town's phone system.

Kevin Leandro asked if there was a fee to use the skating Rink. Herb Greene stated there was and the money goes into the general fund. Discussion ensued regarding usage, Herb Greene stated they charge groups \$40 per hour and usage varies year to year.

Kevin Roy asked about the cost for heating fuels. Herb Greene stated that is for the pump room to prevent it from freezing. Question was asked about placing things in a heated storage at DPW, Herb stated not feasible due to size of equipment and ability to gain access to needed equipment after hours/on weekends.

Phyllis Corrigan made a motion to approve the Skating Rink budget of \$8,666.00 and commended Herb on using this facility other than just in the winter.

Gus Benavides seconded.

Richard Hickok called for a vote

12 Yes

0 No

Motion passed with all in favor.

LIBRARY:

Fred Butler reviewed the summary for the Library budget of \$449,816.00, 3.8% increase mostly due to items that were in the DPW budget are now in the Library's and maintenance of the geothermal system.

Something noted but not in budget was that the state may eliminate the inter-library loan program and it could have a future impact.

- Wages increased 1.2%
 - Merit wages increased 1.1%
 - Have lost two employees to Meredith as they have a higher pay rate.

Richard Hickok asked about an employee reaching the top of the pay scale will they get a pay increase.

Scott Dunn clarified that they are given a "lump sum" payment that does not increase their pay each year.

- Operating Expenses went up 13.7% due to maintenance costs
- Postage mostly certified letters for delinquency.
- Programs – all programs are free to the attendees'
- Meetings and dues
- Continuing education – Children's Librarian looking to finish her degree. (hired at a lower rate)

Skip Murphy asked about the continuing education, meals and travel these items are well below what the budgeted amount, have you looked at the actual.

Gus Benavides states they do look at the actuals maybe not this particular line item however they felt where this was level funded it was not a concern.

Dave Horvath stated there were 7 items that they noted were tracking low and Katherine Dormody provided updates most are coming up closer to the projections.

Sue Greene asked if the people who benefited from the continuing education are the ones that left the town's employment, is there any way to be sure once they take advantage of continuing education they obligate themselves to the town for so many years.

Katherine Dormody states that they did not take advantage of the continuing education that is specifically for the Children's Librarian and she was hired at a lower rate until she finishes her degree. They do not have a contract with her.

Richard Hickok had a question on heat and electricity and it was cleared up.

Katherine Dormody explained they were separated into two line items one for the HVAC system and one for the building electricity.

Rae Mello- Andrews asked about Kindle use.

Katherine Dormody stated that they have not seen a decrease in Library usage due to the Kindle. Discussion ensued regarding Kindle use at the Library. Gilford Library has 2 Kindles and you can download books for two weeks after which it erases.

Kevin Leandro asked during bad economic times do you see an increase in Library usage.

Katherine Dormody confirmed that the trend is nationwide during bad economic times Library's see an increase in usage.

Skip Murphy asked about the geothermal unit looking at 2009 and 2010 ran \$20,000.00 each year, currently running approximately \$14,000.00 what do you think the run rate will be for the rest of the year? Budgeted amount for next year is \$21,000.00, are we going up?

Katherine Dormody does not have specific numbers thinks we are a little bit down from last year, thinks \$21,000.00 is a good number this amount also includes \$600.00 for propane which was not budgeted for last year.

Skip Murphy asked if the bugs have been worked out of the system. Katherine Dormody stated that she hopes, did require a lot of tweaking, they are still running in cool mode due to solar gain.

Kevin Roy asked about the geothermal maintenance cost of \$3,100.00

Katherine Dormody stated that is the cost of general maintenance not fixing issues, this was previously in the DPW budget.

Dave Horvath asked if the electricity rate was prior to new service. Katherine confirmed it was before the new service, Dave asked if there could be cost savings there and Katherine confirmed.

Discussion ensued regarding electricity usage at the Library, were on heat smart rate with PSNH could turn them off four times a year however received a lower rate. Richard Hickok asked if we would still get that discount. Geoff stated that was on the distribution charge on the bill not the energy charge.

Fred Butler asked if the telephone system is independent Geoff Ruggles stated he was unsure why that was posted that way but will check that.

Dave Horvath stated he would like to discuss building maintenance such as landscaping contract, received three bids however were able to negotiate that cost down, different types of costs that were not in this budget before are now and have caused an increase in the budget.

Gus Benavides made a motion to accept the Library budget of \$449,816.00.

Phyllis Corrigan seconded

Discussion ensued regarding the electricity cost for geothermal system of Gilford Library vs Moultonboro Library, which is a similar size, and Gilford is running approximately half of the cost of Moultonboro.

Richard Hickok asked if there were any further questions, called for a vote on the \$449,816.00.

12 Yes

0 No

Motion passed with all in favor.

Gus Benavides made a motion to accept the minutes of last week's Budget Committee meeting.

Phyllis Corrigan seconded.

Motion passed with all in favor.

Discussion ensued regarding who will be on the School sub committees.

Dave Horvath made a motion to continue taping the meetings.

Phyllis Corrigan seconded.

Discussion ensued regarding future taping of the Budget Committee meetings and putting them on public access television.

Richard Hickok called for a vote on the motion to continue taping.

10 Yes

2 No

Motion to continue passed 10 to 2

Budget Committee reviewed the DVD from the recording of last meeting.

Richard Hickok asked if there were any further questions.

Dave Horvath made a motion to adjourn.

Motion seconded with all in favor.

Meeting adjourned at 8:10pm.

Respectfully Submitted,

Mia Gagliardi

Recording Secretary