

Gilford Budget Committee Minutes
November 10, 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, Sue Greene and Phyllis Corrigan

Members Absent: Skip Murphy

The Budget Committee recited the Pledge of Allegiance.

Richard Hickok started the meeting going over the agenda; Outside Agencies first then Fire Department and finishing up with Police. Made the suggestion to hear from the Outside Agencies then hold off a vote until all warrant articles have been submitted. Opened the floor to Outside Agencies.

OUTSIDE AGENCIES:

Maggie Prichard, Executive Director of Genesis Behavioral Health, spoke and introduced the two Board Members that were with her as Kelley White and Deborah Pendergast.

- Genesis request is for support for the emergency services department that tends to the needs of people who present in the emergency room through either the Police Department or neighbors that are in psychiatric crisis that need evaluation and are either a harm to themselves or others.
- This Department runs a deficit of \$350,000.00 every year.
- Their territory is defined by the state they serve 22 towns, all of Belknap County and part of Southern Grafton County. They ask each town for a share based on the number of residence in that town.
- Last year they had 160 residents from the town of Gilford seek services, gave them approximately \$10,000.00 in charity care and 38 of the 160 people were in psychiatric crisis.

Dale Dormody asked if all towns participate.

Maggie Prichard stated that only one town, Tilton did not last year.

Dave Horvath asked what the state law that mandates the service is.

Maggie Prichard stated that is State Statute HEM426 that is an administrative rule that defines what a community mental health center is and what services it will supply. The State law is RSA135C that establishes community mental health centers in New Hampshire.

Kevin Leandro asked what they define as seeking services.

Maggie Prichard stated that it would include therapy, support in their homes or seeing a doctor.

Kevin Leandro asked if those services would be covered under the person's health insurance.

Maggie Prichard stated that it would if the person had health insurance.

Rae Mello-Andrews asked if they have seen a rise in service requests this year.

Discussion ensued regarding the amount of services sought. There has been a 10% increase over the prior year.

Kevin Leandro asked if they did any other fundraising.

Maggie Prichard stated they do an annual appeal through the mail and this year they had their first auction that was successful. They received approximately \$20,000.00 through their annual appeal last year. Many staff members give their own money.

Dave Horvath asked how many staff members they had and how many volunteers they have.

Maggie Prichard stated they have 130 full time equivalents; volunteers are limited to Board Members and one office volunteer. Most are Masters level clinicians, nurses and bachelors level clinicians that do home visits.

Discussion ensued regarding the number of staff members versus the number of patients, Maggie Prichard stated that the type of services people receive requires a lot of time. The state no longer gives grant money towards these services they pay fee for services Medicare. The employees at Genesis have not received raises in the past five years. They also provide services other than emergency care such as health and wellness fairs etc.

FIRE DEPARTMENT:

Phyllis Corrigan gave a 3 page handout on the Fire Department Budget. Pat Labonte, Fred Butler and Phyllis Corrigan met with Chief Carrier. The total budget recommended by the Board of Selectmen is \$1,751,631.00, 3.6% decrease from last year mostly due to eliminating the Executive Secretary position, going to a part time Administrative Assistant position without benefits and eliminating the Fire Inspectors position with those duties being assumed by the Deputy Chief.

Wages and Benefits:

- Overtime down 2.8%
- Call firefighters up 10.7% hired 6 new call firefighters for a total of 30. They are cross trained, or strictly fire or EMTs. If they show up they get paid for an hour, once a decision is made how many will be needed the rest will be sent home.
- Holiday pay is budgeted at 12 paid Holidays which is paid at the end of the year. The Chief and Deputy Chief do not get Holiday pay.

Operating Expenses:

- Professional Development has decreased 6.3%
- Vehicle Maintenance decreased 11.5% and are hopeful to replace their oldest piece of equipment.
- Meals and Travel down 33.3%
- Protective Clothing increased 14.9% due to pricing increase and hiring of call personnel
- Radio Equipment increased 69% due to purchasing 2 new portable radios
- General Equipment Maintenance decreased 22.2% eliminated 3rd party hose testing
- Telephone decreased 56% due to new phone system.
- Heating fuels increased 57% based on increased fuel costs and historical usage data.

Other Expenses:

- Capitol Reserve Fund \$450,000.00 to purchase a new Fire engine to replace the 1988 Engine #4.

Kevin Roy stated that he looked at Engine #4, there was a big puddle of water from leaks. The fittings were leaking, compartment doors, that hold equipment, hinges are rusting off. Body seams in front of the truck have rust all around it.

Kevin Leandro states that he has a hard time justifying spending \$450,000.00 in this economic time for a few leaks and rust. Would like to fix what is wrong and maintain the old truck.

Dave Horvath asked if there is any money currently in the Capitol Reserve Fund.

Richard Hickok stated that it would be a bonded item.

Dave Horvath asked if there has been a cost analysis of repairs versus replacement.

Chief Carrier stated that they have not done an analysis. The truck has been refurbished once before, the pump has been rebuilt once before. The major concern is the reliability of

the truck. They have been running with four engines for a number of years. The truck that they would purchase would replace Engine #4 in the fleet however it would replace Engine #2 in the way they operate, which is the first line of attack pumper and give a reliable back up for their first attack engine.

Richard Hickok stated that if they had two fires, you can't fight them both and asked why you would need more than three trucks to handle one fire.

Chief Carrier stated that three engines have specific jobs during a fire; the first is an attack piece in the front of the building, the second supplies water and the third moves water. The fourth fire engine is used as an accessory to the attack pump to go to the back of the building or the side of the building or handle additional calls. More importantly the fourth serves as a backup if the first attack engine is out of service for any reason. Engine #4 just had leaks repaired two weeks ago because it had 100 gallons of water pumping out of the bottom of the truck instead of out of the hose where it should be.

Richard Hickok asked how many trucks other towns had, what is typical.

Chief Carrier stated that four is very common.

Kevin Leandro asked if they have spoken with a manufacturer about a specific truck they would like to purchase.

Chief Carrier stated they have and the manufacturer is E1

Kevin Leandro asked how many miles and engine hours Engine #4 currently has.

Chief Carrier stated as of yesterday it had 79,133 miles.

Kevin Leandro asked what type of engine it had

Chief Carrier stated it is a Detroit Diesel, and has 6,610 pump hours however that is the same number it has since last September and is not working.

Kevin Leandro asked if it had a separate engine hour meter.

Chief Carrier stated it has two, one has 5,910 and the second has approximately 5,500. There are two separate gauges.

Dave Horvath asked when they would need to place an order to receive it by December 2012.

Chief Carrier stated they would need to order by April.

Dave Horvath asked how long it would take to get an estimate on the cost to refurbish and what the expected life of the truck would be after refurbishment.

Chief Carrier stated that they would have difficulty finding someone that would be willing to

refurbish a truck that is 25 years old and has already been refurbished once before. Per the Capitol Improvement plan this vehicle had a life span of 20 years it is now pushing 25 years.

Richard Hickok asked about purchasing a used truck.

Chief Carrier stated that the savings would only be approximately \$10,000.00.

Fred Butler stated that just the difference in truck design from the 1988 to the 2003 shows the 1988 is beyond its useful life and justifies the cost.

Dave Horvath asked if the truck was refurbished what that cost would be and what is the expected service life.

Chief Carrier stated if the body, electrical and pump were rebuilt you would be looking at well over \$100,000.00. In 2006 the pump was rebuilt and now in 2011 it has pump problems again.

Kevin Roy asked if the truck that they are replacing has any value.

Chief Carrier stated they would try to sell the truck outright however there aren't many people looking to purchase a 25 year old fire truck.

Kevin Leandro stated at auction you could get approximately \$10,000.00 to \$12,000.00.

Sue Greene asked if they didn't have the truck and they had a fire where Mutual Aid fit into this.

Chief Carrier stated they would respond however the real issue would be if Engine #2 was down and they didn't have Engine #4, there would be a delay they would have to wait for mutual aid to get there and get into position to fight the fire.

Discussion ensued regarding exercising the trucks and how it got corroded; they are checked weekly and used at the training facility. The corrosion issue is due to dissimilar metals most issues are at the pump housing you have steel connecting to stainless steel.

Sue Greene asked when the last time a major piece of fire equipment was purchased.

Chief Carrier stated that was Engine #1 in 2008.

Kevin Leandro asked if that was purchase on a bond are we still paying on that.

Scott Dunn stated that was purchased outright through Capitol Reserve Funds.

Chief Carrier stated that the next fire engine replacement isn't scheduled until 2022.

Phyllis Corrigan made a motion to approve the total budget as proposed of \$1,751,631.00.

Gus Benavides seconded.

Dave Horvath asked about the retirement increase of \$54,000 from 2009 to 2012 wants to understand why it is escalating so much.

Scott Dunn stated that in 2012 the Town as an Employer will contribute 23% of the Firefighters wages into the State Retirement System.

Dave Horvath asked if there are any forecast for the future.

Scott Dunn said the State has an unfunded liability to the tune of 3 to 4 billion dollars they would like employers to pay over time but they want to see the impact of the most recent reform package before they are able to determine how those rates need to be adjusted.

Richard Hickok asked if there was any more discussion on the main budget.

Dave Horvath stated he saw an advertisement for a position in the Fire Department and asked what position that was for.

Chief Carrier stated that was a Fire Fighter EMT position that was posted to replace 2 Full time Fire Fighters that just resigned this past month.

Richard Hickok called for a vote on the Fire Department budget of \$1,751,631.00.

9 yes

0 no

Motion passed 9 to 0 with Pat Labonte and Rae Mello-Andrews both abstaining.

Gus Benavides made a motion to endorse the Fire vehicle purchase for \$450,000.00.

Phyllis Corrigan seconded.

Kevin Leandro stated he has a hard time spending a half a million dollars in these economic times everything can be fixed for probably less than just the interest on this bond. Citizens are suffering and the tax rate is climbing and feels it is not fair to the residents and would like to make a motion to put the \$51,000.00 for the bond to be spent on repairs.

Dave Horvath would like to table the vote on this until a list of repairs and an order of magnitude of costs is received so they can better evaluate.

Phyllis Corrigan asked if they would be doing the same repairs as last time and could they give the amount that it cost last time.

Kevin Leandro would like to look at Engine #4 with Pat Labonte and states that Lakes Region Fire Apparatus is looking for work right now.

Kevin Leandro withdrew his motion to put the \$51,000.00 toward repairs and made a motion to table the discussion.

Fred Butler seconded.

Gus Benavides withdrew his motion to approve the warrant article.

Richard Hickok asked what year Engine #2 is, it is a 2003. Discussion ensued regarding Engine #4 being a back up engine and maybe refurbishment makes sense right now.

Richard Hickok called for a vote to table this discussion on the \$450,000.00 for a new Fire truck until next week.

11 yes

0 no

Motion passed with all in favor.

Other expenses:

- Capitol Reserve Fire Water Supply : \$10,000.00

Gus Benavides made a motion to approve the special warrant article for \$10,000.00

Kevin Roy seconded.

Richard Hickok asked if there was any discussion on the second warrant article for \$10,000.00 and called for a vote.

11 yes

0 no

Motion passed with all in favor.

Forestry:

Phyllis Corrigan continued with Forestry – total budget is \$5,565.00 wages are cost shared, 50%, with the State of New Hampshire on the State pay scale. Phyllis Corrigan made a motion to accept the budget of \$5,565.00.

Pat Labonte seconded.

Richard Hickok called for a vote.

11 yes

0 no

Motion passed with all in favor.

Emergency Management:

Phyllis Corrigan continued with Emergency Management, \$3,736.00 is recommended by the Board of Selectmen and is down 4.4%. This is a stipend divided between the Director at 2/3 and the Deputy at 1/3.

Gus Benavides made a motion to approve the budget of \$3,736.00.

Pat Labonte seconded.

Richard Hickok asked if there was any discussion and called for a vote.

11 yes

0 no

Motion passed with all in favor.

Fire Protection:

Phyllis Corrigan continued with the Fire Protection budget of \$45,000.00, which is down 11.9%

and is used to pay Laconia for use of their hydrants.

Gus Benavides made a motion to approve the budget of \$45,000.00.

Kevin Roy seconded.

Richard Hickok asked if there was any discussion and called for a vote.

11 yes

0 no

Motion passed with all in favor.

Ambulance Equipment:

Phyllis Corrigan continued with ambulance fund and stated that this account is a rotating fund. 40% of the ambulance fees received goes into this fund to resupply the ambulances. There is nothing to approve.

Police:

Richard Hickok moved the meeting to Police continuing from last week.

Kevin Roy continued with the Police Budget. Last week there was a motion to approve the total budget of \$2,212,126.00 however they voted to table the discussion until this week. Kevin Roy made a motion to amend the total of \$2,212,126.00 by adding \$75,000.00 to hire an additional officer for a new total of \$2,287,126.00.

Rae Mello-Andrews seconded.

Kevin Roy stated that they met with Chief Keenan and went through the budget and listened to why the Chief felt he needed another officer and did not disagree with him. The Subcommittee thought there was a need for this to be discussed at the full Budget Committee meeting.

Dave Horvath would like to disagree, does agree that there is a need however where we stand as a community and taxes and in light of the Selectmen already looking at this in great detail and making their recommendation, he didn't want to go beyond that. Dave did speak with several people, from people in the school, someone in the Police Department, one of the Selectmen etc and feels that if this does ultimately become a problem they do have ability to address the problem with manipulation of the budget.

Gus Benavides clarified that the Selectmen did struggle with this they have always supported hiring when there was a need, the Chief is right the calls for service is up the need is there however it goes back to trying to balance the budget that is all this is about. If there was a situation that happened that we needed to hire another police officer yes they would find the money, but as a result another service or piece of equipment or something else would not get done to provide for this.

Richard Hickok asked how they would determine if another officer was needed to be hired.

Gus Benavides stated that Chief Keenan and the Board of Selectmen would sit down with Scott Dunn and they would look things like overtime, if there was a crime wave or if an officer was injured.

Chief Keenan spoke stating that last week the number for calls for service was at 17,598 as of today that number was at 18,173 that is 575 calls for service in a seven day period. Last week there were 398 arrests as of 4:00 pm today there were 415 that is an average of 2 a day.

Rae Mello-Andrews stated that she also has spoken with various people and given light with what happened in Tilton last week and speaking to a colleague that had an intruder break into her house they feel the money is worth the safety of their homes and families.

Chief Keenan stated they were just at a house that is empty under foreclosure a neighbor called stating they saw flashlights in the house. Copper thefts are huge right now. It is tough to stand and ask for an increase but his job is to look out for the safety of the community.

Chief Keenan brought up what happened in Conway, which is a bigger agency than Gilford, there was an armed robbery where someone slid over the hood of a car to grab a night deposit. The officer that responded was the only one available and had someone already under arrest in the back of his car. He

had to release that person and tell them they were no longer under arrest so he could respond to the armed robbery call.

Richard Hickok had a technical question, whatever the bottom line is, we could put the money for the police officer back into the budget however the Board of Selectmen do not have to hire the officer, true or false.

Gus Benavides stated that was true however the Board of Selectmen have always listened to what the voting public wanted and if they had voted in favor of \$75,000.00 additional dollars on the premise that it would be spent on another police officer then he for one would vote for that.

Chief Keenan stated that the \$75,000.00 is budgeted from January 1st, however if they wait for a vote to make sure the public agrees and hold off hiring the officer until April, then the amount needed for next year would be \$56,250.00 cutting the amount by \$18,750.00.

Fred Butler was going to propose an amendment to decrease the amount by \$17,745.00 which is the total cost of merit wages.

Richard Hickok states that we should hold off discussing the merit wages.

Dave Horvath asked if they hold off hiring until April what does that do to overtime budget will it go down.

Chief Keenan stated no, the overtime was budgeted for 17 officers.

Dale Dormody asked if we wait until March the voters approve the bottom line they won't be specifically giving their voice on this issue. He doesn't think it's fair to suggest that we put in \$50,000.00 and let the voters decide in March because they vote on the much larger budget they won't piece that out unless it becomes the topic of the day.

Dale Dormody asked if there was anything materially that has changed since this budget was given to the Board of Selectmen at the start.

Scott Dunn stated there has been one significant change since Chief Keenan presented his budget and that was the retirement of Chief Markland. When the Selectmen did the budget that was not even contemplated, they were not aware that was going to take place there is the position that needed to be replaced.

Kevin Leandro asked what \$75,000.00 gets for an officer, someone that is already trained or someone that is new.

Chief Keenan stated that no matter who they hire there is a 12 week FTO program to make sure they are working at the standard that they need to be at. If they hire a full time certified officer that eliminates the Police Academy which will save 14 weeks.

Richard Hickok states that next week they will revisit merit wages, lump sums etc. so whatever they vote on tonight for Police it can be reopened again next week.

Discussion ensued regarding increase activity for the SRO officers. Chief Kennan states that the SRO officers are right in pace with the officers on the streets, they are extremely busy.

Richard Hickok stated that there is a motion on the table and asked if there was an amendment.

Fred Butler made a motion to amend the original motion of adding \$75,000.00, reducing it by \$17,745.00, adding \$57,255.00 making the new total budget amount \$2,269,381.00.

Phyllis Corrigan seconded.

Richard Hickok asked if there was any further discussion.

Phyllis Corrigan stated that she looked through the budget trying to find additional money however there is no extra money to be found.

Dave Horvath asked if they approve the motion to add \$57,255.00 does that mean the Police can't act on it until after Town vote.

Richard Hickok states that if they were in complete agreement and the Board of Selectmen approved they would not have to wait.

Discussion ensued regarding the amount Fred Butler came up, which is the amount of merit wages

however the vote is for the dollar amount not the reasoning behind it.

Richard Hickok called for a vote on the amended motion to add an additional \$57,255.00 making the new total Police budget \$2,269,381.00.

6 yes

5 no

Motion passed 6 to 5.

Scott Dunn wanted to let the Board know that he will not be here next week. Today they concluded the negotiations with the Teamsters union for the Police Department employees. It has not been voted on yet but feels it will ultimately be approved. It is a two year contract there will be a zero dollar appropriation to fund cost items for both the first and second year. This contract does include merit wages. The only merit wages that the Budget Committee can change are for the non union employees. Richard Hickok clarified there will be merit increases but the impact on the budget will be zero. Scott Dunn said correct because of movement in health and dental.

Kevin Leandro asked if there is an evergreen clause.

Scott Dunn stated the State Legislature did away with the evergreen clause for new contracts. Police contract didn't really have it in there. The DPW still has an evergreen clause in the contract.

Kevin Leandro stated that if they had let the contract expire then there would be no contract therefore no merit wages.

Scott Dunn stated that if there was no subsequent contract there would be no merit wages however they wanted to settle the contract because there were a number of objectives they wanted to achieve, which they did that were not entirely economic but management objectives.

Discussion ensued regarding merit wages and the contracts.

Scott Dunn stated that they do not have a record of a vote on the Buildings and Grounds budget.

Richard Hickok stated that they will cover Buildings and Grounds next week and asked if there was any other business.

Richard Hickok did a comparison on tax rates of other towns and separated out the school portion of the tax rate. Discussion ensued regarding other towns and what they have for services etc.

Richard Hickok was hoping to hand out the School schedule tonight however did not have it available.

The meetings are scheduled for 12/1, 12/8, 12/13 and 12/15. The district wide maintenance review is on the first night. The budget will be available by Thanksgiving the Subcommittee will need to be ready and have met with the school department and district wide to discuss it on the first night.

Dave Horvath stated that in order to properly evaluate they need the ancillary data, the number of students, the number of teachers, number of aides and number of administrative staff broken down by school.

Richard Hickok did not put it on the data request however will make sure to get it.

Discussion ensued regarding the default budget being set higher than the actual budget. There is a bill that allows a warrant article to take the responsibility away from the town and school and give it to the Budget Committee.

Richard Hickok stated they will approve last week's minutes next week and asked if there was anything further.

Gus Benavides made a motion to adjourn.

Kevin Leandro seconded.

11 yes

0 no

Motion to adjourn passed with all in favor.

Meeting adjourned at 8:40pm

Respectfully Submitted,

Mia Gagliardi
Recording Secretary