

Gilford Budget Committee Minutes
October 4, 2012
6:30 p.m.
Town of Gilford

Members Present: Phyllis Corrigan, Dale Dormody, Gus Benavides, Fred Butler, Richard Grenier, Dave Horvath, Pat Labonte, Kevin Leandro, Rae Mello-Andrews, Kevin Roy, Allen Voivod

Members Absent: Sue Greene

Phyllis Corrigan opened the meeting at 6:30pm and the Budget Committee recited the pledge of allegiance.

Phyllis Corrigan welcomed the Board of Selectmen, Town Administrator, Finance Director and Police Chief and Deputy Chief. The Budget Committee introduce themselves and Phyllis turned the meeting to Gus Benavides to make his presentation of the 2013 budget.

Gus Benavides read the memo from the Board of Selectmen;

Board of Selectmen are please to recommend municipal budget with a gross budget of \$11,949,088.00.

Figure is up \$583,603.00 (5.13%) more than 2012, net budget (to be raised by taxes after estimated revenues are taken into account is \$81,855.00 (1.16%) higher than 2012. BOS recommended budget is \$933,011 less than the total requests. Net increase of \$81,855 is exactly the amount of the Towns increase in retirement costs over previous year.

Staff changes: two full time employees at DPW resigned, 1 Truck Driver whose position has been replaced by a full-time Mechanic/Truck Driver and 1 Sewer Technician/Meter Reader whose position has been replaced by a part time Custodian at the Library (20 h/p/w) and a full time, seasonal (40 hours per week for 26 weeks) Truck Driver. Part time Custodian will save town \$7,200.00 per year by eliminating the Library Cleaning Contractor. Also the staffing for part time employees of Parks and Recreation has been reduced from 42 hours per week to 36.

Health/Dental Insurance Changes: Budgeted an increase of 11% to take effect July 1. Dental rates budgeted at a 3% increase. These estimates are based on a 3 year average. Actual rates will be set in October and will most likely not result in a change to the overall budget. Amount of increase is \$78,947.00 due to rate increases as well as a change from single plan to a two person plan; a change from a two person plan to a family plan; an opt-off to a family plan and a new hire signed up for a family plan (replacing an employee that had a single plan).

Essential Purchases: The following items are not included in the FY2013 budget with the goal of being purchased in current fiscal year if sufficient funds are available:

- TC/TX Vault Shelving (\$5,000)
 - Computer Network Servers & Back-up Systems (\$13,000)
 - Police Cruiser & Equipment (\$39,000)
 - Police Copy Machine (\$7,200)
 - Fire-Rescue Equipment (\$14,000)
 - Fire Engine 4 Repairs (\$50,000)
 - DPW Mechanic/Plow Truck (\$40,000)
 - Library Defibrillator (\$1,200)

Town Hall Improvements: \$350,000.00 has been included to be deposited into the existing Building Maintenance Capital Reserve Fund for Town Hall renovations. Money offset entirely by surplus fund balance no impact on tax rate. Funds are not intended to be used for interior Police

Station improvements, space needs by the PD, problems with climate control system or typical maintenance such as painting or flooring replacements.

Radio System Improvements: New federal law regarding narrow band will make existing “dead spots” worse and create serious problems with employee safety. Consultant retained to develop solution proposed 3 new antennas estimated cost will be \$158,000.00 which is proposed to be financed over several years the estimated cost in 2013 is \$35,000.00.

Other Budget Cuts: Reduced budget by \$933,011.00 key differences, reduce # of annual reports printed, OT at Finance-Appraisal-Tech eliminated, PT wages for Building Inspector eliminated, roof over PD eliminated & included in TH repair estimate, Reduced # of headstones repaired, Reduced DPW expenditures – road striping-salt-culverts-road reconstruction, Lowered estimated tonnage for Solid Waste, Eliminated P&R Director’s national conference & reduced planned purchases by 50%, Eliminated DPW Highway Equipment Capitol Reserve Fund.

Union Contracts: Valid contract with PD throughout 2013. DPW AFSCME deadline is January 8th 2013 optimistic will have agreement before deadline.

Selectmen’s Stipend & Department Manger Merit Pay: 3rd year in a row no pay for Selectmen and eliminated merit pay for department mangers (\$9,061.00) including Town Administrator. BOS is considering some type of lump sum merit payment to department managers in 2012 if surplus funds are available.

Town Wide Assessment: BOS is of the opinion the Town experienced bottoming out of real estate market, 2012 saw modest increase in towns valuation of 0.3%. Estimated 1% growth for 2013 based upon construction activity and Contracted Assessing Agent.

Phyllis Corrigan thanked Gus Benavides for his presentation and asked if there were any questions, she asked;

- 1 Town Administrator has specific repairs needed however she could not find them listed in the Buildings and Grounds budget.

- a Kevin Leandro pointed out they are listed under Town Administration.

Gus Benavides stated it was requested of the Board of Selectmen to look at the necessary repairs but they felt they could not be done all at once and wanted to give the community the option to do them in segments ie: heat issues one end of the building would be stifling hot while the other end was freezing, the drainage issues in the ceilings as well as rot in the doorways. BOS decided to break the repairs up with the goal of paying for the needed repairs out of surplus funds. Will never say this is a free project is being paid for with surplus funds that are taxpayer’s money.

Kevin Leandro stated that in previous years surplus funds have been used to offset the tax rate and asked if that was unavailable this year.

Gus Benavides stated that they still plan to do that as well this year.

Dave Horvath asked what the old percentages were on the retirement funds.

Gus Benavides stated those are the increases over.

Dave Horvath clarified that is ½ year. Gus Benavides agreed.

Allen Voivod asked about the physical impact on staff changes.

Scott Dunn stated that the difference in cost is marginal, they are no longer paying a contractor for cleaning the library.

Phyllis Corrigan asked about the part time employee that will take over the cleaning at the Library at 20 hours a week.

Scott Dunn stated that his hours will be Monday through Friday 5am to 9am.

Phyllis Corrigan asked if he will also be the seasonal truck driver.

Kevin Leandro clarified that was a different position.

Dave Horvath asked if the custodian would be doing what the cleaning service used to do.

Scott Dunn stated he will be doing what the cleaning service did as well as what the other custodians

did.

Kevin Leandro asked if the seasonal truck driver position included benefits.

Scott Dunn stated that position does not include benefits.

Gus Benavides stated that the BOS have finished negotiations with the DPW union and are waiting to hear back soon, once they have that settled they will make that public.

Dave Horvath stated that at the end of last year the school stated they would be putting a group together to bring government employees more in line with the private sector and asked what was being done with that.

Gus Benavides stated that they only have a contract with PD and DPW and have negotiated that DPW pay 10%, non union are at 6%.

Scott Dunn stated that non union currently pay 6 ½% and will be going to 7% soon.

Gus Benavides stated that the goal is to get everyone to 10% and asked Scott Dunn what percentage the PD is currently paying.

Scott Dunn stated they are currently at 7 ½% going to 8 ½%. Scott stated that the town gets much less of a plan than the school employees and they are looking at going more closely with what the town has.

Kevin Roy stated that he sat on the C.I.P. Committee and thought the town hall improvements would be done in 2 years and then do something with the PD however it sounds like it will take longer.

Gus Benavides stated they are looking at doing it in 3rds the original request was almost 1 million dollars.

Scott Dunn stated in a nutshell CIP recommended doing all of TH this coming year and PD the year after that in the Selectmen's recommended figure of \$350,000 does almost all of the town hall with the exception of climate control which has a \$100,000 figure and still to be addressed is the space needs for the PD.

Dave Horvath asked about the volume of the PD copy machine and stated that Staples has a good selection of machines.

Gus Benavides stated he wants to address this as a topic then we can get into the specifics, essential purchases as a Board they had to cut out almost a million dollars in requests. Every year hopefully there are surplus funds while they do not need the approval of the Budget Committee their commitment is to be transparent. They wanted to come before the committee and say we could add these to the budget and inflate it that much more or pay for those things with this year's finances. Looked at what the essentials were and if there was left over money what can we do. Kevin Keenan has been very frugal he is due for 2 cruisers and in order to get him back on schedule they would like to purchase one this year and only pay for one next year. There are two old copy machines one in PD and one in Parks & Rec both have the same machine they would like to put the two together and use one as spare parts.

Scott Dunn stated the 2 machines are the same and neither have a service contract and are not being serviced by the company that sold them. Getting back to the volume the PD has mid volume, TH does 120,000 copies per year, PD is ½ that and is half the price as well.

Dave Horvath stated that looking at the Technology versus the big office machines.

Scott Dunn stated that they are no longer copy machines but network printers as well with one advantage being purchasing less ink cartridges which cost \$0.10 to \$0.12 per page the new machines cost around ½ a cent per page.

Kevin Leandro asked if it is wireless.

Scott Dunn stated no.

Kevin Leandro asked about the DPW mechanic truck \$40,000.00 for a truck is low he assumes it is a ¾ ton and asked if they plan to just purchase a cab and chassis swap mechanic body and plow gear from another truck.

Scott Dunn stated yes.

Phyllis Corrigan stated that PD got a motorcycle last year.

Kevin Keenan stated they did purchase one cruiser and one motorcycle last year, and one cruiser in 2011 they are behind in the rotation.

Phyllis Corrigan asked how the motorcycle was going.

Kevin Keenan stated it is going great they have seen a reduction in fuel costs it was used 8 to 15 hours a day.

Phyllis Corrigan asked how many officers are able to use the motorcycle.

Kevin Keenan stated two officers are certified.

Phyllis Corrigan asked if the radio unfunded mandate will now cost \$170,500 because last year they voted \$12,500 for the repeater system.

Kevin Keenan stated last year Sheldon got money to replace radios for his fleet PD received \$1,950 for the conversion of radios they have to get them narrow banded. Coverage is questionable at best, dead spots will increase. Repeater system will utilize one contract for both departments.

Dave Horvath asked if that was federal law.

Kevin Keenan stated yes.

Dave Horvath asked about the article he read in the paper about applying for surplus vehicles and asked how that fits in to all of this.

Kevin Keenan stated it will be utilized as a second bad weather vehicle PD is down to one. They applied for this program and qualified for a 2007 Hum V with 1,300 miles on it, they have lights and a spare radio so there will be little to no cost they also have access to a site that if anything breaks or it needs tires they can get replacement parts for free from the military.

Gus Benavides wanted to be clear there were no costs to procure this vehicle and will be no costs to repair.

Kevin Keenan stated the only cost will be fuel and oil changes and will be utilized mostly in winter.

Kevin Roy stated that the defibrillator for the Library is a good idea and asked if that was mandatory.

Rae Mello-Andrews stated no.

Kevin Leandro asked if the Fire Department was all set with their radio updates have they already been done.

Kevin Keenan stated they are all set with Lakes Region Mutual Fire Aid they have already done their conversions.

Discussion ensued regarding the Lakes Region Mutual Aid tower on Belknap Mountain.

Pat Labonte asked if the new cruiser was 4 wheel drive.

Kevin Keenan stated it is all wheel drive vehicle.

Pat Labonte asked how many miles are on the vehicles they trade in.

Kevin Keenan stated usually 100,000

Pat Labonte stated they should go to 200,000

Kevin Keenan stated that police cruisers are used 24/7 under extreme conditions, they are the biggest liability and need to be in good shape. They usually hit 120,000 to 130,000 when they start costing money or aren't safe to be running.

Gus Benavides asked if they track what each cruiser costs.

Kevin Keenan stated yes and they have pulled cruisers out at lower miles because of the cost to repair.

Phyllis Corrigan asked if there were any further questions on the specifics.

Kevin Leandro asked if the PD had done research on any leftover Crown Victoria's since they are no longer being made.

Kevin Keenan stated he did not know who would still have them available but will look into it.

Kevin Leandro stated that Ford in Warwick Rhode Island has them on hand ready to be delivered.

Phyllis Corrigan asked if there were any further questions.

Dave Horvath asked why the BOS did not add the \$100,000.00 Capitol Reserve for DPW Equipment.

Gus Benavides stated they would have loved to have the money in that account, just a matter of trying

to keep the budget as low as possible.

Dave Horvath asked about the front end loader purchased by DPW.

Gus Benavides stated that DPW purchased a used back hoe with a thumb at a great cost savings.

Dave Horvath asked what was in the pipeline for DPW.

Phyllis Corrigan stated that was listed in the back of the budget book under Capital Outlay.

Kevin Leandro stated that a plow truck was coming up and 1 Mack.

Pat Labonte asked what year.

Kevin Leandro stated 2013.

Gus Benavides asked if there were any further questions for the Board of Selectmen.

Phyllis Corrigan thanked Gus Benavides, Kevin Keenan and Scott Dunn and stated the only thing left was housekeeping items. The sub-committee list has gone out and she would like to have them meeting with department managers in the next two weeks, 2 weeks from tonight is the Budget Committee meeting on Admin with Kevin Roy, Phyllis Corrigan and Richard Grenier, as well as the Library with Sue Greene, Fred Butler and Phyllis Corrigan. Phyllis encouraged the sub-committees to get the meetings done so they don't feel rushed.

Discussion ensued regarding which format to use on the sub-committee's summary. Kevin Leandro made a motion to use a form similar to TC/TX Allen Voivod seconded motion carried with all in favor.

Phyllis Corrigan reminded everyone that the Town Hall is closed on Monday and asked if anyone had questions regarding which sub-committees they were on.

Dave Horvath asked if there were any minutes that needed approval.

No one knew of any.

Gus Benavides motioned to adjourn; Allen Voivod seconded motion carried with all in favor.

Meeting adjourned at 7:24pm.

Respectfully Submitted,

Mia Gagliardi

Recording Secretary