

TOWN OF ALTON

**ADVANCED COPY SUBJECT TO THE APPROVAL OF THE
ALTON BUDGET COMMITTEE
ALTON, NEW HAMPSHIRE**

**ALTON BUDGET COMMITTEE
MEETING MINUTES
DRAFT
October 25, 2007**

Present: Stephen Miller, Elizabeth Dominick, Virgil MacDonald, Karen Painter, Gregory Fuller, Jeffrey St. Cyr (School Board Representative), Peter Bolster (Alton Selectmen Representative), Krista Argiropolis (Recorder), Members of the Public

I. CONVENE

S. Miller called the meeting to order at approximately 6:30PM.

II. ATTENDANCE

All members were present for the meeting.

III. APPROVAL OF AGENDA

S. Miller noted that the Committee was under a tight schedule. He stated that they would be reviewing the departments' budgets and then vote on the budgets after the presentations of the budgets. The departments would be

J. St. Cyr requested to speak about the school department's schedule for the presentation of the budget. He reported that the Alton School Board had completed and accepted the budget. He requested moving the meeting scheduled for December 4, 2007 to November 29, 2007 because there is a PMHS JMA School Board Meeting scheduled for December 4, 2007. The Committee accepted the request.

R. Bailey stated he needed to switch Code Enforcement with General Government.

IV. HOUSEKEEPING

a. SNOW DATES

S. Miller noted that it had brought to his attention that no snow dates had been set on the schedule. The Committee decided to schedule a snow date for January 11, 2008.

b. INTERVIEW PROCEDURE

S. Miller spoke about the budget presentation procedure. Department heads will present their requested budget for Fiscal Year 2008 and speak about it. The requested budget will be reviewed by the Committee, followed by a Q & A. After all of the departments presented their budgets, the Committee votes on the requested budgets.

V. OLD BUSINESS

a. APPROVAL OF MINUTES

The Committee reviewed the meeting minutes from September 11, 2007. K. Painter motioned to accept the minutes of September 11, 2007 and R. MacDonald seconded the motion. The motion passed by a vote of six, with one abstaining. (SM, ED, GF, KP, PB, JS / abstain – RM)

b. SEPTEMBER 2007 EXPENDITURES

S. Miller asked the Committee if they would like to use the expenditure report as a reference. The Committee agreed by consensus they would like to use the expenditure report as a reference.

c. OTHER

There was no other business.

VI. NEW BUSINESS

a. SCHOOL TOUR

S. Miller spoke about the invitation the Committee had received to tour Alton Central School. J. St. Cyr spoke about the dates that were set aside for tours. There was discussion about the virtual tour that would be available on line.

b. DEPARTMENTS

WATER DEPARTMENT (4331)

W. Curtin stated that the deficit owed to the town, which is approximately \$35,000, should be paid off by next year. He stated they should have surplus after the payoff is completed. G. Fuller asked if there was going to be an increase in water rates. W. Curtin stated there would not be an increase. R. Quindley spoke about the age of some of the equipment and felt that reducing rates would not be a good option. S. Miller asked about the Water Department's revenue. W. Curtin stated they bill about \$84,000 for this last quarter. R. Quindley reported there is about \$10,000 in delinquent bills. There was a brief discussion about the delinquent bills.

The Committee reviewed the Water Department's requested budget for fiscal year 2008, which is \$314,282. The Selectmen's recommendation is for the Water Department's requested budget to be \$310,149. The Committee reviewed the requested budget by each line item. Items discussed by the Committee in detail are noted below:

R. MacDonald spoke about the requested budget line item for the Water Superintendent Salary (43310-005; \$52,000). The Selectmen had recommended that this requested budget line item

should be \$47,867. The current budgeted amount for this budget line item for 2007 is \$36,400. The requested increase by the department head reflects adjustment for years of experience, responsibility factor, and the need to bring in line with other department heads. Some hourly employees with less responsibility have higher salaries. P. Bolster reported the Selectmen had felt the salary should go up just two steps plus the cost of living. R. Quindley spoke about what some of the surrounding towns' Water Superintendent were receiving for salary. R. Bailey spoke about the role of the Budget Committee in recommending a bottom line budget.

G. Fuller asked if the requested budget line item for P/T Wages Labor (4331-016; \$2,000) was enough in the budget because the 2007 budgeted amount was \$2,270. R. Quindley responded that he felt it was.

There was a discussion about the Benefit Buy-Out (4331-029; \$1,560). This budget line item is longevity pay for fifteen years of service. The amount budgeted for is 3% of the gross pay. S. Miller asked if R. Quindley had anyone working for him who he had recommended less than the longevity pay they were scheduled to receive. R. Quindley stated that he most likely would not have anyone working for him who did not deserve full longevity pay. G. Fuller asked if the town had ever gone in with the state for Health Insurance. R. Bailey stated he didn't think they could do that.

There was a discussion about the increase in the budget line item for NH Retirement System (4331-045; \$6,500). The actual budgeted amount for 2007 was \$4,349. R. Bailey spoke about some of the funding issues with the NH Retirement System.

There was a discussion about Office Supplies (4331-131; \$2,100). The actual budget amount for 2007 was \$1,261.

G. Fuller asked for justification for requested budgeted amount for Telephone (4331-175; \$2,760). R. Quindley stated they had a Nex-Tel phone. G. Fuller noted it was a 15% increase from the 2007 budget. The Committee spoke about cost saving options for providing cell phones to the town employees.

G. Fuller asked what the Vehicle Expense (4331-207; \$2,000) was for and R. Quindley responded it was for parts to repair the vehicles as needed along with excavator and trucks.

There was a discussion about the bids for gasoline. R. Bailey responded they had received one bid. He stated he would be presenting the information to the Selectmen for their review and approval. After the Selectmen had approved the bid, he would report back to the Budget Committee.

S. Miller asked if the \$100 in the Uninsured Expense (4331-279) was a placeholder to keep the account open. He asked why \$1 couldn't be placed in this budget line item. R. Quindley responded that \$100 was the recommended amount for the budget line item and that he would be fine with whatever amount was recommended to keep that budget line item open. G. Fuller stated he felt they should go after larger budget line items of concern. S. Miller stated that if ten departments used \$100 to keep a budget line item open, then there would be \$1,000 tied up.

There was a discussion about possible rate increases for Electricity (4331-303; \$24,000). If there is a rate increase, R. Bailey would revise the requested budget amount for the town.

G. Fuller spoke about the Water Department considering alternative sources of heating the office, such as geo-thermal or solar heat. (Building Fuel/Propane; 4331-304; \$2,000) R. Quindley stated they were not in the office enough for the returns on the alternative heat sources to be cost-effective.

There was discussion about the Water Meter Program (4331-609; \$3,200). Meters cost about \$80 each. The Water Department plans on replacing 40 meters a year, by the end of the year.

S. Miller asked why the Water Department did not go out for bid for Water Treatment (4331-617; \$8,500). R. Quindley spoke about some of the problems they could have if they switched companies, such as issues with the color of the water. He stated they could get some deals at time on this but some of the problems that could arise from saving a few hundred dollars wouldn't be worth it. He felt he couldn't save \$1,000 by going out to bid.

The Committee asked about the Fire Hydrants (4331-803; \$4,880). This line item is for the Water Department to repair and replace fire hydrants. A hydrant is about \$1,500 but there are some other variables for parts for the hydrants. The budgeted amount is for three hydrants.

G. Fuller asked how long the Water Department's Truck would be used. (Lease of Truck; 4331-902; \$10,660). He asked if there would be a warrant article for the replacement of the truck in the future. This would be the last year the Water Department would be paying on the lease for the truck.

S. Miller asked what the Water Department's Revenues were. R. Quindley responded that he did not have that information but that he could get that to the Committee.

CODE ENFORCEMENT

Brian Boyers spoke about the requested budget for 2008. He stated he had tried to keep it within the guidelines set and felt he had done a good job. The requested budget for fiscal year 2008 is \$87,520. The Selectmen had made no changes to the requested budget.

S. Miller asked what the Benefit Buy-Out (4192-029; \$2,350) was for. B. Boyers reported it was for ten years of service.

There is a budget increase of approximately 5.2% from the previous year. R. Bailey had recommended department heads keep their budgets at about 3.5%.

There was discussion about Computer Expense (4192-162; \$600). The expense is for software upgrades. G. Fuller spoke possibly cost savings by purchasing Dell Computers and the warranties available from the manufacturers. He and R. Bailey spoke about third party maintenance/support vs. manufacturers' support.

The Committee asked about the requested budget line item for Telephone (4192-181; \$2,040). There was discussion about the justification for the recent increase because last year's budgeted amount was for \$1,724. G. Fuller spoke about the increases in phone expenses by several other departments.

B. Boyers projected there would be about 50 new houses built in Alton next year.

WELFARE (4442)

R. Bailey presented the requested budget for Welfare for 2008. The requested budget is \$100,316. The previous year's budget is \$71,374. The Selectmen made no cuts to the requested budget for 2008. He spoke about the increase in services needed over the past year. Alton is one of the only towns in NH that has a trust fund for the care of seniors.

R. Bailey spoke about the General Assistance (4442-801; \$34,000). The account is for prescriptions, assistance with utilities, and other things that are not covered by other programs such as Medicaid. He spoke about the management of the caregivers and how they report to the Welfare Department.

PATRIOTIC PURPOSES (4583)

The requested budget for fiscal year 2008 is \$25,000. The budgeted amount for 2007 is \$20,088. The Selectmen made no cuts to the requested budget.

R. Bailey reported that the Alton Board of Selectmen voted on 10/15/07 to accept the FEMA reimbursement of \$673,229 and to use the fund balance in the amount of \$150,000 to cover the balance of the outstanding flood damage costs. He reported they expect to receive \$109,000 from the State to cover their 12.5% but not before the end of the year. When the \$109,000 is received it would be excess revenue that would be reimbursing the fund balance. This means that the net use of fund balance (surplus) would be \$41,000. He stated they are asking the Budget Committee's support for requesting the use of the fund balance to cover the flood damages in the amount of \$150,000. He distributed a copy of RSA 32:11, Emergency Expenditures and Over expenditures.

G. Fuller motioned to approve the request to use the fund balance to cover the flood damages in the amount of \$150,000 and R. MacDonald seconded the motion. There was a discussion about the damages the flood caused and the costs of the damage. The motion passed by unanimous vote.

ALTON BUDGET COMMITTEE
APPROVAL OF REQUESTED BUDGETS FY 2008

STREET LIGHTING

P. Bolster motioned to approve the requested budget for fiscal year 2008 at \$29,516 and R. MacDonald seconded the motion. There was no discussion. The motion passed by a vote of six, with one no vote. (SM, GF, ED, KP, JS, PB / No – RM)

WELFARE DEPARTMENT

S. Miller motioned to approve the requested budget for fiscal year 2008 at \$100,316 and G. Fuller seconded the motion. The motion passed by unanimous vote. (SM, GF, ED, KP, JS, PB, RM)

PATRIOTIC PURPOSES

R. MacDonald motioned to approve the requested budget for fiscal year 2008 at \$25,000 and P. Bolster seconded the motion. The motion passed by a vote of six. (SM, RM, ED, KP, JS, PB / No –GF,)

WATER

K. Painter motioned to reduce the requested amount for Water Fire Hydrants (4331-803; \$4,880) to \$4,500 and G. Fuller seconded the motion. There was discussion about the history of the

Selectmen not paying the bill on the fire hydrant. K. Painter withdrew her motion and G. Fuller withdrew his second. K. Painter motion to reduce the line to \$4,000 and G. Fuller seconded the motion. There was discussion about the reason for the request and the history. The motion passed by a vote of five. (GF, ED, KP, JS, PB / No – RM, SM)

E. Dominick motioned to reduce the requested budget line item Telephone (4221-175; \$2,760) to \$2,500 and R. MacDonald seconded the motion. The motion passed by a vote of five. (GF, ED, KP, JS, PB / No – RM, SM)

S. Miller motioned to reduce the requested budget line item for Superintendent Salary (4331-005) to \$46,440. There was no second. R. MacDonald motioned to reduce the requested budget line item for Superintendent Salary to \$50,000 and S. Miller seconded the motion. There was discussion about the qualifications of the superintendent and comparison rates of other department heads. S. Miller spoke about his concerns for this setting a precedence for the payment of the department heads. P. Bolster called the question. The motion failed, one to six. (Yes - RM / No - SM, , ED, KP, JS, PB, GF) There were no other motions on the floor.

S. Miller motioned to reduce the requested budget line item for Merit Pay (4331-030; \$963) to \$500. He spoke about his concerns about step, COLA, and merit pay increases that employees received and felt it was being treated as an entitlement. R. Bailey spoke about the longevity of the employee. S. Miller withdrew his motion based on R. Bailey's information and opinion. There was a discussion about the merit system.

K. Painter motioned to reduce the requested budget line item for Refunds (4331-619; \$100) to \$1 and G. Fuller seconded the motion. The motion passed by unanimous vote. (SM, GF, ED, KP, JS, PB, RM)

P. Bolster motioned to accept the amended requested budget for Water (4331) at \$306,290 and R. MacDonald seconded the motion. The motion passed by unanimous vote. (SM, GF, ED, KP, JS, PB, RM)

CODE OFFICIAL/BUILDING INSPECTOR

S. Miller motioned to reduce the requested budget line item for Telephone (4192-175; \$2,040) to \$1,800 and K. Painter seconded the motion. There was discussion about budgeting for the phone. R. Bailey stated they could come up with a prorated amount for the Budget Committee to approve to be allocated into the budget line item for the Telephone. The motion failed by unanimous vote. (No - SM, GF, ED, KP, JS, PB, RM)

P. Bolster motioned to approve the requested budget for Code Official/Building Inspector for fiscal year 2008 at \$87,520 and K. Painter seconded the motion. The motion passed by unanimous vote. (SM, GF, ED, KP, JS, PB, RM)

VII. PUBLIC INPUT

There was no public input.

VIII. ADJOURNMENT

K. Painter motioned to adjourn and R. MacDonald seconded the motion. The motion passed by unanimous vote. (SM, GF, ED, KP, JS, PB, RM)

The meeting adjourned at 9:35 PM.

Respectfully Submitted,

Recorder, Public Minutes