

**TOWN OF ALTON
ALTON BUDGET COMMITTEE
(APPROVED 10/28/08)
MEETING MINUTES
October 23, 2008**

Members Present: Steve Miller, Chair
Karen Painter, Vice Chair
Greg Fuller
Elizabeth Dominick
Richard MacDonald
Steve McMahon, Selectmen Representative
Lynda Goossens, School Board Representative

Others Present: Russ Bailey, Town Administrator
Members of the Public

I. CALL TO ORDER

S. Miller called the meeting to order at 6:40 PM.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

R. MacDonald was not present at roll call but arrived at 6:45 PM.

IV. APPROVAL OF AGENDA

G. Fuller asked to add something under Old Business. There were no other changes to the agenda.

G. Fuller motioned to accept the agenda as amended and L. Goossens seconded the motion.

V. HOUSEKEEPING

There were no meeting minutes to be approved.

VI. OLD BUSINESS

a. REQUESTS OF THE TOWN ADMINISTRATOR

S. Miller reported he spoke with R. Bailey about fuel, computers, etc. and stated that R. Bailey's spreadsheets were up to date and stated that there would be updated spreadsheets forthcoming in the next month.

b. EDITORIAL

G. Fuller stated he received a call about the letter to the editor in the Laconia Daily Sun that S. Miller had submitted. He stated that he had submitted the letter as a letter from him and had used the appropriate pronouns in the letter and had signed his name only to the letter. He stated the intent was as "Steve Miller, Citizen". S. McMahon stated that in the future perhaps he could write "Steve Miller, Alton" or "Steve Miller, Member of the Alton Budget Committee" and that he didn't agree with everything in the letter. K. Painter stated that she had thought last year they were going to speak as a member of the Alton community and not as a representative of the Alton Budget Committee. There was a discussion about the best practices for representation and communication with the public.

VII. PUBLIC INPUT

There was no public input.

VIII. NEW BUSINESS

a. WATER DEPARTMENT – 4331

Richard Quinley, Superintendent and William Curtain, Chairman, represented the Water Department. There was no opening statement from W. Curtain. G. Fuller asked if the money had been paid back to the town from the Water Department and W. Curtain stated they were waiting to hear back from the auditor. R. Bailey stated he thought it would be paid back this year.

S. Miller reported that the 2008 Budget was for \$308,896 and the 2008 Actual Budget was \$255,007. He reported that the 2009 Budget, presented by the Department Head was for \$305,967 and that the presented budget was accepted by the Selectmen. S. Miller spoke about the importance of a flat-level budget and suggested that department heads should consider foregoing their stipend because it would be savings of \$26,000 for the town.

W. Curtain stated he would not consider the request because this was something that people had to take time off work for because it happened during the day and felt that the \$26,000 wouldn't have an impact on the tax rate. W. Curtain felt that S. Miller's suggestion would close the Town Hall.

L. Goossens stated that she felt this wasn't the best use of their time and felt that they should review things that "jumped out" at them.

G. Fuller felt that if people forwent their stipend that each employee should be asked to skip their step and track for that year. He asked why the Water Superintendent shouldn't have to forego his pay raise (COLA) if S. Miller was asking everyone else to forego their raise.

S. Miller responded that there could be legal action taken against the town if the town did not fulfill the standards of the employees' contracts. He stated he wasn't asking to take the money away but for them to volunteer passing up their stipend.

W. Curtain stated that if the voters had a problem with the stipends and raises that there would have been Warrant articles but that he hadn't seen one yet. He stated it was a small amount of money and felt that it was deserved for the people who were serving the public.

S. McMahon stated that it was a small amount of gratitude that they received.

G. Fuller stated that the Superintendent's salary was showing a 7% increase but that the line item stated it was 3% and asked for an explanation. W. Curtain stated that the actual salary was about \$50,000. K. Painter read the justification for the salary from last year's meeting minutes on October 25, 2007.

L. Goossens asked if there was another way to review the budget other than line-by-line and S. Miller stated that this was how it had been done over the past five or six years.

S. McMahon stated that the Selectmen had reviewed the budget by asking each department questions but that because the budget was at flat budget that they would know where they had questions about the proposed budget.

G. Fuller suggested that in the past, prior to S. Miller being on the Committee, that they reviewed and discussed specific budget line items and felt it would be faster. S. Miller stated that when the Committee reviewed the budget on a line-by-line basis that there were things that came up that hadn't been identified prior to the Committee's meeting. He felt that the budget received a closer scrutiny when it was reviewed via line-by-line. L. Goossens spoke about the process the School Board used for reviewing the budget and stated that they reviewed it at home, on their own.

G. Fuller motioned to review and discuss the lines of the budget that the Committee members had questions on and S. McMahon seconded the motion. G. Fuller felt that this would help to save time, especially on things that had been level funded for years. S. Miller stated that there was no doubt that this would save time but that if that was the one thing they wanted to do [cut off]. G. Fuller noted that the members of the Committee had been on the Committee for a number of years and had experience with the budget. L. Goossens stated that it wasn't a matter of simply saving time that if people reviewed the budget, that the appropriate questions were asked. She stated that she relied on the expertise of the members of the Committee, as an Ex Officio member of the Committee. S. Miller asked her if she would be able to make a decision on the Water Department's budget that night, since she had just received the budget book that night and she responded that she would because she knew the Committee had reviewed the budget in the past. She noted that her area of expertise was in the area of the school and that some of the conversation about the budget would be "over her head. S. Miller called the vote on the motion and it passed by a vote of five with two no votes. (Yes – GF, SMc, ED, KP, LG / No – RM, SM)

K. Painter asked about PT/Wages Labor 4331-016 and if the amount budgeted was accurate. R. Quindley responded that the amount in last year's budget was over because of some health issues that Water Department employees had and felt that the budgeted amount was accurate.

G. Fuller asked about the cost of Health Insurance and R. Bailey stated that the numbers should be about the same or reduced. He noted that Dental Insurance would be going up.

E. Dominick asked about the reduction in the budget for New Equipment, based on actual expenses in 2008, vs. the proposed budget. R. Quindley spoke about a new device that had been purchased that had driven that budget line item up but felt that there wouldn't be a similar

expense in the future. E. Dominick asked about Vehicle Expenses and R. Quindley responded that there wasn't an old vehicle and they didn't expect major expenses.

There was discussion about Service Expenses and R. Quindley spoke about some of the special circumstances that they had encountered and stated they didn't anticipate similar situations. There was also discussion about the Meter Program.

E. Dominick noted some of the other budget line items that had been cut and stated it was commendable but was concerned that they might have cut too much. R. Quindley spoke about some of the things that the department has been doing, such as bulking up on office supplies. W. Curtain stated that there would also be an excavator is paid off this year.

L. Goossens noted that the Summer Line (4331-607) had \$679.00 spent in 2008 but that \$2,000 was budgeted. R. Quindley responded that there needed to be an adjustment in that budget line item and that the cost was actually for more. He stated that the \$2,000 was level funded.

K. Painter spoke about the Benefit Buyout and R. Quindley responded that it was 3%, which was part of his salary. She asked about the cell phone plan and R. Bailey stated there were just two cell phones left but that there was a stipend because that was the best method at this time. R. Quindley noted that \$80/month was accurate for cell phone usage.

G. Fuller asked about the telephone cost and asked if the Water Department would be hooking into the VOIP network for telephone use. He asked if the phone charges in the budget were based on costs paid to Union Telephone. R. Bailey stated they were migrating to VOIP but that it would take a while.

G. Fuller asked about computer expense fees and R. Quindley responded that the actual cost for 2007 was a little less than \$1,000 but that 2008 was \$1,026.

S. Miller asked what the figure was used for gasoline and R. Quindley responded that it was about \$3.50-\$3.80/gallon for gas. R. Bailey stated that he could give the Committee more information on the fuel price bids in the future for their review. R. Bailey stated that he could go over all that with the Committee later. W. Curtain stated that when they met in August, 2008, that they based it on monthly cost average over eight months and multiplied by twelve to reach the proposed budget amount.

S. Miller asked what revenue the Water Department projected they would have for 2008. R. Quindley reported that they would have about \$325,000 for 2008 unless they have new accounts to add, such as the housing project on Pearson Road and the building going in by the traffic circle by Huggins Hospital.

S. Miller asked about overtime wages and R. Quindley responded that if there was an emergency they had to take care of it and there was no way to project overtime wages.

S. Miller asked about some of the possible budget overages that the Water Department might have and W. Curtain stated that they would go into the contingency fund if they went over the budget amount rather than going to the voters for more money. There was discussion about possible costs that could be incurred by the department.

S. Miller asked if there were any capital items the Water Department would be looking for in CIP and R. Quindley stated that they were not.

K. Painter asked about the Meter Program 4331-609 and asked if forty meters each year at \$80 per meter were being replaced and R. Quindley stated they were getting caught up and didn't anticipating spending as much this next year.

G. Fuller asked about the expenditures for Uniforms, Vehicle Expense, and Tires. R. Quindley noted that they didn't spend as much as anticipated on Uniforms. Vehicle Expense expenditure for 2008 was incorrect and needed to be amended. He noted that the amount budgeted for Tires was also correct.

COMMITTEE'S RECOMMENDATIONS:

S. Miller motioned to place a \$0 (zero) for the Water Commissioner's Pay 4331-001 (\$4,684). There was no second.

S. Miller motioned to accept the recommendation of the Selectmen for the Water Department (4331) requested budget for 2009 at \$305,967.00 and K. Painter seconded the motion. R. Bailey noted that the Health Insurance and Fuel numbers could change. The motion passed by unanimous vote. (GF, SMC, SM, KP, ED, LG, RM)

b. FIRE HYDRANTS – 4330

The 2008 budget was \$4,170 and the actual budget for 2008 was \$8,340. The requested budget for 2009 is \$4,170 but the Selectmen recommended \$5,040. R. Bailey reported that the Selectmen have agreed to pay the amount requested for renting the hydrants. There was discussion about the history of the hydrant fee.

COMMITTEE'S RECOMMENDATION:

S. Miller asked what would happen if the fire hydrants were not paid for and R. Bailey stated that they would be shut down by the Water Department and would not be available to the Fire Department. There was discussion about placing this budget into the Fire Department's budget but it is something that has to be authorized by the Selectmen.

S. Miller motioned to zero fund the Fire Hydrant budget and for the Town Administrator and Selectmen to place this account with this Fire Department prior to the Budget Committee voting on this budget. E. Dominick seconded the motion. The motion passed by a vote of four, with three no votes. (Yes – SM, KP, ED, LG / No – GF, RM, SMC)

G. Fuller motioned to zero fund Fire Hydrants – 4330 and R. MacDonald seconded the motion. G. Fuller stated this was a tax for the use of the services but the majority of the people who benefit from the hydrants live in the village. S. Miller felt that the account should be zero budgeted so that this should be funded in case there was a fire and felt that it should be funded in the appropriate budget. The motion failed with three yes votes and four no votes. (Yes – SMC, RM, GF / No - KP, ED, LG, SM)

c. CODE ENFORCEMENT – 4192

Brian Boyers presented the proposed budget for Code Enforcement. He reported that the budgeted amount for 2008 was \$87,520 and the actual expenditure was \$65,199. The proposed budget for 2009 is \$90,201 and the proposed budget was approved by the Selectmen. There is one part-time employee and one full-time employee with the department. The part-time employee is also part of the Conservation Commission but is paid out of the Code Enforcement budget.

R. McDonald asked why the part-time employee was not paid out of the Conservation Commission budget and R. Bailey stated he would talk with Brian about it and get back to the Committee about it. S. Miller asked if the Code Enforcement officer used the boat and B. Boyers stated that he did use the boat.

There was discussion about the proposed budgeted amount for Computer Expense and B. Boyers stated that he didn't need a lot in that budget line item. S. Miller asked how much money would be used for Office Supplied and B. Boyers felt that they wouldn't go over that budget line item by much, if at all.

R. MacDonald asked if Dues and Fees had increased and B. Boyers confirmed that some of the dues and fees had increased and noted that he had joined a new committee that cost \$50.00.

S. Miller noted that the increase in the budget for 2009 that the increase was based on salary increases and asked if he would be able to make the budget come in at a lower amount and B. Boyers stated that some of the budget line items could come in at less.

COMMITTEE'S RECOMMENDATION:

There was discussion about the cost of Health Insurance. R. Bailey noted that only the Water Department and Cemetery Department had the Health Insurance in their department's budget, while all the others were in the general fund because of how the two departments were funded.

There was discussion about the benefit buyout options. R. Bailey explained how the benefit buyout worked.

S. Miller motioned to reduce the requested budget line item F/T Office Staff 4192-010 budget by \$600.00 to flat-level the budget and R. MacDonald seconded the motion. S. Miller noted places in the budget where corners could be cut, such as in the scheduling of conferences. He noted that the difference in the total budget was the same as the total requested in raises. R. MacDonald felt that it wasn't a significant amount to cut because of some of the other budgets that were over a million dollars that were in the requested 2009 budget. K. Painter asked if there were mandatory meetings and conferences that B. Boyers had to attend and R. Bailey responded that he could not really answer that question and did not know what might be mandatory. S. Miller called the vote. The motion failed by one yes vote and six no votes. (Yes – SM / No - GF, SMc, KP, ED, LG, RM)

K. Painter motioned to accept the Selectmen's recommendation for the 2009 requested budget for the Code Official/Building Officer 4192 at \$90,201.00 and L. Goossens seconded the motion. The motion passed by a vote of six with one no vote. (Yes - GF, SMc, KP, ED, LG, RM / No - SM)

d. SOLID WASTE – 4324

Scott Simonds, Director, Solid Waste Department presented the budget for his department. The budget for 2008 was \$478,816 and the actual budget for 2008 was \$314,612. The proposed budget for 2009 was \$491,051 but the Selectmen recommended \$476,221

G. Fuller asked about 4324-011 F/T Wages Staff, and noted there was an increase. S. Simonds noted that the new employee needed more training and that the pay hike hadn't been placed in the proposed budget. R. MacDonald spoke about the justification for the pay that the employees in

the Solid Waste Department received and felt that they were in a dangerous situation at times dealing with hazardous waste.

G. Fuller asked if the pay was increased if they received what they wanted for pay for the employees in the department and S. Simonds responded that he did not have that information at this time. R. Bailey stated that the Board of Selectmen was looking at the salaries that the various department members received to make sure it was fair. There was discussion about some of the things that the Selectmen are looking at for the pay.

There was discussion about the expenditures and budgeted amounts for Computers, Monitoring of Wells, and Disposal of Lights.

S. Miller asked about the Vehicle Fuel and noted there was a 30% increase and asked if it was usage or price that drove the increase. S. Simonds responded that it was usage and noted that all the snow last year caused them to use more fuel. He noted that he heated the building with waste oil and not with propane so that the budget line item for Propane would remain the same.

S. Miller asked if reference materials were budgeted for this year and S. Simonds responded that \$125.00 was budgeted for this year. S. Miller asked if those publications were an important part of the information the department used. S. Simonds spoke about the justification of the expense and noted that some of the subscriptions would still have to be paid for if the information was accessed on the internet.

S. Miller asked about the revenue received by the stickers for Solid Waste and asked what would happen if the stickers were raised from \$1.00/each to \$5.00/each. R. MacDonald stated that people would not pay for stickers and pay to dispose of refrigerators, etc. S. Simonds stated that some towns had no cost for their stickers and others charged more.

S. Miller asked about the budget line item for Electricity 4324-303 and S. Simonds stated that the budgeted amount was enough and things were slow. He felt the amount budgeted was sufficient.

G. Fuller asked about what was in the revenue account (slush fund) and asked if anything was being planned for to be purchased out of that account. S. Simonds stated there were no plans for the money but that the fund was about \$44,000 at this time. R. Bailey stated that they have a phase project going on for the site and building and spoke about some of the plans for improvement they have but noted there were other projects going on at this time that were taking priority.

S. Miller noted that fees were down about 5% from the previous year. R. Bailey noted that there was a 3% COLA in the contract with the vendor but that the Selectmen had cut it by 5%, so there was really only a 2% decrease. The decrease was the recommendation of the Selectmen. S. Miller felt that the Overtime Wages Staff 4324-021 should be decreased. R. Bailey responded that that was strictly for snow removal time. S. Miller asked if there would be 30% more snow because the increase from last year was 30% and R. Bailey stated that over-time wasn't operated to cover waste reduction but that it was strictly for unusual events, such as snow removal. S. Miller asked if the part-time employee could be used for the details that are being done by the full-time employee. R. Bailey stated that the part-time employees are usually cut in the winter hours. S. Simonds noted that he usually went in to take care of snow removal.

S. Miller noted that he had commented on S. Simonds' budget but that it was really the Selectmen who had brought the numbers down. S. McMahon stated that S. Simonds had worked hard on that budget and felt he was a very good manager.

COMMITTEE'S RECOMMENDATION:

K. Painter motioned to accept the Selectmen's recommendation for the 2009 budget for Solid Waste at \$476,221.00 and L. Goossens seconded the motion. The motion passed by unanimous vote. (SM, GF, RM, SMc, LG, ED, KP)

e. WELFARE – 4442

R. Bailey presented the budget for Welfare. The 2008 budget is \$100,316 and the actual budget is \$77,590. The proposed budget for 2009 is \$106,371 but the Selectmen's recommended budget is \$111,571.

S. Miller asked why FICA 4442-804 was more than the salary and R. Bailey explained that Alton is one of the few communities that had community care givers. He explained that there are five caregivers and this helps to cover that through the Heidke fund. S. Miller asked about the salary that the Welfare Officer received and noted that as the Executive Secretary to the Town Administrator, if she was paid for those duties while performing her duties as the Welfare Officer. R. Bailey stated that the welfare process was labor intensive and felt that \$2,500 was a very fair amount of money for the amount of work she had to do. S. McMahon spoke about the dedication of the Executive Secretary.

K. Painter asked about the cost of the Senior Center Coordinator and noted that the recommended amount by the Selectmen was more than the requested amount in the 2009 budget. R. Bailey explained that part of the salary would come from another source to cover the balance of her salary.

There was discussion about the Heidke Trust Fund. R. Bailey noted that the interest on the fund was down this year and it was at about \$50,000. He reported that the Selectmen were not going to allow the services done for the seniors to slack in anyway.

K. Painter asked how the Heidke Fund was expended and how people qualified for assistance. R. Bailey stated that the care givers were not medical care givers but gave assistance in the home. He spoke about the process for people to apply for assistance and stated that if people did not qualify that there might be other programs they would qualify for.

COMMITTEE'S RECOMMENDATION:

S. Miller motioned to accept the Selectmen's recommendations for Welfare (4442) at \$111,571 and K. Painter seconded the motion. The motion passed by unanimous vote. (SM, GF, RM, SMc, LG, ED, KP)

f. PATRIOTIC – 4583

The 2008 Budget was \$25,000 and the actual budget was \$17,900. The requested budget for 2009 was \$24,500 and that was also recommended by the Selectmen.

S. Miller asked if any money could be saved in this budget and R. Bailey stated he could look into it. S. Miller asked if the fireworks could be reduced. R. Bailey noted that the fireworks show on the 4th of July had some problems and they weren't going to use the barge anymore. He stated

that they spoke with the company and noted that there would be changes. S. Miller asked if this budget is something that could be reduced and R. Bailey stated it wasn't something he could be comfortable changing.

S. McMahon stated that there was nothing he would change about this. He spoke in favor of a show of patriotism in light of the servicemen and women overseas and felt the show of flags were appropriate. He spoke about the benefits that the businesses at Alton Bay received by having the fireworks in that area. G. Fuller asked if S. McMahon thought that local businesses might contribute to the funding of the fireworks and S. McMahon responded that he thought they would help fund the fireworks. There was discussion about the funding of the fireworks and bands in the Bay.

COMMITTEE'S RECOMMENDATION:

R. MacDonald motioned to accept the Selectmen's recommendations for Patriotic (4583) at \$24,500 and L. Goossens seconded the motion. S. Miller asked if this is something that the Board of Selectmen would look at again and R. Bailey stated he would talk with Kelly to see if money could be saved on the flags. The motion passed by unanimous vote. (SM, GF, RM, SMc, LG, ED, KP)

g. STREET LIGHTS – 4316

The 2008 budget for Street Lights is \$29,516 and the actual budget for 2008 is \$21,628. The requested budget for 2009 is \$29,516 and that amount is also recommended by the Selectmen.

S. Miller felt that the cost was 50% higher than other towns in the area. R. Bailey felt that the cost was 10% more than the other towns and reported that some of the lights have been replaced with a more energy-efficient light bulb. R. Bailey spoke about the benefits of streetlights and felt they should be at any active intersection. He noted that many of the lights were around the Bay. R. MacDonald suggested shutting off a few of the lights and still have a sufficient amount of light. R. Bailey noted that the budget line item was flat lined and had only increased when there were rate increases. There are approximately 170 to 180 street lights. R. Bailey stated that he would have more information about the lights for the Committee at a future meeting.

COMMITTEE'S RECOMMENDATION:

R. MacDonald motioned to decrease the Street Lighting 4316-801 to \$1,500 and G. Fuller seconded the motion for discussion purposed. The motion failed by a vote of one to six.

S. Miller motioned to accept the Selectmen's recommendations for Street Lights (4316) at \$29,519 and L. Goossens seconded. The motion passed by a vote of five with two no votes. (Yes - SM, SMc, LG, ED, KP / No - GF, RM)

IX. OTHER BUSINESS

S. Miller reviewed the agenda of budgets that will be presented for the next meeting.

R. Bailey spoke about the fuel issues and reported that the Selectmen have approved rack plus pricing for fuel. He stated they hoped the market would benefit them. He reported some of the rack prices for various fuels. S. Miller asked if a utility contingency fund has been recommended by the Selectmen and R. Bailey stated they have not discussed it. There was discussion about fuel funding.

There was discussion about possibly having a windmill at the Solid Waste fill.

L. Goossens asked if the School Department could present their budget on November 18, 2008. S. Miller asked R. Bailey if CIP could be moved to accommodate the School Board. There was no decision made about changing the schedule at this time.

X. PUBLIC INPUT

There was no public input.

XI. ADJOURNMENT

K. Painter motioned to adjourn and S. McMahon seconded the motion. The motion passed by unanimous vote. (SM, GF, RM, SMc, LG, ED, KP)

The meeting adjourned at approximately 9:45 PM.

Respectfully Submitted,

Krista Argiropolis
Recorder