

**Unofficial
As of 1/04/09**

**TOWN COUNCIL
MINUTES
Budget Workshop
Saturday, January 3, 2009**

Call to Order

Chairman Dickson called the meeting to order at 9:00 AM.

Attendance

Chairman David Dickson, William "Bill" Gahara, James Gorton, Paul Loiselle, George Longfellow, Michael Pischetola, David Ross, Patricia Rueppel, Nancy VanScoy, and Carol Granfield (Interim Town Administrator)

Christine Soucie, Finance Director

Overview of 2009-2010 Budget – Town Administrator

C. Grandfield thanked the departments and D. Jodoin for a great job preparing the budgets, which represent a 2.49 increase overall.

- Insurance rates are reduced with the exception of Police and Fire.
- Reductions in training to disallow out of state travel. The compromise is the town pays registration and meals and the employee pays transportation and lodging out of state.
- Gas was reduced since David Jodoin reviewed it. The energy projection is 2.03 and diesel at 2.47. According to the State, they solicited bids and anticipate locking in a rate by next week. That will be modified.
- We need a better handle on maintenance issues, which are costing the Town money. The Budget Committee discussed a contingency so that we aren't continually taking money from the paving line.
- Capital purchases have been delayed if possible.
- Personnel changes are being proposed.

Presentation of the Budget – Departments

Heritage Commission - (Administration)

\$1875.00 for historic road markers. This is being proposed because of last year's default budget.

G. Longfellow: With the tight economy, I think road markers could be put off to the future.

G. Longfellow motioned for \$1000.00. Seconded by N. VanScoy.

P. Loiselle stated that Kathy Northrup is very frugal and \$1875 is a small amount.

D. Ross stated this should be viewed as seed money and will help to raise more money.

G. Longfellow: If we watch the pennies, the dollars will take care of themselves.

N. VanScoy: I do think this is a good starting point to look at both the large and small amounts.

Vote 2 – 7 Motion failed

Cemetery

G. Longfellow stated that they are complaining about the gates and fences which are in poor condition, but they aren't spending the money currently being given to them.

D. Ross motioned for \$1500. Seconded by P. Rueppel.

P. Loiselle stated that this might impact the fencing that Kathy Northrup is seeking to repair. This isn't enough to repair the fence.

D. Hemeon: The Cemetery Commissioners are all new. They had some major issues. They have a lot of gates and no one is evaluating their needs. \$500 doesn't do a lot to repair the fences. The ladies on the commission are very green. Wally is aging and he holds the books.

D. Ross: If it isn't being used, why should it remain in the budget. This results in an inflated budget. If they need the money for a fence, even if it is \$10,000, they should request it.

Vote 5:4 Motion carried

C. Soucie asked where to make the reduction.

The Council stated it should be up to Department heads.

Historical Society

G. Longfellow motioned for \$1000. Seconded by M. Pischetola.

G. Longfellow stated that the money was to do photographics. The Historical Society is trying to get to a point where they don't need any town support.

Vote 7:2 Motion carried

Hooksettites

D. Ross motioned for \$3500. Seconded by J. Gorton

Vote unanimously in favor

Budget Committee

D. Ross motioned for \$4191. Seconded by P. Loiselle

Vote unanimously in favor

Conservation Committee

G. Longfellow asked about the secretarial services. It appears high for 12 meeting per year.

J. Pinard: We cut it and there are minutes as well as correspondence. There have been some non-public meetings as well.

C. Soucie stated as of November 30, 2008, \$1330 has been expended on secretarial services.

P. Loiselle motioned reduce by \$1500.00 for Secretarial Services. Seconded by M. Pischetola. (Budget recommended 5870)

N. VanScoy highlighted that they have remained within their budget and therefore does not support this reduction.

Vote 4: 5 motion failed

C. Granfield recommends a reduction of \$1500.00 with a flag on those items.

Emergency Management – Al Dionne

A. Dionne: I would like to add postage because we are doing a lot more mailings.

I worked hard on the rest to keep it low. There were cuts made to Homeland Security training. I'd like to see that back up to \$5000. Education and Seminar is \$500. These are in state seminars.

Equipment is to update the EOC and keep it up to date. There are changes at the State that we need to keep up with.

P. Rueppel: Does Washington mandate a lot of the stuff.

A. Dionne: Yes

M. Pischetola: Are you mandated to attend any training?

A. Dionne: The State is looking at doing the training in State.

G. Longfellow motioned for \$25,721.00. Seconded by D. Ross.

Vote unanimously in favor

Building- Peter Rowell

P. Rowell: The Building Department brings money into the Town. We put together a thrifty budget.

- New equipment line - a rolling plan storage rack, 4 chairs and a table for the meeting room in the office. I would like to increase \$875.00 by \$300 to cover those items.
- General operating expense – we need to add \$1000 IBC code Books. (\$485 per set, 2 sets)

J. Gorton: There has been a lot of discussion on ZBA and we are relying on the services of town engineer. If the town engineer represents the town, where will that money come from? In the past, there have been instances where it would have been helpful to have an engineer present. The money needs to come from somewhere.

P. Rowell: The ZBA has the power to hire a consulting engineer on any project. They have, in one case requested an applicant to come up with money to hire a consultant. In most cases, the cost is passed along to the applicant.

P. Rueppel: Carol mentioned looking at banks for used furniture. We could call Bruce Kudrick who had a consignment shop or the prison. The college is another avenue.

P. Loiselle: Why was the General Operating Expense line overspent in 2007-2008?

C. Soucie: That was because of ZBA expenses, which were pulled out to view true costs.

**B. Gahara motioned for \$159,491. Seconded by G. Longfellow.
Vote 8:1 motion carried.**

Family Services

C. Granfield: Additional hours were requested but not recommended. We will utilize other staff.

J. Buzzell: The Town Welfare line increased by \$10,000 for \$150,000 for the year. Last year I obtained \$16,000 from the Salvation Army. I will again try and get funding. I'm spending 14,000 per month on general assistance. I'm seeing more clients that have been laid off from professional jobs. These are first time clients.

P. Loiselle: It appears that you will need at least \$160,000.

P. Rueppel: Since the motel closed, have the requests decreased?

J. Buzzell: Yes, some, but homeowners have increased.

C. Granfield: Regardless, if you increase it or not, the town is still obligated to fund this service.

G. Longfellow: Having done the welfare in the past, this is one bill that has to be paid. It is going to be over \$140,000. We either budget in here or take it from another line next year.

M. Pischetola: The total requested is too low for you?

J. Buzzell: The welfare needs to be \$160,000. I'm also seeking assistance from charities. The wages are based on 40 hours for 49 week per year.

C. Soucie: She is not a full time employee. You can't add hours without adding benefits. Last year, it was budgeted at 40 hours but she didn't work 40 hours. If you go to 40 hours, you will need to add benefits.

M. Pischetola stated we should reduce to 32 hours per week and increase the welfare.

D. Ross motioned for \$203,571. Seconded by G. Longfellow.

5:4 motion carried

Tax Collector – Leslie Nepveu

L. Nepveu: We presented the minimum. and we are below the 2.5% increase.

D. Dickson: Collections?

L. Nepveu: The first half was above normal but that was an error. We are still getting the second mailing.

B. Gahara motioned \$237,428. Seconded by G. Longfellow.

M. Pischetola: Are you mandated to do training?

L. Nepveu: I am not mandated to attend but you are mandated to pay. I have not attended because it is very expensive. The law says you must pay fees.

C. Granfield: There are meetings held at LGC, which she does attend.

Vote unanimously in favor

Please look at the election budget under Administration.

Now that we have added benefits to each department, there is a policy that departments don't spend money if they don't need the benefits. This puts small departments in a difficult position.

D. Dickson asked for an email on the tax collections once they are received.

Election Budget

L. Nepveu: At the last election, I showed all Councilors the old booths which are mildew and decrepit. I'm trying to turn them over in a few years.

Community Development, CIP – J. Duffy

The budget is \$486. higher than last year's budget. Professional services are used each year. This year we included the Route 3A access management to do rezoning on 3A.

We have the Village Overlay District Project. In the Economic Development, we have a guidebook proposed and a Site binder. I have left over money from CTAP which is the Route 3 widening project. I'm holding off to see how much money is available in the bottom line before deciding on the use.

I have \$5000 for general engineering, which were encumbered from last year's budget, and being used for the Beauchesne project. I think a town of this size needs to budget for engineering. Typically the applicant pays for engineering, but in cases like the Beauchesne, the town needs to pay a share. I put \$5000. in the budget, which is reasonable.

C. Granfield: We have funds for coverage due to changes.

P. Rueppel: When we had emergencies this year, like the repairs at Benton and the library and Beauchesne, fortunately two developers helped us but where is our \$3200. coming from?

C. Granfield: It is in Community Development.

P. Rueppel: We need a rain day or contingency fund.

C. Soucie: You can set up a capital reserve for specific cases like road improvements.

D. Jodoin: You have a capital reserve for building maintenance. You can put up a reserve for roads.

C. Soucie: You can have a line in the Administrator's budget.

P. Loiselle: We need money to be proactive with building maintenance.

B. Gahara motioned for \$216,521. Seconded by D. Ross.

P. Rueppel motioned to amend \$221,521 (add \$5000 for engineering). Seconded by M. Pischetola.

G. Longfellow: We set up a 2.5% maximum and every time we add, we are increasing the bottom line. There is GIS maintenance and only \$700 was spent in 2007 and \$1600 was spent in 2007.

D. Ross: The new equipment line stands out, the training line stands out, and the telephone stands out. There are places in this budget where they can find money.

J. Duffy: We already have \$5000 in this budget for engineering and I recommend the town look at \$5000 for general engineering.

We had a contract with CDM for GIS maintenance for \$2400 per year. They never charged us so we had it for free. We now have signed a new contract and they are updating the page and there will be a bill for \$2500/year. The conversion of tax maps, every time they are updated, the GIS will be updated as well.

P. Loiselle asked about the travel expense.

J. Duffy stated that there is new policy for issuing stipends for board members so all members haven't been paid. The policy for paying taxes is new and they won't get paid until that paperwork is complete.

C. Soucie: It is an IRS requirement that has never been followed in the past. The IRS says if you travel within your home and they are volunteers, you must pay taxes on that commuting stipend.

**Vote on Amendment
1:8 motion failed**

**Vote on original motion
Vote unanimously in favor**

Economic Development's original request was \$21,000. We could use the CTAP money but we must prioritize.

CIP

J. Duffy: The Master Plan Capital Reserve Fund. We requested \$10,000 for the upgrade of the Master Plan, which will be 5 years old when this budget is in effect. The State recommends updating every 7-8 years. We are going to update the Economic Development section of the Master Plan based on the SNHP work done. We want to put in \$10,000 per year. The Traffic Wide study is \$34,000 each year. The first phase is complete in draft form and should be received in the next few weeks. We are collecting roadway impact fees in three sectors. The money can only be held for 6 years. We are putting together a plan with Dale and Stantec to highlight which intersections need improvement so when Dale makes the project list, he will know which intersections he can use impact fees. We gave the State impact fees for Goonan Road from the Wal-Mart project. Even though we collect impact fees, the town must pay their share. There still needs to be town money as well.

P. Rueppel: I suggest we keep an eye on those impact fees.

J. Duffy: A deal was made with Wal-Mart and Lowes attorneys to keep those impact fees for 10 years.

C. Soucie: Historically, the CIP has been on a warrant article. I suggest you listen to all the presentation and then go back and see how to fund the CIP whether it is in the budget or on a warrant article.

G. Longfellow motioned to approve two community Development CIP requests. Seconded by B. Gahara. (34,000 and 10,000 for Master Plan and roadway study)

P. Loiselle is there money in the capital reserve for the Master Plan?

J. Duffy: Nothing, it fails at the vote every year.

N. VanScoy: I think we need to look at the whole CIP at one time to decide on funding.

D. Dickson: I would like to see the tax impact at a later time.

Vote 3:6 motion failed

CIP will be reviewed at a later date

Solid Waste, CIP – D. Boyce

The only increase in the budget is fuel. I had increased the tipping fees but David Jodoin cut them back. Tipping Fees is the only item we can discuss. I return money to the town. This coming year, I don't know if we will return money. We are getting busy again.

G. Longfellow motion for \$1,187,299. Seconded by P. Rueppel. Vote unanimously in favor

CIP – None. The automated truck was not approved by the CIP.

Library, Warrant Article – Mary Farwell, Heather Shumway, Barbara Davis

M. Farwell: Heather Shumway brought the budget in under 2.5%. Circulation is at 158,000 items. It is very busy and as the economy has gotten worse, people are utilizing the Internet and the videos and magazines. The wage line is the same, Office supplies has an increase and is typically overspent. There is a modest increase in the book budget.

Remote access databases - These are at the library and at home. They include novelist, federal test and SAT test, and encyclopedias. Utilities were cut modestly. A new initiative is the Smart Start Program and we have put in motion detectors. PSNH loans the money and you pay back through your bill. There is a 4-6 year payback period.

D. Ross: Do you keep logs on the Smart Start savings? Fluorescent doesn't usually save money. Have you realized savings on the air conditioning units?

M. Farwell: We haven't seen the level of decreased promised by the consulting engineer. We have not however seen the increases that some other departments have seen.

G. Longfellow: I did a comparison on the utilities over 8 years and the numbers are all over the place. Books and materials, over the past 6-7 years, you have overspent that line \$39,000. How can you be 25% off on your projections for spending? I understand you are giving out 3% wage increases, which is more than anyone else is getting.

M. Farwell: That was a warrant article. You are referring to a growth request and that is not raises.

G. Longfellow: I understand we need to grow, but that is a lot of growth.

H. Shumway: Our circulation has doubled. When your demand goes up, you must increase your supply. When we had extra, we tried to answer that demand.

G. Longfellow: You have had that extra money in past budget. I would like to reduce health insurance by \$600.

G. Longfellow motioned to reduce the library budget \$600.00. Seconded by P. Loiselle.

P. Loiselle: The maintenance is \$9800. The maintenance has been high due to the heating and HVAC. Sounds like the issue isn't resolved.

M. Farwell: There appears to be more savings than what we've seen.

P. Loiselle: For what we've spent, we should have a Cadillac system.

H. Shumway: It is operating but not as we were told by the engineering firm.

P. Loiselle: Have you gone back to the engineering firm?

M. Farwell: We have argued between the engineer and the installer.

P. Loiselle: Is the maintenance line adequate?

M. Farwell: Yes, it includes our computer consultant, printer maintenance, shoveling the roof and repairing the roof. We are still working on storage room issues, which are not in that number. I thought the town was going to deal with the repairs under Town Building repair budget.

P. Rueppel: How much is the ductwork?

M. Farwell: About \$7000 – \$9000 and the drywall will need to be fixed in the spring. The total figure is unknown.

M. Pischetola: Your budget is over the 2.5%.

M. Farwell: We are requesting an increase of 10 hours for our secretary. That is an increase from 8 to 18 hours.

H. Shumway: I have a secretary functioning as an administrative assistant who orders supplies, calls vendors, budget reports, bill paying and filing, circulation report, gathering program evaluation report, bank runs once a week and assisting me so I have time to do the high level tasks I was hired to do. She is doing a small part of what is needed.

Vote 5:4 motion carried

M. Pischetola motioned to decrease \$7838 for bottom line 452847. Seconded by J. Gorton.

M. Pischetola that would keep them at 2.5% increase.

N. VanScoy: The actual 2.5% would be \$453,617. If this gets cut, would you cut some other place and keep the hours?

H. Shumway: We don't have any other place to cut.

N. VanScoy: The line that had my attention was concerning the line for books and materials. We are spending lower dollars than equivalent libraries. This is represented in the graph.

M. Farwell: On the bottom of the sheet, the Council approved the balance of our pay equity study, which was not realized because of the default budget. \$20,000 of the \$37,000 was approved 2 years ago and we received that. The Council approved the balance last year but we didn't get it due to the default budget. Our employees are paid considerably less than other departments. We are doing more and paying less than surrounding comparable towns. We will need to address that.

N. VanScoy: Please discuss programs and services.

H. Shumway: That is for museum passes, which we purchase (SEA Science, Planetarium). This is also Children, Teen and Adult programs, which we offer for free. (H&R Block) The teen programs, which we usually bring food to attract them. The Easter egg hunt and Santa program. Equipment includes copier lease, printers, laminators, and shelving units. Technology will be discussed on the 28th. The plan is to replace two aging staff computers and three public computers. If you keep delaying each year, it will get behind.

N. VanScoy: Have you looked into grants. It would be nice to cover the cost for the assistant with grants.

H. Shumway: I have never seen grants for operations and staff.

P. Rueppel: I would like the Council to think about this. The Library is driven by a poor economy. I will not vote for those cuts. They have brought teens in to take them off the street.

M. Pischetola: Other departments are impacted by the economy as well. Fire, police, etc. We had a 2.5% increase agreement and we need to be consistent with that.

P. Rueppel: Is the Library allowed to set up a program to collect donations?

M. Farwell: We have had donation trees to get supplies and we have memorial donations. An estate would be great but that is a long-term plan.

***Vote – \$452,857 bottom line
5:4 motion carried***

Warrant Article – Personnel

\$31,954 for salary for a full time children's librarian. We need this for 2009-2010. Vicki works 20 hours per week with 85, 3-5 year olds. 73% of cardholders are adults. The materials are moving in the kid's room, but we are not serving as we should. I was shocked when I came and there was not a full time children's librarian.

This is for \$62,000 including benefits
This is for 6 months only.

Highway, Parks & Recreation, CIP

C. Granfield – reduction include the mower, and fuel.

D. Hemeon: It was almost impossible to get below 2.5% due to the cost of fuel and salt. We always budget for 15 storms and get 30 every year. The fuel did come down. We brought the storms from 30 to 25 and maybe we'll get lucky. We get called in a lot in February and March for ice due to warm days and cold nights. Our budget went up because of the number of storms, which brought us up over the 2.5% number.

D. Hemeon: We have a lot of dead zones. We would like to go to push to talk. It works and it's pricy. We could eliminate radios in the trucks down the road. It is an initial hit. It is Verizon's version. We went to areas in the town where there are dead zones and it works.

D. Jodoin: I made cuts in other budgets in order to get the paving budget needed. That is why this came in higher than others. It was 10% over.

B. Gahara: We need to start addressing the roads that need to be done.

D. Hemeon: We didn't do any paving last year.

G. Longfellow: There are 19 cell phones. Does everyone have one?

J. Pinard: If we go to push to talk, they will all have a push to talk when they are in the truck.

P. Loiselle: \$13,000 is a one-time charge for phones?

J. Pinard: The equipment is free. That is the monthly charge. That comes with a GPS. We can monitor where they are. You can take that option out, and reduce cost.

D. Dickson: With this system, pagers go away.

P. Loiselle motioned for \$1,660,790 motioned. Seconded by P. Rueppel

G. Longfellow stated the reduction in health and fuel needs to be taken from that number.

C. Soucie: In the department request is still the 15% for health and \$30,000 for fuel.

B. Gahara: If we leave that extra in the bottom line, Dale can use that money for paving.

N. VanScoy: The cell phones are \$950 per month. That is a lot in months that we don't use it. Can we see if we can get a 6-month plan and suspend use in the summer?

J. Pinard will look into those options.

N. VanScoy: The GPS, does that come with training and a computer program?

J. Pinard: I think that is a valuable option. I can also make a copy of what was sent to us for options and get it to the Council.

D. Ross: They do make fleet tracking systems. In trying to get a budget that will pass, we are using our roads more. My concern is a half a loaf is better than none. If we go too high, we will get another default. I would like to see it at 1.58, somewhere in the middle. The fuel, we know is in a downward trend. The increase in that line won't be realized.

D. Hemeon: Asphalt is 77.00 per ton. I didn't spend any paving because of fuel cost this year. At the end of the year, if there is money, I will try and encumber funds.

G. Longfellow: If we take out the savings for fuel and benefits (1652550) it keeps everything straight. This is directed to Paul who is worried about the paving line.

***P. Loiselle changed his motion to \$1,652,550. Seconded by P. Rueppel.
Vote 7:2 motion carried***

P. Loiselle: Do we maintain other town vehicles?

D. Hemeon: We do all but police. Fire we do all but the pump work.

P. Loiselle: Our mechanics weren't police certified to work on a police department vehicle.

Chief Agrafiotis: Oil filters are a small part of the maintenance. There weren't emergency vehicle certified technicians. Two years ago we were at a cut off point. If the highway was going to maintain the vehicles, we needed to invest in staff and training. If not, we would take the vehicles to a place where they have the certifications. They must be maintained to the vehicle specs. Our liability is huge. We can send the vehicles to Dale, but you will need to look at increasing staff and training for Dale.

D. Hemeon: I personally think if the town was going to do that, and added a third mechanic that was police and fire certified, there would be a cost savings

Park & Rec

With the cut made by Carol Granfield for the mower and the reduction in fuel, it is below the 2.5%

***B. Gahara motioned for \$539,285. Seconded by M. Pischetola
Vote unanimously in favor.***

CIP –

There are a number of 1997 and 1998 vehicles. The request is for 3 vehicles. A pick up truck and a one-ton would be taken off the fleet. One is for a plow truck. Trucks will be going up after next year due to the emission controls. The new trucks have CompuServe, which regulates the salt distribution and will result in a savings in salt.

G. Longfellow: The CIP will add 5% on top of the 2.5 percent. This will result in an 8% increase. There is a possibility that we could save \$140,000 if we took the \$64,000 out of the contingency fund for the bridge repair.

C. Soucie: The Planning Board's recommendation was not to lease

N. VanScoy: I could only match the 3 vehicles with 2 being replaced. The one-ton?

D. Hemeon: You can pick any of the trucks to be replaced. We have a 1995 or 1998. We run trucks until they don't run anymore.

D. Hemeon: I brought to the Council the need to replace the bridge at Martin's Ferry. I put in for \$60,000 and the CIP wanted an extra \$4,000. We are on the State Bridge Replacement Plan.

D. Ross: Is all of Martins Ferry a town road?

D. Hemeon: Part of the side belongs to the college and Cynthia Sullivan owns a small part. We could buy that piece and it would be a benefit to the town. It would allow us to take some of the bend out of the road.

D. Ross: My concern is doing this work and then in 6-7 years having to do it all again.

P. Loiselle: We could, in the future, have that \$30,000 come out of a contingency budget rather than paving.

Fire, CIP –

Chief Williams: The budget was an increase of 2.2%. Cuts made by Administration were in fuel and insurance. Increases were in fuel, medical supplies due to demand, maintenance and repair of cylinders due this year.

B. Gahara motioned \$3,076,784. Seconded by D. Ross.

N. VanScoy stated they did a good job at 2.2% increase.

Vote unanimously in favor

Forest Fire

Harold Murray: This looks like a large change but it due to a shift from Fire to Forest. \$37,174 requested reduced to \$35,000.

N. VanScoy motioned for \$37,174. J. Gorton Seconded.

P. Rueppel: Ambulance?

Chief Williams: We are now running as a back up. It is working well and we are receiving revenue. It will be the Council's decision to move forward with a full time ambulance. We went from nothing to a transporting service. It is now a licensed State of NH ambulance. We should give Tri-Town at least a year's notice.

N. VanScoy: Is there anything in CIP?

H. Murray: We have a vehicle in the 2012 CIP.

Vote unanimously in favor

CIP –

M. Williams: The request is for SAP fund that's has been established for 4-5. There is \$68,000 in that account now. We don't expect to turn over until 2020.

Engine #1 – 1985 Class A Pumper. It was on the replacement plan for 2 years and has been bumped back. It is getting hard to find replacement parts and it is getting worn. We want that replaced. The Lease numbers run by finance for a 7-year lease was \$58,380. The CIP Committee recommended not leasing. They removed it from the CIP plan with the hope that Council would purchase it out right.

Boat #1 was put in for next year. It isn't practical for rescues.

\$10,000 for Fire Cistern fund. This was established last year and I would recommend for one more year. Once we have 25-30,000 in that account, it can be eliminated.

D. Ross: Why did CIP not fund the Air packs?

C. Soucie: CIP wanted it deferred and funded higher over the next few years. Planning put it back in because they felt it was a safety item.

P. Loiselle asked about the future station on Route 3A.

Chief Williams: We are waiting to determine what Arleigh Green will donate.

A letter is to be sent on behalf of the Council to request Arleigh Green to come before the Council.

Police, CIP

C. Granfield – The fuel reduction is \$10,000 and insurance is \$12,000. There may be some shifts in cost for building maintenance. We will meet later to identify which items are security items and which are building items.

Police Commission: We set a goal of \$80,000 maximum increase and resulted in 2.27%.

Chief Agrafiotis: Note in the handout the number of motor vehicle stops. The officers on the road help to keep the issues at a minimum. This keeps our crime rate stable. Total projection of mileage is less. By having more officers, you have them placed more strategically and reduce the chance of accident and reduce the mileage.

With the 2.5% goal including fuel and utilities, we came in at 2.27 and that will be reduced with Carol's reduction. From Christine's numbers, it shows the benefits. Notice that in the benefits line there is substantial increase. These are out of our control. I reviewed the sub category with my staff to cut or increase as needed. In the wages, there are contractual issues. Benefits increased and fuel increased but will be reduced. State Police tele-communication went down. Selection process came down. It is still difficult to find good applicants; we are getting increase in applicants. That is why there is a reduction.

Training was cut a little.

Vehicles – in the past years, we usually get 3 replacement vehicles per year. We have also gone from 100 – 120 miles per cruiser; we now keep vehicles to 140 miles. Keeping in mind the 2.5% goal, we request only 1 vehicle. This is a savings in this year but next year we will go back to 3. We will absorb a hit on maintenance this year. We have union negotiations scheduled. Those negotiations will start in the fall. Legal for police remains high. That is to do with personnel issues and legal advise for the Police Commission or the chief for personnel issues. An example is we had an officer arrested last year. We use legal to insure we are handling this appropriately.

P. Loiselle motioned for \$4,192,07. Seconded by B. Gahara.

G. Longfellow motioned to reduce the fuel \$16,800 and insurance \$27,224 for a total of \$10,424.

M. Pischetola: What is miscellaneous dollars?

Chief Agrafiotis: It is whatever doesn't fit in other categories. It is listed on the last page of the budget.

G. Longfellow: In the communication part of the budget, after going back 7-8 years, there is something wrong with paying time and half for limited hours.

G. Longfellow: This budget is higher than 2.27%.

Chief Agrafiotis: The goal was 2.5% with fuel and utilities not counting the benefits. You didn't include benefits.

D. Ross: They would need to be \$63,000 lower to get to 2.5%.

C. Soucie: With a 3% wage increase in their contract, it might not be fair to hold them to 2.5%.

P. Loiselle: To bring this to 2.5% there is a need to remove \$63,000?

M. Pischetola: Because he has 3% required wage increase, he is taking a bigger hit.

Chief Agrafiotis: We are authorized 28 officers and we have 27 today.

C. Soucie: The current presented budget is 2.75%.

G. Longfellow amend to reduce the communication wage budget by 25,000 for new bottom line \$4,139,849.

Chief: We have 2 officer vacancies and 1 officer on leave.

N. VanScoy: Chief Agrafiotis commented that there was left over money because there isn't staffing at minimal staffing and is that why George is saying the communications can be reduced? There are times when we put detectives on the road to fill vacancies. We've had discussion with issues at the safety center and the sign and these are items that the police had extra money, they offered to do that.

Chief: We always budget for full staff but we can't control what happens with staffing.

N. VanScoy: The Council discussed not using benefit money for anything other than benefits. Does that include retirement?

Chief Agrafiotis: Yes. We are working with Bart Mayer to draft a letter to the Council to state we will not use that money for anything however it could be used in the case of an emergency.

P. Loiselle: What is the default position for the police?

Chief Agrafiotis: I believe it is higher than what we brought in this morning. If we go default, our budget will be higher.

J. Gorton: If we took all the wages and benefit and added the 3% and keep all the rest of the budget at 2.5%, would everyone be happy.

Chief Agrafiotis: We presented a 2.27% increase and then minus the fuel difference, it would be even less.

P. Loiselle: The only reduction possible is 28 officers instead of 29 officers.

\$4,139,849

Vote 5:4 motion carried

CIP

The CIP Committee recommended \$10,000 and the Planning Board recommended \$10,000. That is for the towers and the communications. This is software and if we need another repeater site. This is money for the future.

P. Rueppel: What year did the town vote in the 29th officer?

Chief Agrafiotis read from the January 29, 2003 workshop meeting, which place this on a warrant article. It then passed in May of 2003 as a warrant article.

Henry Roy: When you put out the Council newsletter, could you put a simple explanation on the default budget. We have situation where it is going up.

Chief Agrafiotis: There should also be an explanation on the change in the benefits so citizens understand the increase is the movement from Administration to Departments with the benefits.

Sewer – Not present

Administration

C. Granfield: Reviewing Association costs and looking at what towns are funding. \$2500 in new equipment is for workstations. We have already ordered some that have been received.

M. Pischetola: I'm concerned with the printer for the personnel department.

C. Granfield: We changed salaries, I propose eliminating the permanent Floater position, which hasn't been used as a floater and put in 12.00 – 15.00 part time to replace the permanent with benefits and shifted the funds to the town buildings which increases the maintenance position to full time. We also put the insurance reductions in. We have computer consultant for support being done by a company. We need a plan for the replacement and repair. The property liability is only going up 5%. We reduced the spiking cost on benefits and there is legislation being looked at to reduce from \$73,000 to \$20,000. Ambulance went up slightly. The SNHP and LGC dues went up. The balance was level funded except for a slight increase in the Red Cross.

G. Longfellow recommended reducing the volunteer dinner line to \$1.00.

J. Gorton: I have a question on hydrant rental?

C. Soucie: We rent 151 from Manchester Water, 136 from Central Water, and 134 from Village Water.

C. Granfield: The Economic Development Committee is doing a great job. It is not reduced because of the proposal. The Economic Development will be covered by Community Development funds. The \$10,000 for the booklet is a little high. Legal is \$50,000 and last year there were sizable cost so this year \$50,000 should cover the needs. Another savings is to utilize the LGC for advice.

**B. Gahara motioned for \$1,190,6866. Seconded by J. Gorton.
Vote unanimously in favor**

Assessing

Previous council meeting you agreed to an Assessor contract. Training is similar to the past and includes the Vision Software support.

**G. Longfellow motioned \$179,459. P. Loiselle seconded.
Vote unanimously in favor**

Finance

C. Soucie: The only change is we have a new requirement for post retirement benefits and it is estimated to cost \$2000-\$4000 every two years.

B. Gahara motioned for \$182,626. Seconded by G. Longfellow.

The health insurance line changed because two employees changed plans.

N. VanScoy: It is over 2.5%.

G. Longfellow: The phone?

C. Soucie: There were several months that the phone was not split by department and was under Administration. When we moved to this building, the charges were going to Administration.

Vote unanimously in favor

Town Buildings

C. Granfield: We are going to be meeting with various departments to get a better handle on the needs for maintenance repair cost. This should be increasing this budget and decreasing the Police Chief's budget after I sit down with him. This is where I shifted and increased the maintenance position to full time. That position will report to highway/public works and will maintain the buildings. This budget will change.

B. Gahara motioned to table Town Buildings

Capital Improvement Program

CIP

Town Wide Computer Development Fund \$10,000 with a balance of \$4000.

Town Building Maintenance Fund with a balance of \$86,000.

You can transfer surplus funds to those accounts and that would have to be placed on a warrant article.

Chief Williams: We are trying to get a replacement plan for computer development. That computer alone is \$6000. We want to get at least one.

Assessing Reval, which is on going.

C. Soucie: Do you want to see all these as warrant articles. We usually have 2 vehicles in our operating budget. If we don't move two vehicles, it will keep the operating budget as presented. Do you want to see these all as individual warrants or move to capital purchases in the operating budget?

If it isn't in the operating budget, it is no longer in your default budget.

D. Jodoin: If you default, at least you will have two.

C. Soucie: The balance will be warrant articles. Do you prefer leasing or purchase, Engine #1. I don't think you will get \$350,000 passed. You could put \$100,000 in a reserve fund then you are not leasing. I will prepare an article for a 7-year lease.

G. Longfellow: I'm not comfortable bucking the CIP and the Planning Board and we don't know what the Budget Committee will do.

G. Longfellow: I want to see Martin's Ferry come from surplus. The dump truck could be cut down.

C. Soucie: In surplus, we should have 5% per DRA. We have \$2,097,297. The danger if you use these funds is you will go below the recommended amount of 5%.

D. Dickson: That Surplus number will increase in 2009.

C. Soucie: That will also reduce the number you use to reduce the tax rate.

J. Gorton: If Engine #1 died today, what would be the impact?

Chief Williams: We would have no back up engine at the central station. It does get used. In the past month, it has pumped 2 – 3 fires.

The fire truck should be prepared as a lease.

P. Rueppel: Who does the negotiation on the leases?

C. Soucie: I did the past one. I did the 3 bids and we got 4.05%, which was lower than all our other leases. I will do at least 3 bids.

Capital Leases

B. Gahara motioned for \$159,233. Seconded by J. Gorton.

P. Loiselle: Is it conceivable to renegotiate interest rates?

C. Soucie: The sweeper only has a year left. The pumper trucks have 2 years and are at 4.5%. I can look into it. These leases – they are not our vehicles until the end of the of the lease

Vote unanimously in favor

Capital Purchases

C. Soucie: Move two highway request to the capital purchase line. Highway #10 and #11 for about \$100,000.

Tabled

Debt Service

B. Gahara motioned for \$418,936. Seconded by D. Ross.

Vote unanimously in favor

Warrant Articles

C. Soucie: Proposed Warrant Articles

None union wage increases –

P. Loiselle motioned for 2.5%. Seconded by P. Rueppel.

M. Pischetola: The police got 3%.

D. Dickson: This is a merit so some will be higher and some will be lower based on performance.

D. Ross: We did increase their wages across the board. I'm willing to go 2.5%.

Vote 5:4 motion carried

The Fire Warrant Article is being prepared.

Full time maintenance is in the operating budget.

Library is to add the children's librarian to full time for \$31,000

Deliberation

Al Dionne – The declaration for the ice storm has been signed.

Assistance to individual homeowners. They want us to go to each household and if they had damage, they need to call the office with an estimate to be submitted to Washington. I would

request that the Councilors speak to their constituents. There is a rumor that the government will reimburse for generators. That is not true.

An article will be placed in the Banner.

Adjournment

The Chairman adjourned the meeting at 3:00 pm.

Respectfully submitted,

Lee Ann Moynihan