

TOWN OF ALLENSTOWN
Budget Committee
16 School Street
Allenstown, New Hampshire 03275

Minutes of Regular Meeting
October 13, 2011

Present at the meeting: Lisa Komm, David Coolidge, Carol Merrill, Jon Richardson, Larry Anderson, Don Chaput, Penny Touchette, and Carl Caporale

Others present: Jason Tardiff, Select Board Ex officio; Paul Apple, Town Administrator; Ron Pellissier, Road Agent; Robert Martin, Fire Chief; Moe Paquette, Lieutenant

Late arrival: Tom Irzyk

Absent from meeting: Jerry McKenney (excused); Fern Bissonnette (excused); Mike Frascinella (unexcused); Richard Caruso (unexcused)

Ms. Touchette opened the meeting at 6:16 p.m.

Minutes.

Ms. Touchette began with approval of the Minutes from the September 29, 2011 Budget Committee meeting. Mr. Richardson pointed out a mistake in the Minutes section, which stated that he had seconded the Motion to accept the Minutes of the September 8, 2011 Budget Committee meeting as written. He said he had actually abstained from that vote due to the fact that he was not in attendance at the September 8 meeting.

Ms. Touchette said she would have to listen to the audio from the September 8 meeting to determine who had actually seconded the Motion. Until the correct information was obtained and the Minutes corrected, they would need to table their approval.

Mr. Chaput made a Motion to table approval of the September 29 Minutes. Mrs. Merrill seconded the Motion. All were in favor, and the Motion passed.

Update on Sewer Commission.

Ms. Touchette reflected on the committee's decision at the last meeting to invite the Sewer Commission to attend the next Budget Committee meeting (which would have been this meeting) to discuss the decision to level-fund the budget. She said she had e-mailed both Dana Clement and Andrea Martel, and received a response via e-mail which stated that they were not available to attend and that they would only update the Budget Committee via e-mail. She had again contacted Mr. Clement to let him know that she was aware that he

was not finished with his budget and that was fine but that he really needed to attend the meeting, he stated that if he wasn't clear in his first email and that they *would not be there*.

In light of their refusal to meet with the Budget Committee, Ms. Touchette had drafted a letter to the Sewer Commission to inform them of the Budget Committee's vote to require that all departments' proposed 2012 Bottom Lines fall at or below their 2012 Default Budget. Furthermore, all departments are to remove any and all wage increases from their 2012 Proposed Operating Budgets.

The letter then addressed the Sewer Department's traditional aloof separatism from Allentown's other departments. The Budget Committee had resolutely determined that the Sewer Budget should be prepared per their guidelines, too; it is the only way to be fair. ****See copy of letter (attached)****

Ms. Touchette provided Budget Committee members with copies, and they took a few minutes to read them through. The committee was unified in their support of delivering the letter as written and without delay.

Ms. Touchette made a Motion to require the Sewer Department to be at or below default budget and to remove all wage increases from budget. Mr. Anderson seconded the Motion. All were in favor, with the exception of Mr. Tardiff, who abstained; and the Motion passed.

Review and Consider Approval of Proposed 2012 Budgets.

Mr. Apple took a moment to state that in the 2 weeks since he was last with the Budget Committee, he and the Department Heads had been working very hard to produce budgets following the Budget Committee's guidelines. He informed the committee that all departments been successful in meeting the new mandate.

--Executive:

The good news from Mr. Apple was that the Executive Budget had come in at \$484.00 below default. This was due to some minor adjustments to the Default Budget, totalling \$12,399.00, as well as significant cuts in spending. The spending cuts were taken from Operations, in the amount of \$102,001.00; and the removal of the 1% wage increase came to \$25,048.00. The total reduction amount came to \$127,049.00.

Mr. Apple outlined the changes to the Default Budget for 2012, beginning with a mandatory DRA computer upgrade for the Assessing Department, which was taken as a mandate, deeming it protectable in the default.

The Select Board had signed a contract with CNHRPC to prepare the Master Plan, however the cost had inadvertently not been added into the Planning Default Budget.

There had been a typographical error in the General Government Buildings budget in the amount of \$550.00.

The Fire Department's Dispatch line was actually \$221.00 less when the final

numbers came in.

As for changes made to the Operating Budget, he explained that the Advertising & Regional Associations line had increased last year, so it had to be reflected for 2012, with an increase of \$1,544.00.

About \$800.00 had been taken from the Assessing line in terms of Mapping as over the past 2 years, that line had not been spent down to anywhere near the amount budgeted. This, he said, was due to the poor economy; at any rate, the line total was cut back to a more reasonable amount.

In the Building Department, several small reductions were taken. The Equipment line and the Books & Periodicals line were reduced by \$150.00 and \$350.00, respectively.

As Allenstown does not currently have an active Conservation Commission, and it is not likely in the near future, that line was reduced by \$1,170.00.

Economic Development had their first ever appropriation last year, but none of it has been spent, so it was reduced by \$900.00.

Mr. Apple had discontinued his town-provided cell phone since he has his own, citing that two of them are really not necessary.

The vehicle mileage line, allotted for the Town vehicle, was cut by 25% to \$1,500.00.

The Web Design & Maintenance line was completely removed.

The Government Buildings Maintenance line was completely removed; however Mr. Apple noted that should a need arise; money could be taken from the \$3,000.00 that still remain in the Capital Reserve Fund.

The Leases were removed from the Highway budget, saving \$12,000.00. The vehicle being leased was a 1-ton truck.

A reduction was made to the Paving line of the Highway budget, which was cut back from \$75,000.00 to \$25,000.00. Mr. Apple explained that the town receives a Paving Block Grant from the state which, in the past, has been used for other things (deemed permissible by the state); it will now be used to supplement this line.

The Legal budget has seen a reduction of approximately \$25,000.00 for 2012. This was largely because of the efforts of Mr. Apple and Alicia _____, a licensed attorney who works for the Police Department, taking on a lot of the routine legal work rather than paying an outside attorney to do it.

A few minor reductions were made to the Old Allenstown Meetinghouse budget, totalling \$200.00.

Mr. Apple said he had made a reduction to the Library budget's Bottom Line, but had not yet attributed it to a particular line. He speculated that it may have to come from the Books line, though it begrudged him to do so.

The Planning budget saw a \$5,000.00 decrease from the Engineer line, leaving just \$3,000.00. These funds were allocated for a CNHRP representative to come in and tutor the Planning Board.

Another change in the Planning budget was made on the Consulting Services line, which was increased by \$1,200.00. The line's name was then changed to

'Master Plan' and the funds allocated for the cost of having the CNHRP prepare the Master Plan, as decided by the Select Board.

The Treasurer's Supplies line was decreased by \$50.00, leaving enough money to purchase their deposit books, with just pennies to spare.

The Zoning budget's Legal line was set at \$5,000.00 for 2011, from which nothing has yet been spent. For that reason, Mr. Apple had reduced the line by \$1,500.00 for 2012.

As he had previously indicated, the total of these reductions came to \$102,001.00. That, along with the withdrawal of the wage increases totalling \$25,000.00, came to \$127,049.00.

Mr. Apple then described his concerns. He noted that since the Sewer budget is included in the Town budget, if the Sewer Department were allowed anything more than \$484.00 above whatever their Default Budget ends up being, all of the work done over the previous 2 weeks by himself and the Department Heads would be for naught. He stressed that for that reason, discipline would be absolutely necessary in the budget process, and they could not step away from their intentions to stay at or below default. He opined that the budget would be completely defeated if they ended up above default. Furthermore, he predicted significant morale problems within the departments, should the Sewer Department scuttle the sacrifices of all the other departments.

Another concern was that unanticipated expenses could arise. This is especially troubling when making cuts that leave very little to no money to cover them. Mr. Apple gave an example of a crisis, such as a major breakdown of the Highway Department's packer, where a major service to residents, as well as the ability to transport solid waste to the Coop, would be an immediate problem with a huge expense attached. In such an event, an emergency meeting would be planned within as short a time as possible, and the options explored with the input of anyone and everyone who takes interest.

Finally, Mr. Apple brought to light the most important issue that he had foreseen. He said the budget would not likely return a significant surplus at the end of FY 2012. That was important because any surplus goes to the Unencumbered Fund balance at the DRA, which allows the town to buy back taxes when the tax rate is set. Between 7 and 17% of the Total Operating Revenue must be kept as a hedge. Currently, this fund is in good shape with a \$1,100,000.00 balance; that will cover this year and will likely take care of 2012, but if we don't return surplus and add to that, the balance will get down closer to the 7% mark. In that event, the town will not be able to buy back taxes, causing the tax rate to go up.

There was minimal discussion, as the Budget Committee had assured Mr. Apple that if he and the Department Heads made their own budget cuts and came up with Bottom Lines at or below default, they would approve their budgets without further scrutiny.

Mr. Anderson made a Motion to accept the 2012 Proposed Executive Budget in the amount of \$157,487.00. Mr. Caporale seconded the Motion. All were in favor, with the exception of Mr. Tardiff, who abstained, and the Motion passed.

--Elections & Registrations:

Mr. Anderson made a Motion to accept the 2012 Proposed Elections and Registrations budget in the amount of \$57,209.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff, who abstained, and the Motion passed.

At this point in the meeting, Tom Irzyk arrived.

--Finance:

Mr. Anderson made a Motion to accept the 2012 Proposed Finance budget in the amount of \$190,574.00. Mr. Caporale seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Legal:

Mr. Anderson made a Motion to accept the 2012 Proposed Legal budget in the amount of \$20,000.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Planning:

Mr. Anderson made a Motion to accept the 2012 Proposed Planning budget in the amount of \$21,901.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Zoning:

Mr. Anderson made a Motion to accept the 2012 Proposed Zoning budget in the amount of \$6,551.00. Mr. Caporale seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--General Government Buildings:

Mr. Anderson made a Motion to accept the 2012 Proposed General Government Buildings budget in the amount of \$24,750.00. Mr. Coolidge seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Cemetery:

Mr. Anderson made a Motion to accept the Proposed Cemetery budget in the amount of \$3.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Advertising & Registration:

Mr. Anderson made a Motion to accept the Proposed Advertising & Registration budget in the amount of \$6,828.00. Mr. Coolidge seconded the Motion. All were in favor, with the exception of Mrs. Merrill, Mr. Tardiff, and Mr. Irzyk, who abstained, and the Motion passed.

--Police Department:

Mr. Anderson made a Motion to accept the Proposed Police Department budget in the amount of \$843,868.00. Mr. Caporale seconded the Motion. All were in favor, with the exception of Mrs. Merrill, who opposed; and Mr. Tardiff and Mr. Irzyk, who abstained.

--Fire Department:

Mr. Anderson made a Motion to accept the Proposed Fire Department budget in the amount of \$306,560.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mrs. Merrill, who opposed; and Mr. Tardiff and Mr. Irzyk, who abstained.

--Building:

Mr. Anderson made a Motion to accept the Proposed Building budget in the amount of \$31,081.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Civil Defense:

Mr. Anderson made a Motion to accept the Proposed Civil Defense budget in the amount of \$41,000.00. Mr. Coolidge seconded the Motion. All were in favor, with the exception of Mrs. Merrill, who opposed; and Mr. Tardiff and Mr. Irzyk, who abstained.

--Forest Fire:

Mr. Anderson made a Motion to accept the Proposed Forest Fire budget in the amount of \$4,000.00. Mr. Coolidge seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Highway:

Mr. Anderson made a Motion to accept the Proposed Highway budget in the amount of \$387,174.00. Mr. Coolidge seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Streetlights:

Mr. Anderson made a Motion to accept the Proposed Streetlights budget in the amount of \$22,900.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Hydrants:

Mr. Caporale made a Motion to accept the Proposed Hydrants budget in the amount of \$11,544.00. Mr. Anderson seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Health/HA/ACO:

Mr. Anderson made a Motion to accept the Proposed Health/HA/ACO budget in the amount of \$46,512.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Welfare/WDA:

Mr. Anderson made a Motion to accept the Proposed Welfare/WDA budget in the amount of \$65,930.00. Mr. Richardson seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Library:

Mr. Anderson made a Motion to accept the Proposed Library budget in the amount of \$47,832.00. Mr. Coolidge seconded the Motion. All were in favor, with the exception of Mrs. Merrill and Mr. Caporale, who opposed; and Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Patriotic:

Mr. Anderson made a Motion to accept the Proposed Patriotic budget in the amount of \$2,351.00. Mr. Coolidge seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Conservation:

Mr. Anderson made a Motion to accept the Proposed Conservation budget in the amount of \$9.00. Mr. Caporale seconded the Motion. All were in favor, with the exception of Mrs. Merrill, who opposed; and Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Economic Development:

Mr. Anderson made a Motion to accept the Proposed Economic Development budget in the amount of \$150.00. Mr. Caporale seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Debt:

Mr. Anderson made a Motion to accept the Proposed Debt budget in the amount of \$86,256.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

--Capital Outlay:

Committee members briefly discussed the zero balance shown on the Capital Outlay line. They decided to move \$1.00 to it in order to keep the line open.

L. Anderson made a Motion to accept the Proposed Capital Outlay budget in the amount of \$1.00. Ms. Komm seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who abstained, and the Motion passed.

Review Sewer Commission Expenditures to-Date.

Budget Committee members spent several minutes reviewing a list of the Sewer Commission's expenditures thus far for 2011. Each line also displayed the total amount budgeted for that item for the entire year. Multiple lines stood out upon their review due to the fact that little or none of the funds had been spent with just 2 months of 2011 left.

Update on School Budget Preparations & Contract Negotiations.

The committee briefly discussed the School's budget with Mr. Irzyk, asking about their success thus far with trying to meet the Budget Committee's guidelines. Mr. Irzyk was also asked about the current standings in the contract negotiation process; however Mr. Irzyk was not at liberty to discuss anything at all in that realm as long as negotiations were still open.

Upcoming Budget Committee Meetings/Other Business.

Since the committee had managed to approve so many departments' budgets this evening and was already scheduled to hear from the Sewer Commission on November 17, they decided to make that their next meeting date. Also, Mr. Apple would bring the few remaining budgets to the November 17 meeting for the committee's approval.

Ms. Touchette made a Motion to schedule the next Budget Committee meeting for November 17, 2011 at 6:15 p.m. at the Fire Station to hear from the Sewer Department and for final numbers for the Town Administration. Mr. Caporale seconded the Motion. All were in favor, with the exception of Mr. Tardiff and Mr. Irzyk, who were opposed, and the Motion passed.

Adjournment.

Ms. Komm made a Motion to adjourn the meeting. Mr. Caporale seconded the Motion. All were in favor, and the meeting adjourned at 7:48 p.m.

Date approved: _____

Penny Touchette, Chair
Allenstown Municipal Budget Committee