

APPROVED

Budget Committee  
Meeting Minutes  
May 14, 2012

**Present:**

Mark Chevalier-Vice Chairman, Barbara Greenwood, Kerrin Rounds, Paul Manganiello, Jon Thouin, Ashley Dolloff, Ron Preble, David Carr, Jeff Shackett-Selectman

**Absent:**

Shaun Lagueux-Chairman, Dorcas Gordon, William Cote, Tom Keegan

**Others Present:**

Michael Capone-Town Administrator

**Call to Order:**

Vice Chairman Chevalier called the meeting to order at 7:00 p.m.

**Review of Minutes:**

Vice Chairman Chevalier asked the members to review the minutes of the meeting for April 9, 2012 for approval. Ron Preble motioned to accept the minutes as written, seconded by Selectman Shackett. Paul Manganiello inquired about changing the language of the minutes to clarify that the Committee had a more in-depth discussion than indicated. He requested the Committee consider the following change:

“Paul Manganiello questioned the procedure of appointing a replacement vs. selecting from those candidates that campaigned for a seat on the Budget Committee. Chairman Lagueux explained that members of the Budget Committee fill vacancies in the membership by appointment. Discussion continued with several current members stating that in fact they were appointed to the Committee in this manner. Mr. Manganiello then asked if former Budget Committee member Paul Simard was invited to attend tonight’s meeting and was advised that he was.”

Mr. Manganiello felt that this was an accurate representation of what was discussed. Selectman Shackett motioned to amend the minutes, Ms. Greenwood seconded the motion. After an additional review of the recommended change, the minutes passed with an all in favor vote. Town Administrator Capone will submit the changes to Acting Secretary Christina Goodwin to amend.

**Old Business:**

Vice Chairman Chevalier discussed the 2012/2013 proposed budget schedule. The Committee reviewed the information given. Mr. Carr commented that the local charities were given two (2) nights but we spend an hour on something the size of the Police and Fire Departments. Ms. Greenwood stated that there are many more charities that come in for requests for money that take a longer time to go through. Vice Chairman Chevalier stated that there did appear that there might be extra time in the schedule. Town Administrator Capone explained that the list of dates had been calculated based upon when Town Meeting was scheduled working backward to give the Committee some framework. Mr. Carr requested that Executive salaries and budgets should be discussed as one of the first items. Mrs. Dolloff suggested that the Board consider moving the November 19<sup>th</sup> meeting up to October 29<sup>th</sup> and also that it might be beneficial to add back one of the other Mondays in November. Mrs. Rounds suggested the extra night could be considered as a call back night for departments that they may need additional questions answered. The Committee agreed to move the November 19<sup>th</sup> meeting to October 29<sup>th</sup> eliminating the November 19<sup>th</sup> meeting, add a meeting on November 26<sup>th</sup> and remove the New Years Eve meeting. Town Administrator Capone will make those changes.

**New Business:**

Vice Chairman Chevalier pointed out that the Committee received an updated expense and revenue report. Town Administrator Capone advised the quick rule of thumb is that we are essentially four (4) months in and generally the numbers should be an average of 66.66%. The numbers vary but the bottom line number gives you an idea of where the Town is in relation to where the budget should be. He advised that some items are seasonal or contracted so some lines will be higher and some will be lower. In theory we should have collected about one-third of the revenues, but again some items are seasonal and not collected yet, so the numbers could be lower.

Mr. Thouin inquired under engineering services under Water/Sewer Department and Town Administrator Capone will verify the entry.

Mr. Carr inquired on the change in the budget by the Board. He thought that the Town Administrative fee (line 118 in Water and Sewer) was eliminated from the Water/Sewer budget. Town Administrator Capone advised that this did not get eliminated and that he was in ongoing discussions with the auditors and the Water and Sewer Department about what the fee should accurately represent.

Mr. Chevalier inquired on timing for the new health insurance cycle. Town Administrator Capone advised the new plan goes into effect in July. Mr. Carr inquired on the anticipated savings. Town Administrator Capone did not have the exact figures but believes it is few thousand dollars in premium savings for 2012 for six (6) months and the new premium stays in effect for 2013. Town Administrator Capone will verify the savings and update the Committee.

Mr. Thouin commented that the new police cruiser was in residence and inquired on the status of the ambulance. Town Administrator Capone advised that the ambulance purchase was approved, takes about 3-6 months and is believed to arrive sometime in the 3<sup>rd</sup> quarter. Town Administrator Capone will verify this information.

Mr. Chevalier inquired on the status of the new accounting person. Peggy Petraszewski has been assisting part-time and will be assisting with the training. Melanie Shokal begins next week as the new Finance Officer.

Mr. Manganiello inquired on a notice in the phone bill about a municipal tax and inquired if this fee will be seen in the revenue. Selectman Shackett explained that the pole tax had been exempt for a number of years and that the exemption was removed. Therefore, the phone company poles will now be taxed as real estate and this is their way of collecting that tax through the billings. Town Administrator Capone advised that Fairpoint has appealed the assessment with the Town. Mr. Chevalier inquired on who does the utility assessments and Selectman Shackett advised it was George Sansoucy who defends the appeal through to the Board of Tax and Land Appeals (BTLA).

**Member Comments:**

Ms. Greenwood advised that the Library Trustees cleaned out the shed behind the Library and offered the shed to the Police Department. Chief Lewis would like to move the shed to the Town Offices to store tires and the radar trailer. Ms. Greenwood pointed out that the shed was Town property and it belonged to the Town so the Trustees felt that it would be good for another department to make use of it.

Mr. Chevalier inquired on the status of the Library project. Town Administrator Capone explained that there has been discussion about bidding process and that plans are being prepared for use by contractors in the process. He also explained that now that the funds have been awarded for the construction that everything has to be bid with some items requiring sealed bids. Each various aspect of the project will have the ability to be bid, such as plumbing, framing etc. The basic premise is that if it is not going to be bid, then the Trustees can take the money and do what they want, but it is public money, has to be bid and approved through the Board. It is projected for July time frame. Town Administrator Capone has been collecting bids from various banks for funding purpose and will be putting together a spreadsheet for the Board to consider. Mr. Carr inquired on why one overall bid was not being considered for the complete project, such as a construction firm to do the whole job. Town Administrator Capone advised that the Trustees have hired Jim Nyberg as a project manager to drive the whole project and solicit bids, although he did say that this doesn't mean that someone can't submit a bid for the whole project. Quotes for the funding are for 10 and 15 years.

Mr. Manganiello inquired on the minutes from the Capital Improvement Program (CIP)

Committee with regard to a question Mr. Campbell asked about the school budget having as much as \$600,000 left over. In the minutes, Town Administrator Capone stated the school is different from the Town and Mr. Manganiello inquired what this meant. Town Administrator Capone stated that it was his understanding that the school is not allowed to carry a surplus. The schools fiscal year ends in June and once they calculate the surplus, if any, in November a notice is sent to the Town's reflecting an adjustment to the monthly payment from November until June, that uses up surplus amount. Selectman Shackett explained that simply put they are allowed to keep it, hold the balance not as a fund balance, but something like being held in a checking/savings account. The Towns are not able to ask for the money back in one lump sum. Selectman Shackett explained that our district is the only district in the state that is based upon Average Daily Membership (ADM) only and not just ability to pay. ADM is how many kids you have in the school district and the formula does not include the valuation of the different Town's in your district. Town Administrator Capone explained that the numbers of ADM are essentially based upon 2-year old numbers but they are consistent in the usage as timing doesn't allow for the most current numbers to be used.

Mr. Thouin inquired if changing the calendar year to July to June would be beneficial for the Town. The Board has discussed this at length and one concern is the requirement of budgeting for an 18-month period to start. Town Administrator Capone explained that it does in theory help Towns, because it eliminates the January and March spending without an approved budget as you are voting for the funds before being spent. The Board discussed this based upon the petitioned article to change Town Meeting to May. Town Administrator Capone stated that realistically changing the Town Meeting can't be done without changing the fiscal year. Mr. Thouin re-stated his question to inquire if going to this fiscal year would help with the school budget and the opinion was that no it would not.

**Administrator Comments:**

No additional comments from Town Administrator Capone.

**Adjournment:**

Mrs. Rounds motioned to adjourn, seconded by Mr. Thouin, passed with an all in favor vote. The meeting adjourned at 7:45 p.m.

Respectfully submitted,  
Christina Goodwin  
Acting Recording Secretary

