



**SELECTMEN'S OFFICE
TOWN OF GILMANTON**

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Board of Selectmen Meeting

Draft

April 09, 2024 – 4:32 P.M.

CALL TO ORDER – ROLL CALL

PLEDGE OF ALLEGIANCE

Present: Chairman Mark Warren, Selectmen Evan Collins, Town Administrator Heather Carpenter, Vice Chairman Baiocchetti, Finance Specialist Lauraine Paquin, Transfer Station Foreman Alex DeCoste

Public: Sandra Guarino, Richard Harkey, Colleen Harkey, Laurel Roebuck, Michael Kehoe, Claudia Ferber, BettyAnn Abbott, Steven Paquin

Chairman Warren stated the Town residents voted in a Default Budget at the annual meeting. The Default Budget amount was not the appropriate amount and they needed to modify the number. After working with the DRA (Department of Revenue Administration), as well as the auditors, and legal counsel they have modified the number that was voted in as the Default Budget because they realized some numbers needed to be adjusted.

It is the Selectboard's task to manage the bottom line of the budget, based on the recommendation of \$5,165,439. The Selectboard has gone through a process of working with the Department Heads, hearing from the community, and trying to hear what services are critical services, and what is important. Tonight, they will be walking away with a voted-on and approved final budget. From the Selectboard's perspective, there is no agenda besides what is best for the community.

Chairman Warren stated what he would try to encourage as a community is to find ways to disagree in an honorable way. It is okay to have a different opinion and disagree, but there is a way to do it and share those ideas and opinions where people are not being degraded.

TA Carpenter stated that the portion of the budget where the difference can be seen is in the voted-on number versus the \$5,165,439 which is the bulk of the insurance. The insurance that was placed in the budget was based on the 80% insurance that the Town covers. It had a 15.6% increase because there was open enrollment from November to January and those numbers can change and the Town is unable to go out for a new plan during that timeframe. It includes any family plan changes, so if someone had a single plan, and changed throughout the year to a two-family or a family plan, that was included. The 100% coverage was not added to the default budget, it was only the changes from the 80% that is covered by the Town and the family plan changes during open enrollment.

Colleen Harkey asked a question regarding the 90% number and the 80% number and stated they were exactly the same and if they were a total. She stated there is a difference with the Transfer Station has \$508,185 under 80% and \$513,316 under 90%, and stated that the totals should be the same.

TA Carpenter clarified that the 80% is based on what the Town currently has. The bottom-line number that the Town works with, whether it's a voted-on number or the revised number that they are working with, the Selectboard can work within the bottom line and it gets adjusted, then it gets put where they think it needs to go.

- Colleen Harkey asked if this was a total.
TA Carpenter stated yes, it is a total.
- BettyAnn Abbott explained there are differences in the lines.

Chairman Warren noted he was going to avoid questions from the public while they were going through the budget, but wanted to take care of any clarifying questions first. No questions were presented.

Chairman Warren stated they have had more time to look at the budget and determine if there are other places to further cut or change where funds are allocated.

Vice Chairman Warren asked if they were closing the park, and why are they keeping the \$1,200 for electricity and \$2,000 for grounds.

47 TA Carpenter stated the conversation was the \$2,000 was that Transfer Station would potentially take over the
48 mowing and not the subcontractor, which is where most of the money was reallocated. So, there would not be
49 a subcontractor, and was not under the impression that the entire Selectboard agreed to have the electrical
50 turned off. She stated there is a phone and Wi-Fi combination that can be adjusted because it was used for
51 events.

52 Chairman Warren believes the electrical can stay.

53 Selectman Collins stated from his perspective keeping the electrical on at the park makes sense because you
54 don't have to pay the fees to have it shut off and then turned back on.

55 TA Carpenter stated that this budget presented is based on a bottom-line budget. Some areas have been
56 stripped out that they are no longer using. A few months into the budget they do not need as much for hiring in
57 certain areas. The other understanding of what Highway has already used as far as plowing and overtime is
58 important because it's not directly reflected in this budget. The numbers were reviewed to understand in real
59 time what is available. Out of \$150,000 allocated to plowing, \$107,000 has already been used and that does not
60 include this last storm.

61 **Motion:** On a motion by Vice Chairman Baiocchetti and seconded by Selectman Collins it was voted to accept
62 the 90% revised budget allocation. *This was open for further discussion.* (3-0)

63 Vice Chairman Baiocchetti stated they can deal with the spending on individual line items at the next
64 Selectboard meeting on 4/15.

65 Chairman Warren clarified the individual line items are for the overall Departments.

66 Vice Chairman Baiocchetti stated they will look at the individual line items, and see what has been spent, and
67 what is overspent.

68 Chairman Warren stated they would work with the budget allocation for the 90% revised and the amount of
69 \$5,165,439 going forward as the Default Budget.

70 Colleen Harkey asked in the Selectboard's process did the Selectboard approached any of the other
71 Departments, Animal Control, General Assistance, Parks & Rec, Library, and Patriotic Special Purposes, and
72 asked them to analyze their budgets and see where they might be able to do their own reductions and re-
73 present their numbers. For example, if any of these solicit private funding to support their initiatives.

74 Chairman Warren stated they went to the Department Heads, but some were mentioned that do not have
75 Department Heads per se.

- 76 • Colleen Harkey stated there are outside organizations as well.
77 Vice Chairman Baiocchetti stated the ones she listed were special warrant articles and voted on.
- 78 • Colleen Harkey stated they are not included in any adjustments.
79 TA Carpenter stated no.
80 Vice Chairman Baiocchetti stated there is approximately an additional \$581,000 that was approved, but
81 the budget has been discussed with the Department Heads several times.
- 82 • Sandra Guarino asked why they voted on the budget now when they are going to go individually on
83 Monday and look at it line by line.
84 Vice Chairman Baiocchetti stated they are not going to look at it, they are going to control it. They are
85 going to control spending, see what has been spent, what should be spent, how they are going to
86 operate the rest of the year with what they get in their budget.
87 Chairman Warren explained they are already approving a budget that is three months in the works. For
88 example, overtime has already been heavily used. They will have to go back and say based on this,
89 expenditures that have already happened in the first three months, how does this fit into the bottom
90 line that they are not going to have to work within.
91 TA Carpenter stated if they do not input a budget based on the voted upon number, they run off an
92 expense sheet that only has negative numbers. They cannot get a true picture of what it looks like and
93 there is also a timeframe and DRA requires paperwork to be in by April 1st. They did give the Town an
94 extension on that based on the situation they are in. So, all of the numbers have to be factored in real

95 time, so they need a bottom-line budget to deal with that. It does not mean that there won't be
96 changes in that if they find that they have overspent in certain areas that have to be readjusted by
97 something else in the budget.

- 98 • Sandra Guarino asked if the 80% and the 90% was the insurance. So, they voted 90% insurance over
99 what they had last year.

100 TA Carpenter stated that was correct.

101 Chairman Warren stated that because there were no COLA's or merit increases that leaves the
102 employees without anything because of the recommendation that the employees were moved to the
103 100% insurance coverage in the operating budget which was voted down. They felt like moderating that
104 down to find a way to still give the employees something and knowing they have had significant
105 turnover. The turnover is mainly from surrounding communities that have the ability to pay more than
106 Gilmanton does. So there has to be something that we're offering employees.

- 107 • Anne Kirby stated she's glad they Selectboard went with the 90% because it's not fair for the employees
108 to get nothing. For example, if legal goes way over for some reason, so you'll have to look at
109 Government Buildings and that may change. The \$5.1 million will stay the same, but the numbers are
110 probably going to fluctuate, because you don't know what's going to happen down the road.

111 Vice Chairman Baiocchi stated that is correct.

112 Anne Kirby stated that everyone is crying to improve roads, but good luck when the community doesn't
113 support your budget.

114 TA Carpenter stated they did take into account what they have in CIP. They do not like to use CIP to
115 offset operating budget costs. That is not the point of CIP. They did look at it and considering where
116 they were adjusting on the Operating Budget. They do have a court case fund if the PSNH issue comes
117 to a head this year they will potentially have money between the court case fund and the operating
118 budget to cover the retainer plus the extra. She is not sure what that settlement could look like. It
119 appears that they may have enough if it stays in line with the settlement. These are things that were
120 taken into consideration when adjusting the operating budget. They are looking at all the funds that are
121 available. The residents voted for a warrant article that helped equipment repair in both Highway and
122 Transfer Station. Those are beneficial when we have a year like this, and we have to strip down certain
123 elements of our operating budget and offset it with those uses, but it isn't the preference all the time to
124 manage the operating budget through those CIP funds.

- 125 • BettyAnn Abbott stated that she agrees with Anne Kirby. She stated they wanted to care for the
126 employees and that was a big discussion with the Budget Committee, and she feels it's important to
127 continue to do what they can to be able to offer enough to replace employees. And she agrees with
128 Anne regarding the Highway, there are signs all over town. The roads do need help, but there may not
129 be enough to take care of them

130 Chairman Warren stated he feels discouraged and there is so much work that goes into the budget, but
131 the Selectboard has to work within the budget the voters choose. They are working hard to address the
132 needs of the community, but they are going to do what they can and hopefully will earn the trust of the
133 residents. When the Selectboard and Budget Committee say yes to something within the budget, it
134 means they have done a lot of work to say this is what is needed in the community. He stated that they
135 represent the community and obviously not everybody agrees. He stated he appreciates the community
136 trying to come together and work together, and he does not mind opposing ideas and they help them
137 make better decisions. He wants to continue to encourage the community and try to maintain a sense
138 of civility and unity for the community.

- 139 • Colleen Harkey stated there is no argument that people did a good job. She stated they don't live in the
140 homes of the residents, and we don't know what their income is like, and many may not have gotten a
141 raise, and many may have lost their health insurance. She stated she does not make her decisions
142 flippantly when she votes, she does her homework, and chooses what she believes is best for the

community and her family. She would not have chosen to live here if she didn't really like it. She respects the voter that had to make those hard decisions. People are not making a lot of money and getting raises. She thanks everyone for doing their job here, but does not discount the voters decisions either.

- Richard Harkey stated there was a budget with a lot of demands. There are roads that need work and a lot of city services that do not get done. He stated the element in the room is the education number and it sucks the life out of everything and it's a huge number over everything else. He stated he heard something with renegotiating the deal with Gilford which is a number that is extraordinarily large. It is sucking the life out of everything else in town. He asked where was it going to go and he understands that this is not the only town dealing with numbers right now. He asked if they could speak to those numbers and mentioned the condition of the road he lives on. He stated it would be great to have the Highway Department come down their road without being asked. He stated there are some things that are fundamentally wrong with the budget and looking at the pie chart the school is $\frac{3}{4}$ of the entire budget. It consumes everything. He stated they have to find a way out of the contract. Vice Chairman Baiocchi stated that is not the purview of this board. That is the School Board.
- Anne Kirby stated Richard Harkey needed to say that at a School Board Meeting.
- Richard Harkey stated that the residents are all paying the bill. He stated it was a one-sided vortex and with the one entity sucking all the money out of the system the Town will never get out of this situation. Chairman Warren stated he doesn't disagree with Richard Harkey, but the challenge is proportionally there is a lot of money going to the school and the Town gets scrutinized for the \$4.40 of the pie chart. He stated it is much harder to go to a School Board Meeting, because you're talking about kids and teachers and those are harder conversations to have then discussing buildings and equipment. TA Carpenter stated that what he is going to continue to see on the Town side is an increase. She respects the voters and appreciates the time it takes to participate. They work on the budget for 9 months, and that's 9 months that the voters can participate in the discussions so it's frustrating when the budget is defaulted. At any time, any resident can ask questions, she is transparent and open to communication. She has stated many times that the 15.6% was in the default budget and the family plan changes were noted on the budget. Nothing is hidden. She knows there is a misconception out there, but there is nothing hidden. The Town works diligently year after year listening to the voters and it's a little contradictory. One year the residents want a DPW, and the next year they want a Road Agent. Those are frustrating processes because then we go by what the residents have voted on and shift gears for what the residents want. The Town can never just consider the residents, it is an organization that provides services that are only provided because the Town has employees. If you have zero employees, you will have zero services. So not to take care of the employees, whether it is merit or COLA, which there has not been a merit increase since 2019. COLA is not a raise; it is a cost-of-living adjustment based on inflationary times.
- Richard Harkey stated there are some bigger issues that he believes everyone needs to come together to find a way out of it. TA Carpenter agreed. Richard Harkey stated he is not criticizing all the work that the Town has put in. He stated it's hard to get the roads done when the school is taking up so much of the budget. TA Carpenter stated there are issues in the way that the State funds education. Unfortunately, what has to be recognized is the funding change is not going to happen any time soon. The Town's budget is based on need. If the school does not change their method of how they request funding or a contract isn't changed, the residents are going to continue to see their number rise. The Town has a purpose, and it is to make sure the employees have what they need to provide services because the services are what the residents are requiring as a voter.

191 Chairman Warren stated he would stay later and address any questions personally and keep the
192 conversation going. With regards to the purpose of their meeting tonight the members of the board
193 have nothing further to discuss at this time.
194 **Motion:** On a motion by Chairman Warren and seconded by Vice Chairman Baiocchi it was voted to adjourn.
195 (3-0)

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197 **Adjourned** 5:05 p.m.

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202 Respectfully Submitted,
203 _____
204 Amanda Davis, Administrative Assistant

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206 **Approved by the Board of Selectmen**
207 _____
208 Chairman Mark E. Warren Vice-Chair Vincent A. Baiocchi Selectmen Evan Collins