

**TOWN OF ALLENSTOWN
SELECTMEN'S OFFICE
16 SCHOOL STREET
ALLENSTOWN, NH 03275**

Members Present:

Roger LaFleur Selectman; Carol Merrill, Selectperson. Thomas Gilligan, Selectman

Audience members present;

Kelley Collins-Administrative Assistant, Road Agent-Chris Roy, Carl Schaefer –Parks and Rec. Commission, Chief Mulholland APD, Erin Young APD, Rob Martin Deputy Chief AFD, Everett Chaput Chief AFD, Lee Cheney Lt. AFD, Bldg Inspector Cliff Jones, Bob Lee Chairman ZBA, Jason Tardiff Chairman Planning Board, Stedman Holton School Board Rep, Donna Barnett APD, Andrea Flanders SSWTF, James Rodger SSWTF, Dana Clement SSWTF, Attorney Biron Bedard-Town Counsel, Tom Irzyk ASB.

Residents: Debbie Lee, Sandy McKenney, Pauline Boutin, David Boutin, Jerry McKenney, Jeff Grval, Richard Lamarche (BudCom), Vic Martin, Sheryl Platt (Plodzick and Sanderson), Mike Campo (Plodzick and Sanderson), Carol Coppola (MRI).

6:30 pm Selectman Gilligan opened the meeting.

Nominations and Elections for Chairperson

Selectman Gilligan opened the floor for nominations for the position of Chair.

Roger nominated Tom for the position. Carol Seconded.

Roll call vote- All 3 aye. Tom accepted the nomination of position of Chairman of the BOS.

6:34 Tom made a motion to recess while the BOS waited for P&S and MRI. Seconded by Roger.

6:45 p.m. Meeting reopened. The BOS met with Cheryl Platt and Michael Campo from Plodzick and Sanderson.

A resident, Pauline Boutin asked for a copy of the 2006 audit. She was provided one.

Cheryl reviewed the Opinion Letter and main bullet points of the audit as well as the main concerns that were raised. She explained that the 2006 audit still showed an adverse opinion.

Some of the examples were:

Not all of our fixed assets have been recorded on our balance sheets; i.e. Police, FD vehicles.

Also we did not prepare a Management Discussion and Analysis report (MDNA).

Encumbrances

The BOS asked questions about some of the bullet points.

MRI to discuss initial findings of 3/13/08 site visit and review.

Carol Coppola CPA from MRI met with the board to discuss her site visit on 3/13.

Based on her visit and review she let the BOS know that the books for 2007 had not yet been reconciled.

Here are some of the issues which she raised for the BOS:

- Recommends that the Town hire a Finance Director, even if just for 2 days a month.

- Verifying Invoices and Payroll on a monthly basis
- Define written policies and procedures for internal controls- look to LGC for help with an internal controls assessment.
- Reconcile MS 2 for 2007
- Reconcile the treasurer's records to the general ledger as of April 2007.
- Reconcile MS 61 from the Tax collector to what's in the general ledger
- Reconcile Cash YTD-this is the first place she recommends we start
- Reconcile all Tax records for 2007
- Year End accruals for payroll and accounts payable for 2007 need to be reconciled and documented.
- Go in and back out any and all 2007 encumbrances that were mistakenly entered as 2008 expenditures, and adjust 2008 number accordingly.
- Form 941 needs to be reconciled to the general ledger.
- Reconcile the Warrants for Jan, Feb, and March 2008, then go back and reconcile warrants for May through December 2007.
- Reconcile warrants on a monthly basis going forward.
- Set up 2 NEW Revenue accounts that were supposed to be setup in 2007 for monies held at the Police Dept.
- Prepare MS 2 for 2008
- Reconcile all accounts for 2008 as of 3/31, and then going forward on a monthly basis.
- Remove authority from Administrative Assistant to be able to transfer funds or make electronic payments so that only the treasurer can do this.

Carol provided the BOS with a proposal from MRI for help going forward.

Attorney Bedard asked Kelley if she was bonded. Kelley said no.

Resident Sandy McKenney asked if she could have a copy of the report from MRI.

Tom said yes.

Default Budget Review and Adjustments

The BOS met with each of the Dept. heads and reviewed there cuts and proposals.

Attorney Bedard was dismissed and the BOS will meet with him in Non Public again during their 3/24 meeting at 6:45.

Selectman Gilligan explained the goals of this part of the meeting and the approach-which was to start with any departments which had a surplus due to their proposed budgets actually being less than the defaulted amounts for their department.

The BOS established that the default amount was \$4,865,968 per the MS 7 and the meeting minutes from the Deliberative Session.

The proposed amount at the Town Meeting was \$5,057,964.

This is a difference of \$191,996.00

Roger asked how we could be sure that the total default amount was accurate.

Tom advised the process per DRA, and the official Town Meeting.

Town Clerk was the first dept. to review her budgets.

Diane Demers explained the cuts that were made to the 2008 budget vs what the actual budgeted in 2007. The new budget for Town clerk is 36,584.00 the difference from the default amount is 18,552.00

Her 2008 Tax Collector proposed budget amount is 40,744 which resulted in a difference of + 2,188.00 over the default amount. Although the default budget amount stands, the adjusted amount that the BOS will allow for this dept. is 40,744.00

The running total of cuts is now = \$16,364.00

Elections and Registration was next. There were no cuts made to this budget.

Chief Chaput presented his budgets next.

He began with an explanation of Tri-Town and the fact that Tri-Town did not need the additional costs for taking on Tri Town's operational costs between Allenstown and Pembroke.

Next discussion ensued about the Forestry budget. The BOS was looking for the 4,000 for Forestry but could not find a separate line in the MS 7.

Chief Mulholland advised the BOS that they were not bound by the MS when it comes to the individual budgets, rather they are just bound at meeting the total bottom line of the default as it was voted on at Town Meeting.

Selectman Gilligan advised that the proposed amount for 2008 was \$330,378.00 and that the default amount is \$306,167.00 a difference of \$24,211.00

Chief Chaput provided a proposal for 306,289.00 that almost met the difference plus an additional amount of \$122.00

The FD budget as approved by the BOS is \$306,167.00

The Chief next reviewed the Civil Defense aka Emergency Management budget.

The default amount for the Civil Defense is now \$15,627.

The new BOS approved budget for Civil Defense is 12,800.00 a savings of \$2,127 off of the proposed 2008 budget.

The running total of cuts is now \$35,276.00

The Health Officer Cliff Jones met with the board to review his cuts. He proposed cutting the stipends for the 2 deputy health officers for the remainder of the year. He said this would be a savings of \$1,760.00. There was also a cut in postage from \$500 to \$1. The new operating budget is 5,142.00

The running total of cuts is now \$37,715.00

The Building Inspector Cliff Jones met with the board to review his proposed budget cuts.

The proposed total budget of \$37,607.00

The following lines went back to the default amount Vehicle Repairs, and Maintenance and Fuel and Salary.

Cliff advised the board that they would be seeing a PO for repairs to the bldg inspector car as a result of the recent inspection. \$375 for 4 new tires.

Cliff also advised that he would have to take 2 weeks non paid vacation as a result of the no increase in the salary line.

The Police Chief advised the BOS that a major issue with the default budgets is that the 27th payroll for 2008 is not accounted for, and that will account for a major shortfall in most of the budgets this year. He said that this will account for a \$22,000 shortfall in his budget alone. He said that because they are not contract employees, they are not guaranteed a set # of hours or days pay.

Chairman Gilligan told Cliff he did a good job at the odor concerns meeting last Monday night.

Roger advised that the adjusted payroll amount would be \$37,027.00 to cover the 27th payroll for 2008. There was discussion amongst the crowd that this not completely accurate because of the pay raises that happen ½ way through the year.

The Police Chief advised the BOS that \$191K is not going to be enough unless we plan on shutting down the Town for the last couple of weeks for the year.

The Fire Chief said that what he did in order to account for this is he took the cuts from elsewhere in his budget to allow for the 27 payrolls. He said that otherwise they would be short over \$7K.

Tom said that all the BOS has done in the past is just direct the dept heads to make the appropriate dollar cuts, but that they haven't directed them where to make the cuts from.

The Fire Chief advised that he has cut the stipend pay for the rest of the year and that the only reason there is still money in that line item is because of the monies spent YTD.

The PD Chief said that the cuts being made are a team effort and that the dept. heads should not be leaving town hall saying 'that's what the BOS did to us'.

He also said for the record that the dept heads only make the recommendations of where to move money within their budgets but that they do not have that control, rather the BOS does, and the BOS makes the adjustments based on their recommendations.

Tom said that was a good clarification.

Tom said that the BOS should give all of the dept. heads their direction on how much they need to cut tonight so that they can begin implementing the plan to get their. Cliff agreed and asked for direction for his budget to be given this evening.

Roger made a recommendation that the Building Inspector find cuts totaling \$4234 in his budget. Carol agreed.

The running total of cuts is now \$41,949.00

The PD Chief met with the BOS next to review his proposed cuts. He said his default amount should be \$767,832.00

The Chief asked to review the PD warrant articles first.

The Dare article- \$1,768.04 has been spent so far. He said he could not sustain another week of the program so he has suspended it at this time.

Tom asked the Chief what he needed to run Dare for the rest of the school year. The Chief advised approx 3,100.00. That's if they don't need to purchase any new 5th grade T Shirts.

Selectman Gilligan said that why don't we say worst case why don't we say it would take an additional \$400 to buy the T Shirts?

Selectman Gilligan asked Tom Irzyk what the School Board decided at their last meeting about funding Dare out of their budget. Tom I said that depending on what the BOS decided they would make cuts to their budget in order to fund it for the rest of the school year.

Roger asked if the Town could expend the money since the warrant article failed. The Chief explained yes because the article was to put money into the fund, not to expend.

The Chief then covered the Police Safety Equipment Capital Reserve Fund. He said that there is now no money left in that account and that he was going to have to find this money within his budget. This is the fund that they typically use to buy their vests, which are about \$800 a piece.

Tom Irzyk asked if the BOS would give him a decision on whether or not they would find the money to fund the Dare program for the remainder of the school year. Tom Irzyk also asked to have someone tell them how much is in the Dare Fun account.

Roger asked Mr. Irzyk what portion would the School Board be willing to contribute to the program. Mr. Irzyk advised that the School Board already decided at their last meeting to fund the program in whole should the town not be able to contribute anything. He said they would have to meet again to find out where the cuts would be made in order to fund this.

The Chief advised the BOS that making the funds come out of the PD budget would have drastic consequences, maybe even the need to cut an officer.

Roger said that at this point in time the Town should keep its commitment to fund the program until the end of the school year.

Discussion ensued.

Roger made a motion that we fund the Dare program for \$3,500.00 till the end of the 2007-2008 school year.

Tom seconded the motion.

Roll Call Vote, Roger aye, Carol No, Tom Aye.

Motion passed 2 to 1.

The Chief said there may not be an officer to teach it till the end of the year. Tom Irzyk said that we should have just taken the easy way out and said that we wouldn't fund it till the end of the year, and then the School Board would deal with it.

Chairman Gilligan said that's ok, we had a vote, and we can always vote to overturn the decision.

Tom Irzyk just asked that when all was said and done with the budget cut if the BOS could just send him an email notifying him of the result.

The Chief then reiterated that the Police Safety Equipment Capital Reserve Fund now has no money left in it and that this is the fund that they typically use to buy their vests, which are about \$800 a piece.

H said he was going to have to find this money within his budget.

The Chief said that they are also not going to be able to replace one of the video camera systems in the cruisers as a result.

The Chief then moved onto his operating budget. The BOS asked him to highlight the major cuts that he was making in order to meet the default amount.

The BOS reiterated the default amount of \$778,155.00.

The Chief reviewed the crossing guard is no longer funded out of the PD budget, rather by the school budget. This will result in a savings of 6,167.00.

Also, he said that he could cut \$500 from both sewer and water lines for a net savings of \$1,000.00

The Chief said that he has cut the nighttime secretary position, which will result in a savings of \$10,500.00 for the remainder of the year.

The Chief reviewed the impacts of not having a nighttime secretary to the dept and the residents. This may increase our number of calls to dispatch, thereby inflating that #.

Since they will only have 26 budgeted payrolls, the daytime secretary will have to take 2 weeks of non-paid time off. This will be a savings of approx. \$1065.00 from the proposed budget towards the default amount. This cut will mean that the PD no longer has coverage for any vacation or sick time help to cover the day time secretary when she is out.

Also, since they will only have 26 budgeted payrolls, the prosecutor will have to take 2 weeks of non-paid time off. This will be a savings of approx. \$1,675.00 from the proposed budget towards the default amount.

The Chief recommended looking at his gasoline line ½ way through the year if they are doing better than expected and if the price of gas levels off or goes down. The Chief said he also expects a modest savings because he now has the staff to start a bike patrol instead of using the cruisers.

Other than the above the Chief said the next place he recommends any cuts would be to personnel. However he explained that presents another set of issues because if we layoff any of the 10 positions, we will not be able to obtain any federal grant money. Discussion ensued about the Inform Hiring Grant and the ramifications of layoffs to police personnel.

Roger asked the Chief what would the savings be if we cut an officer now?

The Chief advised approx. \$22,000.00 to cut one position, not including health and retirement benefits. Discussion ensued about the possibilities of cutting the prosecutor and the possible savings.

Tom read all of the proposed cuts as proposed so far from the Chief.

The proposed cuts for his budget equal a savings of \$20,407.00

The running total of cuts is now \$62,357.00

The Chief then reviewed the Animal Control budget.

\$3,494.00 is what needed to be cut to get to the default.

The new default amount should be \$10,656, which will afford for 15 hours a week.

The Chief will find the cuts of the \$350 in the budget over the year in order to get to that amount.

The Chiefs new proposed budget for default is \$10,306.00

The running total of cuts is now \$62,481.00

The Welfare Officer met with the BOS next to review her proposed cuts to her budget.

Tom advised Kelley that she could head home whenever she felt like she had to due to her condition.

The proposed budget for Welfare was \$65,000.00

Diane proposed that we could cut back the food budget by \$500. The BOS pointed out that that line was only \$500.

Roger suggested that we cut \$500 from the miscellaneous line and another \$500 from the burial line. Discussion ensued.

Roger made a motion to cut \$500 from the miscellaneous line and another \$500 from the burial line. Carol seconded the motion.

Vote: Roger I, Carol I, Tom Nay. Motion passes 2 to 1.

The running total of cuts is now \$63,481.00

The Road Agent met with the BOS next to review his cuts. He provided the BOS with a new budget proposal.

The Default amount for Highway is \$625,801

The PD Chief suggested we try to save money by shutting off some of the streetlights.

Discussion ensued.

The Highway Road Agent Chris Roy said that one of the ways we can save money is to not hire any part timers to fill the positions at the town landfill. In stead, he will put his guys on a rotating schedule so that they will be able to cover Saturday's at the landfill.

This would be a savings from his budget of \$23,800.

Also, he suggested removing Library Street reconstruction from the budget, which would be a savings of \$58,000.00

Tom asked the Sewer Commissioner James Rodger if they had honestly considered delaying their repairs to Library Street. Jim said that was something they were considering delaying in order to meet their default budget amount.

The total proposed cuts to the Highway dept. bottom line are \$81,800.00

The running total of cuts is now \$145,281.00

The BOS then decided to put 10,700.00 back in the Highway dept in PT salaries to buffer where he is over on the other lines.

The total proposed cuts to the Highway dept. bottom line are \$71,100.00

The running total of cuts is now \$134,581.00

A lengthy discussion ensued between the Fire Chief, the PD Chief, the Road Agent, the BOS and the AA about how much the BOS should cut above the \$191K they need to just get the budget to the default amount.

Carl Schaefer from the Parks and Rec. Dept. met with the BOS next.

The Default amount is \$35,500.00

Carl said that he could give us \$2,311.00 in cuts to start.

The maintenance person will be cut back to \$6,800.

The building repairs will now be \$1,000.00 a savings of \$200.

The Phone Line went down by \$240

He also said he could give back another \$510 in Alarms.

Sewer Line went down by \$25.

The total proposed cuts would equal \$2,811 and would bring the P&R budget down to an even \$35,000.

The running total of cuts is now \$137,392.00

The BOS met with Sewer Commissioner James Rodger next.

The Default budget for the sewer is \$1,756,851.00, which is a difference of \$55,396 from the proposed budget of \$1,812,247.

Mr. Rodger said that they would save approximately \$65,000.00 by not doing the Library St project this year.

Selectman Gilligan asked Mr. Rodger what amount of their budget is derived from the taxes of the town. He advised that no part of their budget is derived from taxes.

The BOS advised Mr. Rogers that they expect them to cut \$55,396 from their budget in order to meet the default amount.

The running total of cuts is now \$192,788.00

The BOS next discussed the Planning Board budget with Mr. Jason Tardiff

The proposed budget was \$8,251.00

The BOS next discussed the Planning Board budget with Mr. Robert Lee.

The proposed budget was \$9,550.00

The proposed budgets were actually \$5,029.00 less than the default amounts.

The BOS asked that the ZBA and PB stay within their proposed budgets for 2008 so that the town could benefit from the \$5,029.00 in cuts.

Selectman Gilligan asked Bob and Jason if there was anything else they could cut at this time.

They responded that there were no more cuts at this time.

The running total of cuts is now \$197,817.00

The next cuts that the BOS made was to the ambulance line. The cuts were made to bring this line back to the default amount. This results in a savings of \$23,200.00. The proposed line was \$56,500.00

The default amount is \$33,300.00

The running total of cuts is now \$221,017.00

The next budget that the BOS considered was the Executive default budget of \$136,569.00

The 2008 proposed budget was \$146,119.00. A difference of \$9550.00

The BOS decided to keep \$500 extra in this budget because of the vehicle repairs for the Bldg. Inspector car repairs.

Discussion ensued about how the car coming out of the PD rotation would be allocated.

Tom made a motion that the BOS cut \$9050.00 from the 2008 proposed Executive budget.

Discussion ensued. Roger suggested taking it from \$300 from computer training and the remainder coming out of the rest of the salary lines.

Tom suggested that the rest of the money come out of the Administrative Secretarial salary line.

Discussion ensued.

Roger said he was not opposed to that.

Kelley offered to take out the \$300 from computer training and making that line item \$0.

That way we would only have to come up with \$8750.00

The BOS agreed.

Kelley then suggested reducing the AA expenses line to 0 from \$300.

The BOS agreed, and that leaves \$8,450.00

Tom retracted his motion. The motion fails without a 2nd.

Roger made a motion that we take \$9050.00 from the bottom line of the executive and that we allow the dept. head to find it in her budget at her discretion.

Carol seconded.

Vote: Roger aye, Carol Aye, Tom Nay. Motion passes 2 to 1.

Kelley to revert with her plan for cutting \$9,050.

The running total of cuts is now \$230,067.00

The next budget the BOS reviewed was the cemetery.

The motion was made by Roger to cute the Cemetery budget down to \$1,000.00

No second was made. The motion failed. Budget stays in tact at default \$4,000 a difference of \$3,998.

The running total of cuts is now \$226,069.00

The BOS next reviewed the Library budget.

The Library Default budget is \$53,927.00 a savings of \$1,890.00

The proposed budget was \$55,817.00

Discussion ensued

Tom made a motion to cut 1,890.00 back to the default of \$53,927.00

Roger made a second.

Vote: ALL were in favor, motion passes 3 to 0.

The running total of cuts is now \$227,959.00

The BOS discussed the patriotic and legal budgets next. No cuts were made to these budgets.

The BOS reviewed the finance budget next.

The BOS reviewed the Treasurers salary line.

Roger made a motion to reduce this line by \$626.00 back to the default amount of \$3,586.00

Tom seconded the motion.

Roll Call Vote: Carol No, Roger Aye, Tom Aye, Motion passes 2 to 1.

The running total of cuts is now \$228,585.

Discussion ensued with Kelley, the BOS and the Chief of PD about cutting out the increases in salary lines to get back down to the default amounts.

Roger made a motion to cut \$6,057.00 from the Assessing Budget, Carol seconded.

Roll Call Vote, Carol Aye, Roger aye, Tom aye, motion passed 3 to 0.

New bottom line for this budget is \$99,848.00

The running total of cuts is now \$234,632.00

Time check is 1:12 AM on 3/18.

The Assessing Clerk asked if the \$6057.00 was from her budget. The answer was yes, out of the salary line. Then she asked if this meant she had to reduce her hours. Kelley advised her that they could talk about that tomorrow. The assessing clerk then proposed some cuts to her hours and the Chairman Gilligan advised that the BOS was not prepared to make hours changes at this time.

The assessing clerk continued to discuss the impacts to her hours.

Roger on behalf of the BOS reminded the Assessing clerk that she is not to work during her lunch break, and that she should not work when she is not 'clocked in'.

Tom advised that as of this minute running total of cuts is now \$234,632.00 from the proposed budgets of \$5,057,964.00. The difference between what the default amount was and what the BOS cut at this point is about \$43K.

The PD Chief asked the BOS to sign off on the form, which officially lays off the nighttime secretary. The BOS could not find the form immediately.

Roger made a motion to let go the nighttime secretary from the Allenstown PD.

Carol seconded the motion.

Vote: All 3 aye. Motion passes 3 to 0.

Tom made a motion to go into Non Public Session under 91A 3 II c.

Motion seconded by Roger.

Vote: All 3 aye, motion passes 3 to 0. At 1:23 AM.

Motion made to go back into public session at 2:30 AM by Carol, seconded by Roger.

Vote: All three in favor. Motion passed 3 to 0.

Carol brought up the Moose Grant application and letter.

The BOS signed it on behalf of the Town.

Copies to be made for town file.

Tom made a motion to continue this meeting at 6:30 PM on 3/18. Roger 2nded the motion.

Vote: All 3 yes. Motion passed, meeting tabled at 2:37 AM on 3/18.

Recess of Meeting to be Continued 3/18/08 at 6:30 PM

THOMAS R. GILLIGAN, CHAIRPERSON

CAROL M. MERRILL, SELECTPERSON

ROGER LAFLUER, SELECTMAN