

Budget Sub-Committee

Administration, Boards & Commissions, Elected Officials, Default Budget, Debt Service, Insurance and Legal

This budget sub-committee met on Monday, October 15 at 5:30 at Gilford Town Hall. In attendance were Town Administrator Scott Dunn, committee members Tim Sullivan, Skip Murphy, Peter Karagianis, Tom Chase and Chris McDonough.

Administration: Due to an error in the 2018 budget for retirement costs, the proposed budget reflects an \$8,793 increase for this line item. There was a decrease in employer contribution percentage from 11.38% to 11.17% and had there been no error, the increase would have been minimal. Insurance increases reflect the change to a family plan for an employee. There was discussion of the NH Municipal Association lobbying efforts funded by taxpayer dollars. Skip pledged to review RSAs to insure legality of this practice. This line item is up \$931 which reflects an estimated 10% increase.

Sub-Committee recommends this budget as proposed.

Boards & Commissions: This budget mainly reflects funds to compensate the recording secretary for budget committee meetings. The sub-committee had no input.

Sub-Committee recommends this budget as proposed.

Elected Officials: The budget includes a proposed increase in the stipend for the three supervisors of the checklist from \$600 to \$750. A motion was made to flat fund this line item. Motion failed 4-1.

Sub-Committee recommends this budget as proposed.

Insurance: Unemployment and Workers Comp. line items are estimates at 9% increase. Mr. Dunn will have firm numbers to update budget possibly by our Thursday meeting. The \$13,620 increase in Property & Liability reflects an actual increase in that coverage. Health Insurance contingency reflects a proposed increase of \$500 based on the overspend of this line item in the current budget. Lengthy discussion ensued regarding the health & wellness reimbursements. It was explained that in addition to employee reimbursements for health & wellness expenses, employees can also submitted co-pays and deductible costs for 50% reimbursement up to a \$300 maximum. Some members of the sub-committee felt that was improper use of this budget line item and the funds should be restricted to health and wellness expenses.

Sub-Committee recommends this budget as proposed.

Legal: This budget reflects a \$5000 reduction from previous years due to a downward trend in actual legal expenses.

Sub-Committee recommends this budget as proposed.


Debt Service: This budget depicts actual principle and interest costs of town debt payments. The budget is down \$21,283 mainly due to the retirement of a Radio Equipment bond.

Sub-Committee recommends this budget as proposed.

Default Budget: The default budget is the budget under which the town would operate if the proposed town budget fails to pass on voting day. The default budget is proposed at \$12,957,875, some \$845,000 less than the proposed budget. The committee discussed the practice of not adjusting salary accounts for contractual obligations to local bargaining units. The town would be obligated to pay these unfunded higher wages if forced to operate under the default budget resulting in the sacrifice of proposed town projects. This is a Selectboard decision.

Sub-Committee recommends this budget as proposed.

Respectfully Submitted

A handwritten signature in black ink, appearing to read "Chris McDonough", with a long horizontal flourish extending to the right.

Chris McDonough
Budget Sub-committee