

**TOWN OF GILFORD
BUDGET COMMITTEE
PUBLIC MEETING MINUTES
January 5, 2017
6:00 PM**

Members present: Timothy Sullivan, Sean Murphy, Harry Bean, Dale Channing Eddy, Norman Silber, Kevin Leandro, Chris McDonough, Susan Greene, Dr. Leslie Suranyi Jr. and S. Peter Karagianis.

Members absent: Geoffrey Ruggles.

Chairman Norman Silber called the Budget Committee meeting to order at 6:00 PM and Kevin Leandro led the assembly with the Pledge of Allegiance.

Approval of minutes: Sean Murphy made a motion to approve the 12/15/16 minutes as written; Susan Greene made one change to properly spell Esther Kennedy's name on page two; seconded by Dale Channing Eddy; motion passes; (10-0).

Town business – Warrant Articles: Town Administrator Scott Dunn presented the Draft Warrant Article - Money Articles to the Budget Committee. Article #6 is requesting for the Town to raise and appropriate \$950,000 for improvements to the Recycle Center including the establishment of a Solid Waste Transfer Station. Solid Waste Committee Vice Chairman Kevin Leandro explained how the committee has met various times to review the numbers/plans in an effort to reduce the cost. In Mr. Leandro's opinion, he thinks it can be done for \$750,000 but that the \$950,000 is a fair compromise for the committee from the original number, which was over \$1 million. Kevin Leandro made a motion to recommend Article #6 for \$950,000 as presented; seconded by Sean Murphy. Town Administrator Scott Dunn answered the committee's questions. Chairman Silber then asked for any public comment. There was none. Motion passes. (8-2).

The next item Town Administrator Dunn explained was Article #8 for the Town to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amount set forth on the budget posted with the warrant article or as amended by vote of the first session, for the purpose set forth therein; totaling \$12,414,164. Should article be defeated, the default budget shall be \$12,145,615 which is the same as 2016, except for certain adjustment required by previous actions of the Town. Discussion ensued. Chairman Silber asked for any public comment. There was none. Motion passes; (10-0).

Article #11 for the Town to raise and appropriate \$525,000 for Phase II of the Town Hall Improvements project and the funds would come from fund balance and not from property taxes. Town Administrator Dunn explained in detail. Sean Murphy made a motion to approve Article #11 for \$525,000 as presented; seconded by Peter Karagianis. Chris McDonough objects to the motion and feels the cost to heat and cool Town Hall is too much money and he would not support. Chairman Silber asked for public input. There was none. Motion fails; (8-2). (Not recommended)

Petition Warrant Articles: Article #18 is to raise and appropriate \$9,000 to support the Laconia Area Center of Community Action Program. Sean Murphy made a motion to approve Article #18 for \$9,000 as presented; seconded by Dale Channing Eddy. Selectman Eddy explained that the Board of Selectmen always votes NOT to recommend as they believe it is the voters' choice to decide, it is not a bias opinion. Chairman Silber asked for public input. There was none. Motion fails; (9-1) (Not recommended)

Article #19 is to raise and appropriate \$3,000 to support services provided to residents to access counseling and family support services, without regard to income from Child and Family Services. Norman Silber said that without out any info he could not support. Discussion ensued. Chairman Silber asked for public input. There was none. Sean Murphy made a motion to support Article #19 for \$3,000 as presented. Chairman Silber asked for public input. There was none. Motion fails; (9-1) (Not recommended)

Article #20 is to raise and appropriate \$2,630 in support of New Beginnings Without Violence & Abuse Center. Sean Murphy made a motion to approve Article #20 for \$2,630 as presented; seconded by Dale Channing Eddy. Discussion ensued. Chairman Silber asked for public input. There was none. Motion fails; (7-3). (Not recommended)

Gunstock Acres Village Water District (GAVWD) Budget: Chairman Silber asked if there was anyone to present the Gunstock Acres Village Water District. There was no one present and Chairman Silber said they would do at the public hearing on 01/12/17 at 7:00 pm.

School Default Budget: Chairman Norman Silber said that the School Budget for \$25,852,759 was defeated last year, which meant that they operated on the default budget of \$25,688,824. There is one bond that is a separate warrant article for \$36,805 for the payment of the Elementary School project so the prior year default budget should be the \$25,688,824 plus the bond payment of \$36,805 for a new total of \$25,725,629. With that Chairman Silber then asked extensive questions of Superintendent Kirk Beitler regarding items in the default budget including psychological services, speech services, computer network repairs, technology, office equipment, contracted services and transportation to name a few. Superintendent Beitler answered various questions and lengthy discussion ensued.

Teachers Contract (Agreement between Gilford School Board and Gilford Education Association): Superintendent Kirk Beitler handed out the current contract, the cost items associated with the new contract and the review of changes that have been made. Chairman Silber said that the Budget Committee role is to vote on cost items associated with the contract. Chairman Silber wanted to vote on the Articles in order.

Article #1 is to create capital reserve fund to be known as the school buildings maintenance an improvement capital reserve fund for the purpose of repairing, maintain, upgrading and improving school buildings, grounds and their operating system and facilities and to raise and appropriate the sum of \$75,000. Dale Channing Eddy made a motion to approve Article #1 for \$75,000 as presented; seconded by Sean Murphy. Discussion ensued. Chairman Silber asked for public input. There was none. Motion passes; (10-0).

Article #2 is to create a capital reserve fund to be known as the school buildings maintenance capital reserve fund, for the purpose of repairing, maintaining, upgrading, improving and replacing the school buildings roof systems and to raise and appropriate the sum of \$62,500. Sean Murphy made a motion to approve Article #2 for \$62,500 as presented; seconded by Dale Channing Eddy. Discussion ensued. Chairman Silber asked for public input. There was none. Motion passes; (10-0).

Article #3 is to create a capital reserve fund to be known as the schools districts technology infrastructure capital reserve fund, for the purpose of repairing, maintaining, replacing and upgrading the school districts technology resources and infrastructure (hardware and software) and to raise and appropriate the sum of \$30,000. Sean Murphy made a motion to approve Article #3 for \$30,000 as presented; seconded by Dale Channing Eddy. Discussion ensued. Chairman Silber asked for public input. There was none. Motion passes; (10-0).

Article #4 is for a multi-year agreement for to see if the Gilford District will vote to approve the cost items included in the collective bargaining agreement reached between the Gilford School District and the Gilford Education Association which calls for the following increases in salaries and benefits at the current staffing levels paid in the prior fiscal year:

<u>Year</u>	<u>Estimated Increase</u>
2017-2018	\$296,819
2018-2019	\$268,198
2019-2020	\$245,392

And further to raise and appropriate the sum of \$296,819 for FY 2017-2018 such sum representing the additional costs attributed to the increase in salary and benefits required by the new agreement over those that would be paid at the current levels. Chairman Norman

Silber stated that Budget Committee is only required to approve the cost items associated with the contract. Discussion ensued. Sean Murphy made a motion to approve Article #4 for the multi-year agreement as presented; seconded by Dale Channing Eddy. Kevin Leandro said that these were the largest contract increases he has ever seen. Norman Silber pointed out in each section how many administrative salaries packages exceed \$100,000 versus low wage earners in the budget like food services etc. Lengthy discussion ensued. Chris McDonough called for a point of order and asked why this is relative. There was discussion on what employees pay towards their health insurance. Currently it is 5%. The contract increases to 7% in year two and 10% in year three. Mr. McDonough said the School Board wanted to double the health insurance contribution rate to 10% in the first year, but a contract is a give and take and that's how they got 10% in 3 years. There are great teachers in Gilford and they would like to keep them. It was the opinion of some budget committee members that the increase is not sustainable as the tax base is not growing. Extensive Discussions took place. Chairman Silber then asked for public comment. Ms. Carol Young Podmore, Ms. Beth Devivo and Ms. Linda Bettoney all spoke in strong support of the quality teachers the school system is fortunate to have and retain thus far and that longevity is a good thing. Chairman Silber asked budget committee members if they will vote or table. Susan Greene made a motion to table the cost items in Article #4 until the public hearing on January 12, 2017; seconded by Leslie Suranyi; Motion passes; (6-4)

Article #5, Authorization for Special Meeting on Cost Items: – No vote needed.

Superintendent Kirk Beitler stated that Article #6 is forthcoming for the petition for school default budget warrant article. The School Board needs to hold a public hearing on it.

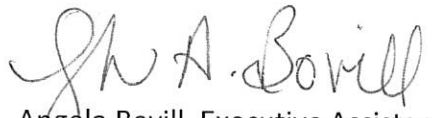
Bottom line school district budget: Norman Silber made a motion to table the vote on the bottom line budget until after the 1/12/16 public hearing; seconded by Susan Greene. Discussions ensued around salary increase, non union increases, Administrators bonuses, etc. Norman Silber wants to go through the numbers and handouts from tonight to come up with the bottom line number until after the public hearing. Motion passes; (8-2)

School Officials then asked the Budget Committee members what they should put together for information for the public hearing. Superintendent Beitler pointed out that the public hearing on 01/12/17 is for the public to review what the School Board recommends and what the Budget Committee recommends. If the Budget Committee waits until after the public hearing, how will the public be able to decide or be properly informed of the Budget committees recommended number. Discussion ensued.

The budget committee will call a meeting on Tuesday, January 10, 2017 at 6:30 pm to finalize the school distinct bottom line budget.

With no further business to discuss, the meeting was adjourned at 8:45 pm.

Respectfully submitted,

A handwritten signature in cursive script that reads "Angela Bovill". The signature is written in black ink and is positioned above the printed name.

Angela Bovill, Executive Assistant