

**GILFORD BOARD OF SELECTMEN'S MEETING
ADMINISTRATIVE REVIEW
SEPTEMBER 11, 2006
3:00 P.M.**

The Board of Selectmen convened in a special session on Monday, September 11, 2006 at 3:00 p.m. at the Gilford Town Hall, 47 Cherry Valley Road, Gilford, NH. Selectmen present were Chairman Dennis Doten, Alice H. Boucher and Connie Grant. Also present was Town Administrator Evans E. Juris, Assistant Town Administrator Debra Shackett and Administrative Secretary Sandra J. Bailey.

The Selectmen recited the Pledge of Allegiance.

Administrative Budget Review

Town Administrator Juris began the presentation to the Board by reviewing a proposed increase in the Selectmen's stipend. He explained that with increased responsibility and time commitments from the Board, he felt this was an appropriate increase.

Dennis Doten inquired about the part-time wages line for 2005 and it was explained that this was for the part-time Assessing Clerk, who is now being paid from the Appraisal budget. Town Administrator Juris explained that the increase in the Telephone line is due to cell phone charges being moved from the Technology budget to the Telephone line.

Assistant Town Administrator Shackett explained that the amount budgeted under "Audit" is reduced by \$2,000 from the \$22,000 budgeted for 2006. A brief explanation was provided in the Appraisal budget for Assessing Materials, which covers trade publications and training. The amount budgeted for Legal Expenses will be the same as 2006 - \$60,000.

Assistant Town Administrator Shackett then provided a detailed review of the items covered under Payroll Administration. She further stated that some of the items are projections because the exact figures for 2007, in several categories, are not known at this time.

Under Cemeteries, Debra Shackett stated that the Trust Fund Administrator line is up from \$1,400 for 2006 to \$1,600 for 2007. She further stated that Laconia Savings Bank has taken a more active roll with trust funds, which has been very beneficial to the Town.

Casualty/Liability Insurance is currently being projected at \$83,000 for 2007, up from \$80,000 for 2006. A brief explanation was provided on how the insurance rates are set for Town property.

Brief discussion ensued on the Welfare budget. Town Administrator Juris stated that there will be a warrant article in 2007 to change the position from "elected" to "appointed". This change will necessitate an increase in compensation for the Welfare Officer; however, this will eventually result in a savings under General Assistance since it will be more closely monitored.

Assistant Town Administrator Shackett provided an explanation of the items covered under Debt Service. Brief discussion ensued on the issue of Tax Anticipation notes. It was the consensus of the Board that this should not be an issue with the new policy of accepting pre-payment of taxes.

Town Administrator Juris explained that, under Capital Outlay, although it was originally proposed to replace two (2) copiers in 2007, a recent assessment showed that it is not necessary. Discussion also ensued on the issue of a replacement fire truck, with various ways to address the financing.

The next item discussed was the establishment of a new Capital Reserve fund for Uncompensated Absences. Assistant Town Administrator Shackett explained that this fund would be a starting point in having funds available to pay off unused leave time when an employee resigns or retires. She further explained that the Town has recently suffered financial setbacks when long-term employees leave and are paid a great deal of accumulated leave time. She also stated that this fund is a recommendation of the Town's auditors.

Continuing through the other Capital Reserve funds, the Board discussed the establishment of a fund for a police station, the bridge replacement fund and highway equipment fund. Town Administrator Juris stated that the sewer truck, which is scheduled for replacement in 2007, has been taken out of service and a former police cruiser will be temporarily used in its place.

Extensive discussion ensued on the matter of justification for vehicle replacement. Town Administrator Juris pointed out that in the past, if a vehicle is scheduled for replacement and it is not necessary, the Department Manager has advised the Board of Selectmen and the replacement was not requested that year. Further discussion included the interaction between vehicle replacements and the CIP.

Town Administrator Juris also pointed out that Debra Shackett has taken classes which address the need to minimize the tax impact with funding methods.

Extensive discussion then ensued on the Undesignated Fund Balance. Chairman Doten expressed his opinion that some of the money in this balance could be earmarked for capital expenses. Assistant Town Administrator Shackett stated that she does not want a warrant article designating this fund

balance to a particular project, since it takes away all flexibility that might be needed in another area. More discussion ensued on the opinion of the Town's auditors on the Undesignated Fund Balance and how much, if any, should be designated for the reduction of taxes when the tax rate is set.

Town Administrator Juris advised the Board that it is necessary for them to vote on each category they have reviewed under the Administrative Budget. Going back to the beginning of the budget, Selectmen Grant stated that she is opposed to increasing the Selectmen's stipend. Chairman Doten pointed out that this small increase is symbolic, and represents recognition for their responsibility and time commitment.

Alice Boucher moved to preliminarily approve \$447,208 under the Executive Budget. Connie Grant seconded. Motion carried.

Alice Boucher moved to approve \$20,000 under Auditing. Connie Grant seconded. Motion carried.

Alice Boucher moved to approve \$181,153 under Appraisal Office. Connie Grant seconded. Motion carried.

Alice Boucher moved to approve \$60,000 under Legal Expenses. Connie Grant seconded. Motion carried.

Alice Boucher moved to preliminarily approve \$2,049,184 under Personnel Administration. Connie Grant seconded. Motion carried.

Alice Boucher moved to approve \$21,600 under Cemeteries. Connie Grant seconded. Motion carried.

Alice Boucher moved to preliminarily approve \$83,000 under Insurance. Connie Grant seconded. Motion carried.

Connie Grant moved to approve \$64,000 under Welfare. Alice Boucher seconded. Motion carried.

Alice Boucher moved to approve \$125 under Patriotic Purposes. Connie Grant seconded. Motion carried.

Connie Grant moved to approve \$665,642 under Debt Service. Alice Boucher seconded. Motion carried.

Capital Outlay will be voted on after Department Managers have an opportunity to make a presentation to the Board.

Discussion ensued on the establishment of the Compensated Absences Fund.

Assistant Town Administrator Shackett stated that she would like to see the fund established – the initial amount does not have to be \$20,000. Selectmen Boucher pointed out that the Town’s auditors would like to see this liability issue taken care of. ***Alice Boucher moved to approve \$581,600 under Capital Reserve. Connie Grant seconded. Motion carried.***

With no further business before the Board, the Board of Selectmen’s September 11, 2006 meeting was adjourned at 4:47 p.m.

Respectfully submitted,

Sandra J. Bailey
Administrative Secretary