

GILFORD BUDGET COMMITTEE MINUTES
November 21, 2006
6:30 p.m.
Gilford High School
Lecture Rooms A & B

Members Present: Doug Lambert, Bob Brent, Dick Hickok, Bill Phillips, Paul Blandford, Sean Murphy, Connie Grant, Sue Greene, Skip Murphy and Phyllis Corrigan.

Member Absent: John O'Brien

Also in attendance were Town Administrator Evans Juris, Assistant Town Administrator Debra Shackett and Administrative Secretary Sandra Bailey.

The Budget Committee recited the Pledge of Allegiance.

Chairman Hickok began the meeting by stating that recommendations would be made for the Administrative Budget and Warrant Articles.

Doug Lambert asked for an opportunity to read a letter aloud that he would like the Budget Committee to adopt and send to the Board of Selectmen. In his letter, Mr. Lambert praised the Board for their recent action regarding the COLA and encouraged them to consider making reductions in next year's Health Insurance Budget. After reading the letter, Mr. Lambert moved for its adoption. Skip Murphy seconded. Brief discussion ensued, with several Committee members speaking in favor of the letter. Motion carried by voice vote. Paul Blandford abstained. Sean Murphy was opposed.

Doug Lambert moved to recommend \$439,629 under the Executive Budget. Bob Brent seconded. Assistant Town Administrator Shackett advised the Committee that this figure includes any salary changes that were indicated last week. Brief discussion ensued on how to handle the changes within each department's budget, due to salary changes.

Skip Murphy then moved to accept all previously voted upon department budgets and automatically adjust them to reflect the 3.75% funded PBI. Bob Brent seconded. Motion carried by voice vote. Sean Murphy was opposed.

Assistant Town Administrator Shackett elaborated on the reductions made to this portion of the budget, totaling approximately \$91,000.00. Back to Mr. Lambert's motion to recommend \$439,629 under the Executive Budget, motion carried by voice vote. Sean Murphy was opposed.

Doug Lambert moved to recommend \$179,482 under Appraisal. Skip Murphy seconded. Motion carried by voice vote. Phyllis Corrigan abstained.

Doug Lambert moved to recommend \$60,000 under Legal. Phyllis Corrigan seconded. Motion carried.

Doug Lambert moved to recommend \$1,960,735 under Personnel Administration. Bob Brent seconded. Mr. Lambert reiterated his previously stated concern regarding health insurance

costs. Motion carried by voice vote. Connie Grant was opposed.

Doug Lambert moved to recommend \$21,600 under Cemeteries. Bob Brent seconded. Motion carried by voice vote.

Doug Lambert moved to recommend \$83,000 under Insurance. Bob Brent seconded. Brief discussion ensued. Assistant Town Administrator Shackett advised the Budget Committee that they do compare rates for insurance premiums, but with the discount the Town receives for having multiple policies it is difficult for other companies to compete. Motion carried by voice vote.

Doug Lambert moved to recommend \$64,000 under Welfare. Phyllis Corrigan seconded. Doug Lambert commented that he feels this amount is very reasonable, compared to expenditures of other towns. Bill Phillips asked for a breakdown of what types of services are provided. Assistant Town Administrator Shackett advised him that she could provide him with those figures for each year. Motion carried by voice vote.

Doug Lambert moved to recommend \$125 under Memorial Day. Sean Murphy seconded. Motion carried. Motion carried by voice vote.

Doug Lambert moved to recommend \$665,642 under Debt Service. Skip Murphy seconded. Motion carried by voice vote.

Skip Murphy moved to recommend \$175,655 under Technology. Bob Brent seconded. Motion carried by voice vote.

Moving onto Warrant Articles, Chairman Hickok advised the Committee members that the Warrant Articles for Invasive Species Management, Land Conservation Task Force and Fire Truck would be presented at the end, since there were individuals in attendance to provide a presentation on each one of them.

Beginning with Laconia Airport, Connie Grant moved to recommend \$10,000. Bob Brent seconded. Discussion ensued on the issue of funding Laconia Airport. Both Selectmen Doten and Boucher provided an explanation of the funding process, which is currently in its fourth (4th) year of a five (5) year plan. Bob Brent stated that although he has thought that airport fees should be raised by the users of the airport, he finds it gratifying to actually see the construction taking place at the airport. Doug Lambert agreed with Mr. Brent, since the project is providing work for local contractors. Bill Phillips does not think Gilford should pay for the airport.

Motion carried by voice vote. Skip Murphy, Bill Phillips, Phyllis Corrigan and Sue Greene were opposed.

Bob Brent moved to recommend \$63,500 under Highway Truck. Doug Lambert seconded. DPW Director Sheldon Morgan advised the Committee members that the cost of the truck has been reduced from the original figure. Motion carried by voice vote.

Bob Brent moved to recommend \$5,000 under Building Repair Capital Reserve. Doug Lambert seconded. Town Administrator Juris provided a brief explanation, indicating that this fund would be used for such things as furnace repairs. Chairman Hickok feels that this seems logical when tightening other budgets. Motion carried by voice vote.

Connie Grant moved to recommend \$10,000 under Compensated Absences Capital Reserve. Sean Murphy seconded. Doug Lambert stated that he is uneasy about this issue. Assistant Town Administrator Shackett explained that the Town currently carries a liability of approximately \$32,000 for compensated absences, which the Town's auditors have recommended funding. Brief discussion ensued, with Assistant Town Administrator Shackett reiterating her position that if people retire during the year and the Administration is not aware of it ahead of time, it causes a problem finding the funds to pay off unused leave time. Motion carried by voice vote.

Moving onto the Police Station Capital Reserve, Connie Grant moved to recommend \$50,000. Sean Murphy seconded. Doug Lambert questioned what this money would be used for. Assistant Town Administrator Shackett explained that this Warrant Article was proposed by the Board of Selectmen, not the Facility Planning Committee. Selectman Doten stated that the FPC is working on a plan to remodel and add to the existing Police Station and this funding would be a starting point. Extensive discussion ensued on the proposed Police Station project. Selectman Doten also stated that he feels that the public will be pleased with the results of the FPC. He further added that approximately one-half of the FPC is comprised of members who did not support the police station last year.

Motion carried by show of hands 9-0. Doug Lambert abstained.

The next Warrant Article discussed pertained to Invasive Species Management. John Goodhue, Chairman of the Gilford Conservation Commission, provided an explanation of the problems associated with milfoil in Lake Winnepesaukee. He further stated that the Board of Selectmen asked the Conservation Commission to become involved with this issue. Extensive discussion ensued on methods for eradication of milfoil, State agencies involved in the application process and Gilford's utilization of boat registration fees. Town Clerk/Tax Collector Denise Morrissette encouraged the Budget Committee to recommend this article to assist her in being able to show the Legislature that boat registration fees should continue to go to Gilford, since Gilford is doing something to help the quality of the lake.

(Motion carried by show of hands 7-2, but no one moved the question or seconded it.)

The next Warrant Article is \$1,000,000 for the Land Conservation Task Force. A presentation was made by LCTF Chairperson Sandy McGonagle regarding the Bean property on Saltmarsh Pond Road. She also provided background information on the Persons Farm, which is being preserved as a working farm but will not be asking for any tax dollars. Regarding the Saltmarsh Pond property, the Bean family proposes to sell a conservation easement to the Town, gifting back \$1 million to the Town. The property was recently appraised at \$2.1 million, necessitating a warrant article of approximately \$1,025,000.

Chairperson McGonagle further stated that she would like to be able to reduce this amount, prior to Town Meeting. In continuing with her presentation, she pointed out the various characteristics of the property that make it ideal for conservation. Skip Murphy presented some figures regarding how this Warrant Article could impact Gilford's tax rate. Bob Brent recommended bonding this purchase to lessen the impact. Everett McLaughlin, a member of the Gilford Conservation Commission, provided Committee members with options for 20-year bonding.

Extensive discussion ensued on the matter of conservation vs. development. Although the

Committee recognized the value of conserving land, various members expressed concern at the cost. Everett McLaughlin also pointed out that since the people of Gilford have a desire to maintain the Town's rural character, this would be an excellent way to preserve it. Sandy McGonagle encouraged the Budget Committee to have the foresight to vote for this for long term benefits. Bob Brent stated that although he supports preserving land, he does not want to vote on this issue tonight. Selectman Grant asked for an explanation of the public access portion of the easement. Tom Howard provided an explanation for her, stating that the easement would guarantee public access. Town Administrator Juris asked about hunting and was advised that this would be up to the property owners.

Doug Lambert stated that he would also like more time to consider this issue. Bill Phillips move to table this matter to the November 30, 2006 meeting. Doug Lambert seconded. Motion carried by voice vote.

Fire Chief Jim Hayes then presented an explanation of the request for a Fire Truck, at a cost of \$325,000. He provided Committee members with an explanation of the status of existing trucks, as well as a brief history on each one. He further stated that this purchase will enable the Fire Department to maintain the present fleet, as it has been for many years. Engine I is responsible for establishing a sustainable water supply for building fires and other incidents.

Chief Hayes elaborated on the problems associated with not replacing fire department vehicles in accordance with the replacement schedule. It has caused the need for apparatus to be "compressed" into a shorter period of time. He also discussed insurance implications and the capabilities of a "Quint" fire truck, which was suggested as a possible replacement truck. Chief Hayes elaborated on the problems he foresees if the Fire Department had to rely on this one truck to replace two trucks. Chief Hayes also explained the downfalls of purchasing a used vehicle. Various funding options were reviewed by Chief Hayes, including lease purchase and utilization of funds in a Capital Reserve Fund.

Chief Hayes advised the Budget Committee that the Board of Selectmen did not take any position on the recommendation of the fire truck. He stated that the CIP Committee was deadlocked, but it was due largely to the problem with future purchases. It was the consensus of the Budget Committee that this issue could be discussed again at the November 30th meeting.

Chairman Hickok stated that the School District Budget would be available for pick-up on Monday, November 27, 2006. He further stated that the Committee could vote on the approval of minutes at the November 30th meeting, also.

Skip Murphy brought up the matter of his memo on creating a sub-committee to establish a Salary Management and Ranking Tool. He moved that a sub-committee be created for this purpose. Doug Lambert seconded. Chairman Hickok suggested that due to the late hour, this also be considered at the November 30th meeting. Bill Phillips moved to table this matter to November 30th. Sean Murphy seconded. All were in agreement that this was the best way to handle this so Skip Murphy and Doug Lambert withdrew their motion. Mr. Phillips' motion was unanimously approved by voice vote.

The meeting was adjourned at 9:22 p. m. The next Budget Committee meeting will be Thursday, November 30, 2006 at 6:30 p.m. at Gilford Town Hall.

Respectfully submitted,

Sandra J. Bailey
Administrative Secretary