

GILFORD BUDGET COMMITTEE MINUTES
December 30, 2008, 6:30 p.m.
Gilford Town Hall

Members Present:~~Dale Dormody, Kevin Roy, Richard Young, Richard Hickok, Skip Murphy, Sue Greene, Doug Lambert, Margo Weeks and Bill Phillips.

Members Absent: J. Kevin Hayes, Terry Stewart, John O'Brien.

The Budget Committee recited the Pledge of Allegiance.

Chairman Hickok announced that the items to be discussed tonight are the budget that was approved by the Board of Selectmen, the contracts of the two Collective Bargaining Units and 2009 warrant articles.

Brief discussion ensued on how the proposed 2009 budget will impact the tax rate.

Chairman Hickok reported that a final figure of \$7,566 has been received for 2009 dues to the New Hampshire Municipal Association.

Town Administrator Dunn further explained that in many cases, the Board of Selectmen made changes to the 2009 budget that agreed with the recommendations of the Budget Committee. Chairman Hickok pointed out that the Budget Committee and Board of Selectmen need to have all differences resolved at the meeting scheduled for January 8, 2009.

Discussion then ensued on the proposed salary of the Town Clerk/Tax Collector, who has declined her proposed pay increase for 2009. Further discussion ensued on the matter of whether various capital items have been previously voted on.

The next area of the budget to be discussed pertained to Special Warrant Articles. At this time, Finance Director Ruggles offered an explanation of some of the adjustments he has made to Capital Reserve Funds, particularly the Bridge Replacement Capital Reserve Fund and Fire /Rescue Apparatus Capital Reserve Fund. Various Committee members expressed their views on how the Capital Reserve Funds should be managed.

Chairman Hickok advised the Committee members that the articles that have not been voted on will need to be taken up individually.

Doug Lambert moved to approve \$103,500 for the purchase of a 550 dump truck with plow. Skip Murphy seconded. Motion carried by 9-0.

Sue Greene moved to approve \$100,000 for the Highway Equipment Capital Reserve Fund, \$50,000 of which has been transferred from the Bridge Replacement Capital Reserve Fund, leaving an appropriation of \$0 for 2009. Margo Weeks seconded.

Motion carried 9-0.

The Committee discussed the Fire/Rescue Apparatus Capital Reserve Fund next. This led to extensive discussion on how the Budget Committee needs to connect with the Capital Improvement Plan Committee, as well as the implications of capital spending on the tax rate.

Doug Lambert moved to approve \$50,000 for the Fire/Rescue Apparatus Capital Reserve Fund. Skip Murphy seconded. Motion carried 7-2.

Bill Phillips moved to approve \$35,479 for the 2-year Collective Bargaining Agreement between the Board of Selectmen and Teamsters Local 633, on behalf of the employees of the Gilford Police Department. Margo Weeks seconded. Motion carried 9-0. Brief discussion ensued on the police wages and health insurance.

Town Administrator Dunn explained the Collective Bargaining Agreement between the Board of Selectmen and AFSCME Local 534, on behalf of the employees of the Gilford Public Works Department. Highlights of this agreement include a 10% contribution towards health insurance as of 4/1/09, no automatic step increases and a 0-4 Performance Based Merit increase.

Margo Weeks moved to approve \$30,593 for the 1-year Collective Bargaining Agreement between the Board of Selectmen and AFSCME Local 534. Bill Phillips seconded. Motion carried 8-1.

The next item for discussion was the Police Station Renovation and Expansion Project. Dale Dormody moved to approve \$1.58 million for the Police Station Renovation and Expansion Project, \$380,000 of which will be taken from the Undesignated Fund Balance and \$1.2 million to be bonded. Bill Phillips seconded.

Doug Lambert stated that he has an issue with the communication center, storage and prisoner intake areas. Chairman Hickok inquired as to the cost of moving the communication center and Deputy Chief Keenan stated that it was \$65,000. This led to further discussion on utilizing the Belknap County Sheriff's Department for dispatch.

Deputy Chief Keenan further stated that the proposed Police Department will cover 12,000 square feet, with 600 square feet being utilized for an additional conference room. Sue Greene stated that she feels that storage problem can be solved when the SAU leaves the building and she is conflicted with spending this much money, particularly as it impacts the tax rate. Bill Phillips feels that this is the time to act on this matter and the Town should not wait any longer.

Extensive discussion ensued on the proposed geothermal heating system and possible ways to fund the project. Doug Lambert stated that he has his own opinions on the necessity of this addition and feels that the priority for the police officers is to be out on the street.

At this time, Town Administrator Dunn advised the Budget Committee that \$900,000 is being transferred from the Undesignated Fund Balance - \$380,000 is being proposed for the Police Station project and \$520,000 is being used to offset the tax rate. Extensive discussion ensued on philosophical differences of opinion on using the Undesignated Fund Balance.

A vote on the motion indicated a vote of 7-2. Motion carried.

The Budget Committee then discussed the proposed improvements to the Town Hall, including the installation of a geo-thermal climate control system. Town Administrator Dunn explained that the \$500,000 figure is not firm. This project will require three wells to be dug for the geo-thermal system, as well as piping to the building. He further stated that this is a good time to coordinate the geo-thermal climate control system with the Police Station renovation and expansion. The Town Hall's heating system operates poorly and needs to be replaced.

Town Administrator Dunn then explained that the general contractor for the Police Station project chooses the contractor for the geo-thermal installation. Extensive discussion ensued on funding both projects (Police Station renovation/expansion and Town Hall improvements).

Richard Young moved to approve \$500,000 for Town Hall improvements. Kevin Roy seconded. Motion failed by a 4-5 vote, with Chairman Hickok voting against the motion.

Town Administrator Dunn explained the ongoing GIS Project Capital Reserve Fund. Doug Lambert moved to approve \$20,000 for the GIS Project Capital Reserve Fund. Dale Dormody seconded. Motion carried 8-1.

Sue Greene moved to approve \$20,000 for the Technology Upgrade Capital Reserve Fund. Kevin Roy seconded. Motion failed by a 4-5 vote, with Chairman Hickok voting against the motion.

Dale Dormody moved to approve \$10,000 for the Building Repair Capital Reserve Fund. Doug Lambert seconded. Motion failed 0-9.

Kevin Roy moved to approve \$10,000 for the Compensated Absences Capital Reserve Fund. Skip Murphy seconded. Motion carried 9-0.

Kevin Roy moved to approve \$10,000 for the Water Supply Maintenance Capital Reserve Fund. Richard Young seconded. Motion carried 9-0.

Kevin Roy moved to approve \$22,000 for the Recreation Facility Maintenance Capital Reserve Fund. Margo Weeks seconded. Motion carried 8-1.

Kevin Roy moved to approve \$25,000 for the Glendale Dock/Launch Ramp Capital Reserve Fund. Motion carried 9-0.

Chairman Hickok advised the Committee that the final figures will be available at the next meeting on January 8, 2009. Skip Murphy asked Finance Director Ruggles to provide data on the tax rate impact of warrant articles at that meeting, also.

Margo Weeks moved to adjourn. Dale Dormody seconded. The motion passed 9-0 and the meeting adjourned at 9:26 p.m.

Respectfully submitted,

Sandra J. Bailey
Administrative Secretary