

## **GILFORD BUDGET COMMITTEE MINUTES**

**October 1, 2009**

**6:30 p.m.**

**Town Hall**

Members Present: John O'Brien, Sue Greene, Dick Hickok, Margo Weeks, Dale Dormody, Terry Stewart, Kevin Roy, Phyllis Corrigan, Doug Lambert, Fred Butler, Mark Corry and Skip Murphy

Members Absent: None

Also in attendance were Selectman Kevin Hayes, Town Administrator Scott Dunn, Finance Director Geoff Ruggles, Town Clerk/Tax Collector Denise Morrissette and Executive Secretary Sandra Bailey.

The Budget Committee recited the Pledge of Allegiance.

Chairman Hickok welcomed the Committee to this evening's meeting. He stated that the purpose of tonight's meeting is for a presentation and overview of the Town's 2010 budget.

Terry Stewart asked Town Administrator Dunn if the employee benefits have been redistributed to each department. Town Administrator Dunn replied yes. Finance Director Ruggles also indicated that he prorated the 2007 and 2008 benefits for comparison purposes. Doug Lambert appreciates receiving the budget in Excel format, as well as the fact that employee benefits have been grouped with each department. Finance Director Ruggles also advised the Committee that capital items have been placed within each department budget.

Doug Lambert pointed out that there is no funding included in the 2010 budget for outside agencies, which last year totaled \$37,000. He also noted that the Fire Department's budget is up approximately 10%. Finance Director Ruggles responded that this increase is due to the refurbishing of the rescue vehicle, which will extend the life of the vehicle.

Brief discussion ensued on the value of having the Excel spreadsheet electronically, versus the printing of the budget books. Terry Stewart stated that his subcommittee is having difficulty meeting with the Town Clerk/Tax Collector prior to their scheduled budget review date. Chairman Hickok stated that there can be some flexibility with situations like this. He further stated that he would like an overview of the Town budget.

Selectman Hayes responded and advised the Budget Committee that many cuts were made, but the Board did not make cuts with personnel. The Fire Department budget has increased due to a capital item being placed in it. He emphasized the Board's goal of keeping a manageable tax rate, which has been difficult with property valuations declining. A substantial amount has been cut from the Highway Department budget for road maintenance.

Selectman Hayes further stated that the Board directed Department Managers to submit input on how they could cut back on personnel expenses. He also reported that the Board made significant cuts with the Cemetery Trustees. In summary, the Board's goal was for zero growth. Chairman Hickok asked if this goal needs to utilize the undesignated fund balance to be achieved. Finance Director Ruggles replied that it depends on the tax rate and how much value is lost in assessments. Town Administrator Dunn pointed out that the School District is returning approximately \$1 million this year, but won't be next year. In addition, a reduction in

revenue will cause the tax rate to increase. Brief discussion ensued regarding the concern for having a spike in the tax rate.

Selectman Hayes pointed out how DPW Director Morgan was able to secure a better price for road salt than the state bid price. Doug Lambert asked about employee pay increases, which appear to have been budgeted at 3%. Terry Stewart stated that he applauds the Selectmen for this budget, but wages and benefits are still a very large portion of it. Selectman Hayes pointed out that approximately one-third of the wages and benefits are determined by union contract. Doug Lambert further asked how the employee contribution for health insurance is structured. Town Administrator Dunn replied that the plan was for a phasing in of the contribution from 5% - 10%.

Chairman Hickok asked about the Police Department and Town Hall renovations. Town Administrator Dunn replied that this is not in the 2010 budget and could be accomplished by issuance of a bond or a two phase appropriation of \$500K each year. The CIP Committee is still discussing this matter.

Skip Murphy asked about the Fire Department's training facility that has been proposed to be constructed at the Town's Recycling Center. Town Administrator Dunn replied that this facility will require no taxpayer contribution.

Selectman Hayes praised the work of the Cemetery Trustees and encouraged the Board to hear from them directly if possible. They are working very hard with volunteers to take care of something that has been neglected for many years.

Doug Lambert asked why the cost of dental insurance has increased. Town Administrator Dunn replied that it has been offered to part-time employees on a prorated basis. He also pointed out that the Town was able to save enough in health insurance to cover the cost of dental insurance. The Town realizes a large savings if employees opt out of the health insurance.

Dale Dormody asked about the status of the old library building. Town Administrator Dunn replied that we are still expending funds for heating and electricity at the building. School Board member Margo Weeks stated that the School Board will be discussing the situation with the old library building at their meeting this Monday night.

Skip Murphy inquired about Gilford Village Knolls. Town Administrator Dunn replied that they are working on a purchase and sales agreement with them. Mark Corry asked if he could be part of the Technology Review sub-committee. Chairman Hickok feels that it was a godsend to sub-contract out technology support.

Margo Weeks moved to adjourn at 7:28 p.m. Terry Stewart seconded. Motion carried with all in favor.

Respectfully submitted,

Sandra Bailey  
Executive Secretary

