

**GILFORD BUDGET COMMITTEE MINUTES**  
**October 15, 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, Fred Butler, Mark Corry and Skip Murphy

Members Absent: Doug Lambert

Also in attendance were Town Administrator Scott Dunn, Finance Director Geoff Ruggles, Planning Director John Ayer and Executive Secretary Sandra Bailey.

The Budget Committee recited the Pledge of Allegiance.

Chairman Hickok welcomed the Committee to this evening's meeting. Tonight's review began with a continuation of the Administration Sub-Committee's findings. Skip Murphy's first recommendation was to remove the \$600 in the Budget Committee's line and transfer it to the Administration's overtime line item. He also pointed out that funds for the Energy Committee and Historic District Commission have been cut, so the Budget Committee's could be as well. Town Administrator Dunn pointed out that this line item is for the Budget Committee's public notices that are published in the newspaper. He did state that he thought the line item could be reduced to \$400.

Margo Weeks provided her views on overtime pay. She feels that if meetings are planned in advance that they should not incur overtime expense. Extensive discussion ensued with Town Administrator Dunn stating that it was not feasible to have the hours used to cover night meetings reduced during the regular work week. Skip Murphy re-stated his original proposal that the \$600 in the Budget Committee's line item be transferred to the Administration's overtime line.

Sue Greene moved to reduce the Budget Committee's line item to \$400. Skip Murphy seconded. Motion carried 11-0 with all in favor.

Under Elected Officials, Skip Murphy moved to approve \$14,545. Terry Stewart seconded. Motion carried 11-0 with all in favor.

Skip Murphy continued with his review, focusing on discretionary spending under Insurance and Benefits. Following general discussion, Chairman Hickok stated that he thinks that the \$197,692 total figure in this category is the important figure to focus on. Sue Greene asked why the Town's casualty insurance has increased. Finance Director Ruggles replied that the Local Government Center has performed inspections of Town property, which can affect the rate. In addition, as new equipment is added to the Town's policy the cost of it increases.

Terry Stewart moved to approve \$197,692 under Insurance and Benefits. Phyllis Corrigan seconded. Motion carried 11-0 with all in favor.

Brief discussion ensued regarding the matter of Legal Expenses. Overall, this amount has been reduced because of Town Administrator Dunn assuming the responsibility of union negotiations. Skip Murphy moved to approve \$85,600 under Legal Expenses. Phyllis Corrigan seconded. Motion carried by a vote of 10-1.

The next budget matter brought forth was the Health Administration category. Extensive discussion ensued regarding the job description, training and expenses of the Health Officer. Town Administrator Dunn suggested that the issues raised by the Budget Committee be directed to Health Officer Sheldon Morgan. Since this matter is scheduled to be discussed at the October 29<sup>th</sup> meeting, along with the DPW budget, Chairman Hickok stated that further review of the Health Officer will be delayed until that date.

Brief discussion ensued regarding the Welfare Budget. Fuel oil cost reductions in 2009 contributed to the lowered expenses. Skip Murphy moved to approve \$76,090 for Welfare. Terry Stewart seconded. Motion carried 11-0 with all in favor.

Returning to the Administration Budget, Skip Murphy noted an increase in the New Hampshire Retirement contribution and \$7,500 earmarked for a new phone system. Phyllis Corrigan moved to approve \$270,650 under Administration. Kevin Roy seconded.

Skip Murphy moved to reduce the Administration amount by \$7,500 to \$263,150, which reflects the amount earmarked for the new phone system. This prompted extensive discussion on the Town's telephone system and the issues related to the underground cable connecting the Fire Department to the PBX system. Margo Weeks suggested taking care of the Fire Department's problem and finding a less costly alternative for the rest of the phone system. Skip Murphy added that since the Board of Selectmen want to protect positions and benefits, special projects should be postponed. A vote on his amendment indicated a vote of 3-yes and 5-no. Amendment failed. A vote on the main motion to approve \$270,650 carried by a vote of 8-yes and 3-no.

The next budget reviewed covered the Department of Planning and Land Use. Dale Dormody stated that their budget is down by 2.8% overall from 2009. An explanation was provided regarding the reduction in the Health Insurance line item, as well as a reduction in the merit wage line. The amount budgeted for the Lakes Region Planning Commission can be reduced by \$110 to \$8,334, since a final budget figure has been received from them. The Vehicle Maintenance repairs of \$1,000 are in lieu of purchasing a new vehicle for the Code Enforcement Officer. Professional Development for staff and board members has been reduced, while an increase of \$600 under Books and Publications reflects the need for updated code books.

Dale Dormody moved to approve \$322,948 under the Department of Planning and Land Use, which reflects the \$110 reduction under Lakes Region Planning Commission. Phyllis Corrigan seconded. Margo Weeks inquired why the telephone line item has increased by \$600. Director Ayer replied that it is because the two cell phones within his department are now charged to the DPLU budget, rather than the Administration budget. This led to extensive discussion regarding the Town's policy on cell phones. Margo Weeks recommended that the Board of Selectmen look at this policy. Dick Hickok suggested that the weekly reimbursement paid to employees with cell phones could, at least, be reduced.

Terry Stewart inquired about the \$1,000 budgeted for Membership/Dues. Director Ayer replied that this line item covers publications, certifications and membership in various organizations that allow staff to attend classes at a reduced rate. Margo Weeks feels that there is value to maintaining certifications and education. Terry Stewart suggested cutting this out of the budget for one year. Director Ayer then explained his certification requirements and the value in attending conferences and keeping current in the planning field. Skip Murphy pointed out that throughout the entire budget \$27,804 is earmarked for Membership and Dues. He questioned

why personnel are not required to pay for these items personally. He further stated that these are not normal times and again questioned why the Town of Gilford paid for them. Brief discussion then ensued regarding meal allowances paid for by the Town. Finance Director Ruggles pointed out that the Town conforms to IRS allowances, which vary from district to district within New Hampshire.

Terry Stewart stated that he may cut the membership/dues and merit budget line items at the end of the budget review period. Dale Dormody feels that if this is done, information could be missed without going into more detail on the savings that result from membership/dues. Chairman Hickok agreed that Terry Stewart can make reductions at the end of the budget review process. Selectman O'Brien feels that the Sub-committees should be obtaining the detail necessary to understand the complete budget implications of each department.

A vote on the motion to approve \$322,948 for the Planning and Land Use budget carried by a vote of 7-yes and 4-no.

Chairman Hickok stated that the Finance/Appraisal/Debt portion of the budget has already been discussed, but the vote will be delayed until next week since the Technology budget is part of it. Skip Murphy explained that notice for the Sub-committee meeting was never posted. Phyllis Corrigan stated that the Sub-committee will be meeting with Finance Director Ruggles on the Technology budget prior to the next meeting.

Terry Stewart provided his opinion on broad cuts to the budget. Chairman Hickok pointed out that it is the bottom line that counts, but Terry Stewart further pointed out the need to define cuts. Town Administrator Dunn pointed out that recommendations must be made on a department basis.

At this time, Planning Director Ayer pointed out the savings that resulted in the recent purchase of building code books because of membership in a particular organization.

Margo Weeks moved to approve the minutes of the October 8, 2009 meeting. Dale Dormody seconded. Motion carried with all in favor.

Margo Weeks moved to adjourn at 8:38 p.m. Terry Stewart seconded. Motion carried with all in favor.

Respectfully submitted,

Sandra Bailey  
Executive Secretary