

Gilford Budget Committee Minutes
October 6, 2011
6:30 p.m.
Town of Gilford

Members Present: Richard Hickok, David Horvath, Dale Dormody, Kevin Leandro, Kevin Roy, Fred Butler, Pat Labonte, Gus Benavides, Rae Mello-Andrews, Skip Murphy, Sue Greene and Phyllis Corrigan

Members Absent: None

The Budget Committee recited the Pledge of Allegiance.

Richard Hickok reviewed the agenda – Main topic review of the Admin and Other, 8 tabs in book and review of other topics, videotaping of meeting.

Chairman Hickok asked for public Input: none.

Chairman Hickok – Leaf through tabs so questions may be brought up. 8 tabs include elected officials, boards and committees, admin, finance, appraisal, technology, legal, insurance, welfare and debt.

Selectman's budget has a 9/10 of a percent reduction from last year. 2 issues were raised.

- 1 Elected officials stipend - Subcommittee voted 3 to 1 to reduce that.
- 2 Whether town should be a member of New Hampshire Municipal Association - Subcommittee was split so no action was taken.

Tab 1 - Elected Officials – Treasurer and moderator and supervisors of checklist are making money during tough times committee felt that should be cut in half. That was the only comment made on this portion of the budget.

Tab 2 - Town Administration – two people in this office. In general it is a reasonable budget. There was discussion regarding why year after year in what is a continuing down turn of the economy, everybody gets a pay raise. \$46,040 for merit raises. General answer on discussion was Selectmen did not want to see non union employees forgo a pay raise when union employees got them. That was the only discussion no movement to do anything about that.

Skip Murphy – Regarding retirement Town Administrator receives two retirement payments, one into the State level and a town contribution into a 401K. Asks Selectmen why that was done.

Gus Benavides – Town Administrator Dunn asked during negotiations of this contract if they would do a match up to 5%, not a guarantee but matching.

Skip Murphy – Is that something you see going forward other employees asking for. Like the idea of a 401K has a hard time with both at the same time. Did the selectmen approve this 3 to 0 or 2 to 1?

Gus Benavides – With this particular issue BOS voted 3 to 0

Richard Hickok – Sees this as a negotiation that took place and ended up with no pay raise two years in a row, didn't bother him as much.

Discussion ensued regarding concerns for other employees requesting the same benefit Gus stated that Scott Dunn is the only employee with a contract.

Tab 3 Boards and Commissions – Small number \$900 vs. \$800 Budget Committee was the one had increased due to different process for taking notes.

Tab 4 Finance and Appraisals – Three full time and two part time employees - also includes Technology. Hickok states in general reaction this is a challenging budget to keep level. Looking at Appraisals you will see it is flat. In general didn't have an issue with this budget.

Gus Benavides – another example of reductions made. We reduced what Cochran and Associates had requested and told him what we were willing to pay and he graciously accepted. Discussion ensued regarding privatizing certain jobs and use inmates for free labor to save

money and outsourced flaggers are much cheaper.

Tab 5 Legal - Selectmen took a challenge of a small reduction.

Gus Benavides – Issues such as Liberty Hill still not resolved. Either way they rule there will still be a cost to the town. Unfortunately we do not have an answer in this fiscal year needed to budget money for next year.

Fred Butler had a question regarding the \$2,000.00 for unfunded mandates.

Scott Dunn – This money is for the lawsuit against the state for withholding a portion of retirement funds, under section 28 A of the state constitution.

Skip Murphy states this is a perfect example of unfunded mandates. Feels we should pay towards the retirement, having state contribute hides the cost. Feels we should go to a defined contribution vs. a defined benefit.

Fred Butler had a question regarding Union assistance.

Scott Dunn – This is for legal advice regarding contract issues with the unions.

Dave Horvath had a question regarding what was budgeted vs. what has been spent.

Discussion ensued regarding unresolved legal issues question if unexpended funds could be rolled into next year. RSA states raised funds need to be spent in the year budgeted.

Tab 6 Insurance – This budget stayed flat. Unemployment went up due to claims; workman's comp went down due to change in source for insurance and got a better rate.

Tab 7 Welfare Assistance – General feeling of the committee is the number has gone up, however considering the times we are in this could find an overrun, and you never know when that time will come.

Discussion ensued regarding outside agencies. They are not a part of the budget however need to petition to be placed on a warrant article. Question was asked how they get on the budget request. Scott clarified as to the requirements to be placed on the budget.

Tab 8 Debt - 4 categories debt and interest, and capital trust every year we put \$58,000.00 away for maintenance on the Lakes business park.

Dave Horvath asked if notes could be rebundled to gain interest.

Geoff Ruggles stated our interest is between 4 and 4 ½. Also stated one note only has 2 years left with an interest rate of 3%, and Village sewer extension will end in 2013, unsure if state would allow us to refinance.

Kevin Leandro asked if the debt covered the new fire truck.

Geoff Ruggles stated no. Discussion ensued regarding this however needs to be had with Fire Department.

Phyllis Corrigan asked about the Bean property, she doesn't remember how it got placed on a petition warrant to buy the bean property.

Richard Hickok states it was purchased for a conservation easement so it would not be developed.

Richard Hickok – Go back to summary sheet general feeling the budget was good only change was reducing stipend in half for the elected officials.

Question was asked regarding the Municipal Association; Richard Hickok stated the vote was 2 to 2 so nothing was changed.

Dave Horvath asked if there was a jump in cost. Richard Hickok stated they basically tell us what we have to pay. Discussion ensued regarding staying in the association. Scott provided a hand out. Richard Hickok stated that this can be revisited before it goes to town vote.

Richard Hickok stated it is honorable for the Board of Selectmen to forgo their stipend however there is a question as to whether positions will be filled without it. Discussion ensued regarding how many elections will be held in 2012 and how much work is involved and whether people would volunteer their time. There are certain requirements that must be met if no one volunteers someone will need to be

paid to do the job.

Discussion ensued regarding procedure on voting.

Kevin Leandro stated there was discussion regarding duties of the treasurer and deputy treasurer the bulk of it is stamping the checks, asked if it would be possible to have Geoff Ruggles sign checks, he would feel more comfortable.

Geoff Ruggles stated he could not by state law. To separate the ones doing the books do not do the signing. There are checks and balances to make sure things are done appropriately.

Discussion ensued regarding the duties of the Treasurer.

Gus Benavides made a motion to approve the presented budget of the elected officials, boards and committees, admin, finance, appraisal, technology, legal, welfare, and debt for the total amount of \$1,725,657.00

Phyllis Corrigan seconded.

Richard Hickok stated that it includes the money for the elected officials and asked if there was any further discussion before the vote.

Fred Butler asked about merit wages and if there could be discussion about how that will affect the union side of things and what say we have if any about it.

Richard Hickok stated merit wages are scattered throughout the budget admin seemed the logical place to bring up the discussion. The point they were making on bringing it up was on principal for several years the economy is down however employees have great benefits. This case the selectmen can give you the reasoning as to why.

Gus Benavides stated that the Police and DPW by their own collective bargaining unit their increases are based on merit, there is no guarantee of a raise. These are not COLA's but based on performance. For budget purposes used 3% however some may get less than 3% and some may get more than 3%. Did not want to take away the opportunity for non union employees to get a merit increase when union employees did get them for fear of non union employees creating a union.

Discussion ensued regarding merit increases. The \$46,000 for merit increases includes union and non union. Employees are sharing more in the cost of benefits. Discussion ensued regarding reduction in staffing.

Richard Hickok states with the motion on the table this discussion should be tabled.

Fred Butler asked if he could make an amendment to the motion to add \$1.00 back into the BOS stipend as he would like to see the BOS rewarded at the end of the year. Discussion ensued regarding adding money back into the BOS stipend. Scott Dunn stated that elected officials are paid what is put in the budget if you budget \$1.00 each board member would be paid \$0.333 and no more.

Fred Butler made a motion to add \$1,500.00 back into the stipend for the Board of Selectmen.

No second.

Richard Hickok brings it back to the original motion.

Sue Green made a motion to reduce the original budget amount by \$3,230.00

Skip Murphy seconded.

Gus Benavides – stated he will be voting against the amendment as he represents what the Board of Selectmen already voted for.

Richard Hickok calls for a vote on the amendment;

8 Yes

4 No

Amendment passed 8 to 4.

Richard Hickok calls for a vote to approve the budget of \$1,722,427.00 for the eight tabs discussed tonight.

10 Yes

2 No

8 tabs passed with \$3,230.00 coming out of elected officials.

Richard Hickok brings up other business.

Gus Benavides states that Leo Sanfason request that the Board of Selectmen force the budget committee video tape all meetings and have them aired on public access. Scott Dunn explained that the Board of Selectmen has no legal authority over the budget committee. Gus is bringing this up

Discussion ensued regarding videotaping meetings and airing them on public access. Dale agreed to control the video tape with Geoff's help.

Gus Benavides moved for a vote

Phyllis Corrigan seconded.

10 yes

1 no

Gus Benavides abstained.

Motion made to approve Budget Committee minutes from September 29th.

Kevin seconded with all in favor.

Gus Benavides motioned to adjourn the meeting

Phyllis Corrigan seconded all approved.

Meeting adjourned at 8:25pm

Respectfully Submitted,

Mia Gagliardi

Recording Secretary