



**Delegation Meeting Minutes**  
**November 2, 2015 at 6:00 pm**

Chair Frank Tilton called the Belknap County Delegation meeting to order at 6:00 pm on the above date at 64 Court Street, Laconia, NH. The Chair asked the Clerk to call the roll.

In Attendance: Representatives Aldrich, Dumais, Fields, Fisher, Flanders, Fraser, Gallagher, Howard, Hurt, Lebreche, Luther, Russell, Spanos, Tilton and Vadney.

Absent: Representative Comtois, Sylvia and Varney.

**Gunstock Area Commissioner Interviews:** Attorney Stephan Nix was the first candidate to be interviewed. He provided an overview of his experiences in land use and development, as well as, noting he had reviewed the RSA's regarding the Gunstock Commission and the existing master plan. He answered several questions from the delegation members. He considers the Gunstock operation a profit center, however, he did not offer an opinion on the MOA (memorandum of agreement) regarding rental payments currently paid to the county.

Mr. Timothy Lang Sr. was the second candidate to be interviewed. He provided information on his diverse background and indicated he would like to move up to the county level. He indicated he was familiar with the Gunstock operation and stated that profits should be shared with the county. He also answered several questions from the delegation members.

Mr. Scott Dunn was the third and final candidate to be interviewed. He provided information on his knowledge on how government operates. He stated he had not reviewed the existing master plan and that he remains open to the idea of additional housing in the mountain area. He also answered several questions from the delegation members.

Chairman Tilton adjourned the interviews at 6:45 PM and indicated the delegation would address the selection of a new Gunstock Commissioner after the bond vote later in the evening.

**Bond Vote-Community Corrections:** Rep. Tilton opened the meeting at 7:00 PM and stated this meeting is to discuss and consider the bond for a new community corrections facility. Commissioner DeVoy stated there was nothing new to update. First a straw vote was conducted to see if there was enough interest to continue with the discussion of the bond. The results were 14-1, Rep. Howard was opposed. Rep. Howard stated there are lots of costs involved. Rep. Gallagher stated he wanted to hear from the Commissioners about the two scenarios they think are the best. Rep. Tilton stated the bond is to construct a facility not to establish programs. Rep.

Howard asked for clarification on the bed capacity. Commissioner DeVoy stated currently they have 87 inmates in the house. That number would drop to 60 and 64 beds would be added to the new facility to total 124 beds. Commissioner DeVoy talked about the different scenarios. One scenario is a 2 year interest only bond with use of the fund balance to cover. Commissioner DeVoy stated there is additional grant money available to help cover program costs. The other scenario is a 25 year bond with two years interest only. Commissioner DeVoy stated he is trying to keep the payments low and believes all generations should share in the cost of the new building. Rep. Howard stated the fund balance should be used to pay off existing debt. Rep. Tilton stated he prefers the 25 year bond over the 20 year. He stated the downside to asking for a 25 year bond is we are likely to get a tenth point higher interest rate. Rep. Tilton stated the bond will not be needed until spring 2016. Treasurer Muzzey stated he talked to bond council about current rates and they are low. He stated we should arrange a bond sooner rather than later. Rep. Tilton stated that we will have a better idea once they review the draft 2016 budget. He stated the resolution does not state how the bond is issued. Commissioner DeVoy stated the future Delegation will have to agree with the fund balance. Rep. Hurt stated the fund balance is tax payer money. Rep. Tilton stated that was correct. Rep. Gallagher stated the fund balance dollars belong to the tax payers and are available to pay for expenses. He stated the proposal before them is troublesome to him as it is very costly. He stated the bond proposal for 25 years has an interest rate of 3.31% and the 20 year bond has a 3.1% interest rate. He stated as we go out longer the interest rate is higher. Rep. Gallagher stated if we are going to spend \$1 million in a longer term bond we could spend these funds elsewhere instead of more interest. He stated interest rates are historically low and we need to take advantage now. He stated according to finance counsel December is not a good month to issue a bond the best months are January and February. Rep. Howard stated he was curious what a 15 year bond looks like. Rep. Gallagher stated if you go to much lower the payments are too high to fit in the budget. Rep. Hurt asked if we go out 25 years it will cost another \$1million. Rep. Gallagher stated that was correct. He said the basic thought and option being offered is would we ourselves at home take out a loan and pay interest only? Rep. Gallagher stated if we pay interest only the return will be to the shareholder of the business that issues the bond. Rep. Tilton stated to look at who gets use of the money. Commissioner DeVoy stated it will save \$1million but to get the savings we will have to give \$1.4millions immediately. Rep. Gallagher stated we owe \$1.4million no matter how you look at it. He stated we should retire the existing debt with the money the tax payers already have given us. Commissioner DeVoy stated you never know what is around the corner. Rep. Vadney stated he is not in favor of the 2 years interest only bond. Rep. Dumais stated the objective is to get the cheapest financing. He agrees we need to have money in the bank. Rep. Tilton stated opinions can be given but they will not be in the room with the bond council. M/Gallagher, S/Spanos I move the following: Be it Resolved that the Belknap County Delegation recommends the following debt service payment approach to address existing general obligation bonds (long-term debt) and recommends the following payment approach for potential new bonding to fund a proposed Belknap County Community Corrections Center: 1. Existing general obligation bonds shall be paid through the future normal operational budgetary process based upon the existing debt payment schedule from appropriations funded periodically from undesignated funds balance monies as may be necessary; 2. New proposed debt in the form of general obligation bonds authorized by the Belknap County Delegation for a proposed Belknap County Community Corrections Center in the amount not to exceed eight (8) million dollars shall be structured with a level debt approach of combined principal and interest over a period

not to exceed 20 years at prevailing market rates available in the first quarter of 2016. Rep. Spanos stated all that remains is how to borrow as cheap as possible. Rep. Tilton stated that this is not the vote of the bond it is a recommendation to the Board of Commissioners. Rep. Vadney stated to remember interest is what you pay for rent to borrow money. A roll call vote was taken with an affirmative vote of 13-2 Rep. Tilton and Flanders opposed. **Motion passed.** Rep. Lebreche read the following resolution: RESOLVED: That the County is hereby authorized to raise and appropriate a sum of up to Eight Million Dollars (\$8,000,000) for the purposes of financing the construction of a new Belknap County Community Corrections Facility, along with related costs and expenses; Eight Million Dollars (\$8,000,000) of such sum to be raised through the issuance of bonds or notes under and in compliance with the provisions of New Hampshire RSA Chapters 28 and 33, as amended; to authorize the County Commissioners to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project; to authorize the County Commissioners to issue, negotiate, sell and deliver such bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof; and to authorize the County Commissioners to take any other action or to pass any other vote relative thereto. M/Lebreche, S/Fields to approve the bond. A roll call vote was taken. Unanimous. **Motion passed.**

**Vote for Gunstock Area Commissioner:** Rep. Tilton stated there were three candidates and only one position. Rep. Aldrich thanked all of the candidates and stated they all fully qualified. Rep. Tilton stated he intended to call the vote by show of hands. Attorney Nix won the majority vote.

**Adjourn:** M/Howard, S/Fields to adjourn at 8:30 pm. Unanimous vote. **Motion passed.**

Respectfully submitted,



Brian Gallagher, Clerk of the Delegation