

**OFFICE OF SELECTMEN
6 HOLLAND STREET
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MOULTONBOROUGH, NH 03254**

Selectmen's Budget Work Session

November 19, 2010

MINUTES

Selectmen Present: Selectmen: Joel R. Mudgett, Chairman, Karel A. Crawford, Edward J. Charest, James F. Gray (absent with prior notice), Betsey L. Patten; Carter Terenzini, Town Administrator.

ABC Present: Jean Beadle, Ed Marudzinski, Karel Crawford, Alan Ballard (absent with prior notice), Kathy Garry (absent with prior notice), Barbara Sheppard (absent with prior notice).

The meeting was called to order at 10:02 a.m.

Office of Development Services (ODS): Dan Merhalski reviewed the accounts for personnel and other benefits. Don Cahoon was present and said he was okay with the elimination of the uniform allowance which Carter said was part of a move to put all who did not have a specialized clothing requirement on the same footing. Karel asked Dan why he had not requested funding for the LRPC. Dan said in an effort to present a bare bones budget he had to make certain value judgments and frankly he did not need this membership to do his job. Carter pointed to Dan's memo on page 50 and said the funding was now recommended as there were enough fights elsewhere in the budget and it was important to support regional efforts. However, the membership dues formula is horribly out of whack with us paying almost 8.5% of the total out of 34± towns in the LRPC. Betsey suggested that we send them a letter on the formula. Joel agreed but suggested we get through our budget cycle before we send it off. The consensus was to follow Joel's suggestion.

Jean Beadle asked if we needed the alternate CEO position or we can simply put people off. Don described stages of inspection and the need to respond within 48± hours. There was a discussion of the previous decision to pay mileage over maintaining a vehicle and operating expense versus capital expense with the current procedure standing. Jean asked what percentage of his time was spent on Health Officer duties and Don responded with an estimate of 5% to 10%.

Dan reviewed the various ordinance revisions in his memo and said that item #1 has dropped off for now. Dan was asked to keep the BoS informed through the Administrator's report of other items which might drop off as we got closer to Town Meeting. Don distributed a workload analysis and said that he continued to object to being placed under another staff member for reporting purposes as proposed by the administrator.

ODS – Milfoil: Peter Jensen said that 400 acres of the infestation had been identified. There were 350 acres treated. We had yet to do the more expensive treatments of hand pulling and DASH. If all the acreage had been treated the effort would have been short of cash. He said that the state needs to be more supportive especially with respect to the last minute objections to herbicide treatment from the Wentworth Shores area. Karel asked if the group will do hand pulling in the spring with leftover monies and Peter said yes.

Betsey asked what Peter meant by the state being more supportive. Peter said the state owns the water, but we can't treat it if objections arise at the last minute. He thinks those who object should have to prove they have an intake line, where it is, and that it's used for drinking water and – finally – give much greater notice. He was asked what the untreated areas would have cost and Peter said the 35± acres not treated would have been \$20,000±. Karel asked what happens to our effort in these circumstances. Peter replied that material is just dragged elsewhere to infest that area. Peter continued that the state said they were amazed there were not more objections so it shows we have tremendous support. Carter said the state staff was upset over the delay and he knows the state needs to address proof of intake, location, use, and timing of notice.

Carter asked the group to turn to the discussion of potential revenues from a boat launch fee to explain this year's data was not solid enough to make projections. The Lake Host program will be designated in FY2011 to collect the data we need to make a solid projection.

ODS – ConCom & Land Use Change Tax: The Chair of the Conservation Commission, Marie Samaha spoke to their request for 50% of the LUCT funds collected, which was not to exceed \$20,000, and to be used for the Commission's needs to support the Master Plan goals of a Wildlife Corridor, open space, and water quality. She said that 60% of all NH towns have adopted this and all Lake Winnepesaukee towns except us. Jean Beadle asked if there is something that would prevent the ConCom from submitting a proposal and budget rather than just having a "a pot of money". Ed Marudzinski said we are trying to prevent these funds that grow and then are not used. Marie spoke to the pros and cons of a fund versus annual budgeting including being subject to the year to year variables of personalities and budget pressures. She also pointed out that grants have timelines and can be subject to a need for monies you don't have without such a fund.

Jean said the mission is good, but this proposal takes money away from the general fund and raises the tax rate. Marie said the ConCom needed the money when a project comes around and it makes for a better town. Ed M. reiterated it's the timing issue and not the mission and Jean reiterated they could justify an annual \$20,000 budget if that is what was needed. Ed M. said the object was to not have funds that perpetuate themselves and keep growing if you don't need/use it. Karel said that once a fund is established it goes on until a new vote dissolves it. She asked if the request was to prepare for a big project. Marie said there was no specific project, but they were looking at wildlife conservation easements and the protection of the lake. Ed Charest felt we should support this. Jean repeated the object was to break a pattern of funds without a purpose. Ed M. said it was an arduous task to dissolve them, at which Ed C. said we do so all the time. Carter said the difference was the use of these funds evades a true test of the voters' will and transparency. In this case even a large purchase does not have to go back to the voters.

Marie said the resources are lacking in comparison to the needs. Betsey said the point is how the public becomes aware of this fund and gives its ongoing approval. Her fear was that you do this once and the public doesn't know about it again in the future. The money is not as important as the approval. Ed M. said he sympathized with the program and objectives, but not the funding methodologies. Carter asked for all to give him their thoughts within a week and he would then sit with Marie to see if we can pull together an approach that would meet everyone's concerns.

Tax Collector: Susette Remson reviewed her budget which had virtually no changes except printing services (tax bills) where she was able to negotiate a reduction. She then gave an overview of upcoming

software needs to address existing system shortfalls where she is not able to bill all multiple owners of record. Even in liens she has to manually enter all parties at each step. The system does not export correctly and is very labor intensive including having to manually print a number of these tax bills. Warrants, refunds, and abatements don't post automatically and also have to be done manually. The provider has been promising an upgrade for several years but it has yet to arrive and at some point we may have to address this.

Town Clerk: Barbara Wakefield touched upon her need for additional hours. She needs to have two people present at all times to keep the line moving, especially when one staff is pulled off for another matter. She also spoke to additional demands from the election side of her office. Ed M. asked if the increased volume affected our revenue in a positive manner and learned we do keep about \$5,000± but the bulk of the new revenues go to the state. Jean asked if on-line transactions help and was told it helped a bit "traffic wise" and helps the customer, but has not necessarily saved the office any actual work. Ed M. asked if they had looked at how they might streamline the process and was told most of it was controlled by the state DMV.

Karel asked what it was she actually wanted and Barbara said she wanted one staff to go from 26 hours to 35 hours. She said Heidi redid the estimates and it was \$21,500 as the Town saved \$6,000 when Barbara went from family to 2 people. Carter said the gross on the position is in fact \$27,500 which goes to the policy under discussion (full time benefits for less than full time work) even if the net budget charge is \$21,500 and even then the proposed policy would say 40 hours should be worked so it pops right back up toward the original \$27,500 net figure.

The group recessed at 12:10 for Lunch and reconvened at 1:00 p.m.

FY 2010 Q3 Review: Presented by the Town Administrator in response to questions from the ABC. Ed M. asked for a copy of the letter from Primex relative to the lifeguard coverage.

Administration – Assessing: Gary Karp reviewed his budget which, except for a proposed Timber Appraiser which was estimated to pay for itself, was essentially flat. There was also discussion of the need to consider, during the upcoming year, a Utility Appraiser to address the issues of having our MS-1 filing delayed.

On a non-budgetary matter, Gary reviewed an objection made by someone to having their sales and assessment data on-line when they had asked to have all of their material "suppressed". He described how the Vision and Map data remained suppressed and had removed the owner's name for the other material, but the party continued to object. He and the Town Administrator reviewed how they were trying to find a way to compromise between those seeking a measure of privacy and those seeking access to all of the data. The Board concurred with the approach outlined in which the lists will remain on line with taxpayer names removed.

Administration - Overall: Heidi reviewed various accounts. There were relatively few changes. One issue was to not charge for break-room supplies in the buildings where employees were now charged. The issue was one of uniformity and fairness. Ed C. asked if we could fill and then transport the large water bottles. A lengthy discussion followed relative to bacteria in unsterilized bottles being re-used and a concluding request to verify which buildings do in fact get the large bottles of water to meet the needs for potable drinking water. Heidi was asked to review the Fire Fighter insurance as it had been some

time since quotes had been sought. Carter noted he needs to check on the amounts for Salmon Press and Miscellaneous Other as it seems they may have been omitted in error (\$4,000 collectively). He was also asked to check on the status of what ODS advertises as some have seen the Notices of Decision appearing again.

The upcoming changes in the contribution structure for benefits was discussed. It was determined that the changes (10% of the uptick over single on dental), 2% points (building to 10% points over a 5 year phase-in) of the baseline on all health and dental plans would be effective on January 1. The same 2% points (building to 10% points over a 5 year phase-in) of the baseline on Life and LTD would be effective on April 1 such that each change coincides with the plan year to save changing and re-changing the payroll program.

Carter asked if the Board had given consideration to the proposed Opt-Out program under which employees now receiving insurance could leave our rolls and be paid a stipend. Joel asked under what conditions they could come back and Jean Beadle described the so-called “change in circumstances” under which they could re-enter. Carter pointed out the stipend would be paid with the payroll so the Town would not be out anything if they did come back in. The consensus was to implement the program now subject to LGC confirmation of the re-entry provision for a “change in circumstance” and to offer \$1,560 a year for opting out.

Revisit of Public Safety Issues: Carter reviewed his discussions with the County and our communications provider relative to our transition to county dispatch. Based upon these conversations he was going to bring a change in to expand the year round “Lobby Hours” onto Friday evening (to accommodate those who arrive then to find something amiss) as well as plan for an additional month to transition. Joel said the Chief opposed not filling the retiring officer, but understood the financial times. The Chief asked to “freeze” the position and the consensus was the Administrator should find a way to have the budget documents reflect such a freezing.

Discussion then turned to the Fire Tower Observer position and Betsey said she is comfortable with the approach. Joel said if a position stays it must be more of a utility year-round and then only if we can find money at the end of the budget process. Carter asked, if before proceeding more on the issue, did he “hit it on the nose” with the zero opex/capital budget. The consensus was he did. He followed up by saying then he needed to look for these monies (to support the second position) if that was what was wanted and also pointed out the possibility of presenting an “add-on” warrant article which preserved the zero budget, but gave the voters something to consider. There was no resolution from this discussion.

The Administrator was asked to re-post the meeting of 12/03 to commence at 9 a.m. There being no further business the Chair adjourned the meeting at 2:59 p.m.

Approved

Date
Respectfully Submitted
Carter Terenzini