

**OFFICE OF SELECTMEN  
6 HOLLAND STREET  
PO BOX 139  
MOULTONBOROUGH, NH 03254**

Selectmen's Work Session

January 19, 2012 4 PM

**MINUTES**

Selectmen: Joel R. Mudgett, Chair, Edward J. Charest, Vice Chair, James F. Gray, Betsey L. Patten (arriving at 4:32 p.m.), Russell C. Wakefield; Carter Terenzini, Town Administrator.

ABC: Jean Beadle, Alan Ballard, Barbara Sheppard, Russell C. Wakefield

Absent: Kathy Garry, Tom Randell, Ed Marudzinski (all w/prior notification)

The Chair called the meeting to order at 4:05 p.m.

- 1. ABC Report on 2012 Budget:** Jean Beadle, ABC Chair presented highlights of the ABC Report. The overall budget was up .8% and the ABC commended staff. This was the fourth year with a 0% to now a nominal increase. She reviewed the major cost increases (health insurance) and offsets (retirement) costs. She also reviewed the work that had gone on during the past year, noting that on outsourcing payroll the ABC still felt strongly we should do so. They asked that it be reviewed again in conjunction with the new software acquisition (for which they encouraged the Selectmen to look at the needed Town-wide tools and applications to get the most robust platform). As to the several School reports by the Town Fellow (Athletic/Recreation and After School Program), the ABC was disappointed they were not given serious consideration. As to the Recreation Revolving Fund, the ABC supported recasting it as proposed, but did strongly suggest written guidelines be developed to guide programs to be offered and when to shut them off if they were not covering their costs. On the Fiscal Year Conversion report they supported the use of the tax rate and fund balance to pay for the transition period. As to Merit Pay they offered to establish a subcommittee to work on this item with a subcommittee of the Selectmen. Jean wrapped up by saying that over the past four years most expenses have been scrubbed pretty well, but there are many opportunities if we (all three units of Town, Library and Schools) can come together to approach these issues. Specifically she suggested the exploration of shared services for School/Town finances and Human Resources. Alan Ballard said there was a lot in the report and asked the Selectmen to please give it serious consideration. Joel said he thinks the Recreation Trip Reports are making that department think more realistically. Jean said that the Town has made great improvements at the Transfer Station and Public Works Department and that Recreation is the largest one in which the ABC believes much progress can be made.
- 2. FY Conversion & May Town Meeting:** The Town Administrator distributed the Draft Report he and Jean Beadle had prepared. (Betsey Patten enters). He reviewed the pluses and minuses of conversion and a change of the Meeting time, the estimated costs thereof, and the means to pay for it. In short he and the ABC Chair recommended adopting the new Fiscal Year effective January 1, 2013 and to pay for it by means of a short term increase in the tax rate of roughly what one would pay for a five year bond, and the balance from an application of fund balance. He pointed out this would mean the Town would need to have the flexibility to float a Tax Anticipation Note to cover any short term cash flow issues. Russ asked about the "collar" and should we build the Donor Town impact in. Betsey thinks there will be a Constitutional

Amendment and there is a good chance it will pass. She continued that if we can't get a targeted aid amendment the Donor Town will not go away. If we can switch our year outside of that Amendment process we will need to have a plan of how to offset the Donor Town impact. To have an orderly changeover we need to do something we can't back out of and we may need an emergency Plan B. Carter pointed out the two interpretations of the statute that had been followed by other Towns and said we were taking the purist approach that we must make the decision one year in advance. This means we are locked in. Betsey thinks we will know about the CACR by March, but it may not be by Town Meeting. Carter also pointed out that an assessment in 2013 for the State Donor Town Tax does not go into effect until 2014 when our rate will have dropped down the small amount we had raised it. All were asked to provide their comments by the middle of next week so Carter and Jean could make any revisions in time for the 01/26 Workshop.

3. **Latest Draft Warrant:** The Town Administrator distributed the latest Draft Warrant noting the deletion of the land article as not yet ripe for action (a need to locate more non-Town funding), the change to the Red Hill Fire Tower article for \$5,000 to give the Selectmen more of a role in deciding if the staffing plan met with its intent, and the need to yet decide on the amount to be asked for the soccer field and the source of those monies. He closed by saying he was hoping to finalize the FY Conversion report and Draft Warrant at the 01/26 meeting so he could have material ready for the 02/02 Public Hearing.

There being no further business the Chair adjourned the meeting at 5:35 p.m.

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Approved

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Date  
Respectfully Submitted  
Carter Terenzini, Town Administrator