

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

Selectmen's Meeting

October 25, 2012

**MINUTES**

Selectmen: Joel R. Mudgett, Chair, Edward J. Charest (absent with prior notification), Betsey L. Patten, Jonathan W. Tolman, Russell C. Wakefield; Town Administrator, Carter Terenzini.

**I. CALL TO ORDER:** Joel called the meeting to Order at 4:00 P.M.

**II. PLEDGE OF ALLEGIANCE:**

**III. REVIEW / PAYABLES/PAYROLL SIGNATURE FILE:**

<b>DOCUMENT DATE</b>	<b>DOCUMENT</b>	<b>MAP/LOT#</b>
10/22/12	Certification of Yield Taxes Assessed, \$595.08	045-004-001
10/22/12	Intent to Cut	134-003 & 116-005
10/24/12	Veterans' Tax Credit	112-063
10/25/12	Payables Manifest & Signature File, \$696,271.87	N/A

Joel read the Payroll/Payables Manifest and Signature File as listed above. Russ Made the Motion to approve the Payroll/Payables Manifest & Signature File for October 25, 2012. Jon Seconded the Motion. The Town Administrator was asked to inquire about the electric bill for the Public Safety Building (increased KWH's), and the Berry Pond bill (Re: number of persons and forecast of use). The Motion carried Unanimously.

**IV. WORK SESSION:**

- 1. 3<sup>rd</sup> Quarter Financial Report:** Heidi Davis presented her report for the third quarter with compliments from the BoS for anticipating many of the questions that might be asked. Jon observed that several of the Fire & Rescue overages related to training and asked if we were pretty well done for the year. Carter said he would check, observed that much of this was grant funded, and commented that he hoped that during the budget workshops we might talk about the grant process to ensure it comes through the BoS for approval. Jon Tolman asked about the recycling revenue and how we gauge when to ship and whether there is a risk that markets could go down just as well as go up while we are holding a large inventory. The Town Administrator said he will reach out to the DPW for a response.
- 2. Fund Balance Policy:** Carter reviewed the few changes that had been made which were moving a section from "Authority" to "Purpose" and minor formatting. He observed that what appears to remain is to settle the percentage the BoS wants as the Unassigned Fund Balance (the Draft proposed 11.5%). Russ asked if this could be changed in the future and was told it could be. There is a provision which would let the BoS set temporarily higher targets, but a lowering would need to be a revision to the policy. Such a higher

target might be involved when one could forecast an expense coming to the Town which might require a higher fund balance to soften the blow (e.g. Donor Towns). The real issue is to have enough cash on hand to cover the bills. He noted that the year the Fund Balance dropped to roughly 8% we were only about three weeks away from not being able to do that. He was asked what caused the drop and he said that was the year the Town applied almost \$1 million to reduce the tax rate. There was a lengthy discussion of how this interacts with the budgeting process with Carter noting we do not directly appropriate it. He said the real issue is how you apply it to the tax rate. If you want to appropriate something on a one time basis you can tell the people you are going to offset it with fund balance, but you then need to remember this at tax setting time. Joel said that this policy, when it comes time to set the tax rate, will really force the Selectmen to think this through. Carter explained how, at that, the Selectmen would be presented with a report as to what - if any - excess there was over the target, upcoming events that we should be prepared for, and how much could sustainably be applied to the tax rate. He also discussed how the current annual surplus compared to his experience and spoke to an effort to begin to move that rate downward. Betsey said she was comfortable with a target at 10% while Russ (who originally thought 10% was a good target) said he had come around to feeling the 11.5% target would be better in the long term for stability. Jon spoke to the fact that this balance was really the people's money and we should be returning it to the extent possible. Carter pointed out that the current balance is slightly less than two months of bills and the 11.5% target would be even less. After continued discussion, Betsey Made the Motion, Seconded by Russ, to set the target for the Fund Balance at 10.5%. Jon asked Jean Beadle, ABC Chair, her thoughts on this. Jean said 11.5% is the mid-point of what is recommended adding that we have the money on hand already and would urge the Selectmen to stay with this recommendation. Betsey commented that with all due respect to DRA and the Auditors, this is a BoS decision and she is simply more comfortable at 10.5%. She said that any higher number makes it appear that we are holding the taxpayers' money back from them. On the question, the Selectmen were 3 to 1 in favor (Jon opposed).

3. Internet Intent & Implementation Policy: Carter reviewed the changes that had been made which consisted mainly of adding a definition for Official (to which he was asked to add a definition for "Electioneering") and adding some other definitions triggered by the application form. Russ said the timing on this was good as he would be attending the session on electronic data and RSA 91-A at the LGC conference. Carter observed on the continuing matter of the expectations of some to have all items on the Town's web calendar (even those of other units of government like the schools) and the challenge of getting cancellation notices out if the person who called the meeting did not inform the staff to do so. Peter Jensen observed that the committees should also check their postings to make sure they were accurate (many are called in to the staff and are not in writing). The TA was asked to draft a letter from the Selectmen to all concerning this matter. Betsey asked if a delay was a problem and the TA thought not. He said he would have the next Draft out to all a week before the LGC session and would ask for comments within a week. This would let the BoS take it up at their first meeting in December.
4. Cemeteries: The Town Administrator circulated Draft definitions for the terms "Taxpayer" and "Resident" noting he had some additional work to do relative to covering those serving in the military who might not have maintained a physical residence. He also distributed a survey of recent pricing from the NH Cemetery Association. The

Board confirmed there were sufficient communities in the survey for it to serve as the basis for looking at our fee structure.

5. Videoring Meetings: Carter reviewed his research to date, potential cost if we were to go it alone and potential partners who we might pay as a service. Joel was concerned that if you do one set of meetings there would be a demand for more and wondered what that would cost. Jon thought the best way was if it could be done in combination with someone. Russ felt that people could attend the meetings if they wished. It was noted that many were broadcast now with the kind assistance of Hollis Austin. Jon said he thought this was a fundamental issue of transparency and observed how we are one of the few towns in the region which does not broadcast our meetings. Joel responded that they all know as well as he does that there will be a demand for more once it gets started. Carter said his main concern was to make sure the idea of using a service was agreeable before he reached out to others on this. The consensus was that it was. He also asked the Selectmen to stop the effort now if it was going to be “dead on arrival” citing the amount of time that goes into something like this. Russ felt it would be dead in his mind while Joel and Betsey indicated they were open as did Jon. The consensus was to keep going with the research. Mr. Austin asked about the possibility of a studio and training for volunteers that had been discussed once and whether or not the cable franchise agreement, which has been assigned several times, was truly the original contract and was still valid. The TA pointed out that all that was truly binding was what was in the franchise agreement. It had no provision for any equipment, training or payments to the community beyond the franchise fee. He also pointed out that the agreement had merely been assigned by one entity to another – with the consent of the community – and it had never been changed, so in his opinion, it was still binding.

- IV. **ADJOURNMENT**: Betsey Made the Motion to Adjourn. Russ Seconded the Motion.  
Motion Carried Unanimously.  
Joel adjourned the meeting at 6:02 p.m.

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Approved

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Date

Carter Terenzini, Town Administrator