

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

Joint Selectmen & ABC Work Session

November 16, 2012

MINUTES

Present: Selectmen: Joel R. Mudgett, Chair, Edward J. Charest, Betsey L. Patten, Jonathan W. Tolman, Russell C. Wakefield; Town Administrator, Carter Terenzini

ABC: Jean Beadle, Alan Ballard, Barbara Sheppard, Betsey L. Patten, Kathy Garry (absent with prior notification)

The Chair called the meeting to Order at 10:05 am.

1. Third Quarter Response: Heidi delivered a response to four questions from the Board and ABC. Jean Beadle observed that if the current trends hold up we may actually end up increasing the Recreation Revolving Fund balance.
2. FY 2013 Budget & Legislative Package: The Town Administrator gave an overview of the budget and legislative package he is recommending for FY 2013. On a head to head comparison the budget numbers are up .56% and this includes an increase of 4.5% in capital expenditures. After adjusting for some accounting changes the total is up 1.5% and would require added tax revenues of roughly \$47k or an increase of .65%. He noted that if it were not for a revenue loss from the state (\$30k) and the VNS (\$70k) we would actually be raising less in tax revenues for FY 2013 than in FY 2012. Russ felt that a continual increase of 3% in the roads program was a lot. The TA observed this was actually below where we needed to be to make a gain in the Pavement Condition Index (PCI) and that it does have to stay within the overall 5% cap on the growth of capital expenditures and outlays. There was discussion as to whether or not the \$400k of expired debt rolled into the program was to be a one time or permanent part of the road budget. Joel observed that even those initially opposed to this program had now come around and they can see the engineering and meeting process is getting done correctly. He felt they now appreciate the road improvements. Jon felt this was water over the dam as people had now voted on it several times and even at the \$775K level we are playing catch up. The TA said that this was the philosophy of the BoS some 3 years ago now. With a new board and the passage of time there may be a new philosophy. He asked that if the program was to be changed that the BoS set trend rates so the staff may engage in long term planning.
3. Human Services: This budget is down about 11% from FY 2012. Rae Marie Davis observed that although she did have a few new clients in the past two weeks, that overall the client rolls were down 11 cases. Alan Ballard asked if her budget was sufficient and the TA noted that as of 11/08 the main line item of \$122K was only at a 52% expenditure rate. He observed that we spent in FY 2010 some \$130k+/-, in FY 2011 some \$139k+/- and year to date \$125K+/- . He and Ms. Davis felt comfortable with the proposed budget provided the BoS kept the appropriate internal contingency and each Department remembered they were a part of a team and might be called upon to assist another department if funds ran unexpectedly tight. Jean Beadle suggested we look at tax returns for added information and Jon said he liked the breakdown of types of clients we are assisting. Ms. Davis did observe that she had access to a source of money for fuel

assistance for people who did not fit the normal profile of clients (a bit above the limits or elderly who would not ask for help if they knew we would lien their homes for recovery) and asked for help in getting the word out on this.

4. Visiting Nurse Services: This budget is down about 7% from last year. Director Debbie Peaslee gave an overview of her budget and the decline in both revenues (anticipated to drop to \$180k from \$250k+/-) and client base (anticipated to drop from 2,250+/- per year in FY 03-06 to 1,500+/- in FY 07-10 to 1,100+/- now). Russ asked about the changes and if they were driven by demographics. Ms. Peaslee said it varies, but was mostly driven by new trends in health care and existing agencies getting squeezed by competition. She also said that while physicians don't have to give a choice of referrals, hospitals do and it is a constant struggle to market MVNS' service. She then gave an overview of challenges and trends in delivery of health care (accountable care organizations) and control of costs. She also observed that technology can yield savings and efficiency, but its pricing can be beyond the Town's capacity, as we are simply too small to pay for it. Ms. Peaslee said they can't do it alone and she is reaching out for partners. Russ asked if we could work with Sandwich or Tamworth and learned that we are the only public VNS in the state, other than the city of Berlin. The TA and Ms. Peaslee also discussed the challenges of working outside of our corporate boundaries. Joel asked about advertising and Ms. Peaslee said she has recently done that and looks at other marketing wherever possible. Jean Beadle said there may come a day when we need to stand up at town meeting and let the people decide how they wanted to address the matter. The TA said this was about more than the lost revenue, as he was certain the Town's people would support the program. It was a question of remaining a viable entity where we could attract the staff we need and keep them professionally challenged. He said that even with more marketing, adding 100-200 visits a year will not change the trends of what is going on around us. Ed observed that the Salem NH VNS had to merge with another unit as they were losing revenue. Betsey suggested we meet with Ms. Peaslee and her board to discuss if the mission statement is viable enough to continue on and how do we deal with it? The consensus was to do so after Town Meeting.

The group broke for lunch at 12:00 Noon and reconvened at 12:40 (Ed Charest had to leave at this time).

The TA continued with his overview of the Draft warrant and proposed capital budgets. Jean asked for the Library detail relative to wages and was advised she would need to get the information from the Board of Library Trustees.

5. Recreation & Recreation Revolving Fund: This first was essentially flat while the latter was up about 14% with the second year of transition. Director Donna Kuethe noted that she had moved one full camp (Happy Campers) to the RRF. Joel asked about the holiday lighting expense and should we be paying for the make ready and repair work out of this rather than the trust fund. The TA will look at this and advise the BoS. Jean Beadle asked what the Snyder Mannequin is and learned it is a training device that replicates water rescue and in particular a drowned victim on the bottom of the lake bed. Alan Ballard asked why there was a significant drop in the supplies account and learned it was because many items had been moved to the Revolving Fund. Jean asked about the trends in the Revolving Fund and why expenditures to date are significantly below budget. She thought that at this point in the year at least 80% or more of the anticipated expenditures would have been incurred. Donna said that they did not run all trips and programs anticipated. The trips that were not run tended to be those that were the higher expenditure trips; those that tend to operate at a loss, i.e. senior trips. This was due to being short staffed for half of

the year. The Recreation Department did not return to full staffing until July 1, 2012. Those programs that did go on as scheduled are those that tend to bring in the most revenue. In addition, there is still some adjustment to the new process. The Recreation Director will be re-visiting expenditures to see if there are items that still need to be moved to the Revolving Fund. Jean said that before she could support the RRF proposal she would need to fully understand what happened in FY 2012. Ms. Kuethe is to re-run the trip reports and will prepare a projection of where the RRF will end FY 2012 for submission on November 30th. Joel asked why the Professional & Technical (Tax Levy) account had only a \$243 lump sum disallow and yet it was \$10k less than the request. The TA said he had not recommended a \$10k registration and billing software program believing there may be other ways to address at least some if not all of the intent. Ms. Kuethe concurred with looking at the other options.

Discussion then turned to capital items with a review of her request for a study of dredging States Landing and why the TA had not recommended it. The TA said that the grant application for Section 319 money (approved on 11/15) was hoped to provide a baseline of what was going on in the water. He noted the facility really had three sections; the launch, the beach, and the woods. He said that we don't need to await answers on the beach to address the others. Jon said the feeling from many is the facility is just being ignored. Joel said he thought people would get excited about any improvements and the impact upon their property values. Perhaps we did not need a major program, but a brush burn and a clean-up and some minor improvements. The consensus was for the TA and Ms. Kuethe to come back with a work plan for November 30th to include some neighborhood meetings on the future of the property.

Alan asked what plans there were to provide the CIPC with the information it had requested relative to the proposed feasibility study of a gym facility on or adjacent to school grounds. Ms. Kuethe said she had provided all she had and was unaware there was a request for more. Carter said he would compile all of the Blue Ribbon Committee data for submission and the contact information of the Chair of that effort so he might meet with the CIPC. He also said it was unlikely that the request for the type of quantitative data sought by the CIPC could be satisfied and both sides needed to come to accept that, but the study was important to complete the BRC work and would be helpful in addressing the future of the Lions Club property. Ms. Kuethe spoke to her request for a mini-coach which was not recommended by the TA and said she would still like it, but that the request for the feasibility study in keeping with the BRC report was in fact a higher priority for her.

After a short discussion on start times it was agreed to repost the future work sessions for a 9 am start time, starting with the next scheduled budget work session, November 30th.

There being no further business the meeting was adjourned at 2:45 p.m.

Approved

Date
Respectfully Submitted
Carter Terenzini, Town Administrator