

**Joint Meeting of the New Durham Board of Selectmen and the Budget Committee
Minutes of Meeting ~ August 29, 2011
Town Hall**

Members Present: Board of Selectmen - Theresa Jarvis, David Bickford, Jeffrey Kratovil; Budget Committee – Dave Curry, Adam Buehne, J.R. Jones, Dave Shagoury, Dean Stimpson

Also Present: Town Administrator (TA) Alison (Rendinaro) Webb, Financial Officer Vickie Blackden, Building Inspector/Code Enforcement Officer (BI/CEO) Arthur Capello, Deputy Fire Chief Kenneth Lockwood, Baysider Reporter Tim Croes

1. Call to Order – Budget Committee Chairperson Dave Curry called the meeting to order at 6:36 p.m. Board of Selectmen Chairperson Terry Jarvis called the meeting to order at 6:37 p.m.

2. Approval of Minutes – Motion by Dean Stimpson to approve the minutes of the Budget Committee meeting of August 16, 2011; second by J.R. Jones. The motion carried unanimously.

3. Employee Wage Increase - The body discussed different proposals regarding Town employee incomes: an across the board raise of two per cent; leeway for department heads to bump or drop the percentage; merit based raises; bonuses or gift certificates; and a combination of a one and one-half per cent across the board raise and bonuses.

Selectman Jeff Kratovil stated anything less than a two per cent raise was an insult to employees; he pointed out that pay affects employee motivation. BC member Dave Shagoury said the Town has good employees, but some are better than others and, for that reason, he did not want to see a two per cent across the board raise. He supported a bonus based on performance, and added that the criteria for a bonus must be determined. Selectman David Bickford said some employees have been identified as being overpaid, and therefore attention should be paid to the marketplace.

Chair Curry suggested establishing a line item for bonuses and also one for a mechanism to come up with an appropriate performance based process. BC member J.R. Jones asked Selectman Bickford how to reward an individual at the top of the pay scale. Selectman Bickford said an employee gets a thank-you with each paycheck. He said there was a limit to each position and if people want more money, they need to move on to another position. He suggested longevity pay and a retirement plan help to retain top employees.

Selectman Kratovil presented approximate figures, indicating a two per cent raise would result in \$25 dollars more per week for those at the high end of their pay scale, and those at the lower end, only \$586 per year more, yet the body was considering thousands of dollars for various pieces of equipment. He said if he worked for the Town he would want more respect. He clarified that he was not saying the Town was bound to give a raise every year, but it had been three years since employees were given one. Selectman Bickford said about 20 per cent of the employees got a raise because they

were far below the standard amount. Mr. Jones pointed out that 20 per cent was only 11 people out of 50.

Chair Curry said the body needed to determine how to budget, and proposed creating a line item and deciding on the particulars later. He said it was fair that after three years, the majority of employees get some more take home pay. Chair Jarvis noted that creating a line item for employee monies would affect other lines in the budget. Financial Officer Vickie Blackden said the budget could be prepared for the worst-case scenario.

Chair Jarvis said she would like to see a well thought out performance based review system, as she did not think the current tool was good. Selectman Bickford said the Board comes before the BC with its requests and the BC says yay or nay. Chair Curry agreed that the Board could discuss the issue of employee monies and come to the BC. He urged going forward with finding a performance assessment tool that is adequately administered to discern what is needed to be discerned. He noted that a raise affects the next year's budget, but a bonus is a one-time thing.

4. Other Budget Special Interests – CIP - Chair Curry said he thought the body would want to raise enough revenue to support the CIP, which is similar to last year's. BC member Adam Buehne said last year's expenditure was \$392,000 and the figure for this year is not yet known. Town Administrator Alison (Rendinaro) Webb said quite a chunk has been cut from the CIP in the last two years. Chair Curry said the CIP committee must make known what the Town absolutely has to buy. Chair Jarvis pointed out that the money put into road maintenance, culverts and ditching saved New Durham from flooding and therefore saved us money. She said New Durham fared significantly better than other communities, and had no roads closed by flooding in yesterday's tropical storm.

Fuel – Mr. Jones suggested bumping this year's estimate of fuel costs 20 to 30 per cent, as last year's was underestimated. TA Webb said she could lock in propane at \$2.65 for the 1,200 gallons the fire station uses. She said combining interests with Farmington for oil purchase was in the works.

Departmental Goals – Chair Jarvis said department heads were looking at things now. Mr. Shagoury suggested they start with a budget of zero and justify all requests.

Funding Organizations – Chair Jarvis said the Town received a request to fund an organization it has not in the past. She asked how the BC felt about picking up what the county has dropped. Chair Curry asked to determine how the Town benefits, the services the organization provides, and its costs.

Police Vehicles – Selectman Kratovil said he was concerned about the turnover rate of police vehicles and recommended looking at acquiring hybrid vehicles. Chair Jarvis said there is a seven-year replacement plan for police vehicles. TA Webb said the Equipment Mechanic would not be asking for a diagnostic computer this year.

5. Schedule Next Meetings

The BC scheduled its quarterly reviews for October 19, 2011 at 7:00 p.m. at Town Hall to see where the departments are financially, and agreed that department reviews would start October 26, 2011. Chair Jarvis is to set up the rotations.

6. Any Other Business

Selectman Kratovil suggested attracting a business into town for increased revenue by deferring its taxes for a certain time period. Special exceptions by the ZBA, allowing for a business were discussed. Mr. Buehne suggested forming a sub-committee to look into the idea. Selectman Kratovil said tax deferral had been discussed in non-public sessions, and Chair Jarvis said the Board could authorize tax payment plans. Selectman Kratovil is uncomfortable with how heavily the Town depends on the lake homes. Cathy Allyn said when business development has been discussed in the past, groups identified obstacles such as unavailable water and sewer lines, and land situated over the aquifer. Chair Curry suggested going to the Planning Board.

7. Budget Committee Adjournment

Motion by Mr. Stimpson at 8:15 p.m. to adjourn the Budget Committee meeting; second by Chair Jarvis. The motion carried unanimously.

8. Continuation of Board of Selectmen Meeting

Regarding the locked in price for propane, TA Webb said Building Inspector/Code Enforcement Officer (BI/CEO) Arthur Capello had, during the course of the meeting, found a lower price of \$2.49 per gallon. The Board discussed either allowing TA Webb to lock-in a price, with a set maximum, or posting a meeting with 24 hour notice so the Board could make the decision about locking in. The Board agreed to have TA Webb post a meeting if she finds a good price.

Chair Jarvis thanked Ms. Blackden for her efficient and outstanding work at the Emergency Operation Center (EOC) during the tropical storm. TA Webb thanked the rest of the emergency team that worked around the clock. Chair Jarvis said preventive work paid off.

9. Board of Selectmen Adjournment

Motion by Selectman Bickford at 8:29 p.m. to adjourn; second by Chair Jarvis. The motion carried unanimously.

Respectfully submitted,
Cathy L. Allyn

A video recording of this meeting is on file with the Office of Town Clerk, is available for public viewing during normal business hours, and will be retained in accordance with the New Hampshire Municipal Records Board rules established under RSA 33-A:4, or for a minimum of 24 months.

APPROVED BOS minutes 8/29/11