

BOARD OF SELECTMEN MEETING
Minutes of 02-08-10
5:35 p.m.

Selectmen:

Peter F. Brothers, Chairman
Miller C. Lovett, Vice Chairman
Robert C. Flanders
Charles G. Palm
Colette Worsman

Town Manager:

Phillip L. Warren

Recording Clerk:

Karin Landry

Call to Order: Chairman Peter Brothers called the meeting to order at 5:35 p.m. He introduced the Board, Town Manager, and the Recording Clerk, and made announcements pertaining to fire exits, listening assisted devices, the use of microphones, and cell phones.

Hearing – 2010 Proposed Municipal Budget per RSA 32:5-1

The Chair read the Public Hearing Notice, which was posted on January 22, 2010 in various public places.

Selectman Lovett moved to open the Public Hearing on the 2010 Meredith budget at 5:37 p.m. Seconded by Selectman Palm. 5-0. All in favor. Motion passed unanimously.

The Chair announced that handout materials were available for the public's use.

Town Manager Philip Warren opened the hearing with a PowerPoint presentation over viewing the considerations for the 2010 budget:

- **Fiscal Restraint.** The Board of Selectmen directed that the 2010 budget was to remain level or less than the 2009 budget, while retaining as many core services as possible. The Town Manager presented a level funded municipal budget to the Board in December 2009. In January 2010, it was found that non-property tax revenue was decreasing more than projected, and not sufficient to fund the level funded budget. As a result, additional cuts were needed. In January 2010, the Board and Town Manager agreed upon \$264,000 in direct budget reductions and one hold item in the amount of \$97,400, for a total decrease to the proposed municipal budget of \$361,400. Salaries and wages were frozen for the 2010 budget, with no cost of living (COLA) or step increases.
- **Considerations.** The goal is to maintain current service levels as much as possible. There will be no new positions or reclassifications during 2010, and any vacancies due to voluntary separations from employment will not be automatically filled. The Town Manager will evaluate all positions to determine appropriate action. There will be no new services or

programs. A hold will be placed on equipment purchases, with the exception of one police cruiser. The capital improvements program will be funded at a minimum level.

- **Calendar to Town Meeting 2010.**

- December 21 – Proposed budget presented to Board of Selectman
- January 8 – First day to hold public hearing on bond or note issue over \$100,000 (none in this budget)
- January 11 – Selectmen met to deliberate on proposed budget
- January 29 – Last day to give notice of public hearing on municipal budget
- February 8 – Public Hearing on municipal budget
- February 12 – Last day to hold hearing on budget (if not held on February 8)
- March 9 – Elections at Community Center
- March 10 – Town Meeting at Interlakes High School gym, 7 p.m.

In accordance with the firm goal of the Board of Selectman, the operating budgets for departments are at or below the 2009 levels, which were held at or below the 2008 levels:

	2009	2010
Operating Budget Appropriations	\$ 10,747,468	\$ 10,704,150
Conservation Commission	19,015	1,515
Cable Franchise Special Revenue Fund (Television system subscribers)	24,806	24,806
Regional Associations	221,062	221,062
Debt Service	1,457,649	1,382,811
Capital Projects	601,000	95,000
Total Appropriations	\$ 13,069,000	\$ 12,429,343

Worthwhile projects proposed by the CIP committee have been put on hold for one year as a result of the continued stress in the economy and continued conservative thought. Two projects will move forward in 2010 without additional burden to taxpayers. It is anticipated that formal plans on how to proceed with water system improvements will be identified in the next year, which will result in a robust capital improvement plan in the future.

Regional Associations were evaluated for the service they provide to Meredith residents. Requests for funding of three new agencies was not included in the 2010 budget.

Equipment purchases, with the exception of one police cruiser, were put on hold.

Janitorial services previously performed by an outside contractor will be completed in-house by the Buildings and Grounds Department.

The decrease in debt service is a result of the pay off of the Cotton Hill sewer project.

The Board is tasked with reviewing revenue projections at least quarterly in 2010, and placing projects on hold if revenue does not meet expectations. In addition, the budget will be reviewed quarterly, at a minimum, for compliance with spending.

The Town Manager thanked all who participated in his first budget process with the Town for their patience and cooperation.

Director of Administrative Services Brenda Vittner reviewed the non-property tax revenues for 2009, and the estimated tax rate for 2010. There were three one-time revenues in 2009 in the total amount of \$246,000 that will not be received in 2010. There was an attempt to be extremely conservative on revenue projections for 2010. 50-55% of the total budget is funded from real estate property taxes. The remainder is offset by various fees that generate revenue including licensing fees and building permits, both of which continue to be down as a result of the economic climate. In 2009, the State of New Hampshire reduced revenue distributions to towns from 35-30% on the state retirement system. The 5% difference, over \$100,000, had to be made up in the operating budget.

The floor was opened to questions or comments from the public on the 2010 budget.

Maria DiMaria, Interim Executive Director of the New Hampshire Humane Society and Meredith resident, expressed concerns with the bidding process that was put in place this year for services that have been provided to the Town by the Humane Society for 30 years. The bid calls for dog services for the police department (kennel service for strays), but that is a small portion of the services that are provided to the Town of Meredith by the Society, which include strays, surrenders, and cruelty cases. As an example, Ms. DiMaria cited an unfortunate circumstance in January where the Society provided \$3,348 worth of services to 12 cats and 2 dogs that were stranded when their owner died inside their home. In addition, there is a concern for the humane treatment of animals since kennels are not required to be inspected or to have "no kill" policies. The Humane Society in Laconia receives no federal or state funding. The contracts with various towns cover 10% of their overall operating budget. The remainder of the operating budget is funded by donations. The Society is a 503(c) non-profit.

The Chair acknowledged that the Board is not as informed on the matter as they should be, and that there is some misinformation that has been passed around through email. The Humane Society was funded at \$9,500 last year, and there is \$10,000 in the budget for those services this year, but the bigger issue is the humane treatment of animals. The Town Manager explained that when the Society was requested to fill out the standard outside agency form last December, they stated in an exchange of emails between Ms. DiMaria and Mr. Warren, that they provide a service and are therefore a vendor. Pursuant to administrative regulations, all vendor services over \$5,000 must go out to bid. Mr. Warren acknowledged that the Society performs an excellent service to the Town. Any negotiating with the Society would taint the bid process.

Selectman Flanders pointed out that the Society is a 501(c)3 nonprofit, and could have avoided the situation by filling out the standard non-profit paperwork. He suggested that the paperwork be filled out so everyone can go home happy.

Dr. Spencer Brody, Meredith resident, thanked the Board for their marvelous work on the budget. He suggested that the bid specifications state that there will be a no kill policy and that both cats and dogs have to be taken. Although the budget for the service is increased by \$500, the dog control officer in that amount was dropped from the police department budget. The Town Manager acknowledged that while the bid was modeled after bids used in nearby communities that don't engage in services with the Humane Society, it could absolutely include other provisions. The funds for the dog control officer were moved to more accurately portray how they are used.

Ms. DiMaria expressed her concerns with the fact that the Town Manager did not agree to a meeting with the Society to discuss the services they perform. The Town Manager explained that after a series of email exchanges, he felt he was aware of the services that are provided by the Society and did not feel that a meeting was necessary.

Selectman Worsman inquired why the Humane Society did not file the 503(c)3 paperwork with the Town.

Resident Jenna Mousava is concerned with what will happen to the feral cats in her neighborhood that she cares for at her expense. Veterinary services for the cats are donated by a clinic in Plymouth.

There was general agreement among the Board that a workshop on the matter must be scheduled. Selectman Worsman suggested that the Society respond to the RFP with their own proposal in the meantime.

State representative Kate Miller explained that outside agencies are also reviewed at the county level, and that the Humane Society has never been considered an outside agency because their reach goes to a wide area. She thinks the initial understanding that the Humane Society is an outside agency was a misnomer.

Resident Melanie Hodge believes that an argument can be made for past practice. She pointed out that many kennels do not have micro chipping technology, which aids in the identification of strays.

Selectman Lovett believes that the Society may be a combination of vendor and outside agency because the services they perform above the \$9,500 contributed by the Town fall into the outside agency category. The term "outside agency" must be defined. The matter needs to be sorted out in a workshop where designated representatives of the Society are present to discuss the matter and find a solution. He suggested continuing with the present agreement with the Society until a workshop is held.

Selectman Worsman agrees that the matter calls for a workshop. There is considerable information on the matter that needs to be absorbed. Public input on the matter is vital.

Selectman Palm agrees that the Society can be viewed as a combination of outside agency and vendor, and that a workshop on the matter needs to be scheduled.

The Chair assured the public that a workshop on the matter will be held as quickly as can reasonably be organized, and that no action will be taken on awarding the request for proposal as written at this time. Dialogue ensued regarding action to be taken until the matter is reasonably resolved. The President of the Board of Directors of the Society told the Board that the Society is prepared to continue to service the Town of Meredith if the Town is prepared to engage in discussions with them.

Selectman Lovett motioned that the matter be referred to workshop at the earliest possible time, and that the policy that has been followed for several years be continued until the matter has gone through a workshop and the Selectboard for a policy statement. Seconded by Selectman Palm.

Selectman Worsman has difficulty making this type of motion when the Town Manager has worked very hard to try to comply with the regulations of the Town.

The Chair suggested that the motion be amended as follows:

The Board of Selectman will maintain the service the Town has historically had with the Humane Society until it has had an opportunity to have a workshop and dialogue with the Humane Society representatives, and develop a more formal policy post haste.

The amendment was accepted by Selectman Lovett.

Motion as amended seconded by Selectman Palm. 5-0. All in favor. Motion passed unanimously.

The workshop will be scheduled for the week following the week of Town Meeting and Election Day. The workshop will be open to the public. The Chair thanked the public for their emails and attendance, and willingness to express their viewpoints in a flexible and civil manner.

The public hearing on the budget was continued.

Barbara Clark of Lovejoy Lane inquired about the process for vetting regional agencies. Selectman Worsman explained that it is an objective of the Board in the coming year to establish a vetting process. The Board will be taking input from the community during the process on how they wish to donate their tax dollars. The Chair explained that while there was an intention to establish a vetting process during 2009, the Board's focus was on the search for a new Town Manager. The community will be kept apprised of the Board's efforts to establish a vetting process. Ms. Clark will address trust fund questions at another time. Selectman Lovett told Ms. Clark that her input on trust fund issues is welcome as work progresses in the ensuing year.

Peter Russell, Board member of Genesis Behavioral Health, thanked the Board for their continued support of the organization's emergency services. Public Relations and Communications Manager Christine Welch thanked the Board for its consistent and generous

funding over the last few years, and is happy to answer questions during the vetting process. The organization served 38 Meredith residents in 2009, which is 5% of the total number of people served in the program.

Resident Karen Sticht expressed concerns with the level at which the public is allowed input in the workshop format. The Chair told her that once the Board has had an opportunity to get its arms around an issue, the public has not been denied the opportunity to speak to the matter. She inquired what new requests for outside agency funding were denied this year, and expressed concerns regarding the level at which the Community Action Program is funded by the Town. The Town Manager confirmed with the Program headquarters in Concord that the amount is based on the level of services that Meredith residents receive. Ms. Vittner explained where the fees paid by CAP to use the community center facilities are set forth. In addition, Ms. Sticht posed questions regarding the funding of the July 4 fireworks and the Chamber of Commerce, and told the Board that she has specific views on what agencies should be funded by the Town. On another note, she supports the attempts by the Town Manager to explain the process that was followed for kennel services.

Resident Liz Lapham spoke in support of the Greater Meredith Program, pointing out their beautification efforts and career partnership with the high school.

The Chair summarized by saying that the Board is up to the challenge of identifying a fair and effective vetting process.

Selectman Palm motioned to exit the Public Hearing at 7:05 p.m. Seconded by Selectman Lovett. 5-0. All in favor. Motion passed unanimously.

The Chair read the Town Warrant. Brief explanations were given for Articles 2, 8, 9, and 10. Articles 11 and 12 are petitioned, and will be spoken to at Town Meeting:

Article 2: Lou Kahn spoke on behalf of the Planning Board. The Article will be posted on the wall at the polling place. It includes minor language changes in the Ordinance that are required by FEMA in order for residents to procure flood insurance. The changes are not substantive.

Article 8 & 9: Duncan McNeish spoke on behalf of the Library Trustees. The Articles give the library authority to accept personal property other than money, and to retain all money it receives from income-generating efforts (for example, the sale of ear plugs) to be used for general repairs and upgrades, and for the purchase of books, supplies, and income-generating equipment.

Article 10: Mark Billings spoke on behalf of the Conservation Commission. A harvest was completed on the Page Pond property in January in order to repay the loan from the Trust for Public Lands. As a result, the Article will designate the parcel of land as Town Forest, placing the management of the property in the hands of the Conservation Commission. The recreational uses for the property were previously laid out. The Commission will be responsible for the ongoing management in terms of forestry plans and activities that take place on the property, including cutting portions to keep it vital.

The Town Manager will investigate whether some of the ballots under Article 1 are for elections or reappointments.

Selectman Lovett moved approval by the Board of Selectmen of Article 3. Seconded by Selectman Flanders. 5-0. All in favor. Motion passed unanimously.

Selectman Worsman moved to approve Article 4 as read. Second by Selectman Palm. 5-0. All in favor. Motion passed unanimously.

Selectman Flanders moved to approve Article 5 as read. Seconded by Selectman Lovett. 5-0. All in favor. Motion passed unanimously.

Selectman Palm moved to approve Article 6 as read. Seconded by Selectman Worsman. 5-0. All in favor. Motion passed unanimously.

Selectman Flanders moved to approve Article 7 as read. Seconded by Selectman Lovett. 5-0. All in favor. Motion passed unanimously.

Hearing – 2010 Personnel/Pay Plan

Pursuant to the Personnel Plan, any changes to the Pay Plan should be handled at a hearing. The change in this year's Pay Plan is that there won't be any change. The departure from the Plan is in the fact that in the past there has been a summary process as to how steps are awarded. There will be no step or COLA for 2010. Benefits will be retained at their current level. This decision was made based on survey information that shows that Meredith is at or above the median for like communities for salary and benefits.

The Chair took the opportunity to reiterate to employees that the Town has been challenged over the past few years, and that it will be absorbing an approximate 26% budgeted increase in health insurance. It is recognized that the employees of the Town are helping to contribute in making this budget and maintaining the same level of service. It is hoped that the economy will improve, and the total compensation and benefits package will continue to be monitored in order to attract and maintain qualified employees.

Selectman Worsman motioned to approve the 2010 Personnel Pay Plan, as presented. Seconded by Selectman Flanders. 5-0. All in favor. Motion passed unanimously.

Selectman Flanders made it clear that it is the Board's intent to put a hold on wage increases for one year only.

ADJOURNMENT:

Selectman Flanders motioned to adjourn the meeting at 7:35 p.m. Seconded by Selectman Lovett. 5-0. All in favor. Motion passed unanimously.

Respectfully submitted,

Phillip L. Warren, Town Manager

Peter F. Brothers, Chairman

Karin Landry, Recording Clerk

Miller C. Lovett, Vice Chairman

Robert C. Flanders

Charles G. Palm

Colette Worsman