

**BOARD OF SELECTMEN BUDGET WORKSHOP**  
**Minutes of 11-30-10**  
**5:15 p.m.**

*Selectmen:*

*Charles G. Palm, Chairman*  
*Colette Worsman, Vice Chairman*  
*Peter F. Brothers*  
*Miller C. Lovett*  
*Nathan J. Torr*

*Town Manager:*

*Phillip L. Warren*

*Recording Clerk:*

*Karin Landry*

Call to Order: Chair Chuck Palm called the meeting to order 5:15p.m. He introduced the Board, Town Manager, and Director of Administrative Services Brenda Vittner.

**Public Works/Solid Waste**

- There was a resignation in Solid Waste. The seasonal position has not been refilled.
- There are two line items for vehicle maintenance - in house services outside services. \$3,500 was budgeted for vehicle maintenance in 2010, and \$8,000 was spent. Vehicle maintenance may have been impacted by holds on the purchase of new equipment. Ms. Vittner will obtain additional information from department head Mike Faller. \$4,000 has been budgeted for vehicle maintenance in 2011.
- The demolition trailer encumbered in '09 did not have an impact on '10. Two older trailers were sold for approximately \$10,000 each to offset the cost of the new trailer.
- The contract with AVRDD was renegotiated at a savings of \$11,000 for a five year term with no change of law impacts.
- Less trash and a newer trailer has decreased the cost of trash removal.
- Beginning next year, factors such as payroll will be considered when making the allocation for Center Harbor's use of the solid waste facility. Under the terms of the current intermunicipal agreement, Center Harbor is charged 17.11%.
- 2010 revenues appear to be within MS-4 estimates, and are comparable to what is budgeted for 2011.
- Because refuse permits must be renewed in 2011, revenues are projected to be higher than 2010.
- The volume of scrap material sold this year increased from last year. Revenues have increased as a result of volume, favorable market conditions, and segregation practices. Once a truck load of metals have accumulated, a price is negotiated with a local vendor to remove them from the facility.
- Woodchips were stockpiled until a market could be identified. Ms. Vittner will move the revenue from the sale of woodchips to solid waste.
- A new bailer is about to be ordered as a 2010 expenditure. A \$2,000 grant has been awarded for the bailer through the Solid Waste Coop and New Hampshire Green. The old bailer will be sold for parts or as scrap metal.
- There are two line items for removal of construction debris. \$4,530 is for transportation costs associated with the disposal of demolition debris, and \$4,520 is for the removal of construction debris and asphalt shingles. Ms. Vittner will investigate what is included under construction debris vs. AVRDD (trash). \$7,500 is budgeted for the line item in

2011. Revenues are approximately 15% less than budgeted because local residents and small contractors use the facility at no charge.

### **Buildings and Grounds, Cemeteries and Public Works**

- Approximately \$30,000 was saved in 2009 by performing janitorial services in-house. The program has been very successful, and staff is able to make incidental repairs at the same time cleaning is done.
- One individual transferred from Buildings and Grounds to the Town Clerk's office. The new employee in Buildings and Grounds is at a lower step, with a corresponding decrease in wages. In addition, the new employee is covered under a single health insurance plan as opposed to a family plan.
- The vandalism line is for buildings taken care of by the department, such as bathhouses.
- The maintenance line is for maintaining buildings and grounds facilities.
- There are two vehicles scheduled for replacement in 2012. Intradepartmental transfers will be considered, if a suitable vehicle is available.
- The costs of caring for any one grave site must be documented through a time study. The Town Manager is hoping to enter into a partnership with a college to perform the study. Once documented, interest from the trust fund for perpetual care of a specific site can be utilized for its upkeep. There are 80 line items for perpetual care and 200 graves in Meredith.
- Ms. Vittner will investigate what the maintenance supply line includes. One half of the \$13,000 budgeted in 2009 was spent. In addition, she will run an updated expenditure report that includes expenditures to date.
- \$35,000 was budgeted for street sweeping in 2009. The expenditures were lower than anticipated as a result of a moderate winter season.
- Dialogue ensued regarding the savings that can be realized by hiring local contractors to perform services such as line stripping, asphalt paving, and street sweeping.
- Allocations for sand and salt are consistent with the severity of the year.
- Variables were seen in the cost of asphalt, overtime, and equipment maintenance.
- The useful life of a piece of equipment is considered before being sent for repair.
- Dialogue ensued regarding the benefits of preventative maintenance, and the care that is typically taken by employees when operating machinery. Poor treatment of equipment would be handled as a counseling/disciplinary issue.
- The Town Manager collaborates with Public Works Director Mike Faller and other departments to coordinate roadway improvements.
- The RSMS assessment is scheduled to be updated in 2011.
- Approximately \$1M worth of roadwork should be done in 2011, and half of it is being deferred. Ms. Vittner will review the information provided by Mr. Faller and make formula corrections.
- General Maintenance is the dirt and gravel road line.

The Board is concerned with the cumulative effect of deferring road projects. The current road index is around 75, which is higher than most surrounding communities, and affords time to defer roadwork. The RSMS assessment indicates when the pavement condition will begin to exponentially disintegrate. Dirt roads are not factored in because they are at 100% once spring maintenance has been completed. All road work is released through the Town Manager, who works closely with Mr. Faller. Selectman Lovett wonders at what point you make major cuts in other places in order to take care of roads. Dialogue ensued regarding strategies that may have to be employed to address road work once it reaches a critical point, including raising taxes, using surplus funds, and cutting services and personnel. The Board reviewed the list of road priorities,

and how dollars can be spent in the most efficient way. Ms. Vittner will incorporate comments made by the Board to the list, including making the terminology consistent.

Dialogue ensued regarding the use of aqua therms. The Town Manager will seek guidance from the vendor as to when an aqua therm should be turned on.

### **Parks and Recreation**

- The display garden at the front of the community center is maintained by volunteers with funds donated by the Greater Meredith program.
- The maintenance line includes \$5,000 for additional landscaping needs.
- Selectman Worsman suggested the implementation of a concrete way to aid in handicap access to the entrance used on voting day. She observed considerable damage to the garden while polling in front of the community center on election day, and thinks the situation is dangerous. The Town Manager will investigate the matter.
- A formula error on the summary sheet of the Parks & Recreation budget was corrected.
- At the direction of the Board, once a public hearing on the budget has taken place, the Town Manager will approach the school district regarding a cost sharing arrangement for some of the costs absorbed by the Town in maintaining athletic fields. The arrangement would be similar to the Center Harbor allocation for the use of the landfill.
- There is a surplus in the Parks & Recreation budget because the position of Assistant Director was replaced with a less costly Program Director position in 2010. The savings is being directed to programs that were eliminated last year because of funding concerns. The charge set forth by the Board not to exceed 2010 expenditures, and no new programs, is being met because the programs are not new, but reinstated. In order to meet the charge, expenditures were reduced by \$75,000 and revenues were increased by \$25,000 through changes in the fee schedule for community center rentals. Although offering programs that are less costly has been successful, cutting the funding for lifeguards with the exception of swimming lessons, camps, and beach staff, has been less popular.
- Ms. Vittner will prepare a full cost analysis for each event or program in 2011.
- Selectman Lovett suggested using a surplus from successful programs as a cushion to fund programs that are less successful. There is money in the community to support this type of program, but there must be an organized effort to obtain it.
- Ms. Vittner explained how the scholarship program funded by the Rotary is administered. It is critical that donations are in hand, as opposed to pledged, if they are being used as revenue offset to the budget.
- Ms. Vittner will update revenue projections.
- Registrations for the ski and snowboard program were mailed prior to being notified of an increase in the cost of the program.
- Vending machine revenue is projected to increase in 2011. Ms. Vittner will obtain additional information from Director Choiniere.
- Lawn mowing, including the fields at Childs and Prescott Park, is contracted out. The contract for 2011 was negotiated with no price increase. The individual who does the mowing does an exceptional job. The cost of mowing is far in excess of what Selectman Torr anticipated.
- If Parks and Recreation maintenance staff cannot handle a matter, it is bid out.
- Funding for repairing and replacing signage was eliminated in the 2010 budget, and restored for 2011.
- A reduction in personnel services in the amount of \$8,000 was moved to operations and maintenance.

**Library:**

- The library did not absorb the cost of the \$17,500 stair lift into their operating budget.
- There was an increase in personnel services of approximately \$8,500, and a reduction in operations and maintenance of approximately \$8,500.
- The library absorbed the cost of a change in health insurance from a two-person to family plan.
- Selectman Torr inquired whether \$8,500 in unexpended appropriations for expansion of the library can be utilized. Ms. Vittner believes that a distribution has been made to the library by the Trustee of the Trust Funds.
- Approximately \$4,000 in savings was realized by performing janitorial services in house.
- The server that runs the entire information system at the library must be replaced. The cost will be covered by the Trust Fund.
- The library is credited with working with the vendor to get the stair lift installed within budget.

**Water/Sewer:**

- The work performed by the Water System Committee and Superintendent Dan Leonard has resulted in a huge difference in the operation of the plant.
- \$400,000 of the \$745,000 sewer budget is for the Winnepesaukee River Basin Project.
- The groundwater source study is in progress. If a groundwater source is identified in the current phase of the study (phase II), a test well and pump will be installed in order to further tests the source. The CIP made a recommendation to apply \$30,000 for the next phase of the study. Invoices are paid out of a Trust Fund established two years ago for the study. The funds are appropriated are for work to be performed next year.
- Mr. Leonard applied for a grant to address sanil bacteria on the water treatment site. Selectman Torr explained that sanil bacteria is not a threat at the intake, which is 20' below the surface, and that the recent algae blooms are from a very old algae that is present in every lake.
- It is unknown if revenue will offset the budget until billings are rendered. Excess revenue will be used to rebuild reserves.
- Last year's revenues cannot be used to project this year's revenues because there have been changes to the sewer connection/inspection fee structure and rates have changed.

Dialogue ensued regarding building redundancy into the water and sewer system, and the probability of a crisis that would disable the tower or pumping station. The groundwater study will only address a source of water, not a pressure source. The major problem faced at this time is that there is no additional water supply. In the future, groundwater may have to be used to meet the demands of development. Dialogue ensued regarding the demands being placed on participating communities in the Winnepesaukee River Basin Program.

**Regional Agencies:**

The Board reviewed the development of criteria for outside agencies as amended by Chair Palm, who suggested deleting criteria 2 and 3, and adding: "Develop a comparative cost/benefit recap analysis - information to be included: Agency; prior year amount approved; current year amount requested; prior year number of residents served - not interactions; Taxpayer cost per resident served (prior year and current year); general comments section to be used to highlight nature of

services provided, general benefit to Town, service overlaps with other agencies, other general comments that would help support approval/disapproval of request.

Dialogue ensued regarding the difficulties faced in comparing agencies on a per unit basis. Agencies such as Interlakes Daycare service two groups - paying and subsidized. There is no way to compare the visiting nurses to the Community Action Program because they render completely different services. Some agencies do not keep track of referrals, and many interactions fall within HIPPA privacy standards. In addition, there are difficulties with verifying the information provided by agencies. There was a general agreement among the Board that although they hoped developing criteria for evaluation was possible, it is much more difficult than originally thought, and may not be possible. The criteria can be used as one part of an overall assessment. Selectman Brothers looks to the general comments section of the applications for information that allows for a subjective analysis of whether to support an organization and at what level. Selectman Lovett is hopeful that the criteria can be refined along the way. Dialogue ensued regarding competing for funding in tough economic times, and the advantages of having an active day to day director and strong board members.

The Town Manager will modify the Regional Agency spreadsheet to include what was given in 2010, and what is requested for 2011.

**Cable Franchise:**

There is a problem when live meetings are taped and subsequently broadcast. The live audio equipment must be looked at.

*Selectman Palm motioned to adjourn the meeting at 8:30 p.m. Seconded by Selectman Worsman. 5-0. All in favor. Motion passed unanimously.*

Respectfully submitted,

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Phillip L. Warren, Town Manager

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Charles G. Palm, Chairman

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Colette Worsman, Vice Chairman

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Peter F. Brothers

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Miller C. Lovett

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Nathan J. Torr