

**SELECTMENS' BUDGET WORKSHOP**  
**Minutes of 01/02/09**  
**4:00 p.m.**

**Selectmen:**

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

*(Absent w/ Notice) Colette Worsman*

**Co-Interim Town Managers: (Absent w/ Notice) John C. Edgar**

*Brenda L. Vittner*

**Recording Clerk:**

*Karin Nelson/Karin Landry*

Call to Order: Chairman Peter Brothers called the meeting to order at 4:00 p.m. Selectman Worsman was not able to attend the meeting and provided her thoughts in writing.

After reviewing the components that make up the tax burden for 2009, the Board was charged with identifying general areas of the budget where an approximate \$300,000 in cuts can be made in order to compensate for a revenue shortfall of approximately \$381,000. Once the Selectman have identified broad areas in the budget where those cuts can be made, the Co-Interim Town Managers and department heads will have the opportunity to make their recommendations for specific budget cuts.

**DOWNTOWN PARKING FUND**

Selectman Flanders suggested utilizing \$25,000 from the Downtown Parking Fund ("DPF") to reduce the expenditure for the Main Street Reconstruction Fund. The transfer will leave the DPF with a balance of approximately \$330,000. The DPF was established by Warrant Article in the late 1990's for the purpose of expanding public parking in the downtown area with the purchase of the Calvary Bible Church property. The Church ultimately decided not to sell the property. Dialogue ensued regarding how the DPF has been utilized, and options for further expansion of parking in the downtown area. The Board generally agreed that \$250,000 is an adequate level of funding to address the downtown parking needs at this time. Dialogue ensued regarding transferring \$100,000 from the DPF to the General Fund, which would leave an adequate level of funding for parking expansion and provide an additional \$100,000 in non-property tax revenues. The Board must be cognizant of any obligations to taxpayers for money raised for capital items that are no longer viable. Any transfer of funds needs to be brought before the voters in a Warrant Article.

**DEPARTMENT OF PUBLIC WORKS**

The Batchelder Hill road improvement project was set aside last year when the bids came in twice as high as the \$250,000 budgeted for the project. Director of Public Works Mike Faller indicated that it is possible to reduce his budget by \$100,000 by phasing the project. The

\$250,000 that was set aside for the project will cover the work that needs to be done this year, and the balance would come out of the operating budget for 2010. The project must span from Camp Waldron Rd. to Eagle Ledge, as discussed at the 2008 Town Meeting. Dialogue ensued regarding the effect of the current economic climate on the paving business. Selectman Flanders suggested moving forward with a Request for Proposal so the Board can go to Town Meeting with a guaranteed maximum price for the project. Ms. Vittner will explore whether it is possible to do so in view of the time constraints. Dialogue ensued regarding various options for phasing the project. Mr. Faller will present his staff report to the Board at an upcoming budget workshop.

Ms. Vittner will provide the Board with updated information pertaining to the equipment schedule including current mileage, fuel usage, and the listing of equipment for insurance purposes.

Dialogue ensued regarding the listing of road work to be done in certain years. Mr. Faller will identify the criteria used for selecting the work, and an estimate for completing the project. Selectman Flanders asked for an accounting of what road paving was completed in 2008, so a plan can be devised for completing or deferring the work in 2009.

## **WATER & SEWER**

The original estimate for the groundwater study has been reduced from \$100,000 to \$65,000. This is a reflection of the current economy. Dialogue ensued regarding the Water Systems Improvement Trust. The SCADA suppliers will do an analysis of the System including an assessment of the water pump stations. The results of the analysis will indicate whether the original estimate for improvements to the SCADA system in the amount of \$150,000 can be reduced.

## **BUILDINGS & GROUNDS**

Ms. Vittner explained to the Board that there is a Buildings & Grounds line item in various department budgets for work that is done by the respective department, such as snow removal. Dialogue ensued regarding the basis of computing the budget for diesel, gas, and propane, the whether it should be reconsidered in view of the recent decline in prices. Any reduction to the line item would assume there will be no further fluctuations in the price of diesel or gas. The Town is locked into a price for propane through April. Ms. Vittner will ask Solid Waste to provide the Board with additional information regarding its increase in the consumption of diesel fuel. Selectman Flanders expressed a concern with line items being inflated, and subsequently utilized for other needs.

## **PARKS & RECREATION**

Dialogue ensued regarding an increase in the line item for maintenance and repairs for the Community Center. The expiration of warranties accounts for some of the additional maintenance charges. The building is heavily used, and the department maintains a lot of equipment.

**PERSONNEL**

Selectman Lovett shared his observations with the Board. One half of the \$12.75 million operating budget is attributed to employee costs. He suggests investigating a health plan that would better serve the needs of the Town and its employees. He is concerned that cuts in the operating budget will ultimately affect the efficiency and morale of employees. If the economy continues to deteriorate, it will be necessary to cut personnel. He asked that the employees consider working together with the Selectman by proposing that the Selectmen forgo their 2009 stipend unless there is a surplus of at least \$100,000 in the budget, and that the employees forgo their COLA and receive a performance-based bonus under the same terms. His proposal is in good will, and is an attempt for all to work together to solve a serious problem. Selectman Palm expressed concerns with the implementation of the proposal. He is willing to forego his stipend for serving as a Selectman. Selectman Flanders is also willing to forgo the stipend, but pointed out that employees have already been asked to give up step increases that are scheduled for this year. He pointed out that the COLA for Town employees is half of that of unionized State employees, where it has been proposed that everyone take a cut in lieu of layoffs. He suggested taking a close look at whether or not to fill any positions that become open. Resident Dave Sticht reminded the Board that any proposed changes to the COLA can easily be voted down at Town Meeting. Chair Brothers does not personally support foregoing the stipend, and believes the Board should focus on assessing positions, realigning employees, and controlling expenses. He is not in favor of making adjustments based on projections of what might happen in the future. The staff is mindful of the severity of the current economy, and what may lie ahead, and should be prepared to move on to more significant measures should it become necessary.

Selectman Flanders asked the Board to consider reducing the operating budget by more than \$300,000, and believes it can be done without devastating consequences.

**OUTSIDE AGENCIES**

Dialogue took place regarding the funding of Outside Agencies. The Board agreed that their focus is the 2009 budget, and that Outside Agencies should be addressed for 2010.

**MISCELLANEOUS**

At the suggestion of Selectman Palm, Ms. Vittner will close a number of small, residual capital accounts.

*Selectman Palm motioned to adjourn the meeting at 6:15 p.m. Seconded by Selectman Flanders. 4-0-0. Motion passed.*

Respectfully submitted,

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Brenda L. Vittner, Co-Interim Town Mgr.

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Peter F. Brothers, Chairman

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Karin Landry, Recording Clerk

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Robert C. Flanders

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Miller C. Lovett

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Charles G. Palm