

BOARD OF SELECTMEN MEETING
Minutes of 12-07-09
5:40 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 5:40 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.

ACCEPTANCE AND/OR CORRECTION OF MINUTES:

W 9-60 Minutes of the November 16, 2009 Workshop and Regular Meeting.

Selectman Palm motioned to accept the minutes of the November 16, 2009 Workshop and Regular meeting. Seconded by Selectman Worsman. 4-0-0 (Selectman Flanders abstained – not in attendance) All in favor. Motion passed unanimously.

TOWN MANAGER'S REPORT:

- The road name "Split Rock Lane" was approved at the Board's November 16, 2009 Workshop, subject to a regional 911 review. The regional review has identified a 911 reporting conflict, and it is anticipated that a new name will be submitted for the Board's approval in the near future.
- The Town Manager congratulated the Interlakes football team on winning the division championship. This type of event brings the community together in many ways. Selectman Palm noted that this is another great example of what can be accomplished within a community through the efforts of volunteers.
- The Standard Operating Procedures for the snow and ice removal program have been revised. They include a mail box placement diagram, the plow routes, and how and where products are applied. The information will be presented to the Board and posted on the website.

- The projects at Prescott Park and the Town Hall Annex are proceeding nicely. No significant issues have arisen on either project, and they are both on time and on budget.
- The Executive Assistant/Human Resource Director position has been filled. Trish Laurent, formerly with Lakes Region Community Health Services, was chosen from a pool of 50 applicants. Trish will be handling all human resources issues, and is doing a great job of becoming acquainted with the position.
- The Town Manager received an invitation from the Moultonborough Town Manager to join their Board of Selectmen in a meeting scheduled for January 14, 2010, to discuss the upcoming renewal of the ambulance contract. If the contract with Stewart's Ambulance is not renewed, a 120 day notification is required. Mr. Warren read the invitation to attend the meeting, which was forwarded by email. The Board agreed that it is wise to have the Town Manager and one member of the Board attend at a minimum. Selectman Palm was involved with the last ambulance contract and his continuity and experience with the ambulance service is well known. He volunteered to attend the meeting as a Board representative. Selectman Flanders is interested in attending if his schedule permits. The Town Manager will confirm if the request to attend is for representatives or the full Board, as well as the location of the meeting.
- It is anticipated that the new tax rate will be set and the bills will be mailed by the 15th of the month. The process was delayed in view of Finance Director Brenda Vittner's additional responsibilities as Co-Interim Town Manager. It will not affect any subsequent bills. Selectman Flanders thanked Ms. Vittner and Community Development Director John Edgar for exceptional service to the Town, and pointed out that the delay is in no way a reflection of Ms. Vittner's performance. The cash flow is sound at this point, and the Town Manager does not anticipate having to borrow. The Chair requested that a notice be included with the bills reminding taxpayers to get their payment in by December 31 to take advantage of tax deductions for 2009.

VISITOR'S AND RESIDENT'S COMMENTS:

None

SELECTMENS COMMENTS:

Selectman Lovett reported that the Greater Meredith Program is kicking off another façade renovation program. The current program will probably not be as extensive as the previous program at the Phu Jee Restaurant. Applications are available on the Greater Meredith Program website at the present time. All interested parties are invited to apply.

Selectman Palm reported on the Christmas tree lighting ceremony last night. Approximately 100 people attended, and Santa was delivered safely. He thanked the recreation department and those who donated refreshments for their efforts. The investment in LED lighting for Christmas decorations on various Town facilities continues to realize savings for the Town. Selectman Worsman thanked the Town employees for coming up with the concept.

The Chair reported that the proposed County budget that has gone before the County Commissioners has a -1% impact on taxes to be raised by the Towns. Of particular note, a reduction in the increase for health insurance from 25% to 16% was passed on in reductions for the upcoming year. He also reported that a meeting on the Winnepesaukee Watershed will be held at the Community Center of Wednesday, December 9, at 1 p.m. The meeting will be hosted by the Lakes Region Planning Commission and will involve communities comprising the Winnepesaukee Watershed. The protection of water quality is an ongoing goal for the Town of Meredith as well as the neighboring communities comprising the Watershed. The Chair and Town Manager plan to attend the meeting. The meeting will be taped for subsequent viewing by the public.

NEW BUSINESS:

09-61 Swearing in of Tax Collector

The Town Manager must be appointed as Tax Collector by the Board of Selectman. Once appointed, the Town Clerk will handle the official swearing in at Town Hall.

Selectman Palm moved to appoint Phillip L. Warren, Jr. to fill the vacancy in the office of the Town Manager/Tax Collector for the Town of Meredith, and whereas the subscribers have confidence in your ability and the integrity to perform the duties of said office, we do hereby appoint you, said Philip L. Warren, Jr., said Town Manager/Tax Collector, and upon your taking the oath of office and having this appointment and certification of said oath of office recorded by the Town Clerk, you shall have the powers to perform the duties and be subject to the liabilities of such office through September 8, 2012. Seconded by Selectman Flanders. 5-0. All in favor. Motion passed unanimously.

09-62 Appointment to Waukewan Watershed Advisory Committee

An application has been made by Stanley Wallerstein of 54 Water Street to serve on the Waukewan Watershed Advisory Committee. He has submitted a brief biography and his appointment has been endorsed by the Committee Chair, Bruce Bond, Mr. Wallerstein has attended the last two meetings of the Committee, and has been a Meredith resident for some time. Mr. Bond explained that the Committee is continually searching for new members, and that he would be very pleased if the appointment is approved.

Selectman Palm motioned that the Board approve the appointment of Stanley Wallerstein to the Waukewan Watershed Advisory Committee. Seconded by Selectman Worsman. 5-0. All in favor. Motion passed unanimously.

The Chair pointed out that it appears Mr. Wallerstein has a significant background in the subject and thanked him for his anticipated service.

OLD BUSINESS:

09-63 Fiscal Year 2010 Budget

The Town Manager was given clear direction from the Board to put together a level funded budget for 2010. One of the main pieces of a level funded budget is the discussion pertaining to compensation of employees. As a result, employees will not receive a cost of living or step increase in 2010. Mr. Warren has met with a majority of the employees covered under the personnel plan and informed them of that goal. A number of employees are concerned that they will fall behind if a step increase is not issued, and not remain at or above the median for their position. Many people recognize that the cost of living is tied to the consumer price index, which has dropped over the past year. Mr. Warren made it clear to the Board and those watching at home that retaining the best qualified personnel in a tight fiscal year is a very difficult part of human resource management, and that the decisions that were made reflect the Board's goals regarding fund balance and local taxation. The Town is not proposing a shifting of costs or reduction in health insurance benefits at this time. The Town has been notified by LGC that the cost of health insurance will increase in an amount not to exceed 26% in 2010. The Town wishes to retain competent, qualified, above average employees, and has made a compromise by proposing no COLA or step increases in 2010.

Selectman Lovett understands why this is a concern to employees. The reduction in the consumer price index is not evenly spread across the board, but with all things considered, employees are in a better position in the coming year and this year than in past years. He believes the employees have come out quite well.

Selectman Flanders has always been a strong advocate for employees during his tenure on the Board. The Town is not proposing to cut positions or reduce hours in a difficult economic time. He pointed out that he personally took a 33% reduction in pay during the past year. In view of the increases in health insurance premiums and the reduction in the consumer price index, he thinks that the Town is being fair with the employees and fully supports the position.

Mr. Warren reviewed the budget schedule. The completed budgets will be received from department heads by December 17. The proposed budget will be presented to the Board as the only agenda item at the Workshop scheduled for December 21st. Budget deliberations will begin the week of January 4. Those meeting dates will be included on the calendar. The Town Manager's goal to move the budget process back 30 days beginning next year to make the process a thoughtful one. The Chair added that the preliminary work being done by the Town Manager will allow the Board to meet its legal obligations, and dates for public hearings going forward to Town Meeting. He thanked him for his efforts in working with department heads and employees to compile the draft budget. Selectman Lovett suggested the Board pencil in budget deliberations on their calendars for the first week of January.

ADJOURNMENT:

Selectman Flanders motioned to adjourn the meeting at 6:20 p.m. Seconded by Selectman Worsman. 5-0. All in favor. Motion passed unanimously.

Respectfully submitted,



Phillip L. Warren, Town Manager

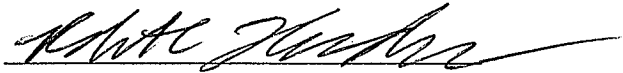
Karin Landry, Recording Clerk



Peter F. Brothers, Chairman



Miller C. Lovett, Vice Chairman



Robert C. Flanders



Charles G. Palm



Colette Worsman

SELECTMEN'S WORKSHOP

Minutes of 12-07-09

4:15 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 4:15 p.m. He introduced the Board, Town Manager, and the Recording Clerk.

W 09-53 2009 Budget Update

Town Manager Phillip Warren summarized the 2009 approved appropriations, expenditures as of November 30, 2009 and expenditures extrapolated to December 31, 2009 by department. There is a positive dollar variance in total expenditures for all departments except General Assistance, which is (\$5,723.92). The total positive dollar variance for all departments is \$514,156.99. Holdbacks in most departments and the deferment of personnel decisions attribute to the variance.

The Water & Sewer Funds show a dollar variance in the positive of \$24,142.5 and \$77,300.11 respectively, which can be attributed to efficiency measures that have been taken including new pumps, proper monitoring of chemical systems, a reduction in hours of operation, and a reduction in blow offs. The positive variance amounts at year end will show as an addition to the Water & Sewer fund balance. Dialogue ensued regarding the changes in rates that will be proposed by the Water System Committee and the effect of adjusted revenues.

The total revenues for the operating budget, extrapolated through December 31, 2009, are \$3,247,158.68, which is approximately \$90,000 less than what was projected in September. The projected revenues for the Water & Sewer Department, \$614,742.67 and \$765,497.21 respectively, are estimates from last year's Town Meeting.

Selectman Lovett is concerned that no more is raised from taxes than in the previous year. Mr. Warren hears the clear direction from the Board that the tax levy for the Town's portion of the total tax bill is to remain the same for 2010. Dialogue ensued regarding the use of Fund Balance. The Board targeted the use of 7.25% as the ratio of reserves to operating expenses, but the figure now stands at approximately 8.50%. The use of \$60,000 - \$100,000 from Fund Balance at year end will allow the amount to be raised by Town taxation to remain stable. The surplus amount to be used from Fund Balance will ultimately be determined by the Board of Selectmen. The Board

agrees that it was a good decision to make adjustments and holdbacks throughout the year or the situation would be much more difficult.

Mr. Warren will obtain additional information on the line items for the Conservation Commission and the water filtration grant. In addition, he will investigate the discrepancies in the safety and state and federal grants since they were estimated in September.

There was a consensus among the Board that in view of the uncertain economic conditions, they would like to review expenditure and revenue projections for 2010 on a monthly basis. In order to allow for cleaning up the closing of the 2009 books, the first projection will be February 1. Selectman Lovett pointed out that anything that can be done to be conservative at the beginning of the year will make a difference as the year progresses.

W 09-54 2010 Budget – Outside Agency Funding, Health Insurance Increases

The Town Manager received notification from LGC that the health insurance amount for the 2010 fiscal year, which begins July 1, 2010, is not to exceed 26%. Although it is unlikely that there will be a 26% increase, this amount must be budgeted into the 2010 department budgets for the last six months of the year. Mr. Warren is researching options for procuring health insurance. He will ascertain whether it is beneficial to the Town to be associated with the SAU for the procurement of health insurance. The Town will no longer be tied to them when the current contract expires. Dialogue ensued regarding the advantages of forming large groups for better rates. Mr. Warren will investigate whether the Town can join with the State of New Hampshire to procure better rates.

Dialogue ensued regarding the funding of outside agencies. The Board currently approves a line item for outside agencies during budget deliberations. The Board expressed a desire during the last budget cycle to implement a better procedure for vetting, including considering the use of a third party with knowledge of various outside agencies to assist in the process. Alternatives include continuing with the current procedure, allowing outside agencies to present information regarding their organization to the Board, or presenting the requests for funding as individual warrant articles. There is a consensus among the Board that outside agencies play a very significant role in the overall functioning and support of the Lakes Region community.

Selectman Lovett is very dissatisfied with the procedure that is in place at this time. There are no criteria for funding, and there is no vetting. He would like to see a correlation between the amount raised from communities and the relationship to each agency's total budget, with the amount raised fairly distributed between the towns, cities, and counties they serve. Presenting requests from outside agencies as separate warrant articles will not meet any criteria for measuring the merit of the request. He favors the use of a third party in the vetting process, and would like to see surrounding communities participate in the vetting process.

Mr. Warren suggested providing cash flow to agencies for a portion of the year while establishing criteria for a vetting process.

Selectman Worsman agrees that a better job of evaluating outside agencies needs to be done. She would like to know how the organizations generate their funds. Individuals have charities that they feel are valuable to society, and she is hesitant to raise by taxation donation money that an individual may or may not choose to contribute.

Selectman Flanders told the Board of the success of an organization that he Chairs, the Belknap County CORE Coalition, and the difficulties that they are facing in funding. The organization promotes a drug free community. It has been shown that \$1 on prevention saves \$15 on treatment.

Selectman Palm has mixed feelings. He questions the effectiveness of a public hearing on outside agencies at Town Meeting. He suggested utilizing information gathered by larger agencies such as United Way and the County in their vetting process to establish criteria and evaluate the historical success of agencies.

The Chair recognizes the value of outside agencies to the community as a whole. The challenge is how the Board can continue to do a better job at assessing which agencies are valid or have a higher priority in terms of what they accomplish. 2010 will be another difficult year for the Town and all outside agencies, and the benefits of societal needs are being scrutinized. The Board is not looking from the standpoint of reducing the line, but finding a better way to defend and prioritize outside agency funding. He prefers presentations from outside agencies be made in the workshop format so the focus can be on the services they provide as opposed to the financial decisions typically made at Town Meeting.

Selectman Worsman would like to review the outside agencies on a rolling basis as was discussed last year during the budget process so the community has the opportunity to weigh in. It will be up to the organization to show that spending a \$1 will save the community money in the long run. It is her job to assure that the voters are given the opportunity at Town Meeting to choose yes or no.

Selectman Flanders believes that it is too late to implement a vetting process for 2010. He suggested beginning as early as April to develop a process that is comfortable so there is a balanced way of evaluating requests.

The Chair directed the Town Manager to level fund the outside agency line item for the 2010 budget. Dialogue will continue at the workshop scheduled for December 21.

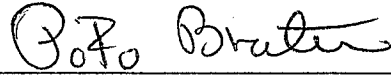
Selectman Flanders motioned to adjourn the meeting at 5:30 p.m. Seconded by Selectman Worsman. 5-0. All in favor. Motion passed unanimously.

Respectfully submitted,

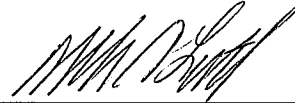


Phillip L. Warren, Town Manager

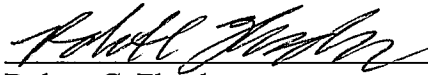
Karin Landry, Recording Clerk



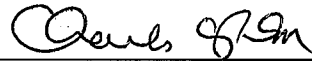
Peter F. Brothers, Chairman



Miller C. Lovett, Vice Chairman



Robert C. Flanders



Charles G. Palm



Colette Worsman