

SELECTMEN'S BUDGET WORKSHOP
Minutes of January 14, 2008
3:15 p.m.

Selectmen:

Frank S. Michel, Chairman
Peter F. Brothers, Vice Chairman
Robert C. Flanders
Miller C. Lovett
Colette Worsman

Town Manager:

Carol M. Granfield

Director of Administrative Services:

Brenda L. Vittner

Executive Assistant:

Lisa Herder

The Workshop was opened by Chair Frank Michel at 3:15 p.m. The Chair introduced the Selectmen, Town Manager Carol Granfield, Director of Administrative Services Brenda Vittner, and Executive Assistant Lisa Herder. The Chair felt that the Board should begin this workshop with each member expressing their philosophical approach to the 2008 budget.

Selectman Lovett began by stating that he desired a level-funded budget. He suggested cutting the 2008 operating budget \$300,000 by asking each department to cut their budgets by 3% more. He distributed a document entitled, "Miller Lovett Ideas for Final Budget", which summarized his position. He suggested the Board cut the budget by an overall percentage at the end of their process.

Selectman Lovett's goal is a level tax bill for people and he questioned whether fund balance use could be reduced to achieve that goal. The Chair asked Selectman Lovett to clarify the term "level funding". He asked if it meant no increase from last year's budget, to which Selectman Lovett agreed. The Chair then noted that the fund balance was already set for 2007, so it cannot be changed until the 2008 budget.

Selectman Worsman stated that the rest of the Board is aware of where she stands. She feels that the Board must find a balance between the requirements/needs necessary for Town business and the affect on the community.

Selectman Brothers reminded the Board that their instructions for the 2008 budget had been for the staff to create a maintenance budget and present that within a new format, which has been done. He noted that it is a fairly lean budget, and maintains the level of service, while the budget is in a responsible place. He felt that the concern should now be revenue more than spending. He advocated a common sense approach for 2008.

Selectman Flanders echoed the comments of Selectman Brothers. He noted that this year has been the most productive of his seven years of involvement in a budget process. He stated that

the staff and Carol Granfield have done a good job following the Board's instructions and pointed out that some costs have gone up which the Board has no control over, such as fuel. He reminded the Board that Meredith is in approximately the 25th percentile of lowest tax rates, while still providing excellent services and facilities. He felt there is not much fat left in the 2008 budget.

Chair Michel advised the Selectmen that they must be sure to go over the documents they hand out in meetings, so that viewers are aware of what is being discussed. He noted that public hearings and the Town Meeting still have to take place, and they will show the will of the people. The Chair went on to say that the Board's job at this workshop was to come to a conclusion in order for the process to move forward for public input.

The Chair expressed his opinion that the employees and volunteers are what the Town is built upon. He felt therefore, that employees should be paid on the middle to high end of the scale and that 2008 is the first time in six years that the Selectmen have not approved a cost of living adjustment (COLA). He also noted that this will be the fourth year employees are contributing for insurance costs. The Chair concluded by stating that it is about people at the end of the day.

The Chair pointed out that currently, the 2008 budget represented a 2.5% increase and he feels comfortable with that. He added that if there is disagreement among the Board, now is the time to advocate.

Carol Granfield informed the Board that a \$1,600 correction had been made in the pay scale, which was absent any reclassifications. It was included under each department. She therefore advised the Board that they would be better to approve the pay scale upfront as it impacts each department. Discussion regarding this topic ensued. It was noted that the changes affect 2008 only and corrects where the Town is today.

The Board unanimously adopted the Pay Scale by 5-0 vote. All in favor.

The Board proceeded to make motions on the 2008 budget:

TOWN CLERK

There was no further discussion on this topic.

Selectman Worsman motioned to move the bottom line for Town Clerk / Supervisors of the Checklist in the amount of \$159,981.26. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

ASSESSING

Carol Granfield noted that there is a Reclassification for the Real Estate Appraiser position from Grade 7-02 to Grade 8-01 and that there will be no cost impact for 10 years. She went on to say that the intent of the reclassifications discussed today are not to give increases due to the

employee being at the end of the pay scale, but rather to keep the value of the position in a fair and equitable range. Discussion regarding this topic ensued. The Board agreed to the reclassification.

Selectman Worsman motioned to move the bottom line for Assessing in the amount of \$217,215.66. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

TAX COLLECTOR

There was no further discussion on this topic.

Selectman Worsman motioned to move the bottom line for Tax Collector in the amount of \$83,002.09. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

COMMUNITY DEVELOPMENT

Selectman Worsman motioned to cut the LRPC line item by \$4,000. The motion was not seconded. Motion failed.

Selectman Lovett motioned to level fund the LRPC line item. The motion was not seconded. Motion failed.

Discussion regarding this topic ensued.

Selectman Worsman motioned to move the bottom line for Community Development Department in the amount of \$397,206.48. Motion seconded by Selectman Brothers. 4-1. Selectman Worsman opposed; Selectmen Brothers, Flanders, Lovett and Michel approved. Motion passed.

ADMINISTRATIVE SERVICES

Carol Granfield noted that there is a Reclassification for the Director of Administrative Services position from Grade 21-12 to Grade 23-8. There will be no cost impact for 2008, \$2,059 for 2009, and increases the following three years.

Selectman Brothers questioned whether the General Assistance line item should be increased for 2008. Brenda Vittner replied that a total of \$100,000 would be more realistic for that line item. Discussion regarding this topic ensued.

Selectman Flanders motioned to increase the General Assistance line item by \$25,000 to a total of \$100,000. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

Discussion regarding the proposed reclassification ensued.

Selectman Worsman motioned to not accept the reclassification for the Director of Administrative Services position. The motion was not seconded. Motion failed.

The majority of the Board agreed to the reclassification.

Selectman Brothers motioned to move the bottom line for Administrative Services / General Assistance in the amount of \$512,397.67. Motion seconded by Selectman Worsman. 5-0. All in favor. Motion passed unanimously.

EXECUTIVE ADMINISTRATION

The Board and Carol Granfield discussed the Gas line item.

Selectman Worsman motioned to decrease the Gas line item by \$1,100. Motion seconded by Selectman Lovett. 2-3. Selectmen Brothers, Flanders, and Michel opposed; Selectmen Worsman and Lovett approved. Motion failed.

Selectman Worsman motioned to move the bottom line for Executive Administration in the amount of \$226,284.84. Motion seconded by Selectman Brothers. 4-1. Selectman Worsman opposed; Selectmen Brothers, Flanders, Lovett and Michel approved. Motion passed.

PERSONNEL ADMINISTRATION

Carol Granfield informed the Board that the Unemployment Compensation line item had been changed; it increased from \$2,000 to \$4,000.

Selectman Worsman motioned to decrease the Meetings and Trainings line item by \$5,000 as that amount could be encumbered from 2007. Motion seconded by Chair Michel. 5-0. All in favor. Motion passed unanimously.

Selectman Flanders agreed to the above, but wanted the record to reflect that the cut should not come out of the Fire Department alone.

Selectman Worsman motioned to move the bottom line for Personnel Administration in the amount of \$51,385.76. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

DEBT SERVICE

Brenda Vittner advised the Board that this budget had been adjusted due to the Bundled Project's first payment being scheduled for 2008. Discussion on this topic ensued and was concluded by Ms. Vittner stating that debt payments will be coming off in 2009 through 2011.

Selectman Worsman motioned to move the bottom line for Debt Service in the amount of \$1,261,162.48. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

CONSERVATION COMMISSION

There was no further discussion on this topic.

Selectman Worsman motioned to move the bottom line for Conservation Commission in the amount of \$21,115.00. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

REGIONAL ASSOCIATIONS

The Chair directed the Town Manager and/or Director of Administrative Services to contact Oakland Cemetery Association in an effort to determine their needs for the 2009 budget process. There was no further discussion on this topic.

Selectman Worsman motioned to move the bottom line for Regional Associations in the amount of \$204,062.00. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

MUNICIPAL ADMINISTRATION

Selectman Worsman proposed the Exotic Weed Control (Milfoil) line item increase by \$10,000. She felt that decreasing the Economic Development Motorcycle Weekend line item by \$2,000, decreasing the Greater Meredith Program line item by \$10,000, and decreasing the Economic Development line item by \$2,000 would compensate and result in a net reduction of \$4,000 overall.

Discussion ensued regarding this budget and Selectman Worsman's proposal, which included comments by the Board, Community Development Director John Edgar, and Greater Meredith Program Director Chris Kelly. Selectman Worsman then revised her motion.

Selectman Worsman motioned to increase the Exotic Weed Control (Milfoil) line item by \$10,000. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

Selectman Worsman motioned to decrease the Greater Meredith Program line item by \$10,000. The motion was not seconded. Motion failed.

Selectman Worsman motioned to decrease the Economic Development Motorcycle Weekend line item by \$2,000. Motion seconded by Selectman Lovett. Dialogue on this topic ensued. 2-3. Selectmen Brothers, Flanders, and Michel opposed; Selectmen Worsman and Lovett approved. Motion failed.

Selectman Worsman motioned to decrease the Economic Development line item by \$2,000. Motion seconded by Selectman Lovett. Dialogue on this topic ensued. 5-0. All in favor. Motion passed unanimously.

Selectman Worsman motioned to move the bottom line for Municipal Administration in the amount of \$927,186.52. Motion seconded by Selectman Brothers. 4-1. Selectman Worsman opposed; Selectmen Brothers, Flanders, Lovett and Michel approved. Motion passed.

At 5:15 p.m. Chair Michel suggested the Board take a short break. The workshop resumed at 5:30 p.m.

PARKS & RECREATION

Brenda Vittner reminded the Board that the Adult Coed Sports line item had been decreased by \$6,400 as a result of men's basketball no longer being offered by this department, so the bottom line for this budget would be decreased by the same amount.

Selectman Worsman motioned to decrease the overall Parks & Recreation budget by \$55,096.09.

Discussion ensued regarding this budget, and Selectman Worsman's motion. The Board, Parks & Recreation Director Vint Choiniere, and Director of Administrative Services Brenda Vittner commented. Selectman Worsman then revised her motion.

Selectman Worsman motioned to decrease the overall Parks & Recreation budget by \$25,000. The motion was not seconded. Motion failed.

Selectman Worsman motioned to move the bottom line for Parks & Recreation in the amount of \$755,096.09. Motion seconded by Selectman Brothers. 4-1. Selectman Worsman opposed; Selectmen Brothers, Flanders, Lovett and Michel approved. Motion passed.

FIRE DEPARTMENT

Carol Granfield noted that there is a Reclassification for the Fire Chief position from Grade 19 to Grade 20 and that, in order to recruit and retain, this position is being advertised at the mid-range of Grade 20. The Board agreed to the reclassification.

Selectman Worsman motioned to move the bottom line for Fire Department in the amount of \$278,561.70. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

POLICE DEPARTMENT

Carol Granfield noted that there are Reclassifications requiring increases for this department. The Dispatcher and the Police Administrative Assistant positions will go from a Grade 7 to 8, and the Police Officer position will go from a Grade 10 to 11. The Police Detective Corporal, Police Sergeant, and Police Lieutenant positions will go from a Grade 12 to 13. The Chief position will not be changing. This would result in a cost of \$4,088 for 2008 and going forward.

The Board agreed to the reclassifications and their associated benefits.

Selectman Worsman noted that she is in favor of the new officer but she recommended that \$15,000 come out of the Police budget to compensate. Discussion ensued on this topic and included comments by the Board and Chief of Police Kevin Morrow.

Selectman Worsman motioned to move the bottom line for Police Department in the amount of \$1,563,737.33. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

At 6:20 p.m. Chair Michel suggested the Board take another short break. The workshop resumed at 6:35 p.m.

WATER & SEWER

Brenda Vittner noted that 2008 will be a transition year, adding that a change to water and sewer rates will be discussed further in 2008. The budget must ensure revenue will cover operating costs, so debt reduction is also an important factor.

Selectman Worsman motioned to move the bottom line for the Water Department in the amount of \$640,083.25. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

Selectman Worsman motioned to decrease the Wastewater System Evaluation by \$20,000. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

Selectman Worsman motioned to move the bottom line for the Sewer Department in the amount of \$736,748.92. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

Selectman Worsman motioned to move the bottom line for the Water & Sewer Departments in the amount of \$1,376,832.17. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

MEREDITH PUBLIC LIBRARY

A discussion ensued regarding the allocation of funds for this budget versus the Board's requests to the Library Trustees.

Selectman Worsman motioned to move the bottom line for Library in the amount of \$487,921.86. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

BUILDINGS & GROUNDS

Brenda Vittner reminded the Board that this budget has decreased by \$12,000 due to the encumbrance of funds from the Grounds Maintenance line item.

Carol Granfield noted that there is a Reclassification for this department. The Buildings and Grounds Crew Chief position will become a Buildings & Grounds Operations Chief position. It will go from a Grade 6-09 to a Grade 9-03. Discussion ensued on this issue, and included comments by the Board and Public Works Director Michael Faller. Comparisons were drawn between Buildings & Grounds, and Parks & Recreation, regarding their staffing structures. Selectman Lovett requested that the Town Manager provide him with titles and responsibilities for Buildings & Grounds so that he might review the structure.

Selectman Lovett motioned to not accept the reclassification for the Building & Grounds position until it is further reviewed by the Board. Motion seconded by Selectman Worsman. 3-2. Selectmen Brothers and Michel opposed; Selectmen Flanders, Lovett and Worsman approved. Motion passed.

Selectman Worsman motioned to move the bottom line for Buildings & Grounds in the amount of \$289,262.97. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

CEMETERIES

There was no further discussion on this topic.

Selectman Worsman motioned to move the bottom line for Cemeteries in the amount of \$127,947.21. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

SOLID WASTE

Brenda Vittner noted that there will be a change in the bottom line for this department which is a result of encumbrances for the Chipper Maintenance and the Yard Maintenance line items.

Selectman Lovett reminded the Board that closing two days per week would result in \$6,000 in savings. Selectman Worsman agreed and suggested closing on Tuesdays and Wednesdays. Public Works Director Michael Faller countered that this department is a huge revenue generator, so the savings may not work out in the long run.

Selectman Worsman motioned to close Solid Waste two days per week. The motion was not seconded. Motion failed.

Selectman Worsman motioned to move the bottom line for Solid Waste in the amount of \$840,335.95. Motion seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

HIGHWAY

Carol Granfield noted that there is a Reclassification for the Public Works Director position from Grade 21 to Grade 22. Selectman Worsman expressed her opinion that this change is not

warranted in the long run and Selectman Flanders agreed. However, the majority of the Board agreed to the reclassification.

Selectman Worsman expressed concerns about the growth rate of the Highway budget. She felt that the Batchelder Hill Road Capital Project should be included within the Highway budget, instead of as a warrant article. Selectman Worsman proposed several options to facilitate this change. Discussion ensued on this topic.

Selectman Worsman motioned to reduce the Highway budget by \$100,000. The motion was not seconded. Motion failed.

Selectman Worsman motioned to move the bottom line for Highway in the amount of \$2,415,551.62. Motion seconded by Selectman Brothers. 4-1. Selectman Worsman opposed; Selectmen Brothers, Flanders, Lovett and Michel approved. Motion passed.

The Chair noted that time did not permit the Board to discuss the motions for Town Warrant Articles, so the Board would do so the following week.

The Chair offered Selectman Lovett a few moments to reiterate the opinions he expressed earlier in the workshop. Selectman Lovett stated that approximately \$250,000 could be removed from the 2008 budget. He felt that the 2007 budget was not reduced as much as possible. He believed that the department heads would know where they can find 2.5% to cut from their budgets. In doing so, the 2008 budget would truly be zero-based and tax bills could be level, without using fund balance.

Selectman Flanders questioned the Board's timeline for completion of the budget process. Brenda Vittner noted that it must be completed prior to January 30, 2008. The Chair suggested the Board meet again on Monday, January 21 at the Community Center, the time to be determined.

Chairman Michel moved that the Board adjourn the meeting at 8:35 p.m. The motion was seconded by Selectman Brother. 5-0. All in favor. Motion passed unanimously.

Respectfully submitted,

Carol M. Granfield, Town Manager

Frank S. Michel, Chairman

Lisa Herder, Executive Assistant

Peter F. Brothers, Vice Chairman

Robert C. Flanders

Miller C. Lovett

Colette Worsman