

**SELECTMENS' WORKSHOP**  
**Minutes of 12/22/08**  
**4:00 p.m.**

***Selectmen:***

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

***Co-Interim Town Managers:***

***John C. Edgar***  
***Brenda L. Vittner***

***Recording Clerk:***

***Karin Landry***

Call to Order: Chairman Peter Brothers called the meeting to order at 4:00 p.m. He introduced the Board, Co-Interim Town Managers, and the Recording Clerk.

**W 08-47      **Budget Process****

Director of Administrative Services/Co-Interim Town Manager Brenda Vittner updated the Board regarding operating expenses. The final bill for workers compensation was received last week. The bill was estimated at \$75,000, and came in at \$83,000. Dialogue ensued regarding changes that were instituted to avoid cost increases in the contract with Stewart's Ambulance Service due to escalating fuel costs. Under the new arrangement, Stewarts will not respond to fire alarm activations, unless called to do so by personnel on the scene. There are no safety compromises in this arrangement. The number of calls used to determine the Town's percentage of runs made by Stewart's Ambulance Service represents only those calls where an ambulance leaves Stewart's premises.

Ms. Vittner provided the Board with a revised draft of the MS-4 Revenue Worksheet setting forth 2008 revenues to date, estimates through year end, an estimate for 2009, and the variance between 2008 actual and 2009 estimated revenues, which is (\$381,370.79). The Worksheet was used in predicting anticipated revenues next year. Ms. Vittner also provided the Department of Revenue Administration's tax rate calculation sheet for 2008, the Town's Fund Balance Worksheet and Tax Rate Calculations for 2009. Ms. Vittner explained how the tax rate calculations for 2009 were made, and emphasized that they are estimates. The departmental budgets have not been finalized at this time, and it is difficult to project revenues until six months into the year.

Dialogue ensued regarding how projected revenue shortfalls and state, county and school budgets will impact the total tax rate. The local budget represents 34.6% of the total tax that the Town collects. The Board agreed that it is important to monitor what is happening at the state, county and school levels, as they will ultimately affect the Town of Meredith's tax burden. Ms. Vittner will provide the Board with the formula used to determine the Town's portion of the cost of an adequate education assessed at the state level.

Selectman Worsman is concerned with how the use of Fund Balance will affect the Town in the event that the upcoming year is catastrophic. The Board must pay attention to the fact that the revenue shortfall is at the Town level, and is an indicator of tough economic times. She will be looking for \$381,000 in budget cuts, and is in favor of making cuts to the operating budget before making cuts to capital improvement projects.

Selectman Lovett agrees that there are two issues - the shortfall of town revenue and the use of Fund Balance. He is in favor of using less than \$385,000 from Fund Balance, and would preferably like to use no fund balance to stabilize the 2009 tax rate. The current level of Fund Balance is questionable, and he would like to see it increased this year. The Board must do the hard work of making cuts in the budget. He is concerned that capital improvements are an easy target for budget cuts.

Selectman Palm agrees that cuts must be made. In light of the present economy, the Board needs to discuss spending on various items. He suggested delaying the paving of Batchelder Hill Rd., which is scheduled for 2009.

Selectman Flanders will be looking for ways to make budget cuts. He suggested transferring funds from the downtown parking fund into Main Street development. Reviewing capital improvement projects before identifying adjustments to departmental and operating budgets will help the Board to focus on the extent to which adjustments need to be made.

The Chair summarized by acknowledging that there is some consensus among the Board to move closer to making the impact on Fund Balance \$0. The Board approached the budget process with the general philosophy of maintaining capital improvement projects at the current level. Further dialogue must take place regarding that philosophy. The Board should consider that budget deliberations started with a 0% increase in the operating budget, as opposed to starting with double digit increases in the past. Although the Board is generally satisfied with \$300,000 in budget cuts, the Chair would like additional information on what will be sacrificed or deferred. Selectman Lovett would prefer to see \$381,000 in budget cuts.

Ms. Vittner will provide the Board with the balance of the Expendable Trust Funds and an index by tab number for the budget notebooks.

The Board scheduled the following meetings:

Monday, 12-29-08	Workshop 4:00 – Regular Meeting 5:30 at the Community Center
Tuesday, 12-30-08	Budget Meeting 4:00 at the Annex
Monday, 01-05-09	Budget Meeting 4:00 at the Annex
Tuesday, 01-06-09	Budget Meeting 4:00 at the Annex
Wednesday, 01-07-09	Budget Meeting 4:00 at the Annex

As in past years, the public will be supplied with handouts. The Chair wished a Merry Christmas to all. Selectman Flanders thanked Ms. Vittner and Mr. Edgar for their efforts in pulling together budget information for the Board.

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

After a short break, the Selectmen will move into a Non-Public meeting per RSA 91-A:3 II (d), real estate.

Respectfully submitted,

\_\_\_\_\_  
John C. Edgar, Co-Interim Town Mgr.

\_\_\_\_\_  
Peter F. Brothers, Chairman

\_\_\_\_\_  
Brenda L. Vittner, Co-Interim Town Mgr.

\_\_\_\_\_  
Miller C. Lovett, Vice Chairman

\_\_\_\_\_  
Karin Landry, Recording Clerk

\_\_\_\_\_  
Robert C. Flanders

\_\_\_\_\_  
Charles G. Palm

\_\_\_\_\_  
Colette Worsman