

BOARD OF SELECTMEN WORKSHOP
Minutes of 08-15-11
4:15 p.m.

Selectmen:

Colette Worsman, Chairman
Peter F. Brothers, Vice Chairman
Miller C. Lovett
Nathan J. Torr
Herbert R. Vadney

Town Manager:

Phillip L. Warren

Recording Clerk:

Karin Landry

Call to Order: Chair Worsman called the meeting to order 4:15 p.m. She introduced the Board, Town Manager, and the Recording Clerk, and made announcements pertaining to emergency exits and the use of cell phones.

W 11-22 2012 Budget Process Preliminary Discussion and Proposed Calendar

Town Manager Phillip Warren presented the general goals and philosophy for the 2012 municipal budget and the Calendar to Town Meeting 2012:

While one of the goals is not to initiate any new programs and services, it is evident to the Town Manager and the Board that more headway must be made in capital improvements this year than in the past because infrastructure items such as roads and major equipment have suffered, causing more strain on operating budgets due to the increased incremental maintenance of said items. The Town Manager is not proposing growth in the recurring operating budget. It is his intention to shift non recurring sources of revenue from vacated positions that have not been refilled in Public Works, Water & Sewer, and Buildings and Grounds to equipment purchases. Improvements in capital infrastructure will result in a decrease in operational, maintenance, and liability insurance costs.

The Town will be addressing milfoil strategies for water bodies throughout the town. In the past, the Town contributed to other organizations or groups for milfoil control, but will now look to those groups to contribute back to the town. Doing so will be more economical because permitting fees by the state are substantial and one permit will cover all milfoil programs on any water body within the town. It is not the Town Manager's goal to create an invasive weed control or milfoil master plan, but to oversee milfoil strategies and make sure they are consistent with the Master Plan identified by the state. Selectman Lovett noted that Associations generally have approximately \$1,000 a year in their budgets for milfoil control. The Town Manager's goal is to contact all those groups and bring them on board with a Meredith wide strategy. There are no permitting fees for divers, but groups that are utilizing divers should be doing so consistent with the state's master plan so neither the town nor the organization has a duplication of resources or expenditures.

The Town Manager will look toward the Board for guidance on the personnel plan regarding step increases and/or wage adjustment increases. Although an attempt has been made since 2008 to maintain a level of service while maintaining a level budget, the level of service has been slightly reduced.

Selectman Brothers is concerned that while a robust capital program put the town in good stead when hard economic times fell upon the nation, it has benefited as much as possible from the capital expenditures of the past. It will take vision and leadership to start thinking about how to proceed when the economy does improve, including the responsibility to meet capital needs. It will be important to continue to be careful with personnel and levels of service. Most of the funds for milfoil have been allocated for projects, and there is not enough left in reserves to support the projects that need to be done. The Board has found ways to be more efficient and provide a better level of service over the last three years, but is at the point where it must start thinking on a more robust and positive basis.

The Chair pointed out that this meeting sets the tone for the budget and is one of the most important meetings of the year. The Town Manager's input is critical.

Selectman Torr agrees that the town has done a very good job in keeping things running fairly well with a level funded budget, but it is time to start working on roads and equipment that needs to be replaced. Some creative thinking must be done to make sure these things happen while trying to keep the line on the budget.

The Town Manager reviewed the Calendar to Town Meeting 2012, which includes the schedule for deliberations of the proposed municipal budget, a public hearing on bond or note issues over \$100,000, a public hearing on the annual budget, Town Elections, and Town Meeting.

Selectman Lovett supports building fund balance and using it in times of recession. Fund balance was a source of reserves during this recession and a large fund balance would have been very valuable. In a recession, somebody has to spend money, but a governmental agency cannot do so if it has spent widely in good times. If there was a robust fund balance, it could now be spent on roads. Government should be geared to the fact that there will be a recession at some time and that indebtedness should be paid down in good times so borrowing is feasible in times of recession. He is puzzled why these principals haven't been discussed in any depth in the past. He would like to think that five to ten years from now the average tax bill has remained about the same and is well within the cost of living at that time. In the past, the use of fund balance has caused the operational budget to grow at a much faster rate than revenues.

The Town Manager explained that one of his strategies is to separate non-recurring and recurring funds. That strategy establishes independent revenue streams and independent budgets, and has worked well over the course of his career. In addition, he pointed out that the use of fund balance has decreased, and fund balance is actually growing at this time.

Selectman Vadney agrees with Selectmen Brothers and Torr, but is worried about the revenue stream. He does not see a lot of increase in the revenue stream, and it will be very difficult to make capital expenditures without raising taxes. The Town must lag the economic recovery rather than be in front of it.

Dialogue ensued regarding increased revenue streams as a result of new building. The permitting fees for new single family homes is substantially lower in 2011 but there has been some increase in commercial building permits. The Town Manager pointed out that the services provided to single family households quickly offsets additional revenue streams.

In closing, the Chair directed the Town Manager to contact Lakes Region Associations at this time so they can consider contributing to a town wide milfoil strategy. The Board has heard and

agrees that there are areas that will need investment of capital in 2012, and that revenues for 2012 are not anticipated to be any higher than 2011. If more is invested in capital, savings must be found elsewhere. While the Board understands that some capital expenditures must be made, the goal is to hold spending as tightly as possible. Selectman Lovett is looking for level funding, but understands it seems unlikely that this can be done another year in view of what has been done in the past. The Board is appreciative of the efforts made by employees over the last several years to maintain a reasonably high level of service.

The Town Manager will be sending out the Outside Agency funding requests within the next week.

W 1-23 WWAC Request re Truck Traffic on Waukewan Street

Town Planner Angela LaBrecque, who serves as staff representative on the Waukewan Watershed Advisory Committee, explained that the Committee is concerned that large transport trucks using Winona and Waukewan Roads in order to avoid traffic through the busy Rte. 3 and 25 intersection is a potential hazard to Lake Waukewan. The roads are unnumbered, secondary state roads that travel through Meredith, New Hampton and Center Harbor. In 2009, at the direction of the Board, the Committee brought the matter to the attention of the New Hampshire DOT. At the request of the DOT, the Committee obtained support letters from the towns of New Hampton and Center Harbor, but DOT has provided no response to date. The Committee now requests that the town send a follow up letter to DOT.

Selectman Torr is the Selectmen's representative on the Committee. He explained that a follow up letter will show the current Board's concern with the use of Winona and Waukewan Roads by transport trucks, and particularly 18-wheelers navigating the narrow and windy Mosquito Bridge, which is not rated by the state. The use of said roads by large transport trucks poses a hazardous spill potential into Lake Waukewan, which is the town's water supply.

The Town Manager pointed out that the letters sent to DOT in the past have not been effective, and suggested that a copy be sent to the town's legislative delegation so they can provide some assistance in the matter.

Selectman Vadney supports sending a letter to DOT, but cautioned that weight limits on the road could restrict local delivery trucks. Ms. LaBrecque explained that the Committee is hopeful that DOT will point it in an appropriate direction.

While Selectman Brothers is concerned with the maneuverability of large 18-wheelers on Mosquito Bridge, the larger issue is moving traffic through the Lakes Region on all available roadways without doing so in a way that bypasses businesses and attractions. In addition, major events in town have a large impact on traffic and should be spread out. The Town Manager agreed that the matter will not be completely addressed until there is a comprehensive action plan for the Route 3 and 25 intersections.

Dialogue ensued regarding the difficulties that would be faced in enforcing weight restrictions on the roads. Chair Worsman suggested the use of signage to alert drivers to the narrow bridge. The Town Manager explained that truck drivers rely on their GPS systems, and are directed to the bypass unless the bridge is rated by a state agency. Signage would not be effective because it does not have the force of law and is therefore not a good expenditure.

Selectman Lovett favors sending another letter to the DOT. He thanked the Committee for its efforts, but believes that the same issues will be faced ten years from now, and wonders if an exception should be made and the town should take over the state road in order to prevent a catastrophic accident that will affect the water supply. While there would be costs associated with doing so, he wonders whether it would be good insurance against disasters to come. The Town Manager explained that the town would have to post the road under the relevant RSA's and enforce weight limits, and that the funds could be delegated for other roads that are in poor condition. At this time, the roads are patrolled by the New Hampshire state police.

There was a consensus among the Board for the Town Manager to work with the Committee and proceed with a letter to DOT. In addition, he will work with state representatives and senators on the matter. The Chair requested that an emphasis be put on enhancing the railings on Mosquito Bridge. The Town Manager will address the rails as a maintenance issue.

Selectman Torr motioned to adjourn the Workshop at 5:30 p.m. Seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

Respectfully submitted,

Phillip L. Warren, Town Manager

Colette Worsman, Chairman

Peter F. Brothers, Vice Chairman

Miller C. Lovett

Nathan J. Torr

Herbert R. Vadney