

**BOARD OF SELECTMEN WORKSHOP**  
**Minutes of 11-07-11**  
**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, Director of Administrative Services Brenda Vittner, and the Recording Clerk, and made announcements pertaining to emergency exits and the use of cell phones.

**W 11-31      2012 Budget Presentation**

Town Manager Phillip Warren reviewed the 2012 proposed municipal budget. The final numbers for revenue will be provided by the end of the week. Revenues remain flat and every effort has been made to control expenditures, with little room left for additional cuts. The proposed budget is less than a 1% increase over the 2011 budget, and maintains the same amount to be raised from taxation as the 2008 level. There is a comfortable balance in reserves. The Town Manager will follow the same budget process used in the last two years, and accordingly requested that Board members submit questions prior to the budget workshops scheduled for the last week of November. The Town Manager did not provide the Board with backup material because it is exactly the same as the material that was provided last year. The Town Manager will provide a copy of last year's budget book to Selectman Vadney, who was not serving on the Board during the budget process. The same general goals and budget philosophy have been in place since at least 2008, and it is anticipated that each department is going to have to work on updating goals within the next two years. Director of Administrative Services Brenda Vittner will provide any additional material that is requested by the Board.

**W 11-32      2011 Revenue Update**

The Board executed the MS-5 and it will be forwarded to the DRA. The MS-1 and MS-4 have been forwarded to the DRA and the MS-1 has been certified. Once the MS-5 is received by the state, the tax rate will be set and a date will be established for mailing tax bills. Final revenues will be available soon, and are anticipated to be level with estimates. The total amount to be raised by taxation has decreased since the index year of 2008, and will be flat this year. Ms. Vittner reviewed the worksheets, which are subject to change:

- At this time last year, the unaudited fund balance was just under \$4.1 million.
- This year's audited fund balance is \$4,196,217.
- \$725,000 of the fund balance must be used to keep the dollars raised by taxation level, bringing the estimated fund balance at the end of 2011 to approximately \$3,471,000.
- Excess revenue is estimated at \$6,000.
- It is estimated that there will be \$431,000 of unexpended appropriations at year end.

- The fund balance is projected to be at \$3.9 million at year end, which is well above the 7 1/4% guideline used by the Board.
- The overlay has been increased by \$25,000 to \$75,000.

It is projected that the municipal and city portions of the tax rate will be equal to or less than last year's tax rate. The school district rate is not known at this time. The Town of Meredith typically sets its tax rate later than other communities, which allows for additional revenue and expenditure data when setting the tax rate.

The Chair pointed out that while the goal is to raise no more taxes than last year, the value of homes and property fluctuates, and that fluctuation may cause an increase or decrease in the tax bill. The Town has seen a slight increase in its net assessed value.

Selectman Lovett reiterated that while the average tax bill will remain the same, if property values go up, taxes might go up, and if they go down, taxes might go down. While the same amount of money is being raised by taxation, it will be distributed differently depending on the value of property.

#### **W 11-28      Outside Agency Funding Requests**

The Town Manager informed that an additional request has been submitted by the Red Cross, and Genesis submitted an updated request. This brings the outside agency requests to 19 for a total of \$226,184, which is an increase of \$12,401 over last year's requests. The discussion on outside agencies will be part of the budget process, and will take place at the workshops scheduled for November 28, 29 and 30. Last year, the Board spent time reviewing outside agencies in general and talking about criteria one night, then took that information and made decisions on funding levels for individual agencies the following night.

Selectman Brothers requested that the information for each request be arranged so that it is in the same order as the summary sheet.

The Town Manager received additional information submitted by the Humane Society and will forward it to the Board via email.

Dialogue ensued regarding how CIP recommendations will affect the budget, in particular recommendations for capital equipment. The Board is concerned that if certain capital expenses are deferred any longer, it will lead to trouble. The Town Manager will provide the Board with a timeline that will help it evaluate capital expenses during the budget process. The Board will give consideration to capital outlay and the impact of outside agency funding on the budget as a whole.

Selectman Lovett pointed out that the budget has been squeezed very tightly and in order to keep the amount to be raised by taxation level this year, for every dollar that is added there must be a corresponding decrease elsewhere. He solicited input from the public on how that might be further accomplished. In addition, he reiterated that the capital budget has been cut to almost nothing in the past, and there will have to be catch up.

Selectman Torr does not wish to see a big increase in taxes, but the capital infrastructure is one of the elements that must be seriously considered during the budget process, including roads, sewer, and equipment.

Dialogue ensued regarding how the Winnepesaukee River Basin Project will affect this budget and budgets going forward.

Resident Paula Trombley shared that her property value has gone down. The Chair reiterated that while property values have gone down, the division of dollars will be similar, and the average tax bill regardless of assessment should technically stay the same.

*Selectman Brothers motioned to adjourn the Workshop at 5:10 p.m. Seconded by Selectman Lovett. 5-0. All in favor. Motion passed unanimously.*

Respectfully submitted,

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Phillip L. Warren, Town Manager

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Colette Worsman, Chairman

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Peter F. Brothers, Vice Chairman

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Miller C. Lovett

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Nathan J. Torr

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Herbert R. Vadney