

Center Harbor Board of Selectmen
Proposed 2010 Budget Hearing minutes
January 23, 2010

CALL TO ORDER: Chairman Charley Hanson called the public hearing to order at 10:00 a.m. Present were Selectmen Richard Drenkhahn and Randy Mattson. Seth Stearns, Janet Stearns, Mark Stearns, Doris Smith, Palmer Smith, Kim Haines, Library Trustee and Center Harbor resident Helen Heiner, Library Trustee Sarah Heath, Fire Chief John Schlemmer, Police Chief Mark Chase, Road Agent Jeff Haines, Parks & Recreation Director Jody Dickerson, Town Clerk Sheila Mohan, Meredith News Reporter Erin Plummer and Selectmen's Secretary Robin Woodaman were also in attendance.

Mr. Hanson explained this will be the first part of the 2010 budget hearing, the Selectmen will review the entire proposed 2010 budget; the hearing will then be continued to Wednesday, February 3, 2010 at 7:15 p.m. to accommodate any last minute petitioned warrant articles involving funding. He explained the Selectmen will receive public input and make budget changes. He explained the budget figure at the close of the February 3, 2010 budget hearing will be what is voted on at Town Meeting; no changes can be made to the proposed budget after the close of the budget hearing.

Mr. Hanson reported the Selectmen asked the Department Heads to level fund their proposed 2010 budgets as much as possible; he reported the proposed operating budget is down approximately 3% from 2009.

Mr. Seth Stearns asked what the unemployment figure is for Center Harbor; this statistic will be researched.

PROPOSED 2010 BUDGET:

General Government – Board of Selectmen: \$134,115 proposed for 2010 (\$133,578 approved in 2009, \$127,053 expended in 2009). Mr. Hanson explained in 2009 the Selectmen instituted a step wage program; this is reflected in all the wage line items.

Election & Registration: \$28,488 proposed for 2010 (\$27,132 approved in 2009, \$24,082 expended in 2009). Mr. Drenkhahn reported there will be three (3) elections in 2010 and only one (1) in 2009.

Accounting & Auditing: \$45,510 proposed for 2010 (\$48,413 approved in 2009, \$63,447 expended in 2009). Ms. Mattson reported the Town budgets \$1 for the abatements and refunds line items; these figures are unknown during the budget process. Mr. Seth Stearns asked what the refunds line item was for. Ms. Woodaman explained there are times that taxpayers pay their property tax within the 22 days of billing, but do not take the 2% discount; this will have to be refunded to the taxpayer. She explained there are other times when the property owner and the mortgage company both pay the property taxes.

Revaluation of Property: \$12,900 proposed for 2010 (\$15,450 approved in 2009, \$11,809 expended in 2009).

Legal: \$20,000 proposed for 2010 (\$20,000 approved in 2009, \$15,823 expended in 2009).

Benefits: \$226,275 proposed for 2010 (\$203,754 approved in 2009, \$205,280 expended in 2009). Ms. Mattson reported there is a potential of a 26.3% increase in employee health insurance in 2010. She explained the Selectmen met with Local Government Center (LGC), the Town's health insurance carrier, and looked into other health insurance companies; at this point the Town is getting the best deal it can get with the LGC. Mr. Hanson reported the employees will no longer be reimbursed their deductible by the Town.

Planning & Zoning: \$8,300 proposed for 2010 (\$3,300 approved in 2009, \$1,250 expended in 2009). Mr. Hanson reported the line item "Professional Fees" has been added to fund the circuit rider planner, which was a warrant article approved at the 2009 Town Meeting. He reported the Town has the planner in place from the Lakes Region Planning Commission, but has not utilized the planner because there has not been much activity in the Planning Board.

General Government Buildings: \$39,200 proposed for 2010 (\$35,400 approved in 2009, \$37,743 expended in 2009). Mr. Drenkhahn explained the cleaning services and heating oil for the Library is now included in this section. He explained the Town solicited heating fuel proposals and now have a fixed price. Mr. Seth Stearns reported he spoke with Mr. Drenkhahn regarding a cooperative where residents and business can purchase heating oil, propane and wood pellets. Mr. Drenkhahn reported he contacted the cooperative and reported the cooperative's current price is \$.10 higher than the Town's current contracts and there would be an \$80 year membership fee; Mr. Drenkhahn reported he will contact the cooperative next year regarding their prices. Mr. Stearns asked about informing the Town's Energy Committee, residents and businesses about the cooperative; Mr. Drenkhahn reported he will bring it to the attention of the Energy Committee, but the Town can't advertize for a business.

Cemeteries: \$2,150 proposed for 2010 (\$3,150 approved in 2009, \$1,039 expended in 2009).

Insurance: \$30,725 proposed for 2010 (\$31,000 approved in 2009, \$28,984 expended in 2009).

Police Department: \$249,787 proposed for 2010 (\$248,665 approved in 2009, \$235,476 expended in 2009).

Ambulance: \$54,088 proposed for 2010 (\$54,468 approved in 2009, \$54,093 expended in 2009). Ms. Mattson reported the decrease is based on a decreased number of calls. She explained four (4) towns are part of an inter-municipal agreement (Center Harbor, Meredith, Moultonborough and Sandwich) and are in the process of renegotiating the ambulance contract, which expires in 2011. Mrs. Stearns questioned the Town's ambulance; Ms. Mattson explained the Town has two (2) rescue vehicles.

Fire Department: \$141,903 proposed for 2010 (\$138,899 approved in 2009, \$142,116 expended in 2009). Mr. Hanson reported three (3) years ago, there were eight (8) members on the Fire Department; there are now 25 members, which is the optimal number. He explained there are more firefighters able to respond to calls. Mr. Mark Stearns asked about 5A2 calls; Chief Schlemmer reported the Town does

not charge for medical calls and has responded to medical calls since the 1950's. Ms. Stearns reported if she needs an ambulance, she does not want Center Harbor's, she wants Stewart's Ambulance. She questioned why twelve members of the CHFD responded to a medical call. Chief Schlemmer reported four (4) to five (5) respond to medical calls, with the average response time thirteen (13) minutes faster than Stewart's. He explained he tries to keep a large number of firefighters from going into the house during a medical call. Chief Schlemmer reported an average of eight (8) people responded to the 2009 calls. Ms. Mattson explained the CHFD is always a first responder on medical calls. She explained the second rescue vehicle was purchased with the intent of having one (1) rescue vehicle at the main station and the second in Station 2. Chief Schlemmer explained there currently is no room to house the second rescue vehicle in Station 2. He explained every town but Meredith provides medical service. Chief Chase reported being involved with the Town's hazardous mitigation plan, which reported the Town needed a vehicle to transport people during a major incident; Rescue 2 has this capability.

Code Enforcement: \$16,850 proposed for 2010 (\$17,100 approved in 2009, \$12,273 expended in 2009). Mr. Drenkhahn explained the Town implemented new permit fees in August 2009 and reported the building permit fees in 2008 were \$5,218, and in 2009 had increased to \$9,811. He explained these fees offset the Code Enforcement Officer's inspection costs. Mr. Seth Stearns asked about the requirement for sprinkler systems in private homes. Mr. Drenkhahn explained Code Enforcement Officer Ken Ballance does not plan to purchase the new code books until this issue is settled with the State.

Emergency Management: \$1,750 proposed for 2010 (\$1,250 approved in 2009, \$164 expended in 2009). Chief Schlemmer reported the increase in the budget is for the installation of a dedicated fax line and fax machine in the Fire Station.

Moultonborough Fire Tower: \$1,050 proposed for 2010 (\$1,050 approved in 2009, \$1,050 expended in 2009).

Public Works: \$343,847 proposed for 2010 (\$355,272 approved in 2009, \$301,463 expended in 2009). Mr. Drenkhahn reported there is a lot less overtime in the Highway Department's proposed budget. Mr. Haines reported the Town was able to recoup savings in the sand and road salt line items. He reported a big maintenance breakdown early in 2009. Chief Schlemmer reported a great rapport between the Fire Department and the Highway Department this past year.

Street Lighting: \$8,000 proposed for 2010 (\$8,000 approved in 2009, \$7,718 expended in 2009).

Roads: \$60,000 proposed for 2010 (\$0 approved in 2009, \$53,765 expended in 2009). Mr. Hanson reported \$60,000 was encumbered in 2008 and expended in 2009. Mr. Haines reported plans to work with the Lakes Region Planning Commission (LRPC) on a road surface management survey, which will prioritize needs and produce a maintenance schedule; this will be funded by the LRPC and incorporated with the Town's Master Plan.

Solid Waste Disposal: \$157,748 proposed for 2010 (\$165,105 approved in 2009, \$157,422 expended in 2009).

Health: \$18,701 proposed for 2010 (\$19,201 approved in 2009, \$18,271 expended in 2009). Ms. Mattson reported Meredith Public Health has changed its blood pressure clinic to Mondays from 11:00 a.m. to 12:00 p.m. (noon). She explained the blood pressure clinic was previously held on Wednesday afternoons when the Town Office was closed; more people may attend the clinic now that it is open during regular office hours. Mr. Seth Stearns reported learning that the Winnepesaukee Wellness Center would see a savings on their expenses when they moved to a different facility. Ms. Mohan explained the request for funding came from the Winnepesaukee Wellness Center.

Welfare: \$45,552 proposed for 2010 (\$34,051 approved in 2009, \$43,724 expended in 2009).

Parks & Recreation: \$56,250 proposed for 2010 (\$61,850 approved in 2009, \$54,292 expended in 2009). Mr. Drenkhahn reported the aquatic weed treatment line item was approved for \$7,500 in 2009 and is reduced to \$1,000 in 2010.

Library: \$81,721 proposed for 2010 (\$88,272 approved in 2009, \$85,907 expended in 2009). Ms. Mattson reported cleaning and building heat was removed from the Library's proposed budget and combined with the General Government Buildings section of the budget. Mr. Hanson reported the Library, after research, has contracted with a specialized company to re-point the Library this season. He explained these funds will come from the Municipal Buildings Repairs & Maintenance Expendable Trust Fund. Ms. Heath explained the Library pre-bought its heating fuel in 2008 and 2009, now there is a contract with a set price. Ms. Heath reported the Library's 100th anniversary is in June.

Patriotic Purposes: \$21,550 proposed for 2010 (\$20,630 approved in 2009, \$19,364 expended in 2009). Mr. Hanson reported there was confusion with the 2009 fireworks contract; the CHFD boat towed the fireworks barge and was damaged. He reported the 2010 fireworks contract includes all aspects of moving the fireworks barge; the CHFD will provide security to keep boats away. Mr. Hanson reported the Town of Moultonborough typically donates \$5,000 towards the cost of the fireworks.

Other Culture: \$9,200 proposed for 2010 (\$9,721 approved in 2009, \$9,276 expended in 2009). Mr. Drenkhahn reported there is a proposed increase in the band member's fee; he explained more members have been recruited. He reported Band Director Carlos Martinez purchased a lot of music in 2009, but will not purchase any in 2010.

Historical Society: \$500 proposed for 2010 (\$500 approved in 2009, \$500 expended in 2009).

Conservation: \$2,000 proposed for 2010 (\$2,000 approved in 2009, \$2,030 expended in 2009).

Energy: \$450 proposed for 2010 (\$450 approved in 2009, \$197 expended in 2009).

Debt Service: \$137,650 proposed for 2010 (\$139,900 approved in 2009, \$139,886 expended in 2009). Mr. Hanson reported 2010 will be the last payment (\$60,000 plus interest) of the road bond.

WARRANT ARTICLES:

High Haith Bridge: \$0 proposed for 2010 (\$563,872 approved in 2009, \$114,590 expended in 2009). Mr. Hanson reported the replacement of the High Haith Bridge is under way. He reported the Town has received approval for the first reimbursement of \$91,000.

Natural Resource Inventory (NRI): \$0 proposed for 2010 (\$18,000 approved in 2009, \$9,000 expended in 2009 and \$9,000 encumbered in 2009). Mr. Hanson reported the NRI should be completed shortly.

Circuit Rider Planner: \$0 proposed for 2010 (\$12,000 approved in 2009, \$0 expended in 2009). Mr. Hanson reported the funding for the circuit rider planner is now included in the Planning and Zoning section of the budget.

Hydrant: \$0 proposed for 2010 (\$23,500 approved in 2009, \$26,840 expended in 2009). Mr. Hanson reported the hydrant project is complete and there is a fully functioning hydrant system in the downtown area.

Master Plan: \$0 proposed for 2010 (\$22,000 approved in 2009, \$2,000 expended in 2009, \$20,000 encumbered in 2009).

Perambulation: \$4,400 proposed for 2010 (\$0 approved in 2009). Mr. Hanson reported towns are required to walk their boundaries every seven (7) years. He explained this perambulation will include the use of a GPS system for the markers and reported the border towns are interested in contributing to the cost.

Digital Maps: \$25,000 proposed for 2010 (\$0 approved in 2009). Mr. Drenkhahn reported this project will include aerial photos of the Town, which will tie into the Town maps to make them more accurate as well as to reduce the future cost of updating them.

Coalition Communities: \$500 proposed for 2010 (\$0 approved in 2009). Ms. Mattson reported the Coalition Communities work with the State government regarding school funding.

Tax Anticipation Note (TAN) Interest: \$1 proposed for 2010 (\$1 approved in 2009, \$25,767 expended in 2009). Mr. Hanson reported the Town borrowed \$2,000,000 in TAN's in 2009.

TRANSFER TO CAPITAL RESERVE FUNDS (CRF)

Fire Department Self Contained Breathing Apparatus (S.C.B.A.): \$5,000 proposed for 2010 (\$0 approved in 2009). Mr. Hanson reported Chief Schlemmer recommended funds be deposited in the S.C.B.A. CRF to prepare for the future. Chief Schlemmer reported the current S.C.B.A. units are good for the next twelve (12) years.

Fire Department Engine or Rescue Vehicle: \$25,000 proposed for 2010 (\$20,000 approved in 2009, \$20,000 transferred to the CRF in 2009). Chief Schlemmer reported this CRF will be used to replace a 23 year old engine.

Safety Building: \$1 proposed for 2010 (\$25,000 approved in 2009, \$25,000 transferred to the CRF in 2009). Mr. Hanson reported the proposed Police Station will be voted on at the 2010 Town Meeting.

Police Department Cruiser: \$20,000 proposed for 2010 (\$20,000 approved in 2009, \$20,000 transferred to the CRF in 2009).

Sand/Salt Storage Shed: \$40,000 proposed for 2010 (\$100,000 approved in 2009, \$100,000 transferred to the CRF in 2009). Mr. Hanson reported the Selectmen had hoped to construct the sand/salt storage shed in 2009 and had solicited proposals, but there were not enough funds in the CRF to build the shed.

Public Works Truck or Equipment: \$30,000 proposed for 2010 (\$30,000 approved in 2009, \$30,000 transferred to the CRF in 2009).

TRANSFER TO EXPENDABLE TRUST FUNDS (ETF):

Municipal Buildings Repairs and Maintenance: \$20,000 proposed for 2010 (\$50,000 approved in 2009, \$50,000 transferred to the ETF in 2009). Mr. Hanson explained this fund encompasses repairs and maintenance to all Town buildings.

Energy Conservation and Improvements: \$20,000 proposed for 2010 (\$0 approved in 2009). Mr. Hanson reported this will be a new EFT. He explained an energy audit of the Town's buildings was performed in 2009. Mr. Hanson reported there are State of New Hampshire grant funds available for energy conservation and improvement projects; this ETF will be used to get other funds and as matching funds for grants.

POLICE STATION BOND: \$1,359,457 proposed for 2010 (\$0 approved in 2009).

2010 PROPOSED BUDGET: Mr. Hanson reported the total proposed 2010 budget is \$3,498,869.

OPERATING BUDGET: Mr. Hanson reported the following 2010 and 2009 operating budget comparison:

Proposed 2010 budget:	\$3,498,869	
Less: PD bond:	<u>(\$1,359,457)</u>	
Proposed 2010 Operating budget:		\$2,139,412
Approved 2009 budget:	\$2,771,934	

Less: High Haith Bridge: (\$ 563,872)

Approved 2009 Operating budget: \$2,208,062

Reduction from 2009 operating budget: \$ 68,650

Mr. Hanson reported the proposed 2010 operating budget is 3.11% lower than the 2009 approved operating budget.

Mr. Seth Stearns reported he feels it would be helpful to see the revenue, which offsets some of the expenses.

ADDITIONAL HEARINGS: Mr. Hanson reported the following scheduled hearings:

Police Station Bond Hearing: February 3, 2010 at 6:30 p.m.

2010 Budget Hearing continuance: February 3, 2010 at 7:15 p.m.

Proposed Police Station Final Design Hearing: February 18, 2010 at 7:00 p.m.

Mr. Hanson reported the bond hearing and the hearing on the proposed Police Station's final design are two (2) separate topics of discussion. The February 3, 2010 hearing will discuss the bond to finance the proposed project and the February 18, 2010 hearing will be a discussion on the final design of the proposed building.

CONTINUANCE OF 2010 BUDGET HEARING: At 11:12 a.m. Mr. Hanson motioned to continue the 2010 Budget Hearing to Wednesday, February 3, 2010 at 7:15 p.m. Ms. Mattson seconded the motion and the vote was unanimous.

Respectfully submitted,

Robin Woodaman

Selectmen's Secretary

