

**Center Harbor Board of Selectmen
Continuance of 2009 Budget Hearing
Saturday, January 31, 2009**

CALL TO ORDER: At 10:00 a.m. Selectman Charley Hanson called the continuance of the January 21, 2009 Budget Hearing to order. He explained the Board of Selectmen will hold three (3) 2009 Budget Hearings this year; the first was January 21, 2009 and the final hearing will be Wednesday, February 4, 2009 at 7:15 p.m. Selectman Richard Drenkhahn was also in attendance. Chairman Randy Mattson was absent with notice. Bess Hanson, Jenn Hanson, Eric Strapp, Anne Strapp, Karen Peranelli, Bob Beem, Police Chief Mark Chase, Fire Chief John Schlemmer and Selectmen's Secretary Robin Woodaman were also present.

2009 BUDGET HEARING: Mr. Hanson explained the Board of Selectmen, at the previous Budget Hearing, reported the totals of each budgetary area and highlighted line items that have changed from the previous year. He explained there are fifty-three (53) pay weeks in 2009; this is reflected in all the "wages" line items.

Mr. Hanson and Mr. Drenkhahn explained each budgetary category, reporting any revised proposals from the January 21, 2009 hearing, the 2008 appropriations and 2008 expenditures. The Selectmen reported the following revisions from the January 21, 2009 Budget Hearing:

General Government – Board of Selectmen: (\$133,578 revised 2009 proposal, \$133,278 original 2009 proposal). Mr. Hanson explained the Selectmen increased the "Printing & Advertising" line item by \$300; the 2008 Town Report will have a colored picture on the cover. Mr. Strapp questioned the increase of \$500 over the 2008 expenditure of \$3,800 in "Printing & Advertising".

General Government – Benefits: (\$203,754 revised 2009 proposal, \$203,894 original 2009 proposal). Mr. Drenkhahn reported the health insurance cost is expected to increase by 13%. He explained there is also an increase due to the fact that two new employees have more family members than the two who retired and another employee, who was not on the Town's health insurance policy, elected to join. Ms. Peranelli asked if the increase in the Police Department's retirement contribution had been accounted for; Ms. Woodaman reported it had been.

General Government – Government Buildings: (\$35,400 revised 2009 proposal, \$33,300 original 2009 proposal). Mr. Hanson reported the Selectmen increased "Repairs & Maintenance" line item by \$3,000 to cover the costs of changing locks on some Municipal buildings. He reported the "Dog Pound Fees" line item was reduced from \$3,500 to \$2,600. The Selectmen discussed the proposed warrant article, in the amount of \$50,000, to create an Expendable Trust Fund for the purpose of maintaining Municipal Buildings.

Public Safety – Ambulance: (\$54,468 revised 2009 proposal, \$54,395 original 2009 proposal). Mr. Hanson reported Stewart's Ambulance had incorrectly calculated the Town's portion.

Public Works – Road Surface Management: (\$0 revised 2009 proposal, \$60,000 original 2009 proposal). Mr. Hanson reported there had been \$60,000 encumbered in this account in 2007 which was expended in 2008. He reported \$60,000 has been encumbered from 2008 which will be expended in 2009. He explained the Board of Selectmen decided not to propose an additional \$60,000 for 2009.

Library: (\$88,272 revised 2009 proposal, \$90,050 original 2009 proposal). Mr. Hanson reported the "Repairs & Maintenance" line item was reduced because repairs to the Library will be included in the proposed Expendable Trust Fund for the purpose of maintaining Municipal Buildings.

Energy Committee: (\$450 revised 2009 proposal, \$0 original 2009 proposal). Mr. Drenkhahn explained the Energy Committee is a new committee and has requested funding to maintain their website, www.realtychec.org. He explained the Energy Committee coordinated the distribution of free bags and light bulbs at November's general election and will be involved with the Municipal Building's energy audit.

Transfer to Capital Reserve Funds (CRF): Mr. Hanson reported the Selectmen felt the increase in the original 2009 budget was too high and decided to reduce the funding to the following Capital Reserve Funds:

Fire Department Engine or Rescue Vehicle: (\$20,000 revised 2009 proposal, \$25,000 original 2009 proposal). Chief Schlemmer asked if this would affect the purchase of a new engine in 2011 and if this year's reduction would be offset in 2010. He explained the engine that is proposed to be replaced will be over 25 years old and reported there will be additional maintenance funds required.

Safety Building: (\$25,000 revised 2009 proposal, \$50,000 original 2009 proposal). Mr. Hanson reported the construction of a new Police Department will be a 2010 warrant article.

Loader/Backhoe: (\$0 revised 2009 proposal, \$30,000 original 2009 proposal). Mr. Hanson explained there will be a warrant article requesting the purpose of this CRF be changed to the Public Works Truck or Equipment Capital Reserve Fund.

PW Truck or Equipment: (\$30,000 revised 2009 proposal, \$0 original 2009 proposal). Mr. Hanson explained this will be a new CRF to replace the Loader/Backhoe CRF.

Total proposed 2009 budget: (\$2,693,062 revised 2009 proposal, \$2,782,057 original 2009 proposal). Mr. Hanson explained \$2,205,997 of the proposed 2009 budget will come from general taxation (\$2,165,860 was appropriated in 2008).

Fuel: There was discussion regarding the Selectmen's plans to solicit bids to purchase fuel from one company. Mr. Beem reported some companies don't supply all the fuel types that the Town requires and suggested splitting the purchases from companies to receive the best price. Mr. Drenkhahn reported the Selectmen will look at all aspects to receive the best financial arrangement for the Town. Ms. Perenalli suggested the Town join in with a school district bid.

Warrant Articles: The Selectmen reviewed the following draft warrant articles. They explained the warrant articles are subject to the review and approval by the State of New Hampshire Department of Revenue Administration:

STATE OF NEW HAMPSHIRE
TOWN OF CENTER HARBOR

TOWN WARRANT

To the inhabitants of the Town of Center Harbor in the County of Belknap in Said State, Qualified to vote in Town Affairs:

You are hereby notified to meet at the Cary H. Mead Meeting Room in Said Center Harbor on Tuesday, the tenth day of March at ten of the clock in the morning until six of the clock in the evening to act upon Article 1. You are hereby notified to meet at the Fire Station in Said Center Harbor on Tuesday, the tenth day of March at seven thirty of the clock in the evening to act upon Articles 2 through 33.

Article 1-A. To choose all necessary Town and School Officers for the year ensuing.

Article 1-B. To see if the Town will vote to adopt Amendment No. 1-B to the existing Town Zoning Ordinance, as proposed by Petition, to replace Section 9:4 paragraph 3 with the following, "Boat houses located

in or over the water, including dredged inlets, will not be approved. (See Section 2 Definitions)” The Planning Board vote was three (3) in favor and three (3) opposed to recommending this Petition Article.

Mr. Beem asked if the above warrant article also included dry boat houses, which are boat garages near the water. He explained the Town has a dry boat house; the Canoe House. Mr. Drenkhahn reported the Canoe House will be used this summer to house canoes.

Mr. Hanson explained the Selectmen researched towns that have the Town Clerk, Tax Collector and Treasurer elected for three (3) year terms and reported these positions have become more specialized and it is a benefit to the community to have continuity for three (3) years, therefore the following three (3) warrant articles are proposed:

Article 1-C. To see if the Town will vote to change the term of the Town Clerk from one (1) year to three (3) years, beginning with the term of the Town Clerk to be elected at next year’s regular Town Meeting.

Article 1-D. To see if the Town will vote to change the term of the Town Tax Collector from one (1) year to three (3) years, beginning with the term of the Town Tax Collector to be elected at next year’s regular Town Meeting.

Article 1-E. To see if the Town will vote to change the term of the Town Treasurer from one (1) year to three (3) years, beginning with the term of the Town Treasurer to be elected at next year’s regular Town Meeting.

Article 2. To see if the Town will vote to raise and appropriate \$ 689,628 to defray the Town charges for the ensuing year. (\$675,204 appropriated in 2008).

Article 3. To see if the Town will vote to raise and appropriate the sum of \$485,000 for the replacement of the High Haith Bridge with \$424,000 to be funded by the State of New Hampshire Department of Transportation and the balance of \$61,000 to be funded by general taxation. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the project is completed or by December 31, 2014, whichever is sooner. The Selectmen recommend this appropriation. (Majority vote required).

There was discussion regarding the possibility of the State of New Hampshire not completely funding the amount the Town expects to be reimbursed (\$424,000). Mr. Hanson explained the High Haith Bridge has been red-listed by the State for many years and the State moved the funding of this project up by five years in their schedule; he explained the State considers this a small project. He explained the State will reimburse the Town as the project proceeds. Mr. Beem explained he feels one day’s work and the installation of a culvert would correct the issue.

Article 4. To see if the Town will vote to create an Expendable Trust Fund under the provisions of RSA 31:19-a, to be known as the Town Buildings Repairs & Maintenance Expendable Trust Fund, for the purpose of repairing and maintaining municipally owned buildings and to raise and appropriate the sum of fifty thousand dollars (\$50,000) for this fund and to appoint the Selectmen as agents to expend from this fund. Recommended by the Selectmen. (Majority vote required).

Article 5. To see if the Town will vote to raise and appropriate \$355,272 for the maintenance of Town Highways and Bridges, including sidewalks and dead tree removal. \$34,116 to be paid from State Highway Block Aid, the balance of \$321,156 to be raised by taxes. (\$353,060 appropriated in 2008).

Article 6. To see if the Town will vote to raise and appropriate the sum of \$100,000 to be placed in the existing Capital Reserve Fund for the purpose of construction of a sand/salt storage shed. (\$25,000 appropriated in 2008). Recommended by the Selectmen.

Article 7. To see if the Town will vote to change the purpose of an existing Loader/Backhoe Capital Reserve Fund to the Highway Department Truck or Equipment Capital Reserve Fund. (2/3 vote required).

Mr. Strapp suggested including the wording “there is an existing balance of \$30,000” to Article 7.

Article 8. To see if the Town will vote to raise and appropriate the sum of \$30,000 to be placed in the Highway Department Truck or Equipment Capital Reserve Fund and to appoint the Selectmen as agents to expend from this fund. (\$30,000 appropriated to the Backhoe/Loader CRF in 2008). Recommended by the Selectmen.

Mr. Drenkhahn reported the State of New Hampshire Department of Revenue Administration requested the following be added to Article 8: “This article is contingent on the passage of Warrant Article 7”.

Article 9. To see if the Town will vote to raise and appropriate the sum of \$248,665 for the operation of the Police Department. (\$233,826 appropriated in 2007).

Article 10. To see if the Town will vote to raise and appropriate the sum of \$20,000 to be placed in the existing Capital Reserve Fund for the purpose of purchasing a fully equipped police cruiser. (\$20,000 appropriated in 2008). Recommended by the Selectmen.

Article 11. To see if the Town will vote to raise and appropriate the sum of \$138,899 for the maintenance of the Center Harbor Fire Department. (\$130,750 appropriated in 2008).

Article 12. To see if the Town will vote to raise and appropriate the sum of \$20,000 to be placed in the existing Capital Reserve Fund for the purpose of purchasing a Fire Department engine or rescue vehicle. (\$25,000 appropriated in 2008). Recommended by the Selectmen.

Article 13. To see if the Town will vote to raise and appropriate the sum of \$23,500 for the completion of the fire hydrant system from the Town Beach on Lake Street to Main Street in front of the Fire Station. \$11,065 to come from the unreserved fund balance and \$12,435 is to come from general taxation. (Majority vote required).

Article 14. To see if the Town will vote to raise and appropriate the sum of \$25,000 to be placed in the existing Capital Reserve Fund for the purpose of design and construction of a Public Safety Facility. (\$50,000 appropriated in 2008). Recommended by the Selectmen.

Mr. Hanson reported there will be a Public Hearing on Saturday, February 14, 2009 at 9:00 a.m. regarding the proposed construction of a Police Department.

Article 15. To see if the Town will vote to raise and appropriate the sum of \$18,000 for the purpose of creating a Natural Resource Inventory. \$10,803 to come from the Land Use Change Tax Fund collected in 2008 and \$7,197 to come from the unreserved fund balance. (Majority vote required).

Mr. Hanson reported 75% of the Land Use Change Tax (LUCT) funds collected have to be voted on to be used or the funds go into the general fund. He explained \$10,803 is the 75% of the LUCT

collected in 2008 and the \$7,197 would come from past LUCT which is in the Town's unreserved fund balance. He explained the importance of having a catalogue of the Town's natural resources, especially during an easement or conservation purchase.

Article 16. To see if the Town will vote to raise and appropriate the sum of \$22,000 for Phase 1 of updating the Town's Master Plan. \$22,000 to come from the unreserved fund balance. (Majority vote required).

Mr. Hanson reported the Planning Board distributed a questionnaire, with the results indicating that most townspeople want the town to remain the same. He explained the Master Plan is an important document, which will be used in the future by the Town to make appropriate decisions regarding how the Town grows.

Article 17. To see if the Town will vote to raise and appropriate the sum of \$12,000 for the purpose of hiring a Circuit Rider Planner. \$12,000 to come from the unreserved fund balance. (Majority vote required).

Mr. Hanson reported the Town of Moultonborough approached the Planning Board regarding the concept of sharing a part-time planner. The Planning Board proposes hiring a part-time planner (two days per month) through the Lakes Region Planning Commission. He explained the Circuit Rider Planner will help with the New Hampshire Music Festival proposed development and will also review the Town's ordinances. He explained the funding will come from the unreserved fund balance.

Article 18. To see if the Town will vote to raise and appropriate the sum of \$165,105 for the disposition of Solid Waste. (\$158,950 appropriated in 2008).

Article 19. To see if the Town will vote to raise and appropriate the sum of \$88,272 for the operation of the James E. Nichols Memorial Library. (\$86,263 appropriated in 2008).

Article 20. To see if the Town will vote to raise and appropriate the sum of \$54,468 for the purpose of providing ambulance service to the Town. (\$52,968 appropriated in 2008).

Article 21. To see if the Town will vote to raise and appropriate the sum of \$61,850 for Parks and Recreation. (\$49,950 appropriated in 2008).

Article 22. To see if the Town will vote to raise and appropriate the sum of \$20,630 for Patriotic Purposes including Fourth of July activities. (\$18,280 appropriated in 2008).

Article 23. To see if the Town will vote to raise and appropriate the sum of \$9,721 for the Center Harbor Town Band Concerts. (\$7,700 appropriated in 2008).

Article 24. To see if the Town will vote to raise and appropriate the sum of \$14,000 for Direct Welfare. (\$14,000 appropriated in 2008).

Article 25. To see if the Town will vote to raise and appropriate the sum of \$1,250 for support of Emergency Management. (\$2,950 appropriated in 2008)

Article 26. To see if the Town will vote to raise and appropriate the sum of \$1,050 for Center Harbor's share of the operation of the Red Hill Fire Tower. (\$1,050 appropriated in 2008).

Article 27. To see if the Town will vote to raise and appropriate the sum of \$500 for the Centre Harbor Historical Society. (\$500 appropriated in 2008).

Article 28. To see if the Town will vote to raise and appropriate the sum of \$38,252 for the support of the following health and welfare agencies (\$37,063 appropriated in 2008):

<u>Agency</u>	<u>2009 Request</u>	<u>2008 Appropriation</u>
Meredith Public Health	\$12,201	\$12,201
Winnepesaukee Wellness Center	\$ 6,000	\$ 4,000
Community Action Program	\$ 8,400	\$ 8,400
Child & Family Services	\$ 3,500	\$ 3,500
Inter-Lakes Day Care	\$ 4,662	\$ 4,662
New Beginnings	\$ 1,000	\$ 1,000
American Red Cross	\$ 489	\$ 1,000
L.R. Community Services		\$ 300
Genesis	\$ 1,500	\$ 1,500
CASA	\$ 500	\$ 500
Total	\$38,252	\$37,063

There was discussion regarding the voters ability to amend the funding for the above agencies separately.

Article 29. To see if the Town will vote for acceptance of Beaverside Drive and Meadow Drive as Town Roads. (by petition)

Mr. Strapp asked if the recommendation of the Road Agent can be included in the above article. Mr. Hanson explained his recommendation may not be allowed by the State of New Hampshire Department of Revenue Administration. Ms. Perenalli explained the Road Agent may report the road meets the Town’s requirements, but it may not be appropriate for him to recommend acceptance as a Town Road.

Article 30. To see if the Town will vote to repeal article 15 passed by the 1989 Town Meeting, and adopt in its place the following: To place 25% of all future payments collected under RS Ach. 79-A:7, the Land Use Change Tax, in the Conservation Fund under RSA 36-A:5 III, and to confirm all prior deposits of the Land Use Change Tax to the Conservation Fund.

Mr. Beem reported he feels Article 30 will be challenged at Town Meeting. Mr. Hanson explained the Board of Selectmen arrived at Article 30 after review with legal counsel and others; he explained this article is to comply with state statues. Mr. Beem explained he feels the clear intent of the 1989 Town Meeting was to establish funds to purchase land with a Town Meeting vote and explained he objects to non-elected Conservation Commissioners being able to spend funds without Town Meeting approval. Mr. Drenkhahn explained the Conservation Commission is required to hold a public hearing prior to purchasing land. Mr. Hanson explained the Board of Selectmen could remove Conservation Commissioners if they proposed purchasing land that the Board of Selectmen did not agree with. Mr. Beem reported he feels the Conservation Commissioners do not necessarily represent the will of the people. He suggested there are other options for purchasing land such as holding a Special Town Meeting or obtaining an option to purchase the land following Town Meeting approval. Mr. Hanson reported the Conservation

Commission has the authority, per state statute, to spend funds without Town Meeting approval. Mr. Strapp questioned if the Town wants to allow the Conservation Commission to spend funds.

Article 31. To see if the Town will vote to authorize the Board of Selectmen to establish or amend fees as provide by RSA 41:9-a. Such a vote shall continue in effect until rescinded.

Mr. Hanson explained the above warrant article will allow the Board of Selectmen to update building permit fees.

Article 32. To see if the Town will vote to allow a discount of two (2) percent on taxes paid within twenty-two (22) days of issue of tax bills by the Tax Collector.

Article 33. To choose agents or committees in relation to any article of the Warrant and hear reports of any heretofore chosen.

CONTINUANCE OF PUBLIC HEARING: At 12:17 p.m. Mr. Hanson motioned to continue the 2009 Budget Hearing until Wednesday, February 4, 2009 at 7:15 p.m. Mr. Drenkhahn seconded the motion and the motion carried.

Respectfully submitted,

Robin E. Woodaman,
Selectmen's Secretary