

**Town of Center Harbor**  
**Board of Selectmen Public Hearing Minutes**  
**Proposed 2012 Budget**  
**January 28, 2012**

**CALL TO ORDER:** At 10:00 a.m. Chairman Randy Mattson called the public hearing regarding the proposed 2012 budget to order. Selectmen Charley Hanson and David Hughes were in attendance. Residents Seth Stearns, Janet Stearns, Matthew Stearns, Palmer Smith, Doris Smith, Gwen Bronson, Lee Mattson, Richard Drenkhahn, Dennis Schofield, Eugene Burgess, Bonnie Burgess, Tony Halsey, Eleanor Welch, Nancy Kelley, David Johnson, Elwood Shaw, Police Chief Mark Chase, Fire Chief John Schlemmer, Code Enforcement Officer Ken Ballance, Town Clerk Sheila Mohan, Library Trustees Sarah Heath, Helen Heiner & Bess Hanson, Meredith News Reporter Erin Plummer and Selectmen's Secretary Robin Woodaman were also present.

Ms. Mattson welcomed those in attendance. She explained Parks & Recreation Director Sandy Frost and Road Agent Jeff Haines (illness) were absent with notification.

Ms. Mattson explained the proposed 2012 budget represents months of work and review by the Selectmen and the Department Heads. She explained two (2) weeks ago the Selectmen cut \$99,417 from the proposed 2012 budget, which included freezing employee wages. Ms. Mattson reported the proposed 2012 operating budget is up .18% over the 2011 operating budget.

Ms. Mattson explained the Selectmen will report, and discuss questions, on each category of the proposed budget. The Selectmen will report the approved 2011 budget, 2011 expenditures and the proposed 2012 budget. Mr. Stearns asked about a line by line discussion; Ms. Mattson explained questions can be asked about any line item.

**PROPOSED 2012 BUDGET:**

- **Board of Selectmen:** \$115,281 proposed for 2012 (\$117,081 appropriated in 2011, \$121,396 expended in 2011). Ms. Mattson explained the "Office Equipment/Software" line item was budgeted for \$5,000 in 2011 and \$10,875 was expended due to the server "crashing" and having to be replaced. She explained the replacement of the server would have been included in the proposed 2012 budget.
- **Town Clerk:** \$55,060 proposed for 2012 (\$48,675 appropriated in 2011, \$46,147 expended in 2011). Mr. Hanson reported there will be four (4) elections in 2012, the Selectmen are proposing funds to provide additional space at Town Meeting and the purchase of office equipment. Ms. Bronson questioned the additional space at Town Meeting. Mr. Hanson explained the Selectmen are proposing a provision to rent a tent, which will be set up adjacent to the Fire Station to provide additional seating.

- **Accounting & Auditing:** \$46,557 proposed for 2012 (\$46,057 appropriated in 2011, \$58,471 expended in 2011). Mr. Stearns asked about the two (2%) percent discount offered to taxpayers if their property tax bills are paid within twenty-two (22) days of the billing. Ms. Woodaman explained the two (2%) percent discount is taken into calculation when the State of New Hampshire Department of Revenue Administration determines the Town's tax rate.
- **Revaluation of Property:** \$42,601 proposed for 2012 (\$56,200 appropriated in 2011, \$34,362 expended in 2011). Ms. Mattson reported the Town is in the middle of the property revaluation process: \$40,000 was budgeted in 2011 and \$30,000 is proposed for 2012.
- **Legal:** \$18,000 proposed for 2012 (\$20,000 appropriated in 2011, \$19,589 expended in 2011).
- **Benefits:** \$275,712 proposed for 2012 (\$251,381 appropriated in 2011, \$249,591 expended in 2011). Mr. Halsey questioned the 20% increase in this category since 2010. Ms. Welch asked if the benefits applied to the part-time employees; Ms. Mattson explained they apply to the nine (9) full-time employees. (The proposed, new line item "Firefighter Life Insurance" pertains to the firefighters). The following are the nine (9) full-time employees:
  - Road Agent Jeff Haines
  - Highway Department employee Jay Haines
  - Highway Department employee Richard Vappi
  - Police Chief Mark Chase
  - Police Corporal Scott Weiss
  - Police Officer Don Welch
  - Librarian Jon Kinnaman
  - Town Clerk Sheila Mohan
  - Selectmen's Administrative Assistant Robin
- The following line items were discussed:
  - **Blue Cross/Blue Shield:** \$164,085 proposed for 2012, \$150,050 appropriated in 2011, \$146,181 expended in 2011. Ms. Mattson explained the Selectmen are informed by the Local Government Center (LGC) of the maximum guaranteed rate increase for the health insurance. She explained the current full time employees contribute five (5%) percent for single coverage, eight (8%) percent for two-person coverage and ten (10%) percent for the family plan. She explained any new, full-time employee will receive 100% of the

single person coverage; the Town will not pay for the two (2) person or family coverage.

- **Firefighter Life Insurance:** \$3,020 proposed for 2012. Mr. Hughes explained this will be the first time there is a proposal to offer the Town's firefighters, who are on call 24/7/365, term life insurance. He explained this type of benefit will help to retain the firefighters. Ms. Burgess asked how this line item came about and asked about the right to vote on it. Mr. Hughes explained the budget is voted on at Town Meeting and can be amended at Town Meeting; it's up to the people. Ms. Burgess questioned life insurance provided to firefighters by a foundation. Mr. Hughes explained that coverage is for if the firefighter is killed in the line of duty; the proposed life insurance coverage would also cover the firefighters when they are not on duty. Ms. Stearns reported she feels it is up to the person to take care of themselves when they are not on duty. Chief Schlemmer explained retention of firefighters can be difficult for small Fire Departments and explained his goal is to retain a reasonable size Department. He explained there are no pay increases proposed and this benefit of \$20,000 in life insurance coverage would help keep the firefighters. Chief Schlemmer explained the State Firemens' Association would compensate \$10,000 for a firefighter who dies in the line of duty. Ms. Mattson explained the Selectmen agree that this is a small amount (\$3,020) to give security to someone who responds to the calls.
- **Planning & Zoning:** \$2,350 proposed for 2012 (\$3,300 appropriated in 2011, \$1,522 expended in 2011).
- **General Government Buildings:** \$41,375 proposed for 2012 (\$39,350 appropriated in 2011, \$43,403 expended in 2011). Mr. Hanson reported the main reason this category was overspent was due to an accident at the Town's pound on Route 25B; this was covered by insurance, but the expenditure has to be shown.
- **Cemeteries:** \$650 proposed for 2012 (\$2,150 appropriated in 2011, \$35 expended in 2011).
- **Property & Liability Insurance:** \$33,000 proposed for 2012 (\$31,500 appropriated in 2011, \$32,982 expended in 2011). Mr. Stearns asked if the contents at the Historical Society Building were insured; Ms. Woodaman reported they are and she will forward the amount of content coverage to Mr. Stearns.
- **Police Department:** \$257,695 proposed for 2012 (\$255,844 appropriated in 2011, \$245,302 expended in 2011). Mr. Stearns requested an explanation of the increase line by line. The following line items were discussed:
  - **Contract Prosecutor:** \$7,008 proposed for 2012, \$6,957 appropriated in 2011, \$6,957 expended in 2011. Chief Chase reported the contract for the Prosecutor goes from April to April and reflects a slight increase.

- **Telephone/fax/pagers:** \$3,400 proposed for 2012, \$3,100 appropriated in 2011, \$3,145 expended in 2011.
- **Vehicle Maintenance & Repairs:** \$4,500 proposed for 2012, \$4,000 appropriated in 2011, \$2,812 expended in 2011. Chief Chase reported he based the proposal of \$4,500 based on a four (4) year average. He explained this calculation was performed in the fall so the 2011 expenditures were not included because the year was not over. He explained in 2011, the Police Department had a new cruiser which was covered under warranty. Chief Chase reported there are two (2) cruisers which are now off of warranty coverage.
- **Computer expense:** \$6,000 proposed for 2012, \$5,000 appropriated in 2011, \$4,883 expended in 2011. Chief Chase reported the annual software support fee has increased. He reported this increase also covers the addition of a SPOT terminal; this will allow the Center Harbor Police Department to run criminal records checks here. Chief Chase explained criminal records checks, including for pistol permits and background checks, are currently run at the Belknap County Sherriff's Office and they have to be picked up at the Sherriff's Office.
- **Ambulance:** \$57,402 proposed for 2012 (\$54,904 appropriated in 2011, \$54,793 expended in 2011). Mr. Johnson asked if an individual transported by ambulance has to pay for the transport. Mr. Hughes explained it would depend on the person's insurance. He explained it costs between \$850 to \$3,500 for an ambulance based on the level of support needed. Mr. Hughes explained this contract with Stewart's Ambulance guarantees Stewart's will have two (2) ambulances available to the Town. Mr. Hanson explained Center Harbor, Meredith, Moultonborough and Sandwich are part of an inter-municipal agreement for ambulance services. He reported part of the negotiations included Stewart's providing coverage with certain staffing levels 24/7/365. Mr. Hanson explained the number of calls Stewart's responds to is provided to the Town. Chief Schlemmer explained last year there were 115 medical calls with Stewart's being asked to come 96 times. He reported the total inter-municipal contract is approximately \$600,000 and the towns are billed based on a flat rate plus a percentage of their call volume. Mr. Hughes explained Center Harbor Fire Department is usually the first responders; they establish and assess the situation; then it's transferred to Stewart's. He explained if Stewart's does not have an ambulance available, or multiple ambulances are needed, Center Harbor Fire Department will transport in its ambulance. Mr. Hughes reported the Center Harbor Fire Department has EMT B's, EMT I's, and one (1) paramedic. Mr. Hughes reported the Center Harbor ambulance has only been used for transport once or twice since the Town got it. Ms. Stearns asked why we are supporting ambulances with Stewart's and the Town. Mr. Hanson explained the Town's ambulance is a second rescue vehicle which can be used as an ambulance in extreme circumstances; this vehicle has multiple uses for emergency calls, not just as an ambulance. The Selectmen were asked about billing for use of the Town's ambulance. Mr. Hughes reported the Town

could bill if a billing system was set up with Medicare and/or other insurance carriers as necessary, but it is an expensive proposition to get into.

- **Fire Department:** \$129,661 proposed for 2012 (\$127,662 appropriated in 2011, \$126,550 expended in 2011). The following line item was discussed:
  - **Protective equipment:** Mr. Halsey asked what was in this line item. Chief Schlemmer explained it is for turn-out gear. He explained a complete set of turn-out gear costs \$3,000 and there is a five (5) year replacement cycle in place.
- **Code Enforcement:** \$14,800 proposed for 2012 (\$16,850 appropriated in 2011, \$12,708 expended in 2011).
- **Emergency Management:** \$1,200 proposed for 2012 (\$1,200 appropriated in 2011, \$513 expended in 2011).
- **Moultonborough Fire Tower:** \$1,550 proposed for 2012 (\$1,050 appropriated in 2011, \$0 expended in 2011). Chief Schlemmer reported the Fire Tower was not staffed in 2011, but for the previous eighteen (18) years it had been staffed for six (6) months with the funding coming from seven (7) towns (most of the funding came from the Town of Moultonborough). He explained the Town of Moultonborough broke its lease with the Lakes Region Conservation Trust (LRCT), owners of the property. Chief Schlemmer reported there is a proposal with LRCT to have the Tower staffed part time at a cost of approximately \$18,000. Mr. Stearns asked if it is cost effective to have the Tower staffed? Mr. Hanson explained that with today's cell phone use, that is part of the reason the Town of Moultonborough got out of their contract. Chief Schlemmer reported the number of false alarms have increased with cell phones and explained the Department still has to investigate the alarms. Mr. Stearns asked the effectiveness of the Fire Tower. Mr. Hughes explained it is very effective and reported it spotted a structure fire that no one could see. Chief Schlemmer reported that during the past Canadian fires when smoke drifted to this area, the Fire Tower staff was able to tell where the smoke was coming from. He explained there were approximately 7,000 visitors to the red Hill Fire Tower area in 2010 and reported the importance to have someone there to assist those people. Chief Schlemmer reported there are usually three (3) to four (4) people who have to be carried off of Red Hill each year; each "carry-out" requires approximately eighteen (18) responders from various mutual aid towns, which includes Center Harbor.
- **Public Works:** \$331,474 proposed for 2012 (\$337,272 appropriated in 2011, \$287,278 expended in 2011). Mr. Schofield reported he hopes Mr. Haines is in attendance at the February 8<sup>th</sup> budget hearing because he has questions for Mr. Haines. Ms. Mattson reported Mr. Haines was ill today and assumes he will be in attendance on February 8<sup>th</sup>. The following line items were discussed:
  - **Vehicle gas, oil, grease:** \$20,000 proposed for 2012, \$17,000 appropriated in 2011, \$21,019 expended in 2011. Ms. Burgess asked why the gas was not

separated from the oil and grease. She questioned if the Town is providing transportation for employees and asked if there was a log kept for personal use on a vehicle. Ms. Burgess asked if there was a written policy providing transportation. There is no such policy. Mr. Hanson reported this has been done for many years. He reported Mr. Haines takes a vehicle home which allows him to go directly from his house to deal with a work matter. Mr. Burgess asked if Mr. Haines could go to the Town Garage to pick up a truck; yes he could. Mr. Burgess asked if this matter is going to be straightened out. Mr. Hanson reported, at this point, the policy will not be changed. Mr. Burgess suggested it be voted on.

- **Sand & gravel:** \$25,000 proposed for 2012, \$25,000 appropriated in 2011, \$23,837 expended in 2011. Ms. Welch reported she feels Kelley Court is not plowed properly and expressed her concern for the wells that are close to the road; she does not want salt going into the wells. She requested sand, no salt and reported she has discussed this with Mr. Haines. Mr. Hanson reported the Selectmen will discuss this with Mr. Haines. Mr. Ballance reported on the problem with segregating the sand and salt. He explained the difficulty in storing just sand so that it doesn't get wet and freeze.
- **Uniforms:** \$1,800 proposed for 2012, \$1,800 appropriated in 2011, \$1950 expended in 2011. Ms. Bronson asked what uniforms were provided; shirts and pants are provided. She asked if it was a hazardous job. Mr. Hughes reported durable clothing is needed for the three (3) Town highway employees.
- **Coal patch & bituminous:** \$15,000 proposed for 2012, \$18,000 appropriated in 2011, \$3,182 expended in 2011. Mr. Schofield reported this is a line item he would like to question Mr. Haines about. Mr. Hughes reported you can't predict the winter. Mr. Hanson explained it depends on the year and reported \$18,000 was budgeted in 2010 with \$14,842 expended.
- **Sub contract:** \$22,000 proposed for 2012, \$22,000 appropriated in 2011, \$21,117 expended in 2011. The Selectmen were asked what is included in this line item. Ms. Woodaman reported some of the 2011 expenditures were to Lacey Irrigation, Ruel Sweeping, Lemein's Backhoe, and Meredith Truck & Equipment.
- **Street Lighting:** \$8,000 proposed for 2012 (\$8,000 appropriated in 2011, \$7,785 expended in 2011). Mr. Hughes reported the Energy Committee and the Board of Selectmen will be looking into the cost benefits of shutting off some street lights. Mr. Stearns asked about replacing the bulbs with energy efficiency bulbs. Mr. Hanson explained New Hampshire Electric Cooperative replaces the ballasts with energy efficiency ballasts when the old ballasts go out.
- **Road Surface Management:** \$0 proposed for 2012 (\$60,000 appropriated in 2011, \$60,000 encumbered in 2011). Ms. Mattson explained the 2011 encumbered funds

will be used towards paving in 2012. She explained this will include Coe Hill Road and the end part of College road on the south end that intersects Route 3.

- **Solid Waste Disposal**: \$165,561 proposed for 2012 (\$168,207 appropriated in 2011, \$168,922 expended in 2011). It was explained that the Town pays approximately 17% of the operating costs of the Transfer Station.
- **Health**: \$20,568 proposed for 2012 (\$19,372 appropriated in 2011, \$18,872 expended in 2011). It was explained that the increase is due to an increase in the request from Meredith Public Health Nursing Association.
- **Welfare**: \$40,740 proposed for 2012 (\$45,554 appropriated in 2011, \$37,046 expended in 2011). The following line item was discussed:
  - **CASA**: \$500 proposed for 2012, \$500 appropriated in 2011, \$500 expended in 2011. Mr. Stearns asked about CASA. Mr. Hughes explained CASA provides advocates for children who are going through the court process that did not have reliable guardianship.
- **Parks & Recreation**: \$50,820 proposed for 2012 (\$55,250 appropriated in 2011, \$38,684 expended in 2011). Mr. Hanson reported the Town was without a Parks & Recreation Director for part of 2011. He reported previous P & R Director Sandy Frost has been re-hired as the Parks & Recreation Director with the focus more on summer activities now. The following line items were discussed:
  - **Department**: Ms. Burgess questioned if the Town needs a Parks & Recreation Department and reported she feels the cost is ridiculous. She suggested the beach be manned with EMT's.
  - **Wages Director**: \$12,950 proposed for 2012, \$13,950 appropriated in 2011, \$8,817 expended in 2011. Ms. Bronson asked if the Parks & Recreation Director was full time. It was explained this is a part time position.
  - **Wages Lifeguards**: \$13,500 proposed for 2012, \$13,500 appropriated in 2011, \$8,148 expended in 2011. Mr. Hughes reported the lifeguards also perform the swimming lessons. The Selectmen were questioned regarding the number of children enrolled in the swimming lessons. Ms. Mattson explained initially there were only two (2) children enrolled, but the enrollment increased when the classes started. Mr. Hughes explained the Local Government Center (LGC) recommends lifeguards be in place and the Selectmen agree. He explained they can be a deterrent for issues at the beach. Mr. Hughes explained the Parks & Recreation Department staff also work the July 4<sup>th</sup> activities; these wages are included in the Parks & Recreation Department's wages line items.
  - **Wages boat launch**: \$6,700 proposed for 2012, \$6,700 appropriated in 2011, \$9,182 expended in 2011. Mr. Johnson asked about the revenue from the boat launch. Ms. Woodaman reported the boat launch generated just under \$8,000

in 2011. Mr. Hanson reported the boat launch fees have increased (from \$10 to \$15 effective January 1, 2012) and with the increased fees, the Town hopes to see additional revenue.

- **Band concerts:** \$3,200 proposed for 2012, \$3,050 appropriated in 2011, \$2,900 expended in 2011. Mr. Halsey questioned the increase in this line item. Mr. Hanson explained this line item is for outside, contracted bands and is based on the fee charged by the bands. Mr. Halsey reported the sign advertising the band concerts says they are free, they are not free and suggested passing a hat. Mr. Stearns reported the concerts are a great feature of Center Harbor and one of the reasons the bandstand was built. Ms. Heiner suggested the sign say “Town sponsored” concerts for clarification.
- **Maintenance line items:** Mr. Schofield asked if the maintenance line items were for someone else to come in and perform the work. Ms. Woodaman explained these are for maintenance materials. She explained additional playground matting was needed for the playground area; the matting was purchased through a maintenance line item and the material was spread by the Highway Department.
- **Library:** \$97,766 proposed for 2012 (\$83,966 appropriated in 2011, \$82,522 expended in 2011). The following line item was discussed:
  - **Wages:** \$56,971 proposed for 2012, \$56,971 appropriated in 2011, \$55,412 expended in 2011. Mr. Halsey questioned this figure. It was explained there is one (1) full time employee (Librarian Jon Kinnaman) and two (2) part time employees included in this line item.
  - **New computers:** \$16,000 proposed for 2012, \$0 appropriated in 2011. Mr. Schofield questioned this line item and reported last year Barry Borella had information on computers that could be donated, but they were turned down, but they were turned down by the Library Board of Trustees. Concern was expressed with this proposed expenditure. He expressed his concern with this proposed expenditure. Mr. Hughes explained there could be issues with recycled computers if the hardware is not up to date. Mr. Schofield reported the donor had offered to bring the computers up to date. Ms. Heiner reported she tried unsuccessfully to get information on the computers. She explained, per RSA’s (RSA 202-A:4-d), they cannot accept donated items if there are any costs associated with the donation; she explained there would have been set up and maintenance costs involved. Ms. Heiner reported \$16,000 will purchase new computers and new software which is specific for public libraries. Ms. Heath reported the following cost breakdown:

▪ Server	\$2,975
▪ Librarian & circulation computers (2)	\$2,900
▪ Three (3) public access computers	\$4,025

- Software \$3,300
- Installation \$2,800

- **Library heating fuel:** Mr. Burgess questioned the fuel for the Library and asked about the Library recently running out of heating oil. It was explained the Town had changed to contract with Dead River for heating oil for this season. Ms. Mattson reported the Municipal Building is on a ten (10) day delivery cycle, but this cycle was missed for the Library; she reported it has been straightened out. Ms. Heiner reported Dead River has credited the Town's \$100 because of that. Mr. Hanson reported the Selectmen put the heating fuels out to bid every summer.

- **Patriotic Purposes:** \$22,750 proposed for 2012 (\$21,800 appropriated in 2011, \$20,109 expended in 2011). The following line items were discussed:

- **Footrace:** \$7,250 proposed for 2012, \$3,150 appropriated in 2011, \$3,564 expended in 2011. Ms. Mattson reported the footrace has grown over the years and is a tremendous undertaking. She reported there is a proposal this year for professional people (2) to come in to oversee the race, including registrations, bibs, and electronic timing. Mr. Halsey asked about the race revenue; Ms. Woodaman will forward that information to him (note: the July 4, 2011 race generated \$5,108 in revenue). She reported this year's revenue estimate is \$7,950 as follows:

- 250 runners @ \$15 for early registration \$3,750
- 100 runners @ \$20 race day registration \$2,000
- Sponsors: 1 @ \$700 & 6 @ \$250 \$2,200

Ms. Bronson reported that with so many races around, if this year's race doesn't make money the Selectmen should consider eliminating the race. Ms. Mattson reported the race has been in existence over thirty (30) years.

- **Fireworks:** \$12,500 proposed for 2012, \$14,750 appropriated in 2011, \$14,750 expended in 2011. Mr. Halsey asked if the Town of Moultonborough contributed 50% of the fireworks cost; Mr. Hanson explained they contribute \$5,000. Mr. Halsey reported the Town of Ashland's fireworks are financed through a private donation, the Town doesn't pay and a hat is passed at the fireworks. Mr. Ballance reported that one (1) donor (Alex Ray) may pay for Ashland's fireworks.

- **Other Culture – Town Band:** \$11,810 proposed for 2012 (\$11,090 appropriated in 2011, \$8,204 expended in 2010). The following line item was discussed:

- **Special detail:** \$720 proposed for 2012. Mr. Hanson explained the “Special Detail” line item has been added to cover firefighters working special details during the band concerts.
- **Historical Society:** \$500 proposed for 2012 (\$500 appropriated in 2011, \$500 expended in 2011).
- **Conservation:** \$500 proposed for 2012 (\$1,000 appropriated in 2011, \$200 expended in 2011).
- **Energy:** \$250 proposed for 2012 (\$450 appropriated in 2011, \$95 expended in 2011).
- **Debt Service:** \$129,983 proposed for 2012 (\$98,375 appropriated in 2011, \$96,894 expended in 2011). Debt service includes the following:
  - 2004 International fire truck lease/purchase \$26,475
  - 2011 HME fire truck lease/purchase \$34,008
  - Kelsea Ave. drainage project principal \$52,000
  - Kelsea Ave. drainage project interest \$17,500
- **Warrant articles:**
  - **Coalition Communities:** \$500 proposed donation to the Coalition Communities. (\$500 appropriated in 2011).
  - **Fire Department & Highway Department radios:** \$18,000 proposed for 2012. Chief Schlemmer reported thirteen years ago it was that, by law, narrow band radios had to be in use by January 2013.
  - **Exhaust extraction:** \$32,000 proposed for 2012.
  - **Fire Alarm Panel:** \$2,500 proposed for 2012. Chief Schlemmer reported the current fire alarm panel is forty (40) years old and needs to be upgraded.
  - **Hydrant extension:** \$29,000 proposed for 2012. Chief Schlemmer reported this will extend the hydrant system from Main Street to Chase Circle. He reported it will also service Kelsea Ave and properties within 1,000’ of the hydrant so residents can realize insurance benefits.
  - **Renovations/additions to the Municipal Building:** \$1,102,124 proposed for 2012. Mr. Hanson reported the following hearings are scheduled relating to this proposal:
    - Informational hearing: Wednesday, February 15, 2012, 6:30 p.m.
    - Bond hearing: Wednesday, February 15, 2012, 7:15 p.m.

- **Tax Anticipation Note:** \$1 proposed for 2012 (\$1 appropriated in 2011, \$15,965 expended in 2011).
- **Transfer to Capital Reserve Funds:**
  - **Fire Department Self Contained Breathing Apparatus (SCBA):** \$5,000 proposed for 2012 (\$5,000 appropriated in 2011, \$5,000 transferred in 2011).
  - **Fire Department Rescue or Engine:** \$25,000 proposed for 2012 (\$1 appropriated in 2011, \$1 transferred in 2011).
  - **Safety Building:** \$1 proposed for 2012 (\$50,000 appropriated in 2011, \$50,000 transferred in 2011).
  - **Police Department Cruiser:** \$20,000 proposed for 2012 (\$20,000 appropriated in 2011, \$20,000 transferred in 2011).
  - **Public Works Truck or Equipment:** \$30,000 proposed for 2012 (\$30,000 appropriated in 2011, \$30,000 transferred in 2011).
- **Transfer to Expendable Trust Funds:**
  - **Municipal Building Repairs & Maintenance:** \$20,000 proposed for 2012 (\$20,000 appropriated in 2011, \$20,000 transferred in 2011).
  - **Energy Conservation & Improvements:** \$20,000 proposed for 2012 (\$20,000 appropriated in 2011, \$20,000 transferred in 2011). Mr. Halsey asked if this was an annual amount. Mr. Hanson explained this fund is used for energy improvements such as the replacement of the Fire Department's overhead doors and the installation of energy efficient lighting in this building. Mr. Halsey questioned a reference he saw referring to hiring an energy consultant and reported he feels the cost equals a lot of energy. Mr. Hanson explained the Energy Committee recommended hiring an energy consultant if the renovations/additions project is passed; he explained the Selectmen feel it would be money well spent. Mr. Ballance explained it is common, and required in some places, for a "green study" which will give you the yearly savings for a green energy building. Ms. Mattson explained the Request for Proposal has not been written as of yet.
- **Proposed 2012 budget:** Total proposed 2012 budget is \$3,277,742 summarized as follows:
  - **Renovations/additions:** \$1,102,124
  - **Operating:** \$2,175,618

Mr. Halsey reported the Local Government Center's (LGC) website listed Center Harbor's total budget third in size and twenty-ninth in population of towns with less than 1,000 people. He reported of 54 towns with a population less than 2,000, Center Harbor

ranks 5<sup>th</sup> with the total budget behind towns such as Lincoln and Waterville Valley. Ms. Mattson asked Mr. Halsey to submit that information; he said he couldn't print it from the web site. Ms. Heiner asked if the revenue was taken into consideration and explained Waterville Valley and Lincoln have revenue from the ski business; Center Harbor doesn't have a lot of businesses.

Mr. Burgess reported spending should be cut and the Town face reality. He asked how much has been spent on the Police Department. He reported money needs to be saved; listen to the majority of the people. Ms. Mattson explained the process – Town Meeting will vote on the budget. Mr. Ballance asked if, without the cost for the renovations and additions, the proposed budget was level funded. Ms. Mattson reported the overall operating budget has changed very little; the proposed 2012 operating budget is up .18% over the approved 2011 operating budget. She explained it is not easy to prepare the budget and the Selectmen had the responsibility to manage the prudent affairs of the Town with only a .18% increase. Ms. Mattson reported it is easy to say to cut the budget; citizens will get less services if that were to happen. She reported there is a small sampling of townspeople here. Ms. Mattson explained Town Meeting is a democratic process.

**ADDITIONAL AREAS OF DISCUSSION:**

**CONSOLIDATING EXPENSES:** Mr. Stearns recommended considering consolidating expenses such as telephone and supplies. He suggested purchasing supplies over the internet to save money and looking into wi fi for the telephones and computers. Mr. Hanson explained the Board of Selectmen recently met with the Town of Moultonborough's Board of Selectmen and discussed sharing costs to get better rates.

**CONTINUANCE OF PUBLIC HEARING:** At 11:35 a.m. Ms. Mattson motioned to continue the 2012 Budget Hearing to Wednesday, February 8, 2012 at 7:00 p.m. Mr. Hanson seconded; the motion passed.

Respectfully submitted,

Robin Woodaman

Selectmen's Secretary

