

**Center Harbor Board of Selectmen
Meeting Minutes and
2018 Budget Hearing Minutes
Saturday, January 27, 2018**

CALL TO ORDER: At 10:00 a.m. Chairman Richard Drenkhahn called the Board of Selectmen's meeting to order. Selectmen Harry Viens and Richard Hanson were present. Town Clerk Mary Richardson, Police Chief Mark Chase, Fire Chief Leon Manville, Emergency Management Director David Hughes, Parks & Recreation Director Sandy Frost, Library Trustee Sarah Heath, Town Moderator Charley Hanson, Heritage Commissioner Karen Ponton, Mark Ponton, Fred Wolf, Mark Hildebrand, Ann Nichols, Bill Ricciardi, Roland White, Sharon O'Donnell and Selectmen's Secretary Robin Woodaman were also in attendance.

2018 BUDGET HEARING: Mr. Drenkhahn opened the 2018 Budget Hearing:

PROPOSED 2018 BUDGET:

- **Executive:** \$127,533 appropriated in 2017, \$123,995 expended in 2017, \$125,557 proposed for 2018.
- **Elections/Registrations/Vital Statistics:** \$52,105 appropriated in 2017, \$46,793 expended in 2017, \$52,164 proposed for 2018; there are three elections in 2018.
- **Financial Administration:** \$64,826 appropriated in 2017, \$69,997 expended in 41302017, \$64,741 proposed for 2018. Ms. Ponton asked why this area was overspent. Ms. Woodaman explained it includes \$1,470 in property tax abatements and \$4,718 in property tax refunds.
- **Revaluation of Property:** \$12,050 appropriated in 2017, \$11,597 expended in 2017, \$13,050 proposed for 2018.
- **Legal Expense:** \$35,500 appropriated in 2017, \$28,167 expended in 2017, \$15,000 proposed for 2018.
- **Personnel Administration:** \$342,007 appropriated in 2017, \$327,083 expended in 2017, \$330,039 proposed for 2018.
- **Planning and Zoning:** \$6,850 appropriated in 2017, \$1,333 expended in 2017, \$3,850 proposed for 2018.
- **General Government Buildings:** \$67,250 appropriated in 2017, \$70,512 expended in 2017, \$72,450 proposed for 2018. Ms. O'Donnell questioned the landscaping line item increase from \$1,500 in 2016 to \$20,000 in 2018. Mr. Drenkhahn explained the Town did not previously contract out the landscaping. He reported Stephens Landscaping is contracted for grounds work, including aerating and fertilization, on the Municipal Building, Bandstand and Town Beach areas. Ms. Frost reported the flowers by the dock/beach area were not taken care of before Stephens took over the job. Mr. Viens reported Stephens donates the barrel plantings on Main Street and they have also donated the use of equipment. Ms. O'Donnell asked if bids are requested; Mr. Drenkhahn reported no, the contract is renewed annually.
- **Cemeteries:** \$101 appropriated in 2017, \$0 expended in 2017, \$101 proposed for 2018. Ms. Ponton asked the status of FEMA funding to help with the clean-up and repairs to Morse Cemetery, which sustained damage during the March 2018 storm.

It was reported FEMA funding has been received to help with the storm clean-up, the headstone restoration will take some time.

- **Insurance:** \$44,392 appropriated in 2017, \$44,392 expended in 2017, \$42,850 proposed for 2018.
- **Police Department:** \$319,786 appropriated in 2017, \$313,126 expended in 2017, \$332,736 proposed in 2018.
- **Ambulance:** \$66,000 appropriated in 2017, \$68,134 expended in 2017, \$70,251 proposed for 2018. Ms. Ponton asked if individuals who use the ambulance have to pay. Mr. Drenkhahn explained they do, the Town pays for an ambulance to be accessible. Mr. Viens reported it would cost approximately \$750,000 per year to have an in-house ambulance staffed 24/7. Mr. Charley Hanson reported Center Harbor is one of four towns in this contract with Stewart's Ambulance; he reported it is a good value for the Town.
- **Lakes Region Mutual Fire Aid:** \$19,832 appropriated in 2017, \$19,832 expended in 2017, \$20,801 proposed for 2018.
- **Fire Department:** \$173,092 appropriated in 2017, \$161,175 expended in 2017, \$176,291 proposed for 2018.
- **Code Enforcement:** \$20,750 appropriated in 2017, \$17,355 expended in 2017, \$18,050 proposed for 2018.
- **Emergency Management:** \$100 appropriated in 2017, \$0 expended in 2017, \$100 proposed for 2018.
- **Red Hill Fire Tower:** \$1,050 appropriated in 2017, \$1,050 expended in 2017, \$1,050 proposed for 2018.
- **Public Works:** \$339,501 appropriated in 2017, \$329,154 expended in 2017, \$338,128 proposed for 2018.
- **Street Lighting:** \$8,500 appropriated in 2017, \$8,681 expended in 2017, \$8,681 proposed for 2018. Mr. Ricciardi asked if the electrical poles on Route 25, a State road, have electrical outlets. Mr. Hughes reported they do not, the Town would have to receive permission from the New Hampshire Electric Cooperative to install them, and the Town would have to pay for them.
- **Sanitation:** \$181,164 appropriated in 2017, \$184,996 expended in 2017, \$183,819 proposed for 2018. Mr. Hughes asked about negotiating the Transfer Station cost; Mr. Veins reported the Selectmen negotiated a few years ago when there was a large equipment cost. Ms. Ponton asked if the Town is bound to be part of Meredith's Transfer Station; Mr. Hughes explained one year's notification is needed to change. Ms. Ponton asked about private pick up at individual homes. Mr. Charley Hanson reported, per statute, the Town has to provide a place for resident's trash.
- **Health:** \$26,001 appropriated in 2017, \$26,000 expended in 2017, \$26,001 proposed for 2018.
- **Welfare:** \$33,868 appropriated in 2017, \$30,889 expended in 2017, \$31,368 proposed for 2018. Ms. Nichols explained she is not a Center Harbor resident, but is an employee of Genesis, now known as the Lakes Region Mental Health Center (LRMHC). She expressed appreciation for the Town's funding and reported in 2017, 29 Center Harbor residents (12 of whom were children) received \$4,600 in services and LRMHC received no payment for these services. She reported they

are contracted with the State of provide emergency services; the State mandates it, but don't provide funding. Mr. Hildebrand reported LRMHC provided four times in service the funding they received from the Town, and considering the drug addiction crisis he feels the Town funding should be increased; Mr. Drenkhahn reported they asked for \$1,500. Ms. Nichols reported \$219,000 was provided in emergency services last year; \$152,000 was funded by the area towns. Mr. Drenkhahn reported the Town appreciates LRMHC's services and explained other agencies have also asked for funding. He explained a change in funding for LRMHC can be brought up at Town Meeting.

- **Parks & Recreation:** \$46,163 appropriated in 2017, \$37,229 expended in 2017, \$48,278 proposed in 2018. Mr. Ponton asked how much revenue was generated through Parks & Recreation; Ms. Frost reported approximately \$28,000 was generated in 2017. Mr. Ponton asked if the proposed budget included new programs for seniors; Ms. Frost reported it did.
- **Library:** \$89,589 appropriated in 2017, \$81,247 expended in 2017, \$91,391 proposed for 2018.
- **Patriotic Purposes:** \$29,600 appropriated in 2017, \$29,396 expended in 2017, \$28,900 proposed for 2018. Mr. Charley Hanson asked if the Town of Moultonborough contributes ½ of the fireworks cost; yes, this has been approved at the Moultonborough Town Meeting every year.
- **Other Culture:** \$15,300 appropriated in 2017, \$14,622 expended in 2017, \$15,300 proposed for 2018. Mr. Charley Hanson reported the Band Director's stipend has remained at the same amount for a number of years and suggested the Selectmen consider increasing it. Ms. Frost reported Band Director Carlos Martinez puts in a lot of additional time; there is a one hour rehearsal prior to the two-hour concerts, then time to breakdown the equipment. She reported he is here all day July 4th, participating in the parade, then the evening concert. Mr. Drenkhahn suggested increasing the Band Director's stipend line item from \$3,750 to \$4,000; Mr. Viens and Mr. Hanson agreed. \$15,550 will be proposed for 2018.
- **Historical Society:** \$1,000 appropriated in 2017, \$1,000 expended in 2017, \$1,000 proposed for 2018. Ms. Ponton asked why this was not included in the special warrant article area of the budget; Ms. Woodaman explained this order is where the Historical Society appears per the State of New Hampshire Department of Revenue Administration's chart of accounts. Ms. Ponton asked if the Historical Society had submitted their financial statement; they have. She asked about investment income; the Historical Society's financial statement referenced an investment fund with Meredith Village Savings Bank in the amount of \$41,643. Ms. Ponton reported there is limited programing at the Museum, there is limited hours that the Museum is open and few visitors to the Museum. She reported the Historical Society pays \$10 per year to the Town to rent the building, the Town pays for the utilities and Ms. Ponton questioned the Town funding the Historical Society \$1,000. Ms. Ponton reported the Historical Society is under review by the Secretary of State's Office. Mr. Drenkhahn explained Ms. Ponton can bring her concerns up at Town Meeting; there are no concerns with the Selectmen. Mr. Charley Hanson explained there is an ebb and flow with organizations and reported the Historical Society's source of revenue is shrinking; they used to have a very successful plant sale, but

do not do that anymore. He reported he feels it is good to help them through the tough times.

- **Conservation:** \$900 appropriated in 2017, \$486 expended in 2017, \$500 proposed for 2018.
- **Energy:** \$250 appropriated in 2017, \$0 expended in 2017, \$250 proposed for 2018.
- **Heritage Commission:** \$1,000 proposed for 2017, \$857 expended in 2017, \$1,000 proposed for 2018.
- **Debt Service:** \$238,787 appropriated in 2017, \$238,785 expended in 2017, \$239,188 proposed for 2018.
- **Warrant Articles:**
 - **Perambulation:** \$1,000 appropriated in 2017, \$0 expended in 2017, \$0 proposed for 2018.
 - **Town House rehabilitation:** \$5,000 appropriated in 2017, \$5,000 expended in 2017, \$5,000 proposed for 2018.
 - **Self-Contained Breathing Apparatus (S.C.B.A.) Lease/purchase:** There is a warrant article to authorize the Selectmen to enter into a lease/purchase agreement for ten S.C.B.A.'s; no payment will be made in 2018.
 - **Fire Department Pick-Up Lease/purchase:** There is a warrant article to authorize the Selectmen to enter into a lease/purchase agreement for a F150 pick-up truck for the Fire Department; the first payment of \$8,600 will be due in 2018. Ms. Ponton asked if there is a vehicle replacement schedule program, and if so, how is it determined. Mr. Viens reported the schedules are different for Police, Fire and Highway; age and mileage are factors. Chief Manville reported fire engines are on a fifteen year replacement cycle. Chief Chase reported cruisers are rotated out to other departments after six years, but there is one cruiser that may be rotated at five years because of the mileage.
- **Tax Anticipation Note:** \$1 appropriated in 2017, \$2,811 expended in 2017, \$1 proposed for 2018. Mr. Charley Hanson reported the Town took prudent action by approving twice a year property tax billing. He reported TAN interest cost the Town between \$30,000 to \$40,000 ten years ago. Mr. Drenkhahn reported the interest rates are much better now, but it has made a huge difference billing twice a year.
- **Transfer to Capital Reserve Fund (CRF):** \$135,000 appropriated in 2017, \$135,000 expended in 2017, \$137,001 proposed for 2018.
 - **Self-Contained Breathing Apparatus (S.C.B.A.) CRF:** Mr. Hughes asked why the Selectmen are only proposing \$1 for the S.C.B.A. CRF. Mr. Viens reported there is a proposal to enter into a lease/purchase agreement for ten S.C.B.A.'s. Chief Manville reported there are currently 16 S.C.B.A.'s, which are 15 years old, and explained they become obsolete when the third level of upgrades is made; Center Harbor's S.C.B.A.'s are at that level. He reported 16 – 18 firefighters are certified to use S.C.B.A.'s; they are used at all fire scenes. Chief Manville reported after ten are purchased this year, six more will have to be purchased when the Town gets the new fire engine. Mr. Hughes reported the Town needs to plan for the future and feels more than \$1 should be put into the CRF.

- **Transfer to Expendable Trust Fund (ETF):** \$345,001 appropriated in 2017, \$345,001 expended in 2017, \$343,001 proposed for 2018.
 - **Road Repairs & Maintenance ETF:** Mr. Wolf asked the balance of the Road Repairs & Maintenance ETF; approximately \$278,000 at the end of 2017. The Selectmen are proposing an appropriation of \$300,000. Mr. Drenkhahn reported Phase Two of the Follett Road project, scheduled for 2018, will cost approximately \$231,000. He reported projects on Piper Hill Road, High Haith Road, Bartlett Hill Road and culvert replacements are also planned for 2018 and will cost approximately \$265,000. Mr. Drenkhahn reported the road repairs ten-year plan was estimated to cost \$450,000 per year; the first year, 2017, there was funds in the ETF and the Town appropriated \$300,000. He reported the plan is adjusted as needed; the Selectmen had been asked to propose \$400,000 for the ETF this year, they felt it would be difficult to propose that amount of money. Mr. Wolf reported the schedule has changed since it was presented by the consultant and requested an updated project schedule; Road Agent Jeff Haines and Quantum Consultants, LLC Senior Project Engineer Jim Bouchard will be asked to submit an updated schedule. Mr. Drenkhahn reported culvert work on McCrillis Hill Road wasn't planned for 2017, but with additional State of New Hampshire grant funds, this was able to be completed.
- **Budget totals:** \$2,859,049 appropriated in 2017, \$2,781,815 expended in 2017, \$2,845,738 proposed for 2018.

BELKNAP COUNTY BUDGET: Mr. Charley Hanson asked if the Selectmen had been notified of how big their budget increase will be; the Selectmen have not received input.

INTER-LAKES SCHOOL DISTRICT BUDGET: The Selectmen were asked about the Inter-Lakes School District's budget. Mr. Richard Hanson, also Chairman of the Inter-Lakes School Board, reported the budget will be determined at the District Meeting on March 7, 2019. He reported the proposed budget increased by approximately 2.8% over the 2017 appropriations.

Mr. Drenkhahn reported the second, and final, 2018 Budget Hearing will be Wednesday, February 7, 2018 at 7:00 p.m.

ADJOURNMENT: At 11:25 a.m. Mr. Drenkhahn motioned to adjourn the Board of Selectmen's meeting. Mr. Viens seconded the motion and the vote was unanimous.

Respectfully submitted,

Robin Woodaman
Selectmen's Administrative Assistant