

BUDGET COMMITTEE

JANUARY 12, 2010

MEMORIAL BUILDING

7:00 P.M.

The following are to be considered draft minutes only until approved by the Board at their next meeting.

Present: Budget Committee Members B. Manning, Ken Jacques, Jon Poston, Bill Sullivan, Jeff Milne, Darrin Patten, Tim Cook, John Trachy and Selectman Representative John Chiarella.

Don Hill and Neil Huntoon were also present:

Minutes: Ken moved to approve the December 8, 2009 minutes as written, seconded by Bill and unanimously approved.

B. read a memorandum dated September 11, 2008 from George Hildum regarding Springfield Power (formerly Hemphill Power & Light) assessment and pollution control exemption. The memo had been circulated to the Budget Committee and Selectmen last year to explain a one-time increase to the power plants assessment of 2008, which was reduced on the 2009 tax roll for a pollution control exemption.

Operating Budget Review: John Chiarella explained the Selectmen have kept everything level funded in the operating budget, with the exception of contractual obligation increases. It is the Selectmen's feeling that there is not a lot of room in the budget to make further cuts, and concerns with decreased revenue and unknown State funding. There have been some overages on items such as legal fees and engineering fees, but there was room within the existing budget to offset these overages.

John C. reported the selectmen are proposing a warrant article for painting the town hall. The detail of work to be done is being reviewed. John estimates this could be a \$20,000 to \$30,000 job. The Selectmen plan on putting the proposal out for bid to obtain accurate pricing information. Any bids would be contingent on town voter approval at town meeting.

John C. reviewed Ross Steven's engineering plan for the highway/fire station site. The Selectmen had considered doing this project in phases, however, Ross recommends doing the project all at once, with the exception of paving. The project involves cutting the existing grade, and sloping the grade away from the building. The materials excavated from the existing parking area can be used to build the area for the sand/salt storage building. The project involves constructing retaining walls, a drainage swale, installing a drip edge along the outside of the building, and under drains throughout the parking area. The project would solve drainage, storage, and the sand/salt shed issues on the property. There were flooding problems at this site during the 2007 flooding, which needs to be corrected since this building also serves as the emergency operations center, and emergency shelter. Ross feels phasing the project would create increased construction costs. Ross is sending the plans out to an estimator for a material list. John reported Brad has received preliminary estimates for the sand/salt storage building of approximately \$75,000 to \$80,000 prior to paving. A rough estimate for the site work is

\$150,000 prior to paving. The Selectmen hope to be able to send the project out for bid prices soon, in order to get more accurate information. Any bids would be contingent on voter approval at town meeting. The drainage plan is ready to submit to the State and Ross has been given a tentative approval from the DES. John indicated improvements have been ongoing toward this project. Fuel tank containment areas have been installed.

The Board discussed the proposal. Jeff stated he felt this might be a good time economically to get competitive bids for this project. B. felt that phasing a project of this nature is sometimes a hard item to support given future unknowns. Ken asked if the Selectmen felt this was the best site in town for the sand/salt storage. John stated the site is the best location the town has at this time, unless the voters prefer to consider moving to or purchasing another site. There would be logistical problems if the site were to be relocated. Ken stated there is competitive financing available right now for projects of this nature.

John reported the Town has been approved to receive an energy audit through the State Office of Energy and Planning. There may possibly be some grant money available to correct some of the energy problems. Don stated the Selectmen are hopeful the energy audit will help to define some areas where the Town can recoup some losses.

Ken questioned what the Selectmen have decided to do about increased health insurance costs. John stated the Selectmen have agreed to absorb the increase this year for existing employees. New hires would have to pay a percentage (not determined) of the premium costs. Don reported, this is the third year of tri-plan bundling through the Local Government Center, which provides a benefit to the town in the overall insurance administration cost to the Town.

Jeff asked if the Town had a property maintenance schedule. John C. stated replacement of the roof at the historical society building had been planned, but was put off due to other urgent problems. The roof at the Town office building and library and attic insulation was done in 2008. Heating at the fire/highway department was replaced this past year. The highway/fire building roof and insulation needs to be evaluated for some leakage that occurred around the old heating vent stacks. The Selectmen have started to put together a list of maintenance projects. Schedules get thrown off when problems arise.

John Chiarella stated he has been researching grant money that may become available to help the town with some projects. The Board discussed grant possibilities. B. suggested contacting a business major from CSC to see if there might be a business student that could help the Town find recovery money.

John stated the Selectmen have purchased a scanner and hope to begin scanning archive documents for electronic storage. The Board discussed hiring an intern to assist with this.

Cemetery: The cemetery trustees are proposing building a shed for mower storage. John reported they have some lumber from trees that were removed from the property. They hope to get donations for some of the remaining materials, and construction of the shed.

Highway Department: John stated that Brad has begun looking at prices for replacement of the loader. The Selectmen have told him they do not feel they can support such a request this year. The Board spent considerable time discussing the issue. Suggested considerations were to appropriate funds to make the necessary maintenance upgrades to the existing loader. Purchase of a used loader was discussed.

Transfer Station: B. read the notice from the Town of Sunapee regarding the transfer station costs. The fee for 2009 for the transfer station was reduced due to a one-time revenue receipt from the solid waste district. There has been decreased revenue this year felt to be the result of the economy.

Public Assistance: John reported that the Selectmen increased the appropriation for public assistance last year and that is pretty much the amount spent. The Selectmen do not anticipate the need for assistance decreasing in 2010. Don commended the welfare director, Laura Patten, for her diligence during these difficult times.

Recreation Department: John reported the recreation department is putting together a calendar of events planned for 2010. The operating budget includes adding a line for Old Home Day expenditures. The auditor and department of revenue has recommended a warrant article to create a special revenue fund for continued expenses and revenues for this purpose and to appropriate the revenue received from Old Home Day events be placed in this special revenue fund.

There were no further questions or discussion regarding this first draft of the proposed 2010 operating budget.

John Trachy questioned whether it was appropriate for the budget committee to take a position on the proposal being brought forward regarding the discontinuance of roads within Star Lake. This would save the town from costs due to the necessary replacement of the Star Lake Road bridge.

B. stated the budget committee is required to make recommendations on warrant articles appropriating money, but that is not the case here. Bill stated the budget committee could only look at this under the purview of bridge replacement cost savings. Ken stated that the budget committee might look at it from the standpoint of what potential service costs there could be to the town if this property were developed. After discussion, Jeff stated, and the board agreed, they did not feel this fell under a function of the budget committee.

With no further business, the Board voted to adjourn at 8:50 p.m.

Respectfully Submitted,

Janet Roberts,
Administrative Assistant