

SELECTMEN'S MEETING MINUTES TUESDAY, JANUARY 20, 2004

Present: Selectmen Buttrick, Maxfield and Kardaseski.

Chairman Buttrick called the meeting to order at 6:30 P.M.

- I. The Board began their review of weekly correspondence.
 - a. Chairman Buttrick discussed the request from Bill Crowley to use the \$20,000 certificate of deposit, which is a maintenance bond for Voted Road, towards the construction bond for Greenview Drive. The Board agreed that Mr. Crowley would not be able to use the maintenance bond, which must remain in place until June 2004, towards the construction bond. Chairman Buttrick will follow up on this decision with Mr. Crowley.
 - b. Selectman Kardaseski noted for the record that the Town will receive a refund of \$10,462.46 on the Staniels Road Bridge project.
 - c. The Board was advised that Mrs. Geraldine Brackett had donated a complete set of mud flaps for the J. O. Cate Memorial Van. The Board thanked Mrs. Brackett for her generosity.
 - d. Selectman Kardaseski moved to approve the Selectmen's Meeting Minutes of Tuesday, January 13, 2004 as presented. Second by Selectman Maxfield. All in favor. Motion carried.

II. Chairman Buttrick opened the Public Hearing to review the proposed operating budget and warrant articles for fiscal year 2004-2005 at 7:00 P.M.

- a. Selectman Maxfield stated that the proposed budget for July 1, 2004 to June 30, 2005 is \$3,039,783.00, which is \$112,357.00 more than last year's budget. This figure is a 3.84% increase. 45.2% of this budget is for salaries and benefits for Town employees. The benefits include health and dental insurance, retirement, workers compensation, etc that total \$1,373,982.00. He went on to say that if all of the warrant articles that are to be reviewed tonight pass, the budget would increase another \$160,620.00. That would boost the bottom line to a 9.32% increase versus 3.84% for the overall budget. Selectman Maxfield said that many line items in the budget represent level funding. He stated that the salary increases for town employees is 3%, with a few exceptions. The Selectmen's Office data processing line has decreased from \$11,400 to \$5,000. The budgets for the Landfill, Historical Society, and Conservation Commission have decreased, based on what was requested. The changes in the Town Clerk's budget are due to the fact that Town Clerk Eileen Maxfield will be retiring some time after Town Meeting, and Deputy Town Clerk Terry Hamel will be assuming the position. A new line has been added to the Clerk's budget for a file clerk. This position has been in place, with wages paid from the deputy's wage line. It was decided to put this figure in a separate line in the budget. The budget for elections has increased approximately \$1,500

due to the number of elections in 2004. The budget for Trustees of the Trust Funds has decreased. Town Auditors has increased 30% as a result of a new three-year contract. The line for assessments will be going from \$25,900 to \$30,000. The Tax Collector's budget, which has an overall decrease, also includes the new line for file clerk to separate these wages from the deputy's wages. The Treasurer's budget is level funded. The Planning and Zoning Board budgets have an increase in their salary lines above the 3% level. The appropriation for the Planning and Zoning secretary has been set at \$13,000 each for a total of \$26,000 annually. Selectman Maxfield went on to say that the overall budget of the Planning Board decreased by 9.19% and that, with the exception of the salary lines, the Zoning Board budget is level funded. The appropriation for Town Hall repairs shows a decrease as the repairs to the steeple, which were budgeted for \$30,000 last year, have been completed. The \$8,200 for this year represents the Town's portion to have the building painted (\$7,200) and \$1,000 for general maintenance. Selectman Maxfield said that the part-time secretary line in the Police Department budget has increased to \$1,200 due to providing coverage for vacations. He said that overall the Police Department budget increase is 4.11%. In the Fire Department budget, the Fire Chief's salary increase is the result of the full-time position being approved at last year's town meeting. Selectman Maxfield said that he wanted to take a moment to say the Selectmen had met with all of the department heads and committee members to review their proposed budgets. The Compliance/Code Enforcement budget reflects an increase of \$4,160.00 for a part-time assistant. The Highway Department budget has an increase in the salary line for the landfill, and a decrease in the part-time wages. The department has sufficient full-time staff, which reduces the need to utilize part-time employees. Increases in the equipment rental, parts for sanders, and gas and oil appropriations are the result of increased costs from vendors. The overhead doors at the Highway garage need repair so that line has been increased to \$5,000. Mr. Ray Cummings questioned the appropriation for the satellite weather service. David Rice explained that this is not for cable television; it is for a weather mapping system that can pinpoint weather conditions exactly within the Town so that the Road Agent knows where to send the trucks first. The need to repair the tractor-trailer truck, that transports waste to the Co-Op in Penacook has caused an increase in that appropriation. The Recreation budget has an overall decrease of 6.92%. The Library budget is pretty much level funded with the exception of a new line for preservation. The total overall budget increase is 4%. Selectman Maxfield addressed the Capital Reserve Funds (CRF) noting the following changes: The Library Building Fund has been decreased from \$50,000 to \$25,000. Roadway Improvements has been increased from \$50,000 to \$75,000. This increase is due to the Town's need to maintain the Town's infrastructure by ensuring that roads and highways are maintained. The Selectmen and the Road Agent have prepared a three-year plan for continued road maintenance. This year North Village Road from Capitol Fire Protection to 106, Oak Hill Drive, Josiah Bartlett Road, and Lower Ridge Road from Clough Hill Road to Bumfagon Road will be resurfaced. Next year School Street from North Village Road to the Town line will be addressed. In the third year Clough Pond Road will be resurfaced. Selectman Maxfield moved on to the Ambulance/Rescue CRF, which has been increased from \$30,000 to \$40,000 at the request of the Fire Department. Chairman Buttrick recognized Attorney Tom McCue, who questioned the increase in the Safety Building Heat appropriation in the amount of \$3,000. Chief Wright explained that

the \$3,000 was transferred from the Fire Department budget to the Safety Building Heat line to cover the costs associated with Station 2. Attorney McCue also questioned the increase in the Prosecution and Witness Fee appropriations in the Police Department budgets. Selectman Maxfield said the Board would clarify this with Chief Fiske. Attorney McCue asked about the increase in the Recreation budget special events line. Selectman Kardaseski said that some bus trips were being planned and that there is offsetting revenue for this appropriation. Attorney McCue's next question was on the Selectmen's Legal Fees and whether this could be reduced based on year to date expenses. The Selectmen feel that the appropriation should remain as is. Selectman Maxfield recognized Sherry Kluesner from the audience. Ms. Kluesner addressed the reduction in the Library Building CRF. Chairman Buttrick explained that two of the Selectmen felt that additional funds need to be placed in the road maintenance CRF and moved those funds from the Library fund. Selectman Kardaseski said that another reason for the reduction is that as of July 1, the Library will have approximately \$255,000 in the Capital Reserve Fund, and that she personally feels very strongly that the basement level could be completed for that amount. She said all that remains to be done is the elevator and the interior work. Ms. Kluesner asked if the Selectmen had reviewed the itemized cost projection for the basement completion. Selectman Kardaseski said she did not have that information readily available, but that she was basing her opinion on the costs she was currently working on for a new town office building. Ms. Kluesner said that the Library is one of the nicest buildings around and she would not like to see the basement level completed in a way that was not consistent with the rest of the building. Jane Merrow asked if this line item could be re-adjusted at this time. Selectman Maxfield said the Selectmen would take this under advisement and discuss it further. Philip Nadeau also asked the Board to reconsider their decision. Chairman Buttrick recognized Roy Merrill, who stated that he hoped the Selectmen would stay with their decision to reduce the appropriation. He said he appreciates the Library supporters concern but feels that they have been oversold on the architect's recommendations. He said that he had spoken with a vendor at the home show recently, who specializes in finishing basements, who quoted \$30 to \$50 per square foot, including the wiring, to get the work completed. The cost of the elevator would be extra. He said that the plans for the project should be obtained from the architect and the project should be put out to bid. Herb Huckins voiced his concern for the budget cut as well. Chairman Buttrick said that he felt the elevator should be addressed, as the longer this is delayed, the price will continue to increase. Attorney Tom McCue said his concern was the proposed \$350,000 needed to complete the basement and by the time the CRF reaches that amount, costs will have escalated further. Chairman Buttrick thanked everyone for their comments, which the Board will take under advisement. Selectman Maxfield reiterated the bottom line numbers and moved on to review the Warrant articles that have been prepared to date. He also stated that the deadline to submit warrant articles is February 3.

The first warrant article is for a \$300,000 bond to repair the dam at the millpond. Selectman Maxfield recognized Bob Ordway from the audience to explain the warrant article. Mr. Ordway said that an article would be in the next issue of the *Loudon Ledger*, which fully addresses the need for this repair work to be completed. Mr. Ordway then relayed the background information on the study that has been completed and the cost projections for this work. Selectman Maxfield thanked Mr. Ordway for his presentation.

Chairman Buttrick read the article for a garage/carriage shed to house the police cruisers and the John O. Cate Memorial Van. He said that the original size has been increased to 22x74 and that he had estimated the cost would not exceed \$40,000. The bay for the van needs to be heated due to the hydraulic lift on the van. The parking area for the cruisers will not be enclosed. Selectman Maxfield said this article is a work in progress and the final figures will be available at the second budget hearing.

Selectman Maxfield read the article to re-pave a portion of North Village Road and Lower Ridge road. These funds will come from the Road Maintenance Capital Reserve Fund and will not affect the tax rate. Dustin Bowles questioned whether culvert issues would be addressed during these projects. Selectman Maxfield said he was sure that this would be addressed.

Selectman Maxfield read the article concerning the discontinuance of the Landfill Closure CRF and the establishment of a Landfill Maintenance CRF. He went on to explain the closure project is now complete and the maintenance fund is all that is required. Arthur Colby asked what the balance of the Landfill Closure CRF is. Selectman Kardaseski said that as of June 30, 2004 the balance would be approximately \$123,398.00. Trudy Mott-Smith questioned annual appropriations to the maintenance CRF and what the Selectmen anticipate. The Selectmen said the Town is required to maintain a minimum of \$35,000 for the maintenance of the closure.

Selectman Kardaseski read the article to create a Town Office Building CRF with monies to come from funds created by the discontinuance of the Landfill Closure CRF. This article will not affect the tax rate. She also addressed the article to appropriate \$15,000 for engineering and preliminary plans for a new town office. These funds would come from the Town Office CRF, if created, and not affect the tax rate. Selectman Kardaseski stated that both the Master Plan and Village Study Plan state that the present town offices are inadequate for the size of the town. She said that creating a Capital Reserve Fund now, with \$88,000, which will not need to be raised from taxes, seemed to make the most sense. Selectman Kardaseski said that the Town Office building study committee will have a presentation showing the deficiencies of the present building, at the next budget hearing and at Town Meeting. Selectman Kardaseski went on to explain the groundwork that has been done by the committee and the offer from Mr. Robert Bollinger to design the new structure at no cost to the Town. The Town would have to pay an engineer to stamp the plans and supervise the project. This \$15,000 appropriation would go towards these fees. Chairman Buttrick said that Selectman Kardaseski has worked very hard on this project, along with the Town Office employees and other committee members, and he would like to commend them for their efforts. The question of whether a site has been chosen for the new building was raised. Selectman Kardaseski said not at this time, but the focus is keeping the location in the Village. She also said that the present site is not adequate.

Chairman Buttrick read the warrant article to appropriate \$20,000 to the Loudon Communications Council for the purpose of publishing *The Loudon Ledger* on a monthly basis. Chairman Buttrick recognized Attorney Tom McCue who explained the reasons for the appropriation and a history of the Communications Council. He said that the Council has asked him to approach the Selectmen to increase the line item appropriation. Two of the Selectmen felt that this should go before the voters as a warrant article. Attorney McCue said the Communications Council was also looking to establish a web

site for Loudon. Concern was raised on the wording of the article. The Selectmen will continue their review of the article prior to the next budget hearing.

Selectman Maxfield read the article to establish a Capital Reserve Fund for the purpose of maintaining the Transfer Station and Equipment and to appropriate the sum of \$50,000 to establish this fund. The amount will come entirely from fees charged to commercial haulers with no affect on the tax rate. Selectman Kardaseski explained the reason for the article. Most of the Towns in the Solid Waste Co-Op pass the tonnage costs on to the commercial haulers along with an administration fee. In 2003, this procedure would have raised approximately \$70,000 in revenue for the Town. Raymond Cummings questioned whether this should be an Expendable Trust Fund as opposed to a Capital Reserve Fund. The Selectmen agreed that this was a good point and will take this under advisement.

Selectman Kardaseski read the article to discontinue the portion of Old Shaker Road at the junction of Clough Pond Road that was closed by a vote of the Town at the March 1987 Town Meeting. The Town has to discontinue a road before it can revert back to the abutters.

Chairman Buttrick read the article to appropriate \$30,000 for a pick- up truck for the Fire Chief and Fire Department. Fire Chief Jeff Burr spoke on behalf of this article. Dustin Bowles questioned the need for a ¾- ton truck. Chairman Buttrick said that the department has the need to haul various types of equipment and hoses. Dick Wright also spoke on the department's need for this type of a utility vehicle.

Selectman Kardaseski read the article for purchasing an ambulance, which is listed in the 2004-2005 Capital Improvements Program. The funds will be withdrawn from the Ambulance/Rescue CRF and will have no affect on the tax rate.

Selectman Maxfield read a petitioned warrant article to discontinue a portion of Cooper Street, which has been used as a driveway for approximately 25 years. Selectman Maxfield expressed his concern about relinquishing town property. Mr. Ordway and Mr. Bowles asked if the Selectmen recommend this article or not. Selectman Maxfield said he did not recommend it, but the Board as a whole would discuss this.

Selectman Kardaseski moved to adjourn at 9:20 P.M. Second by Selectman Maxfield. All in favor. Motion carried.

LOUDON BOARD OF SELECTMEN

C. R. Buttrick, Chairman

Roger A. Maxfield, Selectman

Deborah A. Kardaseski, Selectman