

Selectmen's Meeting – January 12, 2012

Present were Selectmen Bruce L. Tatro, Deborah J. Davis and Nancy L. Carlson. Also present was Town Administrator Elizabeth Fox.

Chairman Tatro called the meeting to order at 6:15 p.m.

Financial Matters. Selectmen reviewed and approved accounts payable and payroll manifests.

Fire Department. Selectmen were advised that the rescue truck housed at Station 3 is out of town for installation of the new Hurst tool. It is anticipated that the truck will be out of town until early next week.

Petitioned Warrant Articles. Selectmen were provided copies of petition warrant articles received seeking changes to the town's voting methods related to return to hand counting of ballots – Attachment #1 and #2. Selectmen discussed some the implementation implications of the warrant article proposals. A determination will need to be made to see if the articles have any resulting cost impacts. With that effort not yet complete, Fox recommended disclosure at the budget hearing that funds may be added to the proposed budget by Selectmen if necessary once assessment of the requirements to implement is complete. Selectmen concurred.

Review of Handouts for Bond Hearing, Budget Hearing and public hearing on the additional \$5 motor vehicle registration fee. Selectmen reviewed materials for the hearings.

Budget 2012. Selectmen reviewed salary data related to the position of Town Clerk in communities falling within Swanzey's population range and region. Selectman set a salary range of \$36,000 to \$40,000 with starting salary of a newly elected clerk start of range.

Budget 2011- Fire Department. Selectmen authorized payment of 2 invoices totaling \$4,375.84 for tires installed in December on the town's two rescue vehicles.

California Brook Road. An email received expressing concern about dumping on California Brook Road was reviewed by members. Fox advised that the DPW Director reported that department forces had cleaned up the materials dumped. While the suggestion that the town lock and gate this Class VI road to preclude future dumping might be effective, unfortunately the Selectmen do not have the statutory authority to do so as it remains a public right of way. Town meeting action discontinuing the right of way could allow private property owners to do so but creates opportunity compensatory damages to impacted property owners.

Tax Collector's Audit. Selectmen were provided a copy of the auditor's final report of tax, tax lien, sewer, sewer lien and other miscellaneous taxes for the period from January 1, 2011 to July 5, 2011. This report establishes the beginning balances for Tax Collector L. Belletete.

Invitation to Fastroads Breakfast for Community Anchor Institutions. An invitation to the event was shared with Selectmen.

Consent Agenda. Selectmen authorized the Chair to execute on behalf of the town engagement letters retaining Vachon Clukay to perform the 2011 town audit.

Selectmen recessed their meeting moving to the main hall to conduct bond, budget and a motor vehicle registration fee hearings related to Town Meeting 2012.

Public Hearing – RSA 33:8a and RSA 40:13, Issuance of Bonds or notes by the Town of Swanzey of up to \$855,000 for the purpose of funding the Town’s portion of capital improvements and upgrades to the regional wastewater treatment plant (serving Keene, Swanzey and Marlborough). Chairman Tatro called the public hearing to order at 7:32 p.m. reading the notice provided and reporting on its postings. Sewer Commissioner Chairman Glenn Page reviewed details outlined in a project fact sheet – Attachment #3. The upgrade and improvement projects will be implemented by the City of Keene (who owns and operates the regional plant) with Swanzey being responsible for a portion of the cost pursuant to an inter-municipal agreement initially executed in 1982 and updated in 2004. The town has been offered State Revolving Loan Fund financing which includes a loan forgiveness component of 12.5%. In addition, an application for CDBG funding will be submitted the end of January (with a decision date in mid-April). Income surveys recently completed resulted in a determination that the town was eligible to compete for this funding source. Submission of an application for funding through Rural Development is being considered. Impacts of the debt service, if the full amount of the bond proposed is required for the upgrades and improvements were reviewed. Proposed is allocating costs between the tax rate and user rate. Estimated increase to the user rate (with a 50/50 allocation) is 5%. Tax impact is estimated at \$10 annually for a property with an assessed value of \$200,000. Lynda Faulkner asked when the debt service payments would begin. Commissioner Page advised that terms of the state’s SRF program allowed the loan to be “open” for up to 10 years. The town would pay interest on the funds drawn at a rate of 1%. When the loan is closed (estimated in 2018) payments would begin. Fox advised that the state’s loan program interest rate is locked in when the loan opens. The current rate for a 20 year note is 3.104%. There were no other questions. Chairman Tatro closed the public hearing at 7:38 p.m.

Public Hearing RSA 32:5 – Proposed Town of Swanzey Budget 2012. Town Moderator Gus Lerandeau opened the town’s budget hearing at 7:39 p.m. reviewing the sections of the handout detailing proposed expenditures in summary fashion by function and then by department – Attachment #4. The handout includes a section detailing estimated revenues and a summary of the town’s proposed default budget. Lerandeau led hearing attendees in a review of the proposed budget (beginning on page 2) totaling \$ 7,175,755 section by section to allow for questions and comments. A question regarding increased funding for Elections, Registrations and Vital Records was asked by J. Sevene. Fox advised that the increase was attributable to the number of elections in 2012 with 4 anticipated (versus 1 in 2011). Fox also advised attendees that amendment increasing the proposed budget may be required prior to finalizing the warrant and budget as a petition warrant article proposing to returned to hand counting of ballots had been received. A determination if compliance with the warrant article, if adopted, has cost implications is still underway. Other areas within general government with increased funding include personnel administration (attributable to NH Retirement Group 2 rate increases) and insurance. The impact of health premium increases of 9% is in part offset by declining worker’s compensation rates as the town’s experience has improved. Review of the public safety portion on the proposed budget began with introduction of Chief Thomas DeAngelis. With the retirement of Richard Busick, Chief DeAngelis assumed command of the department January 1. Details of the police department’s operating budget, which includes ½ year funding for the 12th officer’s position left vacant in 2011 to be hired if school district voters approved funding for the SRO position, were reviewed. Fire Chief Skantze spoke to that department’s operating budget and a special warrant article which will propose purchase of new thermal imaging cameras for the department. He praised the effectiveness of the improved technology reviewing details of its use at a fire at a Swanzey Lake residence earlier in the year as well as the benefits to firefighter safety resulting from expedited building searches. He reviewed with attendees the details resulting in a new line item seeking funding in the town’s budget for SWNH Fire Mutual Aid which dispatches

the department. Previous years support for dispatching for town's in Cheshire County had been funded through the Cheshire County budget. This fall SWNH Fire Mutual Aid's Board of Directors decided to initiate direct billing to towns in the County beginning in 2012 after oversight by the county delegation resulted in initial approval by the county delegation of level funding (versus an increase) for 2011. Selectman Tatro expressed concern that SWNH Mutual Aid's decision to direct bill towns had effectively eliminated budget oversight independent from its governing board. Voters and taxpayers of participating county towns and cities will now have no say in that organization's budget setting process. Attention turned to the public works portion of the budget with B. Melanson asking why all the department's Highways, Streets and Bridges budget had not been spent when so much road work was needed in town. Dunham advised that expenditure figures did not reflect a closed fiscal year and that funds remained because the start of the winter maintenance season (November and December) had not required the usual amount of plowing, sanding and salting effort resulting in the expenditure of payroll, fuel and material budget dollars. Recycling Center Solid Waste Manager David Krisch reported that department's budget changes were attributable to increased volume at the center advising hearing attendees that the center processed 170 tons more in 2011 (40 tons in garbage and 130 in recyclables). C & D materials were up significantly. The health and welfare portions of the budget were reviewed with Carpenter Home Administrator Dawn Rice advising recruitment of staff was a challenge currently faced by the home. The home occupancy is full with 15 residents. Current room assignments preclude space for 16 residents. Library requests were reviewed with Selectmen advising that over-expenditure in 2011 was due to emergency replacement of the septic system at the Mt. Caesar Union Library. Changes in operations resulting in the town finance office taking over payment of the Museum's bills (with a revenue offset) were reviewed. Economic development, debt service and capital reserve and expendable trust funding appropriations were detailed too. It was noted that the proposed appropriation of \$855,000 for wastewater treatment plant improvements and upgrades was part of the budget and subject of a hearing earlier in the evening. The last page of the handout included the proposed default operating budget calculation of \$ 5,705,797 was reviewed. Moderator Lerandeau closed the public hearing at 8:30 p.m.

Public Hearing – RSA 261:153VI, Additional \$5 motor vehicle registration fee to be put into capital reserve for improvements to the town's roads and bridges. Selectmen Tatro called the public hearing to order at 8:31 p.m. reviewing details of a fact sheet – Attachment #5 - prepared providing information on the board's proposal to voters. Repeal of the state surcharge of \$30 reducing highway block grant revenue received by the town was the factor which initiated the Selectmen consideration of the fee. While the board recognizes it won't provide sufficient funding to solve the town's road problems it will provide a way to direct revenue that is not collected from just property taxpayers toward improving the town's roads. While Bob Melanson expressed support for the goal of maintaining the roads, he is concerned that direction of the fee toward pavement preservation will not help his road which requires significant reconstruction. Dunham reviewed some of the "science" behind road maintenance and the cost benefits of preservation v. reconstruction. While he would like to work on those roads with the greatest need if dollars are directed only to the worst, better roads deteriorate will while that work is underway (increasing in the end the financial support for roadwork required from the town). Marcy Hill Road is complicated by drainage deficiencies. Mr. Dunham urged Mr. Melanson to contact him to talk about the particulars of his road. Selectman Tatro closed the public hearing at 8:35 p.m.

Moderator Lerandeau explained the next step in the process for proposals heard this evening which is the deliberative session set for February 7th.

Public Hearing RSA 32:5 – Proposed Town of Swanzey Budget 2012. To accommodate the late arrival of a resident, Moderator Lerandeau re-opened the budget hearing at 8:36 p.m. P.

Bauries queried about employee contributions toward health plan costs. Fox advised that employee premium contributions were 15 or 18% depending on plan selection. The town plan included a co-pay requirement. Bauries queried why town employees did not contribute more toward premium like private industry? Fox advised that the town's contribution policy was in line with those of other towns and cities in Swanzeys population range and when considering total compensation comparative. Bauries queried about funding for employee pay rate adjustments. Fox advised that selectmen had included funds to accommodate 3% wage adjustment – with determination of how those funds would be split between merit and COLA pending. In order to fund a 3% wage adjustment an additional \$35,000 to \$40,000 was included in the proposed budget. Moderator Lerandean closed the public hearing at 8:40 p.m.

Meeting adjourned at 8:50 p.m.

Submitted by,

Elizabeth A. Fox
Town Administrator