

**Minutes of Meeting
CONWAY BOARD OF SELECTMEN**

December 2, 2008

The Selectmen's Meeting convened at 4:00 p.m. in the Meeting Room of Conway Town Hall with the following present: Selectmen Larry Martin (Chair), C. David Weathers, Mark Hounsell, Howard C. Dickinson, and Robert Drinkhall; Town Manager, Earl W. Sires; and Recording Secretary, Holly Meserve. Lucy Philbrick, Finance Director, was in attendance.

PLEDGE OF ALLEGIANCE

Chairman Martin led the Board in the Pledge of Allegiance to the Flag.

SIGNING OF DOCUMENTS

The Board reviewed and signed various documents contained in the signature folder.

CONSIDERATION OF BILLS

The Board reviewed and signed the manifest dated December 4, 2008.

APPROVAL OF MINUTES

Mr. Weathers made a motion, seconded by Mr. Dickinson to approve the Minutes of October 7, 2008 as written. Motion unanimously carried (4-0-0).

REVIEW AND CONSIDERATION
OF SPECIAL EVENT APPLICATION

Conway Village Area Chamber of Commerce – Christmas Tree Lighting and Parade (ratify): Mr. Dickinson moved, seconded by Mr. Drinkhall, to ratify the approval for the Special Event Application for the Conway Village Area Chamber of Commerce Christmas Tree Lighting and Parade. Motion unanimously carried (4-0-0).

BIRCH HILL WATER
DISTRICT TAX MATTER

Mr. Sires stated representatives from the neighborhood and the precinct are in the audience to discuss the Birch Hill water system. Mr. Sires stated that they would like the Town to hold the taxes on their infrastructure to the 2007 rates and the Board has already agreed not to do that due to legality issues.

Mr. Sires stated that he spoke with the New Hampshire Municipal Association regarding this issue and their response was the legal language against doing this does not exist and for it to be determined if it is legal the decision would have to be challenged in Court. Mr. Sires stated if the Board of Selectmen were to waive this for the Birch Hill District it would be the other taxpayers in the Town covering this cost.

Mr. Hounsell joined the Board at this time [4:07 pm]. Bill Jones stated that he lives at 366 Allard Farm Circuit and he is representing himself as a taxpayer. Mr. Jones stated their electric bill has gone up approximately 7%, their tax bill has gone up by approximately \$400 and everything else is going up. Mr. Jones stated that they took the matter to task by forming the Birch Hill Water District and Pennichuk came forth with a plan to improve the water system. Mr. Jones stated that they were completely put on the North Conway Water Precinct water within the last two weeks. Mr. Jones stated based on information he has most people are satisfied with the condition of the water.

Mr. Jones stated that he suggested holding off on the water tank and the pumping station. Mr. Jones stated right now the only problem would be if there is a power failure, but the construction of the pump house with a generator will help. Mr. Jones stated now they are looking at the tax rate. Mr. Jones stated that this is an increase of approximately 57% from where we are right now and the rates have already been increased. Mr. Jones stated if we don't do something for the taxpayers in Birch Hill you will see a flurry of for sale signs and that is not going to help.

Mr. Jones stated that we have discussed a possible deferment for one year and they are asking the Board to consider holding the tax increase for one year. Mr. Jones stated that he is asking for the property owners in Birch Hill and he is asking for a deferment of that increase.

Mr. Hounsell asked if the cost that has been incurred by Pittsfield is spread over all their operations. Mr. Jones stated that the tax increase for Birch Hill would only be assigned to the Birch Hill Area. Mr. Drinkhall stated if you live in one of the precincts you pay very close in that precinct in taxes as you do in the entire town and he doesn't see abating a portion of it to other precincts in Town. Mr. Drinkhall stated that he could sympathize, but he doesn't see how this could possibly be granted. Mr. Jones stated that he sympathizes with the Board, but he sits here representing the taxpayer and trying to save them some money. Mr. Jones stated that he is asking for consideration.

Mr. Hounsell stated that he could not support this request, but he can suggest a solution that in effect would alleviate the problem and in the future reduce it. Mr. Hounsell stated that if the Birch Hill Water District would take possession of the water system, convert the existing revolving loan fund to a Rural Development Grant and instead of getting in the business of operating a water system, hire someone to operate the system. Mr. Jones stated that he has heard that before and appreciate the suggestion, but he is not in the position to do that. Mr. Hounsell stated not you personally, but the District. Mr. Hounsell stated that option should be reviewed to take advantage of federal programs to reduce the cost.

Mr. Weathers read a memorandum from Thomas Holmes, Assessor. Mr. Martin stated that he is hearing the Board does not want to reconsider their position. Mr. Martin stated that it is not fair to ask the other taxpayers to take a hit so you don't take a hit. Mr. Martin stated that you should look into developing the Precinct and take advantage of cost savings.

REVIEW OF PROPOSED 2009 BUDGET

General Assistance: BJ Parker, General Assistance Officer, appeared before the Board. Ms. Parker reviewed her PowerPoint presentation with the Board. Mr. Martin commented that it was a very nice presentation. Mr. Drinkhall stated that this shows clients are paying their cable bills over their rent and, therefore, the taxpayers are paying for items that are not necessary if they had put their money towards rent. Mr. Drinkhall asked if there is a way of tightening that up.

Ms. Parker answered in the affirmative and stated that she has been using a budget worksheet. Ms. Parker stated that she inputs the income of the household and then she addresses actual expenses and allowable expenses. Ms. Parker stated that she cannot control what they paid for or not paid for before they come to her office, but once she has assisted them then she sets up payment arrangements and they have to provide receipts of what is supposed to be paid. Ms. Parker stated that she can suspend a client if they don't stay on the payment arrangement. Mr. Hounsell asked if the RSA backs the suspension. Ms. Parker answered in the affirmative.

Elections and Registrations: Rhoda Quint, Town Clerk/Tax Collector, appeared before the Board. Ms. Quint reviewed her proposed budget. Mr. Hounsell asked if the Supervisors of the Checklist line item was increased last year. Mr. Sires answered in the affirmative and stated that it was a warrant article. Ms. Philbrick stated that the \$3,000 was what they agreed to return to after the one year increase. Ms. Philbrick stated that the increase request was for the National Election. Mr. Hounsell asked if the increase was reflected in this budget. Ms. Philbrick answered in the negative. Mr. Weathers stated if the school would be available to use for the next election, instead of looking at a contract for food, she should look into using the special cafeteria at the High School. Ms. Quint agreed and stated that it would be a win for the school as well.

Other: Robert Barriault stated that we are all feeling the pressure of increasing costs and reduced revenues and he is not very sympathetic at all when listening to the Police Budget with a 4% increase with no discussion from this Board and most for increased salaries. Mr. Barriault stated that the Board of Selectmen should be looking at the budget with level funding. Mr. Barriault stated even if you achieve that the total tax assessment would go up because the revenue from other sources will go down.

Mr. Barriault stated that we have had official notification that we are in a recession, and it would be fool hardy to think that revenue from other sources is going to be greater. Mr. Barriault stated that he thinks everyone has to bear some of the burden of the recession that we are in; the tax payers, the general public in the form of reduced services and public employees. Mr. Barriault stated that they have to make some real concessions and think that would be the last one to consider, but would not rule it out if you cannot achieve level funding. Mr. Barriault stated the Board knows the impact and you should be suggesting the cuts to be made to have the least disturbance and then pass it on to the voters at the deliberative portion.

Mr. Sires stated Mr. Barriault is correct that we have had some decreases of non tax revenue. Mr. Sires stated in August we were discussing a 0% increase in the budget and we had some luck with the cost of health insurance decreasing and having

presented a 2% increase, but then there was October and November. Mr. Sires stated that we have projected revenue for 2009 and we are looking at a 20% decrease. Mr. Sires stated that the decrease in revenue is about 650,000 and that this projection is probably a worst case scenario. It means if you were to do what you talked about to have a 0% increase, hold everything equal with a 600,000 revenue shortfall we would still be looking at a tax increase of around 40 to 45 cents.

Mr. Hounsell stated that the Board decided that it would be unfair for the board to ask staff for recommended cuts. The Board decided that it would do the intake of information and consider reductions in services if need be. Mr. Barriault asked if you can legally separate the Police Budget from the Town Budget so it has to past muster from the Budget Committee and be able to have a default budget. Mr. Hounsell stated the budget could be modified at town meeting.

Mr. Drinkhall stated that he heard the comments regarding the Police Department and he would like to know if crime is up and have a clarification on overtime. Mr. Drinkhall stated that he is adamant about keeping the budget at level funding. Mr. Drinkhall stated that it will be a horrendous fiscal year. Mr. Weathers stated if during the deliberative portion a member of the general public gets up and makes an amendment to the Police Budget and it is approved is it still the total figure that is voted on and then comes back to us, what figure or how do we disburse an increase or decrease in the budget.

Mr. Sires stated what we have heard in the past is that the Board of Selectmen have bottom line authority of the budget, however, there is a cautionary tale and makes sense politically to go along with the voter's opinion. Mr. Dickinson stated that we need to emphasize the fact that people have to vote.

TOWN MANAGER REPORT

Mr. Sires stated that he had nothing to report.

BOARD REPORTS AND COMMENTS

Mr. Hounsell stated there has been a lot of discussion regarding the Police Budget and he needs to point out that the Chief and the Commissioners have presented what they think is necessary for the department.

PUBLIC COMMENTS / MEDIA QUESTIONS

There were questions or comments.

NON PUBLIC PURSUANT TO RSA 91-A.3, II, C – TAX MATTER

Mr. Drinkhall moved, seconded by Mr. Weathers, to go into non-public session pursuant to RSA 91-A.3, II, C at 5:28 pm. Motion unanimously carried (5-0-0).

Mr. Dickinson moved, seconded by Mr. Drinkhall, to move back into regular session. Motion unanimously carried (5-0-0).

Mr. Dickinson moved, seconded by Mr. Weathers, to seal the minutes of the executive session. Motion unanimously carried (5-0-0).

NON PUBLIC PURSUANT TO RSA 91-A.3, II, C – DRIVEWAY PERMIT

Mr. Drinkhall moved, seconded by Mr. Weathers, to go into non-public session pursuant to RSA 91-A.3, II, C at 5:43 pm. Motion unanimously carried (5-0-0).

Mr. Dickinson moved, seconded by Mr. Weathers, to move back into regular session. Motion unanimously carried (4-0-0).

Mr. Weathers moved, seconded by Mr. Drinkhall, to seal the minutes of the executive session. Motion unanimously carried (4-0-0).

ADJOURN

Mr. Weathers moved, seconded by Mr. Drinkhall, to adjourn the meeting. The motion carried unanimously.

The meeting adjourned at 6:02 p.m.

Respectfully submitted,

Holly Meserve
Recording Secretary