

**TOWN OF TUFTONBORO
BOARD OF SELECTMEN
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**Selectmen's Work Session
8:30 am – Town Offices**

Friday, January 4, 2019

The official video of this meeting can be found on the Town of Tuftonboro's YouTube channel at:

<https://www.youtube.com/channel/UCCUmJqZvFTS23RMEFSDQzmw>.

MINUTES

Present: Chairman Bill Marcussen, Selectman Lloyd Wood, Selectman Chip Albee and Administrative Secretary Karen Koch.

CALL TO ORDER

Chairman Marcussen called the Selectmen's work session to order at 8:30 am.

APPOINTMENTS

The Selectmen met with Library Trustees Gordon Hunt and Paul Matlock, Librarian Christie Sarles and Treasurer Jack Widmer regarding the Library Addition project funding and warrant article. Almost \$1,000,000 was raised from donations and contributions continue to be collected. Approximately \$333,000 is left to be raised. Mr. Widmer estimated loan interest rates of 5.75%-6% for \$350,000. This would result in approximately \$41,000 worth of interest over three years and \$62,000 over five years. There was discussion about the effect on taxes for paying for the project in one year versus multiple years with a loan or bond. Mr. Widmer recommended paying for the project in one year. He didn't recommend taking any additional funds from the fund balance to offset cost. This led to discussion regarding the appropriate use of the fund balance. He also advised not to do a bond hearing if the funds are not going to be borrowed as it may only cause confusion. The Library Trustees will continue to have informational meetings for the project.

In response to Selectman Albee, Mr. Hunt shared that approximately \$107,500 of the total project cost of \$1,997,000 is for furnishing the building. The performance bond expense (amount unknown) and design plan cost (\$135,000) are also included in the total cost.

Mr. Widmer confirmed that the Library Capital Reserve Funds would be the first monies to be spent, then private donations, then tax funds. He also shared that the warrant article would be written with the projected project costs as of today. Any adjustments to this figure would be done at Town Meeting. Mr. Widmer will provide firm numbers with loan rate information to support why it is not beneficial to borrow the funds.

It was agreed to get the design work done now and put the project out to bid as early as possible in order to get the project done before the cold weather arrives. Having the project done before the cold weather arrives will result in an overall cost savings. Per Mr. Hunt's suggestion, it was also agreed that the Library Trustees and Selectmen will split the cost for the design plans to show a committed interest on both sides. Chairman Marcussen moved to approve moving forward with the design work and for the Town paying for half of the expense, seconded by Selectman Albee with all in favor.

PUBLIC INPUT

Bob McWhirter suggested putting a dollar amount with the motion to pay for the design work. Selectman Albee moved to approve \$67,500 for the Town's half of the design work, seconded by Selectman Wood with all in favor.

ADJOURNMENT

At approximately 9:15 am, Selectman Albee moved to adjourn, seconded by Selectman Wood with all in favor.

Respectfully submitted, Karen Koch, Administrative Secretary