

FINAL

BOARD OF SELECTMEN'S MEETING

March 4, 2013

7:00 P.M. – MUNICIPAL OFFICE BUILDING – HANOVER, NH

The meeting of the Board of Selectmen was called to order at 7:00 p.m. by Chairman Peter Christie. Present were: Peter Christie, Chairman; Athos Rassias, Vice Chairman; Bill Geraghty, Selectman; Nancy Carter, Selectman; Jay Buckey, Selectman; and Julia Griffin, Town Manager.

1. PUBLIC COMMENT.

Chairman Christie asked for any Public Comment. There were no comments from the public.

2. 3rd BUDGET HEARING:

- Howe Library
- Etna Library
- Assessing
- Information Technology
- Parks & Recreation
- Planning & Zoning
- Human Resources
- Health and Welfare
- Administrative Services
- Town Manager
- Board of Selectmen

Howe Library

Chairman Christie asked Mary White (Director of Howe Library) and Pam Smith (Head of Technical Services/Systems Manager) to speak to the Board. Selectman Carter stated that she has enjoyed being the Select Board's liaison to the Howe Library and noted that the Board of Selectmen are aware of the roof problem at the library but have received assurances that it is sturdy enough for the time being. Selectman Carter acknowledged how hard The Howe Corporation works on behalf of all of the taxpayers with both the Annual Fund and the upcoming fundraiser.

Ms. White stated that The Howe Corporation contributes 25% of the Howe Library's operating funds every year which reduces the taxpayer's costs. Ms. White noted that the Howel Classic (a mini golf extravaganza) fundraiser is coming up. Ms. White asked Ms. Smith to talk about Evergreen, which is their open-source automated system and saves the taxpayers a lot of money.

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Ms. Smith stated that on July 1 the Howe completed the first year using the Evergreen acquisitions and everything is fully migrated from Innovative to Evergreen. The Meriden Library joined the system and went live in December; they were able to automate because joining the Howe's system was affordable. She noted that the Philip Read Memorial Library in Plainfield is in the process of migrating their records and will go live sometime this year. The Piermont Library is also joining their system and will go live in the spring or summer. The Westmoreland Library will also be going to Evergreen. Ms. Smith reported that the Howe was able to help automate these libraries that could not have afforded it before.

Selectman Rassias asked if it was beneficial to the Howe Library for the other libraries to connect to Evergreen. Ms. Smith stated that Evergreen is made for consortia and the other libraries pay their share of the database to the vendor. Ms. Griffin stated that it was helpful for the Howe Library staff to take a leadership role and provide the support to the other libraries. Ms. White was grateful that Ms. Griffin could see the benefit of paying it forward since other helped the Howe with their transition.

Chairman Christie was pleased that there is a new software system that has been implemented that the library really likes, that can be shared and less expensive. He congratulated them for their efforts.

Ms. White stated that with the support of The Howe Corporation funding, they were able to have 585 programs last year with 10,000 people attending. The Howe Corporation also assists with building maintenance, costs for staff professional development and Summer Sundays which have been a success. Ms. White reported that they had an "animal sleepover" and My Favorite Book Project where local residents were photographed with their favorite books. She reported that more than 13,500 came to the library in February.

Ms. White presented a video showing various activities that took place at the Howe Library for the 40 Book Challenge with students from the Mid Vermont Christian School in Quechee.

Ms. White noted that many items in the budget are level funded or reduced.

Chairman Christie noted that the proposed Howe Library budget would be a 2% increase. Ms. White noted that employees receive a 2% merit and 2% COLA; salaries and wages make up 95% of their budget so she felt that this was a very good achievement.

Vice Chairman Rassias asked about the Non-Resident Fees. Ms. White stated that about a year and a half ago she asked people to come together as an ad hoc taskforce to discuss the Non-Resident Fee and their recommendation was that the rate should increase proportionate to the Howe Library's budget increase. The taskforce included residents and non-residents. She reported that the Non-Resident Fee went from \$120 to \$135 in last year's budget.

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Ms. White reported that the people in the taskforce were concerned that if someone could not afford the fee they should still be accommodated. Ms. White stated that the solution was to request a letter from a social service agency or clergyman regarding the hardship and then they would get a free card.

Selectman Buckey asked about the coin copier. Ms. White stated that they increased the copy fee from \$.10 to \$.25 a few years back and that's when they saw a significant reduction. In the past year they got rid of the software and the coin box and it seems that the honor system has been working. They no longer need to pay the maintenance on the coin box and she will be suggesting a reduction in the charge from \$.25 to \$.10 when the Board considers the rates and fees this summer.

Selectman Buckey clarified with Ms. White that people are using the copier to print documents. Ms. White felt that since they have reduced costs, they should also reduce the fee.

Chairman Christie noted that the total registered patrons is 8,740 and 6,290 are Hanover residents. Ms. White stated that they have done a lot of outreach registering Dartmouth students and they switched to automated systems and there are concerns that the two systems weren't comparing numbers accurately.

Ms. White noted that the utilities and maintenance costs are going down thanks to Frank Austin and Ross Farnsworth's efforts. Ms. Griffin noted that Ross Farnsworth is an HVAC expert which is essential.

Selectman Buckey asked if there is value to having Kindles pre-loaded that can be checked out. Ms. White stated that the Howe Library was the 2nd public library in the U.S. to lend Kindles when they were brand new; they had 3 or 4. This was more for people to play with the technology and get a chance to understand it. She stated that most people have their own e-readers or reader device so they don't need to lend them. The issue is downloadable audio books. Ms. White stated that there are a lot of problems; some of the libraries in the State are small and don't have a lot of money; the annual fee is based on the population of the Town. The price for an e-book to a library is much more expensive. One (1) copy of a new novel could cost \$100.00. The big 6 publishers in NY refuse to sell their titles to library consortiums. Pam Smith reported that the downloadable service is well used by the patrons; the cost per circulation has gone down and it is now \$.34 for the titles that they are able to provide.

Ms. Griffin noted the cost savings that total up to \$68,600 are due to annual savings for utilities and maintenance, eliminated overtime, and the migration to the Evergreen open-source system. There is also a \$96,000 savings for switching to the open-source system by eliminating the need for upgrades and enhancements over the next few years; upgrades for Evergreen are free.

Ms. White noted the items that the Howe Corporation funded at no cost to the Town. Chairman Christie noted that the Howe Corporation funded the Sunday hours.

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Chairman Christie thanked Ms. White and Ms. Smith for their presentation.

Etna Library

Selectman Carter noted that she is also the liaison to the Etna Library and she welcomed Barbara Prince, Librarian. She noted that the Etna Library enhancements will be complete by the spring. Ms. Prince stated that the foundation is in for the new accessible bathroom and the walls should be arriving in the next week. There is a committee working on a plan for the interior and they are looking at a cost effective solution to incorporate the lobby with the rest of the building.

Ms. Prince stated that they have had a busy year and noted that Caroline Tischbein is her assistant and she has increased the number of programs. Ms. Tischbein organized a craft program once a month on Wednesdays for school aged children; there are holiday and seasonal programs; the Summer Reading program and they are adding more programs for adults and teens.

Ms. Prince stated that the budget is level funded or decreasing except the increase in staff costs for annual wage increases.

Selectman Carter asked about books that are transferred to the Howe Library from the Etna Library and how this is accounted for in circulation. Ms. Prince stated that they count circulation in two ways; there is circulation by the “owning library” so that counts for the Etna Library collection no matter where it is checked out and then there is circulation by the “circulating library” which means that they are counted by where they are circulated.

Ms. Griffin reported that Ross Farnsworth has a plan for replacement windows and had an opportunity to blow insulation into the attic. They are also looking at a furnace that would serve the new addition and the old library. She stated that the goal is to make the old building as efficient as the new addition. Some of the funds budgeted for the project will be used toward those efforts. Ms. Prince stated that staff noticed a huge difference in warmth with the addition of the insulation.

Chairman Christie thanked Ms. Prince for speaking with the Board.

Assessing

Chairman Christie invited Mike Ryan, Director of Assessing, to speak to the Board. Selectman Buckey asked Mr. Ryan to give an overview of the assessing office’s function.

Mr. Ryan stated that the primary purpose of the Assessing Office is to maintain the assessing database for the Town which is the structure used to collect taxes to run the Town. He noted that they are in the 3rd cycle of a revaluation that started in 2003 and each time they go through it, people become more familiar with the process. He stated that the Town will be starting another revaluation in 2013 which will begin this summer.

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Mr. Ryan stated that he can see that the Town is going to lose tax base in relative terms both in residential and condominium properties. He hasn't taken a close look at the commercial and industrial side yet. He didn't feel that the Town would see any wide swings but there will be a settling of values over the 2008 valuation.

Selectman Buckey clarified that this means the valuation of the property is going to go down. Mr. Ryan stated that there aren't going to be any drastic changes. He noted that the average increase in assessment in 2003 was 165% but the valuation process hadn't been done in 13 years. There had been a recession during that time and a good upturn. Mr. Ryan stated that in 2008 they were at the end of the robust market and on average assessments increased 20%. He noted that in the last 5 years it's been a quiet market.

Selectman Geraghty asked what the real estate professionals are saying about the market because it sounds like it is climbing back up. Mr. Ryan stated that part of the consideration is looking at history over forecasting to determine what will come. The inventory is down so it is going from a buyer's to a seller's market.

Selectman Buckey asked what the greatest challenge is for Assessing. Mr. Ryan stated that getting the work done in a short period of time is the biggest challenge. He stated that there are 2 people in the office; one clerical worker and himself. He stated that they do hire out for data collection on a periodic basis. Mr. Ryan stated that they are getting ready to send the spring bill out based on the old numbers.

Ms. Griffin explained that the process with the valuation update; assessing will send notifications out to property owners in mid-summer and then there is an opportunity for residents to ask questions and meet with Mr. Ryan. Residents could then have a hearing about their valuation, if desired. She noted that the Department of Revenue Administration (DRA) sets the tax rate in October. The period of time from July 1 to November 1 is a very busy time for Assessing. This is the 3rd assessment update but this is the first time that the market has tapered down.

Selectman Carter asked if this requires a visit or if the revaluation is a transaction done on paper. Mr. Ryan stated that this is mostly done in the office but if there is a discrepancy or a question they will go view the property. Ms. Griffin noted that the properties are visited physically every 5 years.

Ms. Griffin noted the dollar growth in tax base over prior year which shows large bumps in certain years. In 2008, there was a \$366 million increase which was due in part by the valuation update. Mr. Ryan has been able to predict the \$15 to \$25 million increases but this year the permit revenue is down so the expectation is that it will be around \$10 million. Mr. Ryan noted that the large numbers can be attributed to the College projects.

Chairman Christie thanked Mr. Ryan for speaking with the Board.

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Management Information Services (MIS)

Chairman Christie invited Corey Stevens (Information Technology Director) to speak to the Board. Selectman Buckey asked Mr. Stevens to summarize what his department does for the Town and any potential challenges.

Mr. Stevens stated that his department supports all of the Town's technology needs. There are 180 devices, 6 networks, and 4 servers which are all handled with his staff of 1.6 people. He stated that the challenges are time related and keeping up with technology needs and changes. In the past, if computers were down it wasn't an issue but now it stops business. The budget is up due to software maintenance costs and the big additions are in the Parking Division and new software for the Water Department. The only other area with an increase is the computer upgrade line-item which is due to the 4 year replacement schedule.

Selectman Buckey asked if the Town has the capacity to handle on-line services. Mr. Stevens stated that they do currently have the capacity but in the last few years they have gone from a 10 megabit connection to a 20 and may be looking at a 50. This is something that would need to be budgeted for and they constantly negotiate with vendors. He noted that he is in the middle of negotiating with G4 now to try to reduce the costs for services that they currently have.

Selectman Buckey asked about data security. Mr. Stevens stated that this is an issue but not so much for the Town because most of the information is public. There have been some behind the scenes security with putting firewalls in place, etc. Ms. McClain stated that the Town doesn't want to store any credit card information locally so it would be stored on the vendors secure servers. Ms. McClain stated that the confidential records and motor vehicle records are protected by the State firewall.

Chairman Christie asked about the handheld ticketing system and about the payback if they are investing \$35,000. Ms. Griffin noted that Patrick O'Neill will be available to speak to the Board tomorrow about this. Mr. Stevens reported that the database information would be accessible to the parking technicians out on the road in addition to ticket writing efficiencies. Ms. Griffin stated that it is believed that it will increase the ticket revenue but will also make the process more efficient.

Ms. Griffin stated that they have a regular replacement schedule that they stick to for Town computers. Chairman Christie noted that the narrative indicates that the replacement schedule is on a 3 year cycle. Mr. Stevens clarified that it is actually a 4 year cycle.

Selectman Geraghty asked Mr. Stevens if there are any items that they could live without for a year that would save \$25,000; although the list makes sense, he's wondering what cuts could be considered. Mr. Stevens noted that there is \$40,000 in additional expense between the Parking Fund software and the new Water Fund software.

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Ms. Griffin stated that with the 4 year replacement cycle, there are peaks and valleys for the years that the replacements take place. In 2014, the Howe Library computers get upgraded which creates a large increase in the MIS budget.

Vice Chairman Rassias asked about the price of the machines. Mr. Stevens stated that he purchases clone machines which are not brand name machines and they last for the 4 year duration. The machines also have a 3 year warranty so it costs a little more than if you purchase them off the shelf; the price listed includes the warranty.

Chairman Christie thanked Mr. Stevens for speaking to the Board.

Parks and Recreation

Selectman Geraghty stated that he is amazed at the amount of programs that take place through the Recreation Department with limited staff.

Hank Tenney, Director of Parks & Recreation, stated that he has a great staff with Jeanne Vieten at the front desk; Sherry Colfer running the building; Liz Burdette as his Assistant Director; and Nicole Leonard running the After School Program.

Mr. Tenney reported on the Etna Playground. The Recreation Department was able to raise the funds needed for this task and although it hasn't been completed yet, they hope to have it done by next winter.

Mr. Tenney stated that in this budget is a new credit card system. He noted that they are moving away from the Rec-Trac software program and going to My Rec. Ms. Burdette stated that this is a new on-line database system which is more user friendly for both staff and clients. She stated that there will be on-line registration where users can create their own accounts and manage everything from their home computer. They will be able to print materials for tax credits, etc. Ms. Burdette noted that presenters and instructors will be able to print their information as well.

Mr. Tenney stated that they haven't put this out to the public yet as they need to work out the bugs. Ms. McClain noted that they are going to be charging a convenience fee when people register on-line. Mr. Tenney stated that they may look at increasing fees in the fall to cover the service charge; they don't have the ability to use credit cards for walk-ins yet and this is a work in progress. Ms. Griffin stated that this issue was raised earlier about how to handle the user fees and there are multiple approaches to this.

Mr. Tenney stated that one major concern is the building. The building is 10 years old and although it is in great shape, there are going to be large expenses such as replacing the carpeting downstairs and the flooring in the multi-purpose room. Ms. Griffin noted that the carpeting is budgeted for in the proposed budget but the wood floor in the multi-purpose room is not.

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Mr. Tenney reported that the athletic field line item in the budget is new and is subsidized by rental fees. They have a lot of field use by outside groups and he will be coming to the Board to get some direction as to how to address this going forward in the months to come.

Chairman Christie noted that the Recreation Department is losing revenue little by little in their programs. Mr. Tenney stated that there are independent groups that are providing programs but they are being charged field rental fees that will make some of this up. The same kids that used to sign up for the Recreation Programs are now joining these independent groups. Ms. Griffin stated that there is a trend toward more competitive sports clubs whereas the Recreation Programs are all inclusive.

Ms. Griffin stated that in the revenue line item under Youth Program Fees for FY2013 she bumped up the funds to \$80,000 and tasked the Recreation Program to find more revenue. This was an overestimation and she brought it back down for this budget.

Chairman Christie noted that the overall increase for this budget is 5.04% in net appropriations.

Chairman Christie asked about the Camp Programs.

Ms. Burdette noted that there is a big change this summer as Circle H, which is a program for kids in Kindergarten, will be going to a full day. Parents can register their children for morning, afternoon or full day timeframes and they can also register for the week. The fees match that of the Dragonfly Program so a lot of the increases in the camp line-item are due to the change to full day. They are asking for an increase for 1 camp counselor to make sure that this goes well.

Selectman Carter asked about the program ratio of counselors to children. Ms. Leonard stated that there are 2 to 3 counselors to each program. The tweens have a similar ratio because they go off-site with access to the AT Bus and being out in the community.

Selectman Carter asked if there could be changes week to week. Ms. Leonard stated that the numbers do fluctuate a little but they do adjust staff as needed. Ms. Burdette stated that when people register by the week, they are able to get a better handle as to how many kids will participate.

Ms. Griffin noted that with having Ms. Burdette and Ms. Leonard running the camp program, there is synergy that comes with the KAST afterschool program and parents have confidence in the program.

Selectman Carter asked if they are at 100% enrollment and whether they are anticipating a waiting list. Ms. Leonard stated that Circle H and the Tween programs have a maximum number. They will take as many kids in Dragonfly and increase staff as needed.

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Ms. Griffin stated that one concern is whether the Ray School will allow the programs to return year to year. Ms. Burdette noted that they also use the middle school for the Tween Program.

Selectman Carter noted that the vote for the school budget is tomorrow and if the updates to the school are approved, she wondered whether the camp programs will be displaced a year from now. Chairman Christie stated that for this year's school budget there is money being allocated to allow for a study but then they would need to look at financing and this may be several years away.

Ms. Griffin clarified that the Town does not have anything in writing with the school. Selectman Buckley asked if it was something that they should get in writing because this program is dependent on the use of that facility. Ms. Griffin stated that the Select Board would need to approach the School Board to discuss this and noted that the Town does pay a fee to use the facilities.

Selectman Geraghty wanted to see the percentages of the kids that are in the programs and how many are children of Hanover residents. Mr. Tenney stated that 98% are Hanover residents. Selectman Geraghty asked that this figure be included in the Minutes.

Liz Burdette provided the following percentages for their programs:

Circle H: .6% non-resident; Tween: 11% non-resident; Dragonfly: 13% non-resident and Camp Quest: 2% non-resident. Ms. Leonard reported that the KAST Program is made up of 100% Hanover residents.

Chairman Christie noted that the rates and fees for the summer of 2014 will not show an increase. Ms. Griffin noted that when they set the rates and fees this summer, it will be for the summer of 2015 for the Recreation Department. Mr. Tenney stated that the problem lies with the fact that the summer programs overlap the budget year.

Selectman Carter noted the charge for the lifeguard. Mr. Tenney stated that they ran into trouble with the staff at the pool. Ms. Burdette clarified that there was a problem during the morning sessions at Storrs Pond because there were no lifeguards available. Selectman Carter confirmed that the lifeguard would be a Storrs Pond employee but the Town would pay for that person to provide the service.

Vice Chairman Rassias asked about the Sponsored Funds line item. Mr. Tenney stated that this is used for special events such as the Pond Party and the 4th of July.

Ms. Griffin noted the Appalachian Trail Hiker activity line item is for the shower & laundry charges. Selectman Carter noted that the Community Center sheltered hikers when there was damage on the trail. Mr. Tenney stated that they housed hikers for 8 days. Ms. Griffin stated that there were food donations. Mr. Tenney stated that there was an amazing outpouring from the community and noted that a staff member was present overnight to make sure the place was secure and they were being taken care of.

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Selectman Carter asked about the ongoing reduction in HUD funding. Ms. Griffin stated that the HUD Funding dried up for support of the Senior Center for more than 10 years so the cost goes to the Town through the General Fund. This is housed in the Recreation Department budget because they share the building but Mr. Tenney has no control over this. Mr. Tenney noted that when they built the building they created it so that the senior citizens and the kids could work together.

Ms. Griffin stated that the administrative salaries are not reflected in the program expenses. Ms. Colfer and Ms. Leonard's salaries are reflected under the Community Center's expense.

Chairman Christie stated that his observations show that the youth programs have slightly less profit; adult programs slightly more but when they add it all up, as long as they are being aggressive enough with fees, he's fine with it.

Mr. Tenney stated that there was a lack of new programs last year. There is a flat fee of \$35.00/hour to rent the facility so people are starting to go independent and not running their programs through the Recreation Department so now they are starting to lose money. Chairman Christie felt that they might need to be more aggressive in the fee structure. Ms. Griffin stated that they will look at this with the Rate and Fee Schedule in June.

Ms. Griffin stated that with the After School Program, there are a number of additional kids because Ms. Leonard has taken this on. Vice Chairman Rassias asked for some indicators regarding the number of kids. Mr. Tenney noted that the numbers are included in the Town Report. Ms. Leonard stated that they are averaging 82 kids per day. Ms. Griffin stated that the School District is talking about all day Kindergarten which may increase the use of the after school program.

Chairman Christie thanked Hank Tenney and his staff for their presentation.

Planning and Zoning

Selectman Geraghty noted that Ms. Griffin would speak on behalf of Planning and Zoning. Ms. Griffin stated that the Town is in the process of receiving applications for the new Planning and Zoning Director.

Ms. Griffin stated that the departmental revenues are down from last year's projected revenues of just under \$500,000 to \$429,939. She is not sure that they are going to hit the target of \$499,000. Ms. Griffin stated that Ms. McClain has felt that they should reduce the revenue projections for Planning and Zoning fees. There were 557 permits issued in 2012 vs. 425 permits in 2011 but the value of the construction applied to each permit is lower. There are more modest renovations and additions being done which have less value.

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Ms. Griffin stated that the Planning and Zoning Department used to create much more revenue over their costs. She felt that this trend will continue until Dartmouth moves forward with construction. She noted that Dartmouth pays building permit revenue for everything they build; dormitories and dining halls are taxable once constructed and now that Dartmouth has slowed down on their development, the Town is feeling that hit.

Chairman Christie asked if the costs are proportionate to value. Ms. Griffin reported that when the building boom hit at Dartmouth, Hanover hired an additional part-time building inspector and a part-time administrative assistant. Ryan Borkowski, Building Inspector, feels that they still need the part-time building inspector because the building permit activity is still high. If the trend continues for more than a 2 year window, they may potentially eliminate the part-time building inspector and the part-time Administrative Assistant. Chairman Christie suggested that they could look at whether they could change the way the Town charges for these services.

Ms. Griffin would like to get the opinion of the new Director regarding fees and staffing. She noted that the Town has not raised their Planning Board, Zoning Board or Building Permit fees in years.

Selectman Buckey asked if there is a benchmark. Ms. Griffin stated that they would contact similar communities to do some fee comparisons. Chairman Christie stated that if the costs are not directly related to the value of the project, they may need to not only change their fees but change how they charge. Ms. Griffin stated that the fees are charged based on value of construction by law. Chairman Christie asked if they could also charge a fixed fee in addition to the value of the cost of construction. Ms. Griffin has not heard whether this type of charge exists.

Ms. Griffin suggested that the Board ask staff to look at fee recommendations based on current revenue projections that will grow revenue by a certain percent. Chairman Christie stated that the clear driver in this budget is the loss of fee revenue and wants to put this on the list for further discussion.

Ms. Griffin stated that the budget itself is very much status quo. She noted the chart regarding performance indicators where there is an increase in permits but the value is less than half of 2011.

Human Resources

Ms. Griffin stated that Dave Stewart's (Human Resource Director) Mom passed away last night and since he has been away, she will be filling in for him. Ms. Griffin stated that there is a recommendation to do a class/comp study at a cost of \$20,000. The Town will be heading into union negotiations in about a year. She noted that the Police Department would argue that they are out of step with competitive communities in terms of compensation packages. The recommendation is to do a class/comp study every 10 years but it has been 13 years since the Town last had this done. She recommends using the same group that did the study previously. There are 20 communities that are

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comparable to Hanover and they would like to be in the 50 to 75% range which is where they placed the last time this was done.

Ms. Griffin stated that the Police Department has been vocal about the fact that the Town hasn't kept up with the other communities. They have had to raise their salaries to recruit officers. She wants to make sure that the community is aware that conducting a class/comp study doesn't mean that they necessarily will increase salaries.

Selectman Geraghty asked if this study would include looking at the benefits package. Ms. Griffin stated that they would look at benefits because they will have an expectation that they look at the total compensation package.

Ms. Griffin noted that when they compare total staffing from FY2004 to FY2014 there is an increase from 125.8 to 141; there was an increase of 4.5 in the Fire Department which was the ISO requirement. The Town's insurance rating would have been downgraded if they didn't keep the Fire Department staffing at that level and it was relayed to the Town that the community rating would be downgraded and property insurance would go up for residents. The .5 is the addition of the part-time Fire Inspector (Jeryl Frankenfield); the 1.3 in the Police Department was the addition of a dispatcher (1.0) which was added when they took on Canaan and Enfield and is fully funded by the charges to those communities. The .3 was the additional part-time hours in Parking Division. In DPW there were 3 positions added to bring the custodians in-house; previously this service was contracted out. Ms. Griffin reported that for the Recreation Department, they added 3 employees with the addition of the Community Center. Ms. Griffin reported that there was an addition of .6 in the MIS Department for Gerry Macy's position.

Ms. Griffin stated that in Planning and Zoning, the .6 was the addition of Debbi Franklin's part-time position and Jeff Andrews part-time position in response to the increased work load. Ms. Griffin stated that for The Howe Library, there were 1.7 positions added which are attributed to the youth services and teen services.

Selectman Buckey asked how the population in Town has changed in the last 10 years. Ms. Griffin stated that in the census for 2000 (from 1990-2000), there was an 18% increase in the population; from 2000 to 2010 there was a 4% increase in population.

Vice Chairman Rassias noted that there were also restructured positions within the Town that reduced some positions. Chairman Christie felt that this would be worth formally summarizing. He noted that from FY2007 to FY2014 there has been no change; the number has stayed at 141 for over 7 years.

Chairman Christie stated that the added positions described have nothing to do with population growth.

Vice Chairman Rassias asked whether the Town ever saw an actual analysis regarding the ISO rating and the impact on the taxpayer. Ms. Griffin stated that there wasn't consistent information but the overall assessment was that there would be a greater

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increase to the residents' insurance rates over the cost of the 4 firefighters. Ms. McClain stated that the Town also has a lot of exempt properties that don't pay for the firefighters.

Chairman Christie felt that it would be valuable to go budget to budget to look at areas that they lost the fee revenue. Ms. Griffin stated that some of this would include losses in State aid. Ms. McClain felt that this could be a tickler for the rates and fees discussion. Chairman Christie would like a broader perspective over 5 years.

Health/Welfare

Ms. Griffin is currently the interim Health Officer until they hire the new Planning & Zoning Director. She noted that Jennifer Gantrish is doing a great job working with the social service agencies. There have been some complex cases and they are spending a little more for her services but they are reducing the amount paid for direct welfare assistance as a result.

Dr. Carolyn Murray is paid a \$2,000 stipend and she is on call for issues beyond building codes. Gary Quakenbush is a retired State restaurant inspector and he conducts inspections each summer. Vice Chairman Rassias asked if this was supported by fees. Ms. Griffin stated that this is not supported by fees.

Selectman Buckey noted that restaurants are a big part of the community. Ms. Griffin stated that the surprise inspections have been effective for the restaurants that were out of compliance.

Ms. Griffin stated that Town Meeting approved funding in the amount of \$2,500 for the Mascoma Valley Health Initiative as a supplemental warrant article. They are requesting \$8,445 for the next fiscal year for an expanded effort to better coordinate the health network in the Upper Valley although they don't fit the social service agency funding criteria. Ms. Griffin noted that she is part of the Initiative which pulls resources together. Town staff recommends that they come back to Town Meeting on a separate warrant article.

Vice Chairman Rassias noted that there are 5 criteria that agencies need to meet in order to fit within the Social Service Agency Policy. The Town can't make charitable contributions through the tax rate. Chairman Christie stated that it is illegal for the Town to support anything other than a quid pro quo effort. He questioned how an entity that is not a quid pro quo could be allowed. He asked whether Town Meeting can overrule this law. Ms. McClain stated that one could get creative as to how this benefits the Town. If it's voted for at Town Meeting then that is the desire of the community.

Ms. Griffin stated that they would advise the social service agencies that are not being approved in this budget and that they could petition Town Meeting in a separate warrant article. Chairman Christie didn't feel that the Board should encourage these agencies to come to Town Meeting. Ms. Griffin felt that they should provide the agencies feedback

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that the Board has opted not to fund their agencies based on the Social Service Agency Policy. Those agencies are aware that they can get a petitioned warrant article.

Selectman Geraghty suggested that if there is a Warrant Article under Other Business to petition for a vote to add something to the budget, the Select Board should be ready to explain the potential impact of each one of these individual's requests. Ms. Griffin stated that history has proven that Town Meeting is generous.

Ms. Griffin stated that this is the fund where the Town's portion of the costs for the Ambulance service is charged to the General Fund. The Town's per capita shares are included for a total of \$206,134.

Ms. Griffin noted that for the Social Service Agencies, Outreach House was the only one asking for an increase (from \$3,315 in 2013 to \$3,500 in 2014). The additional agencies that don't fit the criteria are Bridge House, Central VT/NH Upper Valley Red Cross and Pathways.

Vice Chairman Rassias noted that in the past, if a social service agency makes a request to Town Meeting 3 years in a row and receive approval; their request becomes part of the budget. Ms. Griffin stated that now the request would become part of the budget after receiving approval the first time. Vice Chairman Rassias felt that this should be reviewed further.

Administrative Services

Ms. McClain stated that the Unallocated Activity in the budget covers general government activity that doesn't fit in any specific service department. She noted that the reason that the expenditures are up 2.1% and the tax levy is increasing over 5% is due directly to non-tax revenues that are not keeping pace with the expenditures.

Total general fund revenues and expenditures – up 2.1%

- Total property taxes to be raised - up by 5.6% (+463K)
- Building permits and related fees - down by \$70K
- Undesignated fund balance - down by \$150K
- Investment income - down \$20K

Noteworthy Year to Year changes in expenditures

- NHRS Employee Contribution Rate Increases
20%+ mandated rate increases in the 3 plans for municipal employees
- Last year of 3 year bundled package with LGC for health, worker's comp, property liability insurance "contribution holiday" to offset increase in premium rates.

Ms. McClain stated that the Town's insurance carrier has been in discussions with the Secretary of State's office and they are going to be sending back some of the excess reserves in the form of a reduction of next year's premium. They will also see a lower

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property and liability insurance premium as well as savings in their Worker's Compensation line item. This will only be for next year as they will be re-negotiating with the insurance carrier. She noted that David Stewart (Human Resource Director) is exploring creative ways to spend the same amount of health care dollars with different plans.

Ms. McClain stated that they will want to explore different options for health insurance in conjunction with union negotiations.

Ms. McClain is hopeful that they won't have to compensate for the contribution holiday in the years to come. Ms. Griffin stated that the cost is \$25,000 for the health insurance and \$25,000 for the property and liability insurance.

Ms. McClain provided a graph of the contribution rates to the NH Retirement System from 2001 through 2015. The rate went from 4.14% to the projected 10.77% for Group I employees. For Group II (Police) the rate has gone from 5.33% to 25.3% and for Group II (Fire) the rate has gone from 6.61% to 27.74%.

Ms. McClain stated that the labor groups will advise that the municipal contribution rates were artificially low. Selectman Geraghty noted that the numbers are dramatic as it is a shift of the funding source but the individual is not gaining anything. Selectman Buckey clarified that this is the percentage that the Town now pays. Ms. McClain pointed out that the Town does not pay social security for police and fire employees. Selectman Buckey noted that the Town is required to be part of the NH Retirement System. Ms. McClain stated that part-time employees are not eligible for the NHRS.

Chairman Christie wanted to include loss of interest income on the list.

Ms. McClain noted that the Sec 125 benefits (employee benefit plan) line item is going up 2.5% budget to budget and the premiums are going up just over 7% but the contribution holiday allows for the lower increase.

Ms. McClain reported that many residents interact with the Administrative Service Office and although a lot of people walk into the Town Office, many of them want to be able to pay on-line. They hope that within the year they will have an electronic payment option. She noted that a longer term goal will be to enhance the web and e-mail resources to allow them to use their staffing resources more effectively.

Ms. McClain stated that she has been looking at efficiencies and was able to reduce staff by .40 FTE last year and she is confident that as more services become available on-line, there will be opportunity for such efficiencies going forward.

Electronic Bill Presentment

- No customer charge for electronic funds transfer.
- 2.75% convenience charge for credit cards

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- Labor efficiencies as these payments imported via electronic batch into our billing system with balances updated vs. current manual posting of payments.

Ms. McClain stated that she does not recommend that the Parking Fund charge a convenience fee because their amounts are so small.

Banking Relationship – no fees were charged

- 5 year no-fee service agreement ended November 2012
- Out to bid recently down to 2 banks
- Fees will be part of the package \$1,000/month

Ms. McClain stated that they just ended their 5 year banking relationship. The requests for proposals were sent out and they should be making a choice within the next 2 weeks. She stated that they will be paying fees so they have budgeted \$1,000/month which may be low. They are going to need to change some of their processes to meet this fee level.

Ms. McClain stated that the charges from MIS were reduced to reflect the initial purchase of Invoice Cloud software budgeted in the current year (\$7.5K) to the ongoing maintenance costs in proposed budget (\$2.5K).

Chairman Christie asked about the Town Clerk position. Ms. McClain stated that she and Charlie Garipay (Town Clerk) are changing things around so she will be going on the ballot as Town Clerk. Mr. Garipay will continue to contribute and act as Deputy Clerk and Ms. McClain will have the office presence as Town Clerk.

Chairman Christie asked about the Transportation Fee. Ms. McClain stated that it is a \$5.00 flat rate surcharge that is transferred to the Municipal Transportation Improvements Fund when residents register their vehicles. Ms. Griffin stated that this is used for Bike & Pedestrian improvements. Vice Chairman Rassias clarified that \$5.00 is the maximum amount that the Town can charge.

Chairman Christie asked about the Public Works Department becoming a partner with the accounting office. Ms. McClain stated that the Town has rudimentary networked accounting system and DPW is exploring a different way to enter invoices directly into the system of record. This may be brought to each of the Departments in the future. Ms. McClain stated that this would be a significant shift in the way that invoices would be handled.

Selectman Carter asked if this would take individuals longer. Ms. McClain stated that depending on the Department, it might be more work than they are doing now. Selectman Carter asked if their office could mandate this. Ms. McClain stated that the bulk of efficiencies were achieved by bringing DPW on board with this. They would need to weigh the benefits for the other departments. Ms. McClain hopes that ultimately the Town will go to bi-weekly payroll through negotiations with the unions and this would allow for Assistants to directly input the payroll.

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Ms. Griffin stated that the process also gives the Departments real time information regarding their accounts.

Town Manager/Board of Selectmen

Ms. Griffin stated that there are no significant changes in the Town Manager's budget or the Board of Selectmen's budget.

Ms. Griffin noted a reduction in revenue in the Board of Selectmen's budget which is due to \$55,000 in fundraising proceeds for the Etna Library project which won't appear again in next year's budget. Ms. Griffin stated that there is \$92,000 projected in franchise fee revenue from the cable television franchise agreement and of this amount \$50,000 goes to CATV to support public access television; the rest of the amount goes to the General Fund.

Chairman Christie asked about the plan for the Town Report distribution. Ms. Griffin reported that they plan to make the Town Report available on-line and mail the warrant and background information to all residents for the actions to be taken at Town Meeting. Ms. Griffin stated that this is in lieu of sending the whole Town Report and they have significantly reduced the number of Town Reports that are printed. There will be a series of transaction ads and they will offer to mail one to anyone who is interested.

Vice Chairman Rassias asked how many reports are being printed now versus the 1,100 that used to be done. Ms. McClain stated that they now print 600 reports and she clarified that they used to print 1,500. Ms. Griffin stated that they have kept track of the number of reports that have been left over the previous year and this helps them determine the next year's amount. She noted that people appreciate that it is available on-line or they can get a hard copy or it can be provided on a CD.

Selectman Carter asked if Ms. Griffin could foresee a time when citizens could ask to not have anything mailed to them. Ms. Griffin felt that the majority of residents won't communicate this to the Town and if it gets delivered to their home, it is a reminder that Town Meeting is coming up.

3. APPROVAL OF MINUTES:

- February 25, 2013
- February 27, 2013

The Minutes of February 25th & 27th were postponed for approval at one of the upcoming Board of Selectmen's meetings.

4. ADMINISTRATIVE REPORTS.

Ms. Griffin reported that there are a couple of properties in the West Wheelock Street Corridor that are potentially becoming available for redevelopment. The Affordable Housing Commission is looking for a new planning project. Ms. Griffin stated that Vicki

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Smith has been working with the Commission and there is an organization named “Plan NH” that does a free community charrette which would consist of architects and land planners coordinating a community planning process. It was suggested that the Town put in an application for a charrette for the West Wheelock Corridor looking at the potential for affordable housing that would be designed to accommodate the college population since it’s in close proximity to the campus.

Ms. Griffin stated that the goal is to solicit the interest of Plan NH to come to a charrette with the Affordable Housing Commission and Dartmouth College to envision what this West Wheelock Corridor could look like with redevelopment. Ms. Griffin noted that the general consensus when driving through the area is that it is older housing nearing the end of its useful life.

Chairman Christie asked for clarification about the wording “un-utilization of the land area with increased density being desirable outcome.” He is concerned about the public interpreting this in a certain way.

Vice Chairman Rassias asked if the Master Plan supports this effort. Ms. Griffin stated that it does. Chairman Christie suggested wording as long as it doesn’t jeopardize funding to read “onto this busy corridor, lack of comprehensive design, intent and utilization of the land area.” He felt that they should indicate what the challenges are such as the number of driveways; lack of a cohesive design; and the utilization of the land area. Selectman Buckey provided suggested wording, “properties would be changing hands in this area which provides an opportunity to discuss driveways, growth and utilization of the land.”

Chairman Christie MOVED to Authorize an Application to Plan New Hampshire for a Charrette for the West Wheelock Corridor to Pursue Potential Affordable Housing in that Area. Selectman Geraghty SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO AUTHORIZE AN APPLICATION TO PLAN NEW HAMPSHIRE TO A CHARRETTE FOR THE WEST WHEELOCK CORRIDOR TO PURSUE POTENTIAL AFFORDABLE HOUSING IN THAT AREA.

Ms. Griffin stated that there is an individual hoping to join the Planning Board. Ms. Griffin asked Chairman Christie and Selectman Carter to follow-up with the applicant to get a sense of the person’s background and interest.

5. SELECTMEN’S REPORTS.

There were no Selectmen’s Reports.

6. OTHER BUSINESS.

There was no Other Business.

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7. ADJOURNMENT.

Selectman Buckey MOVED to Adjourn the Meeting. Selectman Carter SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 10:12 P.M.

Respectfully Submitted,

Nancy A. Carter, Secretary

Minutes prepared by Elizabeth S. Rathburn.

SUMMARY

- 1. Chairman Christie MOVED to Authorize an Application to Plan New Hampshire for a Charrette for the West Wheelock Corridor to Pursue Potential Affordable Housing in that Area. Selectman Geraghty SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO AUTHORIZE AN APPLICATION TO PLAN NEW HAMPSHIRE TO A CHARRETTE FOR THE WEST WHEELOCK CORRIDOR TO PURSUE POTENTIAL AFFORDABLE HOUSING IN THAT AREA.

- 2. Selectman Buckey MOVED to Adjourn the Meeting. Selectman Carter SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 10:12 P.M.