

FINAL

BOARD OF SELECTMEN'S MEETING

February 25, 2015

5:00 P.M. – MUNICIPAL OFFICE BUILDING – HANOVER, NH

The meeting of the Board of Selectmen was called to order at 5:00 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 Public Comment. There were no comments from the public.

2. 1st BUDGET HEARING:

Chairman Christie stated that the budget process started back in the fall when the Board set a tax rate target of 2.5%. He noted that this was significantly above the former budgeting policy which would have been no greater than 1.5%. He stated that Betsy McClain (Finance Director) advised the Board that without changing anything the increase would be at 6% to 7%. The Department Heads were able to bring the budget forth at exactly 2.5% with a list of items that were cut to reach that target.

Town Manager's Presentation

Ms. Griffin stated that a 2.5% tax rate increase results in an increase in the municipal general fund tax rate from \$4.54 per \$1,000 to \$4.65 per \$1,000. She stated that she was forced to cut about \$400,000 out of the first draft of the budget in order to meet the target but none of the cuts have a devastating impact on the department or services.

Ms. Griffin reported that the Fire Fund proposed budget requires a tax rate increase of about 3%; the Fire District rates are a blended rate. The overall expenditure for all funds is \$2,209,469 which is a 9.3% increase across all funds but it reflects several major capital purchases or projects. The acquisition of 46 Lebanon Street required a prepayment of a portion of the proceeds.

Ms. Griffin noted that when they back out the funded reserve contributions and capital projects, there is an overall increase of \$871,681 (or 3.8%) over the current year's budget which is not the tax rate increase.

Ms. Griffin stated that Mike Ryan (Assessor) estimated \$14 million in increased total assessed value which is conservative. This generates another \$63,560 in tax revenue.

Ms. Griffin reported that they are not assuming any increases with regard to revenue sharing from the State. She stated that it is too early to tell whether the State's budget will

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impact the Rooms and Meals Tax Revenue and the Gas Tax proceeds. If the Governor's budget is approved there would not be an increase however the law incorporates a scheduled increase in Rooms and Meals tax revenue. The Governor's proposed budget postpones this for one year.

Ms. Griffin reported that building permit revenue and motor vehicle registrations are up this year but they are remaining conservative and will not project an increase in this budget.

Ms. Griffin reported that expenses across all sections of the general fund budget reflect an increase of \$345,000 to implement the Class and Compensation Study. This study was completed last summer by Condrey Associates and she noted that it was last done approximately 14 years ago. Ms. Griffin noted that all job descriptions were reviewed and then recommendations are made to more accurately reflect the current job tasks and expectations. The Town of Hanover was compared to 37 other communities that are similar in population size as well as sophistication of services provided. The Town determined that they wanted to be at 70% of comparable salaries for comparable positions in comparable communities. Ms. Griffin stated that they had to find reductions in areas to accomplish this.

Ms. Griffin reported that the Town was not hit with a substantial health insurance increase (2.9%) and the retirement contribution increase is set at \$32,000 in the General Fund and \$52,000 town-wide which is relatively low. Ms. Griffin noted that the Town can expect an increase in retirement system contributions every other year and the next one will happen July 1, 2017.

Ms. Griffin stated that there are no other significant increases in the General Fund. She noted that Betsy McClain is unable to attend the budget hearings.

Chairman Christie asked about the Fire Fund increase at 2.28% which is below the 2.50%. Ms. Griffin stated that the tax rate is at 3% but there is some revenue in the Fire Fund that brings this down to 2.28%.

Police Department

Vice Chairman Rassias invited Chief Dennis to speak to the Board about the Police Department budget. He clarified with Ms. Griffin that 1% on the tax rate is equal to just under \$90,000.

Chief Dennis introduced his staff; Doug Hackett, Communications Coordinator, and Elizabeth Rathburn, Administrative Assistant.

Chief Dennis stated that the main drivers of the budget are personnel related with annual merit increases, cost of living adjustments and the results of the independent classification and compensation study that was completed in 2014. He stated that overall he feels that he is presenting a conservative budget. This budget includes the replacement

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of fleet vehicles, dispatch radio consoles, and dispatch recorder system that captures audio and data from incoming calls and radio transmissions. He noted that they were able to reduce the withdrawal from the capital reserve line due to Doug Hackett's ability to secure a grant in the amount of \$175,000 for the dispatch radio console.

Chief Dennis noted that one item that was cut from the budget but is included in the narrative is \$20,000 for an upgrade to the 3 traffic signals on South Main Street. Although this was removed from the budget, he plans to look for savings in this year's budget to possibly move forward with that.

Chief Dennis stated that some of the major changes to the budget don't have the largest financial impact but will be significant in making the department more progressive. He noted that in the patrol division they increased the training line item to \$7,500 from \$1,000. This additional funding is necessary to continue to provide officers with up to date training to ensure that they are following best practices and that the department remains professional and modern. He noted that with a training budget of \$1,000, this comes to under \$60 per officer so this has been increased to about \$500 per officer.

Chief Dennis noted an increase in training for Investigations which includes the cost for a new program called "You Have Options" which is a sexual assault response program for law enforcement which is based out of Ashland Oregon. This is a victim centered and offender focused program with a cost of \$3,100. Chief Dennis reported that training for Dispatchers was also increased to \$3,800. He stated that he feels that all of these are important to ensure that the department is sharp, progressive and professional.

Chief Dennis reported that he just completed his first 8 months as the Town's Police Chief and during that time he completed the required NH Law Package and obtained his certification as a full-time officer. He stated that he is very proud about his ability to work with his staff and noted that Lt. O'Neill was in the audience and he does a wonderful job for the Parking Division. He noted that he took the time to meet with all staff individually to learn their perspective about the agency as to the strengths and weaknesses. He stated that through this process he established regular meetings with staff including an Employee Relations Committee to further enhance internal communication, teamwork and employee engagements.

Chief Dennis reported that he helped continue to strengthen and build the relationship with Dartmouth. He noted that through those conversations and recommendations from HPD staff, they revised the alcohol policy and so far he has not had any complaints internally or externally. He noted that he also formed a committee consisting of the midnight shift officers to continue to evaluate the changes to the alcohol policy.

Chief Dennis reported that the department transitioned the Diversion Program by partnering with Valley Court Diversion who now provides this service. This transition to a regional provider allows the department to join the majority of Upper Valley law enforcement agencies already using their service. This also results in a small decrease in revenue but also a decrease in expenses and significant staff time.

Chief Dennis reported that there is a small increase for the Rape Aggression Defense Program (RAD). This is a small increase to train a female officer as an instructor and to continue to provide this free training to our community members. He noted that the department partners with Dartmouth who also has a RAD program.

Chief Dennis stated that the Police Department is proud about the Coffee with a Cop program. He noted that they had about 50 people attend the first event at Umpleby's and the second event is tonight at Collis. He stated that they are planning on having another event in April at Kendal and then they hope to schedule one this summer in Etna.

Chief Dennis noted that he continues to encourage officers to walk through the schools and build relationships.

Chief Dennis reported that he brought in an outside consultant to conduct an audit of the evidence room and to recommend best practices, review the physical structure and security. Subsequently, they implemented a bar-code system and were able to send their evidence tech to his first property and evidence training in 16 years.

Chief Dennis stated that if the budget is approved as proposed, there are no areas of major concern. In the coming months the focus will be to fill the vacancies created by the retirements and create a new command staff for the department. There were 3 major retirements including the Detective Captain, Lieutenant and one Sergeant. These officers retired with over 73 years of combined experience at the Hanover Police Department.

Vice Chairman Rassias asked if the patrol staffing level is where he wanted it to be for now. Chief Dennis stated that with his transition as Chief and with getting command staff in place they can review and analyze the call load and how busy they are, and to determine what the community needs and what the expectations are. He stated that this is where the Coffee with a Cop event is important as they hear directly from the community members.

Vice Chairman Rassias asked what the staffing level is from day shift to night shift. Chief Dennis stated that the department has a total of 20 sworn officers that is authorized by the Town. The minimum staffing level is 2; 64% of the time there are 2 officers working and at other times there are 3 working.

Vice Chairman Rassias asked about patrol overtime. Ms. Griffin noted that although it is an increase from last year, it is never enough. She cut money out of this line item to reach the target but there are anticipated salary savings that will allow them to over expend in the overtime line item.

Vice Chairman Rassias noted that the cruiser fleet replacement is on schedule but it seems like these cars were just purchased. He noted that when they transitioned from the old Ford Crown Victoria cruisers, they were kept longer than recommended which

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resulted in a huge expense. Ms. Griffin noted that the transmissions failed and it cost a lot of money.

Chairman Christie noted that a resident had a concern about the look of the cruisers and it was suggested that maybe the department could find something kinder and gentler. Vice Chairman Rassias noted that he liked the look of the cruisers.

Vice Chairman Rassias asked whether the traffic signal expense is being moved from this budget. Ms. Griffin stated that with Lt. Evans departure, the Department of Public Works is inheriting the task of maintaining the traffic signals. She felt that this would be transitioned to the DPW budget over time. The suggestion was to appropriate \$20,000 to improve the sequence of the 3 signals on South Main Street to ease traffic flow which is an upgrade to the existing equipment. The signal at Lebanon Street and Summer Street will be replaced as a capital project in this budget.

Chairman Christie noted that the Town did not want to wait to order the cruisers but they were not available so the “experiment” of holding on to them for extra time gave them valuable information as to why these need to be replaced on schedule.

Vice Chairman Rassias asked about the Humane Society expense. Ms. Griffin stated that this amount is based on the agreement with the Town.

Vice Chairman Rassias noted that the statistics for sexual assault have increased and he asked whether this was due to an increase in reporting or an increase in incidents. Chief Dennis stated that it is probably a little bit of both. He noted that sexual assaults is a type of crime that is highly under reported but Dartmouth is doing a good job with their programs to encourage victims to report. He stated that with the You Have Options program, it is anticipated that the department will see an increase in reporting.

Vice Chairman Rassias noted an increase in drug violations stating that there have been a lot of reports in the papers recently about heroin abuse. Chief Dennis stated that there is an increase although Hanover has not seen a huge heroin increase but it is in surrounding areas. He felt that the increase in the drug violation statistic was due to good police work and being in the right place at the right time.

Vice Chairman Rassias noted that the Dispatch Center not only serves Hanover but also 20 other communities with a huge geographical range. Mr. Hackett stated that from the north they serve from the Topsham/Orange VT line to the Cornish/Claremont town line.

Chairman Christie asked about new equipment. Mr. Hackett stated that the new equipment is the radio consoles which they started reserving money toward back in 2002. He noted that they were very fortunate to get the grant for \$175,000 from the NH Homeland Security out of the \$239,000 purchase price. He stated that because they have that funding they were able to replace the audio recorder for radio & telephones which would have been required as the new technology for the radio consoles is incompatible with the old recorder.

Ms. Griffin stated that the town has benefitted from a significant amount of Homeland Security grant funds. The State knows that Hanover is serving a large number of communities. The grant funds have strings attached and reporting requirements and it would be a shame to lose that source of funding because it has saved the taxpayers money. If there is a significant funding reduction from Homeland Security, Hanover could be affected.

Selectman Geraghty asked if any funding was available through Vermont since the Dispatch Center serves towns there. Mr. Hackett stated that last year they were able to secure two radio sites for the fire simulcast system; a site in Hartford Vermont which was funded to Hartford and the Corinth/Topsham fire group was successful in obtaining a simulcast site through V-Comm which is the Vermont side of Homeland Security.

Chairman Christie thanked Chief Dennis for his presentation and he stated that they have been impressed with the changes to the Diversion Program, the ambulance response and Coffee with a Cop.

Parking Division

Vice Chairman Rassias asked Lt. O'Neill to speak to the challenges and concerns about his budget.

Lt. O'Neill stated that he wanted to make a recommendation to increase metered parking revenue from the \$620,551 listed in the budget to \$650,551. He stated that he recently noticed an error in the amount of \$30,000 in revenue that will be generated from credit card activity at the parking meters that was not included in the submitted budget.

Lt. O'Neill reported that meter revenue collected after this budget is approved will represent collections from the entire parking meter system priced at the higher hourly parking rates adopted over the past two years.

Lt. O'Neill reported that parking fines, fees and permit sales are revenue drivers that are stable with no large changes. He noted that the Hovey Lane permit revenue increased approximately \$7,500 after adding spaces and encouraging employees to choose long term options over using customer spaces.

Lt. O'Neill stated that on the expenditure side, the equipment line item was reduced by \$148,338 reflecting last year's completion of parking meter purchases. He noted a 3% increase over last year to support public transportation (Advance Transit) which covers fixed routes in Upper Valley Areas, the downtown Dartmouth loop that transports employees from parking lots to the central business district and campus as well as funds for new rideshare program to a total of just over \$234,000.

Lt. O'Neill reported that \$62,000 in fees is budgeted for processing credit card transactions for several types of parking services. He noted that this is up from \$41,768

last year and is partially offset by \$20,000 in convenience fees. In the first 12 month period that single space meters accepted credit cards, 130,000 transactions were processed; an additional 18,000 transactions were recorded during this period for payments made by credit card for fines, permits and stays in the parking garage. The total transactions processed will likely increase substantially over the next year due to an additional 227 credit card capable parking meters installed last fall.

Lt. O'Neill stated that a \$44,000 draw from equipment reserves will fund the replacement of two aging parking meter kiosks at \$19,000; and sealing exposed brick at the parking garage at \$25,000. He noted that \$105,000 will be added to reserves for future equipment and maintenance expenditures.

Lt. O'Neill stated that several Town departments provide valuable services to the central business district and parking systems. This includes parking maintenance and snow removal by public works, vehicle maintenance by fleet; safety and security provided by the police and the dispatch center plus support to the Parking Division from administration and clerical staff; and computer related expenses through the IT Department for a total expense of \$406,000.

Lt. O'Neill stated that he is most proud of the single space parking meter conversion and expressed his appreciation for his parking staff for their hard work as well as Corey Stevens and Gerry Macy for their help in cutting meter posts for the meter housings again this year. Lt. O'Neill stated that he is proud of Betsy McClain's staff and Mike Ryan's staff who provide clerical support to the Parking Division.

Lt. O'Neill stated that he is encouraged about this budget due to the recent meter rate increases which enabled them to budget additional contributions to reserves that will help the Parking Division to continue to be good stewards to the parking facility and the parking system.

Vice Chairman Rassias noted that they were able to adjust staffing levels from the new technology and asked if the division is appropriately staffed. Lt. O'Neill stated that they are appropriately staffed and they have saved over \$100,000 by reducing some full time positions. LT. O'Neill noted that the Town Hall staff were able to pick up the work required and they are able to cover each other.

Vice Chairman Rassias noted that the parking budget is completely self funded. He noticed the decrease in meter revenue and asked whether people have enough access to the commercial district parking. Lt. O'Neill stated that he approaches the meter revenue conservatively. He stated that they converted 2/3rd of the new parking meters last year with the new rate structure. He noted that they were late in installing the meters but there is an additional \$30,000 which brings it close to the budgeted revenue from last year. Lt. O'Neill is looking forward to seeing the results of the next 12 months.

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Vice Chairman Rassias asked if access to the downtown district is improving. Lt. O'Neill stated that he believes that it is. There are more people purchasing Hovey Lane permits and taking advantage of the parking garage. Vice Chairman Rassias noted that there is a discounted rate for people parking in the garage after 9:00 a.m.

Selectman Buckey noted that he heard from one business owner that there were meter feeders due to the reluctance of people wanting to park in the lot on Maple Street due to the lack of lighting. Ms. Griffin stated that she will make a note to have Mike Chase look at this.

Vice Chairman Rassias asked whether they are losing money on credit cards. Lt. O'Neill stated that the fees are being passed along for the single space meters but not for any of the other credit card transactions. The Town is going to receive about \$20,000 in convenience fees to offset the costs. He noted that the cost is about \$.25 per transaction.

Vice Chairman Rassias asked if they should be raising the amount that they are charging. Lt. O'Neill reported that people who use a credit card are more likely to add additional time to the meter.

Selectman Carter asked whether people who use a credit card at the meter are subsidizing the people who are using credit cards to pay for other parking services. Lt. O'Neill stated that the people that are using their credit cards for other purchases may be paying for a \$10 parking ticket or \$110 for a parking lease in the garage versus \$.50 at a parking meter.

Selectman Carter asked if there are transaction fees for those who are paying for leases. Lt. O'Neill advised that there are not. Selectman Carter noted that it was interesting that people who are charging larger amounts of money are not paying fees.

Selectman Geraghty asked if this was a percentage or a flat fee. Lt. O'Neill stated that there is a \$0.20 fee no matter what amount they are charging on the card for the meters. He noted that it is complicated to determine the rate because some have a flat fee and then a percentage on top of that. Selectman Geraghty noted that they were able to save money in staff related costs.

Lt. O'Neill stated that with regard to the parking fines, over 50% of transactions are paid on-line and he noted that transactions by mail have decreased dramatically. Ms. Griffin noted that the customers were asking for the ability to pay for this on-line.

Selectman Geraghty stated that this is a successful change in behavior and staff should feel good about that. Ms. Griffin stated that the parking study came in handy and they have realized savings by following the recommendations. Lt. O'Neill stated that 32% of transactions at the meters are paid by credit card.

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Howe Library

Mary White, Library Director, reported that the big driver in the budget is personnel which make up 96% of the budget. She stated that the partnership with the Howe Library Corporation is so important as they provide more than \$40,000 for library materials and they pay more than \$17,000 for all of their programs.

Ms. White stated that things are steady with personnel and she noted that only 7 are full-time and 13 are part-time with no benefits. The Class and Comp study was not originally included in this budget so the personnel line will change a little bit. Ms. Griffin stated that the General Fund can cover the increase with no changes. Ms. White noted that in 25 years they have only increased staff by 3.3 full time equivalent (FTE) positions.

Ms. White reported that the two Little Free Libraries have been a great success. She noted that Summer Sundays will happen again this summer. She reported that The Howel Classic is happening again and they usually bring in about \$28,000 and this will be their 5th year. She noted that the event will take place on Saturday, March 21st which will be adults only as alcohol will be served and tickets are \$50 per person; the Howel Open takes place on Sunday, March 22nd from 11 a.m. to 4:00 at a cost of \$5.00 per person for family and friends.

Ms. White reported that there is a new Literacy Committee on the Howe Board and for the month of February they are asking citizens for donations of gently used children's books. She noted that they have at least 500 books that are being donated to the three non-profits.

Ms. White stated that she doesn't have any concerns about the budget. She stated that the Evergreen Library system is going well and it is free so they have been saving taxpayers tens of thousands of dollars and they continue to help other small libraries.

Selectman Carter noted that the budget includes the cost of a server and there is an increase in the number of computers that need replacement. She stated that she is impressed with how many people use the computers and noted that Hanover is one of the few places on the Appalachian Trail user system. Ms. White stated that she loves the philosophy of the Town and the Howe Library allowing everyone to use the computers. The replacement of the copier is the staff copier. Ms. White stated that the technology line varies from year to year based on the replacement schedule. Ms. Griffin noted that hikers of the Appalachian Trail will send thank you notes for the free computer access.

Selectman Carter noted that there was an increase in personnel costs due to a clerical error but that there was not a large change there. Ms. White stated that there will be some changes due to the class and comp study as well.

The Board thanked Mary White for her presentation.

Etna Library

Barbara Prince, Etna Library Director, was present to speak to the Board.

Ms. Prince provided the Board with information about an upcoming event in which Kevin Martin, Author of *Big Trees of New Hampshire*, will be at Trumbull Hall on Sunday, March 1st at 2:00 p.m. The Etna Library Trustees and staff are proud of improvements to the library building which is now accessible and has increased space for reading and computer use and they have more space for children to use the library after school and for homework. She noted that they have had an increase in circulation which may be due to the safe and accessible entrance to the library with the parking lot improvements and the afterschool craft program.

Ms. Prince noted that they are also proud of nature programs that are co-sponsored by the Hanover Conservancy which has also been made possible by the Town's purchase of the Hayes Farm park land and the bird sanctuary attached to that. She noted that in FY2014, they were able to hike the King Bird Sanctuary with Gail McPeck; a walk with Ellen Hahn; a butterfly walk with Karen Kluge and a photography walk with photographer Jim Block on that land. Ms. Prince noted that Adair Mulligan from the Hanover Conservancy will be adding information about the Grafton County champion trees in the Balch Hill area at the talk on Sunday.

Ms. Prince stated that they are also proud of co-sponsoring local history programs with the Hanover Historical Society. In May, they had a Dartmouth Professor Emeritus, Jere Daniell, present *Town and Village in New Hampshire, the Special Case of Etna* which had over 100 people in Trumbull Hall. She reported that this February, Ed Chamberlain presented the 7 Foster Brothers of Hanover Center and he gave a fascinating slide show about the family.

Ms. Prince stated that they are proud of their volunteers who shelve books and move items between the Howe and Etna libraries. She stated that the Etna Library runs the very successful annual Thanksgiving pie sales. She stated that between all of the programs and partnerships they have a growing sense of community in Etna.

Ms. Prince stated that as part of their budget they had asked for the ability to add 2 hours on Tuesday afternoons but that did not fit into the tax rate goal for this year. They would like to have more consistent hours which would help.

Vice Chairman Rassias asked for Ms. Prince to provide the hours of the library.

Ms. Prince stated that they are open Monday 2 p.m. to 7 p.m.; Tuesday 9 a.m. to 2 p.m.; Wednesdays 2 p.m. to 6 p.m.; Thursdays 2 p.m. to 7 p.m.; Fridays 9 a.m. to 4 p.m.; and Saturday 10 a.m. to 12:00 p.m. The volunteers work on Saturday and they are closed on Sunday.

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Selectman Carter stated that more young people are using the library for homework and she asked whether they are driving themselves or if they are dropped off by the bus. Ms. Prince stated that a bus does stop at the library and they can accommodate more students who would like to use the library. Ms. Prince noted that people are using the skating rink behind the library.

Assessing

Mike Ryan was present to speak to the Board.

Mr. Ryan noted that the drivers of his budget are personnel related. He noted that his clerk has done a lot of the processing for parking tickets so 20% of her salary is charged to the Parking Fund. He noted that increases in salaries are due to the class and compensation study.

Mr. Ryan reported that another big driver is the revaluations but this won't be coming up again until 2018 and they have discussed doing a statistical update at that time and then conduct a full revaluation in 2023.

Mr. Ryan reported that they have an expense of about \$8,000 in IT software and maintenance. Mr. Ryan stated that one of their accomplishments was to put the assessors' maps on the website which was done with the help of the IT Department. He noted that they put the print models on there as well which a lot of the professionals prefer over the standard website presentation.

Mr. Ryan stated that there were no major concerns about this budget.

Mr. Ryan referred to the tax base analysis which reflected the impact of the recession. In 2008 they had a ratio of 94% and then in 2009/2010 this went up to 97% which means that the values were low in relation to the assessments. In 2012 this was up to 102% which meant that they lost some ground during that time. The revaluation was done in 2013 and there was a shift that was appropriate. They are now at 89% and he thinks they may be at 88% when the State finishes their reporting. He stated that the Town saw a little resurgence last spring when the inventory was down in the in-town area where values were going up. Mr. Ryan noted that the inventory of the market is really low right now and they are heading into the buying season.

Selectman Geraghty asked what the desired percentage number is with regard to the tax base analysis. Mr. Ryan stated that if the Town does an update and the tax base goes up 20% this doesn't change any of the money in the budget. This would be spread out across the board and by statute they need to do a revaluation every five years and as long as the measured dispersion (how the assessments are reactive to market value) remains fairly competitive there is not a lot of concern.

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Chairman Christie asked whether they are targeting to be at 100% in a revaluation year. Mr. Ryan stated that the goal is to get between 95% and 100% and they are figuring this in arrears (from April 1st back) and they are looking at sales behind them. The State looks at the ratio for 12 months from October 1st and September 30th so sales are coming in 6 months after they have done the majority of the work that affects the ratio. Ms. Griffin stated that at times this is affected by what is happening on campus. She noted that there is currently an approval of construction for a new dormitory as well as some substantial remodeling projects. Mr. Ryan stated that looking back to 2005 there were substantial construction projects with Dartmouth dorms which were contributors to the rates.

MIS

Corey Stevens, IT Director, was present to speak to the Board. He noted that his budget is pretty straightforward and the overall budget is down 2%. The driving factors are the fluctuation of the number of computer replacements each year and the various software requests. There are a couple of small increases in some areas and decreases in others. He doesn't have any big concerns but noted that he spends a lot of time trying to keep up with technology.

Mr. Stevens stated that one accomplishment over the last year was the transfer from the Pop 3 e-mail system to the exchange system which was done last June. He noted that there is always a growing demand for on-line software, wireless, and public access. He noted that previous to this year they had relied on free Comcast lines at both libraries and the Black Center. The line was unreliable so they bought and shared a dedicated line and were able to double the speed of their purchased line with help from the Howe Corporation at \$500/month for 50 megs and they are now at 100 megs for \$640. He noted that the Howe Corporation funded the difference since the demand came from the public side of the Library and the Recreation Center.

Mr. Stevens stated that the Etna Library was on a free Comcast line which they maintained for their wireless but they are on a dedicated leased line fiber through FastRoads so they are connected to the Town. Since they have a Town phone, they can take advantage of the 4 digit extension and can connect to the Howe Library.

Mr. Stevens stated that they have some revenue from conduit licensing. There are companies using the underground conduit on South Street and Currier Street which is currently in use by 5 companies. There are license agreements out to all 5 and 3 have been signed. This creates some revenue for the first time in the IT Department. Ms. Griffin stated that he Town discovered that the companies started using the conduit and are now being charged \$1.05 per linear foot per year.

Selectman Carter noted that the desktop computers are replaced on a 4 year cycle. Mr. Stevens stated that this refers to all computers and there are some years that are heavier than others but it is spread pretty evenly. Selectman Carter asked whether he can keep up with the demand. Mr. Stevens stated that there are peaks and valleys of demand and they have also been able to lean on consultants for more advanced things.

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Mr. Stevens stated that they have been able to conduct on-line back-ups and monitoring which is part of Red River Company's responsibility. Selectman Carter asked if Mr. Stevens' department receives any help from other departments to create any kind of technology assistant. Mr. Stevens stated that for the most part this is beyond most of the staff however Doug Hackett is good with conducting IMC updates and maintenance at the police department. He noted that they used to have people help here and there but the technology is ever changing. Mr. Stevens noted that Gerry Macy works 21 hours per week.

Chairman Christie asked about security concerns. Mr. Stevens stated that there are always security concerns. He stated that they took steps to update security a few years ago. They have a firewall and a Fortinet device which limits internet access for staff. He can limit access to specific websites and the Town does not maintain social security numbers or credit card information so the risk is smaller here.

Human Resources

David Stewart, Human Resources Director, was present to speak to the Board. Mr. Stewart stated that he is beginning his 3rd year and it is a privilege to work with the employees of this Town. He is impressed with how they go above and beyond the call of duty to get things done.

Mr. Stewart stated that they continue to take a lean approach to the budget and the personnel costs are the driver of his budget as well. The class and comp study impacted this budget. The advertising component will be eliminated and each department will be responsible for the costs of advertising for positions within their respective departments. Ms. Griffin stated that this can be absorbed by the salary savings of the departments in need.

Mr. Stewart stated that they have increased their professional development line item to make sure that they keep up to date on their compliance obligations. He noted that in January, 2016 the IRS reporting obligations will begin regarding the Affordable Care Act and they will need to report the coverage of all employees. The law makes it incumbent upon the employer to gather the required information for reporting including reaching out to employees and their dependents to get pertinent information. This will impact their day-to-day workload and experience.

Mr. Stewart stated that they are pleased with the successful recruitment of the Fire and Police Chiefs. He noted that his department worked to refine the class and compensation information so that it's ready for implementation as of July 1, 2015. He reported a major increase in employee participation in health and wellness events; the attendance at the last biometric screening resulted in 94% of spots available being filled. Employees are taking a more active role in maintaining their health.

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Mr. Stewart noted that the reported FTEs (full-time equivalent) reflect a .5 growth in Planning and Zoning. He feels that the Town has done well in controlled the growth of FTE positions.

Chairman Christie noted that in looking back at the staffing levels for the past 5 years there has been strong management in this area. Mr. Stewart stated that part of this is the willingness of employees to do more and be creative.

Ms. Griffin noted that the impact of the retirement system increases and health insurance costs are included in the budget and Ms. McClain monitors this closely to determine the estimated costs based on the employees potential for coverage.

Selectman Carter noted the list of FTEs for Planning and Zoning and asked about the change in that number. Ms. Griffin stated that they accounted for the inspector position which is now part of Deputy Chief Frankenfield's position in the Fire Department so that part of the position in Planning and Zoning was eliminated. Ms. Griffin stated that she was waiting to see how the revenue projections were looking and they will now advertise for the Director position and the part-time Planning and Zoning position. Beth Rivard is working a lot of overtime hours.

Planning and Zoning

Judy Brotman, Zoning Administrator, was present to speak to the Board. Ms. Griffin noted that the department has done a wonderful job working without the Director position being filled. Ms. Brotman noted that both Jeff Andrews and Debbi Franklin left their positions in August. Ms. Griffin stated that they were able to get away with this for a while because of the lack of new construction but now she is aware that Dartmouth is getting ready for construction and these positions now need to be filled. She noted that there will be the renovation and expansion of the Hood Museum and then the Hopkins Center as well as dormitories and residences for faculty.

Selectman Carter stated that Judy Brotman and Vicki Smith work many hours. Ms. Griffin stated that there have been a lot of interesting projects requiring research and noted that staff has done a great job. Ms. Brotman stated that she was worried about their staff when they lost people in August. Ms. Griffin stated that this was where Jeryl Frankenfield stepped up to help.

Ms. Griffin noted that mileage reimbursement is probably under budgeted but she chose to not inflate some of these line items because there will be some savings in salaries to make up for this. She predicts that overtime will be reduced with the hiring of additional staff.

Ms. Griffin noted that they are conservative with regard to building permit revenue by looking at the growth year to date and projected straight line from there instead of anticipating increases. Selectman Carter confirmed that Mr. Ryan was talking about tax base with regard to taxable buildings but this revenue is related to permit fees. Ms. Griffin stated that federal and state buildings do not require permits but all other entities

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have to pay for a permit. Dartmouth dining halls and dormitories provide building permit revenue and tax revenue.

Ms. Griffin reported that \$3,500 was added to the Conservation Commission budget to pay for invasive species management at Hayes Farm, the Balch Hill management plan and a Wolfeboro Road gate. She was not able to include the \$27,500 for the Wilson's Landing development plan. There is a possibility that this may be funded through encumbrances as permit revenues are coming in stronger than anticipated.

Chairman Christie noted that Jim Kennedy and Vicki Smith worked very hard on this project and they have built neighborhood support for it as well. This would include an improved road, improved parking, a picnic area and plantings to continue to enhance the area. There are some funding options and he feels that there is value to build into the tax rate amounts to provide funding for the various groups to complete small projects. He noted tremendous community support for this project. Ms. Griffin stated that they could look at funding this over two fiscal years.

Selectman Carter felt that they could also ask the private sector to contribute toward these efforts. She would like the Board to consider whether Parks and Recreation is an old concept as she would like to see the Parks system become part of the Planning and Zoning area and separate out Recreation. She stated that with the change in personnel, it may be a good opportunity to review this. Vice Chairman Rassias noted that the Town continues to pick up parks and the Town may need to reassess how they are managing these properties.

Ms. Griffin noted that the Town does trail maintenance but they don't spend much money on it and in the future they may need to budget for this. The Town has dedicated volunteers on the Conservation Commission and the Trails Committee but this may change in the future. Chairman Christie stated that the money spent on these projects are of high value to the community. Vice Chairman Rassias would like to see some plans for the Wilson's Landing improvements.

The Board thanked Judy Brotman for her presentation.

Social Service Agencies

Ms. Griffin reported that the Town did not receive a funding request from Outreach House this year. She noted that although nobody from Tri-County Cap made a presentation to the Board, they did submit a request for funding in the amount of \$760. Ms. Griffin stated that Tri-County Cap is a great partner to the Town when they are dealing with cases of homelessness as well as fuel assistance. Ms. Griffin reported that Youth In Action are not funded through the social service agency budget but are funded through the Parks and Recreation budget. Spark Community Center does not meet the social service agency funding criteria.

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Ms. Griffin reported that \$2,500 was budgeted for Mascoma Valley Health Initiative in the regional health section of the budget which is not part of the social service agency line item. She noted that they requested more than \$2,500 but she did not feel that they could fund more at this time. She noted that she is now directly involved with the Initiative serving on the Executive Committee of the Public Health Advisory Council of the Upper Valley.

Chairman Christie stated that he appreciates the conservative nature of the requests as the majority of these agencies did not ask for an increase in funding. He would like the Board to consider adding 2.5% to the various groups that have not requested a funding increase out of respect for what they do. Ms. Griffin noted that one reason they have not requested an increase is their relationship with the Board of Selectmen and their continued support.

Administrative Services

Ms. Griffin reported that Betsy McClain and her staff have done a great job in tightening things up and they reduced a full time position as well as taking on more work assisting the Parking Division. There will be some fairly substantial alterations to the work stations in the Town office based on security recommendations. She noted that the countertops will be transitioned in appearance to look more like a bank teller's work area. She stated that this is a mandated change and they will be using savings from last year's budget that was encumbered to cover the cost.

Ms. Griffin noted that they will incorporate a work station for the police department which will provide additional presence in the building as well as additional contact. There are no significant changes to the budget.

Ms. Griffin stated that they will have a busy year with a national primary in January.

Selectman Geraghty stated that he appreciates the efforts to be more efficient and he noted that the professional development line item has not increased. Ms. Griffin stated that Betsy McClain insists that they are fine with regard to training and that they are active with the Town Clerk Association which provides useful education opportunities.

Unallocated Activity

Ms. Griffin stated that this is where most of the revenue projections come into play such as Rooms and Meals tax. She noted that the Town's health insurance is only increasing 2.9%. There is a budgeted draw down of undesignated fund balance for the procurement of the 46 Lebanon Street property and the hope is to not have to bond for the property. She stated that they may be able to fundraise for the gymnasium. The purchase price of \$494,000 could be funded from 3 different sources with \$280,000 being drawn from Undesignated Fund Balance; \$50,000 from Land and Capital Improvements Fund; and \$170,000 from General Fund Designated Reserve Fund. She reported that the Town has received \$354,000 from the HealthTrust over the past 3 years as a result of a decision

mandating that they return some of their fund balance back to the municipalities. This money is held in a reserve account and it is recommended that 50% be held in reserve for potential health insurance co-pays and the other 50% toward the purchase of 46 Lebanon Street. These 3 expenditures would be reflected in the operating budget.

Chairman Christie confirmed that the use of this money would be for a one-time expense. Ms. Griffin noted that the remaining undesignated fund balance would be at 9.04% and they could use some of the funds for the Wilson's Landing Project. Ms. Griffin noted that they also have additional funds available in the Land and Capital Improvements fund and the construction of a public space is an eligible expense. Chairman Christie noted that these are legitimate uses but he is hesitant about going below 10% in undesignated fund balance.

Ms. Griffin reported that the NH Retirement System contribution and Worker's Comp increases are part of this budget. She noted that Worker's Compensation coverage negotiations are on-going.

Ms. Griffin noted that there are two outstanding debt service items; R.W. Black Center and the payment to the Dresden School District. She noted that there were some savings in legal services because the Planning and Zoning office was not as active.

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Ms. Griffin reported that there were no significant changes and no new initiatives. Selectman Carter asked about Town Report production. Ms. Griffin stated that they are now down to tossing one or two cartons each year. The vast majority of people are looking at it on-line or picking up their copies at Town Meeting as well as other distribution areas throughout town. Some residents ask that their copies be mailed to them.

3. APPOINTMENTS.

Ms. Griffin reported that Joanna Whitcomb would like to be reappointed to the Upper Valley Lake Sunapee Regional Planning Commission for a 3 year term. She reported that Bill Mlacak would like to be appointed to the Conservation Commission.

Vice Chairman Rassias MOVED to Appoint Joanna Whitcomb to the Upper Valley Lake Sunapee Regional Planning Commission for a 3 year term and Bill Mlacak to the Conservation Commission. Selectman Carter SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO APPOINT JOANNA WHITCOMB TO THE UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION FOR A 3 YEAR TERM AND BILL MLACAK TO THE CONSERVATION COMMISSION.

4. APPROVAL OF MINUTES:
- January 26, 2015

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- February 9, 2015

Selectman Geraghty MOVED to Approve the Minutes of January 26, 2015. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MINUTES OF JANUARY 26, 2015.

Selectman Carter MOVED to Approve the Minutes of February 9, 2015. Vice Chairman Rassias SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MINUTES OF FEBRUARY 9, 2015.

5. ADMINISTRATIVE REPORTS

Ms. Griffin reported that she, Peter Kulbacki, Neil Fulton from Norwich and Richard Menge from Hartford Department of Public Works spent the day with Vicki Davis and Nate Miller from the Regional Planning Commission visiting two Vermont solid waste districts in Chittenden and Addison County. She stated that Vermont is ahead of New Hampshire with their ecologically sensitive approach to managing hazardous waste. This was part of the effort to work with Hartford to get the regional household hazardous waste facility going. Hartford has a vacant solid waste facility that was built over 20 years ago. Ms. Griffin noted that they also looked at 3 composting facilities as well as food waste and animal waste facilities. She reported that one was located on a 10 acre site. They continue to look at a regional facility in Hartford and the possibility of a regional food composting facility at the Greater Upper Valley Solid Waste District site in Hartland.

Chairman Christie asked if there were any funds built into this budget toward this effort. Ms. Griffin stated that Town staff has been loaned out to help with the facility in Hartford and Lebanon has volunteered materials and an electrician. The goal is to get an advisor to help set up this facility and to fund their operations through user fees. She reported that there is \$8,000 in this year's budget for the 2 household hazardous waste drop-off days which could be used toward this project.

Ms. Griffin stated that the next step is to focus on composting. She noted that the Town would need to determine how they would coordinate pick up and transfer material to the facility. The Chittenden facility is very low tech but high volume and successful and she noted that State of Vermont supports these facilities. She reported that Vermont has organized their State by solid waste districts.

Ms. Griffin reported that she will be testifying next week to testify before the legislature on a pole tax bill.

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Ms. Griffin reported that there are LED street lights on North Park Street, Etna Road and Hanover Center Road. Vice Chairman Rassias confirmed that the LED lights use 25% electricity. Ms. Griffin noted that this is a test pilot project by Liberty Utilities. She stated that any positive feedback should be sent to her so that she can forward this on to Liberty Utilities.

Vice Chairman Rassias noted that the Town is spending \$80,000 per year on street lights and they could reduce this to \$20,000/year. Chairman Christie asked if this could solve the problem around The Green. Ms. Griffin stated that the lights around The Green are a problem due to their height. She noted that some lights have been changed out on South Main Street.

6. SELECTMEN'S REPORTS.

The Select Board members had nothing new to report.

7. OTHER BUSINESS.

There was no Other Business reported.

8. ADJOURNMENT.

Vice Chairman Rassias MOVED to Adjourn the Meeting. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 7:55 P.M.

Respectfully Submitted,

Nancy A. Carter
Secretary

Minutes prepared by Elizabeth S. Rathburn.

SUMMARY

- 1. Vice Chairman Rassias MOVED to Appoint Joanna Whitcomb to the Upper Valley Lake Sunapee Regional Planning Commission for a 3 year term and Bill Mlacak to the Conservation Commission. Selectman Carter SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO APPOINT JOANNA WHITCOMB TO THE UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION FOR A 3 YEAR TERM AND BILL MLACAK TO THE CONSERVATION COMMISSION.

- 2. Selectman Geraghty MOVED to Approve the Minutes of January 26, 2015. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MINUTES OF JANUARY 26, 2015.

- 3. Selectman Carter MOVED to Approve the Minutes of February 9, 2015. Vice Chairman Rassias SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MINUTES OF FEBRUARY 9, 2015.

- 4. Vice Chairman Rassias MOVED to Adjourn the Meeting. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 7:55 P.M.