

FINAL

BOARD OF SELECTMEN'S MEETING

FEBRUARY 26, 2003

7:30 PM – MUNICIPAL OFFICE BUILDING – HANOVER, NH

The meeting of the Board of Selectmen was called to order at 7:04 pm by the Vice-Chairman, Katherine Connolly. Present were: Katherine Connolly, Vice-Chairman; William "Bill" Baschnagel; Peter Christie; Judson "Jay" Pierson; Julia Griffin, Town Manager; and members of the public.

1. PUBLIC COMMENT

There was no public comment.

2. 2ND BUDGET HEARING:

ADMINISTRATIVE SERVICES

Betsy McClain, Director of Administrative Services, and Sallie Johnson, Town Clerk/Tax Collector, presented this portion of the budget. Ms. McClain said the proposed budget recommended a reduction of 2% for non-comp expenses and a standard increase in comp expenses.

Selectman Baschnagel asked of the proposed \$2,000 drop in Professional Services. Ms. McClain explained that the decreased resulted from a renegotiation of banking fees.

Selectman Baschnagel asked of the projected 33% decrease in boat license registrations. Ms. Johnson advised of the State's action to distribute the annual boat registration renewal notices to the public prior to sending out the actual boat decals to the municipalities. She said anyone who renewed their registrations prior to the Town receiving the decals had to renew their registration through the State. The revenue figures were reduced to reflect the revenue she believed Hanover lost having to forward boat registration to the State.

Town Manager Griffin asked Ms. Johnson to explain the reduction in vendor permits. Ms. Johnson acknowledged the loss of the hot dog vendor who was the only person that participated in a nine-month vendor permit. She said to date, the Town had collected \$510 in this category from those people that utilized the daily permits.

Town Manager Griffin advised of William Desch's \$5,000 "Wish List" request to replace the voting booths. She explained that the existing booths were old and extremely heavy.

Selectman Pierson asked of the Transportation Fund Reserve activity to transfer \$35,000 in and out. Ms. Johnson said the Town collected a \$5 fee on every motor vehicle registration and deposited those fees collected into the Transportation Fund. Ms.

McClain explained that the transfer listed would move the projected revenue into a reserve account where it would stay until an action was taken at Town Meeting to appropriate it in some way. Ms. Griffin spoke of the Bike Path Committee's efforts to get this Fund started and of their desire to use some of this funding for bike related projects. Ms. Griffin suggested that the Selectmen consider funding a portion of the construction of the Buell/Hovey sidewalk "Wish List" item from this fund also.

Selectman Baschnagel asked of the \$1,000 investment into the Town Clerk Auto/Education line item. Ms. Johnson advised of State programs she participated in to become certified as a Town Clerk and Tax Collector. The proposed funding would enable her to complete the certification process in the Town Clerk position. Last year she achieved Tax Collector certification. The funding would pay for a one-week program in Concord. She said to save in the expense she would be commuting back and forth rather than staying in Concord for the week. That funding would also pay for two clerks to attend the Annual Conference for Town Clerks. Selectman Baschnagel believed that a number of the departments had increased this education line item funding and asked staff to produce a breakdown of funds proposed from each department.

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Town Manager Griffin said the only notable difference with this budget was that it recognized the revenue collected from Cable Franchise Fees from Adelpia and the transfer of those funds out to CATV.

Kari Asmus, of Etna, asked of the 39.7% increase in the Selectmen's salaries. Town Manager Griffin said the Board's salaries did not increase; the figure listed represented the Recording Secretary's expenses in both cost and amount of hours required. She noted that the Secretary provided wonderfully thorough minutes.

Selectman Pierson asked of the 48.5% increase to the Town Manager Education line item. Ms. Griffin said that increase would enable her to attend two annual conferences: the International City Manager's Association Conference (ICMA) and the New Hampshire Municipal Manager's Association Annual Conference (NHMA).

HUMAN RESOURCES

Town Manager Griffin presented this budget on behalf of Barry Cox, Assistant to the Town Manager/Human Resource Director, who was in California visiting with a new grandchild. Ms. Griffin said the only significant change in this budget was the 25.2% increase to the Personnel Costs Compensation Adjustment line item. She explained that these funds would be used to cover any compensation adjustment, from any of the General Fund departments, that were not anticipated or budgeted for in the individual departments' operating budgets.

Selectman Connolly asked of the \$1,000 proposed for selected ergonomic furniture. Ms. Griffin said these types of purchases for chairs, wrist rest, etc. had never been funded for before. She said due to the efforts of the Town's Employee Safety Committee and Primax's (the Town's Worker's Compensation provider) regularly conducted audits, she was suggesting that a small account be established to cover these purchases. Ms. Griffin said the 79.1% increase to the Non-Personnel Costs Supplies and Materials line item was also associated with a slight increase for retirement luncheons and gifts.

Selectman Pierson asked of the employee participation in the health club reimbursement program. Ms. McClain believed roughly 25% of the employees participated. Town Manager Griffin spoke of Debbi Franklin's, the Human Resources Assistant, efforts to increase the employee participation numbers and of the latest program, March into May, that was getting started.

Kari Asmus said typically personnel costs increased 4.5%, which represented a 2.5% cost of living increase and a 2% step increase. She asked why some departments occasionally listed a 6% increase. Town Manager Griffin explained that staff had changed their approach to estimating employees' costs. The new approach took into account the length of time an employee would be at one pay grade and then at another after receiving a pay increase. The larger increases listed reflected a correction from underestimating these figures the previous year.

ASSESSING

Mike Ryan, Director of Assessing, presented this budget. He said it included a 32.3% increase in Non-Personnel Costs Supplies and Materials to reflect a change in policy to now itemize postage used by each department rather than charging the entire postage fees to Administrative Services. An increase of 1.7% was also proposed for the Non-Personnel Costs Auto/Education line item due to the anticipated increase in field activity that will result from the revaluation. Mr. Ryan said of the overlay, in anticipation of the revaluation, what he proposed for funding was the \$206,000 balance that would be left in the account. He said over the last four years the abatements had been minimal, between six and twelve a year and involving minimal money. In a revaluation year, it would be realistic to expect upwards of 5% abatements, which would be between 150 and 170 appeals at the local level. He expected that the tax base would go to \$1.35 billion; 1% of which would be roughly \$13.5 million or \$265,000 in overlay. He noted that not every case would be adjudicated during the course of the year. Some would be carried into the next year. Mr. Ryan stressed that his numbers were very conservative. Town Manager Griffin said Mr. Ryan's original budget requested an additional \$50,000 for overlay.

Selectman Connolly asked Mr. Ryan to address his "Wish List" items. Mr. Ryan said the \$5,000 requested for Revaluation Reserve was most important. He believed he would need the balance from FY 2003 and some additional money in 2004 to successfully reach his goal to send the revaluation bills out in the fall. Town Manager Griffin said there had

been discussions to consider maintaining a \$5,000 budget line item over the years that could be transferred into a revaluation reserve for future updates.

Selectman Connolly asked of the date when Hanover's valuations would change. Mr. Ryan said it would change with the November/fall tax base.

Kari Asmus asked who would benefit from the internet connectivity. Mr. Ryan said that "Wish List" item would involve putting the entire tax card out on the web just as they are available now in the Town office for public viewing.

Town Manager Griffin advised that Mr. Ryan would be before the Selectboard again on Wednesday, March 5, 2003 to discuss the revaluation process further.

HUMAN SERVICES

Town Manager Griffin said this section included a combination of operations including the Community Counselor, Dena Romero; money budgeted for General Assistance, hardship tax abatement, and the Emergency Regional Medical Care; and funding for the various social service agencies that have submitted requests. This section also covered Dr. Boyle's efforts, as the Town's Health Officer, and Gary Quackenbush's work inspecting the Town's restaurants.

Dena Romero advised of her duties, which were jointly funded by the Town and School District. She said for the Town she assisted tenants of subsidized housing, managed the General Assistance caseload, managed the Hanover Alcohol Diversion Program, and was involved with the Community Substance Abuse Advisory Committee.

Ms. Romero spoke in support of the Town continuing to provide funding for the Substance Abuse Counselor who worked out of the Hanover High School and Richmond Middle School for a combined total of 3 days per week. Town Manager Griffin said she wrestled with that funding situation every year. She questioned whether it was appropriate for the Town to pay for a service provided to the Dresden School District.

Kari Asmus asked if Ms. Romero had any statistics on the geographical representation of the client based served. She suspected the services were well provided to those who lived close to downtown and asked if there was outreach to people who were not already in the circle of clients that utilized the services provided. Ms. Romero said there was probably not as much as there should be. She said she was dependent upon referrals but thought the information was out there.

Social Service Agencies

Town Manager Griffin advised of the funding requests made and of staff's proposed funding, which was as follows:

	<u>Request</u>	<u>Proposed Funding</u>
ACORN	\$ 2,000	\$ 2,000
Family Place	\$ 2,000	\$ 2,000
Grafton County Senior Citizens Center	\$ 8,200	\$ 8,200
Headrest	\$ 7,000	\$ 7,000
VNA	\$15,000	\$13,325
LISTEN	\$ 3,500	\$ 3,500
WISE	\$ 5,560	\$ 5,560
Youth in Action	\$12,000	\$12,000
West Central Behavioral Health	\$ 9,300	\$ 9,300

Ms. Griffin noted that the Town's funding to VNA increased significantly the previous year and that it was staff's recommendation to increase the current funding by a cost of living adjustment of 2.5%. She said copies of all applications for funding were available for review in the Town Manager's Office.

Selectman Baschnagel spoke of the Town of Hartford's change in policy with respect to this type of funding. They now require that this funding be put on the ballot by petition every year, which requires 450 to 500 signatures. Ms. Griffin explained Hanover's policy was to have new funding requests presented to the voters as warrant articles. After three years of successful appropriations of funding the request would be proposed as part of the operating budget. She said this would be West Central's second year as a warrant article.

Selectman Connolly asked if representatives from the various social service agencies wished to speak to their funding request.

Roberta Berner, incoming Executive Director of the Grafton County Senior Citizens Council, provided a handout on services provided by the Council detailing the number of units of service, number of Hanover residents served, and cost to provide those services.

Bob Murphy, Board member and past chair of the Visiting Nurse's Alliance and Hospice, noted that the VNA's request was the only funding request that was not recommended to receive full funding. He believed this funding issue was a matter of need and responsibility. He said about 80% of VNA's revenue came from Medicare and Medicaid funds and as such, their funding would be cut between 10% and 11% this year. He said in terms of equity and responsibility on the part of Hanover, the VNA conducted roughly 3,600 visits to Hanover over the past year. He said comparatively speaking, Canaan and Enfield, though smaller in population but roughly equal in services provided to those communities as compared to Hanover, provided \$14,000 (Canaan) and almost \$16,000 (Enfield) of funding to the VNA the previous year. Woodstock registered 25% fewer visits than Hanover but provided \$24,000 in funding. Lebanon registered three to four times more business than Hanover and provided \$76,000 in funding. He said Medicaid and Medicare underfunded VNA \$15.00 per patient for every visit made. The current

\$15,000 funding request to Hanover would represent only a third of that loss and roughly half of what Hanover should be paying.

Ms. Romero said for many years the Town of Hanover provided a significantly higher amount of funding to the VNA. She said a previous Town Manager expressed concern for the allocation of those funds. A Memorandum of Understanding was written and a new relationship was developed based on fees for service. She acknowledged a period of time when the Town began decreasing the amount allocated but could not recall the reasoning behind the decrease. She said the Town tried to rectify that situation last year by increasing the funding significantly. Selectman Christie asked of the magnitude of expense on the fee for service. Ms. Romero recalled paying as much as \$24,000.

Selectman Connolly asked that the VNA funding be put on the list for further discussion. Town Manager Griffin advised Mr. Murphy that the issue would be readdressed on Wednesday, March 5, 2003.

Kathy Geraghty, Director of Youth in Action, advised that Hanover received the highest impact from Youth in Action. Over 100 Hanover students participated in the program, as did many seniors. She said she appreciated the Town's funding and support.

Ron Michaud, Director of Community Relations and Development for West Central Services, thanked the Town for last year's appropriations. He reiterated Mr. Murphy's statement that agencies funded by Medicaid and Medicare were in trouble. He said West Central was looking at the possibility of having to cut \$700,000 from their budget. He explained that the State designated 10 regions for Community Mental Health centers and then designated official agencies within these areas that received funding. West Central was the official agency that provided mental health services to Southern Grafton and all of Sullivan County. Mr. Michaud said last year was the first year West Central had to seek funding from the municipalities they serve. As such, they approached the two cities, Lebanon and Claremont, and the five major towns in their service area, which included Hanover. This year they will approach every municipality located within that service area. He said in terms of Hanover they projected that they spent approximately \$27,000 on services provided to Hanover residents and were asking for one-third of that to be returned. He said he felt good about Hanover's support. He said the current recession and threat of war increased stress levels and created an increase in caseloads. He advised of a major fundraiser West Central was planning for the Hanover area that would be geared toward raising awareness on suicide prevention.

MIS

Corey Stevens, IT Director, said his budget did not involve a lot of changes from what was proposed the previous year. A 30.3% decrease was projected for the Supplies and Material line item. He reminded the Selectmen that this line item represented all of the supplies from all of the different department budgets. He said by combined purchasing, utilizing larger vendors outside the local area who offered better pricing, and conducting

better inventory control money was saved. A 13.6% increase was projected for the Auto/Education line item as several different line items were combined to create this one category. Town Manager Griffin noted that the Town was very dependent upon the services Mr. Stevens provided and said she was careful not to underfund this item. Betsy McClain advised of a change to budget \$3,000 for anti-virus software.

Selectman Baschnagel asked of the \$4,000 increase to the Professional Services line item. Town Manager Griffin believed that was related to security software.

Selectman Baschnagel asked of the 32.3% increase to GIS. Town Manager Griffin said some of that was charged out to the WWTP Fund and was related to the wastewater improvements.

Selectman Baschnagel asked Mr. Stevens of the dedicated line to the Etna Library and if it would be a DSL link. Mr. Stevens said there was new DSL technology available that made it possible to increase the length of DSL service. The problem was that its use would still be dependent upon the quality of the Verizon phone line it ran through from origination to destination.

Selectman Pierson asked how the charges to other departments were figured. Betsy McClain explained that charges that were not directly attributable to a particular department remained in the MIS budget. All others were charged out.

Selectman Baschnagel asked what became of the computers that were replaced. Mr. Stevens said that was depended upon the reason for replacement and the amount of useful life left in the computers. If useful at all to the Town, a computer would be shuffled somewhere, if not useful to the Town but still with sufficient useful life a computer would be made available for resale to Town employees. If a computer did not have any useful life left, it would be donated to the Valley Net computer swap for resale or recycling.

Selectman Baschnagel noted that nothing had been spent from the GIS line item in the current year. Mr. Stevens believed money had been spent and suggested the Town had not yet been billed.

Selectman Pierson mentioned Mr. Stevens' involvement with the redesigning of the new dispatch center and thanked him for his insight and efforts.

PARKS AND RECREATION

Town Manager Griffin said the big change to this budget proposal involved Hank Tenney's (the Director of Parks & Recreation) request for an additional full-time staff person. She said a portion of this person's salary should be allocated to new Richard W. Black Community/Senior Center as this person would serve as the meet and greet person at the new facility.

Selectman Baschnagel asked of the basis for the increased revenues projected for FY 2003-2004. Town Manager Griffin said the assumption was that the new Center would have to generate more revenue to offset its expenses. The figures projected were educated guesses. Mr. Tenney said increased programming would generate increased revenues. By having this new building the Recreation Department would be able to program activities at their leisure to generate more revenue. Room rentals would also add to the revenue figures. Mr. Tenney said a committee was also considering opening the Department's programs to non-resident participation as well.

Selectman Pierson asked of the HUD funding also incorporated into the Parks & Recreation budget. Town Manager Griffin said the Town used to fund the operating, program and building expenses for the current Senior Center from the Housing Fund. When HUD funding was cut significantly four years ago, staff decided to absorb those costs into the General Fund through this budget.

Selectman Connolly asked of the 11.1% decrease to Youth Program Property Services. Ms. Griffin believed that was related to the gym rental costs and said with the new facility the Parks and Recreation Department would not have to rent the school gym any longer. Mr. Tenney asked to acknowledge the cooperation from both varsity coaches at the School, Tim Winslow and Dan O'Rourke, in the gym rental situation associated with the Recreation Department's basketball tournament. Mr. Tenney said their efforts to relocate their activities made it possible for the tournament to occur at one location, which was very helpful. He said 187 teams participated in the tournament and asked to also acknowledge the many volunteers who were vital to the tournament's success.

Selectman Connolly if Mr. Tenney had any items on the "Wish List" he would like to address. Town Manager Griffin said \$26,200 requested for the Grasse Road Ballfield parking lot was associated with this budget. She reiterated that the original plan was to construct a ball field on the Gile Tract and \$34,000 was reserved in the past for that purpose. The plan was now to build a ball field on Grasse Road and additional funding was needed to develop the more topographically challenged site.

Mr. Tenney introduced Roger Lohr, a new member of the Parks and Recreation Board. Mr. Lohr asked to address the Selectmen on the issue of the skateboard park. He said the School Board was not planning to include a skateboard park in their site plans for either school. He asked of the Selectmen's opinions with regard to commercial sponsorship of a skateboard facility. Town Manager Griffin believed the Town would be amenable to naming a park after a significant benefactor. Selectman Baschnagel expressed concern for moving away from the usual practice of seeking individual contributions. He said he would hate to fall into the pattern that many schools had in accepting too much commercial sponsorship. Mr. Lohr asked if there was a Town policy specific to the issue of accepting commercial sponsorship. He believed the Parks Department could raise substantial revenue depending on the Town's view of this issue. Selectman Connolly said this was the first time the topic was brought up. The issue was wide open. The Selectmen would think about it.

3. ADMINISTRATIVE REPORTS

Ms. Griffin recapped the planned agendas for the Selectmen's March 3rd and 5th budget review meetings. She said the March 3rd meeting would also include an update from Susan Almy and Sharon Nordgren on the statewide property tax situation, in particular, the proposal the coalition communities put forward. The March 5th meeting would also include an overview of the revaluation update process.

4. SELECTMEN'S REPORTS

There were no Selectmen's Reports given.

5. OLD BUSINESS

There was no old business discussed.

6. ADJOURNMENT

Selectman Pierson MOVED to adjourn the meeting. Selectman Baschnagel SECONDED. THE SELECTMEN VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 9:24 PM.

SUMMARY

- 1. Selectman Pierson MOVED to adjourn the meeting. Selectman Baschnagel SECONDED. THE SELECTMEN VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 9:24 PM.**

Respectfully submitted,



Peter Christie, Secretary

These minutes were transcribed by Beth Rivard.