

FINAL

**BOARD OF SELECTMEN'S MEETING**

**MARCH 3, 2003**

**7:00 PM – MUNICIPAL OFFICE BUILDING – HANOVER, NH**

The meeting of the Board of Selectmen was called to order at 7:03 pm by the Chairman, Brian Walsh. Present were: Brian Walsh, Chairman; 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. DISCUSSION WITH LEGISLATORS REGARDING STATEWIDE PROPERTY TAX**

Legislators Bernie Benn, Sharon Nordgren, Susan Almy (from Lebanon) and Estelle Diamond were present. Ms. Nordgren said Susan Almy would speak to the Ways and Means Committee's perspective of House Bill 717 and Constitutional Amendment 13.

Ms. Almy said there was no Ways and Means' perspective yet. She said a number of people on the Committee were interested in the targeting mechanisms. Her bottom line was that HB 717 was not constitutional in the framework of the judge's decision on *Claremont*. She said Marty Gross, one of the people who drafted the bill, insisted he could defend it as constitutional successfully before the Supreme Court if given the chance. The bill was amended so that the system would work for two years before the voters would have the chance to put in a constitutional amendment if the judges did not believe it was constitutional now. It would also sunset under the amendment if the voters did not adopt the constitutional amendment CACR 13.

Ms. Almy said this was a very good approach to targeted aid but that it would, to some extent, dilute the special education emphasis in the original formula. It would use the county as a unit for cost of living indicators which would drag all of Grafton County down as having a low cost of living compared to the rest of the State. This would reduce the county's education cost needs. It would calculate out the education cost using a much more realistic idea of what it costs to educate a child. The transport needs would also be calculated out using the full transportation cost with a bonus for very small towns and the bonus for high schools that was in the original formula. It would calculate out fiscal capacity which would then be multiplied out to end up with the same amount of money the State has in the Education Trust Fund. That money could then be taken; State property taxes eliminated; and target aid provided directly to communities who have not been able to raise money on the local property tax. Essentially, it would cement into

place the local property tax as the main funder of education for most communities in the State for another couple of decades.

Ms. Almy advised of a correlation that was done of the communities in which 60% or 80% of students were failing the 3rd grade testing and how funding amounts to those communities would differ under the new system as compared to the old. It was found that 80% of those communities would receive more money. From Hanover's perspective, it would eliminate the Donor Tax.

Ms. Almy said the main problem she had with it was the issue of inserting the CPI index into the Constitution. She said the average wage in New Hampshire was rising at a much higher rate than the average school cost per child. This trend would lead to less State funding and more local tax property contribution for school costs. Ms. Almy said she believed that it was not the intent of the founders of the Constitution to cover school costs with property taxes collected. Bernie Benn said one of the reasons for the constitutional amendments was to guarantee a minimum of state aid. That minimum could keep going down in relation to inflation but without the constitutional amendment the architecture of the plan would still work and would leave the issue open for interpretation in the future. Selectman Connolly said the single advantage to the constitutional amendment would be that it would target all of the funds to educational purposes.

Selectman Walsh said Hanover's portion of the statewide property tax totaled \$1.9 million for the coming year. If there was no change, Hanover would continue to send similar amounts to the State every year. He asked of the kinds of things that might happen to change this. Ms. Almy said the first would be to take the statewide property tax rate down to 4.92. Another option proposed would be to reduce the school costs as the State regards them by removing all transport expenses, removing home schoolers and then readjusting the CPI every two years. This would reduce the amount of revenue that would have to be collected for education funding but would increase the amount that would have to be funded at the local level. Ms. Almy said a bill that would be passed by the House would provide relief at the 10% income level from the entire property tax. Ms. Almy said there was general agreement amongst the Ways and Means Committee, the Governor and others to take the statewide property tax down to neutral or near neutral revenue.

Selectman Walsh advised of the letter the Selectboard had received from those who drafted the legislation asking for written support of HB 717. Ms. Nordgren said the legislatures were also asked to sign in support. She said the actual vote would not take place for weeks. Ms. Nordgren said due to the new districting her votes would affect five additional towns other than Hanover and Lyme. She asked for guidance from the Selectboard on what they would advise their representative do. Selectman Baschnagel sensed that this might be the best option on the table, but it was not the answer to the larger issue. He supported the idea of targeted aid. Selectman Connolly agreed that anything would be better than what was currently in place. She hoped this was not another exercise in futility that would end in the courtroom. Mr. Walsh urged the

legislatures to vote their conscience as they were elected by the people and not by towns. He believed education in New Hampshire should be funded by the ability to pay, not the amount of property owned. He said there was value in targeted aid and there was a way that it could work. He asked that the legislatures keep the Selectboard informed as this progresses through the legislation process. He said right now it was not supportable because it would require Hanover pay \$2 million and Bedford and Amherst would make money.

3. **3<sup>RD</sup> BUDGET HEARING:**

**POLICE**

Police Chief Nick Giaccone and Communications Coordinator Doug Hackett presented the Police budget. It included a decrease of \$149,000 in expenditures which was 10.2% less than FY 2003-03. The decrease was related to the previous year's budget allocation to replace the department's entire vehicle fleet. Chief Giaccone said the Administration portion of the budget, which covered the administrators, support staff and the Lieutenant, included a decrease over the last two years' budgets. This was associated with various personnel changes in administration including Captain Chris O'Connor's retirement.

Selectman Baschnagel asked of the 12.1% increase proposed for Administration Property Services. Chief Giaccone explained that this was associated with an \$850 expenditure for a bike storage container lease that was previously listed in the Department of Public Works' budget in error. He further explained that part of this cost would be offset by revenue generated from the spring bike auction.

Selectman Baschnagel asked staff to provide the actual dollar amounts of the funds charged from one department to another rather than lump sums.

Selectman Baschnagel asked how the Department was doing in terms of Military Reserve call ups. Chief Giaccone said one officer had been gone for 17 months and two more were likely to be called up in the near future. The situation was beginning to put a stress on police coverage and assignments. A newly hired officer was attending the academy and advertisements had been run of the remaining patrol officer position vacancy. He said the staffing level would dictate whether the Department would be able to activate federal grant funding of which 75% of the new officer's salaries and benefits would be covered for three years. Selectman Pierson asked how the department found people to cover the officers called to duty. Chief Giaccone said he was looking to hire back an officer who had worked for the department on a part-time basis in the past.

Selectman Christie asked of the 30.8% decrease in contribution into the Patrol Capital Reserve line item. Betsy McClain, Director of Administrative Services, explained that the proceeds from the resale of the old cruisers totaling \$18,903 would also be appropriated into this Capital Reserve which would result in a total contribution of \$60,903.

Selectman Baschnagel asked of the \$3,000 price tag on the portable radios. Doug Hackett advised of an FCC mandate that the Department narrow their spectrum from 25 megahertz to 12.5 and then to 6.25. He said the only way to achieve that was to change to digital equipment, which was very expensive. He advised of roughly \$210,000 worth of radio equipment the State had provided the Police Department free of charge but said the radio count provided from that funding was not sufficient to cover the entire department. The funding proposed would pay for the additional units needed.

Selectman Walsh asked where the \$7,300 Kids & Cops and Dare revenue came from. Chief Giaccone said it was received through donations.

Selectman Baschnagel asked why the Patrol Operational Equipment line item was reduced down to zero. Chief Giaccone said there were a few items on the "Wish List" that would have come out of that line item.

#### Dispatch

Selectman Walsh asked what the State Police computer fee was for. Mr. Hackett said it was basically a reimbursement to the State for maintaining the microwave and phone line system that connected the Town to the State's on-line telecommunication system.

Selectman Baschnagel asked of the increased charge to the Parking Fund. Mr. Hackett said the after-hours activity at the facility was his biggest issue. People had to call the dispatch center to be let out of the garage. The dispatch center also monitored and maintained the video security system for the facility. Selectman Baschnagel asked if this increase took into account the Parking Division's request for additional staff. Mr. Hackett said yes.

Selectman Pierson asked if the Equipment Reserve line item was new. Town Manager Griffin said yes, its purpose would be to fund future upgrades to the dispatch console. Mr. Hackett said the reserve could also be used to replace base radios and other items down the road.

Selectman Christie asked why all of the major revenue figures were so low. Town Manager Griffin said the 9.3% decrease in Dispatch Center Charges was due to an error in last year's estimates. The 25.9% decrease in Special Services was attributable to the general belief that there would be fewer special details in the coming year. The 100% decrease in Sale of Cruisers was due to the fact that the Department was not planning to sell any cruisers in the coming year. The 100% decrease to Transfer from Reserve was also because the Department was not proposing replacing any vehicles in the coming year either.

Selectman Connolly asked about the 9.4% increase to Patrol - Full Time. Chief Giaccone said that was related to the federal grant funding that would cover one patrol officer for

three years. Selectman Walsh asked staff to provide a list of all of the full time equivalent positions added to the entire budget over the last 3 years.

Selectman Walsh mentioned the decrease in thefts reported from 418 in FY 1998, to 262 in FY 1999, to 199 in FY 2000, to 109 in 2001, and 91 in FY 2002 that were noted in the Performance Indicators. Chief Giaccone said it could be that fewer reports were made as the dollar amounts per items stolen had decreased significantly since 1998 as well. Selectman Connolly was struck by the 53 hit & runs reported in FY 2002. Chief Giaccone said a majority of those reports involved unattended vehicles getting hit in the parking lots. Selectman Pierson asked of the decreasing trend in Patrol Mileage. Chief Giaccone said the Department encouraged foot patrol. It was also a factor related to staffing shortages. Selectman Walsh asked of the fine for Handicap Parking violations. Chief Giaccone said the State law and Town ordinance differed in amounts. He could not recall what either amount was. Selectman Walsh believed the Town doubled that fine amount in 1999 which resulted in a significant decrease in violations cited in 2000 according to the Performance Indicators. It now appeared to be leveling off. Selectman Connolly pointed out that the Meter and Fine Revenue figures did not match the figures listed in the Parking Fund. Ms. McClain said she would investigate the matter and report back to the Board on Wednesday, March 5, 2003.

Selectman Connolly asked the Chief and Mr. Hackett to speak to their "Wish List" items which included \$7,000 for Police Department Overtime, \$5,683 for Practice Ammunition/Targets/Rifles, and \$5,000 for Dispatch Reserve Contribution. Chief Giaccone said he developed his budget based on full staff figures. When staffing was short, the savings in salary not paid would be transferred into overtime funding. He said with regard to the practice ammunition/targets/rifles, there were two pieces: lethal ammunition and less than lethal ammunition. The less than lethal ammunition was extremely expensive to practice with but was a necessary part of the arsenal. The funding requested would be split between both types. Town Manager Griffin said of the dispatch reserve funding, the goal was to fund \$15,000 per year in anticipation of future console upgrades. The console was just upgraded the last year. The reserve was cut by \$5,000 and its balance was put on the "Wish List".

## **FIRE**

Chief Roger Bradley and Captains Jeryl Frankenfield, Chris Broderick and Michael Hinsley presented the Fire budget. Chief Bradley said the proposed budget was extremely lean and was within the Selectboard's established guidelines but did have a couple of changes. One involved the allocation of part of the Administrative Assistant's salary in the Ambulance portion of the budget. Another significant change was associated to re-allocating the Fire Districts. A proposal for this re-allocation would be presented in April. In terms of staffing Chief Bradley said the Department was short one firefighter; all other positions were filled. Chief Bradley said he assumed the Selectboard had reviewed the information submitted and offered to answer any questions they might have.

Town Manager Griffin said the employer contribution increase to the State Retirement System hit Group II – Fire employees harder than any other type of employee. The goal of developing this budget was to absorb all of that increase. Selectman Pierson said it appeared as though that was done without having to withdraw from the Fund Balance. Chief Bradley said that was true.

Selectman Baschnagel asked of the hourly pay for the call and volunteer firefighters. Chief Bradley said that varied depending on the individual's training and level of certification. A person without any training would earn minimum wage. As certain certifications were achieved the pay would increase in increments of \$ .50 to \$1.00 more an hour up to \$8 or \$9 per hour.

Selectman Walsh asked of the composition of the force. Chief Bradley said all of the people on the pay force were at the basic EMT level, five were at the paramedic level and the remainder was at the intermediate level. Town Manager Griffin said with respect to the Ambulance Fund one could argue that Hanover should be allocating as much as eight firefighters' salaries as opposed to the 3.5 proposed for FY 2003-2004 in recognition that EMS calls have been as numerous as fire calls and the fact that Hanover has five paramedics on staff now.

Selectman Pierson asked what caused the overtime. Chief Bradley said there was a host of reasons for overtime including:

- The Department policy to not go below 3 people on staff at any time (if 2 are called away to an ambulance call 2 others would be called in to cover the station)
- Sick and vacation time coverage
- Outside detail coverage
- Certain fire calls require an entire department recall

He said historically, it seemed that every year one person would experience a significant illness or injury that required an extended leave.

Selectman Walsh asked of the status of the contract negotiations with the Fire Union. Town Manager Griffin said it was at impasse awaiting the selection of mediator. She said it was not likely that a contract proposal would be brought before Town Meeting in May.

Selectman Baschnagel asked if the \$4,800 for turn out gear was an annual expenditure. Chief Bradley said yes, gear for at least one new hire was requested every year. This \$4,800 would be the start of funding to replace the 12 year old turn out gear that the majority of the Department had. Town Manager Griffin reminded the Selectboard of the decision the previous year to increase the Fire Fund Equipment Reserve from \$70,000 to \$90,000 to include funding for the replacement of the self-contained breathing apparatuses. The currently proposed budget also recommended reserving an additional



\$3,000 for the turn out gear. Selectman Walsh asked how many sets of turn out gear the department needed. Captain Frankenfield suggested 36 would be sufficient.

Selectman Walsh asked about the new regional hazardous material program. Chief Bradley said the Dartmouth/Lake Sunapee area, North Country and northeast quadrant of the state were identified as areas in need of this type of regional capability. A group known as the Midwestern New Hampshire Regional Hazardous Material Response Team represented by fire chiefs from Hanover, Lebanon, West Lebanon, Sunapee and Newport have been meeting over the last few years to get this effort running. Their target is to be a functional team within two years where they could come on scene and do work rather than act as advisors. Town Manager Griffin said New Hampshire's Office of Emergency Management was trying to facilitate funding and equipment for these regional hazardous material teams. Chief Bradley said one of the things his group had working on for years was to have the State assume the role of responsibility with respect to these regional teams. Selectman Walsh said he would like to see the state legislation clear that issue up with legislation. That was not the kind of thing that should be insured but rather should be protected legally. Mr. Walsh asked what more Hanover would gain from this regional group. Chief Bradley said when up and fully functional it would provide the training, equipment and people prepared to respond as a Class A response team, capable of handling the worst chemicals and hazardous materials. Captain Hinsley advised of additional federal funding that was available to the Department and how it would be used in association with Dr. Blayney to purchase items that would support his efforts.

Selectman Baschnagel asked if the \$2,000 proposed to repair fire alarm boxes and install 5,000 feet of new wire and pole hardware would be used to extend the current capabilities. Captain Frankenfield said this involved line maintenance only, not expansion.

Selectman Baschnagel asked of the 30.2% increase to Main Station Contracted Services. Town Manager Griffin explained that was a correction in allocation from Fleet Services to the Fire Fund of the generator test fees.

## **AMBULANCE**

Selectman Baschnagel believed the text of the Ambulance's Undesignated Fund Balance did not match the figures listed the detailed line item section. Betsy McClain offered to research the figures and present corrected figures. Selectman Walsh asked that this is added to the list.

Ms. Griffin said staff did not really have an opportunity this year to discuss the allocation to the Ambulance Fund. She hoped to address the matter in the coming year. Selectman Walsh noted that 75% of the Ambulance Fund's revenue was generated by the payment of service charges by individuals, insurance companies or Medicare. He was glad Judy Stevens, the Fire Department's Administrative Assistant, was able to manage the very complicated process of medical billing. Selectman Baschnagel asked how Hanover's

fees compared to that of other communities. Captain Hinsley said Hanover's rates witnessed a sizeable increase the previous year, but were still comparable to the surrounding area and remained on the low side. Staff was in the process of reviewing them again and would present a rate & fee schedule to the Selectboard in May. Mr. Baschnagel suggested any surplus of revenue could be transferred to the Town's contribution to the various social service agencies.

Selectman Connolly asked of the \$5,000 expenditure for a training mannequin listed under Emergency Medical Services Operational Equipment and whether the mannequin could be shared. Captain Hinsley said yes, but there was not currently one available to share. He said with the number of providers the department had at the ALS level, in order to maintain a level of proficiency they needed to practice their skills. The \$5,000 mannequin requested would be a basic model that could be used to train other local departments. Chief Bradley added that this had been an identified need for several years and had been cut from the budget in the most recent years. He considered this to be a very prudent way to approach risk management and encouraged the Selectboard to very seriously consider keeping this in the budget.

Selectman Baschnagel asked of the 61.8% decrease in Ambulance Charges to Other Departments. Ms. McClain said as other fund balances increased at a higher rate this fund would go down.

Selectman Connolly asked of the 150% increase in revenues to the Fire Fund's Insurance Dividends. Ms. McClain said that was based on experience and the Fire Department's most recent experience with worker's compensation had been very good.

Selectman Baschnagel asked what the \$30,000 Fire Fund Gift or Contribution was. Town Manager Griffins said it was a thermal energy system from Mrs. Byrne.

Selectman Baschnagel asked of the 33.3% decrease to Fire Fund False Alarms. Captain Frankenfield said that was attributable to the end of construction of Dartmouth's Baker/Barry project.

Selectman Connolly asked why the Main Station's Sewer figures doubled. Town Manager Griffin said again that was related to allocation errors reported the previous year.

Selectman Connolly asked if the 77.8% increase to Service Charges (Net) was correct. Ms. Griffin affirmed. Captain Broderick acknowledged Judy Stevens' efforts in recovering money. Captain Hinsley pointed out that the vast talents of the paramedic staff to perform more advanced procedures were also charged out at higher rates. Selectman Baschnagel asked of the "Net" aspect. Ms. McClain said by accepting assignment with any Medicare patient there was a certain portion of these gross revenues that the Town might not realize.



Selectman Walsh asked to see combined numbers of the Fire Department and EMS activities in future budgets as well as seeing their separate listings.

Town Manager Griffin asked to speak to the three items on the "Wish List" for the Fire Fund. They included: \$9,713 for Overtime, \$14,500 for Charge from Fleet for engine repair and \$2,400 for building repair and maintenance. Ms. Griffin explained the engine repair was associated with paint blistering on the pierce pumper.

**4. APPROVAL OF MINUTES: FEBRUARY 24, 2003**

The minutes of February 24, 2003 were not submitted to the Selectmen prior to the meeting. Their review was postponed.

**5. ADMINISTRATIVE REPORTS.**

Town Manager Griffin advised of the agenda for the Selectmen's March 5, 2003 meeting which included budget reviews of the Department of Public Works, Wastewater Treatment Plant (WWTP) and the Capital Improvement Plan. She said Ed Rushbrook would be on hand to discuss the WWTP upgrade. If time allowed the Selectmen could approve the budget on March 5<sup>th</sup> or continue budget review to March 17<sup>th</sup>. After a brief discussion the Selectmen agreed to begin the March 5<sup>th</sup> meeting at 6:30 pm with a half hour presentation on the status of the WWTP's improvement plans.

**6. SELECTMEN'S REPORTS**

**Peter Christie**

Mr. Christie reported on a Senior Citizens Steering Committee meeting he attended and of their review of a revised parking plan that would enable the current Senior Center to remain at its existing location. He said the group had some serious objections to the revisions. They were concerned for the amount of parking provided and its proposed locations which would really infringe upon the space and privacy for the existing residents. Other issues raised were related to snow removal/storage, emergency access, and loss of green space. Mr. Christie suggested that the Selectboard needed to take this process back under their charge. He did not want that proposal submitted to the Zoning Board without gaining the support of the Selectmen. Mr. Walsh said he would prefer to find a way to buy time for the Affordable Housing Commission to develop a plan that met the legitimate neighborhood complaints and was potentially workable parking wise. He said he would also be willing to consider using the Town's municipal exemption if such a plan gained substantial public support including that from the neighborhood. He suggested giving the Commission another month to try to work this out. Mr. Pierson said he would be open to considering using the municipal exemption. Mr. Baschnagel expressed concern for the other public building projects that would be coming before the various boards that also had this exemption authority. Ms. Connolly agreed. Ms. Griffin said to shortchange parking for the new Community/Senior Center would be a shame. Its

original plan called for the demolition of this house. She offered to speak to Jonathan Edwards on the issue of delaying application submission to the Zoning Board. Mr. Baschnagel offered to speak with Len Cadwallader on the matter.

**Katherine Connolly**

Ms. Connolly reported on the continued efforts of the Downtown Visioning Committee's Streetscape Subcommittee to discuss the probable layout of the proposed central business district. Mr. Baschnagel said the Downtown Visioning Committee's Parking Credit Subcommittee decided to go dormant until further needed.

**Bill Baschnagel**

Mr. Baschnagel reported on the PTB's discussion of the Parking Fund and TIF issues raised at the last budget hearing. They recommend keeping \$85,000 of the TIF in the parking fund and transfer the \$67,000 difference into the General Fund. Mr. Walsh asked to have updated budget figures presented on Wednesday showing this \$67,000 transfer. He also asked for a list of revenue opportunities to put against the "Wish List".

**Jay Pierson**

Mr. Pierson did not have anything to report.

**Brian Walsh**

Mr. Walsh spoke in support of the NCAA banner displayed on Main Street.

**7. OLD BUSINESS**

There was no old business discussed.

**8. ADJOURNMENT**

**Selectman Connolly MOVED to adjourn the meeting. Selectman Pierson SECONDED. THE SELECTMEN VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 10:16 PM.**

**SUMMARY**

- 1. Selectman Connolly MOVED to adjourn the meeting. Selectman Pierson SECONDED. THE SELECTMEN VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 10:16 PM.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Christie". The signature is fluid and cursive, with a large initial "P" and a stylized "C".

Peter Christie, Secretary

These minutes were transcribed by Beth Rivard.