

FINAL

SELECT BOARD MEETING

February 29, 2016

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

The meeting of the Select Board was called to order at 5:09 p.m. by Chair Peter Christie. Present were: Peter Christie, Chair; Athos Rassias, Vice Chair; Nancy Carter, Select Board Member; Bill Geraghty, Select Board Member; Joanna Whitcomb, Select Board Member; and Julia Griffin, Town Manager.

1. PUBLIC COMMENT

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

2. 3RD BUDGET HEARING:

Chair Christie stated that tonight is the third evening of budget hearings. During the first two meetings, the Board had the opportunity to review each of the department's budgets and ask questions. Tonight brings the opportunity for further discussion and possible adoption of the budget. He feels that it is important for each of the Board members to know where each other stands at this point to get an overall picture of how to proceed. His position related to the "Wish List" items is that we approve all of the items as part of the budget, except for the \$30,000 item for the Dispatch Rate Study, which should be discussed further. He is also inclined to use some of the Undesignated Fund Balance (UDFB) as aggressively as possible while staying within the UDFB Guidelines. Currently, the balance is at 11.3 percent. This does not take into account any savings that may become available from the current budget, which we know will be substantial. Ms. Griffin stated that we are projecting a savings of \$80,000 in winter overtime costs due to the mild winter. This is a year-to-date savings, so we would still realize these savings even if we get winter weather later on during this fiscal year. Chair Christie stated that the balance may be upwards of fifteen percent when taking into consideration the winter overtime savings and the \$200,000 in savings from the vacant Planning and Zoning Director position. Ms. Griffin clarified that we do not know what those savings will be. Betsy McClain, Director of Administrative Services, clarified that the \$200,000 in savings Chair Christie was referring to was the audited balance at the end of fiscal year 2015, not projected savings for the current fiscal year. Taking into consideration the winter overtime savings of \$80,000, the balance would be brought up to about twelve percent. Chair Christie stated that with this clarification, he feels we should not be as aggressive with the UDFB as he originally stated, but still stands by the potential use of those funds within the guidelines. Chair Christie asked if any other Board members had input on this. Select Board Member Whitcomb stated that she supports funding three out of the five items on the "Wish List" at this point in time. Chair Christie replied that we would discuss each of the items individually. Select Board Member Geraghty stated that he would support funding some one-time items with projected savings in an amount that Ms. Griffin and Ms. McClain are comfortable with in order to potentially reduce the targeted tax rate. Chair Christie invited members of the Hanover Finance Committee to speak about the budget.

Heidi Postupack, Chair of the Hanover Finance Committee, stated that the committee met last week. During that meeting, the idea was proposed to use undesignated fund balances to fund one-time expenditure projects, especially energy-efficiency projects. Though the committee hasn't officially voted, she stated that this is the direction they would like to see the Board go in.

Ms. Griffin stated that \$30,000 item on the "Wish List" for the Dispatch Rate Study has been removed. This item was placed on the list with an eye toward regionalization of our dispatch center with Norwich and Hartford. Given the turnover in those communities, she feels it makes sense to defer this project for another year and see if there is ongoing interest in consolidating dispatch operations. She has also followed up on this with Police Chief Charlie Dennis and he is aware of this change.

Chair Christie stated that the "Wish List" item of \$10,000 for the Conservation Commission is related to trail work. He reiterated his stance on keeping this item on the list. Select Board Member Geraghty stated that he is in favor of keeping this item on the list for further consideration. Select Board Member Whitcomb also agreed. There was no objection from any Board members on this item.

Select Board Member Geraghty stated that the "Wish List" item for Pine Park in the amount of \$10,000 has merit to him, but he is confused about where that park is going in terms of the College and the community. Chair Christie stated that he feels the Town should come to some agreement with the College about this joint property and to whom responsibilities lie. He does not feel that we should commit to funding for Pine Park yet. Ms. Griffin stated that the Pine Park Commission plans to bring forward to the College and Town a revised memorandum of understanding that governs who owns and maintains what. She thinks there are a lot of questions that need to be addressed. To date, the Town has made the work happen by using our labor and equipment, and the College provides materials. We would continue to do so, but she feels it doesn't make sense to commit funds until this has been worked out. The Board decided to remove this item from the "Wish List."

Ms. Griffin talked about the CopLogic program on the "Wish List" for the Police Department, which would involve an initial investment as well as an annual maintenance fee. The CopLogic program would allow anyone to file reports with the Police Department without the department having to dispatch an officer to take a report. The program would enhance the quality of service provided by making it easier for the public to report minor incidents. There are a couple-hundred reports a year that could be filed this way rather than by dispatching an officer to a scene. Our Town website would include a link for the public to access the program to file a report. The report can also be printed at home by the person filing it.

Select Board Member Carter asked whether officers would be following up on those reports as time allows. Ms. Griffin stated that most of the reports filed would not necessitate any follow-up, however, someone from the Police Department would likely be reviewing those submitted reports to make sure there isn't anything that should involve the Police. Select Board Member Carter also asked if the program has the ability to communicate with other software or programs the Town has or may have. Ms. Griffin stated that it would not, and is a stand-alone program.

Vice Chair Rassias asked where the information for the program would be stored. Ms. Griffin stated that the program is cloud-based.

Ms. McClain added that another important piece of the CopLogic program is the reporting capabilities. Currently, much of the data the Police Department produces must be done manually.

Select Board Member Carter asked about the possibility of Dartmouth College helping to financially support the program. Ms. Griffin stated that this hasn't been discussed with the College, but it is a possibility.

The Board decided to come back to this item after discussion of remaining budget items.

Ms. Griffin stated that the \$2,000 "Wish List" item for the Etna Library to extend its Saturday hours has been further refined by Librarian Barbara Prince to \$1,500.

Select Board Member Whitcomb proposed that the Board grant this "Wish List" item for the full \$2,000 originally proposed. Given the Library's importance, extending Saturday hours is essential to allowing many more people to visit. Chair Christie added that given the investment in making such a nice library, it seems a shame not to have it open more. Ms. Griffin pointed out that the Etna Library is the only source of Wi-Fi for many Etna residents.

Chair Christie asked Ms. Griffin to go over additional or one-time non-recurring expenses in the proposed budget. Ms. Griffin stated that the largest expenses are capital improvement projects. The MUNIS software investment is non-recurring, but is a four-year investment. Ms. McClain pointed out that it doesn't have to be a four-year investment, and could be purchased all at once. The proposed LED Lighting Installation at the Howe Library is estimated at \$62,000. Funds of \$15,750 are also requested for reconstruction of the sidewalk on Allen Street. There is also the proposed replacement of the 50-year old Sicard snowblower, which would be half funded from the UDFB and the other half would come from equipment reserves. The only other capital projects we are tackling are funded by the Fire Fund. This includes re-insulation of the building and re-roofing of the old Etna fire station.

Ms. Griffin stated that she has been working on finding about \$93,000 (which represents 1 percent increase of the tax rate) in one-time expenses that could be funded with the UDFB to reduce the current proposed tax rate increase from 2.5 to 1.5 percent. If the Howe Library LED Lighting Installation were funded this way, there would be \$31,000 left of budget items that could also be funded through the UDFB to bring the tax rate increase down to 1.5 percent. By adding the desired "Wish List" items totaling \$26,950 to the proposed budget and removing the \$62,000 Howe LED Lighting Installation cost (by funding it from this year's savings instead), Ms. McClain calculated the tax rate increase at 2.13 percent as opposed to 2.5 percent.

Ms. Postupack pointed out that items such as the new furnace for the Police Department have long lifespans, so could be considered one-time expenses. Ms. Griffin stated that items such as this are funded through Energy Efficiency reserves. Ms. McClain added to Ms. Postupack's comments by pointing out, using the proposed withdrawal of \$37,500 from Capital Reserve

Funds for Building Maintenance and Improvements as an example, that this amount could be changed to zero by funding it through this year's savings instead. This could then reduce the contribution to that reserve by the same amount, keeping the projected Capital Reserve balance the same but reducing the proposed budget appropriation by \$37,500.

John Ruth of the Finance Committee suggested the same idea using the example of the replacement snow blower, which is proposed to be funded half from the UDFB and half from a contribution and corresponding withdrawal from the Highway Construction and Maintenance Equipment Capital Reserve Fund. Instead, the entire amount could potentially be funded from the UDFB.

Chair Christie stated that he feels this would be reasonable if our UDFB was above the ten-to-fifteen percent guidelines, but doesn't feel it makes sense when we are within the guidelines.

Mr. Ruth also noted that there will likely be a fair amount added to the UDFB with the savings from the vacant Planning and Zoning Director position. He also noted that the guidelines were only recently changed from five-to-ten percent with a goal to return excess to the taxpayers over two years, to ten-to-fifteen percent. During the last five years, that balance was over ten percent, so he feels it appropriate to move back to a ten percent balance and increase it to fifteen percent over time.

Select Board Member Geraghty added that we are still likely to see the UDFB "creep" toward twelve percent (from 11.4 percent as of the end of FY 15) by the end of the fiscal year. What we need to take into consideration is how quickly we'd like to see it get closer to fifteen percent. Chair Christie stated that he is willing to be aggressive as possible within the UDFB guidelines to fund one-time expenses, but isn't comfortable using those funds with recurring expenses.

Chair Christie asked Ms. McClain how much more would need to be eliminated from the proposed budget to bring the tax rate increase down to two percent from 2.13 percent as calculated earlier, which includes the addition of the "Wish List" items and removal of the Howe LED Lighting Installation by instead funding from this year's savings. Ms. McClain stated that reducing the proposed budget by \$10,000 more would bring the tax rate increase down to 2.02 percent, reducing it by \$50,000 more would bring the increase down to 1.59 percent, and reducing it by \$60,000 more would bring it down to 1.5 percent. She also pointed out that the MUNIS software involves some one-time expenses that could potentially be funded through the UDFB.

Ms. Griffin proposed an idea to the Board and Finance Committee that could bring the tax rate increase down to 1.5 percent. This would involve paying for the replacement snow blower entirely from this year's savings as well as the Howe Library LED Lighting Installation, and funding the \$26,950 in "Wish List" items from the proposed budget.

Select Board Member Carter stated that she was very proud of our ability to bring our UDFB up to the ten-to-fifteen percent range, and she did not wish to see that balance go down. Chair Christie and Select Board Member Geraghty both stated that they don't expect the balance to decrease even if parts of the funds are used as proposed.

Mr. Ruth asked for clarification on what the Board would like to see the UDFB at, as he would expect twelve percent to be reasonable when thinking about it as being between ten and fifteen percent. He feels the Board would prefer to see it at fifteen percent. Chair Christie replied that the goal is for the balance to be anywhere in the ten to fifteen percent range within the guidelines, and we are free to use any amount in excess of ten percent on one-time expenses. If it goes above fifteen percent, we are required to spend it down. Select Board Member Geraghty stated that he would rather see it in the higher range, but feels that using the balance as discussed tonight will still allow the balance to go up some. Even if it doesn't and goes closer to ten percent, we would still be within the guidelines, though we prefer it not go that low.

Chair Christie added that part of the reason we increased the UDFB range is because we expected to have unused funds. It's something the Board has desired to do for several years but wasn't practical to do until recently. Mr. Ruth pointed out that the balance has been in the ten to fifteen percent range for five years now, even though the guidelines, until recently, stated five to ten percent. Mr. Ruth stated that he prefers the balance to stay at the lower end of the range to allow the Board to ask support from the taxpayers to fund large one-time expenditures such as road washout repairs. If there is too much in the UDBF, it allows for funding of expenditures that the majority of taxpayers may not necessarily support.

Kari Asmus of the Finance Committee wished to follow up on Ms. Griffin's earlier proposal that even if there isn't a big boost in the contribution to capital reserves by instead funding for the entire cost of the replacement snow blower through this year's savings, there should still be some contribution made toward replacement for the next snow blower. If even one year is skipped, the expense must be re-introduced into next year's budget. Ms. Griffin stated that \$10,000 to \$15,000 would be a reasonable amount to put into reserves for this, taking into consideration what one would expect for a lifespan of a snow blower.

Select Board Member Whitcomb MOVED to Amend the Proposed FY 2016-17 Budget by Adding the Three Wish List Items of \$10,000 for the Conservation Commission, \$2,000 for the Etna Library, and \$14,950 for the CopLogic Software; and Removing the \$62,000 Appropriation for Howe Library LED Lighting Installation from the Proposed Budget by Funding it from the FY 2015-16 Budget. Vice Chair Rassias SECONDED the Motion.

Ms. Griffin's clarified that Select Board Member Whitcomb's motion would not bring the tax rate increase down to 1.5 percent.

Select Board Member Whitcomb MOVED to Amend the Proposed FY 2016-17 Budget by Adding the Three Wish List Items of \$10,000 for the Conservation Commission, \$2,000 for the Etna Library, and \$14,950 for the CopLogic Software; and Removing the \$62,000 Appropriation for Howe Library LED Lighting Installation and Half of the Cost of the Replacement Snow Blower (\$63,000) Appropriation from the Proposed Budget by Funding Both from the FY 2015-16 Budget to Bring the Tax Rate Increase Down to 1.49 Percent. Vice Chair Rassias SECONDED the Motion.

Mr. Ruth asked if the Board would consider funding the CopLogic program from this year's savings as well.

Ms. Asmus clarified whether the tax rate increase would remain at 1.49 percent if the Board were to fund the CopLogic program from this year's savings while also contributing about \$10,000 to Capital Reserves for the replacement of the next snow blower. Ms. Griffin confirmed this. Ms. McClain clarified that we do not contribute such funds during the same year as the initial expenditure, but rather, the next year. In the case of the snow blower, contributions would not be made for the next replacement until FY 2018.

Ms. McClain calculated the tax rate increase at 1.3 percent if we were to fund the CopLogic program, in addition to the entire purchase of the replacement snow blower and Howe Library LED Lighting Installation, from this year's savings.

Select Board Member Carter MOVED to Amend the Proposed FY 2016-17 Budget by Adding Two of the Wish List Items of \$10,000 for the Conservation Commission and \$2,000 for the Etna Library; Removing the \$62,000 Appropriation for Howe Library LED Lighting Installation and Half of the Cost of the Replacement Snow Blower (\$63,000) Appropriation from the Proposed Budget by Funding Both from the FY 2015-16 Budget; and Funding the Wish List Item of \$14,950 for the CopLogic Program from the FY 2015-16 Budget to Bring the Tax Rate Increase Down to 1.3 Percent. Select Board Member Whitcomb SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO AMEND THE PROPOSED FY 2016-17 BUDGET BY ADDING TWO OF THE WISH LIST ITEMS OF \$10,000 FOR THE CONSERVATION COMMISSION AND \$2,000 FOR THE ETNA LIBRARY; REMOVING THE \$62,000 APPROPRIATION FOR HOWE LIBRARY LED LIGHTING INSTALLATION AND HALF OF THE COST OF THE REPLACEMENT SNOW BLOWER (\$63,000) APPROPRIATION FROM THE PROPOSED BUDGET BY FUNDING BOTH FROM THE FY 2015-16 BUDGET; AND FUNDING THE WISH LIST ITEM OF \$14,950 FOR THE COPLOGIC PROGRAM FROM THE FY 2015-16 BUDGET TO BRING THE TAX RATE INCREASE DOWN TO 1.3 PERCENT.

Select Board Member Whitcomb MOVED to Adopt the Proposed FY 2016-17 Budget as Amended. Vice Chair Rassias SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO ADOPT THE PROPOSED FY 2016-17 BUDGET AS AMENDED.

Chair Christie thanked Ms. Griffin, Ms. McClain and the department heads for their hard work and making the necessary decisions to meet the budget desires of the Board.

Chair Christie closed the Public Hearing.

3. RECOMMENDATION TO SET A PUBLIC HEARING FOR MONDAY, MARCH 28, 2016 TO ADOPT CONTRACT WITH NEPBA LOCAL 27.

Ms. Griffin stated that we need to get this on the agenda even if a contract agreement isn't yet in place.

Select Board Member Carter MOVED to Set a Public Hearing for Monday, March 28, 2016 to Adopt Contract With NEPBA Local 27. Vice Chair Rassias SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO SET A PUBLIC HEARING FOR MONDAY, MARCH 28, 2016 TO ADOPT CONTRACT WITH NEPBA LOCAL 27.

4. RECOMMENDATION TO SET PRE-TOWN MEETING PUBLIC HEARINGS FOR MONDAY, APRIL 4 AND MONDAY, APRIL 11, 2016.

Ms. Griffin does not believe we will need the second hearing date, but we are required to set just in case an additional warrant article comes in by petition.

Vice Chair Rassias, Select Board Member Whitcomb, and Select Board Member Geraghty will all be unavailable on April 11th.

Vice Chair Rassias MOVED to Set Pre-Town Meeting Public Hearings for Monday, April 4 and Wednesday, April 6. Select Board Member Carter SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO SET PRE-TOWN MEETING PUBLIC HEARINGS FOR MONDAY, APRIL 4 AND WEDESDAY, APRIL 6.

5. ADMINISTRATIVE REPORTS

There were no administrative reports.

6. SELECT BOARD MEMBER REPORTS

There were no Select Board Member reports.

7. OTHER BUSINESS

Ms. Griffin stated that she needs the Board to set a Public Hearing for the Housing Fund budget, in which the Board will convene as the Hanover Housing Authority, for Monday, March 28.

Vice Chair Rassias MOVED to Set Housing Fund Proposed Budget Public Hearing for Monday, March 28. Select Board Member Geraghty SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO SET HOUSING FUND PROPOSED BUDGET PUBLIC HEARING FOR MONDAY, MARCH 28.

Ms. Griffin stated that there have been two recent banner requests received, both of which the Town can accommodate. One is for the Upper Valley Haven for the 10th Annual Chefs of the Valley Event. The other is a thank-you banner for the Upper Valley Granite United Way campaign.

Select Board Member Geraghty MOVED to Accept the Banner Requests of the Upper Valley Haven and Granite United Way. Vice Chair Rassias SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE BANNER REQUESTS OF THE UPPER VALLEY HAVEN AND GRANITE UNITED WAY.

8. ADJOURNMENT

Vice Chair Rassias MOVED to Adjourn the Meeting at 6:35 p.m. Select Board Member Whitcomb SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING.

Respectfully Submitted,

Joanna Whitcomb, Secretary

Minutes prepared by Adriane Coutermarsh.

SUMMARY

- 1. Select Board Member Whitcomb MOVED to Amend the Proposed FY 2016-17 Budget by Adding the Three Wish List Items of \$10,000 for the Conservation Commission, \$2,000 for the Etna Library, and \$14,950 for the CopLogic Software; and Removing the \$62,000 Appropriation for Howe Library LED Lighting Installation from the Proposed Budget by Funding it from the FY 2015-16 Budget. Vice Chair Rassias SECONDED the Motion.**

2. **Select Board Member Whitcomb MOVED to Amend the Proposed FY 2016-17 Budget by Adding the Three Wish List Items of \$10,000 for the Conservation Commission, \$2,000 for the Etna Library, and \$14,950 for the CopLogic Software; and Removing the \$62,000 Appropriation for Howe Library LED Lighting Installation and Half of the Cost of the Replacement Snow Blower (\$63,000) Appropriation from the Proposed Budget by Funding Both from the FY 2015-16 Budget to Bring the Tax Rate Increase Down to 1.49 Percent. Vice Chair Rassias SECONDED the Motion.**
3. **Select Board Member Carter MOVED to Amend the Proposed FY 2016-17 Budget by Adding Two of the Wish List Items of \$10,000 for the Conservation Commission and \$2,000 for the Etna Library; Removing the \$62,000 Appropriation for Howe Library LED Lighting Installation and Half of the Cost of the Replacement Snow Blower (\$63,000) Appropriation from the Proposed Budget by Funding Both from the FY 2015-16 Budget; and Funding the Wish List Item of \$14,950 for the CopLogic Program from the FY 2015-16 Budget to Bring the Tax Rate Increase Down to 1.3 Percent. Select Board Member Whitcomb SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO AMEND THE PROPOSED FY 2016-17 BUDGET BY ADDING TWO OF THE WISH LIST ITEMS OF \$10,000 FOR THE CONSERVATION COMMISSION AND \$2,000 FOR THE ETNA LIBRARY; REMOVING THE \$62,000 APPROPRIATION FOR HOWE LIBRARY LED LIGHTING INSTALLATION AND HALF OF THE COST OF THE REPLACEMENT SNOW BLOWER (\$63,000) APPROPRIATION FROM THE PROPOSED BUDGET BY FUNDING BOTH FROM THE FY 2015-16 BUDGET; AND FUNDING THE WISH LIST ITEM OF \$14,950 FOR THE COPLOGIC PROGRAM FROM THE FY 2015-16 BUDGET TO BRING THE TAX RATE INCREASE DOWN TO 1.3 PERCENT.

4. **Select Board Member Whitcomb MOVED to Adopt the Proposed FY 2016-17 Budget as Amended. Vice Chair Rassias SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ADOPT THE PROPOSED FY 2016-17 BUDGET AS AMENDED.

5. **Select Board Member Carter MOVED to Set a Public Hearing for Monday, March 28, 2016 to Adopt Contract With NEPBA Local 27. Vice Chair Rassias SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO SET A PUBLIC HEARING FOR MONDAY, MARCH 28, 2016 TO ADOPT CONTRACT WITH NEPBA LOCAL 27.

6. **Vice Chair Rassias MOVED to Set Pre-Town Meeting Public Hearings for Monday, April 4 and Wednesday, April 6. Select Board Member Carter SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO SET PRE-TOWN MEETING PUBLIC HEARINGS FOR MONDAY, APRIL 4 AND WEDESDAY, APRIL 6.

- 7. Vice Chair Rassias MOVED to Set Housing Fund Proposed Budget Public Hearing for Monday, March 28. Select Board Member Geraghty SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO SET HOUSING FUND PROPOSED BUDGET PUBLIC HEARING FOR MONDAY, MARCH 28.

- 8. Select Board Member Geraghty MOVED to Accept the Banner Requests of the Upper Valley Haven and Granite United Way. Vice Chair Rassias SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE BANNER REQUESTS OF THE UPPER VALLEY HAVEN AND GRANITE UNITED WAY.

- 9. Vice Chair Rassias MOVED to Adjourn the Meeting at 6:35 p.m. Select Board Member Whitcomb SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING.