

**MINUTES OF THE SELECT BOARD & ADVISORY BUDGET
COMMITTEE BUDGET WORKSHOP**

November 30, 2016

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Board & committee members present: Chairman Bugbee, Selectman Brown, Selectman LaCourse, ABC Chairwoman Alice MacKinnon, Pat Barbour, Cord Blomquist

Others present: Bill Cote, Chief Scott Nemet, Chris Lemelin and Town Administrator Julie Glover

1. Chairman Bugbee calls the meeting to order at 6:03 pm and turns meeting over to Chairwoman Alice MacKinnon.
2. Chairwoman Alice MacKinnon introduces McGregor Ambulance. Bill Cote is presenting. McGregor Memorial EMS is a non-profit volunteer regional ambulance service that provides service to 4 communities; Lee, Durham, Madbury and UNH. If a 911 call is made, they must respond. There is no discussion. No one is ever billed for a non-transport. Durham leads the way in call volume, followed by the University, then Lee and Madbury. 2028 total calls for last year. The assets that they have on board consist of two front line advanced life support ambulances which operate at the highest level allowed by State law. Last year they purchased 4 new cardiac monitors. Each one cost about \$30,000. Mr. Cote just signed the purchase order for a new ambulance last week. This will replace the oldest one which is 10 years old. They have been very fortunate to be able to store the third ambulance in the Lee Fire Department. It must be housed out of weather and in a heated environment. A fire station is an ideal place. Scott and his crew keep track of it and take care of it. Chairwoman MacKinnon asks how much the new ambulance will be. Mr. Cote states that it will cost \$210,000 for a new, equipped ambulance.

There are 80 volunteers in addition to the paid staff. The paramedics by law have to be paid. Most of his people are advanced EMT's. They have the most experienced paramedic staff in the State of NH. The 8 paramedics have 110 years of experience and over 30,000 calls under their belts.

Mr. Cote reviews the graphics with the group and points out that most of their income is from patient billing which is 74%. The other is tuition from the Institute, appropriations from the Towns and University (10%), merchandise such as CPR cards, donations and miscellaneous. The Institute serves to lower the cost of appropriations. The average expense per call is \$468. Mr. Cote states that they decided to make a 20% reduction this year and came up with a total amount of appropriations from the 4 communities to be \$74,383. They take the percentage of total responses to each community. Lee is charged 26.59% of the 4 towns which includes UNH but does not include mutual aid. Lee had the biggest percentage increase.

What do they collect for bad debt? For example, an \$800 bill only collects \$475. The bad debt is written off. High insurance deductions have hurt EMS countrywide. People cannot afford to pay. Medicare and Medicaid adjustments have not kept pace with the escalation of costs in providing EMS. They are a private non-profit organization. They are not in the business of bill collection; however, they did hire one of their members part-time to assist in collecting these bad debts and have had tremendous success in recovering some of the bad debt. They also contracted with a collection agency as a last resort. 2016 is looking good for McGregor; therefore, they are waiving the 4th quarter appropriation request back to all the communities. They will be cutting a check to the Town of Lee for \$4600.

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For the future they are going to continue their efforts on collecting bad debt. They typically leave \$250,000-260,000 of bad debt on the table. They will sell the ambulance that they are replacing to offset the cost. The new ambulance will offset repair costs. They will enhance the Institute programs. They will monitor the Affordable Care Act because there will be changes. They will also be transitioning to a new billing company. Last, they are going to start exploring opportunities for a new facility. Right now they are in the old nonacademic building on campus. They have no more room.

Chairman Bugbee asks what is the difference between a paramedic, advanced EMT and EMT. Mr. Cote states that an EMT can do stabilization, splinting, vitals, bandaging, wounds, etc. Advanced EMT can do some drug administration, IV's, etc. Paramedics have had extensive training and usually have a 2 year Associates degree. They interpret cardiac rhythms and can administer most drugs. Chairman Bugbee asks if the accidents at the traffic circle account for the increase in their calls. Mr. Cote says that was part of it. On a side note, by law they do not do transfers. They depend upon their volunteers that walk into the department so moving to a facility off campus is not the best option. The University is now looking at another piece of property not too far from the field house out by where the University Police Department is located. He would favor this location for operational reasons. The elderly population is growing right along with the student population. The Durham population is flat.

3. Chief Scott Nemet reiterates that McGregor is looking for \$19,776 which is an increase from last year by a little over \$1000. UNH Dispatch will be keeping their budget at \$8445. The Fire Department currently has a full-time Fire Chief (himself) who works M-F 8-4pm. There is an on-call Asst. Chief, full-time Lieutenant who works M-F 10-6pm, two part-time firefighters who works M-F different shifts 6-6pm. There are currently 21 on-call firefighters and EMT's. They have lost 8 employees over the last year due to being hired elsewhere, moving, retired or lack of availability. Over the past 10 years, there has been a 91% increase in call volume. Chief Nemet has been here since 1998 and in that year they had 150 calls. In 2004, he was hired as one of the first full-timers and in 2006 they did 345 calls. There were 35 members back then. As of November 17th that number was 581 with only 21 members. They are projected to do 660 calls this year. The Fire Department does not respond to fender benders or no-injury accidents. They have responded to approximately 15 calls to the new traffic circle with only one or two transports. Medical calls for the elderly have increased immensely. Medicals calls account for approximately 50% of the calls. Fire calls are creeping back in.

Chief Nemet informed that ABC that he did talk to the Board recently about doing pay increases for the members; more specifically reviewing the current wage structure and reward those who have certifications. The base rate for all call members is \$13.01. He would look to give \$1.00 more for those who earn their fire 1 certificate, \$1.50 for CDL, \$1.00 for instructor's license and \$.50 for every 5 years. Chief Nemet is looking to add 2 part-time firefighter EMT's for Saturday and Sunday which would be about \$30,000. This would increase total coverage to 90%. Selectman LaCourse asks the Chief to send the figures out to everyone via email and thanks him for such a detailed report.

75% of the call volume is from 6am – 6pm. With the additional weekend coverage they will be covering 90% of the call volumes. Only 10% will not have two people staffed here or at their

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house for the nighttime coverage. If Lee was to do the 24 hour shift cover, it would have to hire 3 more full-time firefighters and 2 more part-time firefighters which would cost the town \$268,000 in wages and benefits. For a \$43,000 increase they can hit 90% of their call volume.

The average response time for daytime staff is 3 minutes. At night and on the weekends, the average is about 10 minutes. By having this weekend coverage we will shave off 5 minutes of critical time to get to your house. They will also be looking at a minimum participation requirement, a recruitment drive and an explorer post.

They've seen a 91% increase in the calls. This year they are looking at 61 more calls than last year. The Chief is asking to increase the overtime line item by \$1000. The previous lieutenant was the training coordinator. The new full-time lieutenant is also taking on that responsibility which will be overtime for him.

There is a request to increase the equipment maintenance and repairs line as well by \$1000. The CBA's are 16 years old now and one repair is almost \$700.

There is a request to increase the vehicle maintenance and repairs line by \$2000.

There is a request to increase the uniform line item by \$500.

There is a request to increase the lease agreement by \$2500.

Office Supplies has a decrease of \$500.

There is a request to increase medical supplies by \$1000 and \$50 to the bottled water line.

Gas/Oil/Fuel has a decrease of \$1000 and diesel fuel has a decrease of \$500.

There is a request to increase the new equipment line by \$5000. His goal is to increase this line little by little each year. Everything new comes out of this line for example all the fittings and hoses for the trucks.

Selectman Brown asks if there are any grants in the future for some of these things and what the fire department did for grants last year. Last year they received a grant from Georgia Pacific out of Newington for hose in the amount of \$2000. This year they have been awarded a forestry grant that will outfit everyone in the department. There is a government listing that they can shop off of for discounts. They have put in for a FEMA grant to purchase a CO2 system for the trucks while they are running in the bays. They have implemented many new safety codes within the department. He would like to enclose all of their gear so it's not open to the truck area. They also bought the gear extractor this year. This washes the gear efficiently and effectively.

Selectman Brown says that he and the department are doing a great job and compliments him on his report.

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Chief Nemet is the Emergency Management Director for the Town of Lee and Caren Rossi is the Assistant EMD. The EMD get \$1000 and the Asst. gets \$600. He is asking that this line and the supply line remain the same. The Emergency Operations Plan for the Town has been updated. The Hazardous Mitigation Plan for the Town is next. He will look for a grant to complete this. The Town had Code Red which cost money but now it is free through the State for the same program so the Town switched over to that.

4. Larry Kindberg goes through the Recreation Commission budget that they are presenting. ORYA \$27,000; Town Fair \$2500; Porta Pottie \$780; Electric \$1000; Programs \$6900; Staffing \$15,000; LRP landscaping \$7000. The Commission is asking for \$10,000 in a Warrant Article to deposit into the Recreation Trust Fund for repairing the tennis court and LRP landscaping. The lowest price that Mr. Kindberg has received to re-do the tennis court is \$30,000.

Selectman LaCourse asks what the staff person would do. Mr. Kindberg says programming. The Commission members do not have time to organize or put together new programs. There is a discussion surrounding this topic and possibilities of where this person would come from etc.

5. TA Glover reviews the budget calendar dates. The final submission date for a Petition Warrant Article that includes a Bond is December 30th and the last date to submit a Petition Warrant Article that doesn't include a Bond is January 3rd. December 19th is the ABC Budget presentation to the Select Board. The 1st Public Budget Hearing is January 3rd. The last day to post the Warrant is January 30th.

TA Glover reminds everyone that the ORYA budget request for FY18 is \$27,875. In addition, the Lee Fair did not ask for money this year.

December 7th at 7pm will be the Energy and then the CIP presentation by Bob Smith.

The Police and Fire Chiefs are doing a Volunteer Recognition dinner on December 15th. The Select Board needs to decide if they want to participate and who they would nominate for volunteer of the year. They decide to discuss next Monday night.

The Select Board to talk to Attorney Somers on December 12th at 6pm.

6. Chairman Bugbee moves to adjourn at **8:06pm**. Selectman LaCourse, seconds. All in favor.
Motion Carries.
7. Chairwoman MacKinnon opens the ABC meeting at 8:08pm. The committee begins with a salary discussion. Chairman Bugbee informs the ABC that the Select Board is looking at the salary increase pool for this FY which consists of \$30,000. Chairwoman MacKinnon asks why this hasn't been given out yet; the year is almost over. Chairman Bugbee states that they are working on it. They have to decide on how much it is, what kind of an increase it will be i.e. bonus, COLA or merit, and when it will be effective. The Board will look at every position. Each department head has given their recommendation for their people. The Board will do each of the department heads. The Board will talk about this at their next meeting during non-public.

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Chairwoman MacKinnon asks if they should be proposing more in the next budget so to address more of these issues. The total wages for the Town is approximately \$1.2 million which does not include benefits. A 2% increase equal approximately \$34-35,000 including the benefit costs. The group acknowledges that there are requests for a lot of additional money.

The group starts to review the budget by departments. Chairwoman MacKinnon thinks that the Town Administrator's salary should be raised. It lags way behind the Chief of Police salary and it ought to recognize what she has done for the Town. She feels that Robin deserves an increase because her salary seems to lag behind. She is not in favor of raises for the police officers. She thinks that they should focus on Fire. She feels that fire personnel salaries have lagged behind in terms of bringing it into the 21st century. She thinks it is one of the most important services that the Town offers. She feels that Lee frequently lags behind in wages and salaries from comparable towns. They talk about the step program that was supposed to be implemented years ago but wasn't. Chairwoman MacKinnon suggests being able to identify those positions that they think should be paid more. Last year's capital reserve fund deposits totaled \$360,000. They do not have the CIP numbers yet.

They start with the Selectmen's Office. Chairwoman MacKinnon makes the recommendation to give Julie a raise. She has been with the Town five years.

Chairwoman MacKinnon asks about the Town Clerk getting paid mileage. She was under the impression that the police brought her. That is incorrect. The Town Clerk goes to the bank. The Auditors have found that the deposits are being held too long. There will be a Manager's Finding in the future. This same finding was reported in last year's audit. She does not put in a mileage reimbursement request every month.

The TA just did a quick calculation of total wages and came up with \$1.4 million.

The TA states that the policy with regards to doing town business during hours indicates that one is supposed to use the town vehicle. If you do not use the town vehicle then you do not get reimbursed; however, the town vehicle has to be available. Chairwoman MacKinnon thinks that this line should be reduced to \$500. The mileage is supposed to be charged from Town Hall to the bank and not from her house to the bank which is what is happening per Chairwoman MacKinnon.

The group is in favor of the part-time Financial Administration position. Chairman Bugbee points out that they would have to apply the same mileage rule to this department as well. Chairwoman MacKinnon suggests reducing this line to \$500 as well and requesting that if the employee has to use own car and submit mileage that it must be done within a certain period of time.

Chairwoman MacKinnon asks if the policy for pay in lieu of vacation has been reviewed by the Select Board recently. TA Glover says yes. Eligibility starts at 10 years. The employees were very upset by the thought of losing this benefit when the Select Board contemplated it.

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Chairwoman MacKinnon asks if they can continue this discussion at the next meeting due to it being close to 9. She will entertain a motion for adjournment. Pat Barbour moves to adjourn at 8:44 pm. Cord Blomquist, seconds. All in favor. **Motion Carries.**

Minutes transcribed by:



Denise Duval, Town Secretary

Dec. 19, 2016

Date

Minutes accepted by The Lee Select Board and
the Advisory Budget Committee:



Scott Bugbee, Chairman



Alice MacKinnon, Chairwoman