

**OFFICE OF SELECTMEN  
6 HOLLAND STREET  
PO BOX 139  
MOULTONBOROUGH, NH 03254**

**Selectmen's Work Session**

**April 28, 2011**

**MINUTES**

Selectmen: Selectmen: Joel R. Mudgett, Chairman; Edward J. Charest, James F. Gray (absent with prior notice), Betsey L. Patten, Russell C. Wakefield; Carter Terenzini, Town Administrator.

Joel called the meeting to Order at 4:05 P.M.

1. **GASB-45 Report:** Carter presented the analysis which had been undertaken after receiving the audit report for 2009 which had our non-compliance as a negative comment. This accounting standard by the Governmental Accounting Standards Board requires that we calculate our liability for Other Post Employment Benefits (OPEB). In our case it is the implicit subsidy for the Health and Dental Insurance for our retirees. The valuation shows that we have an annual required contribution (ARC) of \$422,000 a year and a built up liability of \$3.134 million. We have to report it but we do not have to fund it. He said that the next steps were to revisit the assumptions that were used relative to growth and interest rates and to determine if the BoS wanted to proceed to develop a funding mechanism.
2. **FY 2011 1<sup>st</sup> Quarter Financial Report:** Heidi Davis, the Finance & Personnel Director presented her first quarterly report for the Finance Unit. The overall budget is about 16% expended and revenues are on track. She did highlight a few accounts which are running ahead of trend. In response to a question from Betsey about whether we anticipated a problem in Human Services (one item is 52% expended) Carter responded it simply was too early to tell and some line items with large front end expenditures do not always expenditure trend in line with time. Heidi also reported that all bank statements and canceled checks were now coming to Town Hall, as opposed to the Treasurer's house, and she would be meeting with the Treasurer on a quarterly basis. Carter requested any Board or ABC Committee member with questions to submit them within the next two weeks.
3. **ABC FY 2011 & Report Card:** There was a discussion of the various items the ABC has reported on and a sense of where we are and the direction we are taking. The BoS first reviewed the "Report Card" for outstanding issues:

1. Merit Pay	Considering	Analysis
2. Cost Sharing of Employee Benefits	Accept	In Progress
3. Outsourcing of Payroll	Considering	Pending
4. Consolid. Library, Town Services	Partial	In Progress
5. Credit Card for Property Taxes	Accept	Analysis
6. Quarterly Tax Billing	Considering	Analysis
7. Change In Fiscal Year - Feasibility	Considering	Analysis
8. Reserve Analysis	Accept	In Progress
9. Improved Process for Revenue Budgeting	Accept	In Progress

Items, 3 & 9: Are in progress and would need another year at least to see how they settled out (watching biweekly processing for any issues before venturing into outsourcing) and another budget cycle on the projection methods put in place for FY 2011.

Items 5, 6 & 7: The report on converting the Fiscal Year is due to Town Meeting in 2012 so this is a priority. There was lengthy discussion of the idea of converting to quarterly tax bills and Susette Remson, Tax Collector, described the various issues to be dealt with. There was a question about whether or not we could do a survey to see what people thought. Carter said yes, but advised that we really need to know what we are talking about and have a full grasp of the issues first. He also advised that for now we are looking at quarterlies in conjunction with the fiscal year conversion. Ed Marudzinski (ABC) pointed out this would not just be a one-time billing. Susette also reported on the contained (albeit slow) progress toward Credit Card billing noting it had been beset with statutory problems that she now hoped had been overcome.

Item 8: Was a priority for the year and one of the items we hoped the Fellowship student might work on. It was understood the ABC would be assigning someone to this.

Item 2: Carter felt this was “Done” with the September 2010 report and the Board’s decision on the contribution structure now being implemented.

Items 1 & 4: Carter advised that we needed to revisit the merit pay based upon the 2010 evaluations which resulted in a push back due to the recommended denial of step raises in that round and the use of the 360 degree evaluation tool which also met with some resistance. He also said that on #9 there was often pushback from one unit and that we really could not extend time in this area to the detriment of other areas in need of our efforts. The consensus was one of understanding with Betsey noting it was slow progress, but we were at least making inroads.

Discussion next moved to the FY 2011 report of which was already discussed under the “Report Card”.

Salary & Benefits: With the continued increase in cost of benefit programs the ABC firmly believes that no benefit packages should be granted without a full work-week schedule. The Town should strongly consider revising its current policy and practices related to granting of full time benefits for less than full time employment. The consensus was that we would modify our current practices such that they required full time (40 hours to earn full time benefits noting the pension system membership was triggered at 34 hours). Employees currently working less than full-time would be grandfathered, but no new employee would be allowed into this category. The ABC suggested we also look at pushing the hours up on any employee in this category to full time before hiring/adding hours to a position.

Cash Management: The ABC felt that by pooling our cash investments (as a single \$22 million dollar entity) we should be able to make improved investment returns. Carter emphasized we would concentrate on the analysis of our various reserve funds as our first priority.

SAU/Town Athletic/Recreation: The study is supported by the ABC and our hopes lie now with the Fellowship application before the LGC/NHMMA. The **Regionalization of Shared Services** is also supported by the ABC and will be reviewed periodically throughout the year with the recent effort to share the Town Code Enforcement Officer with Holderness a major initiative. Finally, the

Administrator advised the Board that a presentation had been made to the staff on the ABC/BoS supported **Work Flow Study** with no volunteers to date. A “Draft” would need to be made next week sometime. Mr. Marudszinski would be the ABC’s point person on this effort.

As these issues were wrapped up Betsey stated that she feels strongly that the ABC is doing the job we have asked them to do and was disturbed with some recent minutes in which Russ was reported to say he wanted to abolish the ABC. Russ said that was not accurate and that the minutes had not even been approved when they were published. There was a brief volley of statements from various members of the ABC standing by the minutes as accurate, with Russ restating his belief that they were not accurate.

4. **Proposed Cemetery Ordinance Amendment:** The Town Administrator distributed a revision which addressed fixed hours for the facility to be open, the new language to be inserted in the deed to have use of the lot in compliance with Town policy, to require the Town record the deed, and to allow for certain lots to have a second headstone if one had existed prior to May 15, 2011 and the new stone did not exceed the smaller of the existing stone or the new standard. All seemed to agree this was now ripe for action.
5. **Proposed Milfoil Policy:** There had been no comments received since the public hearing and all seemed to agree this was now ripe for action.
6. **Blue Ribbon Commission:** This followed on a presentation by the BRC at the meeting of 04/21. The Board agreed it should offer to discuss the proposal to build a gym on SAU land with the School Board. They asked for an Engineer’s Task Order on the design of improvements at Playground Drive, and for some sort of conversation – through one or more public hearings – to be held with the residents to advise them of the shift from building a new field at the Lions Club to rehabbing the field at Playground Drive before dropping the idea and proceeding directly to fix the Playground Drive field. In a review of a separate memo from the Town Administrator relative to the various land offers that had been made to the BRC the Board did come to a consensus to refer the parcels to others as advised in the memo.
7. **Discretionary Preservation Easement:** Cristina Ashjian made a brief presentation on the proposed revision to the policy. The matter will be held for further discussions.
8. **FMLA Amendments:** In our first few granting(s) of the same we have come to discover there is the need to amend the policy to account for certain statutory extensions that need to be made from time to time. The question becomes whether or not we would extend under any other circumstances. The consensus was we would not. With that settled the companion questions became whether or not we would attempt to recover any of our monies expended upon benefits (health insurance) if an employee was terminated from our employment at the end of the leave. The consensus was we would not extend the leave unless required to for one of the statutory required extensions, we would separate the employee from our service and we would not attempt to recover any monies expended on their behalf during their leave.
9. **Hiring & Matrix:** The first question came with respect to the applications for File/Floater Clerk. We had an internal candidate who had requested a transfer. The staff recommended approval based upon their performance to date. Did the Board wish to approve this request? The consensus was yes. Moving on, the Board had previously decided it wanted to do the final interviews on the part-time and full-time positions and wanted to see the top three candidates for each. We now faced a

situation where we might be hiring more than one person for the same type of position (File/Floater Clerk, Transfer Station Attendant). The question was how many candidates the Board wanted to see if more than one person was being hired. The end answer was two persons per position rather than three (so four persons for two slots of the same position).

There being no further business, Joel adjourned the meeting at 6:10 p.m.

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Approved

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Date  
Respectfully Submitted  
Carter Terenzini, Town Administrator

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