

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

Selectmen's Work Session

October 27, 2011

MINUTES

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

CALL TO ORDER: Joel called the meeting to Order at 3:00 P.M.

1. Update on Outsourcing Payroll: Carter discussed the review done by Heidi, Kathy, and himself and outlined the meeting they had with a representative from an outsourcing company. He said outsourcing would cost about \$4,000 and would save about 24 hours of staff time per year. Heidi, Kathy, and Carter agreed that they did not see the value in outsourcing payroll at this time and unless instructed otherwise he would not be including these monies in his recommended budget.
2. SAU/Recreation Report: Town Fellow Mike Branley presented Rus Wilson, Recreation and Athletic Director in Portsmouth (via phone). One of the biggest concerns expressed by the Selectmen was that they did not believe one person could answer to two boards (specifically School and Selectmen) and serve them both effectively while running programs with seemingly different philosophies.

Mr. Wilson had been the Recreation Director in Portsmouth for many years. Portsmouth High School was having trouble with their Athletic Director position; they had tried a few different things which did not work. The city manager developed the idea of having Mr. Wilson serve as both recreation director and athletic director. Both the school board and the city council were behind the idea. Mr. Wilson stated the consolidation had made both departments far more efficient. He has not had one problem where the school board and city council disagreed about an action he had taken or tried to pull him in different directions. The two departments had been separate for decades in culture. Mr. Wilson said this change increased cooperation between the two and we do not consider them separate anymore. Now there is no duplication, no scheduling, mishaps and one contact for all programs. All gyms are open on weekends. Mr. Wilson said they no longer think about city or school fields; just our fields. Mr. Wilson and his assistant came into the joint positions with credibility so that made the transition easier. This mindset has helped Portsmouth look at other areas of possible cooperation between the school and the city. School athletics are still competitive and recreational youth sport is still fun.

Joel questioned Portsmouth's recreation and athletics staffing. When Mr. Wilson replied that when he started in Portsmouth he had 15 full time employees; now they have 4 full time employees complimented by part-time staff and hundreds of volunteers. Ed asked what the participation numbers look like in Portsmouth for recreation and HS athletics. Mr. Wilson responded that the high school has approximately 450 athletes and recreation has 2,000-3,000 participants, plus adults. Ed also asked about the two department's budgets. The HS athletics budget is \$500,000 and the recreation department budget is \$750,000. Ed asked if non-residents are allowed to participate and learned that residents get the first opportunity and then if there are openings non-residents can sign up for double the resident fee. Betsey questioned how Mr.

Wilson's compensation was divided between the school and the city. Mr. Wilson stated that he receives benefits and a salary of \$78,000 from the city side and then a stipend or roughly 40% from the School District. Mike asked how many times issues had arisen between the recreation department/ the city manager/ the city council and the athletic department/ the superintendent/ the school board. Mr. Wilson responded that there has literally never been an issue. He meets with the city manager and the superintendent twice a year to make sure everything is going smoothly and there is almost nothing to even discuss. The Selectmen thanked Mr. Wilson for answering their questions and the telephone conversation ended.

Mike took a few minutes to go over his hand out, where he attempted to visually lay out how the duties currently being done by the assistant recreation director and the athletic director would be done under his proposal and who would do what. There was some general discussion about whether Portsmouth was comparable to Moultonborough. Russ stated that Moultonborough does recreation and athletics more efficiently than Portsmouth. Ed said he did not think it was an "apples to apples" comparison. Betsey felt that although the communities are different Mr. Wilson answered the question about if one person can effectively serve two boards, and at least in this case, he has been able to do so. He did not find the pull between two bosses. She thought it maybe a good comparison.

3. After School Program Report: Mike went over the major points of his After School Program Study. He said that there were some questions about his use of the survey and if it was used reasonably. Mike commented that if people took the time to look at the conclusions he made from the survey they would see he is not saying anything such as "based on the survey, 75% of people prefer the School's program so let's end the Drop in Program," which he felt would be wrong. He used the survey to justify having a drop-in style program, having a program run until 6 p.m., and that parents seem at least as receptive to having after school activities be located at the schools. Mike said that what it boils down to is this: Is it worth running a separate program at the Community Center if the schools have the space and can run a better program? If the schools do not want to run it, do not have space, or do not think they can do it well, they will tell the Selectmen in a joint session and the question will be put to rest. Mike felt it is at least worth talking to School about it. The school principals have said they do not have consistent adequate space to run the current program due to some of the equipment, but it is possible they can run something similar that is at least as good.

Betsey said she remembers when the program was at the schools, although she could not recall why the program was moved out. SAU Business Manager Kay Peranelli stated that the School no longer wanted the program when the grant ended and the Town took it on. Russ said that in larger situations maybe it is not the same, but he does not like the idea of reporting to two bosses. Ed said that Portsmouth is not as cost effective in their Recreation after school program. Moultonborough's current system is the character of the community and what is proposed will lead to substantial savings. Joel felt that the after school program here is a different program than what the school runs. He added that some would say we should not run either program, but it does help many. Russ commented that when his children were young he was responsible for them and he has no patience for those who use the Town as a babysitting service. Joel responded that he understands what Russ is saying, but the world has changed and it's better than letting them sit at home or dealing with them at the Police Department when they get into trouble.

Betsey felt that they need to see if there is a way to formalize coordinating facility use with the School District if there is some buy-in from both sides. Ed said that one person to help

coordinate would be a benefit. He thought this could possibly be part of the Activities Assistant's job description. Mike said that with the athletic director position opening, this is the opportunity to try something different. He added that you can always go back if it does not work. The person who won the School District's Building and Ground's contract voluntarily offered to do the maintenance and set up piece for the School's athletic fields, so he is not sure how the School could justify a full time AD. The Board agreed by consensus to hold a joint meeting with the School Board to at least continue the discussion about increasing coordination.

4. Recreation Revolving Fund Update: Carter said that he had another discussion with Jean Beadle and Donna Kuethe to look at what programs and expenses could be run out of this fund. If the Selectmen decide they want to use the fund in a new way, they would have to go back to Town Meeting to clarify the use of the fund and align it with the statute. Carter said that on the first cut we tried running everything that was not a fixed cost out of the Revolving Fund. This would create a \$40,000 annual deficit and they thought that this may be too large of a deficit, especially for the first year. Next they found some expenses to move out of the Revolving Fund and calculated an annual deficit closer to \$20,000. This could be handled with the balance on hand as we move to this new model. If the Revolving Fund is used in this fashion, the Selectmen would be presented with a budget for the Recreation Department and also a separate budget for the Revolving Fund.
5. 2011 3rd Quarter Financial Report: Heidi outlined the third quarter's financial report. The Board had no questions.
6. Playground Drive and Lions' Club Field: Carter stated that 60% plans for the rebuild of the Field at Playground Drive had been received and reviewed, along with a cost estimate. There is a little more design work yet to do to address some of the questions raised during this review. He noted that we currently do not have an "apples to apples" comparison for a field at the Lions' Club property. If the Selectmen are going back to Town Meeting he needs to know what size field and where at the Lions' Club. He urged the Selectmen to recommend a field at one location or the other when they go back to Town Meeting rather than just present both options with no guidance. Betsey felt it was important to go to Town Meeting with proposals for Lions' Club and Playground Drive. It was estimated that it would cost \$12,500+/- to get a different field at the Lions' Club up to 60% design as opposed to what was originally proposed. Betsey said that they need to decide if they are okay with not complying with local zoning at Lions' Club and potentially Playground Drive. She also recommends that they get the Lions' Club "Concept G" (now at 60% design) cost estimate brought up to date (estimated at 4 hours).

Russ said that Betsey's idea of looking at the 5% various designs for an alternate location makes sense. Ed stated that he believes that the Town should not violate its own zoning regulations. It is hypocritical and he cannot support it. Betsey does not deny that it is hypocritical, but she does not think it is worth the extra money to abide by zoning. She wants to be upfront that the plan does not comply with zoning and the voters will decide at Town Meeting if this is important or not. Russ agrees with Ed and said this shows why Lions' Club is a bad choice. Ed said that when this does go back to Town Meeting the Selectmen need to stick to the decision. Peter Jensen questioned if the two Route 109 fields were different sizes. Betsey replied that one is a high school sized field and one is youth sized, which is smaller. Mr. Jensen suggested that the Town Planner look at the plans. Carter said that none of the Town's existing buildings comply with zoning. Public entities in New Hampshire are exempt from zoning so they are not in fact in violation. Jim Leiterman said no one is thinking about Mr. Wallace and the other abutters at the

Lions' Club property and how building a field there may affect them. Betsey said that it is up to Mr. Wallace to make that point and the voters will weigh that issue. Joel agreed, adding that it is the same idea as Fox Hollow. With the exception of Ed, the Consensus was to refresh the cost estimate for "Concept G" as the basis of approaching Town Meeting when Playground Drive is brought in.

7. FY 2012 Tax Rate Overview: Carter said that we do not yet have the tax rate, but we do have an update on the process and how things have changed this year. Heidi gave an update on the process and gave tentative tax rates that she calculated: Town= \$2.77, County= \$1.06, Local School= \$1.97, State School= \$2.53, for a total projected tax rate of \$8.33 per thousand. DRA recommends holding 5-10% of the total budget in overlay; GFOA and the Town accountant recommend 10-15%. Currently the fund balance is around 11%. Carter recommended not using much fund balance as we approach the possibility of converting to a fiscal year and that we only use enough to stay around Heidi's projection after they hear from DRA. Betsey explained that the projected increase in the tax rate is due to the overall lower property valuation in Town, and not on increased expenditures. Some people will see higher taxes than last year and others will see lower taxes. Carter said that if property values had not changed the tax rate would have been around \$8.14. Ed asked how much overlay would be needed to be spent to bring the rate down a penny. Carter responded it would be around \$27,000. Ed Marudzinski asked about the impact to the tax rate if no change was made to assessments. Carter referred him to page 2 and also made a few other clarifications. It was agreed by Consensus to use the fund balance only as needed to keep the tax rate within a penny or two of \$8.33.

8. Update on Reserve Fund Analysis: Mike said that he had received feedback from the Selectmen and had done some follow-up research based on their comments/questions around three funds.
 - 1) Resource Recovery Park/Waste Management Facility Fund: Mike researched the past use as was requested. \$26,000 was expended in 2005 for an unknown purpose. \$125,000 was appropriated to and then expended from the fund in 2004 to create and expand areas for demolition and scrap metal material, work inconsistent with the fund's stated purpose of "...the purchase of necessary containers and equipment..." It was the Consensus of the Board members based on this information to recommend on the warrant to close out this fund and transfer the balance to the DPW Equipment Fund.
 - 2) Dry Hydrant Fund: Mike was asked to further research cisterns and other potential needs for this fund. He learned that there are five private cisterns in Town and has discussed the lack of a long-term maintenance agreement in the subdivision regulation with the Town Planner. The Planner will work with the Planning Board to improve this aspect of their process. With that said, the Town may potentially face some liability in terms of future repair of the cisterns that have already been installed. After the research is completed, it may be prudent to expand the use of this fund to include both dry hydrants and cisterns. While Mike was researching cisterns, the Fire Chief also made known that he does have some dry hydrants in need of repair. Based on this new information, the original recommendation of spending down this fund to a lower level is withdrawn; there is sufficient need for the current balance.
 - 3) Rangeway Fund: As Mike was asked to research the past use of this fund he looked back to 2000 he could find no expenditures from this fund. Based on this further research, he continues to recommend that the fund should be closed out and any needs that arise can be absorbed by the legal budget or the operating budget. However if the Selectmen still disagree with this idea, he thinks they should at least take some action to utilize this money as it has been sitting in the fund for the last 10-15 years. It was agreed by Consensus that the staff should outline a plan for the use of this fund towards its purpose of locating and mapping rangeways.

9. CIPC Presentation: Capital Improvement Program Committee Chairman Richard Brown presented some of the highlights of the CIPC's report, which was distributed to the Selectmen. Mr. Brown went through several highlights of the CIPC report, which looked one year longer than the committee's charge due to the need for a new fire engine in 2018 and the Committee's feeling that it was irresponsible to not account for this year. As this was the CIPC's first year providing a report, they established a solid process. At this time, the Board had no questions on this report.

The meeting adjourned for a break at 5:40 p.m. and reconvened at 5:45 p.m.

10. Hiring Process: Carter sought a consensus on the Board's review of the Hiring Process memo that has been circulating (version 3). 1) Upon a vacancy, the department head looks at how, if it at all, the services can be offered more effectively. The choice is whether positions should be reviewed during vacancies or during the budget cycle. Betsey felt, with the exception of the Deputy Tax Collector and the Deputy Town Clerk, positions should be looked at during vacancies. Russ said he believes that is what the department heads are for and this hiring procedure would add too much time and complexity. Jim said while he trusts the department heads, some feel there may be favoritism in hiring. He thinks the more people who review a position the better. Joel agreed, but it is too hard to look at job descriptions during budget time when people are in positions. He feels that it is worth the time and it shouldn't take too long. Russ said that Joel makes sense, but that isn't necessarily in what Carter submitted. Betsey felt setting a maximum time limit for the review process could ensure that it doesn't drag out too long. Carter said if the department head does not make any changes, then this process will not add much more than a week. He referenced the Activities Assistant position at the Recreation Department as an example where the information came back quickly from the department head, although hiring a replacement has been held up for other reasons. Ed said there are a lot of positions where he doesn't know what they do and the department heads know best. Russ questioned why 2011 was any different from any past year, adding that what we have is a little loose, but it works. Jim emphasized the need for consistency and said that the system has not always worked well. Joel asked the Selectmen if they want to first hear about a job opening when it is advertized. Betsey agreed that they should review positions when they become vacant. Joel stated that he does not ever remember a legitimate time that a position was questioned during budget time. Russ said that he wasn't going to agree to anything so he may as well not take part in the discussion. After a brief exchange with the Chair, Russ left the meeting at 6:15 p.m. 2) Position Review and Vacancy Notice: Agreed by Consensus as written. 3) Due Dates: After discussion, the 3 weeks for applications was reduced to 2 weeks and agreed by Consensus. 4) The Interview Panel, Scoring, and Ranking sections: Agreed by Consensus. 5) The Appointments: Agreed with a notation that the Selectmen's report could be verbal, separate or by signing the Memorandum of Appointment which was also agreed by consensus. 6) Offers of Employment and Standing List: Agreed by consensus.

There being no further business the Chair adjourned the meeting at 6:30 p.m.

Approved

Date

Respectfully Submitted

Carter Terenzini, Town Administrator