

**OFFICE OF SELECTMEN
6 HOLLAND STREET
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MOULTONBOROUGH, NH 03254**

Selectmen's Work Session, 4 PM

July 25, 2013

MINUTES

Selectmen: Joel R. Mudgett, Chair, Jonathan W. Tolman, Edward J. Charest (absent with prior notice), Christopher P. Shipp, Russell C. Wakefield; Town Administrator, Carter Terenzini.

I. CALL TO ORDER: Joel called the meeting to Order at 4:00 P.M.

II. PLEDGE OF ALLEGIANCE:

III. REVIEW OF PAYROLL MANIFEST & SIGNATURE FILE:

DATE	DOCUMENT	MAP/LOT#
7/25/13	Payroll/Payables Manifest & Signature File, \$106,941.85	N/A

Joel read the Payroll/Payables Manifest and Signature File as listed above. Russ Made the Motion to approve the Payroll Manifest & Signature File for July 25, 2013. Chris Seconded. The Motion carried Unanimously.

IV. SELECTMEN'S WORK SESSION CHECKLIST:

- 1) FY 2012 Audit: Jared Vartanian of Vachon Clukay and Company presented the results of the FY 2012 audit. There were two concerns with the Library accounting that involved our Internal Controls that were of concern. Their first was the lack of a monthly reconciliation of the accounts and the second was their year-end reporting. They showed they had about \$4k on hand when in fact they had about \$203k. He said this makes the year-end reconciliation very difficult. On the Town side there were some checks that were outstanding for too long. Clearing these out on a regular basis needs to be incorporated into our regular accounting processes (and has according to the Town Administrator). Mr. Vartanian said there was a high degree of cooperation from the staff and overall the Town was in very good shape. Our OPEB liability grew, but is a bit of a misleading number in that it is an implicit subsidy. He addressed an increase in our personnel liability amount because of the change in the absent leave policy. The Town's Net Assets are up \$580k (overall \$16M+) which is a good position for a town of this size. The TA asked for direction from the Board as to how to address the issues with the Library. Joel suggested it would be helpful to have the auditor meet with them. Chris said the Advisory Budget Committee had several issues with them as well. In searching for "baby steps" as described by Russ it was decided by consensus that Chris and Russ would have an initial meeting with them. Jean Beadle, Chair of the ABC, said they will help if asked. Carter asked for any questions on the audit within two weeks that the staff might prepare a response for 08/15.
- 2) Personnel Liability Reserve Fund: Carter Terenzini noted this was one of three funds for which an ARC, Floor, Target and Ceiling had not been set in the Town Fellow's report. He presented an overview of how it came to be, the current funding and balance and how the leave payouts were currently paid from the operating budget. He proposed eliminating the fund and carrying the liability within the accounting without an offsetting asset as we did for

- the OPEB liability. Mr. Vartanian said he could not give a community advice on this matter as he needed to keep his independence. However, he noted that the majority of communities he deals with don't have this fund or are in a similar situation as the Town where it is not drawn down. He said that we must carry the liability and it is the conservative thing to do to keep the fund. Jon said he was comfortable in doing away with the fund as did the ABC Chair, Jean Beadle. After a discussion the consensus was to have the TA include the dissolution of the fund in his proposed FY 2014 budget and Town Warrant and deal with the disposition of any remaining funds at that time.
- 3) FY 2013 Q2 Report: Heidi Davis distributed the report explaining any variances from time trend, an upcoming request for budget amendment #2 (insurances in Fire & Rescue and Police and backfilling several unbudgeted repairs such as surge protection at Public Safety Building and Town Hall). Carter asked for any questions on the audit within two weeks that the staff might prepare a response for 08/15.
 - 4) Recreation Revolving Fund (Expanded Q1 & Q2): Carter gave an expanded report on the RRF Year to Date and the year end projections in comparison to the budget. He described it as a "feeler" and asked for feedback within two weeks as to whether or not this met everyone's expectations and needs. If not the staff could then look at how much more effort might be needed and discuss the merit of that output would bring us with the two boards (BoS and ABC). Jean Beadle, ABC Chair, felt this expanded information was much better and that we were "getting there".
 - 5) "Camper Tax" Bright Line: Assessor Gary Karp recapped the 2013 process and discussions he has had since then with other assessors. The revisions he proposes to that practice would follow the statute on Manufactured Housing. He will inspect on or about April 1 of a calendar year and on or about November 1 of a calendar year. If it has not been moved it is subject to taxation as real estate under the manufactured housing statue. If it remains there upon the April inspection of the following calendar year (the effective date for taxation values) then a tax bill will be issued. Trailers "stored" on people's property which do not otherwise meet the four statutory tests for taxation will not be taxed. The consensus was to endorse the concept in Gary's memo of 7/24 as the basis for determining which campers are taxable. Staff is to prepare a formal policy for final adoption.
 - 6) Review of Assessing RFP: Gary distributed a draft of the upcoming four year RFP for assessing services. The Board was asked for comments by close of business Monday that it might be issued next week.
 - 7) Fireworks & Noise Ordinance (Referral from 07/18): The TA gave an overview of the constituent request for action, how we currently address the situation, statute and the approaches of some other communities asking for direction as to how the Board would like to proceed. Joel felt we ought to do something to address the situation. Russ said that if there was a permit process then we would have an opportunity to hand them the rules. He felt that part of the problem is people have no direction and if they did they would oblige and cooperate. Jon said the Chief has gone a long way in addressing the problem with the change in the Police Department's approach in this matter. He felt that adding fireworks to the list of prohibited activities in the noise ordinance is a good step. The question to him became if you limit the use by the time of year. Chris was not in favor of a permit being required. Russ said the point was not necessarily for it to be a prohibition, but a means of making users aware of the rules. After a discussion the consensus was to amend the Noise Ordinance tweaking it to be clear fireworks outside of allowed hours are an annoying noise. The TA said we would make sure this matter was a front page Newsletter article for 2014 and was asked to reach out to area realtors that they might make the renters aware of the restrictions.

- 8) RIFs & RIGS: Having settled how involuntary and voluntary Reductions in Force and Reductions in Grade were to be handled in general at the 06/27 workshop the questions now become more procedural in nature. The TA distributed a memorandum as to how many days of notice would be given, the rights of an employee during the process and their rights to being recalled. Russ reviewed his thoughts of 06/27 that these should be tied to a merit system and not seniority and that perhaps we should put this off while we discussed a pay for performance system. Chris reviewed his thoughts of 06/27 in which he said he was troubled by the fact that we pick and choose which exemptions we choose to take advantage of. He continued that we should recognize that we are not going to let a loyal employee go and we should make a job for them if they are caught up in such a situation where they can't maintain their credentials. The TA suggested the Board address those exemptions it believes it should not take advantage of, but we need to know what will happen to employees in the situations which have been discussed. After discussion it appeared a consensus could not be reached. However, the Board did believe it could give the TA direction in fairly short order at its meeting of 08/01.
- 9) Pay for Performance: Jean Beadle, Chair of the ABC gave an overview of such systems noting the underlying basis was a rigorous performance tool. The TA suggested and it was agreed that she and he collaborate on an expanded presentation for the next workshop.
- 10) VNS - How to Meet the Challenge: Deb Peaslee, VNS Director gave an overview of the 04/25 presentation and her work on the "Takeaways" from that meeting (Marketing, Expanding our Geographic Service area, Expanding our Services w/in our Service Area). She said the VNS was moving to a motto of Your Hometown Home Health Care Agency to give residents more of a sense of ownership, had analyzed where its current referrals were coming from to make sure further efforts were the best return on time, spoke to expanded newsletter, press and cable articles, and possible videos and advertising. As to expanding into new geographic areas she showed mapping of our "competitors" which surround us and operate within our service areas. She noted there did not appear to be opportunities to expand geographically. As to expanding within our service area she noted we did not offer long term, hospice, or telehealth services. Each of these was so costly as to be prohibitive to go it alone. Her proposal was that we explore a collaboration with several other agencies who had the same gaps in their services to see if there was an opportunity to address all of our needs in this area. These discussions would explore potential shared services for cost reduction as well. The consensus was that this was ripe for action on 08/01 and to look favorably on her proposals.

There were two items remaining, but given the hour the TA said he hoped to be able to find another way to address them with the Board.

V. ADJOURNMENT: There being no further business the Chair adjourned at 6:35 p.m.

Approved

Respectfully Submitted
Carter Terenzini

Date