

SUNAPEE BOARD OF SELECTMEN  
6:00PM Safety Services Building  
Monday, December 12, 2016

Present: Josh Trow, Chairman Suzanne Gottling, Vice Chairman, John Augustine, Fred Gallup, Shane Hastings, John Brandolini, Kevin Cooney, Ron Kulpa, Linda Tanner, Chief David Cahill, Mary Danko, Scott Hazelton, Chief Dan Ruggles, Betty Ramspott and Donna Nashawaty, Town Manager  
Absent: Veronica Hastings and Joe Furlong

Chairman Trow opened the meeting at 6:00PM

**APPOINTMENTS:**

•6:00PM-Sestercentennial Committee

Ron Garceau, Chairman of the Sestercentennial Committee reported that the committee has had several meetings to discuss ideas and possible events to celebrate the 250<sup>th</sup> anniversary of the founding of Sunapee. At their last meeting, the committee voted to present the following to the Selectmen:

- 1) To have a 3-day week-end event and the date is August 17, 18 and 19-2018.
- 2) To make a budget request, of \$15,000, to be placed on the town warrant in March 2017 for street banners, advertising, band deposit, fireworks deposit, etc.

**Motion to approve the dates of August 17, 18 and 19 2018 for the Sestercentennial Celebration, as proposed by the committee by Selectman Gallup, seconded by Selectman Hastings. Unanimous**

The Board will discuss their request under the warrant article section of this meeting.

•6:30PM-Becky Rylander-Sunapee Historical Society “Draft” Sales Agreement

Becky Rylander presented the summary and refinements of the lease/purchase offer from the Historical Society for the Old Abbott Library. Donna Nashawaty read the email she received from the Town Attorney regarding several topics relating to the Historical Society offer to lease/purchase the Old Abbott Library. The Town Attorney answered two (2) questions that were asked by Terri White, Chairman of the Library Trustees;

- 1) Q: Is the town allowed to renovate the building/add the downstairs bathroom? A: The Town’s proposal to add a ramp and bathroom are capital improvements and within the Town’s discretion.
- 2) Q: The Cy-Pres states that payments under a lease agreement which exceed an amount sufficient to cover operating expenses will be applied toward Trustee equity interest. Will lease payments be going towards the operating expenses? A: Lease payments will be applied to the maintenance/operating expenses.

**Motion to accept the Historical Society’s lease/purchase offer for the Old Abbott Library and go forward with the ensuing obligations, Conservation and Planning Board recommendations and public hearings for January 9<sup>th</sup>, 23<sup>rd</sup> and 30<sup>th</sup> by Selectman Gottling, seconded by Selectman Gallup. Unanimous.**

Selectman Augustine asked if Shaun Carroll was still going to donate his time and materials for the Old Abbott Library ramp. Chairman Trow will follow-up with Shaun Carroll and bring the information back to the next BOS meeting.

Chairman Trow turned the meeting over to Chairman Kulpa, ABC Committee

•7:00PM-ABC Committee Meeting

Chairman Kulpa established that there was a quorum for the meeting. The committee reviewed the revised 2017 ABC Budget Recommendations. (See attached) After the Committee made changes, the final draft will be reviewed at the Tuesday, December 27<sup>th</sup> at 6:45PM at the Town Office Meeting Room.

**PUBLIC COMMENTS**

•John Brandolini wanted it on the record, that the ABC Committee (at large) members have left the meeting and the BOS is now going to talk about salaries and the warrant articles, which are part of the budget.

•Chief Cahill stated that Peter Brigham, the Part-Time Officer, has graduated a few weeks ago, from the Part-Time Academy.

•Chief Cahill expressed concern on the lack of communication from the State Highways and Bridges Construction regarding the three-and-a-half-month project, starting December 15<sup>th</sup>, to replace the deck on the bridge on Route 103 over Redwater Creek. Chief Cahill has spoken with the State and just feels better planning and communication is in order. The Board asked the Town Manager to write a letter from the BOS and bring to the next meeting for their signatures.

**SELECTMEN ACTION**

•Abbott Library Reappointment-Helene Churchill

**Motion to reappointment Helene Churchill as an Abbott Library Trustee Alternate for a one (1) year term by Selectman Gottling, seconded by Selectman Gallup Unanimous.**

•Road Safety Audit Application

Donna Nashawaty stated that last July/August MT. Royal Academy tried to get some data regarding the road safety on Route 11, such as the number of accidents, which morph into trying to get a study done for the changing of the Route 11 speed limits, turning lanes, signs, etc. One of the facilities to do this is to have a Road Safety Audit done.

The State of New Hampshire grants four (4) audits a year, where they hire outside engineers to work with the stakeholders, which would be the Town and the State.

The recommendations would then be given to the Town in a report. The Road Safety Audit had to be on December 1<sup>st</sup>, Donna Nashawaty received the application on November 30<sup>th</sup>. The application need the signature of the Town Manager, but Donna Nashawaty felt she needed to tell the BOS (Board of Selectmen) that the Town was applying for the Road Safety Audit. The Audit was submitted to DOT, without the signature, as a placeholder. Donna Nashawaty reminded the Board that Mt. Royal Academy was asked to hire a Traffic Engineer, when Mt. Royal Academy had parking and safety concerns to look at some options and to meet their site plan review statements. This study is not that study. It is a study of the Route 11 corridor from north of Sargent Road and east of Trow Hill Road. Chief Cahill stated that he has met with Adam Ricker, UVLSRPC to go over the accidents that occurred on the Route 11 corridor in that area, over a ten (10) year period.

**Motion to authorize the Town Manager to sign the Road Safety Audit Application by Selectman Gallup, seconded by Selectman Hastings. Unanimous**

#### •Personnel Salary Table

Selectman Augustine stated that the basis of the recommendations for Sunapee have come out of the New London Town Salary Survey Study, which is posted on the New London town website and available for anyone to review. Selectman Augustine is personally concerned about the towns that were used in the study, as comparative towns. He explained there are nineteen (19) towns in the study, including New London and Sunapee. Fifteen of the towns are larger than Sunapee. In Selectman Augustine's opinion, it seems like they came up with the recommendations by taking an average of the eighteen (18) or nineteen (19) data points that were submitted and feels a significant number of those data points are not apples to apples to Sunapee. Selectman Augustine thinks it calls their answers in to question, so he's leery to use that study for major decisions that will impact Sunapee's pay table. Selectman Augustine personally feels that the town employees and taxpayers deserve having our own study done with this Board and relevant other people to pick the towns that we compare ourselves too. Chairman Trow said that one of the reasons you hire an outside vendor is that they generally have a better feel for it and specifically to the point of us picking the towns, Chairman Trow is not sure how that makes sense. The job of the people doing the study is to find, in the relative scope of New Hampshire, comparable towns. In certain portions, more comparable then others. Selectman Augustine said it doesn't make sense that they included Hanover, but not Grantham and included Conway, but not Warner, both not included are nearby and about the same size as Sunapee. Selectman Augustine would like to ask the New London Town Administrator, how they came up this list of towns. Selectman Gottling asked if Moultonborough was included in the study, the replied was yes. So, Selectman Gottling stated that we did a very careful delineation of Moultonborough, New London and Sunapee. Donna Nashawaty replied that Moultonborough did their own study, which were also used in the Sunapee results. Selectman Augustine said that even if we didn't pay for our own study, but asked the consultant to slice the data taking out the eight (8) towns that are so much bigger than Sunapee, that would change what the average is. It would change not only the high and the low, but the mid-point. Chairman Trow said his understanding was that they used the mid-point of what they calculated to be the range. Selectman Augustine asked if the other Board members have read the study, they did not read the study. Chairman Trow understands that personnel are an important part of the town, it's the core of what the town provides and to the extent of have all the Selectmen read the study, no, but Chairman Trow feels the Board doesn't have to read anything that happens, that's why we have a Town Manager, who proposes to the Board what she believes is the best course of action, it's what to the Board to accept or reject it. Chairman Trow feels what the Board has been given "spark notes" version of the study, that's the whole point of having a shorthand, so you don't have to read the whole thing. Chairman Trow commends Selectman Augustine on doing it and finding all the details, but Chairman Trow said the short version gave the town a range, information and it comes down to the question, do we want to adjust the town's pay table, do we want to adjust to a different scale and to a different length of time. Selectman Augustine said for such an important decision, why don't we pay for our own study, pay the consultant to slice the data in a way that's more relevant to Sunapee. Donna Nashawaty stated that when the town went through this last year when the thought was the Town of Sunapee employees were overpaid, one of the things we did look at was the Town of New London was doing a study, we didn't know who they were picking or where they were picking. By the time the town participated and got the study back, as the Board directed her to do this year, she told the Board in September that she didn't give them the seventy-seven (77) pages of the New London report because it was on their website, which made

it publicly available to everyone. The second piece of that is Sunapee does have a population expansion, Donna Nashawaty can't tell you how much, but there are no occupancy permits and there is certainly the residential capacity for it during the summer months. So, when you do try to compare a community you have to other "like" communities that might have that similar expansion. Donna Nashawaty was uncomfortable just looking at New London results, so she found out there was another study out there by Moultonborough, so she put them together on that big spreadsheet, which was color-coded for the three (3) towns. Donna Nashawaty went one-step further and took the employees and their positions, not their names, in each town.

Of the forty (40) positions, that she could directly connect, thirty-one (31) made less than their exact counterpart in New London or Moultonborough. This table is what New London adopted for December and what Moultonborough adopted in August 2016 from their studies. Selectman Augustine asked if these numbers are just wages or wages and benefits. Donna Nashawaty replied just wages. There was some discussion on the monthly health costs per employee between New London, Sunapee and the health market. Selectman Augustine doesn't know what the hurry is in implementing this new salary table and thinks the Board should wait six (6) months to see what's going to happen to the health insurance. Selectman Gottling stated that the towns hire the "professionals" to look at all the variables and the study runs about \$14,000-\$20,000. Selectman Augustine replied that the town should hire a "professional" and do it right. Chairman Trow doesn't see the point in spending money to do a salary study when the town has already been involved in two (2). Donna Nashawaty stated that this implementation plan is putting it on a table, so at least the positions are not maxed out and the range greatly resemble the outcome of those two (2) surveys. Chief Cahill said that Selectman Augustine should not cry wolf and say something you're not going to hold up too. If you're going to do a study and come back with recommendations and then say it's too much money. Chairman Trow asked the Board if it was the intent or will for Sunapee to do its own salary study. **A motion was made that Sunapee commissions its own salary and benefits study, paying a professional consultant to do the study by Selectman Augustine, seconded by Selectman Hastings.** Selectman Gallup does not see a need for another salary study, since the town has been involved in two, at no cost and the study would cost roughly \$14,000. **The Board voted and Selectman Augustine was in favor, the rest of the Board opposed the motion.** Chairman Trow stated that the base-line step is implementation of the new grades for employees, excluding the seasonal and elected workers. Chairman Trow asked if the Board if they wanted to go with the new eighteen (18) step pay table. Or do we not go to with the eighteen (18) step pay table, but add a thirteen (13) step to the current pay table. Aside from that potentially going with the eighteen (18) step pay table, or not, the COLA adjustment. **Motion to adopt the eighteen (18) step pay table, as proposed and effective January 1, 2017 by Selectman Gallup, seconded by Selectman Gottling. Four (4) in favor, Selectman Augustine opposed. Motion to approve a .8% COLA by Selectman Hastings, seconded by Selectman Gallup.** Selectman Augustine asked if the Board would consider .3% for the COLA, since that's what people on Social Security will be receiving in 2017. Selectman Augustine moved that the motion be amended to a .3% COLA, which would be in line with the Social Security increase. No second to motion, motion fails. **Four (4) in favor, Selectman Augustine opposed.**

•Warrant Articles

Scott Hazelton met with the Planning Board last Thursday to talk about the Route 11 concept. Basically, what the Planning Board is looking at is to submit an application, to the DOT at the end of this year and having an engineer confirm the cost estimate and concept for accuracy. When they do submit an application, that the number they're looking to secure for a grant is accurate. At this point, the intent is to only submit the application and construction would not happen until a couple of years down the road and that's only if the town was awarded the grant. The RPC (Upper Valley Lake Sunapee Regional Planning Commission) will prepare the application for the town, but first need to find out if funding needs to be in place prior to applying for the grant. The cost for the preliminary concept is in the \$5,000 range and will be paid out of the Operating Budget of the Planning Department. So, the \$25,000 warrant article has been removed. The other changes are as follows:

Conservation Capital Reserve is \$55,000, Cold Storage Building phrase 1 of 3 is \$45,000 and the Sestercentennial Committee has asked for \$15,000. At the last meeting, the BOS asked the Town Manager to bring back the language from the Hydroelectric Revenue Fund.

*"From 1987; Article 38. To see if the Town will vote to authorize the Selectmen to establish a Hydroelectric Revenue Fund for the deposit of revenues from the sale of electricity in accordance with RSA 362-A&. The principal and interest from this fund to be used first, to pay bond principal and interest; second, to pay plant operating expenses; third, to pay extraordinary costs for the repair or replacement of machinery or civil structures; and fourth, to be used for capital expenditures for the benefit of the Town. All withdrawals from this fund to be voted on by the annual or a special town meeting."* In 1987, the discussion on the meeting floor was to keep enough in the fund to replace the generator. That amount was \$100,000 at the time. We have since (2013) had our operator price out the repair/replacement of the generator in today's money and he has estimated \$220,000, so we cannot draw below that amount. After, setting money aside for the operating budget and repair/replacement of the generator, there is roughly \$60,000 left in the hydro fund. Also, at the last meeting, Selectman Augustine asked if the Town Manager could find out if fund balance could be used to pay capital reserves and the answer is yes. It was done last year; the money was put in the expendable trust. Selectman Augustine asked the money could be used for the Sestercentennial request. Donna Nashawaty replied that the Sestercentennial fund is funny because there are no line items to be able to expend the \$15,000 and you cannot mix money raised by taxes and with donations, unless you do it through a trust. The Sestercentennial warrant article will be paid by fund balance. Donna Nashawaty did not get a new number for the forestry truck. Selectman Augustine thought he heard there was reluctant to use the hydro fund money in 2017. Chairman Trow said there might be \$60,000, if you want to leave the required replacement costs and budget money. Donna Nashawaty stated that they could consider Hydro money to build the cold storage building and leave the standard capital reserve funds for new tax dollars raised in 2017. **Motion to use \$45,000 from the Hydro Fund to fund the construction of phrase 1 of 3 of the cold storage building by Selectman Augustine, seconded by Selectman Trow. Unanimous**

Donna Nashawaty needs to start pulling together the presentation for the budget public hearing. Unless the Board wants a change, she will modify last year's presentation. Chairman Trow asked if the video streaming could happen by the January 10<sup>th</sup> budget meeting.

Donna Nashawaty replied that at the December 27<sup>th</sup> meeting she will be bringing in a list of the encumbers things that the department heads normally have a purchase order, invoice or bid that are out of the 2016 budget. Donna Nashawaty is going to have a camera and twelve-month contract for the video streaming for the Board to sign out of the 2016 budget. The room might need to be rearranged, depending on what the Tech says, so no, the video streaming would not be ready for the budget hearing.

### **TOWN MANAGER REPORTS**

•2017 BOS Meeting Changes - 1/9, 2/6, 2/20,

Monday, January 9<sup>th</sup> BOS meeting-1<sup>st</sup> Public Hearing for the purchase of Old Abbott Library

Monday, February 6<sup>th</sup> BOS meeting cancelled, Town Deliberative Session on Tuesday the 7<sup>th</sup>

Monday, February 20<sup>th</sup> BOS meeting will be moved to Tuesday the 21<sup>st</sup>.

•November End of Month Budget

The Board reviewed the November budget report.

•Fund Balance

Donna Nashawaty had the Finance Director do a cash flow analysis, which shows the money, including fund balance, that the Town has to write checks on. She reviewed the 2014, 2015 and 2016 cash balances with the Board. After some discussion, the Board would review and adjust the fund balance number next October.

•Important Dates for Town Meeting

Donna Nashawaty went the following dates with the Board;

January 10<sup>th</sup> Town Budget Hearing 7:00PM at Town Office Meeting Room

January 11<sup>th</sup> School Budget Hearing 6:00PM SMHS Music Room

February 6<sup>th</sup> School Deliberative Session 6:30PM SMHS GYM

February 7<sup>th</sup> Town Deliberative Session 6:30PM SMHS GYM

**Meeting adjourned at 10:35PM**

**Submitted by,**

**Barbara Vaughn**

**Administrative Assistant**

**Approved:** \_\_\_\_\_

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**Joshua Trow, Chairman**

**Suzanne H. Gottling, Vice Chairman**

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**John Augustine**

**Frederick Gallup**

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**Shane Hastings**

**Subject: 2017 ABC Budget Recommendations (DRAFT)**

**These numbers are placeholders and will change after BOS decides on personnel plan for employees.**

The proposed 2017 Operating Budget that was submitted to the Town Manager totals \$5,370,471. The proposed budget is an increase of \$113,820, or +1.28%, more than the approved 2016 Operating Budget. The primary components of the Operating Budget include:

- Public Works which includes the Highway & Transfer Station and that comprises 39.4% of the Operating Budget. The proposed Public Works budget totals \$2,118,331. This is an increase of \$21,530 or 1.0% over the 2016 approved budget;
- Public Safety which includes the Police, Fire, Ambulance, EM, & SS Bldg and that comprises 22.2% of the Operating Budget. The proposed Public Safety Budget totals \$1,190,457. This is an increase of \$14,117 or 1.2% over the 2016 approved budget;
- General Government which includes Executive, Finance, Government Bldgs., Town Clerk, and other smaller departments, and that comprises 20.5% of the Operating Budget. The proposed General Government budget totals \$1,102,439. This is an increase of \$30,325 or 2.8% over the 2016 approved budget;
- Public Service which includes the Library, Recreation, Welfare, and various annual events, and that comprises 11.6% of the Operating Budget. The proposed Public Service budget totals \$624,340. This is an increase of \$30,015 or +5.1% over the 2016 approved budget.
- Debt Service comprises 6.2% of the Operating Budget. The proposed Debt Service budget totals \$334,904. This is an increase of \$17,833 or 5.6% over the 2016 approved budget.
- The Enterprise Funds include the Water and Sewer Department and the Hydroelectric Plant, and are managed by the Water and Sewer Commission and the Board of Selectman respectively. The Commission and Board are responsible for setting rates to offset spending.
- The proposed Water Department budget is \$503,214. This is an increase of \$3,176 or 0.6% over the 2016 approved budget.
- The proposed Sewer Department budget is \$1,071,790. This is a decrease of \$27,893 or 2.5% less than the 2016 approved budget.
- The proposed Hydroelectric Plant budget is \$132,161. This is an increase of \$458 or 0.4% over the 2016 approved budget.
- The proposed 2017 Warrant Articles total \$885,000. New warrant article funding totals \$50,000 and includes phase 1 construction of a cold storage facility (The total project cost is \$137,000 spanning over 3-years). Existing warrant article funding totals \$485,000. Budget neutral warrant articles total \$325,000, and include purchasing and equipping a new highway truck from Capital Reserve for \$175,000, and purchasing a new forestry truck for \$150,000.

**Recommendations:**

>**Public Works-** this budget affects all residents who travel over our town roads and bridges and who use the town transfer station. The budget contains elements within it that are subject to commodity pricing. These commodity prices are built into the budget to cover commodity volatility. ABC recognizes that the practice of transfer station decals, for Sunapee and Springfield, protects the town from abuse by outside vendors. ABC recommends accepting the budget as presented

>**Public Safety-** this budget provides funding for the protection and preservation of life and property to Sunapee residents, businesses and the town. In addition, it provides protection for the town's public safety employees in the performance of their duties. ABC recommends accepting the budget as presented.

>**General Government-** this budget ensures the town office personnel, including the Town Clerk/Tax Collector and Assessing services have the equipment, software, and means to maintain the tax basis, collect the taxes, and track spending as well as maintains the upkeep of the town offices and all municipal buildings. ABC recommends town officials continue to upgrade its technology to improve access to town officials, as well as town information for all residents. ABC recommends accepting the budget as presented

>**Public Service-** this budget funds programs for all age groups of the town residents. ABC recommends that current services and programs be maintained through the budget in relationship to what the residents want and are requesting. ABC recommends accepting the budget as presented

>**Public Debt-** is incurred by 60% voter approval of prior town warrant articles for town buildings and infrastructure as an investment in the community. ABC Committee recommends pursuing any available options to reduce public debt.

> **Enterprise Funds-** The Town of Sunapee has three (3) enterprise funds, which are supported by the revenue they generate. Water and Sewer is supported by user fees and the Hydro is supported by the revenues it generates. Enterprise funds submit their budgets to the BOS and they are incorporated into the overall budget. The net effect to the tax rate is zero. ABC recommends accepting the Enterprise Funds' budgets as presented.

> **Warrant Articles-**Sincere efforts have been made to work on warrant articles that meet the needs of the town. Each warrant article is discussed and reviewed individually before being considered for approval. ABC recommends continuing this practice.

Respectfully submitted:  
Advisory Budget Committee