

SUNAPEE BOARD OF SELECTMEN  
6:30PM Town Office Meeting Room  
Monday, November 16, 2015

Present: Josh Trow, Chairman, Suzanne Gottling Vice Chairman, John Augustine,  
Fred Gallup and Donna Nashawaty, Town Manager

Absent: Emma Smith

Chairman Trow opened the meeting at 6:30PM

**REVIEW OF ITEMS FOR SIGNATURE:**

**Motion to approve the following CZC's:**

**Parcel ID: 0231-0025-0000 124 Pine Ridge Rd. Eileen Kirk**

**Parcel ID: 0225-0072-0000 38 Riverside Drive Mark & Olivia Vandenberg**

**Parcel ID: 0106-0017-0000 1024 Lake Ave. Georges Mills Boat Club**

**Parcel ID: 0136-0017-0000 322 Lake Ave. Frank Whitcomb**

**Parcel ID: 0103-0011-0000 70 Oak Ridge Rd. Nancy Dickgiesser/Terry Ward  
By Selectman Gallup, seconded By Selectman Gottling Unanimous**

**APPOINTMENTS**

•7:00PM-Scott Hazelton Bridge Capital Reserve Expenditure

Donna Nashawaty stated that the money that's in the Bridge Capital Reserve to match the Town's 20% needs to be voted on by the Board of Selectmen (BOS) and they're working on figuring out the number because the engineering contract goes into the pre-engineering contract and then goes into the engineering oversight contract. At the November 30<sup>th</sup> BOS meeting, Scott Hazelton will have the bridge capital reserve discussion with the Board and the numbers on the town bridges that are in disrepair.

•Scott Hazelton stated that his expenditures in two of his budget line items for equipment and vehicle outside repairs is over budget. At this point, his Highway Department budget bottom line is where it's supposed to, but wanted to give the BOS a "heads up" that he may be back to the Board in December to possibly use some of the money in the transfer Station bottom line to cover the overage.

**PUBLIC COMMENTS**

•Don Bettencourt was just wondering if there would be a discussion regarding the eighteen step pay scale. If so, could public comment be reserved until after the discussion. Chairman Trow replied if it seems relevant to have public input when we get to that section then he will allow, it depends on how the conversation goes. Don Bettencourt asked if he should talk about it now, Chairman Trow replied yes. Don Bettencourt is concerned that there has been mention of the pay scale in past meetings that he attended and the Budget Advisory Committee offered to help do some kind of pay analysis looking at other towns or the private sector and were told that the eleven step pay scale was fine. All of a sudden, at the last minute, a new pay scale with seven years of automatic increases for every one of the employees is being proposed without knowing what the impact will be over course of the seven years.

It also bypasses the voters, because such a pay scale would automatically be included in the default budget. Don Bettencourt would like to know what the policy is regarding a Board member related to a Town Employee, would they be part of the voting on the new pay scale. Chairman Trow replied that he doesn't believe that it is a new item, the last couple of months the pay scale adjustment have been considered and it is in the Town Manager's responsibilities to set the pay for all employees, she operates on the guidelines of the Board Of Selectmen. She basically is bringing these items to the Board's as something she feels is appropriate for the Town and its employees. Chief Cahill stated that the pay raise is not "automatic", there is an evaluation period that an employee has to go through. There have been some employees who did not get their pay raise because they don't meet the criteria for their review, there are expectations placed on the employee to achieve that pay raise.

- Frances Harris asked in the review, if an employee is not meeting expectations, does that mean they don't get a pay raise at all or is there a sliding scale. Donna Nashawaty stated that there's a review process that gives points and if you don't get the numbers of points, you don't get any portion of the step increase.

- Spec Bowers stated that the first he heard about the change to the pay table was last Friday, all of a sudden it was there and he feels it does not meet the definition of transparency. In addition, he feels the voters have the right to know that this might be happening and there should have been something on the agenda regarding a pay table discussion, not just benefits.

- Paul Manson stated that he has been involved in a couple of evaluation processes, in both municipal and private sector, and his finding with the municipal was that it is very hard not to meet the point requirement to get a step raise. Selectman Gallup stated that there have been times that the pay table was frozen, with no steps and times that only a COLA have been given to employees. Selectman Gallup went on to say that compensation is a Board policy and periodically the pay tables are reviewed by the Town Manager, who acts as the Board's agent.

- Frances Harris asked in the overall town budget, what percentage is the salary and benefits portion. Donna Nashawaty replied 58%. Was it an accurate comment that if the pay table is adopted what exposure to the voters is there to pass or not pass. Is the pay table embedded in the budget. Chairman Trow replied yes.

- Mrs Andrews asked when the next discussion on the pay table would occur, at the Deliberative Session, before the vote on the budget. Chairman Trow would anticipate talking about it over the next month, at this meeting and the meeting of November 30<sup>th</sup>.

### **SELECTMEN'S ACTION**

- Motion to approve the use of facilities for the Sullivan County Humane Society Save a Stray 5K, with no pets, in Sunapee Harbor on 05/21/16 by Selectman Gallup, seconded by Selectman Gottling. Unanimous**

- Donna Nashawaty provided the Board with a list of the 2016 Outside Agencies budget requests that the Board asked for at the Budget Session last Friday. Chairman Trow stated that there are six agencies that the Town currently has in the budget. There are three agencies that were declined in the 2015 budget. After some discussion, the Board will support the agencies that they have in the past and will go with level funding them.

•Donna Nashawaty started by saying the reason the agenda said benefits is that at the last BOS meeting Selectman Augustine made a point that he hoped benefits would be talked about at the next BOS meeting, along with the salary table and no one objected. Donna Nashawaty put “benefits” on the agenda thinking the Board would give her some direction on what she needed to do regarding benefits. Her intention was to bring the pay table up, hence the benefits agenda item. Donna Nashawaty stated that as the Sunapee Town Manager it’s her job to bring to the attention of the Selectmen, specifically in the statute, to keep the Selectmen fully advised to the needs of the town, within the scope of my duties, those duties include to appoint, upon merit and fitness alone, and to remove, all subordinate officers and employees under his control, and to fix their compensation. When Donna Nashawaty was hired one of the specific tasks that she was given the directive to complete was an overhaul of the personnel review process and how pay compensation was handled. The Board stated that they didn’t want to be the highest paid, nor the lowest paid, however would be comfortable somewhere in the middle. In 2005, the BOS adopted a table that had an average hourly wage for specific grades in the fifth step, of a ten step pay plan. It was a detailed comparison between other municipalities of Sunapee’s general size and if a person with no experience was hired at the low end of the step, by the time 2 years had passed they would be making average wage. There was no determination of high hourly rate for a position and over time employees were moved thru the ranks to get to the top step and were stuck. On one particular year when the board of selectmen realized that the health insurance premiums were increasing and there was no other increase for the tables, the board instituted a step 11. At the time the discussion was open to doing this if necessary in the future. Over the past couple of years during the budget process I have noted to the board the number of employee’s at the top of the level, these are 10 to 35 year employees. Employee’s should not have to say they are not paid enough, shouldn’t have to beg for an increase and it is up to me to point out an inequity. During 2014 and 2015 this number decreased as attrition, and retirements came about. There were fifteen last year, it has dropped to eleven. Donna Nashawaty had an opportunity to talk to our neighboring towns about a couple of positions and the people they have in those positions have less experience than ours and are getting a marked amount more, however entry level wages seem to be right. The cap for a salary range here in Sunapee was never set. She offer a couple of suggestions as to how the BOS can correct this deficit. Donna Nashawaty would like to have the BOS take up the pay table separately from the position change and thinks there is a misunderstanding relative to asking the Board to consider a change. She will bring to the Board items that need to be discussed. The BOS would then decide how they would handle. If the Board might feel that a public hearing is necessary, they would have one, but she think that the perceived criticism is misplaced. Donna Nashawaty would be derelict in my duty if she didn’t bring to the attention of the Board the issue of the long term employees. There are two examples, the pay plan that adds steps twelve thru eighteen with 1.75% between steps with a cost in 2016 of \$6,944.73, which is dependent on a positive performance review. The second example is pay plan that simply adds a step twelve with a 2016 cost of \$11,198.11. Selectman Augustine asked if there was any sense what the impact would be over the next ten years. Donna Nashawaty replied she did not. Selectman Gottling said that one example of the fluidity is that one year ago we had fifteen at the top and this year we have eleven.

Selectman Augustine asked if the Board has seen any data from any other towns that would indicate our position X is now somehow out of line of the middle of ten other towns of similar size. Donna Nashawaty replied that about four years ago the Board asked if the pay table was still holding up, so she took selected pieces and went back to see if that step five still held up, she has never done an analysis for the top of the pay study. Selectman Augustine asked if it would be possible to ask ten other towns, which are similar size to provide the town with their wage data for every position and then compare so the Board has some data to base this decision on. In addition, ask for the benefits data. Chairman Trow thinks numbers are definitely important, but there's also some question of valuing your employees. Selectman Augustine asked how we value our taxpayers compared to our employees. Chairman Trow replied that he pays taxes too and he is well aware that there is a tax impact in everything the Board does, he thinks everyone here does and what he thinks the Board is trying to do, along with the Town Manager's suggestions is to find what we feel is a valid pay scale and benefit structure for employees in town. Chairman Trow thinks it's unrealistic to assume that we're going to continue quite honestly to have such good luck with employees. The town has had incredible luck with having people be here as long as they have for basically no pay change for twenty years, if they were here thirty years with that ten step pay plan they got one extra step and they haven't change except for their COLA. Donna Nashawaty offered next year to go out and get some position people from the same series of communities and find out years of employment with town and actual wage. As far as the benefits go, the health benefit, because of the cadillac tax is going away. This last year, 2016, health insurance will no longer look like it has in the past. So to go back and compare health insurance coverages prior to that cadillac tax is probably a waste of time. After discussion, the Board made the following motion. **Motion that the Board approve step 12 at 1.75% and direct the Town Manager to further study our pay table with comparable communities in the next year by Selectman Gottling, seconded by Selectman Gallup. 3 in Favor 1 Opposed**

•Donna Nashawaty stated that the Board is aware of the part-time payroll position that has been open for some time. One of the thing that was looked at is the finance position, which is out of skew with other finance positions because of the duties done. Donna Nashawaty proposal to the Board is to make a Finance Director, grade 1022 and part-time Account Clerk position, grade 1014. **Motion to authorize the changes to the pay table and renaming the Account Clerk and Finance Director position by Chairman Trow, seconded by Selectman Gottling Unanimous**

•Donna Nashawaty stated that during the budget process she presented a thought that what might happen with the health benefit and as 2016 rolls in especially in the beginning she would expect to talk to the Board more about what she has learned about particular plans and possible implantation. **Motion that the town employee contribution percentage to their health insurance costs be increased from 12.5% to 14.25% for calendar year 2016 by Selectman Augustine, no second to motion, motion stays on the table.**

## **CHAIRMAN'S REPORT**

•Selectman Augustine stated that in previous weeks and months the BOS agenda was always published for the public to review on Thursday and for this meeting it was not. Was there a reason that didn't happen? Chairman Trow stated it was an oversight, with the budget timeline, and fell through the cracks.

## **TOWN MANAGER REPORTS**

•Donna Nashawaty gave the Board a letter from the Historical Society relative to the Old Abbott Library. Donna Nashawaty was asked at the last BOS meeting for the Old Abbott Library site plan so the Board could see the space around the building. In addition, the Board asked her to bring back a draft RFP with the suggested language to get a real estate service. The Board reviewed the site plan for current parking and possibly future parking options. Selectman Gallup wanted it said that the Board has not made any decisions on selling the building, they are just following the covenants of the cy-pres. The Board reviewed the "draft" RFP presented, and asked the Town Manager to make changes and reviewed revised RFP at next meeting.

•Donna Nashawaty reminded the Board that the New Hampshire Municipal Association Conference (NHMA) will be held this Thursday, November 19<sup>th</sup> and Friday, November 20<sup>th</sup> at the Radisson in Manchester if anyone is still interested in attending. Donna Nashawaty was elected President of the Municipal Management Association of NH at the conference.

## **MISCELLANEOUS**

•Selectman Augustine asked if there was a specific month that the review process takes place or does it occur on the employee anniversary date. Donna Nashawaty replied on the employee anniversary date or hire date. Selectman Augustine asked how a member of the public could give feedback on the performance that they experience or perceive for a town employee and have it incorporated into the review process. Chairman Trow said a comment could be left with the Town Manager. Donna Nashawaty stated that letters written by the public complimenting an employee or letters of complaints go into the employee personnel file, which is reviewed by the Department Heads during the review process. But, the actual performance by the employee and the questions that have to be answered very specifically would not be something a citizen would answer in a general standpoint. The BOS adopted the personnel rules and regulations, which includes how to do a performance review, the process and procedures of a review and the actual form. It was presented and approved by the BOS in 2005. Selectman Augustine asked how long it's been since the BOS reviewed that process. Donna Nashawaty replied that as a group, the BOS has not ask her to bring it forward again. Selectman Augustine suggested that might be something to look at if it's been ten years since it adopted.

•Selectman Augustine asked if the budget book reflects the 1.75% pay increase for 2016, Donna Nashawaty replied that it does. There were only a few minor changes from Friday's budget session, there were four changes. Is there a rough number for those changes? Donna Nashawaty will insert those changes with the outside agency changes into the main spreadsheet. Selectman Augustine said that the Board would have a pretty good idea of the proposed 2016 operating budget.

Are we still waiting on some of the warrant articles, mainly the bridge article? Donna Nashawaty replied that will be addressed at the November 30<sup>th</sup> BOS meeting.

•Don Bettencourt, Chairman of the BAC would like to schedule a fifteen minute appointment at the next BOS meeting. Donna Nashawaty will schedule a 7:45pm appointment for the November 30<sup>th</sup> meeting.

**Meeting adjourned at 9:24PM**

**Submitted by,**

**Barbara Vaughn**

**Administrative Assistant**

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

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**Joshua Trow, Chairman**

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**Suzanne H. Gottling, Vice Chairman**

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**John Augustine**

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**Frederick Gallup**

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**Emma Smith**