

# TOWN OF LITCHFIELD BOARD OF SELECTMEN

## October 22, 2012

### Selectmen's Meeting

Members Present: John R. Brunelle, Chairman  
George Lambert (Vice Chair)  
Brent Lemire  
M. Patricia Jewett

Members Absent: Frank Byron (excused)

Also Present: Jason Hoch, Town Administrator

5:00 p.m. Paperwork review

6:00 p.m. Call to Order

### **Pledge of Allegiance**

#### **Review of Items for Consent:**

1. Approval of Payroll Manifest for payment October 25 and prospective approval of Payroll Manifest for payment November 1
2. Approval of Accounts Payable manifest for payment October 23 and prospective approval of Payroll Manifest for payment October 30
3. Minutes of October 15, 2012

### **Approval of Consent Items**

Selectman B. Lemire **motioned** to the Board of Selectmen to approve the items for consent. Selectman P. Jewett **seconded** the motion. The motion carried **3-0-0**.

### **Selectman G. Lambert is now present 6:05**

### **Request for Items - Other Business**

None

### **Public Input: Chris Pascucci**

Litchfield resident Chris Pascucci of 12 Colonial Drive came in front of the Board to thank Mr. Lambert and Mr. Byron because of the discussion of the agenda item about the Cable Committee recording all meetings and he appreciates the Board's making the motion to follow up on this. Mr. Pascucci stated that there are interested people in Town that want to stay informed. Mr. Pascucci also came to talk about the issue of snow plowing proposal between the Town and the School. Mr. Pascucci wanted to make clear that the Road Agent, Mr. Pinciario is a man of character, honor and probably the hardest working Road Agent there is, He is an asset to this community and if anyone could handle such a project, it would be Jack. Mr.

Pascucci stated that if Jack was a private contractor, not working for the Town, he would hire him in a second, but Jack's position is an elected position, which means that he may or may not be here after the next election. Also the Road Agent is a stipend position, which is not a large stipend and there is a lot of responsibilities with the Town and the roads. The project of plowing three schools is a major undertaking and he thinks that it should be discussed more than it has been up to now. Mr. Pascucci stated that he does not know, nor does he have any kind of relationship with the contractor who does plow the schools; all he knows is that our schools are being plowed by a private for profit snow plow operator whose business it is to plow parking lots and to completely satisfy the customer (the school district) and that is an important fact to keep in mind. Mr. Pascucci wanted to ask about the process and stated that he knows that governing bodies are pretty much able to do just about anything they want to do, but wanted to ask if it is right. Chris also stated that a handful of people, Mr. Brunelle being one of them, is negotiating this deal and the public does not hear much about it, it was talked about at the Selectmen's meeting and the Budget Committee meeting, but does not know if it has been discussed with the quorums of the Board, if votes were taken. Mr. Pascucci stated that he would like to know where the rest of the Board stands on the issue. Mr. Martin at last week's School Board Meeting, said that in order for the snow plow deal to work between the Town and the School, the contract must specifically state that the School's will be the number one priority, he wants it to take precedence over everything else. In order for the schools to be the number one priority, that means that the roads in town as well as the Police Station, the Town Hall and the Fire Department will be the number two priority because you can't have two number one priorities. If this is the case, are you ready to tell all the taxpayers that your are about to relegate the rest of the Town to number two priority status when it comes to the roads, Town Hall and the Fire Station. Mr. Pascucci stated that before you cut this deal, because the snow is about to fall, why not engage the community, ask for input and engage in serious transparent and honest discussions, more so in April when we have more time, when we are not under the gun because it is about to snow, and when we are not in the middle of budget season. Mr. Pascucci stated that Mr. Martin also said that (in the same public meeting) Mr. Hoch has committed that if there is snow prior to this deal being made, the Town will plow out the School, which doesn't sit right with him, and would like the Board to clarify because doesn't anyone here think you are taking on too many liberties and control of the taxpayer's money in Town resources by committing to doing that. What is the problem you are trying to solve, is there a problem; the school has plenty of money budgeted, it was approved by the voters to plow the schools this year. We have a ready, willing and able private snow plow contractor that will be on the site, even if it snows next week, yet you are making a commitment of Town's funds to plow the schools prior to the snow plowing government should it snow, and still does not see a problem. Mr. Pascucci stated that there is no problem so therefore he does not see a solution being necessary. Mr. Pascucci stated that the Board states they can provide the same level of service for less than half the cost; we have \$42,000 budgeted and you say you can do it for \$20,000. How many times in the history of the United States, where can a government provide better or equal service for much less money. The bottom line in his opinion is that this proposal doesn't make any sense, the School's can not be properly plowed out by having our large Town trucks drive through the school's inbetween the plowing of all the roads.

**Public:**

Mr. Scott Mason, 2 Parker Circle wanted to state for the record that he does not know Mr. Pascucci at all and he is the snow plow contractor for the schools. Mr. Mason wanted to show the Board the 2011 contract as well as a 2008 contract. Mr. Brunelle stated that the issue with Mr. Mason's contract is with the School not the Town. Mr. Mason stated that what he saw was the Board talking about \$70,000 for snow plowing. Mr. Brunelle stated that he heard estimates that were made, but they were incorrect, \$42,000 is what it was and we are not in dispute of what your contract was and we are not in dispute of you doing it or not, the School and the Town have discussed it and it is between him and the School not the Town. Mr. Mason stated that his understanding is that Steve Martin is waiting for the Board to make a decision to whether or not you want to go forward with this, or if you are going to detract from it. He actually dropped the contract for last year because they worked a deal with the Town for the salt down to \$41,000. Mr. Mason stated that he feels the Town is wasting a lot of valuable resources that should be addressed on the roads versus the parking lots, if you're going to have a situation where you're having a snowstorm that happens to be a fluke, where there is snow falling at 10:00 in the morning and Jack is out plowing the roads, it is just not going to happen. Mr. Mason stated that he has the equipment already on site and is ready to go. What he is trying to address to the Board and he already had a conversation with Jack and stated that Jack does not understand why the Board wants to push this forward any more than he does at this point. Mr. Mason stated that cost wise he has been saving the Town a boatload of money by keeping the prices at minimum for the Town of Litchfield and has been a resident his entire life, since 1960, so it is not a matter of money but what he thinks is best for the Town of Litchfield. Selectman Burnelle stated to Mr. Mason that the issue is really between him and the School. It is the School's decision in which way they go. Mr. Mason stated that if that was the case, Mr. Martin would have already signed the contract but he is waiting on the Board. Mr. Brunelle stated that here are the facts: the Town and the School are looking for ways to save money, we believe we can help them save some money when it comes to the snow plow removal, Mr. Pinciario will be up here to talk about it and you can listen to his position and what he is planning on doing. Mr. Mason stated that the roads are very much different than the parking lots. Mr. Mason stated that by the time Jack is finishing up the roads, his parking lots are clear to go and if the kids have to be in school, they can be in school and all it takes is a simple call to his cell phone while he is in that truck and he can tell the School District, whether there is a delay or if they should cancel school.

**There being no further members of the public who wished to speak on this matter, Mr. Brunelle closed public input.**

Mr. Brunelle asked Mr. Pinciario to come forward. Mr. Brunelle stated to Jack that last week the Board had a lengthy discussion on going into an agreement with the School and Mrs. Jewett had some questions and thought it would be fair for Jack to come up and address some of Mrs. Jewett's questions and Mr. Mason's concerns as well. Mr. Pinciario stated the misleading part of the whole thing was the price of \$70,000 which was floating through the Town. We thought we could save some money, by throwing it out there to the school, we have talked about it for a number of years, if in fact that one point the contract would be going away and possibly the Town stepping in. Mr. Pinciario stated that he is not looking to take on more work, we have

some people who are capable of doing the job. Mr. Pinciario stated that he agrees with Mr. Mason, and is sure there are things that need to be done that they did not plan on doing. He read the complete scope of work from Mr. Martin, and as far as he is concerned he didn't think this would turn into the fiasco that it has. Jack stated that as far as he is concerned, he will do whatever the Board asks and would highly recommend turning it back over to the school and let them deal with it. Mr. Brunelle stated that he had a small concern because Jack stated earlier that there was a discussion and he thought he could do a good job and believed he could save the Town money; the estimates of \$70,000 are estimates that was thrown around by the school very early in on when Mr. Brunelle was talking with them, so whenever anyone said we could save between a half and a third less. The reality is, we estimate that we can save the Town half of what the actual budget line is, that a savings to the community. Mr. Brunelle stated that the reason he is in support of it is because, he believes the Town is here to serve the community and this is just one function that we can do. Mr. Brunelle stated that in talking to Jack and his department, he indicated that he didn't feel it was going to cost much or take any priority away from the roads. John stated that he is a little concerned that Jack is a little hesitant now. Jack stated that he is not hesitant because there are contractors lined up already to go into the schools. There would be two trucks at the High School and one truck floating between the other two schools. Jack stated that they have reduced from \$151,000 to \$80,000 in snow removal and they have dropped their salt budget continuously. Jack stated that he doesn't think this is his call, it is the call of the School Board and the Board of Selectmen. Mr. Lambert asked Jack if the budget that was discussed was \$70,000, your feeling when first approach was that you could do it for half that amount; if we have a contractor now who really is bringing that in at half the amount, are you going to really be able to do it cheaper than a private company? Mr. Pinciario stated that they were basing everything on a \$70,000 number, we were not basing it on your real number. Mr. Brunelle stated that based on the \$42,000 budget, Jack stated he can do it for \$20,000. Mr. Brunelle stated that to him that is a 50% savings over what the school currently allocates in their budget to do the work. Mr. Brunelle stated that he believes the Board was entertaining the option because it felt like the Department Heads (Highway and School) got together and thought it was a good idea. Mr. Lemire stated that he was a bit concerned because he has heard some good points come out of both sides. Mr. Lemire stated that he as an elected official wouldn't be doing due diligence if we didn't ask questions that would make him feel that they could absolutely provide the same service that is being provided. Mr. Lemire stated to Mr. Pinciario that he does an outstanding job for the Town, and stated that Jack said that he was not looking to add more work, that just begs the question of does he feel that he confidently can give the same level of service at that price, and if not maybe we should revisit. Jack stated that it was kind of hard to say yes; Mr. Mason has done it for 8 to 10 years and the hidden things that Mr. Mason was telling him what they do over and above, didn't come into play, and Jack is not sure how to answer that question. Jack stated that this all started because the School Board had to go out to bid, and it was discussed that possible the Town would like to throw a number out there and see if the highway Department could do it. Jack stated they could do the job. Mr. Lemire asked if Jack was able to review the same contract that Mr. Mason had, Jack stated he had a two page scope of work. Jack stated that he is not looking to put the private industry out of business, we just thought it was a way to save money, which is what he has tried to do consistently. Selectman Jewett asked Jack if he feels that the roads were going

to be second place and the Schools first place: are our roads going to be compromised, safety is a major concern. Mr. Brunelle stated that at the end of the day we are going to manage the work the way we always have, the road and the schools are definitely the same priority. Mr. Brunelle stated that we are not going to compromise the safety of the students in the school or the safety of the community. We are just trying to save the taxpayers some money, we have assets on the road and a department that says they can do the job. Mr. Brunelle stated that we are here to service the community.

Mr. Lambert stated that he doesn't believe we can make a good determination over the next couple of weeks to make decisions without contracts. Selectman J. Brunelle asked Mr. Pinciario if he is now comfortable proceeding with going forward. Jack stated that with all the controversy he is not. Selectman G. Lambert **motioned** to the Board of Selectmen to take this up as a discussion in the spring after the election and have a conversation to find out what the right thing to do is. Selectman P. Jewett **seconded** the motion. The motion carried **3-1-0**.

## **Budget Review**

### ***Library 4450.10***

Vicki Varick and Lynn Clifford.

Mr. Hoch stated that our relationship with the Library is that the Town makes a blanket appropriation to the Library that we pay quarterly; the Library handles all of their own books and operations, so in our budget you will see a request from the Library for \$228,792 which reflects an increase of \$30,793.

Vicki stated that because there is an increase, she would like to start the discussion with the non-payroll items which reflects an increase of \$3,179.

**Heating Oil** shows a \$964.00 Increase (ly heating oil contract not signed, shows 2 years worth of increases)

**Community Programing** - providing monthly programming for adults - \$1,000

**Supplies** - decrease of \$81

**Equipment Maintenance** - currently 10 hours in budget and used 24 this year. Recommended overall 30 hours per year

**Subject Service** - \$300

all other non-payroll show a decrease of \$80.00

### ***Payroll Items (New position and Health and Dental insurance)***

**Health and Dental Insurance** - shown as last years amount

**Teen Acquisitions/Librarian or Other** - The Library is always in the position where they have 4 people on staff eligible for benefits. Vicki stated that they would like to put that number back in the budget this year and if it does not get used, they have a warrant article to create a Library Benefits Expendable Trust.

Selectman J. Brunelle question the New Position. Vicki stated that they are looking to hire someone for Teen and Technical Services Librarian (acquisitions/cataloging). Looking for 32 hours; someone who can work with teenagers with different programs. Vicki stated that for the last 14 years they have had at least 5% increases. Vicki stated that most of their time (technologically) is with the down load service for audio and e-books, which is a free service. Selectman Lemire asked what portion of this New position would be used in assisting in the technology aspect. Vicki stated that she was looking at 8 hours of this to assist with this type of

training and to assist with promotional services on the website. Mainly with having this person there, our adult services person currently is the expert for the downloads and would allow her to have time to put together presentations, demos and could leave the desk and engage in that type of activity. Vicki stated that this position would not only handle teen service but also collection development. This person would also spend 8 hours a week placing orders and cataloging materials. Selectman J. Brunelle **motioned** to the Board of Selectmen to move to the Budget Committee account *4550.20 Library* for the bottom line of \$228,792. Selectman B. Lemire **seconded** the motion. The motion carried **4-0-0**.

### ***Parks and Recreation***

Mr. Bryant - The budget as presented represents an increase of \$951 from the previous year which brings the bottom line to \$95,745.

***Electricity*** - trending higher, recommendation is \$6,435

***Propane*** - trending lower, \$10,000

***Water*** - \$1,266

***Building Repair and Maintenance*** - dropped from \$3,000 to \$1,000

***Field Maintenance*** - spending to date is about \$34,000

***Field Improvement Capital Outlay*** - Slide replacement for Darrah and Safety Mulch Replacement. Selectman B. Lemire **motioned** to move to the Budget Committee the amount of \$95,745 for *Parks and Recreation account 4520.10*. Selectman P. Jewett **seconded** the motion. The motion carried **4-0-0**.

### ***Accounting***

Administrator Hoch stated that we have a staffing situation where we are on an interim basis. Jason stated that he has placed some numbers in the budget as place holder at this point, the idea being when the Board has the conversation about the permanency or extending (Bookkeeper, Office Assistant, and a Finance/HR Coordinator Position) - overall still reflecting a net savings from the previous staffing pattern.

Mr. Hoch stated that in this budget you will see the stipend for the Treasurer and Deputy Treasurer, the stipends for the Trustees.

Health and Dental insurance lines reflect our staff.

***Software support services***: main things there are the annual contract with BMSI and the fixed assets software we use. Still evaluating if this is the best for us going forward.

***Consulting services*** - pushed up slightly, woven into the assumption of bringing somebody through the process that might not have the deep experience.

Printing - dropped slightly

***Office Supplies*** - pulled in items that had been from the Tax Collector - increase \$2,000 (to put towards the records management program.)

***Postage*** - pulled from all of the postage into one bucket

Retaining Training through the LGC Academy in budget workshops is a vestige coming over the old stand alone Budget Committee budget where they had accounted for people to go to that workshop each year.

***Auditing*** - unchanged - waiting to hear from auditors for changes

***Assessing*** - pulled to its own standalone department

The net bottom line change is a decrease of \$14,769.

Selectman J. Brunelle **motioned** that the Board of Selectmen move to the Budget Committee for *4150.10 Accounting*, the bottom line of \$204,896. Selectman G. Lambert **seconded** the motion. The motion carried **4-0-0**.

**Selectman G. Lambert temporarily left the meeting.**

**Information Technology 4150.20** - Selectman J. Brunelle **motioned** to reopen for consideration the IT budget. Selectman B. Lemire **seconded** the motion. The motion carried **3-0-0**.

Discovered there were a couple of miscalculations, Budget Committee is aware of changes. Selectman B. Lemire **motioned** to move 4150.20 Information Technology under reconsideration \$84,778. Selectman P. Jewett **seconded** the motion. The motion carried **3-0-0**.

**Selectman G. Lambert is now present**

**Revenues** - what you will see on the revenue sheet is three columns. The middle column (MS-4) numbers upon which the tax rates are based.

*3210 Business licences and permits* - decrease \$66,000 - moving the cable franchise funds out

*Motor Vehicle Permit Fees* - trending up - able to report higher revenues than anticipated

*Building Permits* - about \$4,000 more than expected this year

*Other Licenses, permit and fees* - consistent

Decrease in penalties in delinquent taxes.

Bottom line - decrease in revenues \$55,484

## **Administrator Report**

### **New Business**

#### **Recommendation from Planning Board**

Jason stated that each year the Planning Board needs to conduct an annual revue of their Impact Fee Schedules, to hold a hearing to make a recommendation to the Selectmen if any adjustments are necessary for the coming year. The Planning Board held their hearing on 10/16, their recommendation is that the fees remain the same as last year. (Bruce Mayberry is working to rework the whole impact methodology for the coming year).

Selectman B. Lemire **motioned** to accept the recommendation form the Planning Board.

Selectman P. Jewett **seconded** the motion. The motion carried **3-1-0**.

#### **LGC Insurance Surplus return, estimated 2013 rates**

Received not to exceed rates for insurances to be effective July, 2013. Health rate is 5.3% and Dental 1.2%. Mr. Hoch will be working on compiling those numbers in the list of overall adjustments for Dec. review.

Also need to note that as part of the return of surplus, the Town will receive around \$16,000 in August. Unlike previous years, when surplus was used to offset future rates, funds are now being returned to the members (a practice that had ended sometime in the 1990s). This return is based on contributions from 2011. While a portion of that is a credit for the Town, some of

those funds represent employee sharing of premium costs. Administering this will be rather challenging to apportion funds properly. Jason stated that he is not sure yet what methodology he will apply -- Steve Martin and He have discussed some ideas and what we see as problems. Realistically, we won't see the credit until August 2013 so the exact strategy for return doesn't have to resolved yet. However, it would be useful to determine how much of the \$16,000 is retained by the Town. (Where to show the credit in the budget is another problem as well.)

### **LGC Property-Liability "Holiday"**

As part of changing the approach used to rate stabilization, LGC is now providing a "rate holiday", returning a portion of surplus to members as a rate holiday. This would show as a credit on next year's bill. Our return amount for next year is \$10,826.09.

This is reflected in budget sheet for Other Insurance.

### **Tax Rate**

Finalized tax rate with DRA on Friday. Nutshell version -- new tax rate is \$19.81 which is an increase from \$17.91 last year (recall that 2010 rate was \$19.20 before last year's off year).

Budget Hearing anticipated \$20.44 if all items passed.

Applied \$104,000 from unreserved fund balance to offset taxes -- still within recommended limits of fund balance. Last year, we added around \$203,000 to fund balance from unspent funds and excess revenues. This year, town meeting voted use of \$98,378 from fund balance. The remaining amount Jason allocated of \$104,000 uses most of the remainder from last year to offset taxes this year. It's not an even \$100,000 because Jason was trying to avoid tax rates with a fraction of half a cent -- which creates billing confusion (as noted this past year when we had some people with bills slightly different between 1st & 2nd billing.)

### **Wage Schedule**

One of the task items the Board flagged was an update to the wage schedule.

Jason stated the he is at a point where he is going to need some input on possible direction.

What he has attached is a draft table that places positions in grades -- this analysis is based on a composite of understanding of the position responsibilities, comparison with market data from LGC wage study and implied position based on current wage. That said, there isn't a sophisticated scoring matrix behind it, rather his own general assessment, so Jason is certainly open to any adjustments & suggestions the Board may have. (A longer term part of this project is making sure that supporting job descriptions are updated and accurate -- not on Jason's immediate radar screen, but should be retained as a part of this project.)

Jason has put together a plan that has a range for each grade with a start/mid/end point. The initial theory I had was to provide a range which would then give the Board discretion to move people within the range at their anniversary rather than be locked in to a fixed level based purely on longevity.

Alternatively, if the preference is to have individual steps within each grade, Jason can go back and calculate some in.



In theory, this schedule could have lifespan of 3 to 5 years -- with COLA adjustments moving the start and end points. At the end of the cycle, the overall grade ranges should be proofed with available market data to ensure that they are still valid.

Jason stated that he is not looking for any action at the 10/22 meeting, but is asking that the Board begin thinking about it, and would appreciate any feedback the Board has prior to the next meeting -- what he would like to have are some alternatives from our conversations put together, so if the Board decides to proceed, Jason can provide the appropriate budget numbers fairly quickly.

### **Old Business**

None

### **Other Items**

Mr. Hoch stated that Senator Ayotte's staff will be holding office hours at Town Hall on Tuesday, October 23 from 10 - 12pm.

Jason stated that there will need to be coverage for election day.

### **Selectmen's Report**

Selectman P. Jewett stated that she went to community counsel the other day. There was no Conservation meeting.

Selectman Brunelle stated that there is a Recreation Commission meeting tuesday night at Town Hall. There is a Budget Committee meeting on Thursday.

Mr. Brunelle wanted to let the public know that Halloween is Wednesday October 31st. Trick or Treating hours will be from 6:00 pm to 8:00 pm.

### **Items moved from consent**

None

### **Other Business**

No Items for other business

Selectman B. Lemire **motioned** to the Board to adjourn the meeting. Selectman P. Jewett **seconded** the motion. The motion carried **4-0-0**.

The meeting adjourned at 8:00 pm

The next Board of Selectmen's meeting will be on Wednesday, November 7, 2012.

Approved November 7, 2012