

TOWN OF LITCHFIELD BOARD OF SELECTMEN

November 26, 2012

Selectmen's Meeting

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

Also Present: Jason Hoch, Town Administrator

5:00 p.m. Paperwork review
5:45 p.m. Non-Public Session per RSA 91-A:3 II (c)
6:00 p.m. Call to Order

Pledge of Allegiance

Review of Items for Consent:

1. Approval of Accounts Payable for November 13 and November 27. Prospective approval of Accounts Payable for December 4.
2. Approval of Payroll for November 15, 22 and 29. Prospective approval of Payroll for December 6.
3. Minutes of November 7, 2012
4. Veterans Credit application review (ADDED ITEM)

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 **5-0-0**.

Request for Items - Other Business

Selectman G. Lambert requested that Incinerator Road be changed to Recycling Way, due to the fact that the town no longer has an incinerator.

Selectman J. Brunelle asked for a discussion of the tax rate for next year, and review of overall Budget.

Public Input: No members of the public were present

Administrator Report

New Business

Discussion on Deliberative Session scheduling for the town and school, should they be together or separate? Selectman P. Jewett opened discussion with asking if there had been any good or bad feedback from the town having the Deliberative Sessions on the same day last year.

J. Hoch stating that there was plenty of discussion on both sides with positive and negative reviews. Selectman J. Brunelle, mentioned the Budget Committee was not in favor of them being combined; it was too long of a day and wished for them to return to separate days. The School has set their date for February 2, 2012 and depending on agreement from the Board of Selectmen, the Town would be either on the 2nd after the school for a full day, or on another day by itself. Selectman P. Jewett asked about attendance last year, she felt it was low due to it being a long day with both combined. Selectman F. Byron felt timing was difficult for some, an example was counsel could not attend which defeated combining the two because they could not discuss similar warrant articles. After a lengthy discussion of which might be better with pros and cons for both it was decided with a **motion** from Selectman F. Byron to set the date for Thursday February 7, 2012 at 7:00 pm. at Campbell High School, with alternative date of February 8th at 7:00 pm if there is a conflict. Selectman B. Lemire **seconds the motion. Vote 5-0-0.**

Selectman F. Byron **motions** to submit to the voters a non-binding warrant article to open future discussion on keeping School and Town deliberative meeting separate or combine them. Selectman B. Lemire **seconds** the motion. **Vote 5-0-0.**

December Meeting Schedule

Board of Selectman Meeting to be held on December 10, 2012 at 6:00 pm

Change Christmas Eve December 24th meeting to December 17, 2012 at 6:00 pm

Add meeting for December 27, 2012 at 6:00 pm, for final budget edits with location to be determined - it may be easier to hold at school prior to Budget Committee.

Selectman G Lambert makes a **motion** to accept meeting schedule for December. Selectman B. Lemire **seconds. Vote 5-0-0.**

Pole Licenses

Jason attended the LGC conference with discussion of taxation of utilities in public rights of way. Among the various items of interest were a recommendation to amend pole licenses with some clarifying language. Attorney Hodes attended the session as well. Upon Jason returning to work and pulling what the Town uses for licenses, it seems that there is some room for improvement. He saw Attorney Hodes again at the conference the next day, and discussed with him his findings and asked for some suggested language for new licenses as well as amendments to existing licenses. Jason stated this is not immediately time sensitive, so expect to see the item returning sometime in January.

Old Business

Personnel Policy Review

Selectman G. Lambert mentioned in the overtime section of the policy that there is no mention of an employee who works for more than one department and how their overtime hours would be allocated. Jason states that a work week begins on one day and ends on another and you would look at all cumulative hours together, when the overtime threshold is reached it would not matter which department the employee was working for, it would be a combination of those two time sheets. There was discussion as to who would be responsible for mention of overtime, and

thoughts from all were that it would be the Department Head's responsibility.

Next Selectman F. Byron wanted clarification of the (6) Employment Classifications - Regular FT, Regular PT, Limited PT, Temporary and Call Employees as well as Town Officials.

Selectman F. Byron wanted to know why so many were needed, Regular PT, and Limited PT should be under same heading with specifications that apply to each, example Regular PT receiving benefits and Limited not. Jason replied that L-PT are people who we have a regular working relationship with but work limited irregular hours so they do not fit into part-time or call employees definitions and needed different allocations. If the discussion from previous meetings of Regular PT employees getting vacation, earn time and other benefits is discarded, then the distinction between the two would be more irrelevant and less valid. Discussion led to combining the two and defining the position and differences more clearly.

Selectman and Jason then discussed Temporary and Call Employees and agreed to leave both classifications as is.

Selectman F. Byron then brought up discussion on overtime and comp time, wanted to know who determines comp time. Jason replied that the Department Head does. Selectman F. Byron felt that the employee should decide with the Department Head's approval, due to the fact that a Department head who is facing a budget nearing the bottom line could force an employee to take comp time to try and lower expenses. But Jason responded that the employee can in fact refuse overtime or comp time in lieu of overtime pay or comp time, its the employees decision at the Department heads request.

Next discussion was regarding Earned Time. Selectman J. Brunelle said intent was to give equality of Earned Time to Union based and Non-Union based employees. Jason stated that there was a key difference that the Town had an incentive to add this to the union contract since there was a cost savings incentive with the police officers they were incurring added cost to fill the shifts. With the non-union employees, there are not the same costs and accruals so the incentives can be presented differently in a package. Selectman Byron felt the town may be opening themselves up for litigation or added cost because of penalties applied by the NH Retirement System to huge levels of earned time transferred to employees to spike their retirement. Jason stated that the Spiking Clause has been removed from the retirement law this past year. This is where they were counting payment of accrued benefits over a period of time as pay which was leading to penalties. That spiking provision has been removed and no longer applies, seems to have been taken care of for now; however, the laws have been changing annually recently.

Selectman B. Lemire asked to explain the Buyback Plan. Jason explained that a certain amount of days are on the books, the employee can keep carrying them and get paid when they retire, when it is the most expensive for the town. Or the town can allow the employee to buy back days along the way leading to a cheaper expense for the town in the long run. Selectman B. Lemire felt should be capped as to not allow employees to bank days and not allow buy backs each year. He felt that if unused they should lose those days and not be allowed to carry over to keep being able to buy back days. Jason replied that to be eligible employee had to have a

minimum usage of days in that calendar year to qualify, you could not bank a bunch of days and in 10 years cash them all out. That the Buyback window takes place the last 2 weeks in December, and that the incentive to employees was that some valued the vacation time while other valued a few extra dollars in their pockets. Further questions were discussed about the banking of sick pool days. After a lengthy discussion about banking sick, personal, holiday and vacation days with Selectman B. Lemire and others, it was clarified that the Personal Account/ Bank was for only the employee that was banking and earning that time and not a pool for all employees that was shared.

Discussion went back to accrual of earned time and should the town keep old version or Jason's new tiered 3 block version with regards to earned time and years of service. Selectman F. Byron feels that the town is opening itself up to a large liability with added costs and possible implementation of the return of a Spiking Clause and feels it should be given to the town auditors to get an analysis. Selectman B. Lemire questions analysis of what Jason's version is what the Police Department has approved and if it has been accepted by one group it should be acceptable for all. A fiscal impact study should have been done before when the Town was negotiating. This plan is pretty much what we currently have, with a reduction of a few days. Selectman F. Byron feels he is not comfortable with this due to the large number of hours that can be accumulated, and as an expense to town could be a risk in the future. Jason states that the underlying concept is the same with numbers and thresholds being different because costs could be directly shown in the collective bargaining side due to incentives and not having to use up days as an expense on the Town side. So it is a balance to find something that works for both. The three tier he is proposing offer less days than what is currently being used with slight variations in how they are bankable. Selectman B. Lemire asks will this policy be effective for new employees going forward, and Jason states it would be for all with an effective date of possibly July 2013. Selectman B. Lemire makes a **motion** to add alternate 3 to the plan. Selectman J. Brunelle **seconds** the motion. **Vote is 4-1-0.**

Selectman F. Byron brings up the Family Leave Act, correcting a contact person's name that needs to be changed at the bottom of the page.

Jason mentioned Health Insurance Items and changes and questions that pertain to the new Affordable Care Act. He states there is an issue for employers with over 50 full time employees. However, this does not pertain to us. Also pointed out that the definition of a full time employee will change to anyone who averages 30 hours per week or more which will pull in some of our part time 32 hour employees, but the Town is still well under 50 employees with this change. In the affordability clause an employee's cost cannot exceed 9-1/2 % of their wages, and with all our 30 - 40 hour employees who pay 50% of their health costs the Town is in compliance in this area as it has been currently defined with cost of lowest cost single person health insurance. Jason brings up the discussion of Holidays and Earned Time who is eligible and non-eligible. We previously set a date for Part time employees hired prior to July 1, 2012m that they would be eligible for Holidays, and for Earn Time. Part time, employees hired before would be on a prorated basis, and we excluded all employees to be hired after these dates from any of these benefits. The Board opted to make these changes go into effect on January 1, 2013, with the

earned time program becoming effective July 1, 2013 which allows for bringing the Police online with earned time January 1 per the contract and not have the challenge of rolling it out townwide all at once.

Selectman B. Lemire makes a **motion** to approve Personnel Policy/Employee Manual for the Town of Litchfield conditional upon final review at next meeting. Selectman P. Jewett **seconds**.
Vote 4-1-0.

Wage Schedule

Jason states that he was realigning grades of jobs and titles along with job responsibilities, based on a survey of LGC data with similar towns for 2011. This table shows job grades with a start, mid and end point for along with employee reviews this would be a tool for moving employees along wage increases. This would eliminate the automatic steps we currently have, allowing for more flexibility. Part one would be setting up a review program and part two picking a number that applies to a current situation for that employee, with their years of service, current step and cost of living being taken into consideration. Selectman J. Brunelle asking if the town has to allocate funds for this now or is it funded by step increases already budgeted. He also notes that this is the beginning of a process to get this system running but employees should know that the wage system will be changing to a review based and salary compensated based on performance system. Selectman F. Byron asks how this would be funded, Jason states it would be based on the Consumer Price Index (CPI) and the start and end would be adjusted by that averaged amount. Selectman F. Byron argues that CPI is used for cost of goods analysis and does not track salary and wages. If you go to the Bureau of Labor Statistics web site it is totally two different categories. Jason asks for another industry standard number to use, agrees it is a flawed number but is what most people use as a proxy is the CPI. CPI was used as a reference point in negotiation with the police contract, it is widely used in the industry. Selectman F. Byron also has concerns about LGC implied data showing different grades, why are the grades not lining up with the draft. Jason responded by saying he was showing all different data points and thought there should be a range in some grades. Selectman F. Byron states his concern is that the Town would be creating a "payroll hierarchy" based on people who are in a job, rather that based on equability rating of the jobs, which is what Jason's LGC data was trying to determine. Jason responds that the LGC data is a random assortment of data across many points, our town data is in there, as well all of the other Town's. He blended this, our positions and contracts to try and come up with a range of high and low spaces to fit everyone into grades. Some are above grade others show below grade. Jason said this is just a reference it is not cut in stone yet, if anyone has any suggestions it is open for discussion. Selectman J. Brunelle mentions that this still warrants further discussion and review. The board agrees to table discussion until later date.

Selectman Report

Budget Committee meeting Thursday November 29th at 7:00 which will be addressing the last of the town budgets. Selectman G. Lambert is the liaison for the school.

Planning Board Meeting Tuesday, November 27th at 6:00 one of the public hearings is on Multi Family Housing.

Thursday November 27th Nashua Regional Planning Commission is holding an open house in Merrimack and meeting runs 5-7. Program about the Granite State Future planning project.

Selectman P. Jewett would like everyone to know that there is a box in the front lobby of the Town Hall to collect goods for our Service men and women. She is looking for names and addresses of Litchfield residents.

Selectman F. Byron would like to make sure that the report for Work Force Housing gets into the next meeting agenda on December 10th.

Other Business

Selectman G. Lambert makes a **motion** to rename Incinerator Road to Recycling Way pending approval of the Fire and Police Chief. Selectman J. Brunelle **seconds** **Vote 5-0-0.**

Selectman J. Brunelle mentioned as we are getting ready to close out budgets the final 3 Police Department, Ambulance and Fire Budgets. He asked Jason to highlight points on tax rate impact and talk thru overall increase information. Jason states that one of the pieces that is used together with the school each year is an estimated tax base for the coming year. We are going into next year with an estimate of \$819,593,207 which is an increase of \$6,300,000. So with all projections and estimates Jason says there will be an increase in the Operating Budget of \$250,000 to \$255,000. For every \$82,000 of increase in spending, it increases the tax rate by 10 cents. So with the \$255,000 and the Cable Franchise Fees moving to its own fund, the projected revenues show a decrease of \$55,000, that takes it to a net to be raised of \$310,500 which translates into a tax rate change of 38 cents per thousand. Jason figures that we should be able to pull \$82,000 out of that expected increase and having the tax rate be closer 28 cents per thousand is a possible expectation. Selectman J. Brunelle asks what is the Town tax rate currently, it is at \$3.57 to which the .38 or best case .28 cents would be added.

Selectman F. Byron asked Jason for proposed warrant articles to be added for next meeting.

Items moved from consent

No items moved

Selectman B. Lemire made a **motion** to adjourn. Selectman Jewett gave a **second** **Vote 5-0-0.** Meeting was adjourned at 9:00 pm

Approved: December 10, 2012.

