

# TOWN OF LITCHFIELD BOARD OF SELECTMEN

## April 22, 2013

### Selectmen's Meeting

Members Present: John R. Brunelle, Chairman  
Frank Byron, Vice Chairman  
Brent Lemire  
M. Patricia Jewett  
Kevin Bourque

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 Payroll and Accounts Payable for the week of April 22
2. Prospective approval of Payroll and Accounts Payable for the weeks of April 29 and May 6
3. Abatement denial - Map 19, lot 28
4. Elderly Exemption Applications (3)
5. Veteran's Tax Credit Application
6. Gravel Tax Levy - Map 21, Lot 18
7. Yield Tax Levy - Map 1 Lot 31

### **Approval of Consent Items**

Selectman J. Brunelle reads aloud the Items for consent

Selectman B. Lemire **motioned** to the Board of Selectmen to approve items for consent

Selectman P. Jewett **seconded** the motion. **Vote carries 5-0-0.**

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

Selectman F. Byron would like an update as to where the non-public minutes stand.

He would also like to update the Board of Selectmen about a meeting he attended in Concord with the New Hampshire Municipal Association and the Committee of Government Affairs.

**Public Input:** No members of the public were present

### **Administrator Report**

### **New Business**

### **Country Budget**

Administrator J. Hoch states that he received notice of a public hearing on the County Budget scheduled for May 1, 2013 at 3:00pm to be held at the Hillsborough County Complex.

Jason mentions that they are considering re-instituting the Community Services Program from the Department of Corrections. Proposal is for a charge to the community of \$1,000 per week for the work of 8 to 10 inmates and an officer. They are asking for interest in participating in the program for the coming fiscal year. Jason would like to advise that Litchfield would be interested in at least one week of service (roadside clean-up, spring clean-up in 2014 of the cemeteries, painting etc).

Selectman J. Brunelle asks how does this compare to the price the Town paid in the past.

J. Hoch states that the Towns paid nothing for a service charge in the past. But the Commission is looking for some cost sharing with the Towns now.

Selectman J. Brunelle asks if they could have the Department of Corrections paint the Old Town Hall, he knows the warrant failed, but could the Town use this program. J. Hoch states that if the Historical Society pays the \$1,000 yes. But this would be on the County's fiscal year and the Town could schedule something for in the Spring of next year and ask again if this program is reinstated.

Selectman B. Lemire makes a **motion** to support the proposal for at least one week of service thru the Department of Corrections Community Program for next year at \$1,000 per week.

Selectman J. Brunelle **seconds** the motion.

Selectman P. Jewett states that she would like to see the money spent on the painting of a building, rather than Town clean-up. Volunteers should be used for Town clean-up and not spend \$1,000.

Selectman B. Lemire states that this motion is to only support the program and discussion can be had about how to utilize the workers at a later time if the program is reinstated.

Selectman F. Byron would also suggest that Chief Fraitzl be told about the program, he has approximately \$20,000 in impact fee funds that could be used for projects that the Fire Department needs completed. **Vote carries 5-0-0.**

### **Primex Premium Holiday**

Administrator J. Hoch states that the Town had already received a portion of the Workers Compensation premium holiday from Primex in the amount of \$13,000 which is put towards the annual bill of \$57,000. He would like to report that the second phase of the premium holiday for 2013 which will be applied to the Town's remaining balance (paid monthly) will be an additional \$27,409.58. This will dramatically lower the Town's overall expenditure in that line. Jason states that you can basically consider this premium holiday as uncommitted funds in the overall bottom line of the Budget. Also mentions that since this money just arrived, this was not included in the reallocation of Default Budget items.

### **Old Business**

#### **Budget Posting In Accounting System**

Administrator J. Hoch mentions that Default Budget line items have been incorporated into the Fund Accounting system.

Selectman J. Brunelle would like to clarify that looking at the expense report that is generated by Karen White there are a lot of zero items, and everyone needs to understand that those

are old categories that are no longer being used but they cannot be removed until the audit is completed. Jason states that they are removed by purging the history from last year with this current year, and this cannot be done until the Auditors have completed their work with last year's transaction history. At that time the zero accounts will go away.

Selectman J. Brunelle asks Jason when the Audit will be complete. To which Jason states that the year end Audit of 2012 has been challenging this year due to it being done via email with lots of information and questions being sent back and forth. The Auditors will be at the Town Hall on April 29th and he hopes to have a better feel as to when they may be finished at that time.

Selectman F. Byron wanted to go back and address a question he has regarding Town Counsel and their status with LGC and Primex. Selectman J. Brunelle states that he would like to continue this conversation in Other Business. (see continued below)

### **Mosquito District Control Member Application - David Tate**

David Tate introduces himself and states that he and his family have lived at 5 High Plain Avenue here in Litchfield since 1981.

Selectman J. Brunelle mentions that Mr. Tate is here to fill a vacancy on the Mosquito Control District Board and has been recommended by the current Committee. His application has been given to the Board of Selectmen to review. Selectman J. Brunelle asks Mr. Tate what is driving him to volunteer to be a member for the Mosquito Control District.

Mr. Tate states that he has known and worked with Al Raccio who mentioned that there was an opening and asked if he would be willing to help. Mr. Tate mentions he has the time available to commit to the Board and thought that he could help.

Selectman J. Brunelle states that he would like to thank Mr. Tate for volunteering, and he encourages anyone to volunteer for any Board or Committee. Asks if the Board has any questions.

Selectman B. Lemire commented that Mr. Tate and his family have been in Town for quite sometime and have a history of Community Service. He makes a **motion** to nominate Mr. Tate to the Mosquito Control District. Selectman K. Bourque **seconds** the motion.

Selectman J. Brunelle asks Jason if it will be a one, two or three year term he will be filling.

J. Hoch states that if the appointment is passed then he will prepare the paperwork for the appropriate term which he needs to confirm. This is due to changes in the Committee and he needs to confirm terms available, so that the terms vary and not everyone expires at the same time. He will draw up the paperwork and have it available for the Board of Selectmen's signatures so Mr. Tate can be sworn in by the Mosquito Control District's next meeting.

Selectman F. Byron asks how many approved positions are there on the Mosquito Board. To which Jason answers up to 5 based on the law change that was done last year. There are currently 3 members on the Board, Mr. Tate would be the fourth.

Selectman B. Lemire **amends** his **motion** to accommodate the floating term upon Administrator J. Hoch decision. Selectman K. Bourque **amends** his **second**. **Vote carries 5-0-0.**

### **Old Business (Continued)**

#### **Budget Posting In Accounting System**

Selectman J. Brunelle states that the Board reviews the Expense Report every week, but does not discuss it enough. He reviewed the Expenses and knowing that the Town is in a Default Budget knew pretty well where things stand but had a few questions he forwarded to J. Hoch. Some of which were regarding overtime in the Police Department which was due to the covering of shifts and hopefully will not continue. Sand and Salt is down, but the Town qualified for FEMA and will see some reimbursement. Also overtime for the Fire Department which he states was event driven and should not be an issue going forward. But was happy with Administrator J. Hoch answers to his questions. Selectman J. Brunelle mentions he did notice a couple of charges that should of been last years figures that need to be fixed when the Auditors come in.

J. Hoch states that the end of May the Board and he will have a more indepth discussion so between now and then some of these loose ends in reporting will be cleaned up.

Jason also states that he received Friday morning the official worksheets from FEMA regarding the February storm. He completed the worksheets and supporting documentation and returned it by 2:00 Friday. He is awaiting clarification from a representative on a few items and the usual requests for supplemental paperwork, he is working with the same representative as he did for Sandy. It is estimated to be approximately \$30,000 or 80% of "Project Eligible Costs".

### **Cruiser Order**

Administrator J. Hoch states that he is looking for the Board's input in regards to this matter, and has been working on different finance scenarios. At the last BOS meeting it was decided to purchase 2 cruisers, and the Default Budget has a line item of \$40,500 towards the purchase of these vehicles. There has to be more money allocated for vehicle maintenance and repair due to not purchasing 4 new vehicles and maintaining and repairing 2 existing vehicles. So Jason recommends retaining \$15,000 for additional repairs/refitting of cars 5 & 6. This would result in a payment of \$25,500 this year and financing of \$74,573 for the next 2 years.

J. Hoch states that is principal costs only for 2014 and 2015 it would be in the total amount of \$37,000. With an interest rate of 2-1/2 to 3 percent. So with final numbers now he wanted to discuss this with the Board and see what their input is.

The second part of his spreadsheet shows a scenario for how the overall numbers could play out if two more vehicles are replaced next year. Jason is not recommending the Board make any decision on this now, nor is it time to have an extended conversation about it. However, he wanted to show how decisions this year on finance amounts could roll out future Budget impacts.

Selectman J. Brunelle states that Jason's reason for showing this is because next year a third vehicle may have to be purchased and that would be on top of the payments for the purchasing of these two this year. Also depending on how the failures are on the existing vehicles that the Police Department will be trying to maintain.

Selectman J. Brunelle also asks Jason that out of the \$40,500 line in the Budget, \$25,500 will be for the first payment this year for the two new cruisers and then \$37,000 will be paid in 2014 and in 2015. Also that the current repair line in the Budget was \$6,000 and that was for 2 cars being repaired of which \$4,500 has already been used due to failures. So to Budget \$15,000 does not seem outrageous to him, if already 1/4 of the way into the year \$4,500 has been spent. With the repairs that have been made and improvements still to come on these two vehicles

hopefully repairs will be minimal in the future.

J. Hoch states to the Board that if they are comfortable with this than he will proceed putting the financing together based on putting \$25,500 towards the purchase of these two vehicles this year, and bring back the finance plans based on that.

Selectman F. Byron asks Jason where do the costs for the trade-in of the detail cars come into this. Jason states it does not come into this at all, that comes in to the Budget as sale of Town property and put into General Fund Revenue.

Selectman P. Jewetts asks if the two vehicles can be posted in the Town and City magazine for sale. J. Hoch states that the market for these vehicles is for Taxi Companies that use them. They will be posted, and the Town will collect sealed bids on them and that is your best price usually.

### **Monitor/Defibrillator Purchase**

Administrator J. Hoch tells the Board that the monitors were ordered after the last meeting and delivered on April 16th. As Jason reviewed the paperwork with Jim Rea last week, he inquired about an extended warranty. Currently about \$2,000/year is budgeted for the Department's existing monitors. The new equipment comes with a one year warranty. Jason recommends purchasing the extended warranty/preventive maintenance package for this new equipment, the cost is \$10,880 for the two units. The extended warranty of 5 years would begin after the first year and cover the equipment for a total of 6 years. This comes in around the already budgeted \$2,000 a year for warranties. The Preventative Maintenance program involves a notification from Zoll of when the equipment is due for service. They will send the Town loaner units so they can send our units in for service. Service is recommended to be twice a year. This will protect the Town's investment, eliminate costly surprises in the first 6 years and allow the Town to remove \$2,000 as an annual expense from the Budget for the next 5 years. By the end of that time, it would be time to initiate a conversation again about replacing the units around year 8 of service.

Selectman B. Lemire states that around that time they are becoming obsolete.

Selectman K. Bourque states that his concern is that the Town just purchased two monitors which will be rotated. So in 6 years the monitor will truly only be 3 years old as far as usage, so they should last a lot longer.

Selectman F. Byron would like to know from Jason why this would involve removing \$2,000 from the Budget.

Jason states that right now \$2,000 is budgeted for maintenance each year, and with this program the money would be put upfront in the amount of \$10,880, but no more money is given for the next 5 years, eliminating that \$2,000/year Budget item.

Selectman F. Byron asks what the yearly maintenance is on these new units. J. Hoch states that he does not have an answer for that at the moment, but feels it probably will be close to that because it is on top of the line equipment.

Selectman K. Bourque states that there are two units so if there is a problem with one there is another.

Selectman B. Lemire mentions that he believes that both units have to be sent out to be serviced and tested regardless of what rotation they will be in, at least twice a year.

Selectman J. Brunelle states that they offer two programs Preventative Maintenance and Extended Warranty, feels Jason should price out both. However if Preventative Maintenance and the Extended Warranty are packaged together it may be more cost effective to do it that way. He feels that after such an investment he wants to see the units taken care of.

Selectman F. Byron states that the Board is being asked to approve a cost that they do not know what it includes.

Selectman K. Bourque also mentions that if anyone has ever purchased an extended warranty, you have to read all the fine print due to so much not being covered and knowing what exactly is included. He suggests getting a copy to read all the fine print and understand what is being purchased.

Selectman J. Brunelle asks Jason to get prices and copies of the warranties and continue the discussion at a future meeting.

Selectman F. Byron states that the Town would be paying about \$8,500 for an extended warranty, and \$2,300 for two units for 5 years of preventative maintenance with these plans.

J. Hoch states that he apologizes for not bringing more information. But he was thinking much simpler in terms of the Town was already budgeting \$2,000/year and this would just be replacing that \$2,000 a year but in one lump sum. If he could cover the majority of repair costs over the next 5 years with money that was already in hand today, rather than chancing it out over those 5 years.

Selectman F. Byron makes a **motion** that the Board of Selectmen approve the amount of \$2,300 for the purchase of 5 years of Preventative Maintenance Program on both new monitors, and defer discussion on the 5 year Extended Warranty until further data is procured. Selectman P. Jewett **seconds** the motion. **Vote carries 5-0-0.**

Selectman F. Byron asks if that \$2,300 can come out of the Warrant Article, to which Jason states yes.

### **Stormwater Permit Concerns**

Administrator J. Hoch at the last meeting discussed the costs and concerns of compliance with all the new rules. He shared some slides and a presentation that had been done at Attorney Sheehan Phinney Bass. There has been a few follow ups to this since, the EPA has granted a 30 day comment extension on the actual permit, which extends it till May 15, 2013. The State - NHDES has requested an additional extension of 90 days to comment on concerns. So Jason hopes it continues to get pushed out. There is a group that is trying to get all the impacted Communities together. At the beginning of April they had representation from approximately 26 Communities representing almost half of New Hampshire's population in attendance. There has been some preliminary follow up with DES staff because there are a bunch of issues woven into the Federal Permit, that pull on rules that are on DES books. So one feeds into the other and some of those are not great State rules as it is so, it gets compounded by being put into Federal rule. So they are looking into some of those issues. Jason states that he had a follow up meeting last week to discuss some of the issues related to this, so far he has been hearing pretty constructive things from NHDES. But right now the language of the permit does not reflect that. Some of the concerns are when Towns file their first paperwork under the new permit, the first step in the Town's preliminary plan, it triggers the new permit. But technically every community that submits the plan will be in violation of that permit, based on the conditions

that are in that EPA permit. EPA says it is not being viewed that way; however, the rules do not read that way. State has said that they consider this a 20 year plan, not a 5 year plan; but permit is for 5 years and the timetables are based accordingly. Jason also states that some of the challenges that Great Bay Communities have had with their own treatment plants and permitting for discharges into Great Bay shows the need to protect legal interests of communities. Jason mentions that the general view of the group meeting on April 18th was as a group to engage Counsel to write an official comment letter on behalf of impacted Communities. Rationale is that the content of the comment letter is what lays the groundwork for a legal appeal if comes to that. So if information is not introduced in the comment phase, information can not be introduced in a later legal appeal. Administrator J. Hoch states that as far as Litchfield is concerned they have not broke out a final agreement as of yet. But based on their estimate of total cost and assuming participation by all Communities listed, if the Town opted to join the group we would be looking at approximately a \$5,000 dollar share of the total legal cost. Jason also mentions that he shared on the Site if the Board has an interest to read in greater detail an analysis of the permit. A letter written by Jessie Levine from Bedford who did a great job putting together a memo, which he decided to share. Jason mentions that there is no request as of yet for action, but one may be coming.

Selectman J. Brunelle states that having not done a Stormwater Permit in the past, there are no concerns about deadlines being missed or a risk of being fined by the EPA at this time.

J. Hoch states that those are two totally different issues. The old issue is the 2003 Permit that the Town is in year 10 of reporting on, which is due May 1, 2013. This year's annual report has been done and a copy given to Mr. Pinciario today. The concern is with the new Permit that is to be issued, it is much more detailed and stringent than the 2003 Permit was. With the Town looking at a possible \$90,000 dollar a year price tag.

## **New Business**

### **Annual Policy Review**

#### **Background Check**

Administrator J. Hoch mentions that there are numerous policies that need annual review by the Board, some need updates and revisions.

Selectman J. Brunelle states that having served on the Conservation Committee and having served last year on the Recreation Commission there are concerns around background checks being done to members who are not around children or young adults. Also that the Cable Committee is around and dealing with young adults and they are not included in background checks. Feels that if the Town is going to be consistent then everyone should be included.

Selectman F. Byron states that the Town could be more consistent by removing the Conservation Committee from background checks.

Selectman J. Brunelle mentions that is true. So is the list of Departments associated with background checks correct or should some be added or removed to make it more consistent.

Selectman B. Lemire asks if there is a reason the Police Chief is not listed.

Selectman J. Brunelle states that a background check was done when he was hired, and yes he is included under Officers.

Selectman B. Lemire states that not according to the chart provided, he is not. Fire Chief is separated from his crew. Police Officers to him mean the Patrol Officers not the Chief.

Selectman J. Brunelle mentions that is a point and may need to be clarified.

Selectman F. Byron states why not just list on the chart Police Officers and Chief, he feels that the Town does not want to get into doing background checks on a sitting Chief.

J. Hoch would like to remind the Board that the chart was written for a specific reason, for new appointments. It required checks after employment for employees hired after May 1, 2012. He states the the second group shown on the charts were listed that way because Counsel's advice was that once you change the terms of employment for employees it becomes a new term. So it was separated by a hire date of before and after, after May 1, 2012 those new hires listed and by their terms of employment are required to have a background check according to the cycle stated.

Selectman J. Brunelle states that in the chart the Fire Chief and Police Chief should be added. This is agreed upon by the Board to do. Then asks should the Conservation and Recreation Committees be removed, and the Cable Committee be added as suggested. He states that the Recreation Commission has Leagues that deal with children but only thru the Leagues, and believes those members are background checked.

Administrator J. Hoch mentions that the law states that if an individual is involved with Town affairs in the collection or management of money, or who work regularly with children the elderly or disabled or who enter the homes of citizens must have a background check.

Selectman B. Lemire states that speaks to the removal of the Recreation and Conservation Committees due to the fact that they do not deal with or work with children on a regular basis.

Selectman B. Lemire makes a **motion** that in reviewing the Background Check Policy that the Board remove the Recreation Commission and Conservation Committee members due to they do not work directly with young adults on a consistent basis. Selectman P. Jewett **seconds** the motion. **Vote carries 5-0-0.**

Selectman J. Brunelle mentions that the Recreation Commission members sitting on the Board no longer need background checks. However, the Leagues and Coaches will still need to follow their League guidelines and have background checks, as encouraged by this Board.

Selectman J. Brunelle makes a **motion** that the Cable Committee Operators be added to the background check policy due to the fact they deal with young adults. Selectman B. Lemire **seconds** the motion.

Selectman F. Byron asks when does the Cable Committee deal with children. Selectman J. Brunelle mentions they work with the High School, setting up events and helping out with activities.

J. Hoch states that this would be a question for Counsel because he feels they are indirectly employees of the Town and more Independent Contractors. There is a different employee relationship with them than other Town employees. So Jason would like to check with Counsel on this matter first.

Selectman J. Brunelle mentions that if they are Independent Contractors then are they required to hold liability insurance and workers compensation as well.

Jason states that there was an issue with Manchester Television last year, and the Courts felt that it was close enough to the City Government to be considered "Integrated Enterprise". So it was still tied to the City, so using that logic this would still fit. However, he would like to check

with Counsel to make sure they are listing it properly.

Selectman J. Brunelle states there needs to be clarification on language and possible dates and what type of background check is to be done, so he **withdraws motion**. Selectman B. Lemire **withdraws second**.

Selectman J. Brunelle tables discussion for now and will re-visit next month after advice from Town Counsel.

Administrator J. Hoch mentions he would like to add a provision to clarify that a background check for applicants who have resided in New Hampshire less than 5 years will involve checking with State of residence as well. This came out of a conversation he had with the Police Chief and Town Clerk because usually the criminal checks are done just in New Hampshire. He mentions that the Police Chief added the 5 years due to the fact that it is the time frame the Department of Justice uses for their background checks.

Jason would also like to clarify about recurring background checks as discussed at last months meeting. Background checks will occur prior to the reappointment of the individual for the eligible position, so the background check will not lapse during term of employment.

### **Cash Receipts**

J. Hoch states there are a couple of adjustments to be made under Regular Deposit Procedures to reflect how things have been done this past year. All cash and checks that are given in person shall be reported on the receipt forms. The Department retains a copy for recording with the remittance sheet the Department does not collect a separate receipt copy for the turn over. Selectman F. Byron would like to know why a receipt would be given for a check. Jason responds by stating the receipts are for the Departments bookkeeping, transactions are documented in a multipage receipt book. If a customer would like a copy of the receipt it is available. The other copies are retained in the book, then are logged into the Towns electronic receipt system. Books are kept as a reference if needed. This way of recording was recommended by the Auditors.

J. Hoch also added a new section for the Solid Waste Facility operations. Because no cash is taken there, all checks are logged on the remittance spreadsheet. On their spreadsheet they log the check number and address, and receipts are available upon request of the payer. Once in a great while money has to be exchanged, the customer is sent to the Town Clerk where money is taken and a receipt is given and taken back to the Solid Waste Facility. Solid Waste receipts are turned over to the Town Clerk once a week instead of daily.

Selectman J. Brunelle mentions that he knows the Facility does not take cash, and a lot of the time, the Town Hall is closed when the Solid Waste Facility is open. He feels it is a major inconvenience to the community, not to take cash.

Selectman B. Lemire states he agrees with the no cash being there, feels it is asking for problems. Asks if there have been issues. Feels for the most part the community knows that no cash is accepted. After discussion, the Board agrees that no cash is the safest way to run the Facility it is agreed to leave as is.

Administrator J. Hoch did not change but for reference purposes would like to mention that Petty Cash use has dwindled to almost nothing, there were only 6 transactions for all of 2012. However, on the third page he did change a line regarding the random audits of the Petty Cash, to read being performed by the Treasurer not the Finance Director. This was due to the few

requests made for Petty Cash come from Linda (now Karen) or Terry, and Jason did not feel they should be doing the Audits on themselves.

Selectman F. Byron asks Jason when the last Audit was performed. Jason states March of 2013.

Selectman F. Byron asks if the Audit was documented, because once it is noted that it is performed it has to be documented for the Auditors.

Jason states he is not sure if it was documented in March, but will check. Also he will add it to the Treasurer's duties, and have it documented for the record.

Selectman F. Byron asks how much is kept in Petty Cash and why not eliminate it, if it is used so little.

Jason states that Petty Cash is \$100, and has to be kept due to the fact that the Building Department takes cash and it is used as a change and cash draw for out front at the Town Hall. Petty Cash use is logged separately. Also sometimes something needs to be purchased from Petty Cash such as mailing a certified letter, or office supplies.

Selectman J. Brunelle makes a **motion** to accept the changes to the Cash Receipt Policy effective April 30, 2013 as reviewed.

Selectman B. Lemire **seconds** the motion. **Vote carries 5-0-0.**

### **Conference & Meetings**

J. Hoch states that he has no changes to make with this policy.

He would like to make a comment about when he and the Board discussed the IRS mileage reimbursement, it was suggested that the Board had approved a general policy to follow. This policy is probably what was in mind. However, it says "Reimbursement will be made at the Federal mileage rate established by the Internal Revenue Service and adopted by the Board of Selectmen."

Selectman J. Brunelle asks if the Town can not adopt this rate, and not pay the IRS rate.

Administrator J. Hoch states that no the Town does not have to follow the IRS rate.

Selectman F. Byron mentions that he still feels that having employees sign this policy does not make a lot of sense, and that if Jason still feels they should his next question is how many employees have signed it to date. J. Hoch states he does not know how many have signed it; it had been distributed to department heads and those likely to use it for conferences and training.

Selectman F. Byron asks if all the employees have signed, to which Jason states no. Selectman B. Byron then states that we are in violation of our own policy.

J. Hoch mentions that not all employees are going to be using Conference & Meeting reimbursements.

Selectman B. Lemire states that even if an employee does not sign the policy, this rate would be all they would be getting under this policy anyway. J. Hoch states that the Departments using the policy, have understood it's use and have raised no questions or concerns since it has been implemented.

Selectman J. Brunelle asks because it is referenced in the Employee Policy Handbook could the signing be struck from the policy. Especially if it is not something that everyone will be using, it would be less of a legal issue regarding signatures.

Jason suggests that it would be reasonable to continue to have Department Heads sign this part of the policy, because a request will come through them for approval of a Conference or for reimbursement.

Selectman F. Byron states that it is already a policy in the Handbook for all employees to adhere to and feels that is sufficient. Either everyone should sign or no one sign is his point, but he still feels no one should have to sign a separate document.

Selectman J. Brunelle makes a **motion** to remove the requirement for all employees to sign, it is part of the Town's policy. Selectman K. Bourque **seconds** the motion. **Vote carries 5-0-0.**

Selectman B. Lemire makes a **motion** to accept the Conference and Meeting Policy as presented without the signature page effective April 30, 2013. Selectman J. Brunelle **seconds** the motion. **Vote carried 5-0-0.**

### **Fraud Policy**

Administrator J. Hoch has no changes to Policy

Selectman J. Brunelle states that this is a Policy that does require a signature from all employees, as per requested by the Auditors.

J. Hoch states that it is written for all employees to sign. Also at the end of the document it is written that policy is reviewed annually by the Board of Selectmen. All applicable individuals shall read and understand and adhere to this policy review and accept this policy upon appointment. Revisions to policy by the Board of Selectmen or at least every three years, if no other events cause a policy reissue.

Selectman B. Lemire makes a **motion** to approve Fraud Policy as written effective April 30, 2013.

Selectman P. Jewett **seconds** the motion. **Vote carries 5-0-0.**

### **Fund Balance**

J. Hoch mentions that this came upon a request from the Auditors that there is a typo in the last line.

Selectman B. Lemire makes a **motion** to approve the Fund Policy with corrections effective April 30, 2013.

Selectman J. Brunelle **seconds** the motion.

Selectman F. Byron asks if there is a need to have a section on encumbrance.

Administrator J. Hoch states there could be a policy on encumbrance; however it is not in keeping with narrow GASB 54. Jason states that encumbrance would fall into the Assigned Fund Balance section. Says that a section would have to be added about purposes of the Assigned Fund Balance.

Selectman B. Lemire mentions that the policy does state encumbrance, and asks if this does not cover Selectman F. Byrons question.

Selectman F. Byron responds by saying his question was more involved but he will wait till the end of the year to discuss encumbrances.

**Vote carries 5-0-0.**

### **Investment**

J. Hoch states that this policy is largely reined in by the investments that are allowed by State Law. States that there are a couple of changes to what is allowable in the coming year. He mentions that on the second page he changed the types of funds that the Town has created because a few Revolving Funds have been added, which are held by the Treasurer. This includes all of the funds that go through the Treasurer. The Trustee of Trust Funds are required to have a separate Investment policy that they approve each year.

Under Internal Controls on page three, Jason mentions he added a sentence that is in reference to Bonding. "That the Town shall review bonding levels annually with its property liability insurance carrier", and make sure that the Town updates that schedule. There is a template that is now provided in State law about what level of coverage needs to be provided for each person. It is based on the amount of cash that passes through them, there is a test for each one.

J. Hoch states that on page five under Qualified Institutions there is a statement that says, " The Board in conjunction with the Town Treasurer shall periodically review the banking relationship and determine if there is a need to undertake a competitive bidding process for a selection of banking, investment and or cash management providers." To which he has added, such a review should at a minimum occur once every four years. Jason states the the word before was periodically and that seemed unclear.

Jason mentions under Reconciliation it states a Department can make a request from Selectmen, Selectmen's designated person may perform periodic surprise audits of evidence of ownership in a safe keeping and custodial system. Jason tells the Board this was already in the policy but at some point it should be done.

Selectman J. Brunelle makes a **motion** to approve the Investment Policy as discussed and changed effective April 30, 2013.

Selectman K. Bourque **seconds** the motion. **Vote carries 5-0-0.**

### **Purchasing Policy**

Selectman F. Byron starts by asking Jason if the level of purchase should be changed from \$3,000.

Selectman J. Brunelle asks what quantity of purchases done by Department Heads that are over \$3,000. He does not see a lot in the Expense Reports.

J. Hoch mentions this is a twofold issue of that there are plenty of things that are under the \$3,000 level mark that are not being freely entered into the system. So you gain a greater sense of what is being processed and can track them. The horror of moving it lower is that the paperwork tracking will be a huge burden to the system. Jason states he cannot operate this system under a lower number.

J. Hoch brings up a question on a line that Selectman F. Byron had added at the end of section two "Delegations downwards of purchase orders to avoid a conflict with this section are not authorized." Selectman F. Byron states that it prevents a person from gaining the system, such as if someone says "hey I am your supervisor and I want to purchase this, but you fill out the PO and I will sign off on it". He states it was added for prevention.

J. Hoch mentions in the purchases over \$12,000 category there was a difference of opinion, there is a line that has been there stating that the publication period is 14 days, and there is a provision in there that the Selectmen can authorize a period of less than 14 days.

Selectman F. Byron states that he asked for this to be taken out because you will be setting yourself up for the exception becoming the rule, where people will be saying we can not wait the 14 days lets purchase it now.

Administrator J. Hoch was looking at it in another way, thinking that the Selectmen should have the authority in case of an emergency to use their discretion and to not be boxed into a situation. In the event there is some sort of a major failure and funds are needed it is hard to comply with the Towns own policy.

Selectman F. Byron still sees it as becoming a problem, as an exception would be one thing, but if put in as a policy he feels it will become the rule.

Selectman B. Lemire states that he feels the wording should stand so it allows the Board an option in extreme situations, not as a normal part of the policy.

Selectman J. Brunelle says the Board can do what it thinks is right to run and manage the Town regardless, so why would it matter about leaving that line in place.

Selectman F. Byron adds that there is already an emergency funds section in place.

Selectman B. Lemire says it sounds like F. Byron is trying to protect the Board from itself

Selectman F. Byron states he is trying to protect the citizens from the Board.

Selectman B. Lemire makes a **motion** to strike the strike that was added and to retain the wording to the Purchasing Policy effective April 30, 2013.

Selectman J. Brunelle **seconds** the motion. **Vote carries 4-1-0.**

Administrator J. Hoch mentions that the next paragraph under Professional Service Contract discusses 91A. He would like to state that not every opening is going to be a publicly posted meeting that would be triggered under 91A.

Selectman F. Byron would like to clarify that he is not saying it is a 91A meeting, but should be posted as if it was a 91A meeting so that the Public can be there and see the bids being opened if that is what they would like to do.

Selectman J. Brunelle states that all bids shall be opened under the requirements of a publicly posted meeting as described in RSA-91 A. At a date, time and place to be designated at the bid request.

Jason Hoch mentions that section 6D states “things not requiring a bidding procedure”. He feels 6D can actually be taken out. There is a whole section below that discusses Emergency situations.

Selectman F. Byron states that he feels Jason should not strike 6D out.

Administrator J. Hoch jokes that this is coming from the person who just made a strike thru. He states that he had a whole diatribe of comments to address the strike when he first saw it.

Selectman F. Byron humorously states he would like the minutes to reflect J. Hoch’s statement on “diatribe of comments” that is what happens when he gives his input, and if he does not give input then he is told he is not doing his job as a Selectman.

Jason then states for the record that he had the sense to say Selectman F. Byron made a very good point, and that his diatribe was all for naught and he erased it.

J. Hoch getting back to business states that 6D is out. Would like to mention section 9 there were a few sentences removed, but left the piece on exceptions to the policy delegated to the Selectmen.

Selectman J. Brunelle makes a **motion** to accept the Purchasing Policy as reviewed and changed effective April 30, 2013

Selectman P. Jewett **seconds** the motion. **Vote carries 5-0-0.**

### **Credit Card**

Administrator J. Hoch states there are no changes recommended at this time. Due for reissue to all cardholders in 2014.

Selectman B. Lemire makes a **motion** to approve Credit Card Policy effective April 30, 2013

Selectman P. Jewett **seconds** the motion. **Vote carries 5-0-0.**

### **Other Items**

#### **Selectmen Reports**

##### **Skid Steer**

Selectman K. Bourque discusses his meeting with Dave Mellen from the Solid Waste Facility regarding the Skid Steer. He said that pretty much everything Selectman F. Byron reported to the Board at the last meeting was what Dave Mellen said again. That the back of the machine is strong, he views the skid steer as at its peak and heading downhill. He asked if there were any major repairs with the exception of the problems with the bucket and Dave stated no it has been a very reliable machine. When asked if he could make it through the year with the Skid Steer Dave said yes he felt he could. Selectman K. Bourque states that the problem with the front end will have to be addressed at some point, because the bucket right now cannot be removed due to if they get it off they feel they may not get it back on again.

Selectman J. Brunelle give the Board an update as of this week. Due to a starter failure this week with the machine it is at Chappel for repair. As of right now there is an estimate of \$5,100 which includes fixing the bucket issue, the starter and any maintenance that was due to be done on the machine as well as a rental for approximately 2 weeks. They will also be putting the new tires that the Town already purchased on the machine.

Selectman F. Byron asks how much was the starter, to which Selectman J. Brunelle states \$600 plus labor.

Selectman J. Brunelle mentions that when he pulled into the Recycling Center on Saturday and trash was being thrown thru the windows, he knew something had happened. States that they had quite a backlog, due to having to move trash manually till a machine got there, but they got through it.

Selectman F. Byron asks in a situation like this where the machine could not of been used, could the crew at the facility use the backhoe on a temporary basis to help get them by, rather than having to move trash manually.

Selectman J. Brunelle states that they could use it outside the facility, but it could not be used inside it is too big to maneuver around. It would have to be done manually.

Administrator J. Hoch adds that with this old piece of equipment he feels that there should be a check in point as how much money is being put into it and when is the walk away point. Prior to this weekend the Board and he knew there were about \$2,500 dollars needed to repair the Skid Steer, so he was going to say the next \$2,500 used, they should have an discussion about this. However now with this weekends failure we are over that amount. The Default Budget carried over \$7,500 for repairs which would of been used as the first payment if a new Skid Steer was

purchased. So this now leaves \$2,500 in the budget for future repairs and he feels when they get to that point it is time to discuss other options.

Selectman J. Brunelle states that now with everything being repaired and replaced it would be no time to walk away from this machine. Jason was just stating that is fine and repairs may be decided to continue in the future, he was just mentioning a point that the Board re-evaluates money spent, and feels that should be at the \$7,500 mark.

Selectman J. Brunelle states that the Budget Committee was supposed to meet on Thursday however, they deferred the meeting due to timing issues with minutes. It will be rescheduled for either May 2 or 8 which will be determined shortly. It will be there first meeting since the election, so the Board will have to re-appoint new Officers.

Selectman K. Bourque attended the Recreation Committee meeting and they are putting up some new basketball hoops down a Darrah Pond. They will be doing a few repairs on the tennis courts as well. Also they will be opening the new fields on Saturday May 11 at 2:00pm. He mentions that there will also be a new sign that an Eagle Scout is making that has a nice roof to protect it and the young man is doing a terrific job. Selectman K. Bourque also wanted to mention that the Town had a fire on Cutler Road which happened in the middle of the night, and he would like to say that the Fire Department and everyone there did a great job.

Selectman P. Jewett mentions that there is a clean up for the Conservation Committee that will be on 3A starting at the Old Town Hall on Saturday April 27, 2013 from 8 to 11.

Also that the following Saturday May 4, 2013 there will be a Town Clean up everyone is meeting at the Town Hall, and refreshments will be served after.

May 11, 2013 is the Fishing Derby to be held at Marc Lane from 8 to 11:30.

### **Capital Asset Planning**

Selectman J. Brunelle states that he thinks the Town needs to put forward a plan on all its big dollar item Assets. He feels that the discussion around the life cycle of the Police Cruisers has opened up dialogue that needs to be put down on paper. Police, Highway, Fire they all have large ticket items that have a life cycle that he feels should be noted on paper and then a plan for repairs and replacement can be looked at better and planned for in the future.

Selectman F. Byron mentions that the Planning Board should also be apart of this with their Capital Improvement Plan.

Selectman B. Lemire states that was what the Capital Improvement Plan was suppose to do, have all the information from the Town and become a document that would be filtered through the Board of Selectmen and the Budget Committee, so there was a planning financial document to be looked at and worked from.

Selectman J. Brunelle feels this Board has a responsibility to define what the life cycle of the Towns equipment and all Assets are. There should be a program in place and understand what the costs associated with it would be. So that money can be put away and budgeted for Capital Replacement. Which is something not being done now. The Town takes a huge hit each time something fails or needs to be replace. There should be a budget set aside for this, so the Town is prepared. Also feels a plan for the Town roads should be included.

Selectman F. Bryon states the software purchase was suppose to do help with this as a place to document everything.

Selectman J. Brunelle states that the software is being updated and information will be put in and updated as well. He would like the whole Town documented so there is a big picture for funding needed throughout the Town that can easily be viewed.

Selectman B. Lemire states that documenting a plan is wonderful, however it is all subject to the Budget Committee and Town meeting. Planning can be done and updated, but if there is lacking in the funding areas with Committees and the voters then you end up chasing funds.

Administrator J. Hoch suggests that this be started with vehicles and heavy equipment and go from there.

### **RSA 32:25 - 24 Month Budgeting**

Selectman F. Byron mentions he was investigating budgeting for the Town, when he found one thing the Town may be able to do under RSA 32:25 which was put in place in 1998. It was put into place at the request of the City of Manchester. It allows a Town/City to complete two 12 month Budgets at once. Get them approved by the voters, in a normal voting process, allowing 24 months of Budgeting. He mentions what this Board starting the Budget process in September and continues into February involves. Department Heads and the Town Administrator start the process in August. Instead of going through this each year, it would allow the Town to try for one year to do this and the Budget would last for two years. Selectman F. Byron thinks that the extra work that would be involved in creating a second budget, would not be extensively higher, than what is involved in completing a one year budget. But allowing the Town the time to think and do other things between September-February, has some benefits to it. So he contacted DRA wearing his Selectman's hat, and they told him that the Town could not do that due to the fact that it was only for Manchester. He challenged DRA on this and the women he was speaking with stopped and read the RSA which clearly states the Town can do this. To which she stated that she did not know then, and he would have to contact the New Hampshire Municipal Association. So Selectman F. Byron then says he put on his NH-Municipal hat and contacted the NHMA Attorneys and they told him he was absolutely correct, and the Town/City can do this 24-month Budgeting. He states there may be some questions that need to be addressed, such as how a Town under SB-2 should handle things like a Default Budget situation. So then Selectman F. Byron put on his hat as a State Legislator and sent off a letter to the Department of Revenues Commissioner, asking him for clarification of DRA rules. He is waiting on their response. Selectman F. Byron thinks this could be a good thing for the Town. J. Hoch also thinks this is a great idea and would welcome the time it may free up.

Selectman B. Lemire remembers when all this took place in 1998 and will be interested to see if an SB2 Town can implement this without some adjusting. The Board decided to continue this discussion again once Selectman F. Byron get a response from the Department of Revenue and gathers more information.

### **Items moved from consent**

None

### **Other Business**

Selectman J. Brunelle discusses the non-public minutes update that Selectman F. Byron asked a question on. Administrator J. Hoch states that he has been scanning the minutes into a file and has shared them with the Board, and is waiting for approval for release. The Board will continue to see them in this file until approximately all 35 are scanned and updated for release, which he hopes to have completed for the first meeting in May. The Board strongly advises the public to read them.

Selectman J. Brunelle mentions an update on the Committee of Government Affairs (CGA) that Selectman F. Byron wanted to speak about.

Selectman F. Byron states that he attended a meeting of the New Hampshire Municipal Association with the Board of Directors for NHMA as a part of CGA. He said a few things came out of this meeting, one is that the New Hampshire-MA is updating their website and you will be seeing some time around July a members only section. This means they probably will stop sending out the magazines, and they will be putting it in this members only section of the website. Also mentions that George Bald was discussing that NHMA will be going to a non-profit organization rather than be an LLC. They are going to try and get their non-profit designation back from the LGC that they turned it over to. NHMA wanted to let everyone know that they are in full compliance with the order from the court case that went through this year. Selectman F. Byron also mentions that Mr. George Balled stated that he will attend any Board of Selectmen's or Town meeting if asked so he may explain what is going on.

Selectman F. Byron also states that they anticipate the rates will be going up sometime towards the end of the year, due to the fact that there is a payment of 17 million dollars for workers compensation that they are going to have to make. Which will have to be funded somehow and the only way to do so will be to increase rates. He also mentions that Salem, New Hampshire has told NHMA that they will no longer be a member of the Association.

Selectman F. Byron also states that there was a court case on Tax Exemption that just went to the Supreme Court. It was regarding Elderly Exemptions, and dealing with the assets of an elderly person and whether or not they should be reduced by the amount of their outstanding mortgage balance and property.

Selectman F. Byron also mentions the MS4 Permit that Jason mentioned to the Board, and feels that they will be trying to get other Towns involved and may be approaching Litchfield at some point. And that they will be trying to participate in the comment letter prepared by Sheehan Phinney and Bass that will be going to DES and the EPA.

Selectman B. Lemire makes a **motion** to adjourn

Selectman P. Jewett **seconds** the motion. **Vote carries 5-0-0.**

The next Board of Selectmen's meeting will be on May 13, 2013 at 6:00pm at Town Hall

*Approved May 14, 2013*