

TOWN OF LITCHFIELD BOARD OF SELECTMEN

December 30, 2013

Selectmen's Meeting

Members Present: John Brunelle, Chairman
Frank Byron, Vice Chairman
Kevin C. Bourque

Absent: M. Patricia Jewett - excused
B. Lemire - 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 Manifests (\$44,388.38) & Accounts Payable (\$81,152.64)

Approval of Consent Items

Selectman J. Brunelle reads aloud the items for consent

Selectman K. Bourque **motioned** the Board of Selectmen to approve the items for consent

Selectman F. Byron **seconds** the motion. **Vote carries 3-0-0..**

Request for Items - Other Business

Selectman J. Brunelle would like to re-cap and clarify a vote which was taken at a previous Board of Selectmen's meeting.

Administrator Report

New Business

Review End Of Year Encumbrances

Administrator J. Hoch shared a spreadsheet with the Board showing a list of Year end Funds. Selectman J. Brunelle asks J. Hoch if the available end of year appropriations are still estimated to be about \$40,000. To which Jason states yes, and he will walk the Board thru his recommendations.

J. Hoch tells the Board that he will start with the re-encumbrances, (which are not part of the \$40,000).

Selectman J. Brunelle explains that these are encumbrances that are being carried over from projects that for some reason have been unable to be completed this year and the funds are being carried over for next years use.

Administrator J. Hoch states that they include:

Re-encumbrances

01-9551.12-005	Impact Fee Update, Phase 2	\$13,500
01-9551.12-009	Emergency Management Exercise	2,500
01-9551.12-011	Software Training & Data Update	1,080
01-9551.12-019	Tax Map Update	1,750
01-9551.12-021	Town Hall Roof Repair	3,000
01-9551.12-022	Assessing Services	<u>1,568</u>
	Total Re-encumbrances	\$23,398

Selectman F. Byron asks Jason why the Town Hall roof repair would still be in encumbrances, he thought the work was completed.

J. Hoch states there is still a portion of work that they are not satisfied with, and have been waiting for the vendor to complete. When work is complete, the funds would be used as final payment or if not the funds will be used to have the work completed by someone else. Jason states that the metal flashing in scattered areas has issues with the paint, and needs to be addressed.

Board discusses if there has been a drop dead date given to the Vendor for completion of this work. It is stated that so far there is no evidence that this Vendor is interested in resolving this matter. The Board asks Administrator J. Hoch to issue a letter to the Vendor stating a deadline for the work to be completed. Selectmen J. Brunelle asks that all copies of this correspondence be given to the BOS.

Selectman F. Byron asks J. Hoch why the Assessing Services dollar amount is so low.

Jason states that approximately \$42,000 was encumbered and carried over from 2012 to 2013. He states that all current year charges are cleared out against the prior years encumbrance, and the balance is carried forward. So \$42,000 was brought forward last year, however the Town's actual expenses this year were only around \$40,000 leaving the balance of \$1,568. J. Hoch states so in order not to lose these funds they are being encumbered and carried forward to be used in 2014.

Selectman J. Brunelle states that this is a current practice used.

Selectman J. Brunelle **motioned** for the Board of Selectmen to approve the encumbrances for the following accounts:

01-9551.12-005	Impact Fee Update, Phase 2	\$13,500
01-9551.12-009	Emergency Management Exercise	2,500
01-9551.12-011	Software Training & Data Update	1,080
01-9551.12-019	Tax Map Update	1,750
01-9551.12-021	Town Hall Roof Repair	3,000
01-9551.12-022	Assessing Services	<u>1,568</u>
	Total Re-encumbrances	\$23,398

Selectman K. Bourque **seconds** the motion. **Vote carries 3-0-0.**

Administrator J. Hoch states that these next items are included in his plan and projections, and are left over from this year (they are not part of the estimated \$40,000). They have been budgeted for, however, they are things that have not been done or he has not received a final invoice. Jason feels he will not by January 17th when the books close for 2013.

They are as follows:

4215.10-351	Ambulance 4th Quarter Bill	\$ 9,250
4194.10-630	IT Network Cables	1,200
4220.10-345	Fire Dispatch Contract (2nd half)	3,444
4220.10-740	Fire Department equipment purchase grant match and/or acquisition/install of gear washer/dryer	8,000
4152.10-390	Assessing Services (not included in estimate available)	43,000
4611.10-430	Conservation Milfoil permit prep	<u>750</u>
	Total "Included Items"	\$65,644

Selectman J. Brunelle **motioned** that the Board of Selectmen approve to encumber **4215.10-351 Ambulance 4th Quarter Billing** in the amount of \$9,250.

Selectman F. Byron **seconds** the motion. **Vote carries 3-0-0.**

Selectman J. Brunelle **motioned** that the Board of Selectmen approve to encumber **4194.10-630 IT Network Cables** in the amount of \$1,200.

Selectman J. Brunelle states that this is for repairing cables within the Police Department

Selectman K. Bourque **seconds** the motion. **Vote carries 3-0-0.**

Selectman J. Brunelle **motioned** that the Board of Selectmen approve to encumber **4220.10-345 Fire Dispatch Contract (2nd half)** in the amount of \$3,444.

Selectman K. Bourque **seconds** the motion. **Vote carries 3-0-0.**

Selectman J. Brunelle **motioned** that the Board of Selectmen approve to encumber **4220.10-740 Fire Department Equipment Purchase Grant Match and/or acquisition/install of gear washer/dryer** in the amount of \$8,000.

Selectman K. Bourque **seconds** the motion.

Selectman F. Byron ask why this item is no in next years budget.

J. Hoch states that this was not put into next years budget because several items had been applied for by grants, and the Fire Chief had set money aside and did not commit it towards other purchases so it would be available. **Vote carries 3-0-0.**

Selectman J. Brunelle **motioned** that the Board of Selectmen approve to encumber **4152.10-390 Assessing Services** in the amount of \$43,000.

Selectman F. Byron **seconds** the motion.

Selectman J. Brunelle states that this is done every year, the money is encumbered for the following years assessing bills. **Vote carries 3-0-0.**

Selectman J. Brunelle **motioned** that the Board of Selectmen approve to encumber **4611.10-430 Conservation Milfoil Permit Prep** in the amount of \$750.

Selectman K. Bourque **seconds** the motion.

Selectman J. Brunelle states that this is to apply for the permits to remove milfoil.

Administrator J. Hoch mentions that this item will have a large cost attached, which is why there is a warrant article to clarify the use of Conservation Funds. But because the issuing of permits thru DES is quite a lengthy process, and it not being voted on until March, there would not be enough time for this to be done in 2014. So the Conservation Commission opted to take the funds that were in their Property Management budget, and use towards the permits to get the ball rolling. So if everything passes in March they will be in a position to move forward. **Vote carries 3-0-0.**

Administrator J. Hoch tells the Board that with \$40,000 remaining, the budget is 1% under the overall remaining budget. Which is below any level that he has recommended in previous years. He states there are always a few unpredicted surprises, or the auditors make last minute adjustments and move things from year to year. Which is why there are not many recommendations for new encumbrances from him this evening. Jason states the first is 4290.10-3442 Half of the Code Red Emergency in the amount of \$2336. He states the Board discussed the Firearms being removed from the 2014 budget and encumbering them here, as well as the SOU Rifle Replacement being pulled out of the proposed budget for next year, and Welfare Fuel Cards. Jason feels the additional funds for Firearms would be dipping to close and would be more than he is comfortable recommending at this time.

Selectman J. Brunelle states that out of the \$40,000 that is estimated to be remaining as of December 31, Jason is asking for \$4,568 to pull these expenses out of the 2014 budget.

J. Hoch states that the only thing that would be coming out would be the SOU Rifle and the Welfare Fuel Cards, the adjustment has already been made for CodeRed Management.

Selectman J. Brunelle **motioned** for the Board of Selectmen to approve to encumber **4290.10-342 Emergency Management CodeRed** in the amount of \$2,336.

Selectman K. Bourque **seconds** the motion.

Selectman F. Byron asks J. Hoch that by encumbering these items it will drop the year end estimated amount below the \$40,000. Jason states yes, it will bring that number to just below \$35,000. Selectman F. Byron and Jason discuss that this is below their comfort levels, and Jason states that the SOU Rifle can stay in the budget if the Board would like.

Vote carries 2-1-0.

Selectman J. Brunelle asks the Board if they would like to encumber **4210.10-740 Police SOU Rifle** in the amount of \$1,982. Board has a discussion and feels this item can be taken care of for less money, and that they are not comfortable with encumbering more at this time where it is so close to the bottom line. No motion was made.

Selectman J. Brunelle **motioned** that the Board of Selectmen approve to encumber **4445.20-825 Welfare Fuel Cards** in the amount of \$250. **Motion fails for lack of second.**

Selectman J. Brunelle states that at this time the only item encumbered was for the CodeRed Emergency Management in the amount of \$2,336.

He also states due to an audio problem he would like to clarify for the public that this Board has taken action on re-encumbering funds from the 2012 to 2013 budget for projects that are still in the works and have not been completed as of yet, in the amount of \$23,398.

Then an action was taken to encumber this years expenses, that were budgeted for this year, however, have not been completed or a final invoice will not be received by the closing of the books, this amount totaled \$65, 644.

Selectman J. Brunelle states that left the Town with approximately \$40,000 at year end.

He states that there is a level of discomfort around the budget, because the Board cannot spend beyond their appropriations. So the Board took only one action to encumber half of the CodeRed Emergency in the amount of \$2,336, which is done each year.

Public Input: Jason Guerrette 11 Perry Court, Litchfield states that he found it confusing where the Board called everything encumbrances. He felt there was one which was a carryover (project that is carried over from one year to the next). Another one was an accrual, which is an expense that occurs this year but is rolled over into the next. He asks the Board to explain again for clarification what the dollar amounts were as well as what was carried over.

Selectman J. Brunelle states they are re-encumbrances that are carried from one year to the next and total \$23,398 (he lists the above items again) for clarification. For expenses that occurred in 2013 but were unable to be completed or invoiced in time, they totaled \$65,644 (he lists the items mentioned). Finally, the one item encumbered this evening was for the CodeRed Emergency in the amount of \$2,336.

Chris Pascucci 12 Colonial Drive, Litchfield states that last week after listening to some of the meeting at home, he drove down and arrived before the end of the meeting to address the Board with some serious concerns regarding what he heard. He also mentions that he sent an email to the Board. Mr. Pascucci states that he has had a week to think about what was discussed and calm down a little. He would like to give the Board the benefit of the doubt, and would like to think that some snap decisions where made by the Board, and maybe not much thought was put into the issues before they took a vote. He mentions the discussion regarding the special meeting involving the Police contract, if it were to fail. He states that this Board will not allow one ballot vote on non-union raises and other issues, however they are willing to pre-authorize a do over or second chance vote in case something fails. He states that it just is not right, there is just one shot. He feels the voters know what they want, the Board should make a rational case for what is on the ballot and then trust the voter, they are smarter than the Board gives them credit.

Chris discusses the Road Agent position, he is unaware of how long it has been an elected position, he guesses forever. He states it was mentioned that one year maybe two, the voters made a mistake with their choice. He feels this is not a good enough reason to change the process. He makes reference to Selectman F. Byrons point that it would not change the facts for the Board to fire a poor choice of Road Agent. Mr. Pascucci states that this Board would just like to take the choice away from the voter on a permanent basis. He tells the Board that he trusts the 1,500 to 2,000 people in this Town with their votes, more than any 5 people sitting in these seats. He feels it should be left as it is, he states the Town has an exceptional Road Agent now and he feels he would be voted in for as long he wanted to run. He tells the Board that

Selectman Lemire mentioned that the Town needed qualified and competent people, therefore the Board has to appoint instead of electing. Also that Selectman J. Brunelle stated that when you elect you get good and bad, therefore you have to appoint to get the right person. Chris states that we elect the Selectmen, School Board Members and Budget Committee Members and if we make a mistake, we make a mistake all around, and if we get it right, we get it right all around. He tells the Board it is our Town and our vote, and should be our choice.

Mr. Pascucci mentions that Selectman B. Lemire told the Board the Tax Cap would have no safety net for the Town. He states this is incorrect the Board can always go back to the voters and ask for more money if there were an emergency. But tells the Board he is not in favor of a Tax Cap.

Regarding the reduction of service warrant article, he is shocked that no member of the Board gave a second to the motion. He states that if a member feels something is important to bring it forward, the rest of the Board should at least second any motion for discussion, then be on record as saying no.

Chris states he feels the Board made a huge mistake, but is willing to give the Board the benefit of the doubt. He states the Town Administrator told the Board that asking and failing every year for a COLA is not a good position for our employees to be put in. He agrees with this comment 100% that it is not a good position to be in but that is life. This he feels is the same position that the Town's people are in, and it is not fair. However, he states that the 5 Board members decided in one vote to make what they feel was a tremendous wrong a right. Mr. Pascucci mentions that last years vote was 690 against a 2% pay increase and 474 voted for it. But this means nothing to the Board and you do not trust the voter and believe they do not know what they are doing. So you as a Board decided to not ask again and take their choice away permanently. He is hoping the Board has had a chance to rethink this, and he would love to see them reopen the warrant and decide to put it back as a warrant article for the voters to decide on. He states his comments make no judgement on how much a raise may be deserved to the employees, they are solely for democracy, the process and ethics.

Wage Plan

Selectman J. Brunelle states that the Wage Plan has been in process for about 3 years, trying to change from a step based program to a merit/performance based program. He would like to mention to the public that approval of this Wage Plan does not guarantee raises for every employee. It allows the Town and Board to deal with some market issues and allows rewarding on merit. He states this has been a work in progress since a previous Board, and has been a tough project, and has not been a quick decision by the Boards.

Administrator J. Hoch states that the Board has talked through charts and methods and ways to implement this plan, and how it would replace an aged Step Plan which is part of the current Employment Personnel Policy. J. Hoch states this new merit Wage Plan needs to become a part of the Personnel Policy. So the Board can state how they will deal with raises and procedures going forward. Jason states that he provided the Board with the updates to the Personnel Policy regarding structure and showing all current positions through a series of grades, and each grade has an explanation of job responsibilities. He states that the old plan did not adequately capture where employees were within the organization, this plan does. Also, each grade has an 8% separation, as well as open grades leaving room to revise or add

positions. Each grade has a start, middle and end point (not steps) and the start and end have a separation of about 25%. This will allow guidance for the movement of the employees wage thru the grade.

J. Hoch also mentions there is guidance for new employees to be placed within the grade of their position with room to adjust for possible prior experience. This plan also allows increases based on performance, not just a raise for making it through another year (which is what the current plan does). Jason states that all evaluations will be in June, with recommendations for any wage increases, if the raise exceeds the wage bands set by the Board, then it would be done only with the Selectmen's approval. Any merit changes would be effective in the first pay period after July 1st. He states that any employee that exceeds their grade will stay fixed until the grade changes in the future. J. Hoch also mentions that longevity payments were added to recognize employees who have served the Town for years, this is the same approach that the State uses. They are 10 years = \$500, 15 years = \$750 and 20+ years = \$1,000 these will be a lump sum payment done annually, on the first pay period after mid July.

Jason states that he outlined the updating process, that is based on the NHMA wage data which is updated every two years. He mentions that based on this market data, a market correction is different that a performance correction and the Board may wish to adjust some of the start and end points of the wage bands. He states that any wage changes would go into effect April 1st and are separate from the performance based changes.

Jason states that in beginning this structure process of merit and comparing it with other towns, some positions are right where they should be, others are lagging behind while some are at the high end. He mentions that the Board gave a target figure of \$30,000 to transition from the old plan into the new. Jason explains how the funds will fit into funding the process in 2014 and over the next 3 years, which is how long he anticipates it will take to fund and transition everyone into this new plan. In 2014 the longevity provision will be applied, by the beginning of February he will supply the Board with a schedule of employees and their target wages for their review. He will also supply a wage transition program to the Board, showing how the allocation of funds provided from the operating budget will be used within this plan. Jason then states the assigned wage adjustments for dealing with the structural issues would be assigned with possible effective dates of April, July or October 1st. He states that the existing Step Program will be in effect until April 1, 2014, after which time this new Wage Plan will take effect. Jason tells the Board that the performance reviews will be done this year, however, there will be no merit adjustments until next year, due to this year being all structural. He states that in the fall working with the 2015 budget, there will be two items for the Board to define. One would be the structural part of continuing the adjustments of the program and the second would be the estimated impact of the merit cap. Then this would continue until April 1st of the third year with all employees being transitioned into the plan.

Jason tells the Board that this should be an amendment to the Personnel Policy, because reference is made to a wage plan, but there has been no wage plan. He states this will be a work in progress as time goes forward, that some of the language will need to be clarified. But as a whole this works and makes sense to all who have been involved, however, others may not think so as time goes on.

Selectman J. Brunelle states that the Board has reviewed and added comments and input to Jason as this has been proceeding, but are there any questions.

Selectman F. Byron states that he feels there is a step missing, which is under Application, he feels the wording should be, that the BOS should be setting a maximum increase through merit for the upcoming review cycle. Administrator J. Hoch states that it is under Application in Personal Performance Review section.

Selectman J. Brunelle states that this has been a process and this finally gets all the pieces and puts them into one document, and the three years to gradually bring all the employees into the plan is a good one. Some employees will not be impacted, while others may see an increase or a longevity bonus. Getting away from a Step Program made sense to him, getting into a merit based Wage Plan as the private sector does, encourages better performance he believes.

Selectman F. Byron states that he feels there also needs to be an annual review of the policy included in this document.

Jason states that he is seeing this as an Appendix (A) of the Personnel Policy, not as a freestanding document.

Selectman F. Byron states that because this is such a new policy, there will be things that come up that will need to be amended and fixed, and an annual review will allow this. Board discusses this issue and agrees. J. Hoch states that he does not see anything in the policy currently, so he will add a paragraph at the end stating the Board will review annually through the transition period of 3 years.

Selectman J. Brunelle **motioned** for the Board of Selectmen to approve and adopt the Personnel Policy Appendix A for the Town Wage Plan, as reviewed and documented today.

Selectman F. Byron **seconds** the motion.

Board discusses why this is named Appendix A, and Jason states because the Policy currently had no place to insert this information, and the items are not numbered. **Vote 3-0-0.**

Other Items - None

Other Business

Selectman J. Brunelle states that he would like to clarify an issue from the December 9th meeting. He mentions that there was a motion made by Selectman F. Byron to reduce 4197.10 line 560, by \$6,715 which was removing the NHMA Membership Dues that was in the proposed budget. Selectman K. Bourque seconded the motion, and a lengthy discussion followed.

Selectman J. Brunelle mentions that some members of the Board were confused by what a yes vote was going to entail, as well as what a no vote would represent. He states that the motion to reduce this line item passed by a vote of 3-1-0. The Board then had a further discussion regarding did everyone realize the impact of their vote. John states that it was obvious that there was still confusion. Another motion was made by Selectman J. Brunelle to readd the funds back into the budget, this motion failed by a vote of 2-2-0.

Selectman F. Byron states that this was after he made a motion to reconsider.

Selectman J. Brunelle states that even with the clarification at the beginning of the motion when it was first established, the motion to withdraw the money would of failed also. He states that technically that motion had passed and the funds are removed. Discussion had continued, but the Town Administrator asked for the issue to be tabled for discussion until another meeting when a full Board would be present.

Selectman J. Brunelle states that then on December 23 the discussion came up for the Board to address again. He states that he inappropriately constructed the motion because his assumption was that the past motion was null and void because it was tabled at the last meeting. When in fact that was not the case, the motion at this point still stands at a vote of 3-1-0 which removed the funding for NHMA Membership Dues. Selectman J. Brunelle reviewed the minutes and the recording and it indeed failed, he also found a small error in the written minutes which was corrected. He mentions that Selectman F. Byron made him aware of this confusion and he wanted to make sure it was clarified for everyone.

Selectman J. Brunelle states that if someone wants to have it reconsidered, it can be at a later meeting.

Selectman F. Byron states that in an email he shared he stated that in the past, historically it is common practice for any member of the Board to reconsider an item to change the budget.

Selectman J. Brunelle states that he did ask J. Hoch to list all the benefits and what the Town will not be able to benefit from by not having the membership with NHMA, to discuss at a later meeting. Also he mentions that most municipality's are members of NHMA only 3 larger cities are not, and he believes one reconsidered and became a member again. He states that effective January 1, 2014 all of the Town's Boards no longer will have access to any legal services or NHMA benefits.

Selectman F. Byron **motioned** for the Board of Selectmen to adjourn

Selectman J. Brunelle **seconds** the motion. **Vote carries 3-0-0.**

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

Approved January 13, 2014