

# TOWN OF LITCHFIELD BOARD OF SELECTMEN

## May 12 , 2014

### Selectmen's Meeting

Members Present: Frank Byron  
Brent Lemire  
Kevin Bourque  
Steve Perry

Members Absent: Chairman John Brunelle (excused)

### **5:00 p.m. Paperwork Review**

### **6:00 p.m. Call to order**

### **Non Public Session per RSA 91-A:3, II(c) (Tax Related)**

### **Pledge of Allegiance**

### **Selectman Frank Byron read aloud the Items for Consent**

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

1. Minutes of April 28
2. Account Payable Manifest (\$48,627.84)
3. Payroll Manifest (\$40,195.84)
4. Treasurer's Delegation Forms (3)
5. Elderly Exemption Approval (1)
6. Elderly Exemption Recertification Approval (32)
7. Elderly Exemption Recertification Denial (5)
8. Tax Warrant - first billing
9. Land Use Change Tax Warrant - Map 5, Lots 261, 262, 263, 264, 265, 266 and 267

Selectman B. Lemire **motioned** to approve the items for consent. Selectman K. Bourque **seconded** the motion. The Vote passed **4-0-0**.

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

Selectman F. Byron would like to discuss Pennichuck Water

#### **Administrator Report**

#### **New Business**

#### **Policy Reviews:**

**Cash Receipts** - Mr. Hoch stated that they had looked at this last week and there was a question that came up about Solid Waste receipts. The current policy has been that receipts paid at solid waste will be on request. "on request" was added to reflect that people generally don't want receipts (Dave recalled maybe 2 instances in the past year.) Fees are paid in multiple locations so two receipt logbooks would be needed. Jason stated that operationally it is possible so if the Boards preference is to implement that we certainly can. Mr. Byron asked Mr. Bourque to go over this because it was his point that was brought up last week that the board wanted to consider this. Mr. Bourque stated that for him it is just a checks and balance type of thing. The new fee schedule includes a lot more than we previously charge now. Mr. Bourques stated that his personal opinion thinks it would be a great idea to give every person a receipt. Mr. Lemire stated that he agrees with Mr. Bourque and believes it serves a purpose. Mr. Byron also agreed this would be a good idea. Selectman B. Lemire **motioned** to approve the policy as amended. Mr. Bourque **seconded** the motion. Vote carries **4-0-0**.

**Conference and Meeting** - Mr. Hoch stated that the intent of this has been Conference, Training and Seminars, not the garden variety meetings that many of us are involved in for professional obligation. Jason adjusted some of that language. Jason mentioned that the other piece was to make sure that they are talking about training, seminars, programs or conferences that require overnight lodging and or transportation with a one way distance of 125 miles or more. Jason mentioned that one piece he punted on because he had a comment on the second page about the use of vehicle, paying mileage and there is a comment in the existing policy that employees are expected to utilize rental or Town vehicles for travel whose expenses would exceed the rental cost, mileage reimbursement to attend the meeting. Jason mentioned that one of the comments he received suggested placing a dollar amount to ensure this is looked at before someone uses their car for travel when rental would be cheaper. The Board further discussed this topic and decided to leave the policy the way it is written. Selectman B. Lemire **motioned** to approve the policy as written. Selectman K. Bourque **seconded** the motion. Vote passes **4-0-0**.

**Financial Reconciliation** - Mr. Hoch stated that he received no comments on this and he has no recommended changes. Selectman B. Lemire **motioned** to approve the policy as written. Selectman K. Bourque **seconded** the motion. Vote passes **4-0-0**.

**Fraud Policy** - Mr. Hoch stated that he has received no comments on this, this policy is straightforward. Mr. Hoch stated that he wanted to note that this format was approved in 2012 and was reviewed by the Board in 2013. The way this policy reads, the Board reviews it annually and we do a reissue upon or rewrite a policy every 3 years if nothing requires a reissue. Jason mentioned that we are slated for the the reissue certification in 2015. Selectman B. Lemire **motioned** to approve this policy. Selectman S Perry **seconded** the motion. Vote passes **4-0-0**.

**Fund Balance** - Mr. Hoch mentioned that this was put into place 2 years ago and the largest part of this was accounting changes with the way that the year end fund balance needed to be classified by GFOA. Jason stated that the front end of this is kind of boilerplate that satisfies

those requirements, there is a statement in here: minimum of unassigned fund balance, the Board will strive to maintain an appropriate level of unassigned fund balance in its general fund equal to 8 to 12% of general fund operating appropriations which includes Town, School, County operating appropriations. Selectman B. Lemire **motioned** to approve the Fund Balance Policy. Selectman F. Byron **seconded** the motion. Vote passes **5-0-0**.

**Investment Policy** - Mr. Hoch stated that this is largely boilerplate, what we are allowed to invest in is set by State Law and The Town Treasurers authority to invest is pretty narrow. Jason mentioned that the one change he had here is that the appendix A as the prevailing RSA. Jason recommended taking the RSA (being part of their policy) out. Selectman B. Lemire **motioned** to approve the Investment Policy as amended, removing the appendix. Selectman K. Bourque **seconded** the motion. Vote Passes **4-0-0**.

Selectman F. Byron asked Mr. Hoch if the Trustees of the Cemetery as well as the Trustee of Trust Funds have an investment Policy. Mr. Hoch replied that the Cemetery Trustees don't because they do not hold any funds, and the Trustees of Trust Funds have a separate investment policy.

#### **Public Input - 6:46 p.m.**

No members of the Public present. Close Public Comment.

#### **Other Business**

**Upcoming Meeting Schedule** - Mr. Hoch mentioned that the next scheduled Board of Selectmen's meeting will fall on Memorial Day and would suggest that they defer this meeting and is looking at adjusting their schedule for June. The Board decided to Hold the next meeting on June 2 and June 23rd. The meeting of May 26th as well as the meeting of June 9th will be cancelled. Selectman F. Byron **motioned** for the Board of Selectmen to cancel the meeting of May 26th, there will be a meeting on June 2nd, the meeting of June 9th will be cancelled and there will be a meeting on the 23rd. Selectman B. Lemire **seconded** the motion. Vote passes **4-0-0**.

#### **Old Business**

**Health Insurance** - With the July renewal approaching, Jason has refined the numbers for alternatives. A representative from the NH Interlocal Trust made a presentation to enrolled employees on Thursday May 8th about their Harvard Pilgrim offering. Based on the numbers from the 3 trusts, this is the most competitive offer - the 6 month cost for the remainder of this year will save approximately \$4,755 based on current enrollments. If the numbers held for all of 2015 between both trusts (unlikely, but the best he can do for an apples to apples comparison since both trusts had an approximate 5% increase for 2014), the annual savings by going with the Interlocal Trust would be about \$24,000. This comparison includes the anticipated increase in July 2015 of moving to the Under 50 rating group for Health Trust.

Jason is coordinating with Police Union per contract. Jason's recommendation, assuming union

approval, is to transition to the Interlocal Trust effective September 1 this year. We need to remain with HealthTrust through the end of August in order to receive our return on surplus this year. Our contract allows for 60 day notice of separation. Interlocal Trust has guaranteed the prices given for September 1 enrollment. Mr. Byron asked Mr. Hoch if the new company is willing to take us on, on September 1st. Jason stated yes. Jason stated that the shift would wipe out just about all of the increase we would see this year. Mr. Byron mentioned that there is a 60 day termination period. Jason stated that he would need to give the termination notice the beginning of July. Mr. Byron asked if there is anything in Health Trust's fine print that will jeopardize anything. Jason stated that it would not because we are still an active member during the period that they are paying the surplus back and we are an active member paying our fees into the system at that point. Jason stated that we would be paying July and August premiums to them, so we are actually going to end up with a strange number this year, we are going to pay a slightly higher premium this year for July and August and then we will back down to the lower premium in September. Jason stated that the issue that he has is that all of those numbers are very small, if we walk away from Health Trust and don't get those two returns of surplus, that is \$16,000 we are leaving on the table. Mr. Byron asked Mr. Hoch if he has talked to the bargaining union about this? Jason stated that he has and is still waiting for their final feedback, they were brought in as part of the conversation from the start and was here with the Harvard Pilgrim conversation. Jason mentioned that what they have to their advantage, is that they are offering a plan that has a low premium that is not dramatically changing the offering we have at this point. Jason needs this to be formalized by the end of June in order to give that notice to Health Trust. Selectman Byron mentioned that he would like to defer this until Chairman Brunelle gets back. Jason mentioned that one change that he will initiate before that unless he is getting strong indicators from the Bargaining Union that it's not going to be a direction we are going, is right now Health Trust manages our Flexible Spending account which has a July 1 renewal; we pay a quarterly maintenance fee to Health Trust for this. Interlocal Trust offers that service for free. Mr. Hoch stated that they use another third party for this, so he would transition our flex spending to this third party. Mr. Byron stated that we need something on the sensitivity analysis in terms of deductibles. Mr. Hoch stated that he has provided charts with a lot of data on this. The Board further discussed this chart of deductibles. Mr. Byron asked if the Board would feel better about going over this at a future meeting. The Board agreed on this. Jason and the Board ensued discussion on deductibles. This will be on the agenda for the meeting of June 2nd.

**Pennichuck Rate Case** - Jason stated that a tentative settlement has been reached. The likely rates will be slightly different than proposed. Jason stated that we are still party to the case so we either need to withdraw, have counsel review the documents associated with the settlement and make a recommendation. Jason stated that we are at the finish line and because we are still party to it, we need to either sign the agreement and say we agree to it or we need to withdraw. Selectman Byron **motioned** to have Counsel review and provide recommendation. Selectman S. Perry **seconded** the motion. Vote passes **4-0-0**.

**Property-Liability Insurance** - Mr. Hoch stated that he is recommending renewing property liability insurance coverage with Property Liability Trust for one more year. Primex provided a

quote that was about 10% higher (even after factoring in discount on workers compensation). Jason cooled on securing a quote from commercial insurer given the volume of application paperwork required and the difference in types of coverage. There would be major differences between private commercial insurance and pooled liability and he could not see sufficient savings to warrant making that kind of change without much more analysis. Most local governments are covered by one of the two pools now.

Jason stated he would recommend reviewing rates again next year (and the experience of other municipalities that may move to the commercial market). In addition, Jason would expect Primex's rate to be more competitive next year. The claims experience used for rating us includes payments related to the Treasurer situation a few years ago. As those drop off the experience, our recent experience is much stronger and will yield a better rate.

Jason stated that he is looking for authorization to enter into the renewal confirmation agreement with Property-Liability Trust that is attached. Jason stated that this is for 2 years but FY 2016 coverage can be cancelled without penalty with notice 45 days before the July 1, 2015. Selectman B. Lemire **motioned** to authorize Administrator Hoch to enter into a renewal confirmation agreement with Property Liability Trust for our Insurance Coverage. Selectman K. Bourque **seconded** the motion. Vote passes **4-0-0**.

### **Other Items**

**Paving Projects** - Jason gave a quick update. We have done some paving projects; Masquah, Stark Lane, Mc Elwain and some parts of Nesenkeag. The Mike Lane project will be starting on Wednesday. The Road Agent has been meeting with residents there to sort through some of their issues. As part of that construction, Ivy Way is going to be closed from Ronisa to Mike Lane for construction staging. Mr. Hoch stated that there is one driveway that opens on Ivy Way, so their plan is to put the barriers behind that one driveway. Mr. Byron asked when the second half of Stark Lane was going to get done. Jason stated that he does not know yet. Jack and He have been talking about the second half of Stark either being done later this year or the beginning of next year. Jason explained that the later this year scenario is based on availability of funds. Jason mentioned that as Jack has worked on his whole budget, he left some space to cover the unknown, and also budgeted an amount for Mike Lane that is construction plus contingency, if everything goes smoothly we may have some space. If there is available funds, we would like to do Stark Lane this year and finish it off, if not it will be the lead project for next year.

### **Selectmen Reports**

Selectman F. Byron mentioned that he attended the Planning Board meeting last week and there is a significant amount of work on rewriting the Impact Fee Ordinance that continues on. The Developers are looking to take out the cul-de-sac on Moose Hollow and start to put reminders to the developers. This is supposed to happen over the summer. Mr. Byron also wanted to make the Board aware that the following meetings of the Planning Board have been cancelled: June 17th, July 1, and August 19.

**Items removed from Consent**

No items removed

**Other Business**

**Pennichuck Water** - Selectman Byron stated that he received a notice today from Pennichuck that said that the Town is now going on odd even days for watering your lawn. Mr. Byron mentioned that he called Pennichuck and they said that Hudson had not gone onto an odd even schedule. Mr. Byron asked to have an operations manager call him. Mr. Byron called Hudson and talked to the Water Department and they said that they do not start going onto a restricted use until June. Mr. Byron mentioned that Mr. Ware from Pennichuck called him back and said he knows that Hudson is on it, it is on their website. Mr. Byron explained the situation to him. Mr. Ware mentioned to Mr. Byron that he would look into this further and called the Hudson Town Manager and the Manager said that in 2003 the Hudson Board of Selectmen had made a motion that was binding year to year, so starting April 1st of every year until October 1st, they are on even odd watering system.

Selectman S. Perry asked Mr. Hoch that when the Board extended his contract, what day was that until? Jason stated that it was until the end of May. Mr. Perry stated that he wants to make sure that we do not run out of a contract. Selectman B. Lemire **motioned** to extend Mr. Hoch's contract to June 30th. Selectman S. Perry **seconded** the motion. Vote passed **4-0-0**.

Selectman B. Lemire **motioned** to Adjourn. Selectman K. Bourque **seconded** the motion. The motion carried **4-0-0**.

The next Board of Selectmen meeting will be June 2, 2014 at 6:00 pm at Town Hall.

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John R. Brunelle, Chairman

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Frank A. Byron, V. Chairman

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Brent T. Lemire

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Steven D. Perry

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Kevin C. Bourque

