

# TOWN OF LITCHFIELD BOARD OF SELECTMEN

## December 22, 2014

### Selectmen's Meeting

Members Present: John R. Brunelle, Chairman  
Frank A. Byron, Vice Chairman  
Brent T. Lemire  
Kevin C. Bourque

Absent: Steven D. Perry - 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. Minutes of December 8, 2014
2. Approval of Account Payable Manifest (\$29,106.07)
3. Approval of Payroll Manifest (\$45,274.56)
4. Irwin Marine Renewal Appointment as Deputy Tax Collector For Boat Registrations
5. 2015 Town Holiday Schedule
6. Veteran's Tax Credit Application - 1 Approval, 1 Denial

### **Approval of Consent Items**

Selectman J. Brunelle reads aloud the Items for Consent

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

Selectman K. Bourque **seconds** the motion. **Vote carries 4-0-0.**

### **Request for Items - Other Business - None**

### **Administrator Report**

#### **New Business**

#### **Encumbrances**

Administrator J. Hoch tells the Board that he estimates approximately \$50,000 in available funds at end of year. He states that he would prefer going into year end with a 2% buffer, but it was a tough Winter and the Town was working on a Default Budget. He has shared a list of items he will review with the Board.

Non-Lapsing - Jason tells the Board that there are two Articles that are non-lapsing (funding continues to be available) and does not require any action by the Board.

Fire Departments - SCBA (Breathing Apparatus) \$21,000

Highway Departments - Road Article small balance left of \$1,520.85

Re-Encumbrances - J. Hoch states that these are items that were encumbered last year and need to be re-encumbered due to not all of the money allotted was spent.

IT - Network Cable still a balance of \$1,200

Fire Department - Gear Grant still a balance of \$485,(waiting on bills that may not be in before end of year).

Emergency Management - Emergency Management Exercise still a balance of \$2,500

Planning - Impact Fee Update still has a balance of \$2,025

Jason tells the Board these balances are not coming out of the \$50,000 they are already included in the budget in a separate bucket.

Included Items - Administrator J. Hoch mentions that these items are already included in his projection of committed funds, they have been planned for. They are not coming from the \$50,000.

Assessing - Assessing Services \$39,014 he mentions that this is a carryover for next year so there will be sufficient funds for the revaluation.

Highway Department - Retainage for the Mike Lane project \$14,924.29, 10% of the projects cost is held till next year and will be paid to American Excavating next summer.

Insurance - Deductible for vehicle repairs \$1,201.33, Property Liability has paid, but vehicle may not be billed and repaired before year end.

Fire Department - Gear Dryer \$5,800, planned on purchasing along with the washer, but washer install took longer than anticipated and the dryer will not get purchased/installed before end of year.

Fire Department - 1 Protective Gear \$3,475.44, will not get measured and shipped before year end.

New Encumbrances -

Police Department - Taser Replacement \$7,014, Jason states that half was to be in the Proposed Budget and half to be included at year end, this is the second half.

Planning Board - Newspaper notice \$400, for Zoning Amendments

Accounting - Records Management Supplies needed \$1,000

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the items as presented and to approve \$8,414 for the New Encumbrances contingent upon year end fund balance availability.

Selectman K. Bourque **seconds** the motion. **Vote carries 4-0-0.**

Administrator J. Hoch mentions to the Board that additional funds will be needed for payroll it would normally be processed on Thursday January 1, 2015, however due to the Holiday it will be processed on Wednesday December 31, 2014. He states that there will be associated costs with some of the payroll items being paid out 5 weeks in December (ex. NH-Retirement).

Jason mentions that on the October 27th BOS meeting, the Board accepted and appropriated various Unanticipated Revenues. They were things such as the water district refund, penalty

on Corning Road property and refund for Health Trust surplus. He states that at that meeting the Board appropriated the return of surplus that went to employees, \$40,000 for the replacement of the Police Cruiser, as well as \$27,603.88 to go to the Fund Balance. Jason states that this was after revenue filing for tax rate setting, so those funds will not be available for use until 2015.

J. Hoch states that the actual invoice for the Police Cruiser is \$42,014, so he would like the Board to revisit the appropriation of the unanticipated funds and appropriate an additional \$2,014 for the cruiser purchase.

Selectman J. Brunelle **motioned** for the Board of Selectmen to approve the appropriation of \$2,014 for the purchase of the Police Cruiser.

Selectmen B. Lemire **seconds** the motion. **Vote carries 4-0-0.**

Jason states that this purchases the Police Cruiser outright. This leaves a balance of \$25,589, which he would recommend the Board leave as uncommitted at this time. He states that they may need to use the balance to cover unanticipated expenses from 2014 and/or discretionary encumbrances. Jason mentions that at some point next year, they can clear the use of these funds in whatever manner the Board finds appropriate and any unused balance could be available for the 2015 tax rate setting, as long as the funds are committed before September. Selectman J. Brunelle **motioned** the Board of Selectmen to retain the balance of \$25,589 as uncommitted funds.

Selectman B. Lemire **seconds** the motion. **Vote carries 4-0-0.**

## **Old Business**

### **Default Budget**

Administrator J. Hoch states that this does not need approval until the end of January. Jason tells the Board the Default Budget bottom line of \$5,120,969 is approximately \$75,000 less than where the Budget Committee's proposed budget stands. He mentions that all the numbers have been plugged into the State Form, which was shared with the Budget Committee. Board decides to wait and vote the Budget at a future meeting in January when a full Board is present.

### **Warrant Articles**

Administrator J. Hoch mentions that the Warrant Article have been reviewed and approved as written by Legal Counsel as well as DRA. Jason states that at some point they need to have record of the tally votes for each Article. Board decides to wait for a full Board at the next meeting. Board discusses who will present each Warrant Article at the Deliberative Session.

**Road Improvement** - Selectman J. Brunelle

**Fire Department Utility Vehicle** - Chief Fraitzl

**Fire Department Airpack Replacement** - Chief Fraitzl

**Public Works Expendable Trust Fund** - Administrator J. Hoch

**Human Service Agencies** - Selectman J. Brunelle

**Town Employee Wage Plan** - Selectman F. Byron/All Selectman speaking in support

**Fire Department/Old Town Hall Lot Paving** - Selectman K. Bourque

**Capital Reserve Fund Management** - Administrator J. Hoch

**Tax Cap** - Selectman F. Byron

**Highway Department Paint Machine** - Selectman K. Bourque

**Route 102 Intersection** - Selectman F. Byron

**Health Insurance Rate & Buyout Savings**

Administrator J. Hoch tells the Board that Selectman F. Byron asked about the savings to the Town from implementing a buyout program on Health Insurance. In 2011 it was implemented for the Police Department and expanded to all Town employees in 2013. Jason states that the savings shown reflects the savings from the buyout for the health insurance plan the employee would otherwise be eligible for under contract or personnel policy, and assumes that had the employee chosen the Town's insurance he or she would choose the lower cost plan. He mentions he did not expand the calculation to include any tax related cost or savings - for tax purposes, this is income subject to Federal taxes. However, the Town's policy allows the employee to place up to \$2,500 in a flexible spending account which excludes Federal taxes. This is used for all employees that are eligible for FSAs (some employee's are not if they are covered by another plan that uses a Health Savings Account form of insurance). J. Hoch states that since implementation, the return of unused FSA monies across the entire program (buyout and non-buyout employees) has offset the administrative charges for the FSA program. In July the Town moved it's FSA to a new provider, affiliated with the NH Interlocal Trust and no administrative fees are charged. Jason shared the savings with the Board

2011 - 1 single, 1 family - Total \$5,891.93

2012 - 1 single, 2 family - Total \$19,823.35

2013 - 1 single, 5 family, 1 2-person - Total \$46,845.08

2014 - 1 single, 6 family, 1 2-person - Total \$52,707.06

Combined savings since implementing policy - Total \$125,227.41

**Other Items**

**State Bid - Vehicle Order 2015**

J. Hoch tells the Board that Chief O'Brien has shared the State contract for Police Cruisers for 2015. They agree that the Town should be locking in the utility vehicle order by January 30th. Jason states that over the past few years, the Town has scrambled and/or paying more by not locking in a vehicle by the deadline and have missed NH State bid pricing.

Selectman F. Byron states that the Town has already purchased one Police Cruiser, which should arrive soon. If this is ordered it would not arrive for 3 months or so, which would stagger the inventory.

Administrator J. Hoch states that there are two Police Cruisers in the Budget for 2015. He suggests putting in an order for one vehicle now (the Town needs at least the one), then roll the dice on the second vehicle (it may cost a little more), by seeing if the Budget passes. This would allow the Town to shoot for July which is the Massachusetts State Bid time of year. Selectman J. Brunelle states that if unsuccessful at Town Meeting and end up with a Default Budget how would the cruiser be paid for.

J. Hoch states that adjustments would need to be done elsewhere in the Budget. Reminds the Board that one in the Budget would be full price, then there is one 2013 vehicle being sold to

the Detail Fund (\$25,000) which would be cash towards the second vehicle in the Budget. Selectman J. Brunelle **motioned** for the Board of Selectmen to approve that Chief O'Brien secure one Police Cruiser through the State Bid process. Selectman B. Lemire **seconds** the motion. **Vote carries 4-0-0.**

Administrator J. Hoch states that information continues to come in regarding the Kinder Morgan pipeline he has shared the latest with the Board. Also on the Town website there has been a spot added for the public to review documents and information regarding the pipeline (LitchfieldNH.gov/pipeline).

### **Public Input**

John Latsha 10 McElwain Drive, states that he is opposed to the proposed natural gas pipeline coming through Litchfield. He mentions he is aware the Board of Selectmen will be meeting with the representatives for Kinder Morgan in January of 2015. He states that several Towns involved such as Hollis, Mason and Fitzwilliam are opposed to this project. He mentions that these pipeline companies have a history of coming in after the fact and asking the Towns for abatements, and the money ceases to come back into the Town. He understands that there are no plans to run line to nearby homes. However, he states that in the Northeast due to cold weather conditions gas pipes shrink slightly and small leaks do occur, also water can freeze within the lines. Mr. Latsha mentions that other concerns are the compressors that pump the gas through the lines run 24 hours a day 7 days a week 365 days a year, with the sound of a jet engine. He reminds the Board about the "Erin Brockovich" story which involved a compressor that contaminated soil and an aquifer. He mentions some safety issues which involved the Tennessee pipeline from 2006-2014 which had 92 significant incidents. This resulted in over 88 million dollars in property damage, and 19 Federal enforcement actions. John states that the Tennessee pipeline has had so many problems that from 2006 to 2013 Federal Inspectors have been on site for 383 days, more than a year of continued inspections, plus 98 days of accident investigations. He believes it is unfair for the unfortunate, unlucky tax paying homeowners of Litchfield who live along this proposed path of this pipeline to have no choice but to accept the constant fear and risk of accidents, leaks or explosions. John ends with wishing everyone very Happy Holidays.

### **Selectman Reports**

Selectman K. Bourque states that he went to his first Budget Committee meeting, he was covering for Selectman F. Byron. He states it was very interesting and included a lot of votes. He mentions he was not as good as Selectmen Byron with taking notes and encourages the public to watch the meeting.

Selectman F. Byron was out of Town and unable to attend any meetings

Selectman J. Brunelle states that he went to the Budget Committee meeting which focused on the School, no Town activity, he also recommends the public watch the meeting.

All the Board of Selectmen wish everyone a very Merry Christmas, Happy Hanukkah and a safe and Happy New Year.

**Items moved from consent - None**

**Other Business - None**

The next Board of Selectmen's meeting will be on January 12, 2015 at 6:00pm 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