

TOWN OF LITCHFIELD BOARD OF SELECTMEN

February 22, 2016

Selectmen's Meeting

Members Present: Steven D. Perry, Chairman
John R. Brunelle, Vice Chairman
Brent T. Lemire
Kevin C. Bourque

Absent: Frank A. Byron - Excused

Also Present: Troy Brown, 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 January 25, 2016
2. Approval of Account Payable Manifests 02/02/2016 (\$16,036.83) & (\$59,253.66) 02/09/2016 (\$53,909.08), 02/16/2016 (\$45,992.95) and 02/23/2016 (\$27,452.74)
3. Approval of Payroll Manifests 02/04/2016 (\$44,212.33), 02/11/2016 (\$44,148.61) 02/18/2016 (\$49,224.43) and 02/25/2016 (\$46,001.53)
4. Veteran's Tax Credit (2)
5. Abatements (2)
6. Fire Warden and Deputy Fire Warden Appointments

Approval of Consent Items

Selectman S. Perry reads aloud the Items for Consent

Selectman J. Brunelle **motioned** for the Board of Selectmen to approve the Items for Consent

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

Request for Items - Other Business - None

Public Hearing - Tax Cap

Town Administrator Troy Brown tells the Board that the Hudson Litchfield News (HLN) did not publish the legal notice regarding this public hearing on the Tax Cap in the February 12, 2016 issue as requested. This has created a problem in the possible adoption of the Tax Cap if the Warrant Article should pass by the voters on March 8th. Troy mentions that the State law requires a legal notice be published in a newspaper and posted in two public places 7 days before a public hearing and that the public hearing be held 15 days before the day of voting. He

states that all was scheduled and posted as required, however the HLN failed to print the legal notice as planned. Troy tells the Board that he has been advised by legal counsel to proceed with the public hearing as scheduled, and wait to see what happens with the public vote on March 8th. If the Warrant Article fails (it requires $\frac{2}{3}$ majority vote) then there will be no harm done. However, if the Warrant Article should pass the Board could voluntarily ask the Budget Committee to impose the Tax Cap, then go to Town Meeting next year and ask the question again to the voters. Or the Town can hold a legalization meeting (special town meeting) and ask the public to ratify the tax cap. But as of now he states they wait and see what happens with the voters on March 8th, if they support or not support the Warrant, and then move forward from there.

Selectman S. Perry mentions that this will lead to a lot of confusion no matter what way the voters decide. It is unfortunate this has happened and they will just have to deal with whatever happens. But he mentions that if the legal notice did not get published he hopes the Town did not receive a bill from the HLN.

T. Brown mentions that he explained the legal situation to the HLN and that it was too late to run the notice. But as a courtesy they did proceed with running the notice this week with a disclaimer that the legal notice was omitted in error. He has not discussed the billing situation further with them as of yet.

Selectman S. Perry opens the Public Hearing and reads aloud the legal notice regarding the Tax Cap. "Shall we adopt the provisions of RSA 32:5-b, and implement a tax cap whereby the

Budget Committee shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of the local taxes raised, by more than \$175,000 ($\frac{2}{3}$ vote required)."

Selectman S. Perry opens the floor for public input. There is no public present.

Selectman S. Perry closes the public comment portion, and asks the Board of Selectmen if anyone wishes to discuss this issue. Board states they do not, and Selectman S. Perry closed the Public Hearing.

Business

Replacement of DPW Heater Unit

Town Administrator T. Brown states that he discussed with the Board that the DPW heating unit stopped working a few weeks ago. The service technician was able to repair the unit but has recommended that it be replaced as soon as possible due to its age and corrosion. He mentions they have been very lucky that the unit held up during the very low temperatures that we have experienced. However, there have been several occasions that Jack has had to leave the garage doors open due to exhaust fumes and poor air quality, also there have been a few instances where the carbon monoxide detector has gone off which is a concern. Troy tells the Board that he and Jack have received three quotes for different vendors regarding the replacement of the heating unit. He states that he and Jack have the authority to purchase the equipment, and he authorized the unit be ordered to expedite the process. So he is asking the Board of Selectmen this evening to approve the use of funds (\$3,800) from the Building Systems Trust Fund as opposed to using Jack's Operating Budget, to pay for the installation.

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the request to use \$3,800 from the Building Systems Trust Fund for the installation of a new heating unit for the DPW.

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

Selectman S. Perry states that he would prefer to hold off using the Building Systems Trust Fund. He would like to note it in the repair line of the department's budget and as the year moves along see what happens, but these funds will be earmarked for this purpose. He states he would rather do this for a small amount that can be absorbed by the budget, then have to go the voters again to replenish the Building Systems Trust Fund if it will not be necessary.

Selectman B. Lemire states this is what the fund was set up for, unexpected repairs and expenses. The budget is already designated for expenses that are expected. He feels the Board will be handicapping the budget if the Trust Fund is not used for this purpose, and states he would like the Town to start with a clean slate after Town Meeting.

Selectman J. Brunelle states that he agrees with Selectman S. Perry. He would like to wait and earmark the amount in the Department's budget and see what happens during the year. He feels this amount can be absorbed in the budget without having to go the voters to replenish the Building Trust Fund.

Selectman B. Lemire understands what they are saying he feels that this fund was set up for this specific reason and it should be used for such expenses. Otherwise that \$3,800 has to be worried about throughout the year, where as if the Trust Fund is used it is a smooth process and the after the Town meeting there is a clean slate regarding the Budget.

Selectman K. Bourque agrees with Selectman B. Lemire that the Building Systems Trust Fund should be used, it was set up for this specific reason.

Board continues to discuss the matter.

T. Brown mentions that in discussions last year with Jack there were a lot of general maintenance issues with his buildings/facilities that he put on hold because of the severe winter, and if the Board expends from his General Building Maintenance line again this year and that happens again there could be issues. He feels that the Building Systems Trust Fund was set up for this kind of unanticipated expense and should be used for the reasons it was established.

Selectman J. Brunelle and S. Perry state that there can be bigger items throughout the year that the Trust Fund can be used for, and now the Board should just earmark the funds in Jack's budget (Highway Department) and see what happens during the year. They feel \$3,800 can be easily absorbed with the bottom line of the budget.

Selectman J. Brunelle states that in the General Government Building Maintenance Fund there is a balance of \$12,000 earmarked for repairs for these buildings. Hold the funds within this budget and see what happens during the year, then move the funds if necessary.

Selectman S. Perry asks the Board to vote on the motion to take the money from the Building Systems Trust Fund. **Vote fails 2-2-0.**

Selectman J. Brunelle **motioned** the Board of Selectmen to instruct the Town Administrator Troy Brown to take \$3,800 for the DPW heating system repair from 4194.10 General Building Maintenance Fund line 430.

Selectman S. Perry **seconds** the motion. **Vote fails 2-2-0.**

Board states due to the motions failing, the Town Administrator Troy Brown can use his

discretion to take the funds from what account/fund he feels appropriate.

2015 Budget Year End Update

Troy tells the Board since his last 2015 budget update estimating year end expenditures at about \$2,000. They discovered the Fire Department had an outstanding purchase order in the amount of \$9,221.57, which everyone thought had been expended. In addition there were some small bills. So the revised ending balance for the Operating Budget is now \$-2,221.57. However, Troy mentions that after calculating and adding in \$7,000 from IT Encumbrances and funds remaining from the Scott Air Pack Warrant Article in the amount of \$21,089.20 and funds for the Wage Adjustment Warrant Article of \$30,000, the unexpended Year End balance should be approximately \$40,000. He states that he will probably not report on this again until after the Auditors have completed their financial statements.

Ambulance Bills

Town Administrator T. Brown tells that Board that during the budget process Chief Fraitzl had a meeting with Hudson's Fire Chief. During this meeting Chief Fraitzl learned the Hudson administration that handles the billing for Hudson's ambulance service had a large bill for Litchfield (Litchfield is contracted with Hudson for ambulance service). Troy received the bills consisting of uncollected ambulance bill debt which dates back three years in the amount of \$18,045. Troy has shared the bills with the Board, and mentions that the Town's Ambulance Revolving Fund has a balance of \$22,000 to cover this bill. He also mentions that in the Proposed Operating Budget for 2016 if approved has an additional amount of \$65,000 that will be added to the Fund. Troy states that he wanted to bring this to the Board for discussion, this is a large bill that dates back a few years and leaves Litchfield at a disadvantage to be able to collect on any of this debt. He states that they will bill and attempt to collect, but feels it will be difficult on bills this old, and in some cases limited information.

Selectman J. Brunelle states now the Town has to spend more money essentially on something that is uncollectable. He also mentions that these bills have already gone to collection through Hudson.

Troy believes Hudson attempts to collect 2-3 times. Then the bill becomes Litchfield's responsibility and is paid at the Medicare rate, then we try and collect.

Selectman K. Bourque states that the Town should be receiving these bills every year, not 3 years later.

Selectman S. Perry mentions that he feels Hudson does not try to collect on these bills because they know it is contracted and Litchfield has to pay the balance billed.

Troy states that Hudson uses an outside company Comstar, who does a good job. He feels there are so many things that play into funds being unpaid, such as wrong address or insurance information, people visiting and not residing in Litchfield etc.

Board discusses this issue and the process which some insurance companies pay claims.

Selectman J. Brunelle reads from the contract with Hudson - "Second billings for patients who have not paid within forty-five (45) days will be sent to the patient. If a patient has not paid Hudson Fire Department within forty-five (45) days after the second billing, the third billing will be sent to the Town of Litchfield who shall pay the Town of Hudson or its designated agent. The

rate charged to the Town of Litchfield will be the current Medicare rate.” He agrees with Kevin and that Litchfield should not be seeing any bill older than 6 months.

Board discusses that they thought a large bill was received last year also.

Troy will contact Hudson regarding the billing and notify them that Litchfield is not being billed according to the contract and they should not be receiving bills over 6 months. He tells the Board that he believes the Hudson Fire Chief (who is fairly new) discovered this administrative issue, and gave our Chief the heads up. Troy also mentions that the Auditors had already stated that the Town had a large amount of unclaimed ambulance debt, and should be updating its Town policy on writing debt off. He will be working on this policy change and bringing it to the Board in the near future.

Selectman B. Lemire states that Hudson had to receive some money during its collection process, so what are all the different amounts being billed to Litchfield. He would like some further information regarding this.

Troy will research and get back to the Board.

Public Input

There was some confusion with the time posted for the public hearing on the Tax Cap. Board thought post was for 6:00pm. However, two people came in after Selectman Perry closed the Public Hearing who had questions, they tell the Board that one post showed the hearing was to be held at 6:30pm. Board apologizes and decides to allow them to come forward and speak with the Board.

Lorraine Peterson and Gary Britton, 15 Newstead Street would like the Board to explain what a tax cap is and how it works.

Selectman S. Perry states a tax cap does not allow the Budget Committee to propose a budget that would be higher than the tax cap amount set (Litchfield is proposing a tax cap of \$175,000) from the previous years budget.

Mr. Britton asks if the Budget Committee are the only ones who can propose this or can anyone propose a tax cap.

T. Brown states he will summarize a tax cap for them. He mentions that the Board of Selectmen are proposing to establish a tax cap at \$175,000. If the voters pass this, it would require the Budget Committee to prepare a budget for recommendation at the Town Deliberative Session that would be no more than \$175,000 greater than last years budget. He states whatever was raised and appropriated in the previous year (all appropriations less all revenues equals your net tax). So the following year the requirement of the Budget Committee would not be able to raise the budget more than \$175,000. Troy mentions at the Town Deliberative Session the citizens are able to amend the budget and exceed the tax cap, the figures would be adjusted at the Deliberative Session and those figures would be printed on the ballots and voted on by the citizens on election day. He mentions that is is just a requirement for the Budget Committee the Selectmen or Department Heads are not held to a tax cap requirement.

Lorraine Peterson asks if the \$175,000 is a reasonable expectation, considering growth or lack of.

T. Brown states it is difficult to predict this, but the Board researched and based this amount on a 5 year average. He feels it is a realistic number to move forward with.

Selectman B. Lemire states that if the Town has an issue with a large expense (ex. building of a fire station) the Budget Committee could not recommend it no matter what, even if they wanted to. He mentions that he is against a tax cap for a Town such as Litchfield and voted against it. He feels if you impose a tax cap, there is no need for a Budget Committee. Selectman B. Lemire states the BC is elected to prepare and present a budget for the Town, and if they feel there is a need to recommend something that would be over a set tax cap amount that ties their hands and does not allow them to do what they were elected to do. He feels it is counterproductive, and mentions that in a city it would be different. Here in the Town of Litchfield there is direct democracy, and likes being able to vote for a Board of Selectmen and Budget Committee as well as vote for a budget on election day directly. He feels a tax cap restricts his ability to have this freedom within his Town.

Selectman J. Brunelle mentions that even if the Budget Committee could not recommend a large expense issue such as a fire station. It can still be presented in a warrant article, supported by the Board of Selectmen and presented to the voters. It would just not allow the Budget Committee to recommend such a warrant article, if it exceeds the tax cap.

Gary Britton asks how large is the Budget Committee

Selectman B. Lemire states the Committee is made up of 9 members (7 elected and 2 representatives).

Lorraine Peterson and Gary Britton thank the Board for taking the time to explain this to them. They state they are trying to learn and find out as much information as they can to be informed voters.

Board of Selectmen thank them for coming and taking the time to ask questions and learn.

Selectman S. Perry closes public input.

Due to the confusion Selectmen S. Perry re-opens the Public Hearing and reads aloud the legal notice regarding the Tax cap.

“Shall we adopt the provisions of RSA 32:5-b, and implement a tax cap whereby the Budget Committee shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year’s actual amount of the local taxes raised, by more than \$175,000 (¾ vote required).”

Selectman S. Perry opens the floor for public input. There is not public present.

Selectman S. Perry closes the public comment portion, and asks the Board of Selectmen if anyone wishes to discuss this issue. Board states they do not, and Selectmen S. Perry closed the Public Hearing.

Mileage Reimbursement

T. Brown states that he needs to be on record with the Board of Selectmen in accordance with the Town’s Conference and Meeting Travel Policy to accept the new mileage rate established by the Internal Revenue Service. This rate is effective January 1, 2016, and decreases the current rate from 57.5 cents to the new rate 54 cents per mile.

Selectman B. Lemire **motioned** the Board of Selectmen approve the new Town’s Conference and Meeting Travel Policy mileage rate set by the Internal Revenue Service in the amount of 54 cents effective January 1, 2016.

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

NHMA Legal Records

Town Administrator T. Brown mentions to the Board that he received notification from NHMA Legal Services that they are planning to destroy all client legal files for the Town of Litchfield that are older than January 2010, unless the Board requests copies. He is not sure what other than general legal advice would be contained in the files, but recommends that they request copies to review and store for future use and reference.

Board discusses and agrees to have Troy request copies and shred what is not wanted and store the rest.

VFW Loyalty Day

Troy mentions he received notification that the Hudson VFW is hosting its annual Loyalty Day/Scholastic awards ceremony on Friday, May 6, 2016. He states that they have already reached out to the Police and Fire Departments, the Schools and the Selectmen can nominate a Town Employee if they wish. Troy states he has a few individuals that he feels are worthy of being nominated. He tells the Board that if they would like to speak privately regarding any suggestions they may have, please feel free to do so.

Administrator Report

Troy mentions the Town received the first quarter Franchise Fee payment from Comcast in the amount of \$16,031.04.

Also he reminds the Board the Department of Labor did an inspection this past summer of the Town's facilities and there were a few items that needed to be addressed. They just did a re-inspection of the Town's Safety Program and found no issues, except an update to the Town's Safety Manual, which has been addressed by Chief O'Brien and the Safety Committee. Troy states this is great news when you are in compliance with the Department of Labor.

T. Brown mentions that the Nashua Regional Planning Commission is holding its 33rd Annual Legislative Forum on March 2, 2016 at the Courtyard Marriott in Nashua from 6-8pm, which the Selectmen are welcome to attend.

Troy Brown also mentions that Kevin Lynch was notified that PSNH is planning to an extensive project to replace all utility poles/wires on Page Road as part of their "Reliability Circuit Tie Project" which uses smart grid technology. This should make things more reliable, if power outages occur in the area.

Troy states that Selectman F. Byron and he worked on the voter guide last week and he has shared it with the Board and mentions the 2016 Voter Guide has been submitted to the printers today and will appear in the March 4, 2016 HLN.

Selectman J. Brunelle states that the Board will be unable to review the documents as they have been able to do for the past 5-6 years.

Selectman S. Perry mentions that was not the plan, Selectman F. Byron and Troy handled it. Board discusses the matter and states that they usually get to review documents before going to the printers, and for the future they would like to do so.

Selectman J. Brunelle makes sure the the HLN is committed to publishing the documents the

Friday before the elections.

T. Brown also tells the Board that the Town Report will be available on March 1, 2016.

Selectman Reports

Selectman S. Perry states that Selectmen F. Byron attended the last Planning Board meeting for him. They covered a conceptual review of a plan to use land behind the houses on Page Road at the corner of Page/Cutler. It will consist of approximately 42 homes on an open space development, and another 40-48 townhouses. They would be accessed across from Pagewood Oval. It was conceptual to review and see if there is any feedback from the Planning Board, he believes it will be addressed again at the Planning Board meeting being held tomorrow 2/23 at 7:00pm at Town Hall.

Selectman John Brunelle mentions that last weekend the Town's Winterfest was held. Despite the very cold temperatures, everyone had great fun and it was very successful. Best year to date.

Selectman B. Lemire stated he attended the Conservation Committee meeting where they discussed the Bobcat situation in New Hampshire. Since the meeting the State did vote to allow a certain number of permits for hunting. He states that the next meeting he is sure the topic will be discussed further.

Items moved from consent - None

Other Business

Troy mentions that the P. Jewett Committee met and after reviewing the nominations, it was decided that Margaret Parent would be the recipient of the first P. Jewett Volunteer Appreciation Award. The ceremony will be held on Monday, March 7, 2016 at the Town Hall. He is working out the details with Laura, and will post details once decisions are made.

Troy asks if the Board would like it to be posted as a Selectmen's meeting.

Selectman B. Lemire states would this be instead of holding a meeting on the 14th.

Board states they have to have a meeting on the 14th to vote/appoint a Chairman and Vice Chairman to the Board and alternates to the other Committees/Boards after the election.

Selectman S. Perry **motioned** for the Board of Selectmen to adjourn the public portion of the meeting to go into a non-public session per RSA 91-A:3,II(a) - Compensation of a Public Employee

Selectman B. Lemire **seconds** the motion.

Roll call vote - Selectman K. Bourque (yes), Selectmen B. Lemire (yes), Selectman J. Brunelle (yes) and Selectman S. Perry (yes). Board of Selectmen will only come out of non-public to adjourn.

The next Board of Selectmen's meeting will be on March 7, 2016 at 6:00pm at Town Hall due to the whole Board being in attendance for the P. Jewett Volunteer Appreciation Award. There will

be not business conducted.

The next Board of Selectmen's meeting will be on March 14, 2016 at 6:00pm at Town Hall

Selectman S. Perry reminds Citizens to come out and vote at the polls on March 8, 2016.

Steven D. Perry, Chairman

John R. Brunelle, Vice Chairman

Brent T. Lemire

Frank A. Byron

Kevin C. Bourque