

TOWN OF LITCHFIELD BOARD OF SELECTMEN
December 12, 2016

Selectmen's Meeting

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

Also Present: Troy Brown, Town Administrator

5:00 p.m. Paperwork review
6:00 p.m. Non-Public Session - RSA 91-A:3,II(e) - Pending Litigation
6:32 p.m. Call to Order

Pledge of Allegiance

Review of Items for Consent:

1. Approval of November 28, 2016 Board of Selectmen Meeting Minutes
2. Approval of Account Payable Manifest 11/29/2016 (\$29,450.58) & 12/06/2016 (\$719,946.53) 12/13/2016 (\$48,535.33)
3. Approval of Payroll Manifest 12/08/2016 (48,905.32) &12/08/2016 (\$21,703.66) 12/15/2016 (\$56,555.06)
4. Abatement (1)
5. Veterans Tax Credit (5)
6. November Reconciliation - Tax Collector/Town Clerk

Approval of Consent Items

Selectman F. Byron reads aloud the Items for Consent
Selectman B. Lemire **motioned** for the Board of Selectmen to approve the Items for Consent
Selectman J. Brunelle **seconds** the motion. **Vote carries 5-0-0.**

Request for Additional Items/Other Business - None

Business

Appointment - Planning Board Alternate Member Joe Blanchette (term to expire 2019)

Mr. Blanchette tells the Board he lives in Litchfield, and is employed at Radio Shack. He states he would like to be a member of the Planning Board in order to be more involved with the Town and help oversee the growth of the Community. He states he has been attending Planning Board meetings for a few months and thinks he has some valuable input to contribute to the Board. Joe tells the Board he use to also record the Planning Board meetings when he was a

member of the Cable Committee.

Selectman F. Byron asks if he will have any issues with attending meetings, or possible site walks.

Joe states there would be no issues

Selectman S. Perry mentions Joe has been a regular at Planning Board meetings for a few months now, and has seen how the Board operates. He states the Board voted unanimously for his recommendation to the Board of Selectmen. Steve informs the Board of Selectmen his father Russ Blanchette also serves on the Planning Board, but will be stepping down when his term expires in March of 2017.

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the appointment of Joe Blanchette as an Alternate Member of the Planning Board, with a term to expire in 2019.

Selectman S. Perry **seconds** the motion. **Vote carries 5-0-0.**

Selectman F. Byron tells Joe he will need to be sworn into office by Terri Briand, the Town Clerk before he is an official member to the Planning Board. Joe states he will take care of that this week.

Public Input - None

2017 Town Holiday Schedule

Town Administrator T. Brown tells the Board according to the Town Personnel Policy the Board of Selectmen sets the Holiday schedule for the Non-Union Employees (10 paid Holidays). He mentions the only change was the switching of Columbus Day as a paid holiday as opposed to Civil Rights Day. This was due to the State being closed for Civil Rights (MLK) Day and the clerks in Litchfield not being able do any work.

Board mentions that Civil Rights Day or (MLK Day) both will still be an issue for the same reasons. Troy mentions this is true, but the staff felt they would still switch out the holidays because there was more of a demand for Columbus Day. And they possibly could use their earned time if agreed upon to have an extra day off for Civil Rights (MLK) Day, as they did for Columbus day this year.

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the 2017 Non-Union Holiday Schedule as discussed

Selectman J. Brunelle **seconds** the motion. **Vote carries 5-0-0.**

Non-Bargaining Unit Employees Only

New Year's Day	Monday	January 2, 2017
President's Day	Monday	February 20, 2017
Memorial Day	Monday	May 29, 2017

Independence Day	Tuesday	July 4, 2017
Labor Day	Monday	September 4, 2017
Columbus Day	Monday	October 9, 2017
Veteran's Day	Friday	*November 10, 2017
Thanksgiving Day	Thursday	November 23, 2017
Day after Thanksgiving	Friday	*November 24, 2017~
Christmas	Monday	December 25, 2017

*Solid Waste Only - The Solid Waste Facility will remain open.

Health Insurance Rates

Town Administrator T. Brown mentions at the last BOS meeting the Board spoke with representatives from Interlocal Trust the Town's insurance provider, about the increase to the Town's insurance rate and the impact of this on the premiums. They asked for a report back, showing comparisons with policies if they were to possible increase co-pays, deductibles or a combination of both. Troy states they sent back 6 options to the HMO plan (only 2 employees on POS plan) for the Board to review, with various changes made to co-pays, deductibles and prescription cost increases.

Troy mentions currently the Town has a no deductible policy with a \$5 co-pay for an office visit, and a tiered (30 day) prescription drug cost of 0/\$10/\$20/\$30 or a mail order (90 day) of 0/\$10/\$40/\$60.

The options sent for review by the Board show change to the \$5 co-pay to a possible \$15-\$25 amount, a prescription drug cost ranging from \$5 for Generic to \$20 (generic tier 2), to a percentage of 20-30% and caps of \$300 to \$600 for mail-ins on prescriptions there is also the option to add a higher deductible in order to keep costs down. Board discusses these options and narrow it to options 3 & 5, after further discussion they agree on plan #5 which has fixed prescription costs and would increase in the co-pay to \$15, which the Board feels is still very reasonable. Board has a question they would like to have Troy clarify, which is the Out of Pocket amount of \$6,000 single or \$12,000 family shown. They want to make sure it is not a deductible to the employee.

Troy states it was recommended to implement a new plan for March 1, 2017 so there is time, and he will get an answer and report back to the Board at their next meeting.

Selectman F. Byron also mentions for Troy to ask the representatives at Interlocal Trust, now the Board has decided on a plan (#5) would they have any other recommendations or options to add or change with this plan for the Town.

2016 Budget Update

Financial Update

Troy Brown shared with the Board updated figures to the Budget and states there are some minor changes due to actions the Board voted on at the last meeting. He states the small sander approved for the Highway Department has been purchased and applied as an expense in the Operating Budget. The Earned Time Buyout the St. Gobain reimbursements and the Health Insurance Holiday Premiums have all been incorporated into the Budget. Troy states currently the Unexpended Fund Balance is \$115,873, when the Police Contract (Article 7) \$8,329 is added in he is forecasting an Unexpended Fund balance of \$124,202.03. He mentions there have been a few snow events, but they were within his projections and did not result in large overtime costs due to them occurring during the day. So the expenses for the PFOA Legal (projected at \$32,500) and Police Chief O'Brion's Earned Time Buyout of \$54,582 leaves only one additional proposed expense to date of the larger (#2) sander to be purchased for the Highway Department in the amount of \$16,215. This would then increase the Proposed Expenses to \$103,297 leaving a revised Unexpended Fund balance of \$20,905.03. Selectman F. Byron asks if Troy estimated more storms into the budget. Troy mentions he accounted for 6 storm events lasting 6hrs. in his projections, and so far have only had two. Selectman F. Byron also asks about the Ambulance Debt and has it been turned over to an agency as of yet. Troy mentions the contract has been signed, but he has not provided them with the information/paperwork as of yet in order to start the collection process.

2016 Encumbrances

Town Administrator T. Brown mentions the Board will discuss later when the last BOS meeting for the year will be held. But to date he has shared a list of Encumbrances for 2016 they include Assessing Services (\$36,800.75), Fire Protective Gear (6,057.19), Sand/Salt Spreader (\$16,215) and a Base Dispatch Radio for Hudson (\$6,000) all of which total \$65,072.94. Selectman F. Byron mentions he spoke with someone from NHDOT and they felt the sand/salt spreaders are State bid.

Troy tells the Board that after watching the last meeting the Road Agent also contacted NHDOT the next day, and was told that was not the case the State does not bid sand/salt spreaders because there are too many different models.

Troy goes on to discuss the 2016 Re-Encumbrances and they are for Information Technology which includes Security Cameras & Wiring, Printers and Computer Replacement totaling \$4,019.54, also for IT Network Cables totaling \$229.91 and an Emergency Management Exercise in the amount of \$2,500. This brings the total Re-Encumbrances to \$6,749.45.

Selectman J. Brunelle states there was money left last year which was encumbered to do enhancements on the cameras are for the Police Department to fix coverage issues they had in the parking lot.

Troy states there is no action necessary by the Board of Selectmen

Troy mentions there is a Non-Lapsing Warrant Article (till 12/31/2019) in the amount of \$37,600 that was passed at Town Meeting, which was for Paramedic training if needed for a hire to the Fire Department. However, this was not needed as the Department hired a Firefighter who was

already a Paramedic. Troy states Karen the Finance Director has a call into DRA to see how they can handle these funds instead of letting them sit for years. Board discusses the issue and the possibility of it going back to the voters as a Warrant Article explaining what has happened and ask for the funds totaling \$37,600 be returned to the Budget to offset costs. Troy believes a Warrant Article can be constructed to repurpose the funds, and it would take a $\frac{2}{3}$ vote from the Citizens. But he will wait for the final word from DRA and keep the Board updated.

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the Encumbrances and Re-Encumbrances for 2016 as discussed and written.

Selectman F. Byron **seconds** the motion. **Vote carries 5-0-0.**

PretiFlaherty Legal Expenses

Selectman F. Byron tells the Board David Van Slyke has just issued a settlement agreement to the Litchfield Board of Selectmen, which the Board has not received as of yet. This will be a discussion for the Board once the paperwork is received. He asks Troy if he has included the costs of the settlement into the budget.

Troy mentions he is waiting on invoices for November and December, but has estimated those costs at \$5,250.

Selectman F. Byron asks if he can request an up to date accounting from PretiFlaherty as soon as possible, in order to clear this up before the next Board meeting on the 28th. He states Troy is estimating a year to date total of \$32,300.

Troy states he was projecting \$32,500, leaving about \$20,000 remaining for end of year. To date the invoices total (excluding Nov/Dec) \$21,800.

Board agrees to pay this amount now and get the final invoice totals for the next meeting on December 28th, in order to clear this up during the 2016 Budget year.

Selectman S. Perry **motioned** for the Board of Selectmen to approve the payment of \$21,813.61 which is owed to PretiFlaherty.

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

Selectman F. Byron states the Board should have a meeting with Counsel (which can be done as a conference call) for the next meeting in order to review the settlement documents. He mentions the documents mirror everything that was asked and agreed upon by the Board. He also asks Troy to make copies for the members of the Board in order to review them in preparation for the meeting.

Chief O'Brion Earned Time Agreement

Selectman F. Byron states this has been discussed at previous meetings, but has been put off in order to see where the budget would be closer to year end, and when there was a full Board present.

Selectman S. Perry tells the Board of Selectmen initially he and Selectman K. Bourque sat down with Chief O'Brion to try and come to an agreement on this matter. But Kevin was unable to make it to a few meetings and it ended up being Steve and Troy along the Chief continuing the discussions. They all came to an agreement that was shared with the Board which would breakdown payments to the Chief over a three year period starting this year (instead of one lump sum), and would generate a savings to the Town of approximately \$16,000-\$17,000 by

doing so. This agreement would pay him \$36,000 a year towards his buyout, and this year with retirement, insurance, unemployment, and medicare etc. total \$54,581.91. He has spoken to the Chief about the possibility of the Town not having the total amount available for this year's portion, and states the Chief was willing to work with the Town but would like a good portion paid toward this year's if possible. Selectman S. Perry understands the Budget numbers seem to be pretty well set, so he is asking the Board what is the number they would like him to report to Chief O'Brion, or would they like to approve this agreement as shown and discussed.

Selectman F. Byron states this would require the Board to commit to spending \$55,000 for the next three years (till 2018) if they agree and move forward and sign a contract. His is not disputing the agreed amount, it is money owed to the Chief. But in his opinion by putting it under a contract that would require this specific amount to be paid yearly it could impact future Boards and restrict them from doing their jobs. So his proposal to the Board would be to use (Encumber) the unspent money at the end of each year to pay down the balance owed to Chief O'Brion. It might not be the \$55,000 or may be more on a given year, but the balance would be paid in full at the end of the three years regardless. This would allow the Board some flexibility and not be under the strain of a contract.

Selectman S. Perry states he can bring this proposal to the Chief, but everyone is nearing their last hours for making a decision.

Selectman F. Byron states the Board can make a decision and then inform the Chief of what that decision is, and it would be his decision to accept it or not. He feels the Chief would be agreeable to this idea, because the Board has already agreed to the payment this year of \$54,581.91.

Selectman S. Perry states the point of the negotiations was for both parties to come up with an agreement on the contract deficiencies, and feels he should go and discuss this possible decision with him. Board discusses this matter, and is in agreement on not wishing to proceed with a 3 year contract because of the unknowns, but would like to pay the agreed upon amount this year.

Troy tells the Board the Chief did inform him late last week that he did contact his advisor and was told if a large deposit was to be made to his 457 it would need to be done 30 days before the end of the year. So the payment will have to be made in January of 2017, but the funds can be encumbered this year.

Selectman J. Brunelle mentions he has a concern after all this time and discussion to come up with a formula and calculation that the Chief will not agree to this because this Board does not wish to bind future Boards.

Selectman S. Perry thought if they signed a contract it would automatically put the funds into the budget for the next two years, and this year would be the only year the Board would have to "find" the money. Board discusses that in the past the Budget Committee has removed items such as this from the Budget, which would then leave you with a binding legal contract and have to find funds that might not be available. They discuss the Board being in agreement about the amount owed, and state this year's funds will be paid and will show the Board is acting in good faith. Both parties knowing over the next two years the remaining agreed upon balance will have to be paid in full in some fashion..it just may be broken up into two different dollar amounts.

Board agrees to pay the Chief this year's agreed upon amount and to have Selectman S. Perry

have a discussion with the Chief to see if he would be agreeable to sign a contract still as agreed upon adjusting the arrangement for payment over the next two years as the Board has discussed.

Selectman F. Byron **motioned** for the Board of Selectmen to Encumber \$54,581.91 with the intention to earmark it for payment to Police Chief O'Brion towards his Earned Time Buyout.

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

2017 Budget

Warrant Articles

Town Administrator T. Brown mentions the Budget Committee has shared their 2017 Selectmen/Budget Committee Schedule which he has shared with the Board and is as follows:

12/15/2016	Final Votes for the Town
12/23/2016	Public Hearing Notice Sent to the HLN
12/30/2016	Public Hearing Notice Printed in the HLN
01/03/2017	Tentative Dates if Needed
01/05/2017	Tentative Dates if Needed
01/12/2017	Budget Committee Public Hearing
02/04/2017	(School) First Session of Annual Town Meeting (Deliberative Session)
02/11/2017	(Town) First Session of Annual Town Meeting (Deliberative Session)
03/14/2017	Second Session of Annual Town Meeting (Election Day & Final Vote on Warrant Articles)

Selectman S. Perry states Thursday December 15th the Budget Committee meeting will be for the Final Votes on the Town Budget. Also January 12 will be the Budget Committee Public Hearing at 7:00pm at Campbell High School.

Troy tells the Board the School was already locked in for February 4th, so he adjusted for the Town to go on February 11th, 2017. Voting day will be held on March 14, 2017.

Selectman B. Lemire states he is not sure the Town can do 2/11, he thought they had to be done by 2/4/2017. Troy tells the Board no, he has confirmed the dates with DRA.

Troy moves on to the Warrant Articles, but mentions he would like to discuss the Fund Balance with the Board. He states when DRA sets the tax rate, they do a calculation of your Fund Balance retention. They calculated Litchfields Fund balance at the time they set the tax rate in September at 7.39%. He states DRA likes to see a range of between 5-17%, so we are considered to be doing a good job of maintaining and having a healthy Fund Balance according to DRA and our Auditors. However, the Town's Fund Balance Policy likes to maintain no more than an 8% FB retention. With that being said Troy states we are not there but are not far off, so he does not recommend the use of any Fund Balance to subsidize any additional Warrant Articles other than those already discussed. He feels the Fund Balance will be replenished, some at Deliberative Session, unspent funds, and a surplus of some revenues. But feels they should continue to monitor it.

Selectman F. Byron asks if Troy has scheduled the public hearings regarding Article #14 the Tax Cap. Troy states no they have not been scheduled as of yet, one will be held before Deliberative Session and one after, there is still time.

Board and Troy discussed Article #5 the Operating Budget and if the Board of Selectmen need

to recommend this Warrant Article or not.

Selectman B. Lemire states the Board has already submitted and voted on its budget, he believes Counsel has stated in the past the BOS does not recommend this Article, but states Troy should check.

Selectman F. Byron mentions the voters passes a Warrant Article years ago stating the Board votes and recommends all monetary Warrant Articles.

Selectman B. Lemire states once the Boards budget numbers have been submitted, it then becomes the Budget Committees budget.

Troy states the numbers are picked by the Budget Committee but the Board can still state if they recommend the Budget or not, but will check with Counsel.

Troy states Article #7 Road Improvement Projects has not been voted on.

Selectman F. Byron states the Board was waiting for a number from the Road Agent.

Troy mentions Jack comeback was if the Board felt they had to reduce it, he could would work with what is decided. However, he and Troy remind the Board this dollar amount has been supported overwhelmingly by the voters and they would hate to see cut back.

Selectman F. Byron again asks if the Board decides to cut back what is the number Jack is recommending he can work with. Troy states maybe only to \$150,000 if necessary.

Board discusses this issue and most feel this should go to the voters and let them decide what they wish to do.

Selectman S. Perry states sometimes the voters are uninformed and go to the polls and vote for all this wonderful stuff despite the possible increases to their tax bills. So he feels shouldn't one of the Board's job be to protect them from themselves.

Selectman F. Byron states that is not what he was saying "the voters are uninformed".

Selectman S. Perry states he was not referring to Selectman Byron at all.

Selectman F. Byron states what he is saying is the Board of Selectmen are moving forward with a lot of Appropriations both in the Budget and in Warrant Articles to the voters, which is going to be a hefty amount to pay. He feels it is the Boards job to do what is in the best interest of the Town and to cut and monitor what is being sent to the voters. He mentions they Board should not be just throwing up their hands saying send it all to the voters and let them decide, it should be the Boards job to make the tough choices on their behalf.

Selectman S. Perry states there is a lot of money being asked for and if the Town is going to be asking for a new fire station, he feels the board has to look at the totals.

Board discusses.

Selectman J. Brunelle **motioned** for the Board of Selectmen to approve **Article #7 - Road Improvement Projects** as written.

Selectman B. Lemire **seconds** the motion. **Vote carries 3-2-0.**

Board discusses what should be done with the Non-lapsing Warrant Article Funds from the Fire Department's Paramedic Training that have not been used, and was discussed earlier. Board agrees if it can be repurposed it should be put back in the Budget to decrease costs.

Default Budget

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the Default Budget as

written and discussed.

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

Selectman S. Perry states when he attended the Budget Committee meeting one of the big concerns was the Town's Default Budget will not meet the Tax Cap (it exceeds it), and they were questioning how the Board could let that happen.

Selectman F. Byron states under State law there are no requirements the Default Budget needs to meet a Tax Cap. **Vote carries 5-0-0.**

Administrator Report

Troy mentions the Town's Holiday Christmas party will be held on December 20th at 1:00 pm, and the Town Clerk/Tax Collector's Office will be closed for the rest of the afternoon. He will be posting this information on the Town website.

Troy also mentions the Budget Committee will be meeting on Thursday evening, and he and Selectman K. Bourque will be attending. He states the Default Budget is \$125,000 up and the Tax Cap is over by \$200,000.

Selectman Reports

Selectman J. Brunelle states the last Recreation Committee meeting they continued to discuss and plan the Winterfest.

Selectman F. Byron asks Troy if they have shut down the instillation of the water pipelines at this time, or are they continuing installation.

Troy mentions his last report was that they were patching the roads last Thursday/Friday, and got everything that was open patched. He is knows they wanted to get the section of pipe in on Temple Lane, but is not sure if it has been patched yet and Jeff Lane the pipe has been installed but not sure if the road has been patched. He mentions they are wrapping up, but will still be installing/connecting to individual homeowners for as long as the weather permits.

Selectman S. Perry he attended the Planning Board meeting last Tuesday, and a member was recommended as an Alternate. They also discussed the three Warrant Articles they are moving forward with. He also attended the Budget Committee meeting for Selectman K. Bourque where they discussed Campbell High Schools budget which included Building and Grounds and Food Services. The Committee made \$52,050 dollars worth of reductions, and that was approximately \$224,000 dollars in reductions so far. And he states it was mentioned the School's Budget is still \$300,000 over last years. As far as the Town's Budget the Committee will be trying to work within the Tax Cap guidelines. So they will be starting with the Warrant Articles approving as they go through, and then if necessary do bottom line cuts to individual Department Budgets in order to stay within the Tax Cap.

Selectman F. Bryon states the Budget Committee can cut individual Department Budgets because that is how amounts are listed on the MS7 Report. Then the Department Heads will have to adjust their budgets accordingly if that is what is approved by the Budget Committee.

Selectman F. Byron mentions he received a phone call at his home from a citizen who was concerned about the tax bill that was just received and the increase. He reviewed the last four years of their bills and explained how the tax bills are calculated and the breakdown between the School and Town portions, and that the increase had been due to the School's portion

(increased by \$240 where the Town's portion was \$45). He also explained how the amounts of the two tax bills received are broken down, the first bill issued is half of the years before and the second bill includes any budget increases and articles passed with a tax impact.

He also received a call from a resident on Hillcrest who was concerned about work that had been done by the State to the road. They had placed rip rap stone on the edges of the trench going down Hillcrest in front of her home, and now when the plows went by they were flinging the rocks up on her lawn and driveway (which were not small at all). She had contacted NHDOT and they told her they did not own the road Litchfield does, and they only own the road in the summer. So he as a State Representative called NHDOT and 40 minutes later they were in front of her home picking up rocks, Litchfields Road Agent also tried to scale down the edge so the plows would not continue to pick up the stone in order to help out the homeowner. NHDOT will also be out in the Spring to try and correct the issue.

Selectman B. Lemire states the Conservation Commission is aware of the equipment and material that has been placed on their property at the North end of Town. In return they will be doing improvements to the land for the Conservation Commission.

Selectman K. Bourque states that Selectmen S. Perry attended the last Budget Committee meeting on his behalf, but he will be attending this Thursday's meeting with Troy.

Items moved from consent - None

Other Business - None

Selectman F. Byron **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) - Promotion & Compensation.

Selectman S. Perry **seconds** the motion.

Roll call vote - Selectman K. Bourque (yes), Selectman J. Brunelle (yes), Selectman S. Perry (yes), Selectman B. Lemire (yes) and Selectman F. Byron (yes).

Board of Selectmen will only come out of non-public to adjourn.

The next Board of Selectmen's meeting will be on December 28, 2016 at 6:00 pm at Town Hall

Frank A. Byron, Chairman

Brent T. Lemire, Vice Chairman

John R. Brunelle

Steven D. Perry

Kevin C. Bourque