

BOARD OF SELECTMEN
Minutes of November 30, 2009

MEMBERS PRESENT: Chairman Galen Stearns called the meeting to order at 7:00 PM. Selectmen Bruce Breton, Ross McLeod and Charles McMahon were present, as was Town Administrator David Sullivan. Mr. Stearns read the agenda into the record, followed by the Pledge of Allegiance.

ANNOUNCEMENTS: Recreation Coordinator Cheryl Haas announced that the Annual Tree Lighting was scheduled for the following Saturday from 3-5PM. She also noted that there are no tickets remaining for the Annual Senior Christmas Party scheduled for December 9th.

LIAISON REPORTS: None.

CORRESPONDENCE: Letter received from Mr. Gilbert requesting the Town begin plowing the walking path at Griffin Park. Discussion ensued amongst the members regarding safety concerns and assumed liability if the Town were to do so. No action was taken by the Board on this request.

Letter of thanks received from members of the Windham Seniors, Inc. for AED/CPR training recently conducted by Assistant Fire Chief Leuci.

JULIA WISSELL: Cancelled at Ms. Wissell's request.

AUDIT DISCUSSION: Mr. Breton requested the Board consider bringing in the two (2) alternate bidders for the Town's annual audit to allow them to explain to the members their audit procedures. He explained that the firm he had preferred performed a more comprehensive scope of work, and he felt it would be beneficial to the Board to know what an audit entails. Mr. Breton noted that most 501c's rotate their auditors every five years, and he felt a comprehensive audit may put in place controls that would recoup the additional \$12K between the current auditor and his choice of firms.

Mr. Breton went on to state that the Board has been talking about changes in the audit procedure for several years, and that Administrative staff had recommended going with a full scale audit.

Mr. McMahon felt that if the Board were going to have the various professionals in to discuss what benefit/savings might result, then it should be scheduled as an agenda item with an allotted amount of time. Mr. Breton felt the principals of Melanson should be brought in.

Mr. Hohenberger indicated that, while he appreciated Mr. Breton's position, he did not believe the additional expense was justified. He noted that the audits don't typically reveal any issues, however, he was willing to listen. Mr. Breton pointed out that he had discovered the interest rate issue by reading the entire audit document, and reiterated that a comprehensive audit may reveal more such opportunities.

Mr. McLeod echoed Mr. Hohenberger's feelings, and added that it was speculative what might be found. He noted that there is no evidence anything is wrong with the current audit and that it clearly provides good information as Mr. Breton had indicated. He felt there was no tangible benefit to doubling the audit expense, but indicated he had no issue with adjusting the bid specifications in the future to require the vendors to make presentation to the Board.

Mr. Stearns stated that the bid had already been awarded and did not believe a change was necessary given that staff holds the line very well. He added that this was not the year to double the audit cost, but supported revising the bid specification in the future.

Mr. Sullivan suggested that, if the Board were concerned about cost, a hybrid approach be considered in that they proceed for one year with the current vendor and, if funds are available at year-end, they contract out a comprehensive look at one or two departments. Discussion ensued, and it was the general consensus of the Board that staff develop a scope of work and obtain proposals as explained by Mr. Sullivan. No action was taken on Mr. Breton's request.

OLD/NEW BUSINESS: Mr. McLeod raised concerns relative to a code enforcement issue pertaining to Bauchman Towing. He indicated that, while Mr. Sullivan felt the discussion should be conducted in non-public session, he disagreed and asked that a status update be provided.

Mr. Stearns indicated that he understood Mr. McLeod's concerns and agreed, however, he did not wish to discuss this matter until it was posted as an agenda item thereby affording all parties an opportunity to attend. Mr. McLeod disagreed, noting it would simply be a status update. Mr. Stearns then noted that some members of the public had been advised that this would not be discussed in public session.

Mr. Sullivan noted that a resident of Sharon Road had contacted the office requesting the Board's assistance via a letter to Pennichuck urging them to replace a generator to service that portion of Town which they had previously removed. Community Development Director Laura Scott approached and clarified that Pennichuck is moving forward with plans to replace the generator and is scheduled for the next Planning Board agenda. She noted that the remainder of their permits would be pulled the following day and, in theory, they could begin work on December 10th.

BUDGET DISCUSSION: Mr. Sullivan noted that staff presented a budget overview the previous week which showed a decrease over last year of over \$8,000. He noted that staff had since discussed other options for savings, including a change in the Town's disability insurance carrier which could save \$11,000 annually. Mr. Sullivan noted also that a tentative agreement is in place with the Police union regarding allowing the Town to change the Health Insurance plan to the Comp 2500, which will afford a savings of \$32,940 without effecting the employees benefit as the town self insures the out of pocket expenses. Finally he noted that the Fire Union has agreed to defer the effective date of their expected 2% pay raise until March 31, 2011, the last day of their contract, saving the town \$26,735 in 2010. This agreement is pending formal ratification by the Union. He then noted that several options are available for consideration relative to the Transfer Station equipment purchases, and inquired as to how the Board wished to proceed to discuss the budget.

Mr. McMahon noted that the excellent work by staff was evident in the budget, and suggested that specific questions only be posed rather than a line by line review of the budget. Discussion ensued regarding funding of the Salt Shed, which the Planning Board had recommended be fully absorbed by the budget which would add \$190K. Mr. Sullivan noted that staff recommended bonding this amount through a one (1) year note out of the 2011 budget.

Mr. Breton then raised the issue of overtime reductions of 20% across many departments and 30% from the fire department, as well as cutting of the Board of Selectmen salaries and Treasurer's by half.

After a brief discussion regarding the Selectmen salary, Mr. Breton moved and Mr. Hohenberger seconded to eliminate the salary received by the Selectmen. Mr. McMahon voiced his opposition to this motion, noting that the members have obligations that the salary cannot even cover. He added that the Board should be focusing on larger issues. Mr. Stearns expressed his agreement with Mr. McMahon.

Motion passed 3-2, with Mr. McMahon and Mr. Stearns opposed.

Mr. Breton then moved to reduce the Treasurer's salary to \$1,250 from \$2,500. Mr. Skinner approached in opposition to this proposal, citing the time and effort required to perform his duties. There was no second.

Discussion then moved to overtime, and Mr. Breton proposed that \$82,300 be cut from the Administration, Tax Collector, Maintenance, Fire Department, Planning Department, Highway Department, and Transfer Station budgets as a singular motion. Mr. Sullivan inquired why Mr. Breton had not proposed similar cuts to the Police Department budget, and a discussion ensued.

Chief McPherson indicated that, as a Department Head, he took exception to Mr. Breton's proposal, noting that his budget included level funded overtime. He added that he had been doing more with less for some time, and that he found it odd that the Police Department had been overlooked by Mr. Breton.

Discussion ensued, and Mr. Breton then requested that the Board simply vote yes or no on the budget as it was presented rather than expending additional time on it. Discussion ensued, and the remaining members took no action of Mr. Breton's request.

Mr. Hohenberger then inquired of the Chief if any items, such as training, could be shifted to the Emergency Management budget, which is 50% funded by the State. Chief McPherson replied he could look into it, however, there is very little available that could be moved and FEMA continues to get stricter in their regulations.

Mr. Stearns noted that, despite several vehicles currently being leased, no significant decreases were shown in maintenance costs. Mr. Sullivan explained that the budget remain level as the same periodic maintenance is provided to the vehicles, however, a newer fleet involves no cost spikes or contingencies.

Mr. Sullivan then expressed concerns regarding the disorganized method of reviewing the budget, and discussion ensued. Mr. Sullivan then noted that if the Board's goal is to stay at a 0% increase to include funding for the Salt Shed, then substantial changes impacting staff and departments would need to be discussed. Mr. Sullivan noted that incorporating funding for the Salt Shed, at \$190K with no other modifications to the budget, would result in an increase of 1.45% (\$0.08 on the tax rate). He added that, if the Police Union does agree to the change in Health coverage, the increase would be reduced to 0.88% (\$0.05). He stressed that those increases do not include the Transfer Station equipment. Discussion ensued, and Mr. Sullivan noted that all three pieces of equipment required for the Transfer Station could be leased at a cost of \$50K per year for a four year period, and added that the current trailer will not pass inspection.

Lengthy discussion ensued regarding the CIP, School District needs, the Depot project, the scope of work for the Salt Shed project, and the potential savings detailed by Mr. Sullivan.

Mr. Sullivan noted that the response from the unions was unprecedented and that such savings will not be available next year. He noted that \$190K of the CIP funding will be utilized by someone regardless.

Further discussion ensued regarding the Salt Shed plan and bid alternatives / cost differentials, lease variables, and the prioritization of the CIP. Mr. Sullivan suggested the budget be reviewed the following week, line by line, and the Board concurred.

The Chair called for a five minute recess.

NON-PUBLIC SESSION: Mr. Breton moved and Mr. Hohenberger seconded to enter into a non-public session in accordance with RSA 91-A:3-IIa, c and e. Roll call vote – all members “yes”, with the exception of Mr. McLeod in opposition to the Bauchman matter. The topics of discussion were personnel, reputations and legal.

The Board, Mr. Sullivan, Ms. Scott, and Ms. Devlin were in attendance in the first session.

Ms. Scott updated the Board on an enforcement matter and it was the consensus of the Board that staff draft a written agreement relative to this matter for execution. Said agreement to be available for next’s weeks public discussion on the topic.

The Board, Tax Assessor Rex Norman, Mr. Sullivan, and Ms. Devlin were in attendance in the second session.

Mr. Norman discussed on ongoing Board of Tax Land Appeal case with the members. It was the consensus of the Board that Mr. Norman proceed as discussed to settle this matter within the parameters established during discussions.

The Board, Mr. Sullivan, and Ms. Devlin were in attendance in the final session.

Mr. Sullivan updated the Board on a potential lease of property. No decisions were made.

Mr. McLeod motioned and Mr. Hohenberger seconded to adjourn. Passed unanimously. The meeting was adjourned at 10:00 PM.

Respectfully submitted,

Wendi Devlin, Administrative Assistant

Note: These minutes are in draft form and have not been submitted to the Board for approval.