

BOARD OF SELECTMEN
Minutes of November 7, 2011

MEMBERS PRESENT: Vice-Chairman Bruce Breton called the meeting to order at 7:00 PM. Selectmen Phil LoChiatto and Roger Hohenberger were present, as were Town Administrator David Sullivan and Assistant Town Administrator Dana Call. Chairman Ross McLeod and Selectman Kathleen DiFruscia were excused. Mr. Breton opened with the Pledge of Allegiance.

ANNOUNCEMENTS: Mr. Sullivan announced that the auction of the town-owned property at 47 First Street was held the previous Saturday, and the property successfully sold for \$80K. Mr. Sullivan noted that the Town was owed in excess of \$30K in back taxes and, as the property had been retained in excess of three years, the Town would receive full benefit of the sale provided there was no challenge from the previous owner. He then commended the Board for their decision to proceed with the auction. Mr. LoChiatto noted that he had attended the auction, and inquired whether the purchaser information could be released. Mr. Sullivan replied in the affirmative, noting it had been sold to the original mortgage holder. Brief discussion ensued.

Chief McPherson advised the Board that the Food Network would be filming at the Chatterbox Café, and have contacted the Police and Fire departments, as well as others, regarding participating. The Chief noted that the program had requested to use the Fire Department for parts of the shoot, and inquired whether the Board had any issues with him permitting them to do so and executing their liability waiver. After a brief discussion, the Board expressed no issues with the Chief proceeding.

Chief McPherson then updated the Board in the 10/29-11/4 weather event, which he noted was significant from a public safety standpoint. He noted that there were no storm related injuries reported, but there was one building fire and the department did see issues related to generator use. The Chief then reminded those in attendance and watching at home that generators should be 10' from the house due to Carbon Monoxide hazards. He also urged all to treat all downed wires as live; noting that back-feeding from generators sends power to these lines and poses a hazard. Mr. LoChiatto noted he hoped the Board would send a letter to PSNH regarding their poor response, and inquired about Police obtaining reverse 9-1-1 service. Discussion ensued regarding prior resident reception of reverse calls, costs, impacts to communication due to the storm, personnel limitations, and possible use of web services such as Press Releases or Twitter to keep residents updated.

LIAISON REPORTS: Mr. LoChiatto advised that the Economic Development Committee will be meeting on Friday morning at 7:30 AM.

CORRESPONDENCE: Resignation received from Ms. Amy Spencer from the Economic Development Committee.

Letter received from the LGC advising that the Town has, once again, been awarded First Place in the Annual Excellence in Town Reports contest. Mr. Sullivan thanked Mrs. Call and Ms. Devlin for their efforts in compiling the reports.

RECREATION: Recreation Coordinator Cheryl Haas advised that the Annual Tree Lighting will take place on December 3rd at the Town Common. She also noted that tickets are almost gone for the Annual Senior Christmas Party at Castleton.

Ms. Haas then requested that the Board accept the following donations received for the Annual Harvest Fest: Apple Acres, 1 bushel of apples; Delahunty's, 35 pumpkins; Johnson's Farm, 35 pumpkins, and; Tajama Pies, 4 pies. Mr. Hohenberger moved and Mr. LoChiatto seconded to accept these donations as read with thanks. Passed 3-0.

Ms. Haas then advised the Board that she still receives several requests a month to purchase memorial benches for Griffin Park, and asked for the Board's direction. Mr. Sullivan noted that there are approximately 22 of these benches at the Park, and Mr. Breton inquired about the availability of "blanks". Mr. Sullivan noted that all the blanks available had been utilized.

Ms. Haas noted that the company which originally provided the benches now does their own engraving, but asked whether the Board wished to limit the number of benches at the park. Mr. McLeod inquired whether there is a plan available of the location of the existing benches. Discussion ensued that there was not, as the benches are moveable, but that there should be one developed. In addition, it was clarified that there are currently 40 benches at the Park. Mr. Breton suggested that a plan be developed to ascertain how many more benches could be placed, and the Board concurred. Ms. Haas will follow-up.

Ms. Haas then inquired whether the Board wished to offer any input into the Recreation Master Plan, which would soon be going before the Planning Board. Mr. Sullivan noted that the Committee had done a nice job in development of the Plan, which will be returned to the Board for approval after Planning Board review. After a brief discussion, there was no input offered from the Board members.

WINDHAM ENDOWMENT: Removed from agenda.

FINANCE DIRECTOR: Finance Director Dana Call presented her 3rd quarter financial update to the Board, highlights of which included:

Expenditures:

- Health Insurance – overexpended across all departments due to budgeting of 85.5% of the premium costs in the operating budget, with the remainder to be funded from the Expendable Health Trust.
- Property Maintenance – generally overexpended in several budgets due to unforeseen repairs and building issues; this includes the Property Maintenance Trust. Discussion ensued regarding the percentage of overage and the possible need for a spending freeze and/or other cost saving measures versus those items which cannot be controlled such as fuel costs.
- Legal – in general is running overbudget due to both general matters and work force housing suits; union is running high due to grievances and arbitrations, and; miscellaneous overage represents payment for the Post Office easement settlement.
- Highway – overtime, winter maintenance will likely be overexpended due to a difficult winter in early 2011 coupled with the previous week's snow event.

Discussion then moved to the setting of the 2011 tax rate, and Mrs. Call advised that the Town portion of the tax rate had decreased \$0.20. She went on to explain the estimation of budget revenues for the year-end, and the annual utilization of available surplus fund balance to offset the taxes. Mrs. Call noted that, for the current tax rate setting, \$434K had been available beyond the \$300K maintained fund balance; whereas for 2010 only \$280K had been available. Discussion ensued regarding the causes of increased fund balances, and Mrs. Call clarified that it can vary; often being due to increased revenues or salary savings. She added that the Town generally estimates on the conservative side.

Mr. LoChiatto inquired whether a fund balance of \$300K was adequate, and Mr. Sullivan and Mrs. Call replied in the negative. Mr. Breton explained that Town's auditor recommends a fund balance of \$1.3M be maintained. Discussion ensued regarding the generally accepted percentages to maintain, Windham's historic practice of maintaining a low fund balance, and the availability of other funding in the event of emergencies such as FEMA and insurance.

Mrs. Call then resumed her update, noting the following regarding revenues:

- Interest and penalties – estimate includes approximately \$10K received in prior years' interest from two properties taken by tax deed and then repurchased by the owner. The principal portion is recorded as an abatement of taxes, and therefore reimbursement proceeds are not included in revenues from sales/overlay for tax rate setting purposes.
- Estimated revenue of \$37,803 relative to sale of town property includes proceeds received on sale of surplus vehicles, as well an estimated \$15K for the sale of 47 First Street.

- Miscellaneous Selectmen income primarily represents legal settlements and Sheriff sale proceeds on properties involved in long-term code enforcement cases, and administrative fees on sale of tax deeded properties.

Discussion again ensued regarding the possible need for a spending freeze if revenues ultimately come in as estimated; as the bottom line budget will not be overexpended. Mr. Breton inquired whether a detailed spreadsheet of the final Salt Shed costs was available, and Mrs. Call replied in the affirmative.

Mrs. Call then reviewed the Special funds with the Board, and discussion ensued regarding declining interest rates; which Mrs. Call advised were now at 0.6%. Mr. Breton suggested that staff speak to local banks to inquire whether they could offer better rates, and Mrs. Call noted that she had, however very few can provide the collateral required for government funds. She noted that Centrix had been great since the Town began investing with them, however, she could look further.

Mr. Breton suggested that staff speak to Chairman Finn of the Conservation Commission regarding investing of Conservation funds which have been stagnant for the last six months or so. Lengthy discussion ensued regarding the economy and declining interest rates.

Mrs. Call then advised that the Town still has available the Tax Anticipation Note obtained over the summer, which was not used. She noted that she had spoken to the School District regarding their needs, and the latter had indicated their current funds are okay due to additional revenues and, because of that, the Town would not need to obtain another TAN for December.

REX NORMAN: Mr. Norman reviewed with the Board an abatement request regarding Timber Tax doomage related to late payment. Mr. Hohenberger inquired as to the total abatement request, and Mr. Sullivan replied \$608.58. Mr. LoChiatto inquired as to where these fines would go, and Mr. Norman replied to the Town.

Mr. Breton inquired how late the logger had filed, and Mr. Norman replied that the deadline had been July 15th, and the Town had not received anything until July 29th. He added that he had spoken to the Department of Revenue Administration, who had felt that doomage was applicable in this case. Mr. Hohenberger inquired whether the amount was statutory or if it was negotiable and Mr. Norman confirmed the latter. Discussion ensued regarding the logger's previous activity and payments, how egregious this circumstance was or wasn't, and the assessment of some form of penalty.

Mr. LoChiatto then moved and Mr. Hohenberger seconded to abate the amount of \$508.58. Passed 3-0.

Mr. Norman then reviewed with the Board a request he had received from the Conservation Commission to voluntarily merge lot 8B-3001 with 3900, 4200, 5750, 5800, 6000, and 6600; creating a single parcel comprising 333.2 acres designated as the Town Forest. Mr. Sullivan explained that, because of these parcels had not originally been acquired as Conservation land, the Board of Selectmen must approve the merger.

Brief discussion ensued regarding the Gage Lands, which were not scheduled for discussion at this time due to ongoing clarification and extensive research required. Mr. Sullivan noted that Mr. Norman would be returning to the Conservation Commission regarding these parcels.

Mr. LoChiatto sought clarification of the pros/cons of merging the parcels as requested, and Mr. Breton noted that as a single plot of Conservation land the parcel could not be sold. Mr. Norman cited benefits for simplicity, and added that Mr. Breton was correct. Mr. Breton also noted that, should the Board choose to place a third party easement on the property, it would only require a single easement.

Mr. Hohenberger moved and Mr. LoChiatto seconded to approve the Conservation Commission's request to consolidate the parcels as stated, and to allow Mr. Breton to execute the approval. Passed 3-0.

TERRA BELLA: Mrs. Call advised that this bond was being replaced by a maintenance bond which is a line of credit in the amount of \$24,150, and Mr. Breton noted the release had been signed off on by the Community Development Director and the Planning Board.

Mr. Hohenberger moved and Mr. LoChiatto seconded to release the bond in the amount of \$51,117.99 plus accrued interest to Jo Jo Development, Inc. Passed 3-0.

OLD/NEW BUSINESS: Mr. Sullivan advised the Board that their budget books would be available next week, and the Board needed to set-up a workshop schedule. He added that in the past the Board had met on alternate nights and/or Saturdays. Discussion ensued, and it was the consensus of the Board that staff schedule the first meeting for Saturday the 19th and draft a subsequent schedule of meetings.

NON-PUBLIC SESSION: Mr. Hohenberger moved and Mr. Lochiatto seconded to enter into a non-public session in accordance with RSA 91-A:3, II a and e. Roll call vote – all “yes”. The topics of discussion were personnel and legal.

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

Chief McPherson discussed a personnel matter with the Board relative to disciplinary action. Mr. LoChiatto moved and Mr. Hohenberger seconded to support the recommendation of the Chief. Passed 3-0.

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

Mr. Norman updated the Board on several pending legal cases relative to property tax abatements. No decisions were made.

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

Mr. Sullivan updated the Board on a union matter. No decisions were made.

Mr. Hohenberger moved and Mr. Lochiatto seconded to adjourn. Passed unanimously.

Meeting was adjourned at 9:20 PM.

Respectfully submitted,

Wendi Devlin, Administrative Assistant

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