

BOARD OF SELECTMEN
Minutes of November 21, 2011

MEMBERS PRESENT: Chairman Ross McLeod, Selectmen Bruce Breton, Phil Lochiatto, Kathleen DiFruscia and Roger Hohenberger were present, as was Town Administrator David Sullivan. Mr. McLeod called the meeting to order at 7:05 pm, opened with the Pledge of Allegiance then read the agenda into the record. Mr. McLeod reminded the public that several department budgets were reviewed on Saturday, November 19 and went over the revised budget workshop schedule going forward.

ANNOUNCEMENTS: None.

LIAISON REPORTS: None.

MINUTES: None.

CORRESPONDENCE: Mr. McLeod read a letter from Windham resident Linda Ouellette with Team Golden Brook's Relay for Life, requesting use of the Searles School and Chapel, at no charge, for their kick-off meeting on January 17, 2012. Mr. Hohenberger motioned to approve. Mr. Breton seconded and motion passed unanimously.

Mr. McLeod read a letter from Windham resident Patricia Mahoney, requesting use of the Town's wheelchair accessible van to transport her son from/to Crotchet Mountain Rehabilitation Center, with additional appointments and other uses throughout the Thanksgiving weekend, to be returned to the Town on November 28. Mr. Hohenberger motioned to approve. Mr. Breton seconded and motion passed unanimously.

BUDGET WORKSHOP:

Information Technology - The Board discussed the line item for Munis, the Town's financial software, including the request to transition to an "ASP" environment, versus the self-hosting environment the Town currently has. Mr. DeLong and Mr. Sullivan reviewed the 3-year financial analysis of this transition, noting that the Town will no longer be required to purchase additional hardware, which makes this option financially feasible in the long run, but costs more than our normal support budget in Year 1. If the Town does not transition to a Munis-hosted environment, the Town will need to invest significant funds to upgrade our server to a SQL system in 2012. Mr. Hohenberger noted his opposition and a lengthy discussion ensued as to the Munis system itself, and difficulties that certain users encounter with the system, specifically regarding the tax office. Mr. DeLong noted that much of the difficulties we have encountered have been a result of customization we have required over the years and keeping up with normal version upgrades any software system would require. Mr. DeLong further noted that Munis customer support has been very good and always manages to solve the

issues at hand. It was also noted that certain processes, such as Finance/Payroll, do not encounter these types of issues with Munis.

Discussion turned to the purchase of new computers, which is standard in each year's budget, but has been lessened in past years due to budget constraints. Mr. DeLong discussed his proposal to lease versus buy PC's and the benefits of getting all users onto similar platforms/operating systems, etc. Discussion ensued regarding the lease concept and what would be an appropriate number of years to spread payments over.

Mr. Lochiatto asked if other cost cutting measures were considered for this budget and if certain elements of the IT function could be outsourced. Mr. Sullivan responded that this has been reviewed and that the potential savings did not appear to outweigh the benefits of having full-time on site IT support for the number of users and software systems the Town has.

Administration – The Board discussed the proposed staffing changes which include the retirement, as of July 1, of the Human Resource Coordinator, with the intention of keeping that position as a part-time 20 hours/wk position to handle Payroll, Human Resources and Welfare. The department would then add a part-time, 25 hour/wk, Bookkeeper position to pick up some of the general duties of the HR Coordinator, but mainly to provide a mechanism to segregate financial duties between the Finance Director and Bookkeeper, in order to enhance internal controls. Additional discussion ensued regarding the job description, proposed salary and how the two positions would work within the department.

Discussion turned to the postage budget, which is centralized for all Town departments into the Administration budget. Ms. Call noted that this past year we have begun tracking the postage to the various departments, setting us up for the potential to be able to reallocate this budget among the budgets of the primary users. It was decided to address this at a later date. Mr. Breton asked for more information regarding the postage costs as it pertains to the Town Clerk's mail-in registration program, as it is noted in the budget template that this program is self-funded. Ms. Call noted that the Town Clerk could provide this data and asked that this discussion be delayed until the night the Town Clerk presents her department budget.

Discussion turned to the request to lease a new copier, to replace the department's primary copier that is 10+ years old. Mr. Lochiatto asked if copiers and related maintenance contracts could be included under the auspice of the IT budget, and coordinated by the IT Director in the same manner as replacement computers and printers. Mr. Sullivan indicated that although we don't replace copiers every year, as we do computers/printers, since they now tend to be networked similar to printers, this could be moved to the IT budget. Mr. Lochiatto expressed that he would like to see copiers included in the overall IT replacement plan/schedule.

Mr. Hohenberger then asked to clarify the budgeting for health insurance premiums. Mr. Sullivan noted that, as had been discussed previously with the Board, all departments are showing a level funded line item for health insurance with the expectation that any additional funds needed due to premium increases, will be funded by the Health Expendable Trust fund which is comprised of employee contributions toward their health insurance premiums. Mr. Hohenberger expressed that he misunderstood and thought that by offering a different choice of lower cost plans to employees, the Town would experience no premium increases. Mr. Sullivan clarified that this is not the case, but that premium increases will be funded by additional employee contributions (going from 20% cost share to 25%), and that the portion (total dollars) funded from the Town operating budget would be no more than 2011. Mr. Sullivan felt this accomplished the Board's goal of leveling the Town's costs and gradually transitioning employees off of the higher premium health plans, saving funds on a per-person basis going forward.

Mr. Breton asked about Dues and Meetings across all budgets and the general cost of magazine subscriptions. It was noted that, while not specific to the Administration budget being discussed, questions on this line item should be addressed to the particular department head.

Town Officer Salaries – The Board discussed the Selectmen stipends and Mr. Breton motioned to reduce the stipend to \$0 again for 2012. Mr. Hohenberger seconded and motion passed unanimously. Mr. Breton motioned to reduce the Treasurer stipend from \$2,500 to \$1,500 for 2012. There was no second and it was asked if this could be deferred until Mr. Skinner was present.

Insurance – It was noted that the Workers Compensation, Unemployment Compensation and Property-Liability insurance amounts are stipulated based on multi-year contracts the Town currently has with these providers. Discussion turned to the Health portion of the Insurance budget. Mr. Sullivan noted that this amount represents the differential between the individual department requirements, based on current makeup of employees and their selected plans, and the total needed to level fund the entire health insurance budget as compared to 2011. Essentially for any departments that, as a result of staffing changes, required less health insurance funds for their department for 2012, the difference in funds was budgeted in this line item in order to fund the total of \$1.365 million for health insurance premiums Town-wide. Mr. Hohenberger motioned to reduce the amount from \$26,470 to \$10,000 and Mr. Lochiatto seconded. Motion passed 3-2 with Mr. McLeod and Mrs. DiFruscia opposed.

Retirement – It was noted a portion of this budget is for the administrative fees for the Town's supplemental retirement plan. Typically these fees have been funded by forfeiture credits made available by non-vested employees who have left the Town, however, the amount available is less than previous years and it is expected that some funds will be required from the operating budget in 2012. In addition,

Mr. Sullivan explained that \$15,000 is included in this line item due to new requirements from the NH Retirement System brought about as a result of legislation requiring that Towns provide a portion of the actuarially determined funding for retirees that have had excessive end of career payments, or the “spiking bill”. Mr. Sullivan noted that this tends to be Public Safety personnel, mainly Police Officers due to the impact of contracted details, and that we have one planned retirement of a Police Officer for 2012.

It was noted that next week’s meeting is also a budget workshop for Recreation, General Government & Transfer Station, and that Debt and Legal will be added.

NEW/OLD BUSINESS: Mr. Sullivan presented a request for the Board to authorize the Town Clerk to be a Boat Agent, as has been done in the past. Mr. Breton motioned to authorize Mr. Sullivan to sign a letter providing Boat Agent authorization and Mr. Hohenberger seconded; motion passed unanimously.

NON-PUBLIC SESSION: Mr. Hohenberger motioned and Mrs. DiFruscia seconded to enter into nonpublic session in accordance with RSA 91-A:3 II c and e. Roll call vote all “yes”. The topics of discussion were legal and reputations. The Board, Mr. Sullivan and Rex Norman were in attendance for the session pertaining to legal matters. The Board discussed a potential settlement agreement for a court case. Mr. Hohenberger motioned and Mrs. DiFruscia seconded to authorize Mr. Norman to proceed with the settlement offer. Motion passed unanimously.

The Board and Mr. Sullivan were present for the discussion regarding reputations, which was a request to forgive interest on an individual property tax bill. Mrs. DiFruscia motioned and Mr. Hohenberger seconded to deny the request. Motion passed 4-0-1 with Mr. Breton abstaining.

Mr. Hohenberger moved and Mrs. DiFruscia seconded to adjourn. Passed unanimously. Meeting adjourned at approximately 9:00 pm and the Board remained to discuss Union negotiations.

Respectfully submitted,

Dana Call
Asst Town Administrator-Finance

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