

FINAL



**WEARE BOARD OF SELECTMEN
MEETING MINUTES
January 23, 2012**

PRESENT: TOM CLOW, CHAIRMAN; RICHARD W. BUTT, VICE CHAIRMAN; LEE MARCROFT, SELECTMAN; KEITH R. LACASSE, SELECTMAN

RECORDING SECRETARY: Cherry Palmisano

GUESTS: Greg Elwood, Paul Marsh, John Rauscher, Johnna Grzywacz, Ike Shepard, Neal Kurk, Jan Snyder, Jeff Spring

7:00 p.m. Chairman Clow called the meeting to order.

FINANCE COMMITTEE – Greg Elwood, Finance Committee, told the Board that the committee reviewed the warrant and they feel that the Selectmen and Department Heads should be commended. The Finance Committee takes exception with the increasing costs in the Police Department. Mr. Elwood noted that the Finance Committee is willing to support Article 10 if they have some sort of commitment from the Board in regards to implementing a cost sharing of benefits by the close of fiscal year 2012. The committee feels that Article 19, the Police Department server, should include a reduction from the Police Department's operating budget because they feel that the costs associated with the existing server should be reduced from their operating budget.

Chairman Clow commented that the Finance Committee is looking for a bottom line reduction in the Police Department to a default budget. Mr. Elwood said that their logic with going back to default figure for that one department is that it is still a \$60,000 increase overspending from last year, but shows that they are trying to contain the spending in that budget. Mr. Elwood said that they don't want to shoot down the whole budget because of that one department. He suggested that the Board could make a motion at Deliberative Session to lower that one department's budget.

Vice Chairman Butt asked if the Finance Committee is referring to the whole Police Department budget. Mr. Elwood said that they would like to see that department's budget reduced by \$60,000. It was discussed that the line for computer equipment includes \$8,500 for the IMC support, which is a contractual obligation. Mr. Elwood said that Article 19 could include wording stating that if the article passes the operating budget would be reduced by, and include an amount. The Finance Committee felt it was a logical step that if they agreed with Article 19 then the offset should show up in the operating budget. Chairman Clow said that the article for computer funds also includes the computer needs of the Town Office building. Chairman Clow said that he would not sit here tonight and say they would do a default budget on any given department without discussing it with the department head to see how it would effect the department. Mr. Elwood stated that they have two weeks to get their recommendations written up. Chairman Clow asked if the Finance Committee is absolute with the default number in the Police Department, or could the Selectmen sit with the chief and see what reductions could be made. Mr. Elwood responded that the Finance Committee discussed that if they go to the default number it was half of the increase of \$120,000 and he felt they compromised as a group at the default figure.

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Selectman Lacasse asked about the Finance Committee's willingness to support Article 10 if the Board implements a plan to cost share health insurance costs. Mr. Elwood said that cost sharing is happening everywhere in private industry and the committee is trying to say that they feel it would be fair. They do not feel that it would be fair to the employees to just hit them with an 80/20 split today or with a pay reduction. Mr. Elwood said that the employees are getting a 2%-4% raise this year and by the end of the year the committee hopes that the Selectmen have something in place to start some kind of cost sharing. Selectman Lacasse noted that there are three seats open on a five seat board and that this current board can't promise what future boards would do. Mr. Elwood said that they are putting it out there so it is on public record. Chairman Clow said that they have discussed it in general and in collective bargaining. It was discussed that the Board is not against cost sharing, but it has been pointed out that the employees have gone five years with no increase. Chairman Clow said that he does understand in reviewing other towns that it is a substantial benefit to Weare employees to have 100% of their insurance paid.

Vice Chairman Butt mentioned different formulas and buyouts and said that there are some towns that have 50% cost share. As far as the employee contribution to the health care costs, Vice Chairman Butt said that it has been discussed and probably will be a phase in. He commented that not all employees will get the same raise. Vice Chairman Butt said that they will evaluate and have serious discussion if the raise goes through. He hopes that the Finance Committee will accept the Boards intent to review the cost sharing. Mr. Elwood said that they are looking for more than just intent; they need some kind of commitment. Vice Chairman Butt thinks they do, but it is unknown who will be on the Board in two months. Chairman Clow said that they can move forward as a Board to discuss it further and possibly make more of a commitment tonight.

Chairman Clow asked where the Finance Committee stands with the Highway contract. It was discussed that the Finance Committee voted (0) in favor of it and (8) against. Selectman Marcroft said that there was a long detailed discussion. Mr. Elwood explained that if it was a one year contract instead of a three year contract it might have been different. Mr. Ike Shepard said that a 4% increase doesn't seem unreasonable, but a 4% increase for three consecutive years does. Chairman Clow said that the maximum increase is 4%. The Public Works Director came in with a merit system proposal. The typical raise may be 2.5%, but they have to budget the full amount for all employees; it is a variable with a cap of 4%. Chairman Clow noted that the difference between the 4% and what is actually spent on increases will go back to the general fund to be used to reduce taxes.

It was discussed that negotiating a contract is expensive. Mr. Elwood asked what the logic was on Highway negotiations in regards to three years, each with a 4% increase. Selectman Lacasse said that they agreed to merit based increases and that 4% is the maximum one could get.

Chairman Clow said that there is language in the town's personnel policy which indicates that the town will pay up to 80% of the employee's insurance premium. As a Board they can do something with shared insurance premiums. The language is in the personnel policy and the language is the in Highway contract. Chairman Clow said that whatever is done with the town insurance will also be done to the Highway Department's as well. Vice Chairman Butt said that the employee need raises and they need to have the highway collective bargaining agreement approved.

The Finance Committee voted (3) in favor and (5) against the employee retirement accrual article. Mr. Elwood said that it was the savings account argument and why should they collect the money upfront. Mr. Elwood said that they should put the word out to the employees to notify the town. Selectman Lacasse said it is in the personnel policy to notify the town, but surprises happen. Naomi Bolton, Town Administrator, said that the issue is the unexpected retirement; there was a retirement this past year due to health reasons that was unknown. Chairman Clow said that they have paid down some of the accruals. The new personnel policy does not allow for more than six weeks on the books at any given time. There are some employees who have been with the town for a long time that are holding on to their accruals for retirement purposes. Vice Chairman Butt noted that

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if an employee has a financial hardship, they can ask for their money and the town is obligated to pay. Vice Chairman Butt said that a portion of the request is to pay down some of the accumulated time. There is \$1,627.47 in the accrual fund and as of December 15, 2011 the town's liability is \$85,352, which is less than half of what it was two years ago.

The Finance Committee voted (3) in favor and (5) against the police cruiser warrant article. Mr. Elwood said that the committee discussed that there is enough in the account to fund one vehicle. There is \$46,000 in the account. Chairman Clow said that the Board was looking to purchase one cruiser and finance half of the other. Mr. Elwood asked why they don't just let the detail money coming in through the year accrue and buy it directly instead of by taxation. Chairman Clow said that there are fewer details available now because the big projects have been done. He doubts that in one year there will be enough of a difference going into the fund to fund the cruiser directly. CIP was recommending one cruiser for \$24,000, but acknowledging the need for two new cruisers next year. Mr. Elwood said that the committee's logic is to buy one and postpone the second until next year.

Selectman Lacasse asked what motivated the Finance Committee to say yes to the fire truck this year. Mr. Elwood said that last year the information they were asking for was not readably available. He explained that both the Highway Department and the Fire Chief sat in on their meetings, shared their information, answered questions, and more information was given to them which made things clear. Mr. Shepard said that last year there was not as much information out there and there was a suggestion of looking at a used one and that was addressed by the Fire Chief this year.

Chairman Clow moved, Selectman Lacasse seconded to enter into non public session @ 8:03 p.m. pursuant to the authority granted in RSA 91-A:3II (a&c). A roll call vote was taken, Vice Chairman Butt – yes; Selectman Marcroft – yes; Selectman Lacasse – yes; Chairman Clow – yes. Passed 4-0-0

Chairman Clow moved, Selectman Lacasse seconded to come out of non public session @ 8:45 p.m. A roll call vote was taken, Vice Chairman Butt – yes; Selectman Marcroft – yes; Selectman Lacasse – yes; Chairman Clow – yes. Passed 4-0-0

Chairman Clow moved, Selectman Lacasse seconded to seal and restrict the minutes of the non public. Passed 4-0-0

SIGNING OF THE 2012 WARRANT AND THE MS FORM – The members of the Board signed the 2012 Warrant and the MS Form.

MANIFESTS

Chairman Clow moved, Selectman Lacasse seconded, to authorize the Board of Selectmen to sign Manifest and order the Treasurer to sign checks dated January 26, 2012. Passed 3-1-0; Selectman Lacasse was opposed.

Accounts payable	\$584,332.76	(\$500,000 John Stark)
Gross Payrolls	<u>\$44,471.98</u>	(includes taxes, credit union, police detail)
Total	\$628,804.74	

Also, to order the Treasurer to sign payroll checks dated February 2, 2012, that will include payment for Weekly, Fire Monthly, and EMT/Fire Wages, and matching taxes. Actual amounts paid and reports backing up the numbers will be disclosed at the next regularly scheduled board meeting.

MEETING MINUTES

Chairman Clow moved, Selectman Lacasse seconded to approve the minutes of January 9, 2012 as amended. Passed 4-0-0

Chairman Clow moved, Selectman Lacasse seconded to approve the minutes of January 16, 2012 as amended. Passed 4-0-0

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CORRESPONDENCE – Naomi Bolton, Town Administrator, told the Board that she received a letter from Witch City Roofing. The work on was done on December 16th and as it progressed they found underlying conditions and Tim Redmond recommended they continue working. Mr. Redmond asked if Selectman Lacasse and his committee can take it on and make recommendations.

The Board will discuss the assignment of speakers for the Deliberative Session next week.

OTHER BUSINESS

Article 19 – computer warrant article. It was discussed to add language that states if the article was to pass then the Police Department operating budget would be reduced by \$ _____. The operating budget would also need to say that if Article 19 passes then the operating budget would be reduced by \$ _____. Chairman Clow said that they would need to make motions on the floor at the Deliberative Session to change the warrant article. The cost for the computer server/maintenance contract is \$8,500. Line 617 will be reduced by \$5,200 if the warrant article passes.

Article 10 – There will needs to be discussion at Deliberative Session to show that the Board is open to looking at cost sharing. Vice Chairman Butt thinks that they need numbers and need to make a commitment to implement if the numbers look comparable. The Board asked that the Finance Administrator put together the impact of 5% cost sharing.

Selectman Lacasse mentioned having Chief Begin in to comment on his budget. Chairman Clow said that to take one department and telling them they will be on a default is not right. Selectman Lacasse said that the chief needs to know his department is being scrutinized.

Chairman Clow said that there is a difference of \$58,610 between the proposed and default Police Department budget. Vice Chairman Butt thinks that the proposed budget is what the departments think they need. Chairman Clow said it seems like there are real needs in the Police Department and the overtime budget reflects the need. The department did cut over \$40,000 from the overtime line last year. Selectman Marcroft thinks that the Finance Committee is willing to reduce services to reduce the budget. Vice Chairman Butt said that the argument could be made that the voters passed 24 hour coverage. Naomi Bolton, Town Administrator, noted that there is an increase of \$30,000 in retirement, dispatch costs have increased, a \$20,000 increase for healthcare due to change in status, and there are contractual obligations in the default. The Board will meet with the chief next week to discuss the Finance Committee's recommendations.

Chairman Clow moved, Selectman Lacasse seconded to adjourn at 9:30 p.m. Passed 4-0-0

ADJOURNMENT

A True Record.

Cherry Palmisano, Recording Secretary