



**Selectmen's Meeting
Town Office
Wednesday, January 4, 2012**

Present: Jed Brummer (Chair), Patricia Lang Barry, Samuel Seppala, Carlotta Lilback Pini

APPROVED Minutes

CALL TO ORDER / PLEDGE OF ALLEGIANCE

Approval of Minutes: December 21, 2011 – Selectman Sam Seppala motioned to accept the December 21, 2011 Selectmen's Meeting minutes, Jed seconded, and all were in favor.

Public Hearing regarding Argent Communications' Operation without a License – Argent Communications has been providing cable service in the Town of Rindge without a license for nearly two years ever since Pine Tree ceased operation (Argent took over its assets but there was no transfer of the franchise), and the Town asked Kate Miller, an attorney specializing in telecommunications law, to help Rindge determine whether to enter into a franchise agreement with them. A franchise agreement is required by both federal and state laws in order for Argent to operate. Moreover, without a franchise agreement, they have no permission to operate in the public rights of way, as they currently are. Attorney Miller spoke with Argent's counsel, Attorney Sullivan, and requested the information that Argent would have provided had Pine Tree transferred its operation to them. Select Chair Jed Brummer noted that Jaffrey receives \$24,000 in franchise fees from its cable company, and some amount from Argent would be appreciated.

Attorney Sullivan said that Andy Bauer from Argent had approached him in the late summer/early fall about preparing a franchise application. As a result of FairPoint's bankruptcy, Argent took a hit on the pole licensing fees and is trying to come up with alternatives to a \$500,000 surety bond that PSNH is requiring them to pay. Mr. Bauer said they want to work with PSNH and are paying PSNH for the poles they're on but don't want to put a package for a franchise application without knowing whether they can provide service to all Town areas. If PSNH will not work with Argent, they'll contact the Public Utilities Commission and ask them to waive the half million surety bond requirement because there's no way that a small cable company can meet it. Selectman Sam Seppala asked: So, PSNH's requirement for the surety bond arises from money it lost from what? Attorney Sullivan: It's a general requirement, not specifically about what Pine Tree owed; it's more the fallout from FairPoint's bankruptcy. Jed: We do appreciate the service Argent provides in Rindge. The issue with PSNH is separate. As far as Rindge is concerned, you're operating in our right of way and how are you going to address that? Can we approach an agreement to take care of the public right of way which we're required to address by statute? Attorney Sullivan said he would prepare testimony, query Argent on certain issues, and provide all the information. Attorney Miller said that the Town was concerned that Argent may be ordered off the poles because there was no agreement with the pole owners, and it may be helpful for Argent to advise PSNH that things need to be done because the Town needs this to move forward.

Jed: How many customers does Argent have? Where is its coverage in the Town? How effective is it? We need a franchise map. Attorney Sullivan: I would like two months to put together a package. Attorney Miller: That seems like a long time. We've worked with PS&H before and if you think it would be helpful for us to talk with them, let us know. Attorney Sullivan: I'll take that on myself. Attorney Miller: Perhaps you can give us a progress report in 30 days, with the application in 60 days.

Craig Clark of the Telecommunications Committee: I think we see progress here, but in the long term I'd like to see the growth potential and improved infrastructure that Argent's engineer Susan talked about. Mr. Bauer: We are legally on the PSNH poles and are paying them, but we're hung up on the key point of the bond. There are myriad reasons it shouldn't apply. Craig: We asked for financials nine months into the process, but it's been two years. Mr. Bauer: We supplied two financial documents to the Town. Jed: We'll try to help as we can, but as a town government, we need to conclude this. Roberta Oeser: Pine Tree promised service to areas that never materialized. I think the franchise agreement should be structured to guarantee what services will be provided where. Jed: At least we've had a lot fewer complaints about Argent than we had about Pine Tree. Craig: The infrastructure we have today is what Chesterfield had 20 years ago. We have DSL service from FairPoint that doesn't cover the whole town, we have wireless that doesn't cover the whole town, and we have

cable that doesn't cover the whole town. In today's day and age, people need these services. One resident said she couldn't sell her house because there was no access to the services buyers wanted, and East Rindge has the fewest services. Tom Coneys: I have not been able to rent my house in East Rindge because I've been told that I need high speed internet. There's no DSL and no cable available. Mr. Andrew: We're rolling out new services and offering a bundle right now. Attorney Miller to Attorney Sullivan: The Town's serious about getting this resolved, and we'll probably hold your feet to the fire regarding the deadlines.

GENERAL BUSINESS

Energy Committee: Pat Martin presented an overview.

Fire Station Lighting -- Bob Cleland, Chair of Energy Commission, and Richard Mellor were present. Pat Martin: The Town received a \$22,323 grant for street lights which cost \$16,927, and that left us with \$5,396. TRC, which manages this money, asked whether we had any indoor lighting projects to use the money on, and as long as we stayed with PSNH, we wouldn't have to bid again. The total project cost for the Library is \$4,758 and for the Fire Station it's \$4,606 for a total of \$9,364, so that exceeds what's left from the grant by \$4,000. However, in a year's time, the Library will save \$1,705 and the Fire Department will save \$790 (totaling more than \$2,400 saved per year in energy costs). Either project is eligible for the PSNH Smart Start Program which deducts the cost of making those improvements from what was saved. So, if the Board agrees, would apply the \$5,000 remaining grant money and the overage would be financed through PSNH. Also, the Fire Station's wiring is not up to code, and originally rewiring the fire station was included in the proposal, but PSNH would not approve it. Their separate quote for the work was \$1,200 cash up front, and rewiring would save about \$800 per year so the project would pay for itself in less than two years. The Selectmen would need to approve \$1,200 out of the safety impact fees. Jed: It's frustrating that we are spending money on old facilities to keep them up to code.

MOTION: Selectman Pat Barry motioned to accept the expenditure of \$1,200 from the Public Safety Building's impact fee and to enter into an agreement with PSNH to finance the Library's project. Selectman Sam Seppala seconded, and all were in favor.

Bob Cleland: In light of all the negative press we hear, there's something people should know. Through the foresight of the Select Board, Town Administrator Carlotta Pini, and Energy Commission Member Pat Martin, we have changed our streetlights, provided our Police Station with a new roof and weatherization, completed a professional energy audit for all the Town buildings and upgraded the lighting in those buildings, and have implemented energy upgrades for the Library and Fire Station.

Results of Bid for Weatherization of the Police Station – The bids we received ranged from \$13,500 to over \$24,000, but the grant was for \$5,000, so Pat Martin contacted TRC which said they might be able to find another \$8,000 for the Town. While we still would pay the initial \$500, TRC would pay \$13,500 to cover the lowest proposal. The original idea was to blow in insulation on top of the ceiling tiles, but neither bidder felt comfortable with that – the ceiling might collapse, even though some sagging ceiling tiles have been screwed to the beams. So, foam board will be installed first as a sort of floor and insulation will be blown in over that. Building Efficiencies in Milford won the bid, and people were happy with their references. If permission is granted to move ahead, the work would be done between Feb. 13th and 15th, and people will need to leave the building for a bit while there are fumes. We'll also need to clear out the items in storage, and we must finalize the paperwork by the March deadline. Jed: I'd like to thank citizens like Pat Martin and the Committee members who are securing these grants and having work done at no cost to the Town.

MOTION: Selectman Pat Barry motioned to accept the \$8,000 grant, award the weatherization bid to Building Efficiencies, and pay \$500 out of the public building impact fee. Selectman Sam Seppala seconded, and all were in favor.

Proposed 2012 Budget:

Budget Advisory Committee (BAC) Recommendations – The Department Heads' budget requests came in higher than in 2011, and the BAC is recommending reductions. Town Administrator Carlotta Pini said that she removed a \$4,000 line item enabling an update of the pay plan. Meanwhile the Board has been talking about another study similar to the one conducted in the Town Office a few years ago when MRI was brought in to look at the internal controls. There are Police Officers who intend to leave us and we need to know whether the structure we have in place with the Detective and Sergeant are appropriate; maybe we need a Lieutenant or Corporal. The cost for this study would be \$2,500. Jed: Our Police comprise one of the Town's largest departments, and the Selectmen are concerned that some officers have left, more may leave, and there's been talk of restructuring the command. Our Chief is looking at taking a position with another town, and we wonder does anyone here know how to run a Police Department? We don't. It's a big part of the Town's budget and it makes sense

for an outside agency to look at Rindge's needs for the Police Department now and in the future. We got this service to come in fairly inexpensively, so it's both beneficial and cost-effective for the Town. Chief Sielicki asked for the consultant's scope of work. Dan Aho: I think we have good people in Rindge who could do the study. Jed: But what experience do they have in police standards and procedures? Carlotta: I think what Jed is saying is this is a specialized area, so we sought out a consultant who does have this expertise who is quite reasonable. We'll get a lot of good information out of the internal controls review to make ourselves more effective and efficient. Roberta Oeser: I think you'll find that the recommendations are to spend more money – we are understaffed. Selectman Pat Barry: The Chief advocates well for his department, but the Police Dept. is very different from other fields. And when you have an outside entity looking at how things are done, it takes away the emotions, baggage, and bias of us all who live in this town. We can't ask the taxpayers to fund a department without explaining how that department is funded. We have to know what we need in Rindge. The \$2,500 will be well spent and will allow us to say either that we have exactly a correctly sized Police Department or we do not. Either way, we'll have an expert opinion we can use to prepare the budget. Sam: I am in favor of it. I've never been involved with the Police Department, but I keep hearing that employees are grossly underpaid and that Rindge pays 70% of other towns, so what do you believe? In this case, I think the \$2,500 will be well spent in getting to the bottom of it. Chief Sielicki: The problem I have is that each year we justify every department. And in 2002 we followed MRI's recommendations but didn't maintain those standards. It seems unfair to look at one Department. I think it should be done as a whole. The Board has interviewed the Officers who left, and they told you their reasons for leaving. Pat: I don't disagree with what you're saying, but when you're looking at your own house, you'll never see what a stranger sees, we're too familiar with what we think we see or know. Even the small audit we did on the administrative offices a few years ago was enlightening. The study will provide reasons for what does or doesn't need to be funded.

Kim: I'm listening to the exchange. I think there is a value in taking a look at the Police Department. However, the study's scope of services is important in looking at what the output is going to be. And there's a possibility that when the project's completed you won't have the information you need, and then there will be a decision to follow through or not. Jed: To make the right decisions, it's good to have outside input in order to best serve the public, and we'll be letting the public know the results of it. Dick Coll: I kind of agree with the Chief that you shouldn't single out that Department. I think you should go through every Department and give us a good understanding about what is wrong. Jed: We would like to do that, but it's a matter of money; we're evaluating our largest Department first. Pat: The financial exercise of evaluating each Department happens every year. But to get an authority that has that expertise in each of our Departments... I don't know any company that has that kind of background that we could afford.

Jed: We have a Town-Gown Committee that meets regularly, comprised of representatives from the Town and Franklin Pierce University, and over the past several years the University and the Town have developed a strong relationship and have discussed how to work things out together. Pat: We've seen a great move on the University's part since the new President arrived to do what they can to meet us more than halfway. And I think there's a newfound appreciation for how they and we form this community together. The Town has found FPU very open to suggestions and has been proactive about bringing about needed change.

MOTION: Selectman Sam Seppala motioned to approve entering into an agreement with Central Intelligence to conduct a study of the Police Department. Selectman Pat Barry seconded, and all were in favor.

Tom Coneys of the BAC: We would like to see a budget from the Selectmen to review. Town Administrator Carlotta Lilback Pini: It would be helpful if the BAC presented recommendations on the budget to the Selectmen tonight so they can finalize the budget proposal to present to the townspeople next Wednesday night.

Roberta Oeser: A few departments never came to a BAC meeting, including the Town Office. Carlotta: I was never invited to a BAC meeting to present my budget.

Tom Coneys: The BAC doesn't have any line item control. The Select Board has a bottom line budget and you can do whatever you want so long as you hit the target. So for us to dissect department budgets individually seems pointless because you can move things around without any input. We understand where the Department Heads are coming from, and you need to give us what your final numbers will be. Every time I've been coming here, I've been getting new numbers, so I think it's unfair to have to hammer this out tonight because we just got the numbers tonight. Why should we dissect the line items? We're going to either say you did a good job with the budget or not. We gave you a target two months ago, and at the last meeting we gave you suggestions to save money, and did you make any of these changes? Jed: Did you vet anything with the Department Heads? Did you ask for any input from them? Fire Chief Rick Donovan: I haven't been asked by the BAC to talk with them for two years. Tom Coneys: We got Chief Donovan's line item information from his budget presentation to the Select Board. Do you want line item stuff so you can hang us? Pat: It's not about hanging. We want advice so we can go to the Department Heads and say, "We would like \$5,000 to come out, and here's why." Why do we run the details of the town if all you want to do is give us a bottom line? Jed: In order to accomplish what we're trying to achieve to make the necessary cuts, we need to consider your recommendations.

Public Works Director Mike Cloutier: I thought my meeting with the BAC went fairly well, and some of my numbers have changed as a result of the BAC's recommendations. I sat with the BAC and thought we were on the same

page. They don't know that the budget I presented today incorporates the changes I made based on their recommendations. I worked with Carlotta today on them.

Carlotta: Let's go back to the Executive Budget. Regarding town officer salaries: The BAC is recommending a decrease of \$1,410 and I'm suggesting that's not appropriate because the Selectmen each receive a stipend.

Town Clerk: Regarding the conservation of records, the BAC suggested taking that \$1,000 out. This isn't the time to archive, so that's fine. BAC proposes reducing the operating budget of the Town Office by \$8,540. This can't come out of auditing because our auditor says there's no way to discount our audit.

Dues and subscriptions: That's where the Southwest Planning Commission dues were. If the Board feels we ought to take that out, we could do that and it would reduce the budget by \$6,720. Reduce postage by \$540? There is one more outstanding 2011 bill coming for postage.

Town Office wages and benefits: The BAC asked to cut almost \$8,000 out of our wages and benefits. I think we need more hours in the Bookkeeping Office, not less. The bank accounts need to be reconciled monthly and reports need to be generated. Roberta Oeser: Having a part-time file clerk may not be necessary.

Tax Collector: The BAC recommends cutting \$450 from the operating side. Carol needs this valuable education and training and if we do cut meetings and mileage, she probably won't be able to attend. I did ask her to make some calls, and she said they're meeting next week on that.

Technology: The Building Department has been notified that the software they've been using to track permits is no longer supported since the company's out of business. That means if the software crashes, there's no one to bring it back to life. We've been looking for solutions, and one package seems attractive but will add \$7,000 to our annual cost – and that's in line with the software we use for Assessing and Accounting. The package we have was purchased outright. So in regards to our technology budget, I did meet with Tom Strickland regarding the computer replacements for next year, and by next week I hope to have a better handle on that. So, I'm reluctant to cut anything from the technology budget and suggest that we might need to increase that.

Legal: This is an area that can go both ways. We ended the year at \$24,000. I would suggest level funding it. The BAC wants to cut \$6,000. Pat Barry: I would like to cut \$4,000 and keep it at \$20,000. The BAC and Selectmen agreed.

Planning: The BAC recommended cutting \$11,900 out of staff wages. Dan Aho: They're talking about hiring a full-time Planning Director at up to \$65,900 which leaves \$54,000 for the full-time staff wages, and that might include some part-time. And there will be some savings if they start mid-year.

Insurance: The BAC recommends cutting \$6,272. Carlotta: I'm okay with that. We implemented the health reimbursement account and put money aside in a pool and raised the employees' deductibles. Coming into this year, we still have \$1,100 in the pool because we have a relatively young, healthy workforce. If every employee tapped into the health pool, our maximum exposure would be \$78,000.

Town History: The BAC recommended cuts of \$1,000 and others agreed.

Police: The BAC made a number of recommendations for the Police budget, and some were doable. Tuition reimbursement and the cost of physicals can be reduced. There was no consensus to reduce the Prosecutor program and telephone expenses. It was agreed to reduce Police Communications by \$4,440, leaving enough money to replace two radios the Police Department was borrowing from the Fire Department and returned. Gas prices went up so it's unlikely they can reduce by the recommended \$2,000. The BAC recommended cutting maintenance costs by \$3,000 since we have two new cruisers. But we still have the charger which has 80,000 miles on it, the Ford Explorer is old, plus there's another cruiser with over 100,000 miles on it. Police Chief Mike Sielicki: We've spent \$16,000 this year in maintenance so the \$8,000 won't make it. Last year's maintenance was \$15,017. About reducing uniforms –we'll scale back \$1,300 but not \$2,000. The BAC proposed cutting training \$2,000 but we'll cut \$2,500 because the Chief said the Prosecutor's request is up a substantial amount, though using a shared Prosecutor is still cost-effective for the Town since a dedicated Prosecutor could cost \$100,000.

Martha, our Prosecutor, serves seven towns (Temple/Greenville, Harrisville, Rindge, Nelson, Mason, Troy, and Fitzwilliam) and has asked for raises from six of them. Harrisville pays her \$218/month, Nelson paid \$218 a month and raised that to \$318/month, and she's asked Mason to pay \$120 more a month. Rindge pays her \$4,416.67 per month. If her requested raise from Rindge for \$500 more per month (raising her monthly payment to \$4,917.00) or \$6,000 more per year (to \$59,004.00) is granted, Martha said she won't ask for another one for two years. The Chief said that Rindge has added a day of court to Martha's workload and more administrative work. Martha said: "The cost of everything has gone up. I pay for all my expenses and retirement. You pay me well but it doesn't give me enough to set aside. My assistant hasn't gotten a raise in the entire time she's worked for me. I also pay postage and phone which has increased. When asked how many cases Martha handles in Rindge, she said she didn't know. Selectman Pat Barry: I have to ask this question, and no disrespect intended, but if the Town cannot find its way to this increase does this mean that you drop the Town? I don't mean to put you on the spot, but I think it's a question that a lot of people in the room are thinking. Martha: I would appreciate a raise and need it right now. If I drop the Town of Rindge I would not need an Administrative Assistant. It would cut my salary significantly enough that I would eliminate my Administrative Assistant. Would I want to do that? I would have to give it thought. If my salary had to stay the same, would I consider looking? Yes, possibly.

Police cruiser maintenance: John Kauer asked whether maintenance of the cruisers is paid out of the detail fund. Carlotta: That fund pays the Officers on details and it can be used to pay for cruiser expenses on those details. But a cruiser might spend just a fifth of its year on detail, so we can't allocate all its maintenance expenses to the detail fund. Chief: The detail fund is to offset the cost of details. Roberta Oeser: What happens to the money that goes into the detail fund? Chief: It hopefully will allow the purchase of other vehicles.

Tom Coneys: There was a suggestion to replace full-time Officers with part-timers. Chief Sielicki: I would say no. To reduce any manpower would create safety issues for the Officers on the streets. Part-timers have lives and jobs. Sergeant Frank Morrill constantly deals with the schedule issue of getting part timers to work. It would set us back years. Pat: Tom is suggesting that two or three part-timers would cover one full-timer. Chief: Part-time is limited to 1,300 hours a year which include training, department meetings, academy training, and court time. What we find with part-timers is they don't mind working days and a few weekends, but they don't want to work midnights or weekends because they have jobs and families. So it creates a huge burden on the full-timers. Jed: All it would take is one Officer not backed up with a second for a domestic call, and if he gets hurt, it would come back to the Town. Martha: There's a difference between a substitute teacher and a regular teacher. Full-timers know their job, but the part-timers just do it to get extra money. If you bring in two or three part-timers, I'll be doing more work on each case. Frank: A Rindge Officer works 180 hours a week alone. Now we have to work another 40 hours to fill in for Joe who left. So we have to move people around, pay overtime, and use part-timers because now we'll be working 220 hours alone. Moreover, the Officer who responds first to a call is in charge of it going forward. With no disrespect to part-timers, if they land a call that requires investigation and interviews and they're not going to be here again for two weeks, it falls on the full-timers to pick that up and follow up without firsthand knowledge of the initial call. Part-timers are good as additional help but they're not good to replace full-timers. The net agreed reduction to the Police Department was a cut of \$6,840 over the initial department request.

Dale Smith re: Fire Dept. Budget -- The BAC recommendation went to the Board without being discussed with the Fire Chief or any member of the Fire Department. We have two issues: Their proposed 10% reductions in volunteer fire wages and training wages. I think those recommendations are deplorable and irresponsible. And I think they were made without awareness of what the consequences would be. In the U.S., 110 firefighters die annually, with heart and lung diseases being the first cause. The third cause of death is lack of training. If you cut the firefighters' 21 annual hours, we won't meet the minimum required hours of training, and we can no longer send people to put out fires. We need to understand what the BAC was trying to recommend--whether they want the volunteer call members to take a wage reduction or reduced training? We have 40 members: 3 full-time members, 32 call members and 8 FPU volunteers along with 5 certified EMTs and 13 certified firefighters. We have four duty groups required to work or cover the Department one night a week and one weekend a month. We're asking them to spend 140 hours a month and are paying them an average of \$11/hour. Some members of the Fire Department responded to calls on Christmas Day.

A reduction to the Fire Department will require the Town to repay any Fire Grants that we've received and will disqualify Rindge from further federal grants. As of March, 2011, our ISO rating was 6. Now it's 9 and is projected to go to 10+ at the end of this month. The reason for those increases is the failure of the community to purchase a new command vehicle. Each one-point increase in the ISO rating averages an 8% increase in residents' homeowners insurance. An increase of four points would mean a 32% increase in homeowners insurance, about \$300/year more. Roberta Oeser said she just had a \$1,000 increase. It costs approximately \$132/year on a \$200,000 home to run this Fire Department, and it's going to go up. And nationwide it will go up 4%. We requested that the Board reject any requests to cut the Fire Department. Selectman Seppala: You said we'd have to return grant money? Dale: The Town needs to maintain for two years at least the same budget for the Fire Department that it had when the grant was issued. Dale read the requirement. And it would affect the rest of the community. The grants help sustain our training and infrastructure, and if we don't do that, our rates go up. Fire Chief Rick Donovan has gotten \$380,000 in grants in the past few years. No disrespect to the BAC, but they didn't ask what a 10% reduction would do, not only to the fire fighters but to the community. Jed: Based on what you've said tonight, I wouldn't support any cuts because I don't think it's in the best interest of the taxpayers. Pat: I wondered how fires were put out in Rindge without fire hydrants when I moved here at 12 years old. What you do with the limited resource you have is outstanding, and you cannot put a price on what you do. Chief Sielicki: Grants help move communities forward. Unfortunately, in this Town we often use the grants and then move backward, and that's not the intent of grants. I just reduced my training, but I had to because of the Prosecutor's rate going up, and I don't know the results of that. Chief Donovan: After the Tower attacks, the federal government looked at making our emergency and fire departments stronger. There are grant funds for training as well. Can we count on you for rejecting the BAC's recommendation to cut the Fire Department's budget? Sam: There's no choice in the matter because of the grant's stipulations. Martha: Every department in a small town is important, but the Fire Department generates revenue through me. I collect restitution on cases including incidents of vomiting students at 2:00am. The Fire Department is generating money for the Town. Carlotta: And I'd like to put things into perspective. The Fire Department's budget request is \$379,000, not even \$2,000 over what they spent last year. Their variable is the number of calls they'll need to make. The Fire Chief has done an excellent job working with Franklin Pierce University and others to reduce the number of calls. They've included fire prevention and education. So I think we get a big bang for the buck from all our firefighters who are willing to be there when we need them.

Dale: To the BAC, I don't think there's a member of the Department that's not willing to sit down and talk with you about generating more revenue. We issue burn permits for free, for example, and could charge for those. Tom Coneyes: Please explain the grant issue. Dale: The \$40,000 grant was for exercise equipment and health programs: \$25,000 was for equipment and \$15,100 for fitness programs. Tom: This Board asked me for line item recommendations. The Board has not voted on these or looked at them individually. I went through the Departments and suggested areas of savings. In my recommendations, I said review (not cut) part-time wages. Is there 10% to cut? I can't tell you. But is there a small piece that can be managed better to cut something? I'm looking at ways to save the taxpayers' money through organizational changes. The public health officer representing \$3,200 in wages, could that be combined with another job? The BAC didn't vote on this but we had to look outside of the box because it's the fixed costs of operating this Town that's hurting the taxpayers. Dale: A cut to the Fire Department budget will cost us. Jed: To put things in perspective, the biggest part of the taxpayers' cost is not running the Town offices—it's the County and the Schools.

Carlotta: Tom distributed his own sheet of recommended cuts at the last Selectmen's Meeting – the Police Chief gave it to the Department Heads the next day and they got all worked up. The BAC needs to understand that they are a Town committee and the individuals on the BAC need to be extremely careful. As you heard tonight, these folks thought that the BAC was recommending these cuts that were Tom's individual recommendations. That's why we asked the BAC to convene, meet with the Department Heads, and develop line item recommendations to the Select Board that would then be voted on and recorded in minutes. Selectman Pat Barry: Part of the problem is the semantics: You used "we" in your explanation—"We" handed this in and "we" discussed it when it wasn't the Committee's consensus. We don't want individual recommendations: we want the BAC's recommendations, line item by line item. We never asked you, Tom, for your individual recommendations. So, is this or is this not a BAC recommendation? Tom: No, it is not. Chief Sielicki: I asked Tom for the sheet of his recommended budget cuts out in the parking lot after the last Selectmen's Meeting, and handed it to Mike Cloutier saying we had to know whether it was a BAC recommendation. Pat: There should not be any individuality to it. Recommendations should be from the Committee—their final report, and that is the only thing that we want. The BAC, a quorum of you – should say, "This is our recommendation to you; this is what the budget should look like." Dan Aho: As far as the cuts to Police and Fire, there was no way we could discuss them. We heard the whole story, but we didn't get your budget until recently. But when we come in, you act like we're trying to crucify you. Pat: Dan, the budget is a moving target because we don't freeze our budgets like the schools do, and we really do need to look at how we structure it. So, yes, the BAC has a very great challenge because we know you're giving your best shot at seeing what the budget is, and it's a thankless job. But what we're saying is that if anything gets in print that hasn't been voted on by the whole group, in a small town where rumors spread like wildfire, that causes confusion. We just want to make sure that all recommendations go through one channel and are voted on by a majority of BAC members who say, "These are our recommendations."

Public Works Director Mike Cloutier: I've been trying extremely hard to achieve the BAC's numbers so that the Select Board and BAC accept them, and have found some areas where I can cut. Fire Chief Donovan: And I am continuously running my budget every month, watching it like a hawk, and if it's going over, I'm on it. When vehicle maintenance goes over, sometimes I have to take money from this line and put it in the other line to keep the budget, so yes line items in a budget move but the bottom line doesn't. Last year, I asked the BAC twice to meet with them, but they never responded. Didn't you meet with Mike Cloutier and Mike Sielicki? But I was not asked to meet with you. Yes, we have to continuously move money around—case in point, I just lost brakes two weeks ago, so do we park the vehicle and not do rescue? I have to move money around. Dan: But when we're reviewing a budget, we're looking at an item that isn't spent. Truthfully, if we don't get the budget set before the default budget, the voters will vote it down and we'll all go down in flames. Dan said the BAC's mission is to cut the budget, and I disagree. I think their mission is to advise the Selectmen on the budget this town needs. What is the budget we need to run the Town well? Roberta: But the voters will vote it down. Pat: But the mission of the BAC is to suggest a healthy budget.

Kim McCummings: This year, Planning was invited to meet with the BAC, and we did have someone ask us questions. I'm concerned why weren't these other conversations taking place before tonight? Dan: We were here when Rick discussed his budget at an earlier Selectmen's meeting, but we don't get his budget till near the end. Kim: So is there any person on the Board designated to communicate with the Department Heads so that when you have questions there is someone responsible to communicate them, or do you just see the numbers and figure there's some way to cut them? Why wasn't there a conversation before tonight about those decisions? Tom: I think we just ran out of time. We tried to schedule meetings with these people, but there wasn't enough time.

Fire Department: Of the BAC's recommended cuts to the Department's tuition, phone, dues, medical supplies, clothing, training, and forest fire wages, Chief Donovan agreed to reduce building maintenance by over \$4,000.

Emergency Management: Chief Donovan said the Red Cross contribution request was new this year, not something we did before. This is not the year to add new items to the budget, so we'll unfortunately have to pass on that.

Highway Dept.: The BAC recommended reducing \$1,000 for telephone costs and ice and snow control, and \$500 for streetlights. Director Mike Cloutier agreed to those cuts and said we've changed all our streetlights to energy efficient ones.

Solid Waste: Carlotta: Although there is not a cut detailed on this sheet, you'll see that the BAC is recommending \$90,000 on the operating side; we had originally put in \$80,000+ but after evaluating the trucking options we changed it to \$82,523. On the wage and benefits side, the BAC recommends a \$64,000 budget though we had \$87,100, and I think Mike

was unclear, as was I, on how to arrive at that. We had a conversation at last meeting for us to continue trucking our recyclables to Keene to keep our truck, allowing the personnel to concentrate their efforts more on the Highway Department, as they did before we had to truck our materials far away, but this isn't in line with that. Dan: We know some of that labor would be removed. Mike: I would recommend putting that labor right back in Highway. What I tried to change was reducing the truck's diesel and maintenance costs now that we're not trucking up to Bethlehem. I would take our driver's salary out of the Transfer Station and put him back in Highway. Pat: So there's no reduction of wages, just a transfer from one Department to another. Roberta: Probably 20% of his wages and benefits would still be attributable to Solid Waste, but it's hard to split that out. Dan: The savings comes in in not using the truck so much, even though the cost doesn't go down on paper because the labor is the same. But it's a much better value. Dan: Because it will free up some of his time four days a week, can we eliminate the Parks and Playgrounds charges for mowing and have him do it through your Department? Mike: Mowing all the Town properties usually takes two people. He's my equipment operator and truck driver. We're the only Town that mows, trucks, and takes leaves, etc. Go to the school and cut their budget. Teachers get raises, but Highway Department employees don't. Tom Coneys: The Transfer Station is only open 32 hours, so could Ed be part-time? Mike: The Transfer Station is open 32 hours but Ed also works Wednesdays dumping waste oil and other things like that.

Mike: We pay an amount to Keene for hazardous waste disposal, and they're increasing the fee from \$5,200 to \$6,300 a year. I think it's a great program, but if someone wants to decide whether to fund it, that's fine. Roberta: Perhaps the users could pay a fee? If we do not fund this and save \$6,300, people will have the opportunity to go to Keene but will have to pay. Mike: We save our waste oil and burn it. John: Is this what pays for the bulbs, batteries? Mike: Punch cards don't pay for incandescent bulbs. Ed takes batteries, etc.

Welfare - Rent assistance: The BAC recommends a \$6,000+ cut. By year end, we spent \$67,000, as we did last year, and Welfare Director Mary Drew is looking at \$84,000 next year. Pat: I agree that there's room to cut there. My initial recommendation is for a \$10,000 cut. Jed: Mary Drew has done a remarkable job in cutting our costs. I think we can reduce it some, but be cautious considering the price of fuel and rents going up. There are people that got rent assistance last year that this year won't qualify. Pat recommended reducing the Rent Assistance budget by \$10,000 to \$74,250.

Health: Officer Tom Horne inspects septic systems but he's not certified to inspect them. So it was suggested raising the budget by \$800 for that certification/training cost.

Recreation: The BAC proposed cutting \$500 from the telephone costs. We switched our service from OneCommunications (now Earthlink) to FairPoint and it's taken a couple of months for the bills to settle out. Chief Sielicki: we've been trying to consolidate all interdepartmental costs, and maybe it would be easier to consolidate the phone bills. Carlotta: It's an option; we can look into it.

Library: No representatives were at this meeting. Roberta: The Library used its trust fund to increase personnel and now it's in default. Two years ago, they used their trust fund money to hire more help, but now that money has appeared in the actual budget. Carlotta: A few years ago, we tried to cut the Library's budget and we know how that went. Let's look at the \$1,000 recommended cut. Can we cut the TANS interest by \$2,000? We could, but if we end up borrowing, it will be more than \$4,000. TANS is Tax Anticipation Notes, when the Town runs out of cash and has to borrow to pay its bills until people pay their taxes. We haven't had to use TANS these past few years because the School has let us slide a bit on sending them the \$855,000 payment they require each month. Roberta: The School has a surplus to draw from; the Town doesn't. Pat: The first year I was on the Board, we paid \$19,000 in TANS.

Town Buildings Heat and Electric: We agreed to take \$2,160 out of the electricity budget but were reluctant to take anything out of heat because of the increased cost of oil. However, we identified reductions we could make in contracts for a \$4,576 total reduction, which was more of a reduction than the BAC suggested after leaving the heat alone.

Carlotta: The cuts we've talked about tonight that I've said the Dept. Heads have agreed or conceded to have brought the budget down from \$3,657,00 to \$3,580,000, so we're down \$87,000 (including Welfare's \$10,000 reduction and more cuts in Legal) so we're close to a level budget. But what we haven't addressed is the employee pay which has been discussed over the course of the past few meetings. We have the recommendation from the Personnel Committee regarding creating the pool. But there are still recommendations the Personnel Committee had made last March regarding the one-time adjustments, so I think that there is still some work to do here. Tom: Is the cruiser in that spent number? Yes, but there are still a few adjustments for Highway. Tom: So you have underspent last year's default budget by \$127,000. Pat: We are within \$28,000 of the BAC's recommendations. If we take the \$10,000 from Welfare, \$1,000 from Library, \$4,000 from Legal and \$4,000 from Solid Waste, we get \$3,561,774. Carlotta: I hear where you're coming from but looked at the over/under to see - we were \$16,800 under budget in the Planning Department. Town Buildings was \$22,000 under. We're taking great steps with the efficient lighting, etc. and are \$32,000 under on Highway. We have some outstanding bills but have had a very mild winter thus far. Welfare was \$10,000 under budget. At the rate we were going, we were projected to have a budget of \$120,000 in Welfare this year. We had money from the TANS because we didn't borrow. Pat: And the money left over goes into our reserve which is frightfully low. Roberta: Why can't Conservation pay their bond money out of their interest--it's their land.

Continued Discussion of the Personnel Committee's Recommendations: Pat: The dollar amount of the wage adjustments comes to about \$31,000. Carlotta: The Personnel Committee has made two recommendations: their first recommendation back in March was to make one-time adjustments to employee wages and many have not had an increase for four years at

least. Some were implemented and some were not. The Board needs to decide whether to go forward with that action. The Board of Selectmen said that the Personnel Committee delivered to us a report, not a recommendation. They did not see it as a recommendation. They created a report based on the information they gathered at the request of the Board of Selectmen. Carlotta: The report recommended bringing employee wages up to where they need to be. The second recommendation was to create and maintain a pay plan going forward. And that was tied to the Social Security index. So the Board needs to decide whether one or the other will be implemented in the 2012 budget. My thought would be to focus on the first one now because in order to maintain something, it has to be where you wanted it to be in the first place. My recommendation would be to take up the rest of the recommendations from the Personnel Committee and to consider implementing the SS index as a planning tool for next year's budget in 2013. Jed: I don't think we can do both this year. Pat: We might not even be able to do all of the one either. Carlotta: I just did a really rough estimate on the 3.6% increase the Social Security index next year. It would mean somewhere about \$40,000 in wages plus any corresponding benefits, but I think that's a bridge that we're not ready to cross. Chief Sielicki: I don't think that using some other standard now is fair to every other employee here. Back in 2002, they gave half of the recommended increases. Now the Personnel Committee has spent hours and hours, and to go back on that I think is disheartening to every employee. Pat: I would agree, but even that report which used a 10-column set of criteria showed us comparisons based on a variety of benchmarks for each position. And I would say that the Selectmen have to decide, because it wasn't a recommendation; the Selectmen need to be careful, because even looking at the raises that have been given, the Selectmen need to decide whether all that criteria is important – are we going to look at education? Just because the number in the final column is what it is, that doesn't have to be what the Selectmen need to decide on. We might decide that some criteria are irrelevant to us. You're right -- we have to keep the same standard for everyone. Public Works Director Mike Cloutier: So what do I tell my guys – that they might have to wait yet another year to get a raise? If so, the Board should have a meeting with all the Departments to explain it. Jed met with them in October, and they have been waiting. I was asked to compare their positions with other towns, and I was told that with their years of experience, etc. they are underpaid compared to other towns. I have proof on that spreadsheet from the Personnel Committee--my guys as compared with those in surrounding towns with the same population are underpaid. The numbers are there; it is what it is. Jed: If we accommodate that, can we do the cost of living increase at the same time? Chief Sielicki: If you adopt that pay scale adjustment according to the recommendations, I don't think any employee will balk about not receiving a cost of living Social Security increase this year. Mike Cloutier: This is why my people leave. I'm all for someone leaving to better themselves, but there have been people who leave for money reasons.

Pat: Tonight we've come within \$28,000 of where the BAC would like us to be. What is the figure the BAC would like to see to address wage increases? And where are the cuts coming from? Pat: We need a number that's going to work to accommodate these increases. Carlotta: I took a look at the Personnel Committee's report, and if we implemented them for the full year, we were looking at somewhere near \$65,000. So, if we did that for three-quarters of the year, it would be less. Dan Aho: I looked at the full-time employees who got a raise already. For a year's time of their wages, and it came to \$30,600. That doesn't include benefits. And that's a full year, so for part year it would be less. Carlotta: I'm throwing one more cut out on the table. The State cut our block grant by \$25,000. I'm suggesting that we don't make it up and reduce our paying by \$25,000 and put the money that we were going to make up for their cut and use it for this. We keep absorbing these cuts that the State keep throwing at us. I think we just need to deal with the consequences of the cuts, and at this time follow through with the priority of following through with the employees. Dan: I hate to lose the momentum on paving. Jed: I think for the future, not this year, but the next year, the bond rates are still going to be low and maybe put in 20 miles of road to put in that bond, and the economy may get a little better. Pat: So my recommendation is to find a number to match up to some degree with the report from the Personnel Committee and still get as close to the BAC's recommendation as possible with that raise amount built into the budget. It will be an honest effort. Mike: I just can't cut anymore from my budget. Sam: My recommendation is \$3,564,00, same as last year, and whatever we get as savings from that number gets given to the employees. Pat: But you won't realize that number until the end of the year, so the employees won't receive anything for another year. Police and Fire take up 40% of the Town's wages, and with wages and benefits included for all employees, you're closer to \$50,000. Kim: What about considering the revenues generated by the various departments? Carlotta: We'll be able to report on revenues at the next meeting which is the budget presentation—that is really important. So could an increase in revenue be part of this challenge, too?

John Kauer: There is \$24,000 in the Overseer of the Poor account since the 1950s that no one has used. Carlotta: We have an appropriation for Welfare, drawing from the trust funds and finding offsetting revenues for these expenses. I agree, but the focus is on the expenditure number because the voters will focus on that. The voters won't see the revenue numbers.

Wellington Road Bridge Replacement: We're sending a letter to the State outlining our plan for saving money for the bridge replacement on Wellington Road. Mike: The State said we had to appropriate \$146,000. Carlotta spoke with the State about funding the project. They said if we send them a letter outlining what we would do to save 20% of the \$700,000, we could appropriate \$18,250 each year for 8 years. It takes 10 years to get on a list and you have to show that you have the funding. Pat: Can you make a warrant article for this? Carlotta: If we ask for the total amount, they'll make us raise taxes for the total amount, so we're breaking it up into smaller warrant articles. We're hoping that the State will put us on the list. There are no guarantees.

MOTION: Pat motioned to send a letter committing the Town to raising the funds towards our 20% of the portion of the Bridge at Wellington Road, Sam seconded, and all were in favor.

Jaffrey-Rindge Cooperative School District Request for \$12,000 from Impact Fees: Carlotta: A few years ago, this board voted to send the school the amount of money we raised in impact fees to the school. We collect impact fees when people build houses and the money goes to the Rec facilities, School, and Buildings. The School applies theirs to the Town's tax rate calculation.

MOTION: Sam motioned to send \$12,000 in impact fees to the Jaffrey-Rindge Cooperative School District, Pat seconded, and all were in favor

FairPoint Petition and Pole License: This license is to for permission to put pole 21/136Y on Robbins Road. The Selectmen sign these, so there's no need for a motion.

City of Keene Request for Participation in 2012-2013 Hazardous Waste Collections: Discussion tabled until next week.

Southwest Dispatch: At this point, the dispatch is \$40,000 and is not in this budget. Regarding Fire Mutual Aid, someone suggested making it a warrant article the first year. Pat: If the service is absolutely necessary, you should never leave it up to the fates. Carlotta: It would create an emergency situation. We're the second highest contributors next to Keene.

Payroll Manifest and Accounts Payable Manifest: Jed motioned to accept the payroll and accounts payable manifests, Pat seconded, and all were in favor.

TOWN ADMINISTRATOR'S REPORT AND INFORMATIONAL ITEMS / COMMUNICATION

Ongoing Business: None / 2012 Legislative Breakfast January 20, 2012

NON-PUBLIC SESSION PER RSA 91-A:3 II.(C) FOR REPUTATION

MOTION: Jed motioned to exit Public Session and enter Non-Public for Reputation, Sam seconded, and all were in favor.

MOTION: Pat motioned to go out of Non-Public for Reputation and go into Non-Public for Personnel, Jed seconded, and all were in favor.

NON-PUBLIC SESSION PER RSA 91-A:3 II.(A) FOR PERSONNEL

MOTION: Pat motioned to leave Non-Public Session for Personnel and Seal the minutes, Jed seconded, and all were in favor.

Wednesday, the 11th, is our budget hearing. Sam will be out the 11th and the 18th and Jed won't be here on the 25th.

ADJOURNMENT

The meeting was adjourned at 11:12pm.

Minutes respectfully submitted by Linda Stonehill, Administrative Assistant