



Selectmen's Meeting

Town Office

Wednesday, October 3, 2012

Present: Jed Brummer, Chair; Sam Seppala, Selectman; Roberta Oeser, Selectman; Carlotta Lilback Pini, Town Administrator; Linda Stonehill, Administrative Assistant

APPROVED MINUTES

6:00pm Call to Order / Pledge of Allegiance

CITIZEN'S FORUM

Mr. Fontaine has met with the Road Committee and Selectmen to express his continued concern about speeding on Cathedral Road. Interim Chief Frank Morrill said it's a challenge for the few officers to address all the speed complaints, but they're supplementing patrols with the radar trailer to calm traffic. Jed said we should have 12 officers for the 6,200 people in town but we only have seven. Mr. Fontaine wondered why the town keeps getting bigger but the police force keeps getting smaller. He will try to convince the NH Highway Safety Commission to reduce the speed limit on Cathedral Road (a state road) from 50 to 35. Jed thanked him for his concern.

GENERAL BUSINESS

Request for reimbursement of expired permits: Phil Stenersen asked whether the \$2,500 he paid in 2008 for four building permits that have since expired could be applied towards new building permits in light of the economy. Fire Chief Rick Donovan, who was not at the meeting but was informed of the request, said regulations don't allow this because permits lapse after a year; this request would have to be approved by the Selectmen. Rick asked that the Board hold off on a decision until he could be here, but Phil said there's urgency with getting a permit for one house on Lot 36-1-5 which he sold to Andre Aho. Jed said he wouldn't have a problem with granting relief for Lot 5 and addressing the others when Rick gets back. Phil said he thought this permit might cost \$1,000 or more. Rick had said that if the Board continues to grant these waivers, they're taking the teeth out of the law, yet he understands that the Board considers extenuating circumstances. Roberta suggested that Phil pay the renewal fee because these are new plans. Phil said he understood that the Town already incurred some cost when Rick reviewed the former plans. John Kauer asked how many other lapsed building permits were issued in 2008-2010 because others might ask for the same relief. Roberta said not many were issued.

MOTION: Jed motioned for Phil to pay the cost of the renewal fee but credit some of the fees for the expired permits to the new permit for Lot 36-1-5. Roberta seconded and all were in favor.

MOTION: Roberta motioned to approve the accounts payable and payroll manifests, Sam seconded, and all were in favor.

MOTION: Regarding the draft minutes of September 4, 2012, Roberta motioned to amend the line saying, “They also will run an ad for 30 days for \$500” to “Advertising was done for 30 days for a cost of \$500.” With that change, the minutes were unanimously approved.

Pearly Pond rights of way: Paul O’Connor, a resident on Pearly Pond, asked about the status of the right of ways for public access. The Lake Association is trying to protect the lake from milfoil, etc. so it doesn’t want to open the right of ways to all boats. Paul owns three of the four lots that have access to the rights of way. The Fire Chief needs access and suggested running a chain across it and the Lake Assn. agrees. Ted Covert: The state says everyone can have access to every lake in NH but it costs a lot to treat the lakes. Dave DuVernay: I sympathize with the weed treatment and the cost; his deed is the only one that suggests he has an exclusive right to access the property. But there are five other people that have specific rights to use that right of way but none are exclusive. It’s very confusing. We discussed the idea of selling them but they’d have to be auctioned. We can’t chain them off because other people have the right to use them. The Town has had these lots since 2002. Jed: We’ll take this under advisement and get a legal opinion. The consensus was to report back at the next meeting.

Revised Hawkers and Peddlers Policy: Over the past two weeks, the proposed Policy for salespeople who go from door to door without an appointment had been revised and shortened. Our Policy is the same as the state’s except that we’ve limited the hours of solicitation to between 9am and 6pm. Sam said these hours could be problematic since they’re when many husbands are away at work. Hawkers and peddlers will need to get a license from the state first for \$55, but the state doesn’t run background checks. Rindge will, and the Town will charge \$100 for a license.

MOTION: Roberta motioned to adopt and implement the Town’s Hawker’s and Peddlers Policy, Jed seconded, and all were in favor.

CIP recommendations – Ted Covert, Chair of the Capital Improvements Program (CIP) Committee, thanked the Dept. Heads for submitting their requests and said the CIP’s recommendations are a work in progress. The current CIP fund balance is about \$365,000; he said we should be adding \$525,000 a year, but we don’t have the funds for saving at this level without going to the taxpayers. Jed thanked Ted for the well-done presentation and said if there were any way we could execute this it would be helpful to the Town.

Randy Burt’s request to improve Elm Road. State law says that anyone proposing changes to a Class VI road has to get permission from the Road Agent or the Board of Selectmen. Our policy differentiates between maintenance and improvement. Maintenance, such as filling a pothole, can be approved by the Roadway Committee but improvements that change the road’s construction, width, or surface, should first go to the Roadway Committee and then to the Board. Mr. Burt came before the Roadway Committee and wants to gravel the road. He subdivided one side of the property and is seeking approval to upgrade the road to his property line. Tonight’s public hearing was advertised and notices were sent.

MOTION: Roberta motioned to grant Randy Burt’s request to improve Elm Road. Jed seconded, and all were in favor.

Fiscal policy: Ellen Smith, Town Accountant and CPA, said the Town received its MS5 from the auditors for the year ending Dec. 31, 2011. Fortunately, there was a \$110,000 surplus mostly due to receiving more revenue than had been estimated. The Board needs to sign the MS-5 and submit it to the state so we can set the tax rate. Jed thanked Ellen for helping to prepare the 18-month budget and said that her work has benefitted the town.

Fund balance policy: The Town needs to establish a fund balance policy for using non-spendable, restricted, committed, assigned, and unassigned money. Right now, the Town has \$430,000 in its fund balance but the Dept. of Revenue recommends having 8-15% of the Town's total appropriations (or a minimum of \$1.2 million). The Selectmen were asked how to allocate the current year's surplus. Traditionally, we've used some of the surplus to reduce what must be raised through taxes and keep the tax rate down. The recommendation was to allocate up to half the surplus to reduce the tax rate and put the other half in an unassigned fund balance so the Town will have reserves for emergencies or when a large piece of equipment dies.

Jed: We can't save the minimum \$1.2 million recommended by the DRA but at least we can work towards maybe \$700,000 to \$800,000 to cover emergencies. Roberta: So the recommendation would be to use around \$55,000 this year to reduce the tax rate? Carlotta: After the DRA shows us what the tax rate will be, there's a natural inclination to want to use the fund balance to lower it, as we've done in the past, so now we have less in the fund than we ought to have. The point of a policy is to have some guidance on how much may be used for that purpose. Sam: The \$433,000 fund balance includes the \$110,000? Ellen: Yes. Jed: A few years ago, there was a decision to put a lot towards lowering the tax rate, but doing so depleted the fund. Ellen: We should have money for emergencies. Carlotta: In the ice storm of 2008, we didn't have enough money to pay the County. It was an ugly situation; we ran out of money. One nice thing about having a balance in your unanticipated funds is that you can avoid paying the interest on Tax Anticipation Notes. Borrowing comes at a considerable expense.

Jed: I think it's prudent to have an adequate fund. We have to pay \$800,000 a month to the School—only Keene pays more. Carlotta: When the School goes to DRA to set their tax rate, the amount they need to raise is their appropriations minus their revenues. The School's surplus is not a check that comes to the Town—their surplus is used to reduce the School's budget and their need to raise money. Ellen: If their budget keeps flat. Carlotta: Even if Rindge residents don't pay their taxes to the Town, we still have to pay the School and the County. We paid the County \$1.4M in December. The Town's budget is \$3.6M. Ellen: The Town Report has a pie chart showing how much of your taxes go to the Town, the County, and the School. It's the Town's obligation to fulfill the bills from the School and County whether we collect enough that month or not. Jed: Our Town assets are valued at over \$500 million, about \$100 million more than Jaffrey.

Roberta: We don't have to adopt putting half of the surplus into reducing the tax rate; it could all go into the reserves. Ellen: If the Board decides to put less in next year after determining that year's surplus, they can vote to do that. John Kauer: It seems like a waste of time to adopt a policy that you can change. Ellen: This is the option before this Board; next year's new Board will have the option to set a new policy. Sam: It makes sense to have a surplus if you can. Carlotta: The minimum level of unassigned fund balance that the DRA recommends is too high for us but we'll do what we can to set aside something to build a reserve. Jed: We're far from even their minimal standard.

MOTION: Jed motioned to adopt the proposed fund balance policy which would allocate up to half the surplus to reduce the tax rate and put the other half in an unassigned fund balance so the Town will have reserves for emergencies or when a large piece of equipment dies. Roberta seconded, and all were in favor.

Investment policy: In 2010, the auditors recommended having an investment policy that would be adopted annually. It would guide the Treasurer regarding the types of accounts she can invest money in. Perhaps surplus funds could earn more money in another pool. We don't want to suppress any opportunities for investment.

MOTION: Roberta motioned to adopt the investment policy, Sam seconded, and all were in favor.

Delegation of deposit authority: To make it possible for either Carol or Nancy to deposit money in the bank.

MOTION: Roberta motioned to approve delegation of the deposit authority to the Town Clerk, Sam seconded, and all were in favor.

Supervisory authority of the Town Administrator: Jed: I think it's important that the day-to-day management of Town affairs and supervision of the dept. heads be by the Town Administrator. This has been approved by the voters since 1992, and I'd like to see that stay in effect. If more responsibility is delegated to the Selectmen, I think it would be against the recommendation of the consulting group plus it would be very confusing to run the Town that way. It's been recommended that the Selectmen, who change each year, be involved with policy decisions and not the day-to-day decisions of the Town. We employ a Town Administrator to advise us so we can make the best decisions possible. We hire Dept. Heads to run their departments and expect they do best for the Town of Rindge. I think when you hire someone you have to let them know what their responsibilities are and make sure they have the resources to perform that job. And they have to have accountability through reporting and acting in accordance with town supervision. Our Town Administrator form of government started in March 1992 and the selectmen gave supervisory responsibility to the Town Administrator. She has to stay on top of the reporting and the budgetary requirements and advise Dept. Heads who are making decisions on insurance, hiring, and firing that are subject to state laws.

Kim McCummings: I don't know what the current job description of the Town Administrator is but I think there are different types of supervision—general supervision or administrative supervision. It might be prudent for the Town of Rindge to include a warrant article for someone to look at all the Town's job descriptions; it's important that one job coincides with another and that it fits the pay grades and steps that we have.

Ellen: My concern would be how would an outside consultant know what we do? Or all the things involved in what a Department Head, like our Public Works Director, does. In a small Town, each person does a lot of different things that aren't necessarily reflected in their job description. People say, "While you're doing that, why don't you do this?"

Jed: In Carlotta's job description, the Department Heads report to the Town Administrator. Roberta: You got opinions from Town Counsel and Paul Sanderson and I agree totally with what the Town Counsel said. It says she has administrative supervisory powers—those are not the powers of a supervisor or manager. In 1997, the Town voted for a Town Administrator instead of a Town Manager. The thing that's important is the power of either the Town Manager or the Select Board. Paul says in the same way that Selectmen set job description and evaluate even the Town Administrator—the Select Board still has that authority unless you have a Town Manager. The Police, Fire Chief, Library Director—are those positions subordinate to the Town Administrator, and can she give orders or directives to those people? I say no.

Pat Martin: When we became an SB2 town, there was a requirement to appoint someone to run its day-to-day operations. That, to me, means that the person who is the Administrator at the pleasure of the Selectmen does and should direct the day-to-day activities of the town. To me it's splitting hairs to say supervisory vs. administrative supervisory. If you decide as a Board that you want to take that authority away from Carlotta and take on the supervision of the Department Heads, you

have the right to do that, but under SB2 someone has to run the day-to-day business of the Town. What purpose would it serve to undermine the authority of the Town Administrator?

Jed: As Selectmen, how would we best supervise the Police Department? Roberta: The point is it said people either vote for a Town Manager or the Selectmen handle it. Jed: We can give supervisory power to the Town Administrator. Do you want the Department Heads to bypass the Town Administrator and come directly to us? Skip Marsh: We wanted a Town Administrator to be involved and help the Selectmen because the Selectmen don't have 40 hours a week to run the Town with.

Kim: If being SB2 says someone has to be responsible for the day-to-day, that is in opposition to your contracts with the Dept. Heads which say they report to the Selectmen. You have to decide whether that will be the Town Administrator and communicate it to everyone. Pat Martin: In terms of the contracts, a person can be hired to report to the top manager and also report to another manager; it's not either-or.

Sam: There was a real push to get a Town Manager form of government, but for some reason, the voters resisted that. And relating to the duties of the Town Administrator, there was a resolution saying that the Administrator position is expected to be low-profile and focus on the priorities set by the Selectmen. There has been a resistance to the Town Manager form of government; they don't want the Town Administrator to become a Town Manager.

Jed: Starting in March 1992, a committee looked at whether we should have a Town Manager or a Town Administrator. A Town Administrator form of government was recommended. The Selectmen agree there should be a clear understanding of the duties delegated to this position and MRI recommended making it head of all the departments. Kim and Roberta: But that was not on the ballot. Jed: It was adopted by the Selectmen which they have the power to do.

Ellen: If these duties were taken away from the Town Administrator, how would that work? Would you be available for several hours a week for the Department Heads? Roberta: Department Heads are supervisors of their departments. A Town Administrator can't make decisions—if there's an emergency situation, they'll have to meet with the Selectmen. Department Heads are supervisors of their Departments and we, as Selectmen, can tell Mike Cloutier to change his routes, but can the Town Administrator do that? That's the difference.

Ellen: So you would allow the Department Heads more freedom to do what they want to do? If you as Selectmen take on that supervisory role—you have your staff and the Department Heads and Carlotta as your go-between—whenever the Department Heads want to change something, they now have to come before the three of you? Roberta: To make changes, they have to come to us anyway. Administrative decisions are made in the Town Office every day. But if there's something big that affects a Department, it comes before this board. Ellen: So why change it if that's the way it is now? Pat Martin: And why undermine someone publicly? Ellen: And I don't think that if a Department Head has an issue that they're shying away from coming to you.

John Kauer: Just figure out what you want the Police Chief's description to be. Jed: I don't propose any changes. Roberta: I think one of the things I hear is that the Department Heads would like to be reviewed by the Selectmen since we're the ones who hire and fire. Jed: They are reviewed and those recommendations are given to the Selectmen who make the final decision, so what's the problem? Ellen: Once a year you have Department Head reviews and they come before the Board. But then I think you have to allow the Department Heads to give pay adjustments. Roberta: A Department Head should bring budget recommendations forward. Jed:

The Selectmen have to bring forth a policy for pay increases but we haven't decided that in this Town for years. Since 2004, that issue has been floating out there. There is no policy for review and for pay increases for merit.

Charlie Eicher: As a practical matter, any meeting between the Selectmen and a Department Head would have to be posted. Kim: I didn't hear all the previous conversation. It sounds like you may have a more specific focus you're talking about. Roberta: The Police Chief's job description said the Town Administrator is the administrative head and it says the Police Chief should go to his supervisor but it doesn't say who that is. Ellen: Who makes the job descriptions? If the Select Board creates the job description, can't you fill that in? Roberta: Unless you have a Town Manager, it says by statute a Town Manager has those responsibilities, otherwise, it's the Selectmen. And unless and until the town votes to have a Town Manager, the provision of this chapter will not become operative. Jed: The Selectmen can designate this authority to the Town Administrator; we delegated her to be the head of the Department Heads. Holly Koski: I feel bad for Frank because it's his job description you're talking about. Interim Police Chief Frank Morrill: To go on record, I don't have any issues with the current job description as it exists.

Beautification Committee:

MOTION: Jed motioned to accept Wal-Mart's \$25 donation, Roberta seconded and all were in favor. **MOTION:** Roberta motioned to appoint Betty Commerford, Sam LaFortune, Anne Evans, and Taylor Ratcliffe as new members, Sam seconded and all were in favor.

Replacement of the voting booths: Carlotta: The new principal said that our voting booths brought in mold spores and the School incurred extra cost to clean the gym. These voting booths were made out of plywood a long time ago and the DPW director has been talking about new ones for years. It looks like there may be \$5,000 left in the Elections budget at year-end to buy them with. We'll need 36 booths--1 per 100 registered voters. Some with curtains went for around \$9,000 but some less expensive ones with three-sided dividers priced out at \$4,250. The smaller, lighter units will be easier to store. The consensus was to buy 12 of the big, curtained booths and 24 smaller, divider booths.

MOTION: Jed motioned to buy a dozen regular stalls and two dozen of the curtained ones. Roberta seconded, and all were in favor.

Farmers' Market request: The Farmer's Market had a very good year and saw more people selling their farm-raised beef. The Board considered the request by the Farmers' Market to serve beer and wine at its year-end event; it has granted this request for the last two years.

MOTION: Jed motioned to allow the Farmer's Market to serve wine and beer at its year-end celebration on October 11th at Wellington Field, Roberta seconded, and Sam abstained.

There was no Town Administrator's report.

Holly asked the Board for permission to stand outside the transfer station gate with a "signature support sheet" advocating the selection of Frank Morrill as the new Police Chief.

MOTION: Sam motioned to accept Holly's request, Jed seconded, and all were in favor.

MOTION: Roberta motioned to leave public and entered nonpublic for reputation, Sam seconded, and all were in favor. **MOTION:** Jed motioned to go from Nonpublic for reputation to public session and adjourn, Roberta seconded, and all were in favor.

The meeting adjourned at 8:30pm.

Minutes respectfully submitted by Linda Stonehill, Administrative Assistant