



TOWN OF NEW LONDON, NEW HAMPSHIRE

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BOARD OF SELECTMEN MEETING MINUTES January 4, 2012

PRESENT:

Mark Kaplan, Chairman
Tina Helm, Selectman
Peter Bianchi, Selectman
Kimberly Hallquist, Town Administrator

ALSO PRESENT:

Steve Ensign, Board of Firewards	Jay Lyon, Fire Chief
Linda Jackman, Admin. Assistant	Sandra Licks, Library Director
Linda Hardy, Town Clerk/Tax Collector	Joan Pankhurst, Deputy TC/TC
Dave Seastrand, Police Chief	Chris Currier, Detective
Richard Lee, Public Works Director	Wendy Johnson, Finance Officer
Chad Denning, Recreation Director	Renate Kannler, New London Resident
Doug Homan, Budget Committee Member	Peter Stanley, Planning & Zoning Admin
Donna Davis Larrow, Police Depart. Admin. Assistant	
Sean Carroll, <i>InterTown Record</i>	

Chair Kaplan called the meeting to order at 6:00pm.

Approval of Minutes

IT WAS MOVED (Tina Helm) AND SECONDED (Peter Bianchi) to approve the minutes of December 27, 2011, as amended. THE MOTION WAS APPROVED UNANIMOUSLY.

Page 3, middle paragraph: do they pay for Level 1 training? Chief Lyon said they do, but they don't pay them hourly to attend the class.

Page 3, second to last paragraph: miscellaneous supplies. Remove the extra "for."

Page 4, first paragraph: "their" should be "the selectmen's" responsibility...

IT WAS MOVED (Tina Helm) AND SECONDED (Peter Bianchi) to approve the minutes of December 29, 2011, as amended. THE MOTION WAS APPROVED UNANIMOUSLY.

Merry Armentrout, not Merrie.

Page 1, last paragraph: it should say how he would feel "if they present it a week later."

Salaries

Ms. Helm asked Ms. Hallquist and Ms. Johnson to give a summary of what they have provided the Board of Selectmen for information and what their suggestions were. Ms. Hallquist explained that she has met with many employees to discuss the changes to their insurance and about their salaries. Many are frustrated about the changes to the insurance and feel like the ground keeps moving beneath them because the changes are so frequent. The employees understand that the economy is bad and she feels that they are not trying to be greedy but they are frustrated and disappointed that other towns are being more generous

for similar positions. This year the town has realized some significant savings due to going to a different insurance program and they have decided not to hire anyone for the newly vacant position within the public works department. She felt that given these reductions, this is the best year to give raises for the least impact on taxpayers.

Ms. Hallquist added that the employees are valued, hard-working and perform well. She stressed that she has no doubt that the department heads, and their staffs, would answer the call during any emergency and work as long as they had to for the citizens of the Town. However, the employees do not understand why they are not getting raises that are comparable to other towns similar to New London. She asked that if there is a reason for this disparity, then it would be helpful to know so the employees can be told about it. She urged the Board of Selectmen to be as generous as they could, noting that losing good employees costs the Town more in the long-run.

Ms. Hallquist said that she understands that the economy has not been good for the last three years and that there are people in the town who are hurting, financially. She offered that there may be tax relief options available to help those who need assistance and they should come in to the town office and see her for more information. She clarified that employees don't expect a huge raise every year, but they feel that given what has gone on within the past three years with the increases in healthcare and insurance, COLAs or step increases are fair and should be given. She calculated that 70% of employees (full-time) got some increase last year and 30% received nothing and those that did receive increases, with few exceptions, received less than did Sunapee and Newbury employees. Ms. Hallquist said that it is hard to keep telling employees that they have to absorb all the increases for the town doing things to save money, such as changing insurance programs, and never make up for it.

Chair Kaplan said that Ms. Hallquist gave them a sheet of paper with the salaries, comparing them from 2009-2011. She listed estimates on what it would cost the town for a 1%, 1.5%, 2%, 2.5%, 3%, 3.5% and 4% increases in salary. She also showed the benefit savings through 2012, including the insurance savings and the position in the Public Works Department that is not being filled. When added up, the total estimated savings is \$95,000. A 1% increase would cost \$23,000.00 and a 4% increase would be \$92,000.00. Chair Kaplan said that from his point of view, he was convinced they should give the employees a raise closer to 4% but recognized that his two colleagues may have a different opinion. He opened it up for discussion.

Ms. Helm asked if they were able to figure out what they would save going into 2013. Ms. Hallquist said she did a 12-month comparison. The year would start 7/1/2012. The estimated savings would go through 6/30/13 and is based on the figures they know now.

Mr. Bianchi said that he has determined, after that morning's meeting, that their budget was up about \$220,000. It was decreased in other line items by about \$26,000. There are things they have no control over, which net out to about a \$194,000.00 increase. He did not take into consideration the \$95,000 savings from the health insurance. He also didn't include oversights from last year that needed to be paid for this year, such as workman's comp, and a capital reserve account to anticipate increases in insurance in the middle of their July 1 – June 31 fiscal year. Ms. Johnson said she agreed with Mr. Bianchi's estimate.

Chair Kaplan said that many of the things in their budget are beyond their control and their employees can't do anything about them. When called upon, the employees will do what they need to do. They are the ones who make decisions to work with the Town to go to a new insurance or to try working with part-time help instead of full-time. He felt the Town should respond in-kind

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to offer a raise of 1.5% representing \$35,639.40 to all full-time employees.

Mr. Bianchi felt this was a fair amount to give across the board to all full-time employees.

Ms. Helm believed she would go higher than that. She commented that their employees are their most valued asset. The towns around them are considering a 3% COLA and Hanover was perhaps giving even 5%. She would lean towards a minimum of a 2% increase.

Chair Kaplan referred to a memo that Ms. Hallquist prepared for them regarding salary information covering the past two years. He thought they should go above 2% but would agree at this time with Ms. Helm at 2%. Ms. Helm thanked Mr. Lee for agreeing to try, with his staff, to get along without one employee. She hoped it would set a tone with other department heads that when a position becomes open they may be able to reorganize and make it work with fewer employees. She felt this should be rewarded and didn't feel that the taxpayers realize how collaborative the Town's employees really are. They have not given any kind of a significant increase in quite a while.

Mr. Homan asked Ms. Hallquist about total salary related increases to the town for the last 5 and 10 years and how it compared with the CPI. Ms. Hallquist noted that she did not review the total changes in employee expenses, as she limited her review to the past three years of salary adjustments alone. However, she did confirm that the last two years insurance expenses to the town went down. Additionally, retirement costs for the majority of town employees went down this year, while police and fire went up. With regard to the CPI, she noted that she spoke with Budget Committee Chair Jim Wheeler about which month the town uses to calculate COLA increases and he indicated that there is no firm policy on which month to use. She said that Newbury is using 3.2, the November rate. She stressed that employees are expressing angst to her about their paychecks and she is suggesting that all employees be given increases, whether the increases are called COLAs or raises. Mr. Homan felt they should have a thorough study of salaries done so they could compare apples to apples. Ms. Hallquist said her understanding is that the town has already done two salary studies, at considerable expense to the town. There has been a lot of discussion about salaries for the past several years and there is some valid information that has already been found. Once that information came, there was an attempt to bring employees to the right levels, and institute "steps" but lately they have abandoned this plan and discussion of increases is limited to COLAs.

Mr. Bianchi said that all the Town's employees are at or about the median pay scale for their positions. Chair Kaplan said that last year and the year before they didn't do much with regards to wage increases. Because they changed the medical insurance and then changed the contribution for the employees to pay, the employees are actually taking a cut in pay. Ms. Hallquist noted that the employees' contribution to their insurance premiums changed this year from 2% to 4% for single plans and from 5% to 10% for 2-person and family plans. She noted that employees talk to their colleagues in surrounding towns about what they get for raises and what their insurance is like, and it can create issues when the employees feel that they are being asked to sacrifice when others are not. She brings this information to the selectmen's attention because it is something that is being brought up to her by several employees.

Mr. Bianchi explained that the employees get health and dental plans through the Town. They kept the same plans and asked employees to double their contribution to the insurance. Dental remains the same, which the employees pay 25% of the premium. Mr. Bianchi said that a single employee getting health and dental costs the town \$7,048. The cost to the employee is \$386. For a two-person plan, the cost of health and dental is \$14,300 of which the employee pays \$1,566. The family plan costs \$19,700 and the employee pays \$2,222. Ms. Jackman noted that the co-pays for the insurance policies have increased as

well. Mr. Bianchi added that a single person plan pays no deductible but the Town pays \$1,000. A two person plan has a \$2,000 and Town pays \$1,000. The family plan has a \$3,000 deductible and the Town pays \$1,000. This is what they have voted on. Had they kept the same policy they had last year and not changed the contributions, the Town would have had to cover an 11% increase. Chair Kaplan said that the employees have complied, are cooperative, and he would like to see that they don't end up paying the increase in insurance out of pocket.

Ms. Kannler asked if they ever make a comparison to the private sector. She worked for 37 years in manufacturing and never paid less than 20% to their health insurance, and this was in the good economic times. She said they need to look at everything to compare.

Ms. Helm said that two years ago the employees were not paying anything towards their deductibles. The Town realized that the employees needed to pay to get up to speed. Over a period of years they were trying to ease employees into understanding that they needed to be responsible for more of their benefits so last year a deductible was added. She sees this as their second step. Mr. Bianchi said last year they voted to cover every deductible so no employee in calendar year 2011 could be hit for a deductible. Ms. Hardy said there were other changes to the drug program that impacted employees as well.

A vote to Mr. Bianchi's motion for a 1.5% increase was taken:

Kaplan: No, Helm: No, Bianchi: Yes. THE MOTION DID NOT PASS.

IT WAS MOVED (Tina Helm) AND SECONDED (Mark Kaplan) to give a 2% increase across the board for 2013, totaling \$46,185.00. Kaplan: yes, Helm: yes, Bianchi: no. THE MOTION WAS APPROVED.

The Board turned to the remainder of their FY2013 Budget preparation:

Sewer Department

IT WAS MOVED (Tina Helm) AND SECONDED (Peter Bianchi) to approve \$46,148.00 for the sewer buildings. THE MOTION WAS APPROVED UNANIMOUSLY.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to approve \$458,600.00 for sewage collection and disposal. THE MOTION WAS APPROVED UNANIMOUSLY.

IT WAS MOVED (Tina Helm) AND SECONDED (Peter Bianchi) to approve \$49,250 for debt service. THE MOTION WAS APPROVED UNANIMOUSLY.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to approve \$13,688 for debt service interest, not including the sewer bond if they take any money out. THE MOTION WAS APPROVED UNANIMOUSLY.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to approve \$10,000 for capital outlay. THE MOTION WAS APPROVED UNANIMOUSLY.

Worker's Comp Insurance

Ms. Johnson said \$78,505 was due January 1. She suggested appropriating the same amount for the following year, to be paid January 1, 2013.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to appropriate \$78,505 for 2012/2013. THE MOTION WAS APPROVED UNANIMOUSLY.

Life and Disability Insurance

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to appropriate \$30,000 for Life and Disability Insurance for 2012/13. THE MOTION WAS APPROVED UNANIMOUSLY.

Sick Time Buy-Out

Ms. Johnson revised the amount to be appropriated to \$9,325.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to appropriate \$9,325 for sick time buy-out. THE MOTION WAS APPROVED UNANIMOUSLY.

Ms. Helm thought this was an antiquated line item and hoped to talk about not having it in the future. She understood it covered accumulation of sick time that isn't used. Mr. Lee said that this coming year will be the second year this was offered. In the past, employees could bank up to 470 hours. Now they can bank less, and the excess sick days earned but not taken are paid to the employee at 50%. Some employees use all their sick time and some don't. If he doesn't use his sick days, they are paying for him for five days instead of the ten he could take as sick time. Ms. Helm wasn't aware that the buy-out paid half of the sick time hours. Mr. Homan said that sick time isn't personal, comp or vacation time. He wondered if it was town or state policy that they get to be paid for unused sick time. Ms. Hallquist replied that it is a town policy. He said most companies instill a "use it or lose it" policy where sick time cannot be accrued, because if it is allowed to accrue it can be a huge financial liability. He personally couldn't believe sick time was being looked at as time off. Sick time is called sick time for a reason; it's for when a person is sick. If someone is taking it and is not sick, they should be fired. Ms. Jackman said the college lumps sick and vacation time together, which was another option to consider.

Tuition Reimbursement

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to appropriate \$4,000 for tuition reimbursement. THE MOTION WAS APPROVED UNANIMOUSLY.

Lake Sunapee VNA and Hospice

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to appropriate \$12,299 for the Lake Sunapee Visiting Nurse Association. THE MOTION WAS APPROVED UNANIMOUSLY.

Mr. Bianchi said that they need amend the highway administration line item for a total of \$20,000 for part-time help. This increases that line item by \$15,000, the amount requested by Mr. Lee to cover the addition part-time labor needed because the full-time position was not filled.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to appropriate \$20,000 to the highway administration line item for part-time help. THE MOTION WAS APPROVED UNANIMOUSLY.

It was determined that the 2% raises in salary would be represented within each department's employees instead of as one lump sum.

Mr. Bianchi asked if a warrant article had been drafted to vote on for the Capital Improvement fund for the insurance. Ms. Hallquist said it would be drafted and explained that there would probably be several warrant articles this year. She noted that they also needed to discuss revenues.

Health Officer Appointment

Health Officer Don Bent has asked that Deborah Langner become his Deputy Health Officer. There was a question of payment for these services. The health officer gets \$5,000 and the deputy \$500. Chair Kaplan felt that Dr. Bent and Ms. Langner could work the details out together.

**IT WAS MOVED (Tina Helm) AND SECONDED (Peter Bianchi) to approve Deborah Langley as Deputy Health Officer for the Town of New London.
THE MOTION WAS APPROVED UNANIMOUSLY.**

Elkins Project

Chair Kaplan noted that this is moving forward in conjunction with the Elkins committee.

CAC Meeting

Next Saturday there would be a meeting of the Citizens Advisory Committee and they hoped to discuss the school's deliberative session, as well as any other topics that may arise.

FEMA

Ms. Hallquist shared that the Town received \$9,695 in FEMA funds from Tropical Storm Irene in August, thanks in large part to Mr. Denning doing all of the paperwork to apply for the reimbursement.

Planning Board

Ms. Helm reported that at the last meeting on December 27, 2011, the Master Plan was adopted. She said that Mike McCrory of the Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC) is going to try and write an executive summary that abbreviates the document. They allowed Colby-Sawyer to proceed with their concept site plan review to expand Ware Hall. They also accepted the Presbyterian Church's waiving of a site plan review to install a shed. There was also an approved tree-cutting.

Upcoming Dates for Board of Selectmen's Meetings

January 9th – 8am and a Joint Meeting with the Budget Committee at 6:00pm
January 23rd – 6pm.
February 6th – 6pm.
February 21st – 6pm.
March 5th – 8am.
March 19th – 6pm.

With no further business, Chair Kaplan asked for a motion to adjourn.

**IT WAS MOVED (Peter Bianchi) AND SECONDED (Tina Helm) to adjourn the meeting.
THE MOTION APPROVED UNANIMOUSLY.**

The meeting adjourned at 7:34pm.

Respectfully submitted,

Kristy Heath, Recording Secretary
Town of New London