

TOWN OF LITCHFIELD BOARD OF SELECTMEN

October 1, 2018

Selectmen's Meeting

Members Present: Brent T. Lemire, Chairman
John R. Brunelle, Vice Chairman
Kevin C. Bourque
Kurt D. Schaefer
Steven J. Webber

Also Present: Troy Brown, Town Administrator

5:00 p.m. Paperwork review and Non-Meeting with Legal Counsel
6:00 p.m. Call to Order

Pledge of Allegiance

Review and Approval of Consent Items:

1. Approval of Board of Selectmen Meeting Minutes from September 24, 2018
2. Approval of Account Payable Manifest for 10/02/2018 \$178,799.64
3. Approval of Payroll Manifest for 10/04/2018 \$53,209.05

Approval of Consent Items

Chairman B. Lemire reads aloud the Consent Items
Selectman J. Brunelle **motioned** for the Board of Selectmen to approve the Items of Consent
Selectman S. Webber **seconds** the motion. **Vote carries 5-0-0.**

Request for Additional Items/Other Business - None

Business

Review of 2017 Financial Statements - Melanson Heath

Frank R. Biron, CPA - Principal and Erica Lussier, CPA - Audit Manager

Selectman B. Lemire introduces Frank Biron and Erica Lussier from Melanson Heath Accounting Firm, who are here to present the 2017 Audit results to the Board of Selectmen. Erica was the Supervising Auditor this year and will be reviewing the Financial Statements and discussing the Management Letter recommendations to the Board.

Erica begins by addressing the Independent Auditors Report, which presents an opinion on the Financial Statements, and in her opinion the Financial Statements are in accordance with generally accepted accounting principles. She tells the Board for 2017 the Town had a "clean opinion" which is the best opinion had.

She asks the Board to turn to page 3 of the report which is the Management Discussion and Analysis portion (MD&A). Erica states this section (page 3-8) puts into words what the number

say, instead of reading this section she would like the Board to turn to page 9 and she will review the numbers on the Statement of Net Position Report. This report consolidates all the Town's Funds into one column of Governmental Activities and is presented on an accrual basis of accounting, it records the Long Term Assets and Long Term Liabilities. She mentions the Town's Long Term Assets are comprised of the Capital Assets, which include the town buildings, land equipment and infrastructure. Erica states most of the numbers are similar to what has been presented in the past, but there are a few number she would like to point out to the Board that have changed throughout this year. The first is the Net Pension Liability (located under Noncurrent) in the amount of \$4,614.687, this is the result of the Governmental Accounting Standards Board Statement #68 (GASBY 68) which came into effect in 2015. This requires the Town to report on its Financial Statement the Town's portion of its NH Retirement Systems total Unfunded Pensions Liabilities. She mentions the NH Retirements Systems overall Net Pension Liability is 4.9 Billion dollars, and Litchfield makes up about 0.9% of this, which is where the \$4,614.687 figure come from. Erica states next year there will be another GASBY that will be taking effect and it will be GASBY 75, which will require the Town to record it's medical subside. It will be part of the report for the NH Retirement System and this amount will be about \$380,000 and will be reported on this page of the Financial Statement next year. The next line Erica would like to discuss on this page is the Unrestricted Net Position (\$1,956,605) and this figure is in the negative due to the Net Pension Liability, and this is fairly common. She states the rest of the figures on this page are consistent with prior years.

Eric has the Board turn to page 11 Governmental Funds, which she feels are more useful figures because they show how the Town maintains their books. She mentions there are three columns, the General Fund (Chief Operating Fund), the Nonmajor Governmental Fund (Trust Funds, Special Revenue Funds, and Capital Project Funds) and the Total Governmental Funds. Eric moves to the General Fund Column, and mentions it is fairly consistent to prior years, but she would like to highlight a few changes this year. First the Cash and Short-term Investments increased by \$827,000 from the prior year. However, this is offset by one of the Liabilities due to the School District in the amount of \$7,911,607 which also increased. So the Town's cash increased, but the Liabilities increased as well due to the School District increase, which means the Town will owe the School District over the next 6 months. Due to the Town operates on a calendar year and the School on a fiscal year, this is the second half of the School's assessment. The next figure Erica would like to discuss is the Property Taxes Receivables in the amount of \$382,935. This amount is made up of current and liened property taxes, and because it is all current and liened it means it is protected in the event a property is sold or if someone were to claim bankruptcy. Which means the Town is doing a good job of liening on a regular basis. Erica moves to the most important figure in the Financial Statement, in the General Fund column under the Unassigned Fund Balance in the amount of \$1,499,764. She states Bond Rating Agencies like to see this number between 5-10% of the Town's Operating Expenditures, for Litchfield this year it was about 25% which is well above that range. However, the Department of Revenue looks at it a little differently as well as the Town's Policy and Procedures in regards to Fund Balance. And that is to not look at just the Operating Budget but as a Budgetary Basis including the Town's Operating as well as the School and County

assessments and they like to see it between 8-12% of the overall Budget. So when calculated this year the Town is at 9.1%, so Litchfield is within the Department of Revenue's guidelines as well as the Town's Policy and Procedures. Erica states the Unassigned Fund Balance just discussed was up by about \$200,000. However during the course of the 2017 the Town did use \$126,000 of Fund Balance for its budget process, but was still able increase it. She mentions she will discuss this on the next page.

Eric has the Board turn to page 15 the General Fund - Statement of Revenues and Other Sources, and Expenditures and Other Uses - Budget and Actual, for the Town of Litchfield. This page has four columns the Original Budget (starting), Final Budget (ending), Actual Amounts (Budgetary Basis) and Variance with the Final Budget Positive (Negative). She mentions the Use of Fund Balance in the amount of \$126,000 (Original) is what the Town used in 2017 for its Budget. However, it was not used for operating type items, it was used for specific Warrant Articles. This is what they like to see the Town use Fund Balance for, specific one time items for your Operating Budget. She mentions if you look at the Variance column the Total Revenue Amount is \$215,510 this is the Revenue Surplus (the amount the Town beat the Budget by in Revenues). This amount is primarily made up of positive motor vehicle collections, and motor vehicle collections in excess of the Budget. Next under Total Expenditures (or Department Turnbacks) in the amount of \$65,134, this represents the amount the Departments did not spend or encumber at the end of the year. Erica mentions the figure at the bottom of this Variance column the Excess of Revenues and Other Sources over Expenditures and other Uses in the amount of \$280,644 is how the Town did overall with their Final Budget (how much they beat the Budget by). Keeping in mind the Town did use Fund Balance in the amount of \$126,000, so the Town was able to recoup \$280,000 what was used out of the Fund Balance during the year.

Next Erica moves to page 16 Fiduciary Funds which are made up of School Trusts and various Escrow Funds. These Funds are fairly identical to prior years figures.

Erica states the rest of the documents are footnotes to the rest of the Financial Statements, which give a little more information on the numbers/items discussed. To summarize Erica mentions the Town has an overall strong Fund Balance and has maintained this for a number of years, as well as a Revenue Surplus, and Departmental Turnbacks netting an overall beating the Budget by \$280,644. Meaning the Town was able to recoup what was used out of the Fund Balance for the year, this makes the Town in a favorable financial position. Erica states they would discuss the Town's Management Letter next, however for 2017 the Town did not have one.

So in closing Erica states the Town has a "clean opinion" and is in a strong financial position. She mentions the audit went smoothly and as usual the staff was very open and willing to assist in any way and were a pleasure to work with.

Selectman B. Lemire and Troy thank and give credit to Financial Director Karen White and all the Department Heads and Employees for all their continued hard work.

Town Administrator T. Brown asks Erica to turn to page 29. He mentions for the past three years he and the Board have tried to take care of Capital needs and establish Trust Funds by using the Unassigned Fund Balance. They do not typically Unassigned Fund Balance to do a bottom line reduction to the Budget. So when he looks at the policy the Town has adopted,

there are two different numbers the GAAP Basis (Generally Accepted Account Principles) in the amount of \$1,499,764 and the Tax Rate Setting Balance of \$2,025,428. Troy is wondering which figure does the Town benchmark against for that 8-12%. Erica states it is the Tax Rate Setting Balance in the amount of \$2,025,428 that he should be calculating against, this is the amount the Department of Revenue bases their calculation against (it is the also the amount reported on the Town's MS-535).

Erica states she looked back over the past few years and the Town has on average used \$177,000 in Unassigned Fund Balance and has successfully maintained the 8-12% and been able to recoup the amount used.

Board thanks everyone for the review and states they will see them next year.

Greater Nashua Public Health Network

Patty Crooker is here to request funding for 2018 and represent the Greater Nashua Public Health Network and discuss with the Board of Selectmen what their organization does for the Community. Patty mentions the state of New Hampshire is divided into 13 Public Health Networks and there are only two fully functioning Health Departments in the State in Nashua and Manchester. The State Health Department takes care of the other surrounding Towns. The Greater Nashua Public Health Advisory Committee (PHAC) is a network of organizations and individuals who work collaboratively to improve the health of the Greater Nashua Public Health Region and its residents. Public Health Emergency Preparedness is a Regional Public Health Emergency Response Annex that provides plans to conduct coordinated responses to a public health event. Such as in a case of flooding, they handle public information & warnings, medical surges, non-pharmaceutical interventions, fatality management, communicable diseases, mass dispensing of medications or vaccines in response to a disease outbreak. In the event of a mass outbreak the Organization can immunize 100% of their population which is approximately 206,000 in a 48 hour period.

They also have a Substance Misuse Prevention (SMP) Center that provides technical assistance to local substance misuse coalitions. They host/sponsor training and events to promote substance misuse prevention. They focus primarily on High School ages.

The Network also has a Substance Use Disorder Continuum of Care (SUD CoC) that looks at providers of services from prevention through intervention treatment and recovery for substance use disorders specifically. Making sure there is an availability to access services with the continuum of care.

Patty states as of last year they now have a Young Adult Leadership Program (YAL) which provided a risk reduction and response "training-for-trainers" geared toward young adults (ages 18-25), she felt they should of expanded the age to 45. They help train professionals and community member to prevent and respond effectively to suicide and other behavioral health issues. The intent of the program is for the training participants to facilitate training for other young adults, especially those in high risk or high need areas. A survey showed young adults would be more accepting of information and services if they were dealing from someone more their own age group.

Patty mentions two other big programs the Network has are Community Health Assessment 2017. As part of the ongoing process of community health improvement, every three years the

City of Nashua, Division of Public Health and Community Services (DPHCS) conducts a Community Health Assessment (CHA) for the City of Nashua and the Greater Nashua Public Health Region. This is the second assessment conducted for the region, the first was published in September of 2011. A CHA is a process by which community members gain an understanding of the health concerns and needs of the community by identifying, collecting, analyzing and disseminating information on the community's assets, strengths resources and needs. From 2015-2018 there are many health topics covered in this CHA, they included healthcare, maternal health, chronic conditions, emergency preparedness, environmental health and substance misuse. With the overall goals for the CHA to engage community partners, identify emerging health issues, provide information to community members and to set the foundation for future programs and grant opportunities for the GNPHR. The most recent CHA published can be found at <https://nashuanh.gov/560/Community-Health-Assesstment>. It is helpful for Communities with Grant writing.

The second program is Community Health Improvement Plan. Following the CHA, DPHCS continues the improvement process by developing a Community Health Improvement Plan (CHIP). Through the evaluation of health data and issues identified in the CHA, the Greater Nashua CHIP process prioritizes health topics and creates an action plan to address those issues over the following three years. They would greatly appreciate the Town of Litchfields support.

Family Promise of Greater Nashua

Amy Friese and Pamela Small are here requesting funding for 2018 and to represent the Family Promise of Greater Nashua (Anne-Marie House) and discuss with the Board what their Organization does for the Community. Amy states Family Promise is a National Organization and Family Promise of Greater Nashua is one of over 200 Districts whose mission is to eliminate family homelessness.

Family Promise of Greater Nashua is a transitional housing program for average working families throughout Hillsborough County and in 2019 western Rockingham County, who have fallen upon difficult time and are temporarily homeless. She states they started as an interfaith Organization so are supported by a large number of faith Communities. They operate a residence call Anne-Marie House on the grounds of Presentation of Mary Academy in Hudson NH; where families are given the opportunity to rebuild their life and once again achieve sustainable housing, income and quality of life. They focus on preserving the family unit at a time of crisis and accept all types, they have single mothers and single fathers (numbers are growing) as well as two family parents and grandparents who are taking care of their grandchildren due to custody matters. Families enter their program and are given training, skills, education and safe housing to help them overcome what caused them to become homeless. Since starting in Nashua 14 years ago they have helped 140 homeless families get into their own homes. At the Anne-Marie House their success rate is over 85%, they are able to serve 8 to 10 families at a time depending on the family size. On average a family needs about 10 months to graduate from their program, and the average cost to achieve this goal is \$30,000 per family.

Chairman B. Lemire asks how widespread is this issue, due to it being under the radar how

many families are affected and what is the impact of this issue in our area.

Pam mentions they have had 3 Litchfield families over the last 2-½ years graduate from the program, 2 have moved on from Litchfield but one is still in Litchfield and has qualified for a mortgage.

Pam mentions last year there were 799 homeless families recorded on the HMIS System which is a database all Municipalities such as Concord, Manchester, and Nashua, etc are a part of. She states 402 came from south of Concord, which includes Rockingham and Hillsborough County and is the largest section of homeless growth in the State over the past two years. One of the largest growth populations is homeless fathers, and they are one of the only Organizations to help in this area. They also help Veteran families who do not qualify for other Veteran programs/services due to making too much money. She tells the Board one recent graduate of their program is a Veteran and a single dad of twins, who was not eligible for other programs. He and his family were with the program for 18 months, since he has qualified for a mortgage and is now looking for a home in Litchfield. Pam mentions he still attends aftercare programs. This individual is a primary spokesperson and is the best testimony to the worth of our program, and they hoped he could speak this evening but was unavailable.

They close by mentioning the Family Promise Program has saved the Communities of Hillsborough County several thousands of dollars annually in both housing, food allowances and the cost of supportive services. They are confident their program works and is a more cost effective way to turn the homeless into independent contributing members of our Communities. Town Administrator T. Brown asks if they are seeking funding, he was not sure if that was clear in their letter to him.

Pamela states yes that is what they were hoping. They would like Troy and the Board to consider what it would cost if the Town had to care for a family who is homeless. So they would very much appreciate the Town of Litchfields support.

Public Input - None

Parks & Recreation- 4520.10

John Bryant is present to speak with the Board of Selectmen

John states the Parks and Recreation Budget is pretty much the same as last year. He mentions usually the Fall is when they get most of their request for money and usage of the fields. Currently they have a playground group working on repairing and updating some new items to the Darrah Pond Playground. Which he states is great to see new people in Town volunteer and step forward to accomplish this. The other new item he mentions is the River Access Project group, but it has not joined the Recreation Budget as of yet because they are not sure what funds will be needed. The volunteers from the River Access Committee are still volunteering and maintaining the piece of property and they want to remain actively involved. So John anticipates nothing should hit their budget till later next year, and would be no more than a few hundred dollars. This would be rolled into their normal field maintenance line of the budget at that time if any funds are needed.

Bottom line changed - increase of \$14,395 from \$258,318 to \$272,713

Propane Gas (Talent Hall) - increase of \$1,230 from \$96,102 to \$97,332, due to propane gas

increase

Selectman K. Schaefer states there has been some confusion regarding if they plan on leaving the River Access area natural or keep it mowed on a regular basis.

John states yes, they would prefer not to mow and keep it natural, he would like to get the rest of the rocks moved onto the roadway and leave it alone. If the farmer who abuts the entrance wants to mow his land he certainly can. He mentions other than a few times a year to cut down the weeds/grass around the sign or rocks, it should be pretty self sustaining.

Beautification Fund Request

Jayson Brennen 23 Aldridge Street, states last week Troy mentioned to the Board a beautification fund request he would like the Selectmen to consider. It involves sprucing up the Moore's Falls Conservation Area entrance on 3A (north end of town). He mentions Continental Paving just did a really nice job improving the parking area but the entrance could use a little TLC. Jayson shows a photo of the improvements he would like to implement, they include a white vinyl fence, some crushed rock and decorative trees. He mentions the rocks will hopefully be donated, the trees (1 or 2) should cost around \$250 and the vinyl fencing he thinks will also be donated, but if not the cost is about \$680, along with planning on some miscellaneous items (such as weed block etc) of maybe \$150. So Jayson states if things are donated the cost should be around \$400 to complete the project. He mentions on the edge of 3A in the area where they dug up for drainage, there is some granite curbing he would like to use to edge the front area. He has been trying to locate someone to speak with regarding the use of this material that is just sitting on the edge of the road.

Jayson has spoken to a member of the Conservation Commission to see if they have any comments or concerns. He states this individual is on board with the idea, and when the Commission meets on Thursday they will be discussing it.

Chairman B. Lemire asks if they need the Conservation Commissions approval first before they can approve. Jayson states he is hoping to have their approval/blessing on the project.

Chairman B. Lemire would like to approve authorization of the project, pending approval from the Conservation Commissions approval on Thursday.

Selectman J. Brunelle states last week he mentioned the Conservation Commission has funds and where they own the land, he thought they can draw out of their account funds to help with these improvements. If not he believed the Board of Selectmen have the authority (from a Warrant Article) to use a designated amount of conservation funds. He feels this would be a perfect use of funds for their property and leave the \$2,500 in the Beautification Fund for another use.

Troy mentions he spoke with the Chairperson on the Commission and because they did not do the fishing derby this year, they have some funds left. However, they want to do some survey work on another piece of Conservation land and are not sure of the estimate for that. But Troy states they may have enough funds to donate and help with this project. When they meet on Thursday, hopefully Jayson will be able to find out if this is possible.

Selectman J. Brunelle states he is asking about that million dollars of Conservation Funds (Land Use Change Tax) that are suppose to go to projects such as this, in order to offset the Town's Budget. Troy states those funds are regulated by law. Karen White states they have purchased

property and the fund does not have a million in it.

Selectman K. Bourque states the Town has the funds in the Beautification Fund and feels the Board does not have to go back and forth and thinks the Board can just approve this because everyone is in agreement of allowing Jayson to move forward with the project.

Chairman B. Lemire **motioned** for the Board of Selectmen to approve/authorize the use of no more than \$700 dollars to be used from the Beautification Fund for the Moores Falls Beautification Project. This is contingent on approval from the Conservation Commission and funding not being available from their budget.

Selectman K. Bourque **seconds** the motion. **Vote carries 5-0-0.**

Jayson tells the Board his next project idea is for 48 sections of vinyl fencing (\$90 a section) be put up on 3A after the entrance to Moore's Falls and to the Darcol Horse farm fencing, along the area of the power lines.

Chairman B. Lemire states they will need the approval of Eversource because it is their right of way. He feels they should ask Eversource to fund the materials and possibly the installation of the fencing as a Community Beautification Project for the Town of Litchfield.

Jayson states he emailed a couple of time and has received no response.

Town Administrator T. Brown states he has a Community Relations person he will contact with this proposal.

Troy mentions he would like to bring up something that there have been comments/discussions on about a "Welcome Sign" being place at this end of Town (like was put at the other end) and the Board has set aside funds. He is wondering if the area of Moore's Falls they are discussing this evening would be a good location.

Board feels this is to far away from the actual Town line.

Chairman B. Lemire states there is a curve across from Pine Avenue just as you come over the existing Town line signage and thinks that would be a good location.

Troy mentions he was looking for assistance from Jayson. Jayson states if the Town purchases it they will install it. Board continues to discuss the location and feels it should go where the existing sign and granite marker already are. They mentions they will approach the owner of the property where it is currently located and see if they are in agreement with replacing what is already there.

2019 Health Agencies Funding Requests

Town Administrator T. Brown mentions in 2017 the Board put the Health Agency funding requests to the voters as Warrant Articles. In 2018 the Board funded 3 requests (Big Brothers & Sisters, Meals on Wheels Program and Bridges a sexual violence support group) from within the Operating Budget in the amount of \$2,320. Since the last meeting he reached out to the Organizations that have requested funding from the Town and has finalized their requests and posted the letters for the budget. The total of these Agency funding requests total \$39,037. So he is looking for direction for the Board to see if they wish to place funds into the Operating Budget or put it out as a Warrant Article and have the voters decide. Troy feels they should be placed to a Warrant, due to it being a \$40,000 funding request and the Town working within the confines of a tax cap.

Board is in agreement to place the entire amount requested from these Agencies to the voters

as a Warrant Article. If they do not wish to cover requests to all the Agencies, they can make changes to the Warrant at the Deliberative Session.

Administrator Report

Troy states the Stormwater or (NLI) permit has been finalized and submitted. He mentions it was quite an undertaking and more involved than he anticipated.

Selectmen Reports

Selectman S. Weber states there is a Planning Board meeting tomorrow evening

Selectman J. Brunelle states the Budget Committee removed George Lambert from the Committee because he has never attended a meeting. Three members of the Community came forward to replace him for the position and the Committee chose Jack Whitnel. John mentions the Town presents their Budget to the Committee on Thursday.

Selectman B. Lemire states they are still in negotiations with the Police Union (meeting this Thursday) and he will update the Board at their next meeting.

Selectman K. Bourque states there is a Conservation Commission meeting this Thursday evening.

Selectman K. Schaefer states 3 of the "Little Libraries" have been installed at Jeff Lane, Brickyard and at Darrah Pond.

Items moved from consent - None

Other Business - None

Chairman B. Lemire mentions the Town Offices will be closed for Columbus Day - on Monday October 8, 2018.

Also there is a PFOA meeting on Wednesday October 10 at 6:30pm in Merrimack.

Selectman K. Bourque **motioned** for the Board of Selectmen to adjourn.

Selectman K. Schaefer **seconds** the motion. **Vote carries 5-0-0**

The next Board of Selectmen's meeting will be on October 22, 2018 at 6:00pm at Town Hall

Brent T. Lemire, Chairman

John R. Brunelle, Vice Chairman

Kevin C. Bourque

Kurt D. Schaefer

Steven J. Webber