

Town of Litchfield, New Hampshire

Board of Selectmen

TEL – (603) 424-4046

EMAIL – townhall@litchfieldnh.gov

FAX – (603) 424-3014

Meeting Date: 7/22/19

Call to Order: 6:30 pm

Meeting Location: Town Hall

Meeting Called By: Board of Selectmen
Type of Meeting: Selectmen's Meeting
Facilitator: Kurt D. Schaefer

Note Taker: Matthew Sullivan
Minutes Approved: ___/___/_____

In Attendance: Troy Brown, Town Administrator
Memo: None

Four Selectmen were in attendance:
1. Kurt D. Schaefer, Vice Chairman
2. F. Robert Leary, Sr.
3. Brent T. Lemire
4. Kevin A. Lynch

One Selectman was absent:
1. Steven J. Webber, Chairman (excused)

Agenda Topic: Call to Order

Presenter: Selectman K. Schaefer

1. 5:30 pm – Paperwork Review
2. 6:30 pm – Call to Order
3. 6:30 pm – Pledge of Allegiance

Agenda Topic: Review and Approval of Consent Items

Presenter: Selectman K. Schaefer

1. Board of Selectmen Meeting Minutes from July 22, 2019
2. Accounts Payable Manifest from July 16, 2019, of \$152,565.55 and July 23, 2019, of \$35,846.26
3. Payroll Manifest from July 18, 2019, of \$60,807.28 and July 25, 2019, of \$53,207.28

Discussion: None

Motion (Selectman Lemire / Selectman Leary) To approve the Items of Consent.

Vote: (5-0-0) The motion carried.

1. T.A. Troy Brown added that Chairman Webber was away because of a work commitment.

Agenda Topic: Items Moved from Consent

Presenter: Selectman K. Schaefer

1. None

Agenda Topic: Items Added to Consent

Presenter: Selectman K. Schaefer

1. None
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1. Audit Review:

- a. Erica Lussier, CPA, Audit Manager - Melanson Heath
- b. The town received a 'Clean Opinion' from the auditor.
 - i. A 'Clean Opinion' is the best grade one can receive.
- c. Management Discussion and Analysis (pages 3 - 9)
- d. Highlights (page 10)
 - i. Net Position Statement - All the town's funds consolidated into one column (Government Activities)
 1. Total Cash and Investments:
 - a. The town received \$3.7 million of bond proceeds in 2018.
 - b. Long-Term Capital Expenditure, related to the fire station, was \$2 million in bonds.
 2. Long-Term Capital Assets: \$20,581,795 (increased by \$2.4 million)
 - a. The increase was due mainly because of the fire station.
 3. Bonds Payable: \$3,465,000
 - a. Bonds Payable is new to the town of Litchfield.
 - b. The fire station was paid for by a 20-year bond.
 4. Net Pension Liability: \$4,412,258
 - a. This amount represents the town's portion of the NH Retirement Systems Net Pension Liability.
 - b. The NHRS Liability is \$4.8 billion (Litchfield represents .09% of the NHRS Liability)
 5. Net OPEB Liability:
 - a. The Net OPEB Liability is the future healthcare costs of retirees.
 - b. GASB 75 (Governmental Accounting Standards Board 75) requires municipalities to record the total OPEB liability.
 - c. OPEB is broken up into:
 - i. Medical Subsidy - 50% - \$535,000
 - ii. Implicit Rate - 50% - \$497,000
 6. Unrestricted Net Position: (- \$2,593,100)
 - a. The reasons for the negative balance are:
 - i. Net Pension Liability
 - ii. Net OPEB Liability
 7. Governmental Funds Balance Sheet: (Page 12)
 - a. Four Columns:
 - i. General Fund
 - ii. Fire Station Capital Fund
 - iii. Non-Major Governmental Funds
 - iv. Total
 8. Property Tax Receivables:
 - a. The town does a good job.
 9. Unassigned Fund Balance:
 - a. \$1,760,775 (highest in 10 years)
 - i. The Unassigned Fund Balance was determined on 12/31/18.
 - ii. The fund had an increase of \$261,000 from the previous year.
 - iii. The \$1,760,775 balance is presented on a GAAP Basis.
 - iv. The Department of Revenue looks at that figure on a Budgetary Basis.
 1. The figure using the Budgetary Basis is \$2,399,000.
 - v. The DRA likes to see the percentage of the town's overall budget between 5% and 17%.
 1. Litchfield is at 11%
 10. General Fund vs. Actual Fund: (Page 16)
 - a. Four Columns:
 - i. Original Budget (Beginning of the year)

- ii. Final Budget (End of the year)
 - iii. Actual Budget
 - iv. Variance (How the town did with the budget)
 - b. Revenue Surplus of the Budget = \$420,011

Departmental Surplus =	\$55,095
Total Surplus =	\$475,106
- 11. Fiduciary Funds: (Page 17)
 - a. School Trust Funds
 - b. Engineering Escrow
- e. TA Troy Brown mentioned:
 - i. the town does not use the Unassigned Fund Balance to offset taxes.
 - ii. The Capital Reserve Funds were created and funded from the Unassigned Fund Balance.
 - iii. 2020 needs:
 - 1. Snow Plow Trucks
 - 2. Communication Equipment Upgrade
 - 3. HVAC Replacement
- f. Selectman Lemire mentioned the surplus funds could be used to replenish the Unassigned Fund Balance.
- g. Ms. Lussier:
 - i. The Average surplus during the last six years was \$227,000.
 - ii. This year, the surplus is \$475,106.
- h. The Board of Selectmen agreed Karen White deserved credit for the work she does with the budget.

Agenda Topic: Public Input - started at 6:56 pm

Presenter: Selectman K. Schaefer

- 1. None

Agenda Topic: Business (continued)

Presenter: Town Admin. Troy Brown

- 1. **Financial Update:** (six months into the 2019 Budget)
 - a. The Budget is on target.
 - b. 43.96% of the 2019 Budget is remaining.
- 2. **Selectmen's Budget:**
 - a. **Budget for the Town Administrator** (only health and dental benefits in the Selectmen's Budget)
 - i. Already over \$1,700
 - 1. The Selectmen agreed to cover the health and dental insurance for a library employee.
 - 2. The library employee is now back on the library budget.
 - b. **Advertising**
 - i. Already over \$1,900
 - 1. The cost of two rounds of advertising for the Building Inspector position.
 - c. **Police Department**
 - i. Community Details is over \$2,000
 - 1. Most of the expense is from school activities.
 - 2. The expense is not reimbursed by the school.
 - d. **Seminar and Conventions**
 - i. Already over \$4,000
 - 1. A lot of the cost is offset by the overtime training budget in the police department.

- e. **Fire Department**
 - i. Water is already over \$850
- f. **Heating**
 - i. Already over \$9,000
- g. **Code Enforcement**
 - i. Already over \$5,500
 - 1. Offset by the salary for a full-time inspector
- h. **Road Maintenance**
 - i. Already over \$1,400
 - 1. Kevin Brown has been called out for maintenance issues.
- i. **Catch Basin Cleaning**
 - i. Over Budget
 - 1. Regulated by the EPA and the Town Permit
- j. **Animal Control**
 - i. Already over \$10,900
 - 1. Electric heat all winter
 - 2. The heating system now in place
- k. **Rec Department**
 - i. Already over \$3,500
 - 1. Repairs made in January to the heating system.
 - 2. Rental of the temporary portable heating system.

3. **Areas of Concern:**

- a. **Talent Hall Heating System**
 - i. Six contractors looked at the system, and no proposals were received.
- b. **Town Office / Police Station HVAC System**
 - i. The HVAC system is 20 years old.
 - ii. Discussed the need for a Warrant Article to purchase and install a new HVAC system.
- c. **Police Department**
 - i. Vacant position due to an officer being out on a work-related injury. (Extended Leave)
 - ii. Another officer will do a six-month tour with the military.
 - 1. The military tour will cause another vacancy.
- d. **Department of Public Works**
 - i. Budget is healthy for the Highway Department.
- e. **Communication System**
 - i. The system used by the fire and police department has had some failures.
 - ii. The communication system repairs are expensive.
 - iii. Selectman Lemire suggested Chief O’Brion contact John Stevens at the New Hampshire Homeland Security (SWIFT).
 - iv. John Brunelle is working with two of the off-site towers.
 - 1. Litchfield Sand & Gravel
 - 2. Water Tower
 - v. John is going to put together a plan and bring the proposal to the Selectmen for approval.

1. **Credit Card Authorization:**

- a. With the resignation of the Road Agent and the appointment of an interim Road Agent, a new credit card needs to be issued.

Discussion: None

Motion (Selectman Lynch / Selectman Lemire) I move to authorize Kevin Brown to be issued a credit card in the amount of \$2,500.

Vote: (4-0-0) The motion carried.

2. **2020 Budget Schedule and Guidance:**

- a. T.A. Troy Brown recommended dedicating the month of September towards the budget.
- b. The Board of Selectmen would meet three times in September, with the possibility of a fourth meeting.
- c. The budgets would be due by August 23.
 - i. Karen and Troy will review and package the budgets.

3. **Cash Receipts Policy - 2nd Review:**

- a. No changes were made to the policy.
- b. The policy will be reviewed on an annual basis.
- c. The auditors will select a different department every year and make recommendations for improvements.

Discussion: None

Motion (Selectman Lemire / Selectman Leary) I move to approve the Cash Receipts Policy as written.

Vote: (4-0-0) The motion carried.

4. **Fraud Policy - 2nd Review:**

- a. No changes were made to the policy.
- b. The policy covers misappropriations of cash. i.e. embezzlement, misuse of inventory

Discussion: None

Motion (Selectman Lemire / Selectman Lynch) I move to approve the Fraud Policy as written.

Vote: (4-0-0) The motion carried.

5. **Background Check Policy - 2nd Review:**

- a. The Highway Department drivers background will be checked on an annual basis.
- b. The drivers must have a CDL license if the job requires a license.

Discussion: None

Motion (Selectman Lemire / Selectman Leary) I move to approve the Background Check Policy as written.

Vote: (4-0-0) The motion carried.

1. **Jayson Brennen - Meeting Room Signs:**

- a. Jayson Brennen had two signs created for the meeting room.
- b. The signs are black with white lettering and trim.
- c. Signs read:

- i. Litchfield
- ii. New Hampshire

2. **Cemetery Trustees:**

- a. T.A. Troy Brown will meet with the Cemetery Trustees tomorrow.
- b. There is an issue with one of the plots and the location of the plot.

Agenda topic: Selectman Reports

Presenter: Selectman K. Schaefer

Selectman K. Schaefer - Rec Commission:

1. Nothing to report

Selectman Robert Leary, Jr. - Budget Committee:

1. Selectman Leary attended the John Bryant River Access dedication.
2. Selectman Leary believes the town did a nice job with the dedication, and the weather was great.

Selectman B. Lemire - Conservation Commission:

1. Nothing to report

Selectman K. Lynch - Planning Board

1. Nothing to report

Agenda Topic: Adjourn the Public Portion of Meeting

Presenter: Selectman K. Schaefer

Motion To Enter Non-Public Session (Roll Call Vote)

Selectman Lemire motioned and seconded by Selectman Leary to enter non-public session per RSA cited below:

- A. RSA 91-A:3, II(a) - The dismissal, promotion or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her, unless the employee affected (1) has a right to a public meeting, and (2) requests that the meeting be open, in which case the request shall be granted.

Roll Call Vote:

- a. Selectman R. Leary - yes
- b. Selectman B. Lemire - yes
- c. Selectman K. Lynch - yes
- d. Selectman K. Schaefer - yes

(4-0-0) Motion passed

Entered Non-Public Session:

7:31 pm

Reconvene Public Session:

8:18pm

Motion Made To Adjourn:

Discussion: None

Motion: Selectman Lemire motioned and seconded by Selectman Leary to adjourn the meeting.

Vote: (4-0-0)

The meeting adjourned at 8:18pm

The next regular meeting will occur on August 12, 2019, at 6:30 pm.

Approved by the Board of Selectmen:

Steven J. Webber, Chairman

Kurt D. Schaefer, Vice Chairman

F. Robert Leary, Sr.

Brent T. Lemire

Kevin A. Lynch