

~~Unapproved~~Approved
Candia's Selectmen's Public Meeting Minutes
June 10, 2013

Attendance: Chairman Fred Kelley, Vice-Chair Carleton Robie, Selectman Dick Snow, Selectman Amanda Soares, Selectman David DePuy, and Administrative Assistant Andria Hansen.

Departmental Reports: Highway, Police, Fire, Building, Solid Waste & any other depts.

Highway: Road Agent Lewis noted they need to get the New Boston Road Bridge shimmed. The state still owns that bridge and they come in and shim it for us. They will probably do it this year because it's getting pretty bad. This is the 7th or 8th time that it is going to be shimmed. They'll keep fixing it as long as it sinks. He noted there has been some logging on Healy Road and they have been using the edge of that road as their log landing. They need to discuss how they can police this better. This logger has ruined the ditch lines; they've knocked over the stone wall which they will have to replace. This is the second time this has happened in town over the past few years. He would like to talk to the Board in the future on how they handle these situations. He doesn't want to be the heavy without the Board's approval. Selectman Robie thought when they file the intent to cut they need to look at the access they are going to have and make some type of stipulation. Road Agent Lewis suggested having a note that goes with every intent saying what the town requires. Last year he talked with the Board about selling one of the old salt spreaders. He found someone to buy the spreader and they got \$2,000 for it. He thought they did pretty well for a spreader that's 25 years old; they certainly got their money out of it. He knows the Board has been working on a purchasing policy, so he has held off on any road work until they know the route they are going to take. Once they have a policy in place he will move forward with the rest of the road work. Selectman Snow said they have been talking about taking down three dead trees near the building. They will be doing it this week and he'll make sure Chief McGillen and anyone who parks out there is informed on when they will be doing it. Road Agent Lewis said they will probably do it on the weekend when nobody is around. Selectman Soares asked since the state takes care of the New Boston Road Bridge is that why we have a CD. Road Agent Lewis replied that is the money that the town owes the state. They still owe them for the bridge and we're not going to pay for it until it stops sinking. They have held this money since 1986. (Departmental report attached)

Police: Chief McGillen gave the Board an update on the hiring process. He, Sgt. Gallagher, and Officer Gray interviewed some candidate and narrowed down the list. They had the candidates go through a physical agility test last Friday and two of the candidates didn't pass. They have 6 left that they are looking at. Last month they had a burglary on Main Street where someone forced open a door in the Chester Road area. He got a call on a medical alert scam. An elderly person got a call from some company and they are trying to verify if this is a real company. He'll get something on the website if it is a scam. If any of the residents get a call on a medical alarm system they shouldn't give out any information. Citizen Judy Szot said she gets a call everyday and they tell her that they are scheduling the delivery of the equipment that she ordered. They say someone paid for this equipment for you and they want to schedule a time to deliver it. Chairman Kelley said he has gotten four or five of those phone calls and he gave the information to their administrative assistant. He called the number back and they won't talk to you. They told him that the Candia Police Department highly recommends that they get the alarm system for their homes. Chief McGillen said they are not recommending or supporting any alarm companies. He noted that Officer Mahoney is finishing up the DREAM program at the school. They had a major break down on one

of the older cruisers. They put it back into service; it had over 100,000 miles on it. They have been putting some of the older cars back into service to save mileage on the newer cars.

Discuss the OHRV Grant with Chief McGillen. Chief McGillen noted they applied for the OHRV Grant and got approved pending authorization from the Board to empower him to sign the contract. The amount of the grant is \$1,080. He asked the Board for permission to sign the contract. Selectman Robie said there was a note in the sign folder that we weren't sure if \$45.00 per hour was enough to cover the cost of the detail. Chief McGillen said the billing rate for outside details is \$50.00 per hour. He mentioned that he is working with Accounting Clerk Becker on coming up with some numbers for the revolving account. They are going to come back to the Board with a proposal to see if they can amend it and increase it. They want to make sure the town's costs are being covered. Anything that can be credited back to the account the Board will have to decide what items will go back to the revolving accounts. Selectman Robie said \$50.00 per hour isn't enough but we are going to do this for \$45.00. Chief McGillen explained this is six - four hour blocks. It gets a 4 wheeler out where the officers aren't. He felt the town could afford to do this. It's not like a DUI Grant for a longer period of time and a lot more money. Chairman Kelley clarified that the town would be picking up the additional cost. Selectman Robie asked we would be doing this as a detail. He asked if they were looking to increase the detail rate which is currently \$50.00 per hour. Chief McGillen replied that he was. Selectman Robie clarified that the state is willing to pay \$45.00 per hour and the town will pick up the balance for the benefit. Chief McGillen replied that was correct. He noted they are paying for the OHRV which uses a lot less fuel than a cruiser. Selectman Soares asked if the town was covering the extra \$5.00 while they were doing this. Selectman Robie said we are covering it because Chief McGillen felt it was a benefit to our community. Chief McGillen said if the Board doesn't want to do this they should discuss it. Selectman Soares said she was fine with the grant, but she didn't understand why the state is giving us \$45.00 when it costs \$50.00. Chief McGillen said he could make some calls to the state, but he knows they aren't going to change it. Selectman Soares said she didn't understand why they were paying the extra money. Selectman Robie reiterated that the Chief felt that it was a benefit to the town. There was further discussion about the detail rate of the grant. Selectman Robie said it is a decision of the Board whether or not they want to accept this grant knowing that \$45.00 isn't enough for a special detail, but that is what the state is willing to pay us. Selectman Snow moved that they accept the OHRV grant and give Chief McGillen the authority to sign the contract. Seconded by Selectman DePuy. He noted by his math the town would be chipping in \$120 for this grant. Chairman Kelley called for a vote. Chairman Kelley, Selectmen Robie, DePuy, and Snow were in favor and Selectman Soares was opposed. Motion carried on a vote of 4 to 1.

Rockingham County Commissioner: Chief McGillen said the Rockingham County Commissioners asked the Sherriff's to come up with a plan or a proposal for the towns that use Rockingham County dispatch. They use it for fire and police. Rockingham County wants to charge the towns a certain fee. It was a \$1.00 per person for the police and .50¢ for fire. It was going to be approximately \$6,200 per year. The Commissioners didn't finalize this. The Chiefs that went to this meeting were opposed to this idea. Some of the bigger towns have their own dispatch center and probably have a lot more people from those communities going into nursing homes. The larger towns utilize Sherriff's County for transport and nobody breaks down those figures because they are already in our county taxes. They were told that they need to talk with their state reps and oppose this. They wanted to set up a meeting and have the Chairman of the Board and the Fire Chief present with the Police Chief's to meet with the County Commissioners on this. Selectman Robie said this is kind of what the state did with the retirement, they've thrown it back at the towns. The

bigger cities in Rockingham County are mostly where the commissioner's come from. He looked up the Rockingham County budget and it was a 77 ½ million dollar budget. Dispatch out of the 77 ½ million dollars is 1.4 million. So a very small percent for the county budget is for dispatch. He felt that Chief McGillen was completely right and the bigger cities use the county officials more than the Town of Candia does. We do pay a pretty big portion of our tax bill to Rockingham County. The state and counties are throwing more and more back to the small towns. Chief McGillen felt if they open the door and they do this in the following year the Commissions could up the price for whatever upgrade they want to do to the system. The equipment is antiquated over there and it's starting to fail, so that is what is behind this. They are trying to modernize the dispatch center which is good for the residents and the services but there is a cost for it. He thought the county needs to look at ways to handle it on their own. Selectman Robie added that they said the cities and the towns that have dispatch wouldn't be affected. Chief McGillen said he would get a memo over to the Selectmen's Office as soon as he found out any more on this issue. He would encourage talking to our local state representatives to see if we can curtail the movement.

Fire: Chairman Kelley read from the attached report. He mentioned that they had two termination of appointments. The two volunteer firefighters are Jon Fuzzell and Joshua Danley. Chairman Kelley motioned to accept the appointment terminations of Jon Fuzzell and Joshua Danley. Seconded by Selectman DePuy. All were in favor. Motion carried.

Building: Selectman Soares mentioned that the Building Inspector has been much busier over the last month. They have been working on three different open cases. Two of them are complex cases and they need to talk to the assessor on one of them and the state on the other. She read from the attached report.

Solid Waste: Selectman DePuy read from the attached report. They are on budget and hopefully they will remain on budget for the rest of the year.

Heritage Commission survey: Selectman Soares asked Selectman Robie if he could ask HC Chair Diane Philbrick if she would like to put the survey on the website. She has been asked by several residents if it is on the website. She felt it would be a benefit and they might get more responses.

The Board to consider the reappointment of Betsy Kruse to the Conservation Commission as a full member. Chairman Kelley motioned to appoint Betsy Kruse to the Conservation Commission as a full member. Seconded by Selectman Robie. Chairman Kelley, Selectmen Robie, DePuy, and Snow were in favor and Selectman Soares abstained. Motion carried on a vote 4 to 1.

The Board to discuss proposed purchasing policy. Selectman Robie said our auditors have been after us to get a purchasing policy in place. The Budget Committee had questioned him last month on whether the Board had done this. He wasn't sure because he wasn't here last year. He noted that he couldn't find a policy and there seems to be a discrepancy on how things are purchased in our town in different departments. They reviewed some different purchasing policies from other communities and they came up with one that suits our needs. He's sure that some of the department heads and the office aren't going to like it. Sometimes some of the Selectmen are not going to like it. The way things are going in our country, state and town he felt they need to try to conform to the best of our abilities. This is what we are proposing. The Board had a week to review the policy and he was hoping to hear comments before they brought this to a meeting, so they can get this

purchasing policy in place. He was hoping to have something to bring to the Budget Committee on Wednesday night. Selectman Snow commented that he was not ready to vote on this yet, because the department heads need to have a chance to look at it and get back to us. Selectman Robie said three weeks ago they had a Selectmen's meeting and they had a very one sided audience. This evening it looks a little more mixed with residents of various interests. He was asked by a couple of citizens why he didn't vote on a specific issue at the last meeting. He said he wasn't going to sit in a room with 25 to 30 people that might have thought they could intimidate him. The majority of the people in the community voted him in as Selectman. The Selectmen on this Board got their seat by majority. He is not going to be intimidated by 15 or 20 people that seem to have an agenda on a certain evening. He will not vote when this happens and he will abstain his vote every time this happens. When he first got reelected he told the audience that he was going to listen to everyone's opinion and everyone has a right to that opinion and whether he uses it or not he is going to sit back and make his own decision whether it's his opinion or theirs. He felt personally that sometimes they try to be intimidated a certain way. People can try to intimidate him but he is not going to be intimidated. In those cases he is going to ask the Board to table the discussion on whatever the discussion is. Everyone is entitled to speak as much as they want. He is going to ask the Board to not vote on some issues until they have time to go back and reconvene. This is where is coming from now on. He isn't going to operate in a hostile environment where he feels that he is being intimidated. Citizen Dan Jaskolka said just make sure the Board doesn't have an agenda too. If you're not happy about the people showing up that's too bad, if you can't take the pressure get out. Selectman Robie replied he can take the pressure he's just not going to perform under pressure. He is going to make rational decisions because the majority of the people voted for him and he is going to think about all of them before he makes a decision. He works diligently to hold this Board together. He doesn't have a whole lot of departments to oversee; actually he doesn't have any departments. He is the Budget Committee representative, because he is interested in the budget of our community. He is representative to the Heritage Commission as well and he does a lot of work outside of this room to keep this community glued together. He can stand the heat, but he's not going to take the pressure and be intimidated. He asked the Board if they were going to discuss the policy and go through it this evening or wait until next meeting. Chairman Kelley said he would like to discuss the issues that any of the Board members may have. Selectman Robie noted the budget belongs to the Selectmen, it their responsibility to see that the budget is maintained and dispersed of in a proper manner. If they put this forward he felt it needs to be followed to a certain extent. There will be some exceptions and the department heads need to bring those exceptions to the Board privately or publically. He reiterated they are responsible for the budget and the spending of the funds in the budget. Selectman Snow said they are putting together a policy for the Board that the department heads are going to have to follow. He felt they need input from the department heads to see what is in the policy that would be a problem for them. This is probably an excellent thing and couldn't see anyone objecting to it. It's a process by which we could purchase material and control the expenditure to ensure that we get the maximum for the minimum cost. There are some things in there they need to talk about and they need to get ready prior to the time they put this in effect. Such as they have no standard purchase order and they need to develop one. He uses one for parks and recs. This is part of this policy that we need to put together. The other thing we need to do is get a qualified vendor list. Someone they know is "qualified" and he didn't know how they would qualify but they need to put together a list. They need to clearly define how they handle commodities. In the Highway department they buy salt and in this policy it says when you buy something like this you need a contract. He pays his people per the state rate. Are they going to require him to get three bids to see who is going to meet the state rate? All this would do is qualifying the individuals that are coming. He trusts Dennis to qualify the people that he has

working for him. He thought they need to look at this, put it out there, come back and look at the things that need to be changed and incorporate it. This is a good start and it's something he has been talking about for four years. They need to get an index of the policies and procedures for the Town of Candia. They need to upgrade them. This is a good start and they need to do it, but let's wait until the next meeting. He didn't want to vote on it this evening. Selectman Robie noted as far as the work orders he has already discussed this with our office. They can use any generic purchase order. As far as vendor lists go the departments already have their vendors in place. They don't need to compile a list of vendors at this time; they just keep using the vendors that they have with a purchase order number and an amount. As there vendors don't seem to supply our needs the department heads will be the one that will come to the Board to say they are looking for new vendor to supply with this product. Then our list will grow. These two things have already been thought of and have been addressed. Selectman Snow added they need to go on a list so at the point in time it goes out to bid everyone will know who is on that list. He thought they should have something in the policy that the Selectmen reserve the right to defer to local residents for contracts. Selectman Robie replied that it does. Selectman Soares said for Selectman Snow's concern about professional services and consultants for the Road Agent's plow guys, it is addressed in the policy. Selectman Robie read from the policy "the Board of Selectmen may waive any of the above requirements in cases where is it deemed inadvisable to solicit bids because of, for example, the need of standardization of such materials, supplies, equipment or services, or for any other reasons which the Board of Selectmen deem to be in the best interest of the Town." Selectman Snow understood but they need to make it clear to people that are bidding in the Town of Candia they will defer to local vendors. If they are as qualified as anyone else why shouldn't they choose someone that is a resident of the town? Selectman Robie reiterated all of that is covered in the policy. He added that he is good with the way the purchasing policy is. Selectman DePuy said he read it and he didn't have any changes noted. He heard that \$1,000 was historically the limit and it was good to have that in writing. It is also good to have a competitive bid process in writing and set forth the basis for the bids. He has only had a chance to briefly discuss it with Facility Operator Whitcher. He is agreeable to addressing it tonight and he would vote for it tonight subject to tweaking it pending further input. It is better to have something in writing, because currently they have been doing without that. He thought it was a well done document; he was impressed when he read it and it's a good idea. Chairman Kelley questioned the purchase \$1,000 to \$10,000 and the department head must contact and obtain approval from the Selectmen's liaison. Selectman Robie replied yes and it is their responsibility to bring it to the Board. Chairman Kelley replied you're saying they can spend \$1,000 to \$10,000, but it doesn't say they need to bring it to the Board. Selectman Robie replied they can as long as it is in their operating budget and they don't over expend the line. They are going to address this a little later in the evening. Chief McGillen asked if the cruiser needs to be fixed for \$1,050 there shouldn't be an issue. Does he go out and get quotes or go to the Board. Selectman Robie replied \$1,000 or more they will need a purchase order and a go ahead from the Board. It won't be a problem to get that approval, but there will be a written estimate and a purchase order. Chief McGillen asked if they would need a special meeting for the Board to approve this. Selectman Robie said as long as the money is in the line, but if it is going to over expend the line it will have to go to a meeting. If they need to move money from one line to another it will have to go to a meeting. Selectman Snow said \$1,050 shouldn't be an issue because he is going to have his liaison approve it. Selectman Snow said they should change the \$999 to \$1,000 because it doesn't define \$1,000 purchase. Selectman Robie said they will change \$999 to \$1,000 in section 2, A of the purchasing policy. Citizen Rob Jones asked if there was anything in the purchasing policy that speaks to conflict of interest. Selectman Robie asked if he could be more specific. Citizen Rob Jones clarified is a Board member permitted to bid on business. Selectman

Robie felt that most Board members stay clear of that on their own discretion. Citizen Rob Jones reiterated if there was any language in the purchasing policy that speaks to conflict of interest and felt that Board might want to address that. Citizen Brian Miller asked if this would be allowed if there are three bids, especially if there were other people bidding because it would be an open forum. Chairman Kelley said in all of his years of being a Selectman he didn't remember a Selectmen doing work on the building or something outside. It was pretty common practice. He doesn't remember someone on the Board working on something or fixing something and getting paid for it. Former Selectman Gary York noted there was an instance prior to Chairman Kelley. It's not the worst idea to have some language in the policy; he knows there is a state law regarding conflict of interest. For example, having funds transferred to the Selectman over \$250. Selectman Robie asked the Board how they wanted to word it. Chairman Kelley replied it would have to say any town employee can't bid on purchases. Selectman Robie said why not. Citizen Rob Jones stated he wasn't saying you can't bid on it, but if you are talking about process will there be some type of sealed bid process. Selectman Robie said the sealed bid process is addressed. This is a discussion that should take place amongst the Selectmen. It is their responsibility to put this policy in place. All of the audience's comments are welcome. Citizen Sharon Dewitt said that doesn't make sense. Selectman Robie replied yes it does and we are listening, but we are getting into one of our meetings where everyone is going to put their input in and maybe influence the Board. It is our decision, we were voted in by the people to operate the community and look after your monies. Citizen Larry Twitchell noted the Chairman just invited discussion. Your questioned has been answered because the Chairman invited discussion. He hears Selectman Robie referring to individual line items in previous meetings all he heard addressed is that we spend to the bottom line of the department budget. There is a whale of a difference between a line item budget and operating to the bottom line. If you are moving towards a line item budget, which he has heard Selectman Robie mentioned three times, it is lousy for the employees and administrators. Selectman Robie replied that is not what he said, he said if they are going to over expend a line that is in our operating budget it is going to be brought before the Board. Citizen Larry Twitchell replied that's quite a difference from what he has experienced from the Board in the past. He has always heard the department heads have money in their budget they can move it around. You are saying we are going to have a meeting and we'll decide if they can move it around. This is called a line time budget. It is also called micromanaging. Selectman Soares said you throw around micromanaging like it is a horrible thing a good manager micromanages their department so they can run more efficiently. It's not considered taboo, you run department effectively and get them to run so effectively when you ask for something you don't have to worry if you are going to get it. They have noticed some problems in the system and we are overseeing to help everyone through the changes so they are not lost or confused. This is not considered micromanaging and it is not taboo. There is nothing wrong with it and you can't throw the word around like it is a horrible thing, it is what good managers do until they don't need to. It helps people through changes. There are good managers that micromanage. Citizen Larry Twitchell replied that he never said that it was, but when you have a manager such as the Chief of Police he knows his department. He didn't see too many people on the Board with a background in law enforcement who should be telling him how to spend his money. The same thing goes with highway construction. A line item budget is bogus stuff. Selectman Soares understood but the Selectmen are in the position to go over the budget. She noted the Chief is a good police officer but there are aspects that he might not be good at and this is what she is here to help him with. Citizen Bob Dabrowski thought this effort was excellent and it should have been done years ago. He thought standard procedure should be followed. This document should go to the department heads. It doesn't mean the department heads have full rights to change the whole thing but they will certainly have comments. If this hasn't been done he would

suggest following standard procedure. He addressed the conflict of interest and these are forward thinking documents. He noted that is something that could happen in a couple of weeks or years in the future. He noted that when in doubt follow standard procedure. He added there is something in state law regarding conflict of interest. Citizen Rudy Cartier asked if there was a limit when you are required to have three bids. Selectman DePuy replied \$10,000. Citizen Rudy Cartier asked what about situations and you're bidding out projects and you don't have a liaison. Selectman Robie asked for an example. Citizen Rudy Cartier said the old incinerator site. Selectman Robie noted the incinerator site had a representative. Citizen Rudy Cartier asked if you could spend up to \$10,000 without any real oversight. Selectman Soares replied everything is brought to the Board for their approval. Selectman Robie felt everything would be approved by the Board. Citizen Rudy Cartier asked if they felt there should be any type of bidding process. Selectman Robie replied if they thought it was in the best interest of the community up to that amount. Citizen Rudy Cartier said you wouldn't know if you could have gotten a better deal. Selectman Robie thought if there was a better deal out there they would bid it out. They don't just pass out money to the good old boys. Citizen Rudy Cartier said there used to be a policy in town when Len Wilson was Chief. The policy was anything over \$2,000 they needed to get competitive bidding. They had purchase orders they used all of the time and he doesn't know what happened to them. Selectman Robie replied it seems like we have gotten very far away from that process in a short period of time. All the Board is trying to do is bring some type of stability back, so everybody plays on the same playing field and have some type of resemblance of what is supposed to happen. Whether they all make it happen or not is another story. Citizen Rudy Cartier said having a policy written down is good. There are a couple of items in the policy they really need to look at. If you are looking out for the best interest of the town you need to look at how you are going to do your competitive bidding. The other thing is if you are not going to do competitive bidding under \$10,000 you are looking at sole source. If you are looking at sole source you need to have something in your policy that outlines when a sole source is going to be acceptable to the town. The department heads had to prove that it was in the best interest of the town. A good example of sole source is Road Agent Lewis when he purchases salt. There isn't a heck of a lot of salt people out there. Selectman Robie said there are going to be some exceptions to this policy. Citizen Rudy Cartier said it should be in writing so it isn't open ended. If it's written down there is no question. Citizen Becky Sarra noted the Board is setting a policy for the future the five of you won't always be sitting on the Board saying the things you are saying. If it is not in black and white the intent is not there. You have a financial system and will it support the purchase order process. Citizen Judy Szot noted they have an Attorney on the Board who has looked at this policy and has praised this policy she thought they need to get on with business. Selectman DePuy said he is commenting from the point of view to have a written policy that requires these things to be done with exceptions. There are a number of exceptions which include sole source purchases and blanket purchase. He thought it was a very good document and to get something in writing is a giant step forward. Citizen Carla Penfield said she didn't believe anyone sitting on the Board has said they were going to adopt the policy and never change it. She thought Selectman DePuy hit the nail on the head and adopt the policy. If you see something you have to change or modify you have the option to do that. She sees no reason to not start with what you have. Selectman Snow said they are not paying Selectman DePuy to do this, but he agreed with his concept. It's a wonderful thing to get started, but he nick picks and he is hearing things and interpretations that are not in this contract. They are having this discussion on two different levels. The audience is giving us some concepts and he is trying to get into making specific changes before he says yes. He thought they should do it, but if they sign it today it is going into the folder and they are never going to look at it again. A couple of questions he has are what a qualified supplier is. They need to get a list of people that are going to supply the town with goods and services. The

other question he had is payment for over \$1,000 will not be processed without a purchase order. He asked if they would like that signed or approved. If he is bringing in the bill shouldn't he have gotten the purchase order first? Selectman Robie said we just talked about it a half an hour ago. Selectman Snow said it's not in the policy. They need to give clear and explicit direction to the department heads so they can go about their business. Chairman Kelley told Selectman Snow he needed to sit down and read the whole policy. Selectman Snow said he would like to wait until next meeting so they can make changes. He would suggest that they go through it thoroughly as a Board. Chairman Kelley questioned why they can't make changes as we go. Selectman Robie said they can give it to the department heads and discuss it in two weeks. They are not going to do this through intimidation. He asked everyone to take their time and review it. If they have some comments or suggestions they are welcome. Hopefully the next meeting they can approve this. Selectman Soares said Dennis hasn't purchased stuff, why can't we just approve this? Selectman Robie said he is going to have to wait two more weeks. Selectman Soares motioned to approve the Town of Candia purchase policy as written. Motion failed due to a lack of second. Citizen Becky Sarra said there is a difference between policy and procedure. You have a policy at a very high level and the procedure is your details. If it doesn't fit in the policy you write a procedure to back it up.

The Board to address the Henry Moore Highway Fund and solicit the Trustee of the Trust Fund for reimbursement of expenses. Selectman Robie explained Henry Moore set up a trust fund in 1924. He set up the trust fund for our roads and highways. At this time we have \$390,000 in the Henry Moore trust fund. Henry Moore left that money to repair and fix the highways in Candia. He noted through talking with our Road Agent, a former Road Agent, and a few former Selectmen no one really knew where this money was going. Some prior Board's lobbied the Trustees for the interest in the Henry Moore fund to come back to general fund, not the operating budget. This would roll over and at the end of the year and you could use the funds to offset your taxes or build the fund balance. In 2012 he didn't think the Selectman asked for the funds to be released from the Trustees. He thought in 2011 the Selectmen were asked to lobby the Trustees and they received them. He was pretty sure the same thing happened in 2010. So he is asking tonight through the Board that they request the interest from the Trustees which is approximately \$14,000. This will go into our general fund which we can use to offset our taxes or increase our fund balance. He asked the Board if they would like to lobby the Trustees for the \$14,000. He thought there was a project that was done in our community that would qualify for that. He would like the Board's decision if they would like to ask for that money. He received an email from Selectman Snow today asking him not to meddle in his departments business. He has no departments as a Selectman and all of the Selectmen here can verify that he has never gone to their department heads with any issues. He is not going to read his email because it doesn't make a lot of sense. He asked the Board for their permission to get the funds released from the Trustees of the Trust Funds. He noted moving forward this money needs to be documented on where it comes from and where it's spent. The way he interprets the fund is that it's for a special highway project in our town. He thought our Road Agent can always find a special project for our roads. He asked that the Road Agent brings the project forward with a little bit of detail and what it incurs and gets permission from the Board to do it. At that point the Board will know that they are going to lobby the Trustees for that money whether they spend it on the project or they pay for it out of the operating budget. He would rather use the funds from the fund for that project. They could get a nice little job done which they did in 2010 and 2011 with no impact to our operating budget. This is the gist of it and \$390,000 is a lot of money to not pay attention to. There are numerous funds in our community that could use a little managing. They are fortunate right now as a community right now they have a nice reserved fund

balance and an operating budget that is about 60% unexpended at the end of May. *Selectman Robie motioned to ask the Trustees to release the Moore Highway funds up to \$14,000 for 2012. If they need justification he will talk with Selectman Snow to get the paperwork ready. Seconded by Selectman Soares.* Selectman Snow said you need to understand the concept and the \$390,000 is principle and it's restricted so we can't have it. A couple of years ago the Trustees voted that they would not pay out the funds which would be the income for a project. You do the project and pay for it out of the general fund and then you send the bill to the Trustees of the Trust Fund and they will reimburse you. The concept you brought forward is fine and Dennis can figure out a project for this year and it will take all of the existing income from 2012. If that is what he wants to do or if the Board wants to see what the Trustees of the Trust Fund will say they could pay for something that has been done but that will muck things up. Selectman Robie said he asked the Board if they would lobby the Trustees for a project that was done in 2012. This was his question and now Selectman Snow is talking about combining a project from 2012 and 2013. This is only a way to try to clear up what they should have received in the year 2012. Selectman Snow said the books are closed for 2012. Selectman Robie said they have already called the DRA and they have had this discussion. Selectman Snow said he should talk to the auditors. He questioned what difference it makes. They'll find a project they can spend 14,000 up to and bring it back to the Board as a project. Selectman Robie stated they are going to spend the \$14,000 if the Board approves it. He reiterated that he is asking the Board if they can lobby the Trustee of the Trust Funds for last year's funds. There is a project that would qualify. Selectman Snow said when you get that project done and paid for you can send the receipts over to the Trustees of the Trust Fund. Selectman Robie replied it has already been done. He just wants to get the money. It's just like you said we can't spend the principal, if we don't take the funds when they are available it rolls over into principal. Selectman Snow replied no it does not, it rolls over into income. There are two columns principal and income and the income accumulates. Selectman Robie was sure Mr. Henry Moore didn't put \$390,000 into an account. Selectman Snow said no because it's been there since 1927 and the Trustees of the Trust Fund are building principal as well as generating income. Selectman Robie said once its principal we can't touch it. Selectman Snow explained the income never goes into the principal. Selectman Robie said of course it does, then its \$350,000 worth of interest and we can spend it all. Selectman Snow said no you can't there are two different columns - principal and interest. It's a restricted fund you can't touch the principal. Selectman Robie said he knows that this is why he wants to get the interest now. Selectman Snow said if he wants to get the interest get it on a project for 2013. Nice and clean and it's over and above the operating budget. We don't have unanticipated funds in our revenue report. Do a project, come up with the numbers, and the Board approves the project. When it's done send the bills go over to the Trustees of the Trust Fund and they'll send you a check. Selectman Soares said there was a project done in 2012 and they are asking for reimbursement for that project. It's really that simple. It was something that was already done we have an invoice for it and we are just asking for the reimbursement of the interest for this project. Selectman Snow asked what would this do for our accounting. If you take the \$14,000 where is it going to come out of, the information that was provided to the town in the town reports about how much we expended last year. He questioned where is that going to come from. Selectman Robie said it would show up in unexpended funds. Selectman Snow replied no it won't that isn't the intent of the Henry Moore fund. Selectman Robie said it was explained to him three different ways that these funds had been used and where they have been put. Obviously he is bringing this to the Board in an open forum with some sort of explanation of how the fund was set up and how much money is in it. He understands the principal can't be spent only the interest. At some point the interest rolls over that's why we have \$390,000 in there because it hasn't been taken. Selectman Snow explained you are talking about the total principal plus the income. Selectman

Robie said at some point the interest had to roll over into principal, because we wouldn't have \$390,000 in a trust fund that was open in 1927. Selectman Snow replied yes you do because the capital gains investment stay in principal. The appreciation stays in the principal column and the income stays in the income column. The Trustees have an investment policy that says they are going to invest so we can maintain the purchasing power of the fund over time and produce income to whatever extent is there balance. The quickest and easiest thing to do is do a project this year pay for it send them a bill and they'll give you a check. It comes over as unanticipated revenue they will receive it and it's nice and clean. Selectman Robie said he agreed with him, but he wants to get the funds that were available to the community last year that we didn't receive. Selectman Snow said that's because we did not choose to use the income from the fund balance. Selectman Robie said he didn't want to go any further than that, he just wants to see if they can get the funds that were available to us last year. This is all his question was and he explained it to the Board and the audience. It's pretty simple, if he doesn't want to do that he will leave the \$14,000 with the Trustees and he'll forget about it. Then we'll go to plan be and start over in 2013. Citizen Carla Penfield asked Selectman Robie if he called the DRA. You are talking about 2012 and the books have been closed what you have to do is convince the Trustees to give you money now that you forgot to ask them for in 2012. She thought they did a couple of special road projects in 2012, but the Board forgot that those funds were available. The Board simply forgot to ask for those funds last year. What the Board wants to do is try and go back and convince the Trustees and you are really sorry that you forgot to ask but you can prove that you did a special project. She asked what the DRA said on how you are going to accommodate those funds into the 2013 numbers. Selectman Robie said the auditors recommended that they get a decision of the Board on where you want to go at that point they will call DRA and we will adjust the balance sheet so when we come here in October it will show up and we can use the money as need. Citizen Carla Penfield reiterated you could simple explain to the Trustees that it was an oversight. Selectman Robie replied that they have. Citizen Judy Szot asked if anyone on the Board has read the trust. Selectman Robie replied yes. Selectman Snow said it's not a trust it's a will and of course he's read it. Citizen Judy Szot said she has a copy and has read it. She knows there is a provision in there if the money wasn't used. If the money wasn't used on a road project what happens to it. There are very specific provisions for the money. Selectman Robie said this is very simple and obviously they can't get it done. Citizen Judy Szot said take a vote and do what the auditors told you. Selectman Snow said if they do it as a project for this year it is a very simple thing. Citizen Rudy Cartier asked if they talked to the Attorney General's Office and the Accountable Trust division to see what can be done with this trust. This would probably be the first place to go to see what you can or can't do. He said the Selectman Robie said two different things. One was to use it for a special project which seems to go along with what the trust said. The talk was to put it in the general fund which seems to counter act what the trust says, because if it goes into the general fund it never shows back up in the operating budget. You can't put money into the operating budget because it just kind of disappears. Once something goes into the general fund you can't reimburse. Selectman Robie said they are trying to be accountable for the funds and it will show up in the general ledger as revenue. There were days where it never showed up, it just got thrown into the general fund. There were days it just got used for a special project and it never showed up. Those days are over that is why he is coming to the Board in an open forum, explaining the situation and try to get the funds they need. *Chairman Kelley called for a vote.* Selectman Robie added that they are all willing to look at another special project for 2013. It should be brought to the Board and they'll get something else done. Selectman Snow said he was going to need what the impact is because Selectman Robie said they need to take what was done in 2012 and how it is going to effect the revenue. It has to be bought in as unanticipated expenses, because we didn't have it available in 2012 when we went to

the voters and said we are going to spend this amount of money for the highway. They didn't say there was anticipated revenue and we have resisted as a Board putting in the warrant articles that say \$14,000 of the money for the highway is going to come from the Moore fund. This is a way to let people know where it is coming from. Selectman Robie said he knows what bills he would like to submit to the Trustees and he would like permission from the Board to do this. If they say yes and give us a check he will make sure the funds are in the proper place and will be accounted for. *Chairman Kelley called for a vote. All were in favor. Motion carried.* Former Selectman Gary York asked how you get funds if you do have a big project. One that comes to mind is the bridge at the bottom of the hill on Old Deerfield Road. It's in need of repair and he thought it was a town bridge not a state bridge. If they have almost \$400,000 in there how do you get those funds out. Selectman Robie noted you can only take the interest. Former Selectman Gary York asked what happens to the money that is in there. Selectman Robie explained it keeps building and the interest increases. Road Agent Lewis said he has tracked this since 1924 it was a small amount when it was first started it. The town used the interest regularly for decades then it stopped. The fund accumulated to the number it is today and it got put in the general fund even though it says it needs to be specifically used for a specific highway project. It didn't happen that way and three years ago this came back and there is a back and forth on how to use it. They are trying to clear it up once and for all but we can't we can't touch \$374,000. They only can touch the interest which is approximately \$14,000 per year. They'll do a special project if the Board agrees to that. Last year they did a project and they didn't take the money for reasons and now they are trying to recoup last year's money and move forward with it knowing how to proceed. Selectman Snow said if use the \$14,000 for this year we won't have \$14,000 for this year. Selectman Robie said yes they will and all they have to do is ask the question because they did ask for it last year. If they say no because it's been rolled over then it's no. As far as the town report says it was there as of March 2013. Selectman Snow asked how much was available in the town report for this year. Selectman Robie said it was \$374,000. Selectman Robie said about \$16,000. Selectman Snow said that sounds about 2 years worth. He noted that he attended the Trustees of the Trust Funds seminar at the AG's Office and he will give the Board a copy of the book so they can see what the Trustees are supposed to do.

The Board to discuss changing the Deliberative Session date. Chairman Kelley said the School Board had booked their Deliberative Session for February 1st but they changed the date to the 8th. Selectman Snow motioned to move the Deliberative Session to February 1st, 2014. Seconded by Selectman DePuy. All were in favor. Motion carried.

The Board to authorize payment of payroll checks and accounts payable checks. Chairman Kelley announced the grand total of payroll and accounts payable checks for May 23rd, May 30th, June 6th, and June 13th is \$575,499.72. Selectman Snow motioned to accept the total payroll and accounts payable checks in the amount of \$575,499.72 for May 23rd, May 30th, June 6th, and June 13th. Seconded by Selectman Robie. All were in favor. Motion carried.

Approval of Previous Minutes: Public meeting minutes of 5/13/13. Chairman Kelley motioned to approve the public meeting minutes of May 13th, 2013 as amended. Seconded by Selectman Soares. All were in favor. Motion carried.

Next regularly scheduled meeting: June 24th, 2013 at 7:00 p.m.

Policy discussion continued: Citizen Sharon Dewitt mentioned the School Board has a policy for review of their policies and does the Board have this. She thought it was great that the Selectmen

were working on this. She also mentioned that the School Board does two readings on their policies before they are adopted. The first reading is the input and the second time they review for a second reading with the input. She was wondering if the Board had anything like this. She asked if there was a code of ethics for the Select Board. Something that mandates how you carry yourselves other than the oath you take which is pretty generic. Selectman Robie noted our auditors have been after us about the policy and procedures. They review them yearly to make sure they are in place. They do that on our side and he wasn't sure about the school. Citizen Sharon Dewitt asked if the Board does or doesn't have a code of ethics. Selectman Snow said they didn't have a written code of ethics. Citizen Sharon Dewitt asked if the auditors were asking for something specific, like you have a process for something but how do you know if it is continuing to work for your town. Selectman Robie said they are using policies from 20 years ago that degenerated to a point where we had nothing. This was our conversation this evening and here we are trying to bring it back. It isn't going to be perfect over night. Citizen Sharon Dewitt thought he didn't understand the question and she is asking if they considered putting in some type of procedure in place so they can regularly review policies, so it doesn't just happen when there is a problem. Selectman Robie said this is what they are trying to do. Citizen Sharon Dewitt thought he didn't understand what she was trying to say. Selectman Robie said he did understand and the Board rotates every three years and people forget. They are trying to get procedures written down to pass on to the next Board. Selectman Snow noted they have policy and procedures that go back a long way. They have a rudimentary index of what they are. The fire department and police department have explicit and precise procedures. He wasn't sure if they have been signed by the Board of Selectmen and they do not review on a yearly basis. They need to update the index so at least it is on a spread sheet. When things end up in the minutes it's not a policy or procedure. He believes it is stand policy for each Board at the beginning of the year to reaffirm those policy and procedures and anyone new coming in has to read them. It has been done in a rudimentary fashion and it needs to be improved. He has been talking about it for 4 years and at last they are beginning to understand it. Citizen Becky Sarra asked if there would be a policy that would be coming out of this discussion about the trust tonight as well. Selectman Robie said he has been compiling information he has been gathering over the past five years. Citizen Becky Sarra said you came to the Board tonight with a policy will you be coming back to the Board with a policy about the trust fund. Selectman Robie said he will write it down so it is in the office and they are doing the best they can. Citizen Becky Sarra said she wasn't arguing that they are doing the best they can, but if you don't turn it into a policy it becomes everyone's interpretation. Selectman Robie said all of us on this Board do it for the community they don't get a salary. Our department heads make a living out of the town and they've stuck around for a long time. The Chief has been here for 14 years, the Road Agent 15 years, and Chuck Whitcher has been here a long time. It is a good thing, because this Board rotates around, so help from all angles is beneficial. What one Board says gets misinterpreted. Citizen Becky Sarra said if you put it down as a policy and not someone's notes in a notebook then it becomes something to carry forward. Citizen Bob Dabrowski suggested keeping a black binder as the Board adopts policies. When the next Board comes in they are handed the binder. Citizen Rudy Cartier thought one of the things they need to consider is that they need to set a policy or procedure on how you are going to set up your policies. He asked what are they using as a standard for their purchasing policy and is it the same for paying the bills. He felt this was almost anarchy on how they were setting up our procedure. Citizen Larry Twitchell said he looked at the book in the office of policies the Board has made. They are just slipped into a plastic sleeve and the policies came about when something blew up on a certain occasion. They were a result of something happening and it's a hodgepodge of stuff. They need to hire someone with some expertise to bring some order and structure to that book. The thing is a mess. He thought the LGC might have a publication rather than reinventing

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the wheel. Selectman Snow noted the School Board Association has an association that does this and they get paid. The NHMA doesn't have something like that so we are on our own.

Chairman Kelley motioned to adjourn at 8:53 p.m. Seconded by Selectman Robie. All were in favor.

Respectfully submitted,
Andria Hansen
Recording Secretary