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**MINUTES OF THE
BOARD OF SELECTMEN**

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**Regular Meeting of
August 31, 2009**

10 The Board of Selectmen held a meeting on Monday, August 31, 2009 at Salem Town Hall, 33
11 Geremonty Drive, Salem, NH.

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PRESENT: Chairman Arthur E. Barnes III, Vice-Chairman Michael J. Lyons, Secretary
Elizabeth A. Roth Selectman Everett P. McBride, Selectman Patrick Hargreaves and Mr. J.
Sistare (Town Manager)

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CALL TO ORDER

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Chairman Barnes began by calling the meeting to order at 7:00 p.m. He joined the Board in the
Pledge of Allegiance and introduced members of the Board and Town staff.

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1. Conservation Commission Presentation

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Mr. Bill Carter, Chairman of the Conservation Commission introduced himself, and fellow
Conservation Commission members Jim Drago and Joan Blondin. He provided the Board
with an update on the progress of the Commission with Hawkins Farm. He explained that
the town has an agreement with the Peters family to farm the front five acres of the farm and
he had brought the first corn which had been harvested, requesting that this be donated in the
name of the Board of Selectmen to the Salem Food Pantry. He thanked the Board for their
support for the farm and announced the Commission would be doing a presentation in
Concord to the state during the first week in November to show what they have done with the
farm. Members of the Board thanked the Conservation Commission for their work.

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2. Town Manager Budget Presentation & Overview

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Mr. Sistare began by providing the Board with an overview of the 2010 budget (see attached
presentation for details). He explained the challenges the town faced regarding decreases in
revenue within the town and the reduction in revenue sharing and NHRS contributions from
the state. He reported the effect of these amounted to \$1.35 million before budgeting began
(equal to 34 cents on the tax rate). He then presented options the town has for meeting their
challenges, and he had chosen to combine cutting expenses with passing costs on to the
taxpayers. Mr. Sistare then presented a summary of the changes he recommended including
details of the changes in the various funds, warrant articles and library. He also included
details of an estimated tax rate increase of 5.7% which amounts to \$95.90 for an average
home assessed at \$350,000. With regard to requests by outside agencies for funding, Mr.
Sistare explained he had not included these within the operating budget but that the agencies
can petition for funding at Town Meeting if they so wish.

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Discussion:

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Water Fund meter replacement program – In response to a request for clarification from
Chairman Barnes, Mr. Sistare confirmed the replacement program is something they need to
do as required by the DES. Chairman Barnes stated that although the content of the letters

1 from the DES has not been published, he wished to stress the town will be fined eventually if
2 they do not comply with the requests of the DES.

3
4 In response to a query from Selectman Hargreaves, Mr. Sistare stated the Board would have
5 to cut approximately \$1.2 million in order to obtain a zero impact on the tax rate. He
6 confirmed for Selectman Hargreaves that adding the funding for outside agencies back at
7 Town Meeting would increase the tax rate by four cents. Selectman Hargreaves then briefly
8 explained the cuts he intended to put forward and there followed a discussion between
9 members of the Board regarding the long term effect of extreme cuts and each Board
10 member explained their standpoint. Selectman Hargreaves asked whether members of the
11 Board would move citizens' petitions without recommendation and Selectmen Lyons and
12 Roth both provided comments indicating they would not support this at this time. Chairman
13 Barnes stated he wished to move forward and would discuss individual items as they came
14 up during departmental review. Selectman Hargreaves challenged Chairman Barnes' ruling,
15 stating he had further questions of the Town Manager before the departmental budget
16 presentations began. Chairman Barnes put the matter to a vote of the Board as follows:
17 **VOTE:** 4-1-0 to move forward with the departmental presentations with Selectman
18 Hargreaves voting against this.

19
20 Selectman Roth made the following motion:

21 **MOTION:** by Selectman Roth

22 *Move that Selectman Hargreaves be permitted to ask his questions prior to moving*
23 *forward, and that he be limited to a maximum of ten minutes for questions and answers*
24 *and there be no debate*

25 **SECOND:** Selectman McBride

26 She then spoke to her motion stating she was concerned there was a member of the Board
27 who had stated he would require answers to some questions before being able to make any
28 decisions and Selectman Lyons stated he would support this motion so long as there was no
29 political banter and it was restricted to questions of the staff.

30 **VOTE:** 4-0-1 (Chairman Barnes voted against the motion)

31 **The motion carried.**

32
33 **Discussion:**

34 Selectman Hargreaves stated he would like to have the following information provided to the
35 Board in time for the departmental presentations of both Police and town vehicles to
36 ascertain whether the town will be saving money by leasing new vehicles:

37
38 Existing vehicles – auction price, cost of gas/year, maintenance and insurance

39 New vehicles – cost, cost of gas/year, maintenance and insurance

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41 The budget presentation continued with each of the department heads coming forward to
42 present their departmental budget and answer questions from the Board as follows.

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44 • **Assessing (a/c 20300, pages 71 - 74)**

45 Mr. N. Pelletier, Town Assessor stated there were few changes in the bottom line of his
46 budget with the exception of:

1 *Line item 4453 (Meetings and Training):* He explained his department is currently below
2 budget due to a re-organization which altered the Clerk's position to include more field
3 work. As a result of this the Clerk needed training which had not been offered locally
4 and he had put the money back in the line for next year in anticipation that the course will
5 be available locally for this staff member. Selectman McBride suggested when this
6 training comes up Mr. Pelletier should come to the Board with a request if a course is
7 available in the New England area.

8
9 *Line item 4458 (Vehicle Maintenance):* Mr. Pelletier pointed out this has increased due to
10 additional field work by his staff, but there were few other changes in his department's
11 budget.

12
13 • **Collections (a/c 20550, pages 80 - 82)**

14 Ms. C. Bolouk, Tax Collector stated they have collected 96% of property taxes so far in
15 2009. In response to a query from Selectman Hargreaves, Ms. Bolouk explained there is
16 no report she can run to ascertain how much of what has been collected is due to
17 payments by banks on bank owned property, and that she would have to go through every
18 account to find this information.

19
20 Ms. Bolouk reported that temporary pay and health benefits have increased due to a
21 personnel change and the employee was at the top of their salary scale.

22
23 • **Tax Collector (a/c 20600, pages 83 - 85)**

24 *Line item 4406 (Printing & Binding):* Ms. Bolouk provided the expended amount as of
25 July 31, 2009 as \$5,871.

26
27 • **Trustee of the Trust Funds (a/c 10348, pages 47 - 48)**

28 Ms. Bolouk reported she is estimating a decrease in fees for the rest of 2009 and for next
29 year, and that income has also decreased in line with fees.

30
31 • **Legal (a/c 10310, page 29 - 30)**

32 Ms. Bolouk reported she has one item under line item 4400, Contracted Services for title
33 searches and deeding.

34
35 • **Human Resources (a/c 10320, page 31 - 34)**

36 Ms. L. Rapa, Human Resources Director reported as follows:

37
38 *Line item 4200 (Office Supplies):* The overspending this year in this line will be offset
39 against line item 4406 (Printing & Binding) as she does most of her copies in house and
40 moved \$250 from 4406 to cover this.

41 *Line item 4223 (Academic Reimbursement):* Ms. Rapa explained a member of staff is
42 currently completing a Masters degree and they will complete this in May 2010

43 *Line item 4400 (Contracted Services):* Ms. Rapa reported this is a new line item for
44 flexible spending and she is trying to encourage more employees to take advantage of this
45 in 2010. She explained the fee per person for this is \$3.00/month and the current
46 budgeted amount is for the four staff currently taking advantage of this.

1 Ms. Rapa explained that it is difficult to budget for line items 4423 (Medical
2 Exams/Hiring) and 4453 (Mediation/Negotiation).

3 *Line item 4453 (Meetings & Training):* Ms. Rapa stated she would like to attend a Labor
4 Negotiations course to be held in Boston in 2010 which will cost \$350

5 *Line item 4905 (Joint Loss Safety Committee):* Ms. Rapa provided an explanation of the
6 items which need to be repurchased for building inspections

7
8 ***Discussion:***

9 *Line item 4453 (Training & Meetings):* In response to a query from Selectman Roth, Ms.
10 Rapa alerted the Board she would be attending her course in October of this year and
11 would therefore expend more this year.

12
13 Selectman Hargreaves pointed out the Board had no backup material and this was the
14 case for most of the departments. Chairman Barnes asked Mr. Sistare provide backup
15 materials for the departments prior to voting by the Board.

16
17 • **Information Technology (a/c 20200, page 68 - 71)**

18 Ms. C. Crescenzi, IT Director provided an overview of major changes in her
19 department's budget. She pointed out:

20 *Line item 4400 (Contracted Services):* The decrease was due to software maintenance

21 *Line item 4459 (Equipment Maintenance):* The increase in this line is due to PC's coming
22 off lease.

23 Ms. Crescenzi pointed out that her budget is down overall from last year.

24
25 ***Discussion:***

26 Ms. Crescenzi provided a status report on the IT trust fund which currently has a balance
27 of just over \$100,000 most of which will be used for the police department replacement
28 software and the remainder for the PC update for the rest of the town. She also reported
29 there will be a warrant article for some servers and the remainder of the PC's, and that the
30 current balance of the trust fund can be expended now as the bid process has been
31 completed for the police department.

32
33 *Line item 4400 (Contracted Services):* Ms. Crescenzi explained the vendor would no
34 longer support the current Dictaphone system and there is a new system in the 2009
35 budget which will be installed this year. The amount in next year's budget is for a full
36 year of maintenance for the replacement.

37
38 Ms. Crescenzi explained the increase under Telephone/Voicemail/Internet occurred
39 because it had been necessary to upgrade a piece of equipment and the maintenance
40 reflects this. She also clarified the IMC item was the maintenance of the new police
41 department software which was purchased this year and the first year of maintenance will
42 be picked up mid next year due to the warranty with the product. Ms. Crescenzi
43 explained Cloudmark is filtering software to block spam and filter e-mail.

44
45 Ms. Crescenzi reported to Chairman Barnes the red alert program for the Fire department
46 is operational.

- 1 • **Capital Items (Page 207), line 4896:** Ms. Crescenzi pointed out this line is for a new
2 printer and supplies and is down. She explained they will buy a different brand due to
3 problems they were experiencing with the current unit and they will obtain it at trade-in
4 price. Selectman Hargreaves requested details of the trade-in value as well as which
5 supplies the vendor will take that they have already purchased.
6
- 7 • **Recreation (pages 186 – 195)**
8 • **Administration (a/c 60300, pages 187 – 191)**
9 Mr. C. Dillon, Recreation Director reported his department's budget is down overall from
10 last year, but pointed out that Administration has increased slightly.
11 *Line item 4092 (Temporary Pay):* This is down as some of it has been moved to the
12 account covering the July 4th celebrations to more accurately report that.
13 *Line item 4210 (Operating Supplies):* This is down \$1,200 to reflect the outside programs
14 becoming self supporting
15 *Line item 4400 (Contracted Services):* This has decreased as they have now contracted
16 with the printing company to do the summer brochure.
17 *Line item 4406 (Printing & Binding):* This has increased due to the aforementioned
18 change in the brochure.
19 *Line item 4450 (Postage):* This has decreased as they now use the internet more and the
20 summer brochure this year was distributed through the school system instead of mailing
21 it out.
22 *Line item 4448 (Bus Rental):* Mr. Dillon offered to provide the Board with the current
23 expenditure to date figure in response to a query from Selectman Hargreaves.
24
- 25 • **Facilities (a/c 60320, pages 192 - 193)**
26 Mr. Dillon explained there was a slight increase overall in Facilities which was due to the
27 issue with the Palmer school, and they have put all their other maintenance requirements
28 on hold until next year as a result. He provided an update on the programs at the Palmer
29 school and pointed out they had to rent a facility while the school was being repaired and
30 this is shown under line item 4495 (Heat).
31
- 32 Mr. Dillon talked about there being a surplus in the revolving fund at the end of the year
33 but that the statute states this should not go into the general fund. He suggested keeping
34 the surplus in the revolving fund for future years to sustain the recreation programs. He
35 confirmed with Selectman McBride this will be discussed at Town Meeting.
36
- 37 • **Outside Programs (a/c 60330, pages 194 – 195)**
38 Mr. Sistare reported they do not propose to fund these through the operating budget as
39 they now have the revolving fund.
40
- 41 • **Community Contributions (a/c 70200, pages 205 - 206)**
42 Mr. Sistare reported he proposed they remove both the Veterans Day and Holiday
43 Celebrations from the budget and will allow citizens' petitions for these. Mr. Dillon
44 explained that police and fire details for the Independence Day celebrations have been
45 moved from the Recreation budget to this account under line item 4915.
46

1 Mr. Sistare explained he proposed completely eliminating lines 4913 and 4914 from the
2 operating budget. He explained he took the position to remove all outside funding from
3 the operating budget, and confirmed for Selectman Roth that he had kept the July 4th
4 celebrations as these are town sponsored. Selectman Roth stated she would be happy to
5 see a citizen's petition for the Veterans Association. There was discussion regarding the
6 possibility of putting the Veterans Association back into the budget, and a motion was
7 made by Selectman Roth which was seconded by Selectman Hargreaves to this effect.
8 There was further discussion regarding the amount required and the following motion
9 was put forward in the interests of consistency.

10 **MOTION:** by Selectman McBride

11 *Move to table the motion on the floor until further information has been received by*
12 *the Board of Selectmen*

13 **SECOND:** Selectman Lyons

14 **VOTE:** 5-0-0

15 **The motion carried unanimously.**

- 16
- 17 • **Community Development (pages 90 - 103)**
- 18 • ***Community Development (a/c 30000, pages 91 – 93)***

19 Mr. Bill Scott, Community Development Director reported as follows

20 *Line item 4600 (Office Equipment):* The amount in this line will fund new filing cabinets
21 to replace existing ones.

22 *Line item 4200 (Office Supplies):* This line includes an amount to purchase new file
23 folders for the new cabinets.

24
25 ***Discussion:***

26 Selectman McBride clarified the Board would not be voting tonight, and requested
27 information on the benefits.

28
29 There was discussion about the proposed new filing cabinets and the possibility of
30 obtaining used cabinets and a better quote. The discussion also included the number of
31 new file folders for the cabinets. Selectman Hargreaves requested back-up information
32 on these items and Selectmen Roth and Hargreaves agreed to forward information they
33 had about filing cabinets to Mr. Scott.

34
35 There was a discussion about CART and Mr. Scott confirmed it would not be available to
36 pick up Salem citizens if the town does not contribute to the service. The discussion
37 which followed included statistics and information on where funding for the service
38 comes from. Mr. Scott offered to obtain information on trips and a report specific to
39 Salem and a copy of the complete report for the region. He confirmed neither the
40 Council on Aging nor Ms. Drelick has been involved in the decision to cut CART.
41 Selectman Roth stated she was not prepared to support the cut until she could have their
42 input.

- 43
- 44 • ***Planning (a/c 30200, pages 94 – 96)***

45 Mr. Scott stated there were no real changes in this account.

46 There was a discussion, initiated by Selectman Roth, regarding the costs of printing and
47 mailing out information to the Planning Board and alternatives which could cut costs.

1 **MOTION:** by Selectman Lyons

2 *Move to direct Town Manager and Community Development Director to develop a*
3 *proposed digital plan with cost benefit analysis to be prepared for the Board of*
4 *Selectmen for presentation to the Board of Selectmen some time in March 2010.*

5 **SECOND:** Selectman McBride

6 **VOTE:** 5-0-0

7 **The motion carried unanimously.**

8
9 Mr. Scott talked about possibly combining land use information onto one DVD for sale
10 when required.

11
12 • ***Inspections (a/c 30300, pages 97 – 99)***

13 Mr. Scott reported they need new code books.

14 *Line item 4458 (Vehicle Maintenance):* Mr. Sistare pointed out if vehicle leasing is
15 supported by the Board the number of line items relating to maintenance could be
16 reduced.

17 *Line item 4410 (Advertising):* Mr. Scott explained that the zoning ordinance requires
18 posting building permits in the newspaper, and he is proposing a change which would
19 reduce this line item. He handed out a comparison chart going over the permit activity
20 for certain periods. He also talked about some large upcoming projects which will take up
21 a large amount of the staff's time, and things which staff will begin to get involved in as a
22 result. There was a discussion with the Board regarding the information on the chart,
23 with Selectman McBride suggesting staff contact Lawrence as they have gone digital
24 with their inspector information.

25
26 • ***Health (a/c 30310, pages 100 – 103)***

27 Mr. Scott reported the primary issue in this account is mosquito control which can go on
28 until the end of October. He talked about the EIT position and a shift of the work load.

29
30 *Line 4810 (Mosquito Control):* Responding to Selectman Hargreaves regarding
31 expenditure versus what was requested for 2009, Mr. Scott explained the figure for 2009
32 was based on a quote from the contractor. He also explained what is involved in the
33 program, stating it is a prevention program not a nuisance program. He offered to obtain
34 information on the quotes which had been submitted for Selectman Hargreaves.

35
36 There was a discussion with Ms. Murray and Mr. Scott regarding the need for back-up
37 information and the usual policy for providing this, as well as the difficulties in providing
38 firm figures this far in advance of the work being carried out.

39
40 • ***Inspections (a/c 30300, page 99)***

41 *Line item 4405 (Membership & Publication):* Selectman Hargreaves suggested if the NH
42 Plumbing License is not contractual that the town pays 50% and the employee the rest.
43 There followed a discussion on the areas the Code Enforcement Officer is involved in
44 and the effectiveness of the position.

- 1 • **Planning Board (a/c 10341, page 38 – 39)**
2 Mr. Scott explained the cut in Operating Supplies and this has been moved to
3 Advertising.
4 *Line item 4405 (Memberships & Publications):* In response to a question from Selectman
5 Hargreaves as to why nothing has been spent to date in this line, Mr. Scott explained this
6 usually relates to a project and the Planning Director orders the state law books in
7 September which will deplete the line.
8
- 9 • **Zoning Board of Adjustment (a/c 10342, pages 40 – 41)**
10 Mr. Scott pointed out that they had moved some things from line 4210, Operating
11 Supplies into line 4410, Advertising.
12 *Line item 4410 (Advertising):* There was a discussion with Selectman Hargreaves about
13 the trends for spending in this account and the difficulty of predicting the amount
14 required. Selectman McBride clarified that notices to abutters are covered by state law,
15 and there was further discussion with Selectman Hargreaves about the possibility of
16 reducing the line.
17
- 18 • **Conservation Commission (a/c 10344, pages 44 – 45)**
19 Selectman McBride provided an explanation of the changes to the account.
20 *Line item 4405 (Memberships & Publications):* Mr. Scott explained for Selectman Lyons
21 what the publications were for.
22
- 23 • **Board of Selectmen (a/c 10100, pages 15 - 17)**
24 *Line item 4202 (Town Report/Warrant):* Mr. Sistare reported an increase in this line item.
25 *Line item 4090 (Regular Pay):* Selectman Lyons proposed the Board discuss adjusting
26 the Board of Selectmen stipend.
27 *Line item 4405 (Memberships & Publications):* Selectman Roth clarified the total amount
28 associated with the LGC.
29
- 30 • **Town Manager (a/c 10300, pages 21 – 23)**
31 Mr. Sistare reported the only changes in this account relate to benefits.
32 *Line item 4405 (Memberships & Publications):* In response to questions from Selectman
33 Hargreaves regarding membership of the LGC and publications, Mr. Sistare provided an
34 explanation of the benefits obtained, what is included in membership and what the town
35 pays for in addition.
36
- 37 • **Legal (a/c 10310, pages 29 – 30)**
38 Mr. Sistare explained the difficulties in budgeting for this account. *Line item 4405*
39 *(Memberships & Publications):* Mr. Sistare explained the statute books were those in his
40 office.
41
- 42 • **Budget Committee (a/c 10343, pages 42 – 43)**
43 Ms. Savastano reported this account is level funded.
44
- 44 • **Charter Commission (a/c 10347, page 46)**
45 Mr. Sistare highlighted the spending so far for this committee. There was a discussion
46 about the recording secretary expenses.
47

1 3. Ms. Savastano informed the Board about changes to the budget review calendar. Mr. Sistare
2 clarified for Chairman Barnes it would be necessary for the Board to vote to implement the
3 new fee for electronics disposal at the transfer station and there was further discussion about
4 changing the budget review calendar further.

5
6 Chairman Barnes requested that Mr. Sistare ensure staff is aware the Board would like back-
7 up information prior to the meeting on September 3rd.

8 Selectman Lyons stated he would like to see an alternative method of funding the Water
9 Meter Replacement Program, and requested a cash flow analysis on the Bridge Trust Fund.
10 There was a brief discussion about bonding roads with Ms. Savastano confirming the rate she
11 received was 2.99% for ten years.

12 Selectman Lyons also requested a proposal from staff about the use and modification of the
13 Unreserved Fund Balance, outlining what his expectations were regarding this. He also
14 obtained clarification from Mr. Sistare that there are roads which have been engineered
15 which will not be reconstructed until later.

16
17 Selectman Hargreaves confirmed he was still awaiting a copy of the Police Prosecutor's
18 contract from Mr. Sistare.

19
20 **ADJOURN**

21
22 **MOTION:** by Selectman Hargreaves
23 *Move to adjourn until Thursday, September 3, 2009 at 6:00 p.m.*

24 **SECOND:** Selectman McBride

25 **VOTE:** 5-0-0

26 **Motion carried unanimously.**

27
28 There being no further business, the meeting adjourned at 9:43 p.m.

29
30 Notes/minutes taken by: Sandra Maxwell

31
32 Approved: Board of Selectmen

33
34 Date: September 21, 2009