



Warner Board of Selectmen

Work Session Meeting Minutes

Tuesday, November 26, 2019

APPROVED

1. Open Meeting Chairman Carson opened the meeting at 7:04 pm.

Attendance: Selectman Clyde Carson – Chairman, Selectman Kimberley Edelmann, Selectman Judy Newman-Rogers

Others present: Melissa Briggs, Tim Allen, Varick Proper, Ed Mical, Ed Raymond, Nancy Ladd, Sean Toomey

2. Health Trust - Health Insurance Options

A. Melissa Briggs from Health Trust met with the Board again to talk over health benefits. Clyde said after their last meeting, the next day he went to the Municipal Association Conference and learned more about the benefit options. Clyde asked if he could test what he thought he heard and if it makes sense. At first the thought was to stay with the current plan that has a 7.4% increase at all levels. At the meeting with Melissa, she made a comment that there are other options towns offer. Clyde learned that other towns do so and offer their employees the option to buy up to another plan.

B. Clyde thought what if the town offered the second tier plan to the employees as the primary plan, with the option to buy into the first tier plan, support the town deductible at 50%, and offer the flex spending plan. When Clyde ran the numbers there was a significant decrease to the town cost and if the employees portion is increased to 10%, their cost would go down as well on a monthly basis. Clyde said he also understands Health Trust would administer the 50% deductible at no extra cost to the town. Melissa said it would be all automated with a claims file fee from Anthem to Health Trust Credit Department. Clyde also learned at the Conference that in most towns, the employees contribute anywhere from 10 to 20% for health care. Clyde came up with a reduction that amounts to about \$50,000 in premiums.

C. After employee contribution the current total cost for health care is \$241,417 for the year. Clyde said if the Board chooses the second tier plan with 10% employee contribution, the cost for the town will be about \$184,000. From the employee perspective, the current monthly contribution for a single plan is about \$59.00, under the new plan it would be about \$57.00 with a 10% employee contribution, 2-person plan from \$118 to \$115 and a family plan from \$160 to \$156.

D. Melissa talked about the claims processing. Health Trust works with Benefit Strategies who processes the claim reimbursements and they send it to the individual that is covered and then the individual is responsible for paying the provider, it's all automated. The town will be invoiced monthly.

E. The Flexible Spending Account, the employees can acquire debit cards. Receipts are required for certain things. The amount on the card is up to the employee but can only go up to \$2,750, per IRS. But, the town has the option to set the amount because the money on the FSA is available the first of the year and if an employee terminates employment, the town will be responsible for the balance on the FSA. There is also a \$500 carry-over limit or a 2.5 month grace period if an employee has money left over in the FSA at the end of the year.

F. Clyde asked Melissa what is the timeline so everything is ready to present to the employees. Melissa said she can set it up fairly quickly as long as she gets all her questions answered to do the set-up. She could do educational sessions the first week in December. The other important item because now there is a tight timeline, the employees would not have ID cards until after January 1st, but, they could use their current ID cards. Melissa asked the Board if they will be funding the deductible on the optional plan as well and the Board said yes. Tim Allen asked what is the difference in the benefits. Clyde said the difference is the deductible and co-pays.

G. Melissa will talk to her team because if the town is still going to fund half of the deductible on the other plan, she wants ensure that because there will be two types of Health Reimbursement Arrangements, she wants to confirm they will be treated as two separate HRAs.

H. Kimberley asked what is the time frame. Melissa said you would distribute the information with the open enrollment materials, some do a 30 day time frame, the town is still within that time frame as long as the town gets the information out next week. Melissa would send the summary of benefits and coverage documents which is a requirement to distribute to the employees. Melissa said the Board needs to decide if they are going to keep the funding that the town is doing for the current plan in place as well as add the new plan option and fund half of that deductible as well. Melissa asked if the Board intends on funding the first half of the deductible. Most employers do the first half. Clyde asked if the Board decides for the first year that the town may want to contribute to the flex spending is that something Health Trust needs to know up front? Melissa said yes, she would need to know how much do you want to allow employees to have in a flexible spending account, you can fund up to \$500. Clyde asked the Board what they thought about funding the flexible spending account. Kimberley said she is not familiar with health insurance, if it makes sense she's in favor. Judy said it makes sense to her because it is pre-tax, and initiating it with town money would encourage employees to use it too off-set their out of pocket expenses. Melissa said the town can fund up to \$500 and then the employee can add to it if they choose. She said the town has one early retiree on the plan, all the rest are on the supplemental plan. The town can offer the retiree the same option, but the town wouldn't fund anything. The Bookkeeper would need to notify the retiree.

I. Melissa asked the Board if the prescription option will stay the same, there are two options to choose from. There would be no change for generic co-pays, the difference in the options are for brand names. Clyde is in favor of keeping prescriptions the same as they are now.

J. Melissa said all the employees will receive new ID cards, which will be explained when Health Trust comes to meet and educate the employees. The employees will need to elect their plan and fill out an enrollment form. An enrollment form will also be needed if they choose to have a Health FSA. As far as the Health FSA, there is some administrative work. Health Trust will need the payroll sent to them on a regular basis for the deductions, those funds need to get to Health Trust by either ACH or check. Melissa said Health Trust would work closely with the Bookkeeper. Clyde asked if a person was eligible for health insurance, but they opted to not take the health insurance, are they still eligible for the flex spending. Melissa said yes, as long as they are eligible for the medical plan.

K. Clyde called for questions from the public. No questions were heard.

Board Action

Chairman Carson is proposing going for the Tier 2 medical plan as the standard, with an employee contribution of 10%, with the option to buy up to the current plan, offer a 50% contribution towards the deductible, and the town will provide flex spending in the amount of \$500 to all eligible employees for the first year. Savings to the town is about \$40,000. Selectman Newman-Rogers seconded the motion. Funding the deductible's will need to be researched. Ed Mical asked what is the savings to the town. Clyde said if the town funds the flex spending, the savings will be between \$40,000 to \$50,000 over what the town is paying today. Clyde asked Melissa if it is a fair assumption the cost for the employee with 10% contribution, they will realize a monthly reduction in the premiums. Melissa said yes, if the employee takes the Tier 2 medical plan. Tim Allen doesn't feel that makes sense, the employee will be contributing more, but pay less per month? Melissa said the co-pays and deductibles are higher. Melissa does need to confirm 2 separate HRAs can be set up, she is 99% sure it can be done. Melissa will call or email Judy when she finds that out. Clyde asked Melissa to read back to him what she believes the motion to be. Melissa said the town is increasing the employee contribution to 10% on both plans, the town will fund the first half of the deductible on either plan option, keep the prescription the same and the town is going to fund \$500 into the flexible spending account for each eligible employee that chooses to participate. And employees can maintain the other plan, but, they have to buy up to that plan. Chairman Carson called for a vote on the motion, all were in favor, the motion passed. Melissa will work with Judy on setting up an employee meeting the week of December 9th.

L. Melissa had some questions for the Board:

- Is the town going to allow the employees up to the full \$2,750, this is the IRS maximum for the flex spending. Clyde said yes.
- Melissa asked if there is a certain hour requirement an employee needs to work to be eligible. Judy said 35 hours is full-time. Melissa asked if part-time employees are offered to participate. Judy said at full cost.

- Dental is offered, but that cost is not covered by the town. Judy said that's why she supports the town funding half of the deductible and funding \$500 for FSA. Melissa said if the town is not funding dental, there is a 75% participation requirement unless the employee is covered elsewhere.
- The town offers life and short-term disability with Health Trust.
- Melissa said because the town offers part-time employees to participate in the medical at full cost an FSA would need to be offered to them. The town is not required to contribute the \$500. Clyde said the Board's decision is based on employees eligible for the medical benefit.
- What are the requirements for part-time employees. Judy said anything less than 35 hours.
- Melissa asked if the town is going to allow for the \$500 carry-over or have the 2.5 month grace period for the Flexible Spending Account. Clyde asked which works better for employees. Melissa said the \$500 is a fairly newer option, it's up to the Board, generally employers choose up to \$500. The Board chose \$500.
- Does the Board want to do dependent care which is for daycare expenses for up to \$5,000. This is not an expense for the town, it's an inconvenience for the employee. No answer was provided.
- Melissa will reach out to the Bookkeeper for additional payroll questions.

3. Town Hall Offices and Sprinkler System

A. Director of Public Works, Tim Allen, said he has \$134,700 into the project. There is \$32,500 that he will pay towards that amount from his operating budget, at this point. Tim has not sat down with Weaver Bros. on either project, he hopes to by December 15. The biggest cost that was overspent was digging from Main St. to the top of the hill. Two drain lines were not located where they were thought to be. Tim said the 8" pipe going into the Town Hall instead of a 6" pipe created a bit of an issue as well. The two week project turned into 3 weeks and 2 days. A hydrant was also added for \$2,500. There is now about \$20,000 left in the capital reserve fund. The offices to be built are estimated to cost about \$9,000. Tim said he spoke with Jay Murphy (sprinkler system) who said the plans would be done by December 1st so a firm cost could be nailed down for the system and the electrical. Tim expects to be \$40,000 short. Clyde said if the town wants to use the unanticipated funds the State provided, that still leaves the town short by a few thousand. Tim still needs to talk to Weaver Bros. and the plans for the sprinkler system are not here yet. Jay had told Tim the electrical could cost half of what was originally stated (about \$10,000). Tim will return to the Board after he talks with Weaver Bros. and has the plans for the sprinkler system in hand. Judy asked if the Record Preservation Capital Reserve could fund part of the offices? Clyde said that was the intention originally, to fund part of it. First the Board needs to look at the final numbers. Kimberley said there is also has a Contingency Fund.

B. Judy asked Tim if he said the hydrant cost \$2,500. Tim said it did. Judy asked Tim if the hydrant was in the original plan. Tim said no, originally there was just going to be a blow out. The hydrant is a plus, it also allows the line to be flushed. Tim weighed the cost of a blow out and the hydrant and decided to go with the hydrant. The Precinct has an easement to go across Nate Burrington's property to put the hydrant in. Ed Mical asked if the Precinct will pay for some of the costs for the hydrant. Tim said the Precinct has not told him anything yet. Ed Mical said he knows the conduit was installed to run underground from the pole to the Town Hall, is anything been scheduled for the change over? Tim said the reason Eversource hasn't done that yet is because Eversource now has to research the easement.

4. Public Works Department 2020 Budget - Highlights

- Director of Public Works, Tim Allen, presented.
- The biggest increases are employee related.
- \$21,000 increase for the extra pay period in 2020.
- Asking for a \$15.50 per hour person to be added to his crew.
- Part-time budget is increased to get to a 10 person crew in the winter time, currently the crew size is 8. This also includes office support for 1 day a week. Clyde asked if this person could be shared with the Bookkeeper for filing. Tim said yes.
- Building Maintenance is changed to a full-time Building Maintenance position to concentrate solely on the buildings and the grounds. Winter maintenance of the buildings will fall under this position as well. Tim asked who will the Building Maintenance person answer to, the Town Administrator, the Board of Selectmen or is it going to be him. Tim said he has also tried to implement a request form system for building repairs. Kimberley said that's a great idea, but she has never seen that happen, is it being used? Tim said Tim Hayes says no, he has not received any. Tim said if it is his responsibility, then he will change that. Varick Proper agrees the buildings are a big investment and unfortunately last year, the Budget Committee cut the budget. His maintenance line was cut to \$2,000, you can't do much with \$2,000. Varick is also in support of

having a full-time Building Maintenance person. On a part-time basis this person is being spread too thin. Clyde asked if any of this works with Parks & Rec too. Tim said we should get to the point where we have help enough so everyone can help each other. Tim said he is suppose to be overseeing Parks & Rec crew, but, Tim doesn't have a say on what any of them do, a decision needs to be made on that too by the Board. Tim said Parks & Rec doesn't need a new tractor when there's one sitting at the shop, it should be a combination with the Public Works Department. Varick said in Henniker, the Transfer Station crew on their off hours work for Parks & Rec. Judy asked Tim where is the breakdown. Tim said he thinks Parks & Rec are looking for a machine to do what they need to get done. Tim said the breakdown is the town wants a Public Works Department but we don't have a Public Works Department. Someone has to sign Alan Piroso's (works for Parks & Rec) time sheet, all Tim is saying is we need to make it a function-able operation. Clyde suggested a meeting with Parks & Rec and Tim to talk more about this. Varick is speculating, as far as the tractor goes for Parks & Rec, he thinks what Parks & Rec is looking at is the fact that Alan Piroso won't be working forever and Alan has put a lot of hours on his own tractor and Parks & Rec are looking at replacing that.

- Kimberley said the wages increased by \$55,000, but, Tim is no longer doing outside contract snow removal which is saving \$26,000, there's a give and take here.
- Clyde wants to talk about trees, the Town Hall front lawn, and wild flowers at the solar array. Tim said he put the brakes on the Solar Array when the issue of evasive species came about. Clyde wants to make sure Tim has the capacity in place to make these things happen in 2020. Tim said in his budget, the projects he would like to see completed next year are the projects Clyde just spoke about, plus 380' of sidewalk by the Library, Courser's Corner and a section of Bean Road at the Newmarket Rd. end because the hot top is falling apart.
- The projects that were completed in 2019 are Tory Hill/Kearsarge Mt. Road, Iron Kettle, Dustin Road. Tim has to pave the swails on Tory which is included in the 2020 hot top line. Kimberley said Pumpkin Hill Road looks great.
- Clyde asked Tim if he has heard anything on the Davisville Bridge. Tim said no, the only thing he heard from the State is for Main St., the State is going to overlay the driving lanes next summer and they want to address the crosswalks.
- There is \$3,800 in the 2020 budget in Outside Repairs for tree removal/replacement.
- Tim added another \$750 to Bridge Maintenance for guardrail parts.
- The health care numbers will need to be adjusted.
- Tim said 2020 is a tire year, he needs new tires on the grader before next fall which is a \$9,600 expense. 5 dump trucks will also need tires \$8,500 to \$9,500.
- In total there is 5,200 yards of winter sand.
- Total increase before health insurance adjustments is a 5% increase.
- Judy said everyone's budget is going to increase because of the 27 pay periods in 2020.

5. Transfer Station 2020 Budget - Highlights

- Transfer Station Foreman, Varick Proper presented.
- Increase to the budget amounts to 3.09% which is mainly attributed to a household hazardous waste day. Sutton participates as well and contributes \$1,000.
- Wage lines have not been addressed. Varick would like to address some of the part-time wages.
- The other increase is \$2,000 for Wheelabrator.
- The disposal line is showing a decrease back down to \$9,000.
- The electronic pod is pulled about 3 times a year at \$1,350 for each pull. One time a few year's ago the pod would go out up to 5 times a year.
- Shipping out waste oil and anti-freeze now has a small expense.
- Clyde asked if the town should increase the fee's. Varick said yes, a discussion should take place.
- Judy asked Varick why the fire alarm line is not spent in 2019. Varick said he needs to research that. He said the billing has been erratic as well as the fire alarm vendor. The line should show an expense for maintenance and an inspection. Varick is working with the Bookkeeper to see if something was miss coded. Fire Chief, Ed Raymond said Concord Fire Alarm eventually will not be monitoring any of the towns facilities, they are getting out of the business within 2 years.
- Kimberley asked Varick how he is going to approach wages. Varick asked when can we have that discussion. Clyde said not tonight, it will be put on a future agenda.

6. Fire Department 2020 Budget - Highlights

- Fire Chief, Ed Raymond and Deputy Fire Chief Sean Toomey presented.
- Sean said one of the concerns is the staff is not getting paid for actual work hours. At this time, staff is paid once the pager goes off until the call is cleared. If you spend an hour at the station stalking supplies, that time is not being charged. This will be fixed in the future.
- Training only pays for 2 hours even if the training is 3 hours. Judy asked why is that. Sean is not really sure and needs to be fixed. Clyde recalled this discussion a few years ago and said at that time the Board wanted to see the staff paid. Ed said what was decided is a 2 hour minimum.
- Equipment/Maintenance Line was increased by \$2,500 because it has consistently over spent.
- Dispatcher Service is increase by \$1,865.
- Building Maintenance increased by \$800. That does not include the cost for seal coating the driveway. Tim said the driveway should set for about a year to 16 months before it's coated and then done every 4 years. Tim said if the sealing coating waits until June of 2021 it should be fine. Tim will do an assessment in the spring time.
- Judy asked if there is anything in this budget that is also budgeted in the capital reserve like new equipment? Ed said the Planning Board said equipment should be in his operating budget. Ed explained when he has to replace gear the cost is about \$3,000 per person. Clyde said the Capital Improvements Program on the Planning Board level is for big projects. Ed can certainly have a capital reserve fund for replacing equipment.
- Clyde asked if the Fire Station project is close to being closed out. Ed said there are some loose ends, he is still having problems with the fire alarm system, a gasket needs to be replaced around one of the windows, and there are heat problem in the bathrooms. Kimberley said they are in the warranty period debugging problems.
- Kimberley asked Ed and Sean if they will be getting back to the Board about wages and they both said yes.

7. Wages

The Board will meet on December 10 to focus on wages.

8. Manifest

Chairman Carson made a motion to authorize the Selectmen to sign manifests and order the Treasurer to sign Accounts Payable check numbers 56950-56993 in the amount of \$42,305.59. The Fire Construction Account check number 145 in the amount of \$456.00. Selectman Newman-Rogers seconded the motion, the motion passed.

9. Transfer of Funds

A. Chairman Carson made a motion to move funds in the amount of \$168,375.85 from the capital reserve for Highway Road Construction. Selectman Edelmann seconded the motion, the motion passed. (Weaver Bros. construction)

B. Chairman Carson made a motion to move funds in the amount of \$45,632.06 from the capital reserve for Town Hall Improvements. Selectman Edelmann seconded the motion, the motion passed. (Weaver Bros. Water line at the Town Hall)

C. Chairman Carson made a motion to move funds in the amount of \$514,131.00 from the capital reserve for Fire Rescue Vehicles. Selectman Edelmann seconded the motion, the motion passed. (New fire truck)

10. Wages

Judy was going to discuss wages tonight because it is pertinent this time of year. She thinks for the remainder of the year, the two pay periods that are left, she thinks that the employees that were given less than a 2% increase last year should be adjusted. She said she brought it up once before, but, she actually sat down with all the reports and percentages, it will cost about \$1,800 to give 8 people and adjustment they did not get last year. Most people got 9% or above. People who were just placed on the wage scale did benefit from 3% or more. Judy's idea for wages is you take the second half of people and place them on their correct/better step and everyone else who benefited from the increases last year will have no increase in 2020. That way we worked people into getting an increase over 2 year's but the first group benefited. Clyde said you would make these changes for 2020? Judy said the increases would be effective the next pay period through 2020. This is what Judy is proposing because of the way the wages were calculated and the chart that was used. Clyde asked if all those equate to a grade and step that exists? Judy said yes. Clyde asked when you give the 2% increase they will be on a new step? Judy said they

are on the matrix with different percentages to be on the next step. Clyde said we need to make sure they are on the matrix. Judy said they are. Judy provided copies of her proposal to the Board for review. Clyde said then basically this is our salary discussion. Depending on how long they have been working, she did adjust Rick Bixby and the Police Chief. Kimberley reminded the Board that they are in public session. Judy said it's not negative about anything. Kimberley then asked Judy if she is recommending a 12% increase for the Police Chief. Judy said to put the Police Chief on the step that is more appropriate and based on the State information. Kimberley said the Board has not seen that study. The Police Chief used it for his patrolman and his crew. Kimberley asked for a copy of that study before the Board approves a 12% wage increase for somebody. Judy said to Kimberley she had no problem last year approving a 25% increase. Kimberley said the Board just set-up a meeting on December 10 to discuss wages. Judy said the other thing she was thinking, last year, there was something that really stuck in peoples craw that worked here, because it was said in minutes that "now people can have a good Christmas", but that did not apply to all employees and all employees did not get a decent increase. Judy thinks at this time of year we should say "have a nice Christmas" to the rest of the employees that were overlooked last year.

Kimberley said she is not crazy about the idea of making changes right now at this moment without prior discussion of this and with the plan to discuss wages on December 10 which we said we would do with 3 Department Heads. Judy asked Kimberley did the Department Heads see the changes that were made last year? Judy said no, the Department Heads were not involved in any of it, it's kind of the same thing. Kimberley said if you want to give them bonuses why doesn't the Board just give Christmas bonuses. Judy said it's not the same thing. Clyde said if we decide to do this, the Board could make it retroactive. Judy said she will send the Board her information. Clyde said he is in favor of the proposal as long as everyone is on the matrix, he thinks is fair. The Board should still hear what the Departments want. Judy said she's not saying that the Department Heads can't make changes after this, but because this group was really over looked, they can start off on the same playing field as those who were adjusted last year. To Judy, everyone will be on the same level now moving forward. Last year \$43,000 was issued for wage increases, this proposal will cost \$20,000 for 2020. Kimberley said half of it goes to one person though and if Judy can justify 12% for one person then that's fabulous. Judy said to Kimberley you know what the percentages were last year that you approved, 25% for one employee. Kimberley said when the Board hired a new Bookkeeper, that Bookkeeper is now being paid more than the previous one because the Bookkeeper needs to be paid more. Judy said a Bookkeeper who knows what they are doing is worth their money. Wages will be discussed on December 10th. Judy said to Kimberley if you're saying there was no favoritism last year versus getting people on steps. Kimberley said that is why the Board hired an outside consultant. Judy said did you use the consultants wages, no. The Town Administrator created his own and inflated them where they weren't what the study showed. Kimberley disagreed, three Selectmen made that decision, not the Town Administrator. Judy said the Town Administrator presented information and the Board decided based on what was presented. Kimberley said the Town Administrator did his job based on what the Board asked for. Clyde adjourned the meeting.

11. Adjournment

A motion was made and seconded at 9:47 pm to adjourn.

Board of Selectmen
Clyde Carson - Chairman
Kimberley Edelmann
Judith Newman-Rogers

Recorder of the minutes: Mary Whalen