

MINUTES
SELECT BOARD
TOWN OF PETERBOROUGH
Tuesday, December 6, 2011 – 6:00pm
1 Grove Street, Peterborough, New Hampshire

Present: Joe Byk, Barbara Miller, Elizabeth Thomas

Also Present: Pamela Brenner, Nancie Vaihinger, Chief Joseph Lenox III, Chief Scott Guinard, Leo Smith, Nicole MacStay

Chair Miller called the meeting to order at 6:03pm.

Linda Guyette, Town Clerk – Request to Change Voting Venue to Community Center

Chair Miller explained that though this request was presented to the Board at their last meeting, they felt that it would be important to get feedback from residents before making a decision, and so asked for votes via the website and at the Town Clerk's Office. She then announced that 282 people responded, with almost 66% voting to keep elections at the Town House.

Motion:

Chair Miller made a motion to keep voting at the Town House; **Ms. Thomas** seconded.

Vote:

Chair Miller, Ms. Thomas and **Mr. Byk** voted in favor of the motion; the motion carried.

Donna Marcin, Human Resources Director, New Hampshire Ball Bearings – Expansion and Job Opportunities

Ms. Marcin announced that NHBB has good news and bad news. The good news is that NHBB is growing, and they project to grow year after year for the foreseeable future. The bad news is that NHBB is having a difficult time finding skilled people to work in the Peterborough area. Part of the problem is demographic; the generation coming into the workforce is smaller than the one that is leaving. Beyond that there is a significant skills issue, and a lack of interest in manufacturing. Most people do not realize how vital manufacturing is to the New Hampshire economy, which is in fact the state's top industry. Since 2003 manufacturing exports have grown three times faster than the state's economy, and bring in four times more revenue than tourism. However this isn't really talked about very much because there is a stigma attached to manufacturing, much of which the industry has done to itself. Over the last twenty years there has been a great deal of outsourcing and downsizing. However, NHBB has not had a layoff since 1991. It has been the company philosophy to hold on to as many people as they can.

Ms. Marcin said that she has been tasked to hire sixty more employees by the end of December, which is virtually impossible. NHBB is competing with other manufacturers for a very small group of skilled people in this area. NHBB is willing to train, and has partnered with Nashua Community College to train people on site; however it has been difficult to find people who have the math skills necessary. Manufacturing today is very technical, and people must be able to add and subtract numbers five places to the left of the decimal. If NHBB is unable to find enough people to fill the positions here, then the growth opportunities will move elsewhere where there is a larger population pool to draw on. She emphasized that the Peterborough facility is in no danger of closing. There was an extended discussion about how the Select Board and town staff could support NHBB by spreading the word about their employment opportunities.

Future of Town-Owned land off of Summer Street

Chair Miller said that the Board now has recommendations from the Conservation Commission and from Mr. Bartlett, recommending that the parcel in question be kept by the town for the following reasons:

1. The property contains shoreline on the Contoocook River, one of the state's sixteen protected rivers. Maintaining an undisturbed shoreline is important for water quality and wildlife habitat.
2. The boundary marking pins are intact and need no maintenance.
3. There are no invasive species on the property.
4. The northern border of the property abuts the Town property comprising of the rail trail.

Motion:

Ms. Thomas made a motion that the Town maintain ownership of land off of Summer Street, parcel ID number U016-020-000; **Mr. Byk** seconded.

Vote:

Ms. Thomas, Mr. Byk and **Chair Miller** voted in favor of the motion; the motion carried.

As there was no further business, the Select Board recessed at 6:40.

Joint Select Board/Budget Committee Meeting

At 7:00pm the Select Board reconvened and were joined by **Leslie Lewis, Don Parkhurst, Bob Lambert, Gordon Kemp, Steve Jones, Susy Mansfield** and **Bertha Harris** of the Budget Committee.

Budget Overview

Ms. Vaihinger began by reviewing the memo she included in the packets, noting specifically that staffing has remained the same except for the changes which have been approved by the Select Board, which has left two part time and two full time positions unfilled. There is a proposed merit increase of 3.5% in the budget. **Mr. Byk** asked how she arrived at the 3.5%; **Ms. Vaihinger** explained that it was the cost of living increase that the Federal Government is giving to Social Security recipients. **Ms. Vaihinger** then said that health insurance is expected to go up 11.3% though she continues to explore other options with the school district. Changes in the New Hampshire Retirement System have decreased the employer portion of the contribution which is also reflected in the budgets.

Capital Improvements Plan Presentation

Leo Smith, Chair of the CIP Committee, began his presentation by explaining that the CIP committee reviews any expenditure of \$10,000 or greater. As such, a number of different projects are reviewed each year, from fleet maintenance to building repair to bridge replacement. The CIP Committee reviews all proposals and tries to come up with what they believe is the best plan to present to the Select Board and Budget Committee. **Mr. Smith** then reviewed each of the projects in current plan. This year the committee has recommended an increase in CIP appropriation of \$872,681, which will have an impact of \$1.45 on the tax rate. **Mr. Smith** emphasized that the Committee feels that it is vitally important to begin reinvesting in the CIP to maintain existing infrastructure, rather than being forced to replace it in the future. **Mr. Smith** then reviewed the various projects included in plan, noting in particular new projects such as a new financial software/hardware package and recreation fleet management.

Police Department

| | FY 2012 | FY 2013 | % Inc. or Dec. |
|-------------------------------|-------------|-------------|----------------|
| Net Operating | \$1,292,811 | \$1,387,842 | 7.4% |
| Net Capital | \$45,000 | \$23,000 | -48.9% |
| To be raised through taxation | \$1,337,811 | \$1,410,842 | 5.5% |

Chief Guinard explained that most of the increase in the Police budget comes from all of the insurances, which have gone up across the board. The majority of other items have stayed flat. Revenues have gone down because the department will only be selling two retired cruisers rather than three, and they had lost a \$3,000 juvenile diversion grant from the county. **Ms. Thomas** asked why the postage line went up 30%; **Chief Guinard** explained that having the prosecutor in-house has increased the amount of mail going out. **Mr. Lambert** noted the dramatic cut in the uniform line; **Chief Guinard** said that the replacement schedule has been pushed out. **Chair Miller** asked what would be the impact on the budget if the School Resource Officer is approved in March; **Chief Guinard** said that it is not in the budget now, and felt it would be premature to make that assumption.

Fire Department

| | FY 2012 | FY 2013 | % Inc. or Dec. |
|-------------------------------|-----------|-----------|----------------|
| Net Operating | \$477,813 | \$458,953 | -3.9% |
| Net Capital | \$0 | \$20,000 | 100% |
| To be raised through taxation | \$477,813 | \$478,953 | 0.2% |

Chief Lenox said that overall the budget is down 6.03% due to the transfer of overhead costs to the Ambulance Transfer Program, including a portion of his and the administrative assistant's salary. The staff development line has gone up as many of the staff's certifications and licensing will need to be renewed in the next year. **Mr. Lambert** said that it seems risky to transfer so many expenses into the Ambulance Transfers budget since it is still uncertain if that program will be in place next year. **Ms. Brenner** said that rather than continue to allude to the Ambulance Transfer program, it made sense to talk about it now.

Ms. Brenner said that she is pleased to report that preliminary receipts for the transfer program are on target, and the budgets being presented reflect the program's benefits. Already there is a savings of \$123,000 tax dollars, which includes Peterborough's share of the ambulance shortfall (\$23,000), the sharing of the expense of replacing Car 2 (\$20,000) and the refurbishment of an ambulance without a lease/purchase or bond (\$80,000). This program has also lead to direct and indirect job creation. Internally we have hired one full-time staff member to oversee the program, and we are in the process of hiring between fifteen and eighteen part-time emergency responders. Externally we know that Emax Medical Billing has also hired another full-time staff member to help with the additional business we are bringing them. The economic impact of this new program also extends out to Peterborough's restaurants and local fuel companies who are seeing an increase in business. **Ms. Brenner** emphasized that most importantly, this program has helped to save lives. We now have faster response times and highly trained medics available 24/7.

Mr. Lambert asked why Car 2 and the refurbishment of the ambulance were not included in the CIP; **Ms. Brenner** said that they had just gotten those numbers this week and they are still fluid. **Mr. Parkhurst**, noting that the program only started in the beginning of October, said that typically by the time a bill is sent to the insurance company and is finally paid two or three months have gone by, asked what the average cost of a transfer is; **Ms. Brenner** said that they are between \$2-3,000 each. **Chief Lenox** added that it really depends on the insurance company. He also said that another reason that they moved so quickly on this program is that Medicare has been steadily dropping their rates since 2004, and so the general feeling was that if they didn't try this program it wouldn't be fair to the taxpayers. **Ms. Brenner** said that every time they open the garage door to respond to a call it costs the town \$500.00 between supplies, overhead and staffing. **Ms. Mansfield** asked if there would be any increase to the town's liability insurance; **Ms. Brenner** said that there is, but it is pretty marginal, and is also being carried by the transfer budget, however the worker's compensation may go up. **Chief Lenox** said that while the town has always had paramedics on staff, that number has gone up from two to fifteen. **Chair Miller** complimented **Chief Lenox**, **Ms. Brenner** and **Deputy Chief Wall** for their creating thinking and resourcefulness.

Emergency Management

| | FY 2012 | FY 2013 | % Inc. or Dec. |
|-------------------------------|----------|----------|----------------|
| Net Operating | \$20,627 | \$20,727 | 0.5% |
| Net Capital | 0 | 0 | NA |
| To be raised through taxation | 20,627 | 20,727 | 0.5% |

Chief Lenox said that they reduced printing, postage and office supplies to maintain the budget.

911 Ambulance Budget

Chief Lenox said that overhead is split 50/50 between Fire and Ambulance, and inside the Ambulance budget it is split again 50/50 between 911 and transfers, which explains the decrease in most of the expenditure lines. Overall the budget dropped 4%. **Ms. Brenner** said that dispatch did not change because all emergency dispatching is done through KMA, a cost which is not shared with the Transfer budget; those crews are paged from the hospital directly. **Ms. Lewis** asked why the bank fees had doubled; **Ms. Vaihinger** said that was because people are paying more by credit card, which means that the Town must pay more in fees to the bank to accept those payments.

Tax-Supported Ambulance

| | FY 2012 | FY 2013 | % Inc. or Dec. |
|-------------------------------|----------|----------|----------------|
| Net Operating | \$91,368 | \$67,876 | -25.7% |
| Net Capital | 0 | 0 | NA |
| To be raised through taxation | \$91,368 | \$67,876 | -25.7% |

Ms. Brenner said that thanks to the Transfer program, Peterborough's share of the shortfall has gone down by \$23,000. **Mr. Byk** asked why does Peterborough still provide service to the other towns. **Ms. Brenner** said that Peterborough would still have to pay the same in overhead to provide the same level of emergency response to Peterborough residents. By providing the service to the other communities, Peterborough's share of the overhead is reduced substantially. **Mr.**

Byk said that was the case then they could do the same with the Police Department and those costs would be reduced, however he is not convinced that Peterborough actually saves money that way. **Ms. Lewis** asked if Peterborough is part of mutual aid, and isn't that agreement regional. **Chief Lenox** said that Peterborough is a member of mutual aid, and that they participate with fire and ambulance response. The biggest issue in New Hampshire is that the towns are so small that they can't afford their own ambulance service and outfit it. The larger communities can help the small and be reimbursed. A few years ago PFR was only responding to 300 calls, and still had to pay for the daytime staff and infrastructure. If we reduced the service to the other communities and didn't staff all day, the PFR would be back to where it was in 2004 when there was no guarantee that enough people could respond to get the ambulance out the door. Since the Board decided to staff the station in 2005 the PFR has not missed one call. **Mr. Parkhurst** added that years ago it was easier to get volunteers, however with today's economy, employers are not letting people respond.

Ambulance Transfers, continued

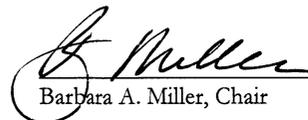
Chief Lenox explained that he, **Ms. Brenner** and **Ms. Vaihinger** decided to put together a separate budget just to handle the transfers. This is the 10th week in, so they really don't have hard numbers, just good estimates. He said that they are trying to move expenses in to track them, and do checks and balances with the revenues. This program will go on as a trial until the end of January when the Board will be asked if they would like it to continue or not. **Ms. Lewis** asked if he anticipated any short-term cash flow issues if payments are not received on time. **Chief Lenox** said that there is a fund balance of \$182,000 in the 911 budget, and with the revenue that is coming in, that should carry them through. It will take three to four months to get all the revenues from October and November. In October they billed \$110,255, and in November they billed \$153,941. **Ms. Vaihinger** added that she does not allow tax money to be spent on the ambulance service.

Ms. Brenner said that she couldn't stand the thought of all this money not only leaving Peterborough, but leaving the state. She said that she is confident that the program will work. **Mr. Lambert** asked if the employees have been hired; **Chief Lenox** said that they have. **Mr. Lambert** asked if we could potentially lose some of them if they are offered full-time positions elsewhere. **Chief Lenox** said that all of them already have full-time positions elsewhere. **Mr. Byk** asked if the PFR has two ambulances. **Chief Lenox** said that they have three; two have been in service, and the third was a retired ambulance which was kept for emergency management, which has been refurbished and brought back into service. He said that since October 1st they have averaged eight calls a day. Not only have they not missed a single call, but there has been a paramedic on every one. It is pretty impressive. He said that he wants to thank his staff, who are exceptional; they are a great bunch of people. **Ms. Lewis** asked if they funds could be used towards the dispatch center; **Ms. Brenner** said that they could, since the Transfer program would use that as well.

As there was no further business, **Chair Kemp** adjourned the meeting at 8:12pm.

Respectfully Submitted,
Nicole MacStay, Assistant to the Town Administrator

PETERBOROUGH
SELECT BOARD:


Barbara A. Miller, Chair


Joe Byk


Elizabeth M. Thomas