

MINUTES
SELECT BOARD
TOWN OF PETERBOROUGH
Tuesday, November 19, 2019 – 5:00pm
1 Grove Street, Peterborough, New Hampshire

Present: Karen Hatcher, Bill Taylor, Tyler Ward

Also Present: Rodney Bartlett, Kristin Bixby

Chair Ward called the meeting to order at 5:00pm.

New Website Redesign Update – Alison Kreutz

As Chair Ward reviewed the agenda, Mr. Bartlett informed the Board that Ms. Kreutz was not able to attend tonight's meeting. As she oversees this project, Mr. Bartlett asked the Board to table the discussion to a later date. The Board agreed.

Resolution in Support of Medicare for All

Dr. Ahmed CK Kutty, M.D., introduced himself to the Select Board. Dr. Kutty, a retired cardiologist, is an activist representing Physicians for a National Health Plan. Dr. Kutty moved to Peterborough in 2013. He noted that over the past 30 years, he had experienced increasing numbers of encounters with patients who had inadequate insurance or no insurance, which he views as a societal crisis. He went on to say that the reason he was here tonight was to ask for the Board to support a solution, which he views is Medicare for All. In particular, he is advocating for a publicly funded universal health care solution. He stated that public funding is necessary with cost control measures in place.

Dr. Kutty goes on to highlight a number of statistics in his reasoning for why he is advocating for this cause. Some points that he made are outlined below:

- The United States spends about 18% of the national GDP on healthcare, which equates to roughly \$3.5 trillion. The country who comes closest to this spending amount is Canada, which is about half of that. Per capita, the USA spends an average of about \$10,000 per person.
- Publicly funded universal health care has been done in other nations over the years. It was attempted here [in the USA] in the 60s, with Medicare, essentially a publicly funded plan, but due to politics, Medicare was enacted only for the senior population. We should now improve and expand Medicare for all Americans.
- In Peterborough, the Town spends \$880,000/year for health care expenses on roughly 60 employees. Of those health care expenses, 80% of cost is paid by the employer. With the national plan that Dr. Kutty is advocating for, that money would come off of the Town books and become only a federal expense. The federal amount taken out would be roughly 8%, paid in half by the employer, and half by employee. This would be enough to cover everyone in the USA with no premiums, no deductibles, no copays, no insurance; and would cover all medically-necessary medical care, including prescriptions, long-term care, dental, vision, and rehabilitation for substance abuse or mental health issues. Dr. Kutty noted that this all sounds ambitious, but to keep in mind that the USA is currently spending \$3.5 trillion per year on healthcare. A single-payer plan is one source of payment and can help control costs, and the savings that can accrue to \$500 billion, which is one-half of a trillion. Therefore, the USA would be spending only \$3 trillion instead of \$3.5 trillion, all while taking the responsibility of supplying healthcare off of the employers.
- As employer, he knows the price of providing insurance for his employees. Dr. Kutty used some examples, taking facts from the Kaiser Family Foundation. An employee making \$50,000/yr with a family of four will need \$20,000 for insurance. This makes that employee really worth \$70,000. Then, the employee is also contributing some of their collected \$50,000 as well into the costs of premiums and other healthcare expenses.
- Physician organizations will have input into the new system, so it won't be dictated by bureaucrats. Hospitals before 1980 were being reimbursed on a per diem basis, so it is not a revolutionary idea to ask the hospital for the preceding year for their average cost, and to be reimbursed through Medicare. One candidate says we will reimburse hospitals at 110%, so that all hospitals can stay afloat and there will be no unreimbursed care.

Ms. Hatcher asks whether Dr. Kutty's request was part of a larger campaign to have the leadership in municipalities to step forward in favor of this policy and what the overall goal is for this campaign. Dr. Kutty said that about 550 entities have come out so far in favor of this plan and that the goal is get to 700 or more. Ms. Hatcher, as follow-up, asked if he was trying to build grassroots support in an election year. Dr. Kutty confirmed, adding that he wants healthcare to be a regulated public good instead of a commodity.

Chair Ward commented on how many people he has seen that have had to run GoFundMe campaigns to finance their medical debt. He said he knows it is a broken system that needs fixing, but he is not sure how the Select Board plays a role in this conversation. Ms. Hatcher clarified whether Dr. Kutty was asking the Board to state that there is a particular plan that they are supporting, or rather state that universal medical care should be available. It was confirmed that Dr. Kutty was specifically looking for support for Medicare for All. Ms. Hatcher went on to say that the Board is just three people that represent 6,600 people, and that she wondered whether this should be posed as a ballot question. The noted that there have been other national or global topics that had been framed as ballot questions in the past.

Judy Wilson Ferstenberg spoke from the audience, sharing a story about a friend who had a heart transplant procedure, and how the nurses had noted how lucky they were to have been in the USA, as in other countries where the insurance was not as good, her friend would not have been able to get the transplant. She stated that there is value in everyone's perspective on this issue and would support putting something on the ballot.

Bob Lambert spoke from the audience and said that when he sees what doctors get paid through Medicare, he would worry that because they get less money, many would leave the profession. He also would support putting something on ballot, having noted that the Select Board is not a partisan board and should not be imposed to take a stance on this issue. Mr. Taylor agrees that this should be on the ballot to give all residents a chance to weigh-in, as he is not comfortable making a decision for the Town's stance on a national issue between the three Board members.

Dr. Kutty also clarified that currently only 2% of US doctors do not accept Medicare patients. He also shared a story of a local patient who faced hardship in medical costs. Her premium and deductibles were \$5,000 a year on a budget of \$45,000, and then it went up to \$10,000. Until she was able to get Medicare, she had to forgo getting MRIs. The Board thanked Dr. Kutty for his time.

Finance Update – Leo Smith, Finance Director

Leo Smith, Finance Director, introduced himself to the Select Board. He stated that he was here to talk about the overall financial performance for 2019. The Board has received information on the estimated and actual revenues incurred. The estimate is always close to the actual budget, and the estimate is DRA approved. Mr. Smith gave a brief summary of revenues, appropriations, and expenditures.

Looking at actual revenues versus the estimated revenues, the Town came in at almost \$942,000 over the estimate. A number of things contributed to that increase like overall taxes and property taxes (increased the estimate by about \$103,000), licenses, permits, and fees (building permits and motor vehicle fees increased the estimate by about \$184,000), interest on the NH PDIF investment account (increased by over \$111,000), intergovernmental revenues (increased by \$34,000), debt service revenues (increased \$250,000), "miscellaneous" (increased \$56,000), and transfers that come into the general fund, like TIF revenue (increased overbudget by a couple hundred thousand). Overall, this comes out to being about 9% overbudget in revenue.

Chair Ward asked about the "Miscellaneous" funds that had a large increase. Ms. Hatcher wanted to go on record stating that she is not in favor of "Miscellaneous" as a line item in the budgets. Mr. Smith explained that that is the officially the DRA grouping for that type of revenue.

Moving on to Appropriations and Expenditures, Mr. Smith noted that the Town was under-expended by \$1,275,000. The three big areas that contributed to this were: Capital Outlay, which includes the appropriated municipal facilities review, transcript dam, and other town vehicles that have not yet been purchased; Culture and Recreation, which is primarily the new public library; and Debt Service Payments, which were less than expected as some the of debts were paid before the turn of the new Fiscal Year.

Ms. Hatcher asked about whether the estimate and current revenues had accounted for any funds that were returned from the ConVal School District. Mr. Smith said that those funds are not represented, as this report is only through June of 2019.

Chair Ward asked if the funds marked for economic development just meant for the Economic Development Authority (EDA). Mr. Smith clarified that this represents both a portion of the Office of Community Development budget and the EDA budget.

Moving on to the Unassigned Funds balance, Mr. Smith noted that at the beginning of the year before the tax rate had been set, the fund balance was at \$3,024,297. Then, \$450,000 was taken out of the fund balance for reducing the tax rate and \$753,000 was taken out in relation to the warrant article to move the ambulance fund to a separate revolving fund.

Mr. Smith also explained that the decrease in the non-spend fund balance represents pre-paid items that the Town had anticipated spending in advance but were eventually expended throughout the course of the year.

At end of June of 2019, the ending fund balance is \$4,299,483. That amount stays in-tact unless some other decision is made in relation to taxes or other things.

Ms. Hatcher asked if the Town was close to setting the new tax rate. Mr. Smith informed her that the final report the Board signs tonight, which shows the Auditor's financial statements for the year, will be sent along with the revenue report to the DRA. There are still potential adjustments to be made based on unanticipated revenue, like the recent \$89,000 received from State funding sources. These would reduce the overall appropriation. After all possible adjustments are accounted for, they will set a preliminary tax rate.

Chair Ward asked Mr. Smith to clarify what the minimum amount of unassigned funds needed to be kept in the fund balance. Mr. Smith stated that the total General Fund Operating Expenses for last year was \$36 million. This amount includes all town funds. This year, it looks like it will be close to \$30 million. Our Fund Balance retention for 2019 is \$3.5M or 11.7% of the General Fund Operating Expenses. Mr. Bartlett noted that the DRA requires a minimum of 5% retained fund balance, while the Government Finance Officers Association recommends at least 8%, and that the maximum is 17%.

From the audience, Mr. Lambert asked whether the ~\$4,000,000 noted on the displayed spreadsheet was what could be used to offset the tax rate. The Board confirmed this as well as noted that the \$941,000 listed represented the surplus on revenues, which goes right back into the general fund.

Mr. Smith went over the timeline for the budget preparation and review. He noted that the department directors are currently putting figures together, and that they are all utilizing Microsoft Teams in a new, more collaborative process.

Chair Ward noted that in last year's budget process, some of the line items out of whack, and asked if that was something that will be fixed with the new software. Mr. Smith confirmed.

Mr. Smith noted that he wants finalized budget requests by the end of November. This way, December can be used for administrative review. His goal is to have a drafted town-wide budget sent to the Budget Committee and Select Board by December 20th.

Ms. Hatcher asked to confirm that these reviews would all happen during regular Tuesday Select Board meetings. Mr. Smith confirmed that they would.

Chair Ward asked about any large ticket items for Town Meeting this year. Mr. Smith noted the Highway Capital Road Reserve. Mr. Bartlett added the cost for replacement of a snow blower, and designing and creating bid documents for the fire station to do architectural and engineering work.

From the audience, Bob Lambert noted that in the past, the Town distributed the last year's budget along with the upcoming year's budget to look at side by side to compare. He inquired whether that will stay the same. Mr. Smith confirmed.

Mr. Bartlett asked about how many past years of expenditures can Finance provide. Mr. Smith noted that when Finance converted over to the new BS&A system, they had saved back through FY16. It was also noted that their confidence on everything before FY19 is not very high.

The Board thanked Leo Smith for updating them on the process and for all of his work on improving the process. Mr. Smith noted that so far, the department heads have been enjoying the more collaborative process and new software. Mr. Bartlett acknowledged Lisa Betz for working closely with Mr. Smith to put together the budget for the Recreation Department.

Appointment of Adam Hamilton to West Peterborough TIF Advisory Committee

Adam Hamilton was not in attendance. Chair Ward asked if Mr. Hamilton was filling a vacancy. Mr. Bartlett said that he believed Mr. Hamilton was previously an Alternate who has now stepped into a vacant seat.

Motion:

Chair Ward made a motion to appoint Adam Hamilton to the West Peterborough TIF Advisory Committee. Mr. Taylor seconded.

Vote:

Ms. Hatcher, Mr. Taylor, and Chair Ward voted in favor of the motion; the motion carried.

Reappointment of Terry Reeves & Maude Odgers to Parks Committee

Terry Reeves and Maude Odgers were not in attendance.

Motion:

Ms. Hatcher made a motion to appoint Terry Reeves and Maude Odgers to the Parks Committee. Mr. Taylor seconded.

Vote:

Ms. Hatcher, Mr. Taylor, and Chair Ward voted in favor of the motion; the motion carried.

Minutes

Motion:

Ms. Hatcher made a motion to approve the meeting minutes dated November 14, 2019. Mr. Taylor seconded.

Vote:

Ms. Hatcher, Mr. Taylor, and Chair Ward voted in favor of the motion; the motion carried.

Consent Agenda

Chair Ward spoke to the letter that the Board had received from Comcast on government essentials. He noted that many families in our community are affected by poverty. Comcast is now providing high speed internet service for \$9.95 a month, with an option of purchasing a desktop or laptop computer for ~\$150 a month for certain populations. Ms. Hatcher noted that the speeds for that plan are not comparable. So, although it sounds like a great deal, she would argue that they need to match the speeds to what they are providing other customers.

From the audience, Judy Wilson Ferstenberg asked whether Comcast was looking to expand service to other homes within the community. Ms. Hatcher noted many efforts regionally and statewide for this initiative to expand service. She noted that Senator Dietsch has also been addressing this at the state level.

Chair Ward noted that he was glad that the difference in speeds was mentioned. Mr. Taylor commented that speeds equivalent to 10 for download and 3 for upload would be a miracle for his own street.

From the audience, Bob Lambert added that "if they can offer comparable speeds for that cheap, then they'd need to come down with the price for the rest of us." Ms. Hatcher noted that the lack of providers puts everyone at the mercy of the price that the few providers set. Chair Ward noted that there was certainly a problem across the board, however, this attempts to address people who cannot afford the standard internet prices. In a society that is now so dependent on internet, it has become a basic commodity, and those who cannot afford access to it are disadvantaged.

Adjournment

With no further business, Mr. Taylor made a motion to adjourn; Chair Ward seconded. With all in favor, the meeting adjourned at 5:48pm.

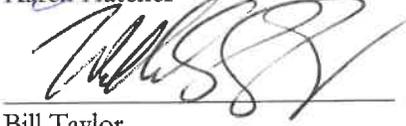
Respectfully Submitted,
Kristin Bixby, Assistant Planner

PETERBOROUGH
SELECT BOARD:

Tyler Ward, Chair



Karen Hatcher



Bill Taylor

ACTION ITEM PENDING LIST

1.

