

Administration Sub Committee Minutes

Date: 10/21/2014

Time: 2hrs 25minutes

Town Administrators

Jeff Ruggles

Scott Dunn

Budget Committee Members

Dave Horvath

Norman Silber

Jeffrey Beane

Administration

Mentioned Stipend being reinstated last year by the budget committee. ADM Full Time wages includes Sandy Bailey and Scott Dunn Salary with increase. Dave: Accrual Payouts update?

Budget for 2 days across the board. Discuss policy changes and there are none NHRS? Threshold 35 hours a week, towns have to contribute. Police and Fire are exempt from Social Security Contribution. . Non police staff get social security. Employee amounts are fixed by state. (Defined Benefit plan). Fire 7%, Police 10.5%. Scott: Retirement system is under funded by approximately 14 million, shortage due to over estimating rate of return and market correction in 2008 and spring of 2009.

2013 Increase 22.39%, this year its 3.71%. Discussed transition to 401k plan in the future which is an unpopular idea.

Health Insurance: Pool of retirees on health plan is causing rate increases. These retirees are paying for their health insurance out of pocket. 14 total retirees are in the plan. Non Union 93/7 Contribution split. Cadillac plan tax was discussed for 2018. (Estimate 40% Above the Cadillac rate). Discussed significant changes in the



plan including incorporating HRA's, and HSA plans in the future. Union contracts state that as we get closer to 2018 they will negotiate who pays.

Dental is flat. Capped at \$1000.00 a year. Could increase in the future based on a 3 year index.

Currently Shopping Life, and disability as well as P&C insurances with outside brokers. Biggest limit is workers compensation.

Operating: Stopped buying coffee.

Postage costs are down due to people using email.

Recruitment increase: Last year recruiting Police Chief, next year will be recruiting public works officer.

Meals and Travel: Board has directed for Scott to get reimbursed on travel, employee barbeques when selectman meet here and traveling to conferences. Scott said they have been under budgeting the last few years.

Dave: Suggested not have meetings during meal times.

Phone System: was discussed by Norman. Current system is 4 years old. Connected by fiber. One line by Fair Point that can handle 23 calls at once. (5 year term) ends in 2015.

Bond has been secured for Police Station, Rate is 3.438% for 20 years. Federal Grant is in Jeopardy. (169,000).

Dave: Numbers are up if you don't take into account the police station build out.

Boards and Committees

Dave/Norman: Minor direct costs... Budget members agreed on all line items.

Finance

New hire by Jeff has a MBA and experience. Good catch!

Health Insurance: Jeff went from a family plan down to a 2 person plan.

Scott: NH Health Trust has an agreement with Anthem and non-compete agreement.



Jeff: Stated 3 new carriers are coming into NH. Anthem Rates are 25% more expensive than other carriers in the market. Scott looking into school care program which represents CIGNA. And the inter-local trust which represents Harvard Pilgram.

Jeff: Recommended a broker who represents all carriers and is a true broker.

Appraisals Services was discussed pertaining to building permits and the inspectors going out to take pictures. Biggest Bill comes in September-December that is why it is budgeted at what looks like a high number. September and October will be significant. Abatements will be filed later this year.

Postage is up due to re-valuation notices being sent out which were not budgeted.

Technical Services contract is up at end of September, Contract is 45,000.00 for next year. (Mainstay Technology) includes remote access, 2 visits per month, and help desk.

Software/Electronic Material: 56 work stations that are 8-9 years old.

Norman: Mentioned having personal policy of employees not bringing in thumb drives in from home for security reasons.

Legal

Budgeted costs are down

