

MINUTES OF THE MARCH 24, 2023 SELECT BOARD MEETING

MEMBERS PRESENT: Board Members Chair Mike Houghton, Vice Chair Allison Knab, Joe Anderson

ALSO PRESENT: Town Administrator David Moore, Finance Administrator Christiane McAllister, Public Works Director Nate Mears

At 8:00 am Mr. Houghton opened the meeting and requested motions on the March 6th minutes. Mr. Anderson noted the spelling of McAllister is incorrect in two places. Mr. Anderson motioned to approve the minutes of March 6th with the corrections. Ms. Knab seconded the motioned. All voted in favor.

Mr. Houghton recognized Mr. Mears for his department report. Mr. Mears began by informing the Board that three bids have been put out: road reconstruction, pavement preservation and reflective long line striping. Soon he will put out a bid for the fire tower painting. This spring they will be stabilizing and reconstructing the gravel lots at Stratham Hill Park using reclaimed asphalt and geosynthetic fabric beneath the subsoils. This will make the lots easier to maintain. The DPW is progressing on the installation of the sander rack, which represents a significant workplace safety improvement and is being completed “in house”.

Mr. Mears spoke about shortages on his staff and the difficulty attracting qualified applicants to fill the open positions. His is also focused on retaining current staff through greater training opportunities and expanding workplace responsibilities. The group discussed the recently posted park maintenance position and the various needs in the park that arise on weekends. The staff is exploring ways to direct park inquiries efficiently without creating an expectation of services that are not sustainable to provide. Ms. Knab urged Mr. Mears to be thoughtful about the level of service we provide at the park. Mr. Moore said the park assistant role is one we have been providing in the park historically and animal control officer is in response to an increase in park users and user conflicts. Mr. Houghton suggested Mr. Mears consider contracting out some work, such as mowing as a way of managing through labor supply challenges.

Mr. Mears said the new DPW Admin Coordinator is off to a great start.

CORRESPONDENCE

Mr. Moore gave a brief summary of the correspondence. Mr. Moore will look into having a Covid vaccine clinic in the fall.

NEW BUSINESS

Mr. Houghton moved the conversation to a request from Mr. Mears to raise the fees at the Transfer Station in response to rising disposal costs. The Board supported the request and elected to move it to a public hearing.

Mr. Houghton recognized Ms. McAllister. Ms. McAllister directed attention to the Feb. expenditure and revenues report included in new monthly financial summary report. She explained some of the modifications she made to the report. In response to a question from Mr.

Houghton, Ms. McAllister described which agents are able to expend from the various funds. Mr. Houghton observed a large amount of funds held in different accounts all related to Stratham Hill Park. Mr. Moore suggested the monies might be needed in the future when an overall plan for the park is implemented and agreed it was an area that more attention can be paid. Ms. McAllister suggested spending down some of the other smaller funds. Mr. Houghton would like to see a coordinated effort to bring the various groups and their funds together on an overall plan for the park.

Ms. McAllister has finished drafting the reconciliation policy and discussed it with the Treasurer. When the Board sees the Treasurer's entry on the report, they can be assured that Treasurer's reconciliation will match the Finance Administrator's reconciliation. Ms. McAllister explained that the process of the Treasurer's reconciliation is not as straight-forward as it seems. It is complex but she should have it completed soon.

Mr. Houghton recognized Charlie Case, Chair of the Energy Aggregation Committee. Mr. Case reported on the volatility of electric rates. On behalf of the Energy Aggregation Committee, he requested the Board sign the NH Community Power Coalition Agreement. This agreement would aggregate the demand for power supply among communities in the coalition, thereby lowering electric supply rates. Town Counsel has reviewed the agreement and has no concerns. Entering into the coalition has no liability and no obligation for the Town or its residents. There is no impact to taxes. Residents may opt out if they choose. The Town Attorney is also looking at a Cost Sharing Agreement but we do not anticipate any concerns based on the legal reviews of the same document which have taken place in other communities whose legislative bodies have approved Community Power Plans. A public information session will be held in May. Seeing the enormity of potential for engaging in this, Mr. Houghton asked if we could accelerate implementation. Mr. Moore stated that this must be voted on at Town Meeting and the prospect of holding a special Town Meeting was discussed. Mr. Case explained that once we sign the Joint Powers Coalition Agreement, will get assistance from CPCNH. The Board recognized the tremendous value this would bring to the residents and asked him to bring to the EAC if they feel a special town meeting would be beneficial. Ms. Knab motioned support for signing the CPCNH Joint Powers Agreement. Mr. Anderson seconded the motion. All voted in favor.

Mr. Houghton recognized the auditors from Vachon Clukay, Jarad Vartanian and Matthew Murray to review the 2021 audit. They began by giving a history of their affiliation with the Town of Stratham. Once again this year, the Town received an Adverse Opinion on Governmental Activities as a result of the obligations for post-employment benefits (OPEB), which is related to non-compliance with GASB 75. This determination is not uncommon among towns and they noted many towns including Stratham have long chosen to not comply due to the theoretical nature of the obligation and the cost associated with doing the actuarial and accounting work to demonstrate compliance, some costs of which are ongoing annually. They discussed the steps necessary to comply and the costs. The auditors continued, explaining in detail how they look for compliance with accounting standards while doing their annual audit. Next they explained the accounting behind the school district taxes and common challenges to accounting for these funds given the nature of the Town and the school fiscal years and the fact that Towns collect 100% of the property tax revenues due to the schools. Year-end payroll accrual and accounting for the ARPA funds were briefly reviewed. They spoke to challenges

they encountered in completing the audit that related directly to the turnover in senior staff roles in recent years compounded by enormous complexity in the accounting system as a result of many different bank accounts that were added over years. In addition, they felt the lack of continuity just prior to Ms. McAllister's employment, which included turnover in the Finance Administrator role and turnover in the finance support position, led to her having to put in a tremendous amount of work to bring our accounting records up to allow the audit to take place. The auditors make adjustments annually to assist the Town finance staff in completing year ends and the auditors reviewed the major adjustments for 2021. Land use change tax collections in 2020 – 2021 had not been transferred due to a lack of awareness of an earlier Town Meeting vote to devote 100% of the proceeds to the Land Conservation Fund. The auditors expressed appreciation for the work Ms. McAllister did to keep the Town current while finding the errors in 2021. Ms. McAllister explained how she had to consolidate pages of the balance sheet. Mr. Murray said that Ms. McAllister likely saved the Town money because she has the competency to find and fix the errors as opposed to our having to hire an outside firm to correct them.

The auditors talked about Accufund and the switch in banking, which will provide much more streamlined accounting. Ms. McAllister explained the reasoning behind the change. As part of the switch, Ms. McAllister reviewed how the funds were attached to the bank.

The auditors said that, going forward, they want to focus more on the future, not the past. They felt that the Finance Administrator and the Treasurer were on a good path by doing a collaborative reconciliation.

NEW BUSINESS

Ms. Knab motioned to nominate Mr. Houghton as Select Board Chair. Mr. Anderson seconded the motion. All voted in favor.

Mr. Anderson motioned to nominate Ms. Knab as Vice Chair. Mr. Houghton seconded the motion. All voted in favor.

Mr. Houghton reflected on Town Meeting, saying that overall it went well. They credited it going so smoothly to good communication with the public, preparing well in advance and good budgeting practices. Regarding the elections, Mr. Houghton felt the side door at Stratham Memorial School would provide easier access to the polls. When school is in session, this might be an issue because that entrance gives access to the building. It was suggested that a police officer be stationed there to prevent this.

Ms. Knab motioned adoption of the Select Board Rules of Procedure as they currently stand. Mr. Anderson seconded the motion. All voted in favor.

Mr. Houghton moved the conversation to the Select Board liaisons with Boards and Committees. Ms. Knab felt that it has been difficult for her to attend the Recreation Commission meetings but was willing to stay on as the liaison to that committee. They decided to continue with their current Select Board linkages to the committees and departments. Mr. Houghton wanted to talk about the engagements they are having with the departments at the beginning of each month. He requested the Board remain vigilant regarding employee morale.

Returning to the conversation about policies, Mr. Moore believes it is important to review and keep them current. Regarding financial policies, Mr. Anderson feels it is important to set a threshold for the unassigned fund balance. This raises the question of what our target is and what our guidelines will be once we reach it. Mr. Houghton recalled an informal guideline had been set and requested Mr. Moore provide a refresher of that at a future meeting.

Ms. Knab motioned to adopt the current Orders, Rules and Policies as they stand. Mr. Anderson seconded the motion. All voted in favor.

Mr. Houghton confirmed that Mr. Case will send Mr. Moore the document regarding adoption of the Joint Powers Agreement.

Mr. Houghton turned the conversation to the Engine 1 replacement. Mr. Moore indicated his draft motion was dependent upon receipt of the contract for the purchase which had not yet been received. Mr. Anderson would like to see the contract before making a motion. Mr. Moore will bring it to the April 3rd meeting. In response to a question from Mr. Anderson, they discussed past practices regarding disposal of vehicles which had been done in a variety of ways. Mr. Anderson asked how the money was accounted for. Mr. Moore clarified that sale of town property is a revenue to the general fund. Mr. Houghton wants clarification of the process steps once something is approved at Town Meeting so that department heads will know how they should properly pursue that purchase. Mr. Moore noted they are aware that the Select Board needs to release the funds.

Mr. Anderson motioned to authorize the Town Administrator to lock in an agreement with Constellation Energy between March 23 and May 31 following recommendation by the RPC Aggregation team and in consultation with the Energy Commission Chair. Mr. Moore advised the final rate is not known until the day of contract signature.

Mr. Moore noted that Interware, our credit card vendor, is increasing their rates. We have no control over the increase in rates.

Mr. Moore and Ms. McAllister in consultation with Town Clerk/Tax Collector Deb Bakie, recommend May 1st as the start date to begin the Motor Vehicle Transportation fee on vehicle registrations. Mr. Anderson motioned to approve the start date of May 1st for the Motor Vehicle Transportation fee. Mr. Houghton seconded the motion. All voted in favor.

INFORMATIONAL

Mr. Moore called attention to a memo regarding legislation proposed by the governor regarding removing state standards for professional licensure. The Planning Board and Conservation Commission have concerns about removing the licensures. They are requesting the Select Board submit an advocacy letter on the position summarized in the memo. Ms. Knab informed the group that many organizations are opposing this proposed legislation. Mr. Anderson motioned to authorize the Select Board Chair to write a letter on their behalf. Ms. Knab seconded the motion. All voted in favor.

Mr. Moore highlighted the Credit Card Policy, saying Ms. McAllister has a high level of attention and cooperation from department heads.

Mr. Moore informed the group that Tara Madden and Ms. McAllister will be hosting HealthTrust informational sessions. This is being offered to help employees understand the different plans we offer.

RESERVATIONS

Ms. Knab motioned approval of the raffle permit request from Acorn School. Mr. Anderson seconded the motion. All voted in favor.

Mr. Anderson motioned to allow the Stratham Community Church to use the top of the hill at Stratham Hill Park for their Easter sunrise service. Ms. Knab seconded the motion. All voted in favor.

In light of Mr. Merrill's significant contributions to the town, Mr. Houghton motioned to approve and waive the fee for Nate Merrill's use of the Morgera Room on June 3, 2023. Ms. Knab seconded the motion. All voted in favor.

APPOINTMENTS

Mr. Anderson motioned to re-appoint Matt O'Keefe to the Energy Commission for a term of three years to expire in 2026. Ms. Knab seconded the motion. All voted in favor.

Mr. Houghton motioned to re-appoint Nate Merrill and Forrest Barker to the Heritage Commission for a term of three years each to expire in 2026. Ms. Knab seconded the motion. All voted in favor.

Ms. Knab motioned appointment of John Singleton to the Trail Management Advisory Committee for a term to coincide with the committee's expiration. Mr. Anderson seconded the motion. All voted in favor.

Mr. Anderson motioned to appoint Drew Pierce to the Zoning Board of Adjustment for a three year term to expire in 2026. Mr. Houghton seconded the motion. All voted in favor.

Mr. Moore indicated the need for a non-public session. At 10:37am Mr. Houghton motioned to go into a non-public session in accordance with RSA 91-A:3, II(c) to discuss a matter which, if discussed in public, would likely affect adversely the reputation of another. Ms. Knab seconded the motion. Roll call: Houghton-yes; Knab-yes; Anderson-yes

At 11:25am Mr. Houghton motioned to come out of the non-public session and seal the minutes noting failure to do so may render a proposed action ineffective. He then motioned to adjourn the meeting. Ms. Knab seconded the motion. All voted in favor.

Respectfully submitted,

Karen Richard, Recording Secretary