

BOARD OF SELECTMEN'S MEETING

Selectmen present: Chairman Mark Le Doux (via teleconference), Vice Chairman David Petry, Frank Cadwell and Peter Band
Selectmen absent: Vahrij Manoukian
Staff present: Kimberly Galipeau, Town Administrator, Deborah Padykula, Finance Officer, Paul Armstrong and Bill Moseley, Camera Operators

COMMUNITY ROOM

Hollis Town Hall Community Room, located at 7 Monument Square, Hollis, New Hampshire.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

MEETINGS**1. Melanson Heath****a. 2017 Audit Report**

Scott McIntire presented a clean, unmodified opinion of the 2017 Audit Report, stating that the books and records of the Town were found to be in good working order. Reconciliations were done regularly and timely and no significant audit entries were needed. The Town is in compliance with the Governmental Accounting Standard Principals. The accrual of the net Other Post Employment Benefit (OPEB) obligation and the Net Pension Liability (NPL) are two significant accounting estimates in the Financial Statements. The Financial Statements include short and long term perspectives.

The statement of net position on page 11 of the Financial Statements represents the full accrual basis of accounting. It was reported that the net pension liability is 7.6 million for fiscal year ending 12/31/2017. The amount is down approximately 1 million dollars from last year due to the returns of the New Hampshire Retirement System. The Unassigned Fund Balance is included in the unrestricted net position. The net OPEB obligation increased from last year by approximately \$60,000, due mainly to general healthcare cost increases. This fund accounts for only town employees who are accruing retirement during their years of service and for the retired employees of the town. The obligation is mandated by the State of New Hampshire.

The General Fund Balance Sheet on page 13 of the Financial Statements states that 3.9 million is in the Unassigned Fund Balance. The total increased by approximately \$600,000 from last year. This line represents 13% of the total appropriations, not just of the town, but also the school and county. It was reported that the balance is a bit higher than communities of a similar size.

The Budget and Actual comparative schedule reported on page 17 reflects an increase of approximately \$215,000 in revenues from the anticipated amount. Licenses and permits account for half of the increased amount. The unspent appropriations total approximately \$355,000. Health insurance saving account for almost \$200,000 of the total.

Chairman Le Doux inquired about the Fund Balance Policy on page 23 of the Financial Statements and asked why the guideline for the retaining percentage of gross general fund operating expenditures differed between the NH Department of Revenue Administration (DRA) and the Government Finance Officer Association (GFOA). Mr. McIntire stated that the two groups simply have different guidelines from their perspective. Moving forward S. McIntire suggested looking at the annual cash flows oppose to setting a percentage if the town chooses to lessen the amount in the Unassigned Fund Balance.

S. McIntire referenced several recommendations included in the Management Letter, stating that many of the finance policies are up to ten years old and should be reviewed for updates. Although S. McIntire only specifically stated the Purchasing Policy and Cash Receipt Policy, he suggested reviewing all finance related policies.

D. Petry requested a schedule for all of the policies in question.

The Town's Purchasing Policy requires Department's to bid non-professional services. The testing disclosed an instance whereby documentation supporting compliance with the policy was not available for their review. Melanson Heath recommended that the Town enhance the policy by requiring Departments to retain and submit documentation supporting compliance with the policy to the Finance Department.

The final recommendation from Melanson Heath is for the Town to consider rotating finance responsibilities periodically. Implementation of this recommendation will improve the Town's overall internal control structure.

S. McIntire stated that he would provide a list of the policies to D. Padykula that he was referring to in the recommendation.

MOVED by Peter Band, seconded by Mark Le Doux that the Selectmen accept the Annual Financial Statements from Melanson Heath for year ending 12/31/2017, as presented. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

b. MS-535 Official Financial Budget Report

MOVED by Frank Cadwell, seconded by Peter Band that the Selectmen approve the MS-535 Official Financial Budget Report, as presented. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

NEW BUSINESS

1. Other Business

M. Le Doux would like to have a discussion at the next meeting on August 13, 2018 regarding the budgeted goal for the Undesignated Fund Balance. T. Croteau, DPW Director will provide an estimated cost to pave Wood Lane. He asked the Highway Safety Committee to meet on August 13, 2018 to discuss the installation of stop signs at both ends of Wood Lane. D. Petry supports the installation of stop signs, regardless of the recommendation from Highway Safety Committee.

M. Le Doux reported that he inquired to the Budget Committee about the proposed guidance. He believes they are leaning towards an increase of 2.5%-3%.

ADMINISTRATIVE BUSINESS

1. Assessing Work

CURRENT USE RELEASES & LAND USE CHANGE TAX (LUCT)

			Acres	
MBLU	Owner	Location	Removed	LUCT
012-017-007	John V. Testa Revocable Trust	23 Austin Lane	2.35	\$18,000

98	015-071-001	Marcia P. Addy	Lone Pine Lane	2.24	\$16,000
99	015-071-004	Serina & Robert Audibert	15 Lone Pine Lane	2.24	\$20,000
100	015-071-005	Lawrence P & Jill M McCarroll	Lone Pine Ln	2.22	\$16,000
101	015-071-006	Brian S Lavoie	Lone Pine Ln	2.11	\$16,000
102	029-001-004	Raisanen Homes Elite LLC	14 Keyes Hill Rd	1.01	\$17,000
103	029-001-006	Raisanen Homes Elite LLC	30 Keyes Hill Rd	1.36	\$18,500
104	029-001-025	Raisanen Homes Elite LLC	21 Keyes Hill Rd	1.45	\$12,000
105	029-001-026	Raisanen Homes Elite LLC	17 Keyes Hill Rd	1.29	\$14,500
106	029-001-027	Raisanen Homes Elite LLC	11 Keyes Hill Rd	1.43	\$17,000
107	036-004-004	Mark R & Jocelynn C Abbott	Woodmont Dr	5.00	\$28,250
108	TOTALS:			22.70	\$193,250

MOVED by Peter Band, seconded by Frank Cadwell that the Selectmen approve the Current Use Release & Land Use Change Tax for MBLU 012-017-007, 015-071-001, 015-071-004, 015-071-005, 015-071-006, 029-001-004, 029-001-006, 029-001-025, 029-001-026, 029-001-027 and 036-004-004, as submitted. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

2. Approval Warrants

a. Wages 7-12-18 (\$159,409.81)

MOVED by Frank Cadwell seconded by Peter Band that the Selectmen approve the Wages, as submitted. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

b. Wages 7-12-18 (\$30,634.08)

MOVED by Frank Cadwell seconded by Peter Band that the Selectmen approve the Wages, as submitted. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

c. Accounts Payable 7-12-18 (\$279,415.94)

MOVED by Frank Cadwell seconded by Peter Band that the Selectmen approve the Accounts Payable, as submitted. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

d. Benefit Strategies 7-12-18 (\$5,068.23)

MOVED by Frank Cadwell, seconded by Peter Band that the Selectmen approve the Benefit Strategies, as submitted. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

3. Approval Public Minutes 7/9/18

MOVED by Peter Band seconded by Frank Cadwell that the Selectmen approve the Public Minutes of Monday, July 9, 2018, as submitted. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

4. Approval Non-Public Minutes 7/9/18

MOVED by Peter Band seconded by Frank Cadwell that the Selectmen approve the Non-Public Minutes of Monday, July 9, 2018, and keep them sealed. Voting in favor of the motion were Le Doux, Petry and Band. No one was opposed. Cadwell abstained. The motion PASSED 3-0-1.

5. Weekly Meetings & Announcements

The weekly meetings were announced for July 15, 2018-July 21, 2018.

ADJOURNMENT

MOVED by Peter Band, seconded by Mark Le Doux that the Selectmen adjourn the meeting. Voting in favor of the motion were Le Doux, Petry, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

The Board adjourned at 7:41 PM.

Respectfully Submitted,
Christine Herrera, Assistant Town Administrator / HR Coordinator