

TOWN OF NEWMARKET, NEW HAMPSHIRE
TOWN COUNCIL NON-PUBLIC MEETING
JANUARY 2, 2013 6:00 P.M.
TOWN COUNCIL CHAMBERS

PRESENT:

Council Chairman Phil Nazzaro
Council Vice Chairman John Bentley
Councilor Mike LaBranche
Councilor Al Zink
Councilor Ed Carmichael
Councilor Dan Wright
Councilor Gary Levy
Town Administrator Steve Fournier

Council Chairman Nazzaro opened the meeting at 6:00 p.m. Councilor LaBranche moved to enter non-public session under RSA 91-A: 3 II, legal and personnel. Council Vice Chairman Bentley seconded. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0, and the Council entered non-public at 6:01 p.m.

1. LEGAL

The Police Union had accepted the Council's counter-offer of a 2 year contract with a 1.5% raise in year 1 for a total of \$14,432 and a 2% raise in year 2 for a total of \$19,840. This represents 2¢ of the tax rate. Health insurance had not been discussed, but there were some minor changes in the contract. The Council will vote in the public session after the Public Hearings to recommend and place this, Warrant Article T3, to the voters. Public discussion will take place at the Deliberative Session. The contract will have to be re-negotiated when it ends in 2 years.

2. PERSONNEL

The Council and Town Administrator discussed the 3 goals and criteria for their implementation that the Council had set for the bonus program. Goal 1 concerned staff evaluations; goal 2, regular financial reporting; and goal 3, cost-savings for the town.

Goal 1: Town Administrator Fournier cited a legal case in which it had been determined that only a Police Chief, not the Town Administrator, should have access to his staff files. He said he would ensure that Department Heads did reviews. Town Council does have access to Department Head reviews. Council Vice Chairman Bentley said he wanted to make sure that reviews were now being done and done accurately. He said that they had discussed the importance of a schedule for mid-year reviews and their importance in setting goals. Town Administrator Fournier said his reviews would be in a standard format, but include a lot of narrative. He would continually stress that Department Heads need to set goals for their staff. Council Chairman Nazzaro said the reviews should show consistency that would relate to recommended merit bonuses. He felt the criteria for the goal should be that the Town Administrator rate the Department Heads and ensure that they complete their staff reviews.

Goal 2: There was a question as to whether this was presented as a quantifiable goal, and how the Council would determine whether or not the goal was met. The Council is receiving monthly financial reports including expenses and revenues. Town Administrator Fournier is working on a standard form for all Department Heads to use. Council Vice Chairman Bentley said they had discussed Department Heads appearing before the Council quarterly, or at least twice a year for question and answer sessions.

Goal 3: It was generally felt that this goal would be the most difficult to assess, and the Council discussed the meaning and timetable of cost savings versus evaluating cost savings.

Councilor Levy felt that goals 1 and 3 were the most demanding, and asked if all 3 should be evenly weighted. The Council had never discussed this. He suggested that the Council give some direction as to what they wanted for goal 3. Council Chairman Nazzaro asked Town Administrator Fournier to first put this together for the Council to discuss. Councilor Zink felt the goals were not empirical as there were no numbers or definite criteria as to dates for completion were included. He felt goal 1 should include the date when reviews were to be completed. He felt that goal 3 was all platitudes, and there should be identifiable areas named for cost savings evaluations and percentage reductions or reasons why they were not possible. Council Chairman Nazzaro agreed that dates should be added to goals 1 and 2. Town Administrator Fournier said that goal 3 should be done as part of the work leading up to the budget process. He had arrived just as the process was starting. Councilor LaBranche felt that this was not necessarily a part of the budget, but involved evaluating savings on a day-to-day basis.

Councilor Carmichael asked when Town Administrator Fournier expected to have a full-time Finance Director hired. He answered that, considering time for advertising and interviewing, and allowing for the new Finance Director to have time to work with Mr. Angell part-time for a month, he expected to have someone on board in May or June. He asked for 2 Council members to help with the process. The money for the position is included in the budget. Councilor Levy questioned how they would measure the goals, and whether they would pay for cost savings goals if they were not realized. He cited the revolving fund suggestion for the Rec. Department. Council Chairman Nazzaro said these were annual goals. Town Administrator Fournier said the time for his annual evaluation was not specified in the Charter, but Council Chairman Nazzaro thought there was a date in the contract.

The Council discussed the criteria for cost-savings goals. Both the Council and Town Administrator could offer possibilities for savings, and they would be worked on and evaluated. If it was found that there was no potential for savings, the reasons would have to be clearly stated. Council Chairman Nazzaro asked if a bonus should be paid if a suggestion was implemented, but no savings were realized. Councilor Levy thought they could set 5 goals and offer the bonus if a certain number, say 3, were met successfully. In general, he felt that if the town was not helped financially, the goal was not met. Council Vice Chairman Bentley felt that goal 3 should not be all-or-nothing, but maybe have in-between levels. Councilor LaBranche suggested that establishing a revolving fund for the Rec. Department and looking into contracting some day-time snow removal to reduce overtime could be 2 of the cost saving goals. Town Administrator Fournier added that reviewing scheduling could also show possibilities for further over-time reductions.

Councilor Zink suggested that the Town Administrator should work on 3 cost-savings opportunities and return to the Council with definite plans for its review, or definite reasons as to why there were no possibilities for savings. Council Chairman Nazzaro said he agreed with Council Vice Chairman Bentley that the criteria should be that some savings were realized, not necessarily a specific amount. Councilor Zink said they had been asking for that someone look into outsourcing payroll for cost savings. Town Administrator Fournier said, from his experience, this would actually be more costly in part because the person doing payroll also had other responsibilities. He said there were many fees to be considered in out-sourcing.

Council Chairman Nazzaro asked about wording for the 3 goals. Councilor LaBranche said that goal 1 should be worded to eliminate any suggestion that the Town Council could get employee information. Town Administrator Fournier said he would be doing mid-year reviews of Department Heads in February and set goals for the annual reviews. If necessary, he would schedule more meetings. Department Heads would be expected to follow the same schedule, and provide additional feedback, especially to new hires. Councilor Levy suggested that Department Heads be given a goal to come in under budget to help dispel the idea of spending all the money to avoid "punishment" the following year. Town Administrator Fournier said that cost saving measures would be a goal for Department Heads and they would relay that to their staff. Councilor Levy added that this would benefit the whole town. Council Chairman Nazzaro said

that cost savings suggestions should only be implemented if they did not reduce necessary services. Town Administrator Fournier pointed out that funds in department budgets were really the town's funds, and it was his budget, not the property of Department Heads. He could recommend to the Council that money be moved from one department to another in the case of unforeseen expenses. Council Chairman Nazzaro will refine the goals and send them to the Town Administrator for his input before sending them to the Council members. A generic form of the goals will be made public for community buy-in.

Councilor LaBranche moved to leave non-public session. Councilor Zink seconded. Town Administrator Fournier polled the Council. Motion carried unanimously at 6:46 p.m. Council Chairman Nazzaro declared a recess until 7:00 p.m.

Respectfully submitted,

Ellen Adlington,
Recording Secretary