

**TOWN OF NEWMARKET, NEW HAMPSHIRE
TOWN COUNCIL NON-PUBLIC SESSION
FEBRUARY 20, 2013
TOWN COUNCIL CHAMBERS**

PRESENT:

Council Chairman Phil Nazzaro
Council Vice Chairman John Bentley
Councilor Mike LaBranche
Councilor Al Zink
Councilor Ed Carmichael (arriving at 6:36 p.m.)
Councilor Dan Wright
Councilor Gary Levy
Town Administrator Steve Fournier

Councilor LaBranche moved to enter non-public session under RSA 91-A: 3 (a) Personnel. Councilor Zink seconded. Town Administrator Fournier polled the Council. Motion passed unanimously, 6 – 0, and the Council entered non-public session at 6:34 p.m. Council Chairman Nazzaro stated that the purpose of the meeting was to discuss goals for the Town Administrator's bonus program. After a previous discussion, language had been added to make the goals more quantifiable by listing measures of success for each. Council members were given the opportunity to read the goals and Councilor Carmichael arrived at 6:36 p.m.

Goal 1: The Town Administrator will establish measurable goals and conduct annual evaluations and, at minimum, semi-annual performance counseling, of all direct reports.

Goal 2: The Town Administrator will keep the Town Council proactively apprised of the financial and fiscal status of the town on a monthly basis.

Goal 3: The Town Administrator, working with the Town Council, will identify three viable actions for cost savings to the town that will be enacted for the 2014-2015 budget year at the latest.

Town Administrator Fournier, referring to goal 3, said there was a difference between proposing and enacting cost savings, but he had no problem if he had control over the result. He gave Newfields as an example of an opportunity which would have many decision making groups. Council Chairman Nazzaro said the Council and Administrator would have to make an earnest effort to work together on savings, and Councilor Zink agreed that this would be a collaborative effort. Council Vice Chairman Bentley said he wanted to know ahead of time if attainment of goals would be voted by a majority or a unanimous Council vote. He said he didn't agree with an all-or-nothing approach to the bonus program, and felt that there should be a standard set for pro-rating each goal. He felt this should be discussed and made clear. Council Chairman Nazzaro said that, currently, attainment of goals was set as all or nothing, and agreed that this should be discussed. Council Vice Chairman Bentley suggested that the wording be "up to \$3,000 per goal". Councilor LaBranche agreed with his perception of the goals, adding that the measures of success should factor in a persistent and concerted effort towards accomplishment.

Councilor Zink said that in his experience with reviews, attaining goals was expressed in terms of meeting, fully meeting or exceeding. Council Vice Chairman Bentley said in experience, achieving goals was ranked as above, meets or below. Town Administrator Fournier said it would be possible to meet goal 1 by ranking each employee as either good or bad, but quality of reviews should also count. Councilor Zink said that that Town Administrator Fournier would be given an opportunity to respond to how he met or did not meet a goal. Town Administrator Fournier asked about the timetable for his review, as he had a two year contract and September would be not only the end of his first year, but also the beginning of his last year. He would need to know at some point whether he would be asked to stay in Newmarket, or should begin to prepare his resume. Councilor LaBranche said that in the past, evaluations were done and they went hand in hand with extending the contract and salary discussions. Councilor Levy said he felt that Town Administrator Fournier was doing a great job, and he thought that he would get a sense of the Council's

intentions to extend the contract by the end of the first year. There was further discussion on this point, and Council Chairman Nazzaro asked that they return to the discussion of goals.

Councilor Levy said he had no problem with a 1, 2, 3 rating system for each goal, and referred to Councilor LaBranche's statements of extenuating circumstances that could affect achievement of goals even though efforts had been made. Councilor Levy felt that goal 2 could be all or nothing, as could goal 1 unless there were extenuating circumstances. He thought that goal 3 was the most difficult to measure, and asked what would happen if the Town Administrator introduced three cost-saving actions but only one was executed, and if moving forward on actions would be considered. Councilor Carmichael said he could live with a 1, 2, 3 system. Council Chairman Nazzaro said that the majority seemed to agree that a ranking system be added at least to goal 3 of meeting, fully meeting or exceeding the goal. This would be for the next Council to decide and implement. Town Administrator Fournier said that any rating should include an explanation as to how it was determined. Councilor Levy wondered if the Council would round up or down if averaging votes in a 1, 2, 3 system. Councilor LaBranche thought the rating would be determined by a majority vote. Council Chairman Nazzaro said the new Council would have conversations about the review of goals probably at an August meeting. As this was a new process, Councilor Zink felt they should let some of it develop on its own. Council Chairman Nazzaro said that Town Administrator Fournier would need to introduce his plans for goal 3 by April or May to give the Council time to act on them. He said he had some theories at this time, but needed to ensure that they would work before they were introduced, in addition to the time necessary for them to be achieved. Council Chairman Nazzaro cautioned against over-engineering the process. Councilor Levy said that goal 3 emphasized that the Town Administrator and Town Council would work together on actions.

Council Vice Chairman Bentley suggested the wording, below, meets or exceeds, adding that below could mean zero bonus. Councilor Zink said in the met, fully met, exceeded system, meeting a goal would be the equivalent of just showing up. Councilor Levy preferred a 1, 2, 3 system and averaging the votes, as a simple majority of four votes could award the full \$3,000 bonus per goal which he felt would make the rating irrelevant. Council Chairman Nazzaro said that any Council that awards a \$3,000 bonus when a goal is not met should be ashamed of itself. Councilor Levy said he wanted more definition, but Council Chairman Nazzaro felt that would force the next Council into a box. Councilor Levy preferred language of averages and rounding, but that will be determined by the next Council. In response to his question, Councilor LaBranche said that in the past, the Council did not have a bonus program, but did reviews by first grading the Town Administrator and then discussing their individual rankings.

Town Administrator Fournier asked at what time this would be made public. He did not want any goals he did not meet made public as it would be derogatory. That would remain sealed, but an explanation of any bonus given would have to be made public, as the public has a right to know why and for what the bonus was given.

Councilor LaBranche moved to leave non-public session and Council Vice Chairman Bentley seconded. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0. Council Chairman Nazzaro declared a 5 minute recess at 6:55 p.m. until the 7:00 Council Workshop.

Respectfully submitted,

Ellen Adlington,
Recording Secretary