



Town of Plaistow ♦ Board of Selectmen
145 Main Street ♦ Plaistow ♦ NH ♦ 03865

PLAISTOW BOARD OF SELECTMEN MINUTES:

DATE: May 18, 2015

MEETING CALLED TO ORDER: 6:31 PM

SELECTMEN:

Selectman, Steve Ranlett, Chairman
Selectman, Joyce Ingerson
Selectman, Julian Kiszka

John Sherman Vice Chairman,
Selectman, Tammy Bergeron
Town Manager, Sean Fitzgerald

AGENDA:

MINUTES:

Motion by J. Sherman to approve the minutes of April 27, 2015. Second by J. Ingerson

Vote: 4-0-1 (S. Ranlett)

Motion passes.

Motion by J. Sherman to approve the minutes of May 4, 2015. A minor change on page 2, insert almost certain before will to read "almost certain will not revisit the issue again."

Second by J. Ingerson

Vote: 5-0-0

Motion passes

Note: Last week's Board of Selectman meeting was cancelled per the request of Chairman Ranlett.

PUBLIC COMMENT:

None

COMCAST CABLE ASCERAINMENT HEARING

S. Ranlett reads the public hearing notice that was posted on the Town's website and channel 17.

Jay Somers, Senior Manager of Government and Community Relations for Comcast, the largest cable operator in the country. He reviews the products available to Plaistow residents. He welcomes input from Plaistow residents as Comcast has made customer service their primary focus, investing millions of dollars, making the customer experience their best product.

The last relicensing of Comcast brought a new studio here in town hall; it is his focus to find the best balance of the Town's needs and the cost to subscribers of meeting those needs. It is important to understand that under federal law the cost of any items requested by the Town as part of the renewal is passed through to the customer. He thanks the Board and looks forward to renewing the cable TV.

J Sherman inquires if the expense of the cable studio was passed on to the subscribers.

J. Somers notes he will have to look into that and see what the license specifically spelled out, if there was a technical grant it could have been passed on to the consumer.

S. Fitzgerald states we did receive some technical assistance though would have to go back to get a clear accounting.

J Sherman asks to clarify that there is nothing the Town could ask for with an expense that would not be passed on to the subscribers.

J. Somers agrees that all requests that incur an expense will be passed on to the subscribers.

Barbara Tavitian, Plaistow resident who has experienced a lot of trouble with her phone. She has had no success on her own, she notified the Town Manager and she now has phone service with voice mail. She encourages anyone experiencing trouble with Comcast to notify the Town Manger and he will help rectify the issue.

S. Fitzgerald notes that he will contact Jay Somers with issues that are not resolved with the usual channels of customer service. If the Town knows of the issues, we can help expedite a resolution.

Cab Vinton, Director of Plaistow Public Library, expresses thanks to Comcast who offers free wireless and internet service to Plaistow Library customers. However, the service is the most basic level of service, the download speed and upload speed is extremely slow and not really meeting their needs. They would be very grateful if Comcast would consider an upgrade to the speed and they would be willing to pay the difference in cost or provide a form of recognition to Comcast such as a screen saver.

The federal government has set a new standard for internet service of 25 mb per sec or better and the library is currently in a substandard level. C. Vinton thanks Comcast but would be happy if they could do more as technology has changed.

J. Somers duly notes the request and will look into it, does not believe this has to be negotiated. It is a free service they offer to communities and that does not need to be negotiated.

J. Ingerson inquires if the library's service is passed on to the subscribers.

J. Somers states the cost is not passed on to the subscribers.

S. Fitzgerald states he also does not believe that the cost is passed on to the subscribers.

J. Sherman requests that this be put on the Action Items –with a due date of 1 month to ensure library upgrade decision for speed.

J. Deroche, chairman of the Cable Advisory Committee, states the committee has some item that they would like to see thought do not want the costs passed on to the subscribers. He presents the list of requests, including but not limited to where cable drops for Town owned facilities and discounts for seniors, veterans and disabled citizens.

He requests a survey of the town's signals done to ensure all subscribers get quality service.

S. Fitzgerald notes that Comcast is promoting customer service and the Hudson facility though where do Plaistow residents go to fix a broken remote control. He suggests a Comcast office on Route 125.

D. Zanello, Cable Coordinator, speaks highly of customer service representatives.

J. Sherman notes that he would like to make sure the memo that J. Deroche handed out be noted as received in the minutes as it was requested by the Board of Selectmen to compile a thorough list of requests that costs were not part of the consideration.

S. Fitzgerald requests that the Town look at a number of regulatory calculations under the licensing agreement we calculate our gross revenue, we receive through fees that are paid for services paid to Comcast. Need to review the formula as it has been a few years since it has been done, customer service provisions can be established, technology advances and broadcast capabilities in high definition.

S Ranlett notes the upgrades in the Town Manager's report; upgrade Greenough Road site to fiber optics and replace transmitter equipment at no cost to the subscribers.

J. Ingerson states that she is extremely impressed with the technicians; they know their job and have great customer service. Very good service.

J. Somers states to call if there are problems with the service and if not rectified then call the Town Manager.

J. Sherman reiterates that the Town cannot negotiate with Comcast is the cost, availability of channels or packages. The costs that are incurred with new features or upgrades are typically passed on to the consumer. Given those boundaries we are limited in what we can accomplish.

D. Zanello would like to speak on behalf of the School District. He presents a power point of the School District cable, Timberlane Education Network, reaches all four town in the district. The channel replays school programs, becomes a message board when not running programs. Production work supported by the School District. The Greenough Road site is upgrading their equipment.

He states there are some request he would like to make that will not affect Plaistow subscribers in the upgrade.

The limitations are: no stereo broadcast, older analog equipment, trouble-shooting issue, cannot replace transmitter equipment, weak signal and digital compression all effecting programming quality.

He requests:

- Consolidate to one location
- Fiber optic wiring to Greenough Road
- Digital Encoding equipment/ High Definition
- He states Pollard School is in the same situation as the library, we are grateful for the courtesy internet account though the bandwidth provided is entry level. If there was anything that could be done to upgrade the school it would be appreciated.

S. Fitzgerald notes that there has been talk of coordination with the four towns to provide the best equipment to the students for educational needs. He encourages collaboration of the School Board or joint meeting of selectmen to address the educational needs of the district. It would be inequitable to suggest that just Plaistow subscribers bear the brunt of the cost associated with the improvement to the school district.

J Sherman inquires what the suppliers are to the other three towns and when their contracts are up.

D. Zanello states they are all Comcast and their renewals vary though will get that information to the Board.

S Ranlett thanks J. Somers, D. Zanello and all that participated tonight.

GASB 45

Greg Colby, acting Finance Director, present to explain GASB 45. Governmental Accounting Standards Board is the standard setters for how financial statements are presented, the yearend audit, to meet governmental accounting standards. A few years ago, statement 45 was passed due to a problem of how governments were not recording pension liabilities beyond the current year. In a 3-year implementation, they required the recording of pension liabilities out to the future. There are two aspects involved:

- Direct aspect or the explicit portion- if benefits were provided as part of a contract, receiving a direct benefit such as health insurance
- Implicit portion, which are benefits, received that are not a direct expense to the Town though costs still incurred by the Town for retired employees. State law requires the town to hold retirees on their system that are part of the NH retirement system that have met certain qualifications. There are retirees in the current pool of employees, which increases the rates for non-retirees. The rates would be lower if the retirees were removed. Rates are higher to cover the costs of the retirees in the pool.

Discussion ensues.

J. Sherman notes that there have been discussions and G. Colby noted more than half the towns have implemented GASB 45; cost of implementing is high due to the need to hire an actuary. Towns need to put out a RFP for actuary, because many towns have implemented the

cost has decreased. Plaistow does not have many retirees, so the cost would not be that high as there are not that many retirees in the pool.

J. Sherman notes that this has been an audit issue for the Town, though the Town is not at risk because of it.

G. Colby states due to the implicit nature, it is a pay as you go liability. The Town budgets and raises the money every year to pay the NH retirement system funding the liability each year.

S. Fitzgerald notes that Board has asked to move forward with a GASB 45 audit out to RFP. This should come in under \$4000. Prudent to move forward and get this done.

Discussion ensues regarding the number of retirees and funds needed have been found in the operating budget.

S. Fitzgerald notes the upside to GASB 45 is that credit agencies look at a town that is compliant as a positive.

J. Sherman notes that this is the only issue we have had in our audits. The management letter has no negative findings and the auditors only report on negatives not positives.

G. Colby notes that for 2015 another Post Employment Benefit statement GASB 68 will be out which deals with reporting from the retirement system. At that point, a capital reserve account may be established to cover that liability.

J Ingerson inquires if there are any thought or comments from the Budget Committee.

J Sherman believes this came out after their session was completed.

J. Sherman motions to direct the Town Manager to work with Greg Colby to implement GASB 45. J. Ingerson 2nds

Vote 5-0-0. Motion passes

INVESTMENT FIRM- TRUSTEE OF THE TRUST FUNDS-JILL SENTER

Jill Senter, Chairman of the Trustees of the Trust Fund, David Mayes and Jared Brock of Mackensen & Company Inc., Hampton NH are present to discuss the Investments of the Trust Funds.

J. Senter begins by stating that the Trustees have been interviewing investment firms to become more aggressive in the earnings on the trust funds. She reviews the 2015 Warrant Article passed at Town Meeting authorizing the Trustees of the Trust Fund to invest the Trust Funds to increase the earnings of the Towns funds. She introduces David Mayes and Jared Brock of Mackensen & Company Inc to answer any questions the Board may have.

J. Senter notes that this firm was chosen because they understood the needs of the Trustees and the regulations they are bound by. She states the references that she contacted had nothing bad to say about this company. She asked specifically for the pros and cons and received only the pros, there were no complaints and the rate of return has been excellent along with the reporting that is required. She now turns the questioning over to the Board.

S. Ranlett reviews the return from the previous year was under \$500 on close to \$1 million in the accounts. J. Senter confirms the amount earned was under \$500 and the Town has not earned much over the last few years.

J. Ingerson asks to introduce, Phyllis Carifio is introduced, one of the Trustees that has been on the Board for 5-6 years.

J. Sherman asks how many towns Mackensen & Company works with and if they have reviewed our capital Reserve accounts in regards to quantity and amounts. David Mayes answers that Plaistow will be the 31st town and that the Town's Capital Reserve accounts are similar to those in other towns

S. Fitzgerald inquires what is unique about Plaistow's trust funds and how the quarterly reporting will help the Board understand how the investments are performing for the town.

D. Mayes states the accounts are very straightforward and nothing there that is out of the ordinary. He notes the quarterly reports will show the performance of the two accounts, one for the trust fund and one for the capital reserve accounts. The quarterly performance report will be net of the company's fees. Standard reporting for an advisory firm, there will also be a position report to see how each of the individual holding accounts is performing. The monthly MS-9 and the year to date MS-9 will be provided to the Trustees along with any other detailed reports requested. All transactions and interest are reported on those reports.

J. Ingerson inquires if the Board will review those reports.

J. Senter will provide the Board with quarterly reports of the trust funds.

It is the consensus of the board that the quarterly reporting made sense.

S. Fitzgerald inquires as to the fee structure and how their existing relationships with municipalities is defined.

D. Mayes notes that fee structure is straightforward. It is ½ of percent of total asset annually, billed on a quarterly basis. The fees include the investment management and all the reporting which are paid out of the income earned, not from the principal.

J. Sherman inquires as to the effect of earnings in regards to the fluctuation in our capital reserve accounts.

D. Mayes inquires as to how much fluctuation there is?

J. Sherman notes the town tends to be pretty level due to our Capital Improvement Plan, the accounts don't typically get too large.

D. Mayes notes that there is a core amount in the capital reserve though tends to operate like trust funds. The more stable the accounts, the better the return. He asks to be kept abreast of any large purchases. The number of capital reserve accounts does not affect the return as the money is invested in a lump sum.

J. Ingerson notes she is concerned with the risks involved and asks him to explain how they will prevent risk.

D. Mayes is there is risk with all investment, though will develop portfolios will be low risk. All investments will be in portfolios with minimal value fluctuation though having enough growth to remain ahead of inflation.

S. Fitzgerald inquires if Mackensen & Company Inc has investment policies or guidelines to protect the investment.

D. Mayes responds that they are required to have an investment policy that they are comfortable with that does that lays out the guidelines for how much they can use in any asset class. There are no small caps, no international, and no emerging markets. The portfolio is designed to be reasonable stable and slow growth. The trust funds can be more aggressive due to be them not expendable so the goal is to generate as much income and to grow the principal amount over time. All guidelines laid out in the investment policy. They strive to make the Trustees job as easy as possible with ease of moving money and reporting

J. Kiszka inquires as to the fee structure and anticipated rate of return. D. Mayes notes the fee is based on the balance at the end of the quarter. Ballpark rate of return for Capital Reserve funds portfolio for all towns net of the fees was 2.42%. The benchmark was about 2.62%. The trust fund portfolio 1 year return was about 4.5%, the 3-year return was 6.13% on annual average basis.

S. Ranlett inquires as to how many firms were contacted by the Trustees.

J. Senter explains that the Trustees contacted other firms though they did not show any interest in Plaistow, so they met with these three firms for interviews. She continues to explain that the only trust fund held now is the perpetual care, which is the one, referred to with the larger rate of return due to the fact the Town cannot touch the principal. All other accounts are the Capital Reserve Accounts.

S. Fitzgerald inquires as to the timeline to have Mackensen & Company Inc. on board. J. Senter notes that one more signature is required and they hope to have them on board by June. She also notes that Terry Knowles of the Attorney General's office speaks highly of Mackensen and Company Inc., which makes her feel confident is her decision to hire this firm.

TOWN MANAGER'S REPORT

Arbor Day

NH Drinking Water Source

Methuen Construction payment of back taxes and water fees on Testa property

Dog License- 357 unlicensed dogs

Women in Leadership

Plaistow Community Pride Day- Thank you to all who participated

Memorial Day Ceremony

Town Wide Yard Sale

Plaistow Fire Department Spaghetti Supper

All State Abatement Professionals

Mosher/Carleton Path

Public Safety Expansion Committee

NH Boys State
Household Hazardous Waste Day
J. Sherman thanks Dan Garlington for rescheduling the day due to a conflicts with opening Day
PARC Updates
Assessing Credits/Exemptions
Continental Paving Inc
NH RSA 207:3-a General Provisions as to Fish & Game
Fire Department Request for Funds
Code Enforcement letters
Capital Improvement Program
Properties for Sale
Town Unit CBA
Timberlane High School Graduation

ACTION ITEM REVIEW

The items are reviewed.

S. Ranlett request update status on communication tower by June 1.

J. Sherman requests to add review of the proposed Budget schedule on the agenda for June 1.

OTHER BUSINESS

SIGNATURE FOLDER

S. Ranlett states the manifest and signature folder are going around.

SELECTMENS REPORTS

J. Sherman-

- Attended the Timberlane Regional School CIP organizational meeting
- Attended the Sandown Withdrawal Committee meeting- Reviewed RSA's that are pertinent to Town withdrawal from the district. S. Ranlett requests to be an Alternate on this committee.
- Highway Safety meeting- RSMS system – joint presentation at the first budget committee meeting.
- Women in Leadership- Heartwarming ceremony
- Attended Fire Department spaghetti supper
- Memorial day may not be able Town owned properties to attend
- Reviewed draft survey on Safety Complex
- Library- Capital review on Building systems
- Would like to talk about the property behind Brandy brow and other Town owned properties

J. Kiszka-

- Attended the Drinking Source water Protection conference .Enlightening and covered every subject.
- Attended the School Board Meeting- Need to incorporate water protection in the school curriculum.

- Attended the Arbor Day Celebration- Thanks to Rick Blair of Rogers Spring Hill
- Attended the Safety Complex meeting.
- Attended the Fish & Game Derby- huge turnout.
- Went to the Vic Geary Center

T. Bergeron-

- Attended the Fire Department spaghetti supper- good turnout.
- Recreation Commission meeting- reviewed wish list.
- Attended the Public Safety Expansion meeting- setting up survey monkey, encourage residents to tour facility.

J. Ingerson-

- Did not attend the Conservation Commission
- Women in Leadership- Wonderful ceremony, proud of all 3 recipients of the awards. Thank you to Jill Senter and Sue Sherman for organizing.

S. Fitzgerald notes that Jeanne Shaheen has sent a letter recognizing the women and the event.

S. Ranlett-

- Not able to attend the Historical Society meeting due to the time change.
- Our sympathies go out to the Borden Family for their loss.
- Alden Palmer is in the hospital.

J. Sherman notes that Danville is looking into updating their impact fees as it relates to the school. Danville Selectmen looking for information from the School Board to update their fees. The School Board cannot release some of the information due to the sensitivity of the information.

S. Fitzgerald notes that neighborhoods are graying. Demographics from an address where those changes are will help with projecting trends for impact fees.

S. Fitzgerald notes that Mark Fougere can update the impact fees. Impact fees are on the Planning Board's agenda to be discussed for June 3rd.

T. Bergeron notes that PARC needs volunteers to run the concession stand if anyone is interested. Contact Christina Cruz, Recreation Director.

J. Kiszka thanks Tim Moore, Chairman of the Planning Board and S. Fitzgerald for the outstanding presentation at the water Source Protection Conference.

J. Ingerson inquires if there is a packet of information given to new residents in town.

S. Fitzgerald states the Town Report is given to new residents as it contains pertinent town information.

T. Bergeron suggests preparing a welcome packet for new residents.

MOTION BY J. Sherman TO ENTER INTO NONPUBLIC SESSION BY: under RSA 9-A: 311 (a)
Personnel, (b) Hiring, (c) Reputation, (d) Negotiation, (e) Legal

2nd J. Kiszka

**Board Polled: S. Ranlett = yes, J. Sherman = yes, T. Bergeron = yes, J. Ingerson=yes,
J. Kiszka=yes.**

Public Session adjourned at 9:03 pm

Respectfully submitted,

Gayle Hamel
Recording Secretary