

Selectmen's Workshop
Monday, March 2, 2015

Chairman Morgan called the workshop to order at 3:00 PM. Present were Selectmen Richard Morgan, Robert Freeman and Franklin Riley, and Ellen White, Town Administrator, who recorded the minutes. Also present were Kellie Skehan, Town Clerk/Tax Collector, Natalie Hall, Treasurer, Elaine Sherman, Finance & Benefits Administrator, and Harry Merrow.

Hall informed the Board that she and Merrow attended a meeting at Northway Bank to discuss the TAN note. She presented a quote for borrowing options for 2015 and a report of borrowing history for the past five years. Riley questioned how the interest is calculated. Hall answered that the 0.25% starts on day one of the note and is charged against the unborrowed funds. Following additional discussion, Hall was requested to get clarification and report back to the Board. Hall stated that an additional meeting with Northway Bank will take place on Thursday, 3/5/2015.

Merrow stated that the bank claims that it is not making any money on the TAN note and does not seem interested in funding municipalities. He stated that he did make Northway Bank aware of the money the Town of Ossipee has invested in their bank.

Sherman questioned the fees presented for the line of credit option.

Merrow questioned if a quarterly tax billing cycle would be beneficial. Skehan answered that larger cities offer quarterly billing and it would require additional planning, preparation and expenses such as postage. Riley questioned whether it would make enough difference in cash flow to make it worthwhile. Hall stated that the Town has never borrowed prior to May in the past.

Sherman reported that she paid \$1.1 million in bills this week. Hall reported the balance to be approximately \$881,000.

Skehan stated that the lien letters will go out the last week in March.

White reported an error in the operating budget for the Library in the Town Warrant but added that the actual posted Warrant is correct.

Morgan spoke on the status of the overall budget to be presented at Town Meeting. Brief discussion took place on the Petition Warrant Article from Knox Mountain Association. Morgan stated that a motion to pass over the article will be made. White reported that Attorney Richard Sager will be in attendance at Town Meeting.

White informed the Board that an audit has been scheduled for 3/12/2015 for the new Treasurer to take over. She also stated that a progressive invoice in the amount of \$15,400 has been received for the 2014 audit but anticipates additional fees due to the issues with the Trustees of Trust Funds. Morgan commented that the auditors were very happy with the audit process this year and thanked everyone for their assistance.

Sherman reported that she is working with the NH Retirement System as they conduct their first audit of the Town since 1994. She stated that income adjustments may have to be made for employees who had Worker's Compensation claims.

Sherman asked if a policy should be put in place to handle the Health Trust premium returns for the new employees who are subject to the 10% contribution. This will be tabled for future discussion.

Sherman requested view only access to the Sweep Account to assist with audits and bank reconciliations. Hall will request this on Tuesday.

Skehan suggested Merrow begin the signature card process at Northway Bank.

Hall and Skehan were dismissed at 3:30 PM.

Sherman discussed the new guidance from the IRS publication on how to handle fringe benefits such as the stipend received by the Police Department for their uniform cleaning. She stated that the \$500 stipend should be subject to Medicare and Social Security withholding. This would also apply to the gas stipend received by the Dog Officer. Discussion also took place on the taxable benefit of the personal use of a Town vehicle. White will address the new requirements in a letter to the Water and Sewer Commissioners.

Sherman informed the Board of a change in how the Police Department's holiday pay will be reported as wages instead of compensation over base pay in respect to NH Retirement.

Discussion took place on the cell phone plan. White will get in touch with the government contact at Verizon Wireless to see what is available.

White presented a draft copy of a letter addressed to local banks requesting a listing of accounts held with the Town's federal identification number.

Being no further input, the workshop was adjourned at 4:10 PM.

Richard H. Morgan

Robert C. Freeman

Franklin R. Riley

To be approved 3/9/2015