

BOARD OF SELECTMEN
Minutes of April 2, 2012

MEMBERS PRESENT: Chairman Bruce Breton called the meeting to order at 7:05 PM. Selectmen Ross McLeod, Phil LoChiatto, Kathleen DiFruscia and Roger Hohenberger were present; as was Town Administrator David Sullivan, Assistant Town Administrator Dana Call, and several Department Heads. Mr. Breton opened with the Pledge of Allegiance.

ANNOUNCEMENTS: Mr. McLeod made several announcements as follows:

- Thanks to Firefighter Bill Merrill and the Department for another successful Firefighters' Ball; held the previous weekend.
- There will be a 10K "If We Build It, We Will Run" high school track fundraiser race on April 14th at the High School beginning at 9:00AM. More information/registration may be found at active.com
- Extended congratulations to the three Windham Destination Imagination Teams, at Center School, Middle School, and the High School respectively; as each will be traveling to the DI finals in Knoxville, TN in May.
- Extended congratulations to WHS Senior Kerry White and Junior Bernadette Connors for being named to the 2012 EagleTribune All Star Girls Basketball Team. Also noted that WHS athletes received 15 Honorable Mentions across 8 different sports.
- Advised that the Zoning Board of Adjustment is currently seeking Alternates. The ZBA can have up to four, and currently has only one seated. Interested parties should submit their information to the Community Development Director.

Mrs. DiFruscia then made several announcements, as follows:

- The Annual Easter Egg Hunt, held the previous Saturday, went very successfully with over 400 in attendance.
- Earth Day is April 21st. Those interested in taking part in the Annual Clean-up Event can meet to register and obtain bags at 9 AM in the Bartley House parking lot.
- Regarding the "If We Build It..." event, there is also a 1K walk scheduled the same day. T-Shirts will also be available and all proceeds will go to building of a track at the High School.

LIAISON REPORTS: None.

MINUTES: Mr. McLeod moved and Mr. Hohenberger seconded to approve the minutes of March 12th and 19th as written. Passed unanimously.

CORRESPONDENCE: None.

STRATEGIC PLANNING WORKSHOP: Mr. Sullivan opened the discussion by noting that the Board had been presented with a current organizational chart of employees, as well as job duties for each employee. He indicated that he hoped this workshop would kick off a successful strategic plan for 2012; noting that in 2010 a plan had been formalized which had not been updated since. Mr. Sullivan noted that the Board had also received, for future discussion at the various Departmental workshops, a draft strategic plan for 2012-14, as well as status updates for the 2010-12 plan. Lastly, he advised that he had available for the Board's review the peer reviews conducted by Department Heads in the past. Mr. Sullivan suggested that, for purposes of this discussion, he will make an Administrative presentation followed by department overviews, Transfer Station Manager Dave Poulson will make a presentation to explain the 3-prong model being utilized, and finally he will review with the Board a proposed format for workshop agendas. Mr. Sullivan noted that departmental workshops will be scheduled, two per agenda every other week, in April and May and August and September.

Discussion then moved to the attached organizational chart with each Department Head save for the Maintenance Supervisor, Town Clerk, and Recreation and Cable coordinators presenting a summary of same and brief overview of their Department. Mr. Sullivan presented on behalf of those unable to attend, and as part of the discussion several corrections were noted to the chart including the omission of Call Firefighters,

Special Police Officers, and the newly hired Community Development Minute Taker. Mr. Hohenberger also noted some concerns with the structuring of the chart, which staff noted was software related and will work to correct for the finalized version. Mrs. DiFruscia inquired whether the current staff names could also be included within the chart, and Mr. Sullivan replied in the negative due to space issues; adding that staff will compile a separate document listing current employees.

Mr. Poulson then approached and presented a slideshow to the Board detailing the philosophy of strategic planning and explaining the three-prong model being utilized. Highlights included:

- Quality = Performance and Success is the target
- Working to establish one organization with a common purpose through a vision or mission statement
- Utilizing a continuous improvement model by formulating and implementing actions, then assessing same and making changes as necessary
- Standardizing the organization including: tangible/non-tangible groups, reducing confusion and mistrust, black and white directives and direction through leadership, and top-to-bottom contributions
- Defining of customers, both internal and external, and determining what they require and whether we are meeting those needs
- Identifying workforce format: either team or autocratic, fragmented or unified, or social or process driven
- Promoting vested interest in that an organization's success means security for its employees
- The three-prong model consists of three sub-categories to the visioning into which goals and objectives are classified: customer consideration, employee consideration, and process consideration.
- Steps to successful strategic planning include a single organizational model, one "team" of associates (ie: all are on the same level, titles notwithstanding), one vision/mission, and unified action plans.
- "Team" versus "Teaming", the latter being a structured process that requires members to be committed, focused and willing to participate.
- Reasons for change, including: changes to the working environment, expectations/needs, resources/economy, stakeholder demands, decision-making, or opportunities; or that conditions have become static.
- Deductive versus inductive reasoning, both of which should be used in planning.
- Keys to success including always moving forward, not fearing change, aligning the organization, productivity and proactivity, being accountable, fixing of broken processes, and benchmarking progress and improvements.
- That Strategic Planning should not begin without the commitment of the entire workforce, particularly leadership. Lack of follow-through results in confusion, lack of trust, and cynicism about the efforts leading to internal/external problems.

Mr. McLeod expressed his disagreement that the workforce should be limited to either social or process in nature, feeling that both aspects are necessary. He also felt that operating autocratically as opposed to teaming is also necessary at time; citing the Chiefs as an example. Discussion ensued, and Mr. Poulson noted that one of the primary failures in strategic planning lies in employee considerations, such as morale.

Mr. Sullivan noted that he would put the people that currently serve the Town up against any other community; adding that staff knows their "stuff" and process is not the issue; rather we are lacking in social aspects such as communication. He went on to note that the Town has come a long way, through tough economic times, and he felt it was time to turn the page and move forward positively and productively. Mr. Sullivan noted that the Department Heads are committed to move forward with the Strategic Plan, and asked that the Board be, as well.

Mrs. DiFruscia inquired whether consideration should be given to the School District as well, in order to obtain a complete look at the entire Town as many items such as taxes, police/fire services, have to do with the School. Mr. Sullivan expressed his agreement, noting that in 2003/04 there had been a tremendous collaboration going on between the Town, Library, and School District inclusive of a Steering Committee, however the School District had dropped out of the process. He added that he believed the Town needs to get their draft plan in place prior to the tentatively scheduled joint meeting with the School District.

Mr. Hohenberger expressed his agreement with Mrs. DiFruscia and Mr. Sullivan, adding that the Library also needs to be included. Mr. Sullivan concurred. Mr. LoChiatto applauded Mr. Sullivan's and the Department's efforts, indicating he looked forward to strategic planning regardless of interactions with the School District or Library; adding that if the Town's is crafted the others can be integrated. Discussion ensued as to why the collaboration broke down previously, and the impacts of the economy and High School were cited as a basis. Mr. Sullivan noted that it appeared all seemed committed and that the Plan could get going once again. Discussion ensued.

Workshop Format: Mr. Sullivan reviewed with the Board and Department Heads a proposed format for workshop meetings which Mr. Breton and he had collaborated on; adding the goal was both consistency and for the Board to be better prepared in advance. The format included addressing certain, specific items where appropriate, including:

- Operational items, such as new programs or issues, or staffing concerns
- Financial items, such as large expenditures or overages
- Committee involvement updates, for those who serve as such (ie: on the Highway Safety Committee)
- Strategic planning

Mr. Sullivan reiterated the intended workshop schedule, and added that Department Heads should submit all items for discussion no later than the Friday prior to their workshop; electronically when possible plus six hard copies for distribution to the Board.

Mr. Hohenberger then expressed concerns that the Strategic Plan was being developed prior to a group-wide Strategic Planning meeting. Discussion ensued regarding buy-in toward the plan versus global budgeting, the latter of which will represent prioritization of strategic planning items. Mr. Sullivan noted that unification was the next hurdle, and discussion ensued regarding global items within the plan itself, such as purchasing, and the need for the plan even more so with less funding available.

Thanks were then extended to all in attendance for their efforts.

The Chair called for a five minute recess.

DONATIONS – RECREATION: On behalf of the Recreation Coordinator, Mr. Sullivan requested the Board accept the following donations to the Daddy/Daughter Dance: Artistic Creations, Soleil Salon and Spa, and Windham Beauty shop – hair updos; Delahunty's – corsage; Eagle Tribune – raffle basket, and; Lisa Cook/Stella and Dot – necklace. Mr. McLeod moved and Mrs. DiFruscia seconded to accept these donations with gratitude. Passed unanimously.

VENDOR PERMIT APPROVAL – RECREATION: Mr. Sullivan advised that a permit application had been received from Holly's Kona Shaved Ice, which had been reviewed and signed off on by the Recreation Coordinator, Police Chief, and Health Officer as it meets all policy requirements.

Mr. LoChiatto inquired whether the Town would be aware of where the vendor was at any given time, and Mr. Sullivan indicated that fixed places such as the Beach would likely be coordinated with Ms. Haas, but that the permit would allow the vendor to be on the road at any time. Discussion ensued regarding Griffin Park, the restrictions there regarding vending, and the possible need to review the Park policy.

Mrs. DiFruscia sought clarification of the process to apply, and Mr. Sullivan noted that the vendor must have a State Hawkers/Peddlers permit, a clean record with no health violations, all State and local insurances must be in place, owner and all employees must pass a criminal check, and an inspection by the local health officer must be satisfactory. Discussion ensued regarding oversight, that the vendor must pass all levels of qualification, and that there currently is no limit on the number of vendors of any type who may obtain a permit. Mr. McLeod then moved and Mr. LoChiatto seconded approve the Vendor Permit for Holly's Kona Shaved Ice. Passed unanimously.

OLD/NEW BUSINESS: Mrs. Call reviewed with the Board the proposed Fund Balance Policy, which she noted the Town must adopt in accordance with new Government Accounting Standards Board (GASB) procedure 54 prior to issuance of the Town's financial statements. She explained that the policy itself defines "fund balance", which is not actually cash or a fund, and that GASB54 also redefines the reporting of some special revenue funds which will alter the appearance of the financial statements issued by the auditors slightly.

Mrs. Call noted that, in addition to defining fund balance, the Policy also defines the five classifications of funds, specifies the highest level of decision making authority and who may assign the fund balance (Town Meeting), defines spending prioritization, and establishes a minimum Fund Balance which Mrs. Call was proposing be set at 1% of the Town's total appropriation with the increase to be spread over a five year period. She explained that the NH Department of Revenue Administration, as well as GASB, recommends that municipalities maintain an unassigned fund balance of 5-10% of same and that currently the Town maintains \$300K, or approximately 0.65%.

Discussion ensued, and Mr. McLeod inquired whether the Town has, in the last 20 years, ever overshot the fund balance so as to have to take out a loan to cover expenses. Mr. Sullivan replied in the negative, and a discussion ensued regarding successful past practice, that the Town has utilized the fund balance in the past, impacts to bond ratings of a low fund balance, and the availability of other funding in the event of emergencies. Mrs. Call clarified that the issue was not that other funds would not be available in the event of an emergency, such as FEMA funds, but that those funds would take 6-8 months to obtain. She noted that the Town cannot borrow funds for a disaster as it would require a special town meeting, nor can they obtain a TAN to cover those expenses. Mrs. Call stressed that based on the Town's own payroll/accounts payable expenses, a \$300K fund balance would get us through approximately two weeks; and that does not include the \$1M/month the Town must send to the school District. Further discussion ensued regarding voter sentiment regarding returning surplus funds to the taxpayer, surrounding community practices regarding fund balances, and whether establishing the 1% would make a difference overall. Mr. Sullivan noted that the amount of the fund balance is the purview of the Board of Selectmen, but it does have to be documented as part of the policy.

Mr. Hohenberger moved and Mr. McLeod seconded to document the fund balance in the amount of \$300K. Passed unanimously.

Mr. Hohenberger then moved and Mrs. DiFruscia seconded to adopt the Fund Balance Policy as amended to reflect \$300K with no five year implementation. Passed unanimously.

Mr. Sullivan advised that a request had been received from Walgreens in Derry, for which the head pharmacist is a Windham resident, to promote their "Walk with Walgreens" program at the rail trail on May 12th from 9-2 PM. Mr. Sullivan advised that representatives will not be selling anything, but only handing out water bottles, brochures promoting wellness, tee-shirts, and will offer registration on their fitness website to anyone interested.

Lengthy discussion ensued regarding both the pros and cons of this request, and it was the consensus of the Board to refer the matter to the Rail Trail Alliance and have Walgreens coordinate with them. The information was given to Mr. Wayne Morris, who was in attendance for another matter.

Mr. Sullivan advised that the Recreation Committee would be in attendance the following week to request a waiver of the field light policy to allow for earlier use of the lights than prescribed due to the favorable weather. Discussion ensued, and Mr. McLeod recused himself from the Board due to his affiliation with the Soccer Association.

Mr. LoChiatto moved to grant a temporary waiver of the policy to allow for the lights to be used until the Committee's presentation next Monday. Further discussion ensued, and Mr. McLeod clarified that the policy is written to coincide with the field use policy start date of May 1st, however, the issue is that due to the weather conditions the fields are completely playable now and are being used, which poses a safety issue at night.

Mrs. DiFruscia seconded the motion, and after further brief discussion, the motion passed 3-1, with Mr. Hohenberger opposed; citing his ongoing concerns with the use of the park lights continuing to expand over time. Mrs. DiFruscia agreed, but indicated she supported the motion in light of the safety concerns.

Mr. McLeod resumed his seat with the Board.

Mr. Breton advised that the previous week the Salem Board of Selectmen had held a conversation regarding the sale of G2 and G3 by retailers in their community; for which he had recently seen a display being set up here in Windham. Mr. Breton noted he had approached the retailer and advised that they speak to the Chief of Police regarding this product, which is extremely toxic, and added that Chief Lewis is looking further into the matter. He also noted that Representatives McMahan and Belanger would be working on legislation regarding same and that he hoped our Windham retailers would ban its sale themselves.

Discussion ensued regarding the lack of FDA approval for this product, which is a synthetic marijuana, and documented issues with it at the Department of Health and Human Services.

Mr. Sullivan advised that the Town of Salem had met with the Department of Transportation regarding their cancellation of the TE funds for the Rail Trail project, and that the latter had agreed to rescind that action subject to strict considerations on Salem. Mr. Breton suggested that a letter be sent to the State stressing the importance of the project and expressing Windham's appreciation of their reconsideration. The Board concurred, and staff will compose a letter accordingly.

NON-PUBLIC SESSION: Mrs. DiFruscia moved and Mr. Hohenberger seconded to enter into nonpublic session in accordance with RSA 91-A:3 II c, d, and e. Roll call vote all "yes". The topics of discussion were reputations, land acquisition, and legal.

The Board, Mr. Sullivan, Ms. Devlin and the following members of the Conservation Commission were in attendance in the first session: Mr. Jim Finn, Mr. Wayne Morris, and Mr. Dennis Senibaldi.

The Board discussed a possible land purchase. Mr. LoChiatto moved and Mr. Hohenberger seconded that the Board support the purchase of land in question, and directed the Commission to offer a specific price for the parcel.

Mr. Finn advised the Board of another potential purchase. No decisions were made.

The Board, Mr. Sullivan, and Ms. Devlin were in attendance in the final session.

Mr. Breton stepped out of the meeting.

Mr. Sullivan discussed an abatement request regarding a piece of property recently donated to the Town. Mr. Hohenberger moved and Mrs. DiFruscia seconded to abate the taxes due from the time of the transfer to date. Passed 3-1, with Mr. LoChiatto opposed.

Mr. Breton returned to the meeting.

Mr. Sullivan updated the Board on a legal matter. It was the consensus that Town Counsel be requested to review this matter with the Board prior to next week's meeting.

Mr. LoChiatto moved and Mr. McLeod seconded to adjourn. Passed unanimously.

Meeting was adjourned at 10:35 PM, followed by a discussion of matters related to Union negotiations.

Respectfully submitted,

Wendi Devlin, Administrative Assistant.

Note: These minutes are in draft form and have not been submitted to the Board for approval.