

**Town of Auburn
Board of Selectmen
July 30, 2018
Town Hall**

7:00 p.m.

() Call to Order – Pledge of Allegiance

Approval of Payroll for the Week of July 23, 2018 -- \$45,264.13

Approval of Accounts Payable for the Week of July 30, 2018

Approval of Consent Agenda – Week of July 30, 2018

() Appointments with the Board

Melissa Gates – Town's Health Insurance

() New Business

Parking Concerns on Rockingham Road

Compliance with GASB #75

Quarterly Meeting with School Board & Possible Special Meeting

Federal Firefighters Grant for SCBA Equipment

() Old Business

Update on Transportation Alternatives Program Grant Process

Update of FEMA Snow Emergency Declaration

Rate of Pay for Road Agent Position

() Other Business

() Minutes

- July 16, 2018 Public Meeting
- July 16, 2018 Non-Public Session (x2)

() Non-Public Session pursuant to RSA 91-A: 3, II (a)

Compensation of three public employees

() Adjourn

Note: "Any person with a disability who wishes to attend this public meeting and needs to be provided reasonable accommodations in order to participate, please contact the Board of Selectmen's Secretary at (603) 483-5052 x100, so that arrangements can be made."

Town of Auburn

Town Hall
47 Chester Road
P.O. Box 309
Auburn, NH 03032



Town Administrator

William G. Herman, CPM
Phone: (603) 483-5052 Ext. 111
Fax: (603) 483-0518
E-Mail:
townadmin@townofauburnnh.com

To: Board of Selectmen

From: Bill Herman, Town Administrator

Date: July 26, 2018

Re: Town of Auburn Compliance with GASB #75

Attached is a report from Finance Director Adele Frisella and two proposals she received for the work required for Auburn to come into compliance with Governmental Accounting Standards Board (GASB) Rule #75 concerning "Reporting for Postemployment Benefits Other Than Pensions" which became effective for the fiscal year beginning January 1, 2018.

This work must be completed by an actuary and, for the 2018 budget, the Finance Director had secured a \$2,000 estimate from other municipalities who have already performed this work. The Town's 2018 budget includes \$2,000 for this work.

In requesting proposals from three firms, the Town received two proposals. They include:

- KMS Actuaries, Manchester -- \$3,500
- USI Consulting Group, Glastonbury, CT -- \$3,900

As Adele points out, this will become an ongoing cost moving forward, although the expense is considerably less for the next two years. The information gathered by the actuary in this process will be provided to the Town's auditors and will be included as part of the Town's annual audit in order to secure a "clean" opinion from the auditors as to the state of the Town's financial affairs.

Should the Board concur with Adele's recommend of retaining KMS Actuaries of Manchester for this effort, it would be appropriate for the Board to consider the following motion:

Move to accept the proposal of KMS Actuaries of Manchester to perform GASB #75 "Reporting for Postemployment Benefits Other Than Pensions for fiscal year 2018 for the cost of \$3,500.

Thank you for your consideration.

Attachments

MEMO

To: Board of Selectmen

From: Adele Frisella
Finance Director

Re: GASB #75

Last budget season, I requested an additional \$2,000 for compliance with the GASB #75, which was approved and is part of the 2018 Budget. The GASB #75, (OPEB) is Reporting for Postemployment Benefits Other Than Pensions and must be completed by an actuary. I did seek three quotes for this service, but only received two back and have attached the two received back. I am suggesting that the Town goes with KMS for a few reason: (a) KMS is a little less expensive for the initial data (full valuation) year, (b) the Company is located in Manchester, NH rather than Connecticut, (c) and KMS realized the Town was located in New Hampshire and not in Massachusetts.

No matter which Company is chosen, both will be over the budget amount of \$2,000 for 2018. For the Town to be compliant, the process should begin in 2018 and probably would not be complete until 2019; for the year ending in 2018; potentially allowing the cost to be spread over a couple of years. The selectmen could decide not to be compliant with GASB #75 which then would be noted in the Town's yearly financial statement audit. See attached for the notation in 2015 audit for the non-compliance with GASB #45, GASB #75 replaces GASB #45. After the first year, the cost is considerable less for the next two year.

Let me know if you need any further information.

INDEPENDENT AUDITOR'S REPORT

To the Board of Selectmen
Town of Auburn, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Auburn, New Hampshire (the Town), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Governmental Activities

As discussed in Note 2 to the financial statements, management has not recorded a liability for other post-employment benefits in governmental activities and, accordingly, has not recorded an expense for the current period change in that liability. Accounting principles generally accepted in the United States of America require that other post-employment benefits attributable to employee services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee be accrued as liabilities and expenses as employees earn the rights to the benefits, which would increase the liabilities, reduce the net position, and change the expenses of the governmental activities. The amount by which this departure would affect the liabilities, net position, and expenses of the governmental activities is not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter described in the “Basis for Adverse Opinion on Governmental Activities” paragraph, the financial statements referred to above do not present fairly, the financial position of the governmental activities of the Town of Auburn, New Hampshire, as of December 31, 2015, or the changes in financial position thereof for the year then ended.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Town of Auburn, New Hampshire, as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison information, schedule of changes in the Town’s proportionate share of the net pension liability, and the schedule of Town contributions, on pages i-v and 24-28 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Auburn, New Hampshire's basic financial statements. The combining nonmajor governmental fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor governmental fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor governmental fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vachon Clukay + Company PC

Manchester, New Hampshire
September 30, 2016



January 8, 2018

Ms. Adele Frisella
Finance Director
Town of Auburn
47 Chester Road
Auburn, NH 03032

Dear Adele:

KMS Actuaries, LLC ("KMS") is pleased to provide this proposal letter detailing our services and fees for completing actuarial valuations and disclosures and providing related consulting in accordance with Governmental Accounting Standards Board Statement Number 75 ("GASB 75") for the Town of Auburn's postemployment benefits other than pensions, commonly referred to as OPEB. This letter outlines the scope of services to be performed by KMS, the timing associated with delivery of our services and the associated fees.

BACKGROUND

In June 2015, the GASB approved two related Statements that significantly change the way OPEB plans and governments will account and report OPEB liabilities. Effective for OPEB plans with fiscal years beginning after June 15, 2016, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, replaces the requirements of Statement No. 43 and effective for employers with fiscal years beginning after June 15, 2017, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaces the requirements of Statement No. 45. For the Town of Auburn, GASB 74 does not apply as there is no OPEB trust; GASB 75 is effective for the fiscal year beginning January 1, 2018. Our proposal addresses the services that will be required under the new standard.

SCOPE OF SERVICES

Under the GASB 75 standard, full valuations are required every other year. For the interim years, we will use the census data and related information from the most recent full valuation, develop liabilities using the discount rate computed as of the measurement date and roll-forward the results to the measurement date. We propose the following schedule of valuations:

K M S A C T U A R I E S

<u>Valuation Date</u>	<u>Disclosures</u>	<u>Valuation Type</u>
January 1, 2018	December 31, 2018	Full valuation
January 1, 2019	December 31, 2019	Roll forward

Exhibit A, Scope of Services, provides a summary of our services and overall approach in completing the requested services.

Exhibit B, Valuation Data Requirements, provides the details of the data and information that is needed for us to complete the actuarial valuations and corresponding reports.

FEES

Our fees for completing the actuarial valuations and related valuation reports are as follows:

- January 1, 2018 Full Valuation - \$3,500
- January 1, 2019 Roll Forward Valuation - \$2,500

Our fees have been developed on the condition of receipt of employee and retiree data in the data template provided by KMS and that is complete and consistent with the data requirements set forth in Exhibit B, Valuation Data Requirements.

The fees include all clerical, printing, administrative and overhead costs required to perform the services. KMS will provide an electronic copy of the actuarial valuation reports. Any printed and copied reports will be provided at the Town's expense. We ask that the Town remit payment within thirty days of receipt of our invoice. A late charge of 1% per month will accrue on unpaid balances after 45 days.

It may be necessary to adjust our fees if significant time and effort is required to collect usable employee and retiree data from the Town that is needed for the performance of our work or if revisions are needed to the draft or completed actuarial valuation report as a result of inaccurate or incomplete data submitted by the Town. We will promptly notify you if such a situation develops.

The fee set forth above does not cover specialized consulting services outside the scope of this proposal letter. If such additional services are necessary, they will be billed on a fee-for-service basis at the following hourly rates, unless an alternate agreement is developed in advance:

<u>Services Provided In</u>	<u>Actuaries</u>	<u>Analysts</u>
2018-2020	\$395	\$150

Work that would be considered outside the scope of this proposal letter include special consulting work related to any potential plan design changes or preparation for and attendance at meetings with Boards or other interested parties.

Ms. Adele Frisella
January 8, 2018
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TIMING

We are generally able to provide our certified actuarial valuation report ten to twelve weeks after receipt of all necessary information and data, but we will work with you to develop a schedule based on your timing requirements.

KMS ACTUARIES

KMS has provided actuarial consulting services to many cities, towns, regional school districts, counties and enterprise units. A listing of government entities to which KMS has provided these services is included in Exhibit C, Retiree Medical Actuarial Consulting Experience.

Linda Bournival, Consulting Actuary and owner of KMS Actuaries, LLC, is a credentialed actuary with over 30 years of consulting experience working with a wide-range of retirement plan and retiree medical issues. She has extensive experience in providing consulting and actuarial services for pension plans and postemployment benefit programs for public sector entities.

Amanda Makarevich joined KMS in 2017. She has worked with governmental entities and private sector clients providing a wide range of actuarial services for a variety of plan types. Her experience includes the preparation of valuations for funding purposes, GASB and FASB accounting disclosures and financial reporting, and projections for funding and plan termination purposes.

IN CONCLUSION

We look forward to providing these services and consulting to the Town of Auburn. Do not hesitate to call me if you or anyone else reviewing this proposal letter has any questions or need additional information.

Sincerely,



Linda L. Bournival, FSA, EA
Consulting Actuary

EXHIBIT A

SCOPE OF SERVICES

- **Collect member data**, premiums, plan benefits and other required information.

For completing each full valuation, we will provide a data template for entering the employee and retiree census data, premiums and other information.

- **Verify the accuracy of the data submitted** and make recommendations to enhance the quality of the data.

We perform edits on the data to ensure that it is reasonable and complete. Examples of data that are screened and flagged as invalid or questionable are employees hired prior to age 14, missing birth dates and gender codes and missing health plan indicators. We will bring to your attention any invalid or missing employee and retiree data for correction.

- **Review current assumptions** and select demographic and economic assumptions for the valuation.
- **Develop per capita claims costs by age.** We will analyze premium information for retired members to develop per capita medical claim costs by age that reflect the implicit rate subsidies utilized in the actuarial calculations.
- **Develop required actuarial liabilities and calculations** under the GASB standard.
- **Prepare and deliver annual Actuarial Valuation Reports** containing the information required under the GASB 75 standard.

Our report will identify the methods, procedures, assumptions and data used in the actuarial valuation. In addition, our report will contain a glossary of terms and will be in language clearly understood by lay readers.

EXHIBIT B

VALUATION DATA REQUIREMENTS

In order to perform the services specified in Exhibit A, Scope of Services, we request the following information relating to the OPEB program:

1. **Medical Premium Rates**
Provide the current monthly rates for each medical plan available to retirees.
2. **Audited financial statements**
The Town's most recent audited financial statements.
3. **Covered Payroll**
Annual pensionable compensation paid to potentially eligible active employees during the current fiscal year. This is the compensation used to determine employees' member deduction to a Retirement System.
4. **Plan Member Data**
Demographic information is required for each employee in active service, retired employees and covered spouses and survivors of deceased retired employees. Our fees have been developed on the condition of receipt of the data in the data template provided by KMS and that is complete and consistent with the data requirements set forth on the following pages.

EXHIBIT B

VALUATION DATA REQUIREMENTS

Active Employees

Enter one record per employee as of the valuation date and include the data elements as shown in the following record layout. Include all employees who are potentially eligible for postemployment benefits upon retirement:

ACTIVE EMPLOYEES			
	Data Element	Description	Format
A	Employee ID	Unique identifier	Numeric
B	Name	Employee name	Last name, first
C	Unit	1 = Town	Used for breakout of results
D	Group Code	Retirement System Code: 1 = General Employees 2 = Public Safety	Numeric 1 or 2
E	NHRS Code	Teacher in New Hampshire Retirement System Y = Yes N = No	Alpha Y or N
F	Gender	M = Male, F = Female	Alpha, M or F
G	Birth Date	Employee Birth Date	mm/dd/yyyy
H	Hire Date	Employee Hire Date	mm/dd/yyyy
I	Medical Plan	None, HMO, PPO, etc	Abbreviated Plan Name
J	Medical Type	None Individual Family	
K	Covered Payroll	Payroll for the current fiscal year	Numeric only

EXHIBIT B

VALUATION DATA REQUIREMENTS

Retired Employees, Covered Spouses and Survivors

Enter one record per retiree and survivor and include the data elements as shown in the following record layout. Include all retired employees with coverage.

RETIRED EMPLOYEES

	Data Element	Description	Format
A	Employee ID	Unique identifier	Numeric
B	Name	Employee name	Last name, first
C	Unit	1 = Town	Used for breakout of results
D	Birth Date	Retiree or Survivor Birth Date	mm/dd/yyyy
E	Gender	M = Male F = Female	Alpha M or F
F	Retirement Date	Retirement Date	mm/dd/yyyy
G	Status Code	2 = Retired (non-disabled) 3 = Survivor of deceased retiree 4 = Disabled retiree 5 = Spouse	Numeric
H	Medical Plan Retiree	None, HMO, PPO, etc.	Plan Name
I	Medical Plan Spouse	None, HMO, PPO, etc.	Plan Name
J	Spouse Birth Date	Covered Spouse Birth Date (required if spouse covered under Medical or Dental Plan)	mm/dd/yyyy
K	Spouse Gender	Covered Spouse Gender M = Male F = Female (required if spouse covered under Medical or Dental Plan)	Alpha M or F

EXHIBIT C

RETIREE MEDICAL ACTUARIAL CONSULTING EXPERIENCE

KMS has provided retiree medical actuarial consulting services to the following:

- Ashburnham, MA
- Assabet Valley Collaborative
- Ayer Shirley Regional School District
- Bedford, MA
- Belknap County, NH
- Belmont, MA
- Berlin, NH
- Blackstone, MA
- Boylston, MA
- Byfield Water District, MA
- Canterbury, CT
- Cape Cod Collaborative
- CAPS Educational Collaborative
- Charlton, MA
- Clinton, MA
- Cohasset, MA
- Coos County, NH
- Dukes County Pooled OPEB Trust
- Franklin, NH
- Gardner, MA
- Georgetown Municipal Light Department
- Grantham, NH
- Greater Attleboro Taunton Regional Transit Association
- Greater Lawrence Technical School
- Hampshire Regional School District
- Hampton, NH
- Hanover, NH
- Harvard, MA
- Hillsborough County, NH
- Hingham, MA
- Keene, NH
- Kingston, MA
- Lincoln-Sudbury Regional School District
- Littleton, MA
- Littleton Electric Light Department
- Lynnfield Center Water District
- Lynnfield Water District
- Manchester, NH
- Manchester, NH School District
- Massachusetts Water Resources Authority (MWRA)
- Middlebury, VT
- North Attleboro Electric Light
- North Reading, MA
- Old Rochester School District
- Oxford, MA
- Plymouth, MA
- Raymond, NH School District
- Rockingham County, NH
- Salem, NH
- Salem-Beverly Water Supply
- S.A.U. #6, Claremont, NH
- S.A.U. #21, Hampton NH
- S.A.U. #41, Hollis, NH
- S.A.U. #84, Littleton NH
- Shirley, MA
- Southbridge, MA
- Spencer-East Brookfield, MA Regional School District
- Sterling, MA
- Stratford Housing Authority, CT
- Sudbury, MA
- Sudbury Water District
- Sullivan County, NH
- Swampscott, MA
- Townsend, MA
- Triton School District
- University of Maine System
- Upton, MA
- Wachusett Regional School District
- Weston, MA
- Winthrop, MA
- Worcester, MA



CONSULTING GROUP



GASB 74/75 ACTUARIAL VALUATION SERVICES

Proposal Prepared For:



December | 2017

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EXECUTIVE SUMMARY

We are pleased to provide this proposal to the Town of Auburn for postretirement health & welfare benefit services, specifically GASB 74/75 actuarial valuations and financial statement disclosures.

The Government Accounting Standards Board ("GASB") issued Statement No. 43, "Financial Reporting for Postemployment Benefit Plans Other Than Pensions Plans" in April, 2004 and Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" in June, 2004. The statements introduced accrual accounting for postretirement benefits other than pensions. GASB issued Statements No. 74 & No. 75 in June, 2015, which are updates to GAS No. 43 & No. 45. GAS 75 will be effective for fiscal years beginning after June 15, 2017, and will require numerous changes including new terminology, accelerated recognition of plan cost, and extended disclosure items. In addition, GAS 75 requires that the valuation discount rate assumption reflect the yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher to the extent that plan assets (plan's fiduciary net position) are projected to be insufficient to make projected benefit payments. GAS 74 is effective for fiscal year beginning after June 15, 2016. The first year of compliance will require exhibits related to plan assets as well as a calculation of the Total OPEB Liability at the end of the fiscal year.

Our proposal details the various capabilities, technical knowledge and features of USI Consulting Group. We are confident that we can offer practical and cost-effective ways to assist you in achieving your goals and objectives.

We have gained a reputation of providing cost-effective consulting and administrative solutions that meet our clients' benefit plan goals and objectives. Our client management process is cyclical and begins with understanding your objectives, developing solutions and action plans to meet those objectives, placing controls around solutions and plans, implementing them and then measuring the results.

CURRENT SITUATION

The Town provides postemployment health & welfare benefits for its current and future retirees, which included 20 employees and 3 retirees and 2 receiving benefits. The Town will be required to implement GASB Statement 75 beginning in the year 2018.

This proposal is for an Actuarial Valuation that will provide a report with estimated GAS 75 financial information for the fiscal years ending in 2018 and 2019. As discussed above, at the end of each fiscal year the financials may need to be updated to reflect the prevailing yield or index rate for 20-year, tax exempt general obligation municipal bonds as of the measurement date.

This proposal outlines the basis of our professional fees, describes the project phases, provides an approximate timetable for the completion of the project and outlines a brief biography of the project management team that will be responsible for delivering the valuation.

ORGANIZATION OVERVIEW

HISTORY

We are a national consulting firm specializing in employee benefits planning, design, qualification, implementation and administration. We are a wholly-owned subsidiary of USI, Inc. – the second largest privately held insurance broker in the United States.

For over 35 years, we have grown to our current status as one of the leading national consulting firms specializing in retirement and benefit solutions. We provide consulting and administrative services for approximately 1,400 clients nationwide. Our clients consist of public and private sector employers as well as Fortune 500 companies. Headquartered in Glastonbury, CT, we operate major offices in Boston, MA; Chicago, IL; Cincinnati, OH; Dallas, TX; Denver, CO; Fort Lauderdale, FL; Houston, TX; Irvine, CA; Knoxville, TN; New York, NY; and Washington, DC.

We have approximately 200 employees. Our staff includes top professionals with significant consulting, insurance, financial and accounting backgrounds. Our staff includes Actuaries, Consultants, Attorneys, CEBS, CFAs, CIMAs, FSAs, QPAs, RPAs and Benefit Plan Administrators. On average, our senior consultants possess 15 years of hands-on experience in the design, implementation and administration of all types of employee benefit programs.

USI CONSULTING GROUP | A SNAPSHOT

- 200 retirement and benefit specialists
- National client base
- Service one million participants
- Over 35 years of experience
- 98% of our clients say our service quality meets or exceeds their expectations
- 96% of our clients would recommend us



OUR PHILOSOPHY

We strive to provide services that enable our clients to manage their benefit plans and, ultimately, their operations more effectively. We accomplish this by providing understandable and accurate consulting advice on a timely and cost-efficient basis.

Effective employee benefits consulting should:

- Reflect the goals, objectives and financial strategies of the client organization
- Be empirically sound and easily understood to benefit professionals, as well as Senior Management and the Board of Directors
- Focus not only on short-term financial considerations, but also on the true cost of a given benefit or funding vehicle over the long-term
- Serve as a catalyst and educational vehicle for helping the client deal effectively with the evolving nature of employee benefits and the effects of those evolutionary trends on his/her benefit programs
- Assist in developing a conceptual framework for client benefit decisions and in ensuring that a long-term strategic planning structure is in place, so there is adequate flexibility to weather changes in benefit delivery mechanisms and regulatory requirements
- Create a synergy that stimulates the client's benefits team and consulting team to collectively work better than each group would have on their own

To accomplish this, we encourage discussions about all aspects of employee benefits plan design, funding and philosophies. Our approach requires more than technical skill. Rather, our designated consulting team is creative, innovative, sensitive to the client's culture and educated in the overall field of employee benefits plan management. We emphasize an understanding of the manner in which benefits affect the total client structure. This capability is part of what makes us unique.

ABOUT USI

USI is a diversified insurance and financial services firm focused on a technology enabled, fully integrated delivery of general and specialty property & casualty insurance, financial services such as employee benefits outsourcing, third-party administration, and related consulting. USI firms are characterized as having a strong regional franchise name, specialized areas of expertise, a history of growth and good future prospects, strong management and strong market relationships and broad financial services capabilities.

USI is headquartered in Valhalla, NY and is comprised of more than 140 offices located throughout the United States. USI employs approximately 4,400 people nationwide.

OPEB GASB 74/75 VALUATION SERVICES

OUR STAFF

We have a department dedicated to meeting employers' OPEB financial needs including compliance with the accounting standards: GAS 74/75 and ASC 715-60/712-10. This dedicated group of associates provides actuarial and consulting services to our 200 OPEB clients.

This focus on postretirement health & welfare gives us vast experience in all aspects of the required accounting and plan design issues. We have assisted almost all of our clients in some sort of sensitivity analysis or projection scenarios; each time delivering results with both fiscal and personnel issues in mind.

GASB 74/75 SERVICES

We strongly believe that employers need to take a comprehensive approach to the planning of their retiree benefits. We use a multi-disciplinary team to assist employers with the management of their compliance and benefit needs.

GASB 74/75 Actuarial Valuation

The GASB 74/75 valuation is a liability and expense study and is the focus of this proposal. Even though the GASB standardized accounting is for retiree welfare benefit costs, employers maintain certain flexibility in recognizing these liabilities and reflecting their substantive benefit commitments to their retirees. The postretirement health & welfare valuation process will consist of:

1. Information Gathering

- Terms of the plans you currently offer.
- Premiums or claims (depending on your funding arrangement) for each of your plans, as well as contribution amounts made by retirees.
- Demographic information on retirees and dependents currently covered by your plan(s), as well as the groups of active employees eligible for future coverage. We will outline for you in a letter, the data required to prepare your actuarial valuation.

2. Actuarial Assumptions

- Actuarial assumptions are used for projecting payments and calculating expense and liability obligations.
- Assumptions required for valuing postretirement medical benefits fall into two groups:
 - Demographic and economic assumptions
 - Interest/discount rates
 - Retirement, termination & mortality rates
- Assumptions unique to retiree medical
 - Per capita claim cost rates
 - Participation and contribution rates
 - Spouse election assumptions

We will work with you to select a set of assumptions that reflect your organizations expected experience and that satisfy the requirements of GASB 74/75 and actuarial standards of practice.

3. Postretirement health & welfare valuation report*

The report will contain the following information:

- Explanation of the adopted GASB standards
- Executive Summary of key information
- Summary of plan-related liabilities separated as needed by:
 - Active employees and retirees
 - Separate enterprise funds, separate employee (or professional) groups
- Summary of fiduciary net position (if applicable)
- Total and Net OPEB Liability
- Description of actuarial assumptions and methodology used in the valuation
- Derivation of claim costs
- Summary of plan participant data
- Description of substantive plan provisions (participation requirements, eligibility for benefits, contribution structure, etc.)
- Glossary of valuation terms used
- Actuarial certification

GASB Disclosure Information

GASB 74/75 requires that certain information be disclosed in a footnote contained in an organization's annual report. Although, much of the information in the valuation will be usable in the end of year footnote, in most cases, the footnote cannot be finalized until the end of the fiscal year. We will issue an abbreviated report at the end of the year summarizing your disclosure information, incorporating actual fiscal year financial activity.

**More or less detailed information can be provided in the report as desired by management.*

OPTIONAL CONSULTING SERVICES

Plan Design Alternatives

We can assist in assessing whether your human resources objectives, as embodied in the plan, are consistent with your business objectives. If this is not the case, we can examine plan options available to help align the plan with your objectives. We would include the following steps in a design study:

- Determine your philosophy with respect to retiree benefits (e.g., what do you owe the retiree and what resources are you prepared to commit to retiree welfare?)
- Understand cost management problems and opportunities inherent in retiree plans and utilization experience
- Examine what has been promised in the past
- Determine active employees' retiree benefit expectations and needs with regard to retiree benefits
- Determine the extent, if any, which medical benefits should be integrated with pension benefits
- Investigate potential health cost management strategies and determine the effectiveness of current plan designs, while encouraging efficient use of the medical care system
- Consider alternate plan designs involving eligibility, benefits, contributions, etc.
- Model the effect of different plan designs on your liability

Pre-Funding

We are in a position to assist you with a study of the financial alternatives, tax implications and the effect on operations of various approaches to pre-funding retiree welfare benefits.

Modeling & Projections

As you assimilate the initial impact of accrual vs. pay-as-you-go, you may want to consider what-if scenarios that incorporate both plan design and pre-funding alternatives. As we have with many clients, we can provide critical analysis for management of this obligation.

ACCOUNT TEAM

We employ a team approach to client service. This means that the consultants, administrators, actuaries and other specialists working with you possess the experience and technical expertise to meet your objectives.

As your consultant, we combine the resources of our organization – our communications expertise, outsourcing services and technology – to provide proactive, timely and accurate account service.

Based on our understanding of your needs, we anticipate that your project team will consist of the following individuals:

Supervising Actuary:	Bob Webb, FSA, EA, MAAA
Actuary & Project Manager:	Adeniyi Olaiya, ASA, MAAA
OPEB Consultant & Actuary:	Denise Reed, ASA, MAAA
Actuarial Consultant:	Tammy Cooke
Actuarial Consultant:	John Sheaves

Bob Webb is a Vice President and Actuary in USI Consulting Group's defined benefit department. Bob manages the OPEB department, which consults on retiree welfare plans for approximately 200 clients. Bob has more than 30 years experience in the retirement field, including over 20 years as a consultant. His experience in the retiree welfare area includes plan design and pricing, assisting employers in meeting the accounting requirements (GAS & FAS) of OPEB plans, as well as mitigating the impact of the statement on profit and loss, and consulting with clients in the financing and funding of their retiree welfare benefit plans. Prior to joining USI Consulting Group, Bob served as a benefit consultant, specializing in retirement programs, for leading insurance and benefit consulting companies.

Bob graduated from Hamilton College with a B.A. degree in Mathematics. He is a Fellow of the Society of Actuaries, an Enrolled Actuary under ERISA and a member of the American Academy of Actuaries.

Adeniyi Olaiya is an Actuary and the OPEB Manager in USI Consulting Group's OPEB department, which consults on retiree welfare plans for approximately 200 clients. His professional experience includes OPEB (GASB 74/75 and ASC 715-60/712-10) valuations, as well as group life and health care pricing. Adeniyi assists the Practice Leader with actuarial assumption studies, morbidity studies, plan design and pricing, cash flow projections and plan comparison studies. Prior to joining USI Consulting Group, Adeniyi worked as an Actuarial Manager with a major managed care carrier in the northeast region.

Adeniyi graduated from the University of the West Indies with a degree in Applied Physics and is currently an Associate Member of the Society of Actuaries, as well as a member of the American Academy of Actuaries. Adeniyi is also an Associate Member of the Canadian Institute of Actuaries and sits on the program committee of the Actuaries Club of Hartford, CT and Springfield, MA.

ACCOUNT TEAM

Denise Reed is an OPEB Consultant and Actuary in USI Consulting Group's OPEB department, which consults on retiree welfare plans for approximately 200 clients. She joined USI Consulting Group in 2011 and provides actuarial support for several OPEB clients.

Denise is a graduate of The University of Connecticut with a B.A. degree in Mathematics and Actuarial Science. She is an Associate Member of the Society of Actuaries and a member of the American Academy of Actuaries.

Tammy Cooke is a Senior Actuarial Consultant in USI Consulting Group's OPEB department, which consults on retiree welfare plans, other than pensions, for approximately 140 clients. Tammy has been performing OPEB (FAS 106 and GAS 74/75) valuation calculations for almost 20 years. Her experience in the retiree welfare area includes client specific data gathering, reconciliation and database maintenance; analysis and consulting of historical claim costs, actuarial assumption studies and benefit plans for claims cost forecasting; projection and reconciliation of projected employers' OPEB liability. Tammy serves as project manager for 47 clients and assists the consulting actuarial Practice Leader by performing non-standard actuarial projects. Prior to joining USI Consulting Group, Tammy worked at a large insurance company in the benefits consulting business unit, performing client benefit plan consulting and FAS 106 valuations.

Tammy is a graduate of Lyndon State College in Lyndonville, VT with a B.S. degree in Executive Administration, and also holds a B.S. degree in Business Administration from Teikyo Post University in Waterbury, CT.

John Sheaves is an Actuarial Consultant in USI Consulting Group's OPEB department, which consults on retiree welfare plans for approximately 200 clients. He joined USI Consulting Group in 2009 and provides actuarial support for several defined benefit clients.

John is a graduate of Central Connecticut State University with a B. A. degree in Mathematics and Actuarial Science.

REPRESENTATIVE CLIENT LISTING

CONNECTICUT

CT TRANSIT
LEARN
NEW BRITAIN HOUSING AUTHORITY
REGION #9 SD
TOWN OF BURLINGTON
TOWN OF CANAAN
TOWN OF ELLINGTON, CT
TOWN OF MONTVILLE
TOWN OF PORTLAND
TOWN OF ROCKY HILL
TOWN OF ROCKY HILL DOE
TOWN OF WESTBROOK

FLORIDA

CITY OF MIAMI FOP #20

NEW HAMPSHIRE

CITY OF LEBANON
DERRY HOUSING AUTHORITY
MANCHESTER HOUSING AUTHORITY
SCHOOL ADMIN UNIT #47
TOWN OF BELMONT, NH
TOWN OF EXETER
TOWN OF GOFFSTOWN
TOWN OF HOLLIS
TOWN OF LINCOLN, NH
TOWN OF PETERBOROUGH
TOWN OF PETERBOROUGH (SD)

MASSACHUSETTS

ASSABET VALLEY REGIONAL TECH SCHOOL
BLACKSTONE VALLEY SCHOOL
CHELMSFORD HOUSING AUTHORITY
GATEWAY REGIONAL
HAMPDEN-WILBRAHAM RSD
HOLYOKE HOUSING AUTHORITY
KING PHILIP RSD
LOWER PIONEER VALLEY EDUCATIONAL
COLLABORATIVE
MINUTEMAN RTHS
NORTHEAST METROPOLITAN REGIONAL VOCATIONAL
SCHOOL
PENTUCKET REGIONAL SCHOOL DISTRICT
PLYMOUTH HOUSING AUTHORITY
QUABOAG REGIONAL SCHOOL DISTRICT
TANTASQUA SCHOOL DISTRICT
TOWN OF ADAMS FIRE DEPT
TOWN OF AGAWAM
TOWN OF CARLISLE
TOWN OF CHARLTON
TOWN OF DUDLEY
TOWN OF EAST LONGMEADOW
TOWN OF HAMPDEN
TOWN OF HOLLAND
TOWN OF LONGMEADOW
TOWN OF MAYNARD
TOWN OF NORTH BROOKFIELD
TOWN OF NORTHBRIDGE
TOWN OF PALMER
TOWN OF REHOBOTH

REPRESENTATIVE CLIENT LISTING (CON'T)

MASSACHUSETTS (CON'T)

TOWN OF ROWLEY
TOWN OF STURBRIDGE
TOWN OF SWANSEA
TOWN OF WARREN
TOWN OF WEST NEWBURY
TOWN OF WESTMINSTER
TOWN OF WILBRAHAM
TOWN OF WINCHENDON
WAYLAND HOUSING AUTHORITY
WESTFORD HOUSING AUTHORITY
WHITTIER THS

NEW YORK

CITY OF PORT JERVIS
FASHION INSTITUTE OF TECHNOLOGY
FIRE ISLAND SCHOOL DISTRICT
HARRISON SCHOOL DISTRICT
KIRYAS JOEL HOUSING AUTHORITY
LYME SCHOOL DISTRICT
MT. PLEASANT BLYTHEDALE SCHOOL
NEW YORK BRIDGE AUTHORITY
NORTH COUNTRY COMMUNITY COLLEGE
SUFFOLK COOPERATIVE LIBRARY SYSTEM
TOWN OF BABYLON
TOWN OF BROOKHAVEN
TOWN OF HEMPSTEAD HOUSING AUTHORITY
TOWN OF HUNTINGTON (GREENLAWN WD)
TOWN OF HUNTINGTON (South Huntington)
TOWN OF ISLIP

TOWN OF LANCASTER
TOWN OF LEWISTON
TOWN OF MOUNT PLEASANT
TOWN OF MOUNT PLEASANT LIBRARY
TOWN OF NORTH CASTLE
TOWN OF OSSINING
TOWN OF OYSTER BAY
TOWN OF RAMAPO
TOWN OF STONY POINT
TOWN OF ULSTER
TOWN OF UNION
VILLAGE OF BELLPORT
VILLAGE OF CROTON
VILLAGE OF EAST WILLISTON
VILLAGE OF FLORAL PARK
VILLAGE OF GREAT NECK PLAZA
VILLAGE OF HUNTINGTON BAY
VILLAGE OF LLOYD HARBOR
VILLAGE OF MALVERNE, NY
VILLAGE OF MINEOLA
VILLAGE OF RYE BROOK
VILLAGE OF SALTAIRE
VILLAGE OF SCARSDALE
VILLAGE OF SEA CLIFF
VILLAGE OF SPRING VALLEY
VILLAGE OF VALLEY STREAM
VILLAGE OF WESTBURY

REPRESENTATIVE CLIENT LISTING (CON'T)

RHODE ISLAND

CITY OF WOONSOCKET
CITY OF WOONSOCKET (BOE)
EXETER-WEST GREENWICH
TOWN OF FOSTER
TOWN OF GLOCESTER
TOWN OF NORTH KINGSTOWN, RI

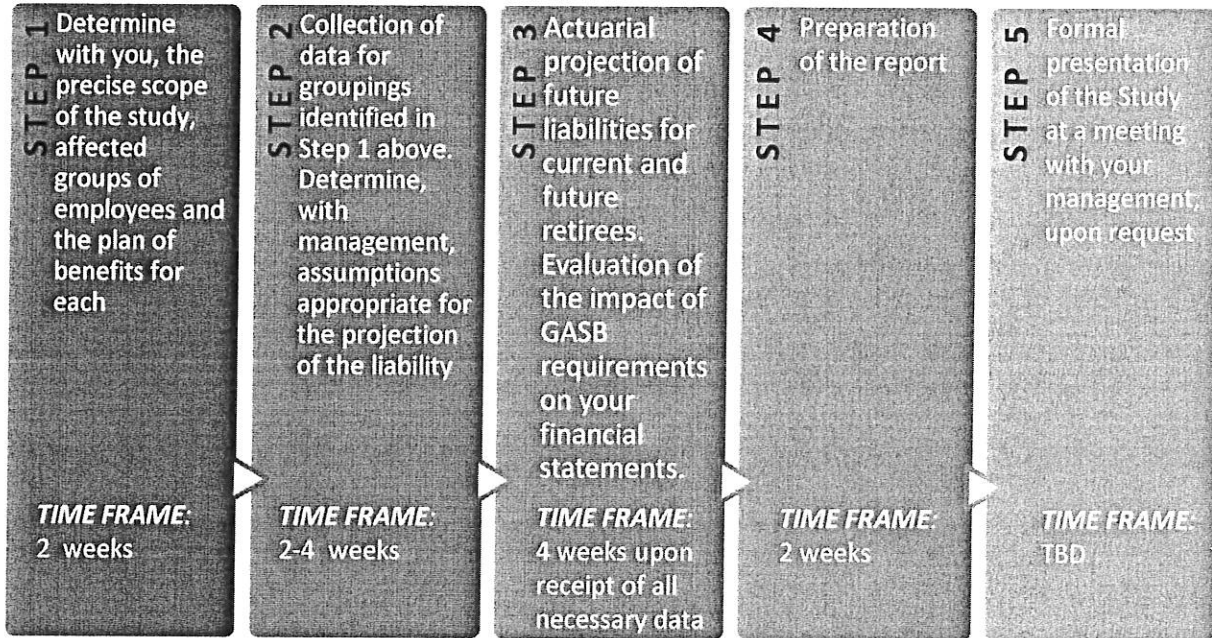
TENNESSEE

BLOUNT COUNTY
Auburn ESSENTIAL SERVICES
CITY OF CLEVELAND, TN
CITY OF ETOWAH
CITY OF LEXINGTON
CITY OF MORRISTOWN, TN
CITY OF NEWPORT
CITY OF OAK RIDGE, TN
CLEVELAND UTILITIES
COUNTY OF LOUDON, TN
COUNTY OF McMINN BOE
COUNTY OF McMINN GOVT
COUNTY OF WASHINGTON
ERWIN UTILITIES
ETOWAH UTILITIES
GREENEVILLE LIGHT & POWER
GREENVILLE WATER COMMISSION
HAMBLEN COUNTY
JOHNSON CITY POWER BOARD
KNOX COUNTY
LEXINGTON ELECTRIC
MCMINNVILLE ELECTRIC SYSTEM
MIDDLE TENNESSEE NATURAL GAS UTILITY DISTRICT
MORRISTOWN SOLID WASTE
MORRISTOWN UTILITY, TN
NEWPORT UTILITIES

POWELL CLINCH UTILITY DISTRICT
RHEA COUNTY
ROCKWOOD ELECTRIC UTILITIES
SEVIER COUNTY ELECTRIC SYST.
SEVIER COUNTY UTILITIES DIST
SMITHVILLE ELECTRIC SYSTEM
TOWN OF GREENEVILLE, TN
TOWN OF WHITE PINE
UPPER CUMBERLAND HOUSING
AUTHORITY, TN
WEST KNOX UTILITY DISTRICT

TIMETABLE & PROFESSIONAL FEES

Below is an estimate of the time frame to perform your valuation. This time frame is our standard schedule. We can generally be flexible in our scheduling to meet your specific needs.



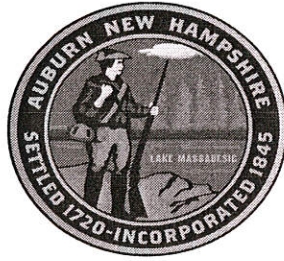
The costs associated with the valuation reflect the number of participants involved and the complexity of the plans. Based on the project described in this proposal, our fees are estimated below. However, if the scope of the project is expanded, we will provide fee estimates before we continue. Our standard policy requires that 50% of the estimated fee is payable at the start of the project and the balance upon completion. We would be happy to discuss alternative billing

Service	Fees	Other Charges
Biennial GAS 74/75 Biennial Actuarial Valuation	\$ 3,900	
Update to FYE 6/30/2018 Financials (if necessary)	\$500	
Update to FYE 6/30/2019 Financials (if necessary)	\$500	

Please note: Fees for studies concerning plan design alternatives or pre-funding, as well as other special projects, will be billed at our regular hourly rate.

Town of Auburn

Town Hall
47 Chester Road
P.O. Box 309
Auburn, NH 03032



Town Administrator

William G. Herman, CPM
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E-Mail:
townadmin@townofauburnnh.com

To: Board of Selectmen

From: Bill Herman, CPM, Town Administrator

Date: July 26, 2018

Re: Quarterly Joint Meeting with School Board

The next quarterly joint meeting for the Board of Selectmen and the Auburn School Board should be held in August as part of the School Board's next regular meeting. However, the School Board's agenda for that meeting is already full even with a 5 PM start time.

There is a suggestion we look to move to September, but the School Board's September meeting is on September 11th, which is also the date of the State Primary Election for which the Board of Selectmen have responsibilities to attend.

We may have to determine some other alternative for meeting, or possibly move this meeting to a Board of Selectmen meeting instead of a School Board meeting – possibly on August 27th.

Separate from the quarterly meeting, a special meeting between the two boards and potentially the Cemetery Trustees may be in order to look at the big picture of the access road, the expansion of cemetery land and the addressing of the school parking lot.

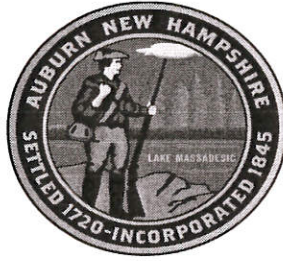
Once the School District receives word that the access roadway is staked out, perhaps an early evening on-site meeting with the three boards would be in order. It is possible we could do the site walk also on August 27th at say 5:30 PM, then meet at the Selectmen's meeting afterwards.

Would the Board of Selectmen be open to this potential?

Thank you for your consideration.

Town of Auburn

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To: Board of Selectmen

From: Bill Herman, CPM, Town Administrator

Date: July 27, 2018

Re: Assistance for Firefighters Grant for SCBA Equipment

Just as a quick update for the Board. The federal grant that was jointly applied for by the Towns of Auburn, Chester and Sandown for replacing and updating self-contained breathing apparatus (SCBA) for the three fire departments has been approved through the US Department of Homeland Security. This grant is one that former Chief Gannon and Chief Selinga have discussed with the Board in the past.

For Auburn, I believe it will provide approximately 25 sets of SCBA gear and 48 air bottles, in addition to bottles and equipment as a cascade system to be installed in the new rescue vehicle.

My understanding is the grant totals approximately \$600,000 overall and Auburn's portion is approximately \$200,000. The grant will be administered through the Town of Chester, who engaged a grant writer for this effort the three communities assisted in covering the expense for. I understand the grant writer will assist the communities moving forward to ensure compliance with the grant program rules in implementation.

Auburn will need to provide five percent of the cost of its equipment, which I understand to be approximately \$9,500. The Department is determining their ability to handle that in this year's budget as only \$7,200 was budgeted and \$750 was spent towards the grant writer.

Nothing will be happening right away, as the grant approval has come initially from the federal level. There will now be a process of the federal government contracting with the State of New Hampshire, who then will contract with the three communities before any funding is actually available. That approval will need to go through the Governor and Executive Council before any purchasing can take place.

Officials of the three communities met this week in Chester to begin to organize so they will be in a position to move forward timely. Chief Selinga has been directly involved in this process and will be assigning the overall task and responsibility of compliance to one of the department officers moving forward.

This grant is a very good thing for all three communities and should address Auburn's SCBA needs for the next 15 or more years.

Thank you for your consideration.

Town of Auburn

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townadmin@townofauburnnh.com

To: Board of Selectmen

From: Bill Herman, Town Administrator

Date: July 20, 2018

Re: Transportation Alternatives Program – Multi-Use Path Project

As an update on the 2018 NHDOT's Transportation Alternatives Program (TAP) grant program, there are a total of 45 municipal projects for which a Letter of Intent have been submitted for the current funding cycle. This compares to 54 that had competed in 2016.

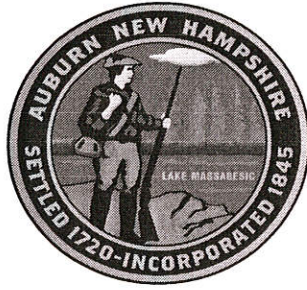
With expectations being that one project per Regional Planning Commission territory will ultimately be funded, Auburn is effectively going to compete with projects from Bedford, Hooksett, Londonderry and Manchester. This is one less than 2016 when applications were submitted by Auburn, Bedford, Goffstown, Londonderry, Manchester and Windham. In 2016, Auburn was deemed the second best project of the six from the Southern NH Planning Commission region, and the 18th overall statewide with the first 12 being funded.

We will be attending a mandatory pre-application workshop on August 14th at NHDOT in Concord and do not foresee any difficulties in submitting the Town's project application by the September 7th deadline.

Thank you for your consideration.

Town of Auburn

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P.O. Box 309
Auburn, NH 03032



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To: Board of Selectmen

From: Bill Herman, Town Administrator

Date: July 23, 2018

Re: March 2018 Severe Winter Storm Declaration

To update the Board, the Town has submitted the initial Request for Public Assistance to be covered under the Presidential Declaration for reimbursement on costs associated with the March 13th winter snowstorm.

Initial submissions have been completed and all invoices and supporting documents have generally been gathered. At this point, it appears the Town will be able to claim approximately \$40,000 in eligible costs.

We will be having the required Recovery Scoping Meeting with FEMA officials on July 30th and hope to be able to close things out by mid-August.

Assuming the \$40,000 amount is sustained, the Town would realize a reimbursement of \$30,000 (75%) from FEMA for this weather event.

Thank you for your consideration.

Town of Auburn

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townadmin@townofauburnnh.com

To: Board of Selectmen

From: Bill Herman, Town Administrator

Date: July 19, 2018

Re: Road Agent Position

At the Board's July 16th meeting, the Board requested information for approximately how many hours a year the Road Agent may be putting in as a supervisor / laborer which has been paid at the rate of \$25.00 per hours since 2006, as opposed to hours with a truck.

As the Road Agent indicated during your meeting, the amount of time varies year to year based on the type of work at hand.

We have been able to go back through 2018 (year-to-date) and 2017, and can provide you the following information in terms of total hours involved:

<u>Month</u>	<u>2017 Hours</u>	<u>2018 Hours</u>
January	0	4
February	0	0
March	0	0
April	0	0
May	0	0
June	7	17
July	12	12
August	0	
September	39	
October	27	
November	9	
December	1	
TOTALS	95 hours	33 hours

Thank you for your consideration.

Town of Auburn

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To: Board of Selectmen

From: Bill Herman, Town Administrator

Date: July 12, 2018

Re: Road Agent Rate of Pay

At the Board's July 2nd meeting, the Road Agent made a verbal request that the Board consider increasing his rate of pay as Road Agent. He indicated he had not had an increase in 12 years.

When Mike Dross was elected Road Agent in Mach 2006, the Board of Selectmen agreed to establish an hourly rate of pay of \$25.00 for the time he worked as Road Agent without utilizing his pick-up truck or dump truck. It was for time spent as a supervisor/laborer. In 2014, this rate of pay was included in Appendix A of the Town of Auburn Purchasing Policy when adopted by the Board of Selectmen.

There has been no adjustment made to this rate since it was first established in 2006. During the same time period there have been Cost of Living Adjustments (COLAs) and other increases provided to other Town employees and officials in the intervening 12 years.

During the past seven years, COLAs have been issued in six of the seven years, which may be a baseline to consider. The listing below indicates the year, the COLA approved and what the Road Agent's rate of pay would have been with that adjustment.

2012	2.0%	\$25.50
2013	1.7%	\$25.93
2014	1.3%	\$26.28
2015	1.45%	\$26.65
2016	0.0%	\$26.65
2017	0.8%	\$26.86
2018	1.95%	\$27.38

We have only been able provide seven years' worth of data as opposed to 12 because in 2011, the Town adopted the current wage and salary step schedule that is in place. The scale made overall adjustments to wages which became the adjustment that year. I do not have comparable information prior to 2011.

Whatever decision the Board may make, we should capture any adjusted rate as an amendment to Appendix A of the Purchasing Policy so there is a clear record moving forward.

Thank you for your consideration.

**Town of Auburn
Board of Selectmen
July 16, 2018
Town Hall
5:00 p.m.**

Selectmen Present: James Headd, Richard Eaton and Keith Leclair

Others Present: Police Lieutenant Ray Pelton, Edward Gannon, Paula Marzloff, Dennis Viera and Pauline Viera, Dale Philips, Mickey Rolfe, Mike Dross, Road Agent, Linda Dross, Susan Goodhue, Marion Miller, Christi McLaughlin, Russell Sullivan, Sean Fichera, Dan Tatem, Stantec Consulting, Larry Marino, David Nye, Parks & Rec. Chair, Acting Fire Chief Robert Seling, Captain James Saulnier and Rick Dennis Auburn Fire Dept. Human Resource Officer, William Herman, Town Administrator and Nancy Hoijer, Recording Secretary

Appointments with the Board – Dan Tatem, Stantec Consulting, Update on Multi-Use Path Project Planning

Dan Tatem of Stantec Consulting was preset to update the Board on progress for the proposed Multi-Use Path project. Mr. Tatem provided copies of two plan sheets. The first 11-page plan set specified the proposed project, bridge spans, culverts and crossing areas. The second five-page plan set specified the wetlands impact.

Mr. Tatem advised the Board he had included funds of approximately \$80,000 in the event four signal crossing stations were required but he did not believe the studies would demonstrate a need for that.

Mr. Tatem also advised the Board the specifications included plans for a basic pressure treated pedestrian bridge and recommended the Board visit a location in Hooksett where they could view the constructed designs to choose from and decide whether to upgrade the design. Mr. Tatem advised that he would forward an email to Mr. Herman and include pictures.

Mr. Eaton asked who the contractor was. Mr. Tatem advised it was Mr. Morello and he will bid for the Auburn project if it moves forward.

Mr. Leclair asked how long the bridges were anticipated to last. Mr. Tatem advised that depending on the design selected, the earlier metal designs could be expected to last 30-40 years, while the updated designs rated for 100.

Mr. Tatem discussed the ADA accessible highlights to the trail system and advised the bridge should have upper and lower rails.

Mr. Tatem advised he has met with Manchester Water Works and DOT a couple of times relative to this project. They would like to see the boat launch reduced for parking, widened for boat access and paving.

Mr. Tatem advised the grant being applied for would have an 80/20 split with 20% of the cost to the Town and that having much of the project in place and ready to go would increase their chances of being selected.

Mr. Tatem advised the project proposal reflected all the permits from soup to nuts.

Mr. Leclair asked if it included landscaping. Mr. Tatem advised that disturbed areas would be hydroseeded, but they had no plans to introduce plantings. Mr. Tatem advised there had been some sensitive plant species identified and that Amy Lamb at DES would monitor that. Mr. Tatem advised a drainage culvert made from granite slabs may have potential historical significance had been identified that he was not sure how to extend it.

Mr. Tatem advised the existing Bicentennial Park would be retained, widened and the bricks reused. The trail path would cross the street to the park, curve and contour seven-feet away from the roadway and not be maintained, salted or sanded to eliminate liability in Winter months.

Mr. Tatem advised the Board concerning the specifics of borings, culverts, catch basins, treatment swails and runoff detentions that were planned.

Mr. Eaton stated he will try to visit the Hooksett location to look at the bridge designs this week.

Mr. Herman advised funding would be announced in December 2018, but it would not be available in reality until spring or summer 2019 after contracts and Governor and Council approval has been received. Construction work could not commence prior to the Governor and Council approval of the project funds.

Non-Public Session pursuant to RSA 91-A:3, II, (c) Reputation of a person other than a member of the Board

Mr. Leclair motioned to go into Non-Public session pursuant to RSA 91-A:3, II, (c) reputation of a person other than a Board member. Mr. Eaton seconded the motion. A roll call vote was taken: Mr. Headd – Yes; Mr. Eaton – Yes, Mr. Leclair – yes. The motion passed unanimously.

The meeting room was closed to the public at 5:37 pm.

The meeting room was reopened to the public at 6:34 pm.

Mr. Leclair motioned to seal the minutes of the Non-Public session. Mr. Eaton seconded the motion. All were in favor, the motion passed unanimously.

Call to Order – Pledge of Allegiance

Mr. Headd called the meeting to order at 6:36 pm and led with the Pledge of Allegiance.

Approval of Payroll for the Week of July 9, 2018 - \$43,955.04

Mr. Eaton motioned to approve Payroll for the Week of July 9, 2018 in the amount of \$43,955.04. Mr. Leclair seconded the motion. All were in favor, the motion passed unanimously.

Approval of Accounts Payable for the Week of July 9, 2018 - \$33,502.00

Mr. Eaton motioned to approve the Accounts Payable for the Week of July 9, 2018 in the amount of \$33,502.00. Mr. Leclair seconded the motion. All were in favor, the motion passed unanimously.

Approval of Accounts Payable for the Week of July 16, 2018 - \$1,712,799.05

Mr. Eaton motioned to approve the Accounts Payable for the Week of July 16, 2018 in the amount of \$1,712,799.05. Mr. Leclair seconded the motion. All were in favor, the motion passed unanimously.

Approval of Consent Agenda – Week of July 16, 2018

Mr. Headd read out loud and offered for inspection a copy of the Consent Agenda for the Week of July 16, 2018 some of which included: two (2) raffle permits, one (1) police license, one (1) application for property tax/credit/exemption, one (1) Tax Collector warrant/yard tax, one (1) abatement/refund request, one (1) check register/corrected payroll, two (2) void check manifest and two (2) pistol/revolver licenses.

Mr. Eaton motioned to approve the Consent Agenda for the Week of July 16, 2018. Mr. Leclair seconded the motion. All were in favor, the motion passed unanimously.

Appointments with the Board

Steam Mill Road Traffic Concerns, Larry Marino and Joe Tringale

Mr. Herman presented a copy of an email from Joseph Tringale expressing concerns with traffic on Steam Mill Road. Wethersfield Homeowners Association President Larry Marino requested a resolution to the problem of vehicles exceeding the speed limit during commuter hours posing a safety concern to the neighborhood. Mr. Marino advised that at a minimum speed limit signs facing oncoming traffic where there were none would improve conditions.

Lt. Pelton offered that a series of signs strategically placed as they had done in the Buttonwood neighborhood ROW, would help make the road appear narrower than it was and has the placebo effect of slowing traffic. He suggested the placement of guardrails being installed on NH Route 101 augmented the drivers peripheral perception and had the same affect.

There was discussion about the speed limit, which was 35 mph and how that was determined and whether it could be reduced. Speed bumps, temporary speed bumps, and additional stop signs were all suggested.

Mr. Eaton asked about radar trailers. Mr. Viera recommended “this is your speed” LED signs. Mr. Eaton agreed this was something they could potentially purchase with matching grants or the Revolving fund. Lt. Pelton advised the trailers collect valuable data that could be used to know specifically when violators were passing through, while the permanent sign styles do not. He also indicated the neighbors themselves could collect that information in the meantime and provide it to the PD.

Road Agent Dross advised regular street and traffic signs were often noticed initially and then ignored. He asked if the radar trailer could be set-up to snap a picture of the vehicle and their license plates. Lieutenant Pelton advised that NH did not allow that outside use in their toll plazas.

Mr. Viera agreed the problem of drivers speeding and ignoring stop signs was rampant.

Road Agent Dross advised he may have some speed limit signs and could order radar enforced speed limit signs, as well as children at play signs.

New Business

Pingree Hill Station Water Tank & Rear Exterior Door at Safety Complex

Acting Fire Chief Robert Seling advised the water pump at Pingree Hill Station had to be replaced and noted it has been recommended to replace the water tank and couplings, in addition to considering adding a water softener to prevent corrosion. Chief Seling expressed concerns no one is regularly present at the station to monitor the operation of the pump, which could burn out again if the tank were to leak. He reported it would cost \$1,100 to replace it now, and felt it is something that should be considered. Mr. Headd asked how critical it was. Mr. Leclair asked if it could wait until next year. Mr. Gannon suggested moving the location of the water tank away from the furnace as well to avoid other issues in the future. Mr. Herman advised the funds for any of this could come from the Building fund if the Board was in agreement. Mr. Eaton advised the decision should be tabled for two weeks to allow Chief Seling to get a price on the complete project for the Board's consideration.

Chief Seling presented a copy of a \$2,125 estimate from David Jenkins to replace the exterior door at the Safety Complex which was rotting due to runoff. It was recommended installing a drip edge or something to prevent the runoff in the future. The Board requested an updated proposal including the added item for consideration at their next meeting..

Disposition of Surplus Cruisers

Mr. Herman advised the two cruisers were on site and that he was awaiting direction from the Board how to proceed with resale through bid or auction.

- 2013 with 84,643 miles (with trailer hitch)
- 2013 with 90,700 miles

Mr. Viera agreed to look up the NADA values and provide them to Mr. Herman.

Mr. Leclair recommended trying to sell the vehicles by advertised sealed bid and, if no acceptable bids are received, then place the vehicles in the State auction in October. The Board was in concurrence with this suggestion.

NHMA Legislative Conference – September 14th

Mr. Herman provided a handout concerning the upcoming NHMA Legislative Conference and Mr. Headd was recommended to attend as the Town's voting delegate.

Rate of Pay for Road Agent Position

Mr. Herman advised that it was brought to the Board's attention at the last meeting the hourly rate for supervisory work paid to the Road Agent had not been increased with COLA incentives since he began in 2005. Mr. Herman provided the Board with COLA cost impact calculations for the past seven years as a basis of information.

Mr. Leclair recommended tabling the discussion to allow Mr. Herman to pull data from last year's invoices to indicate how many hours are involved with this type of work.

Old Business

Rates Charged for Special Police Details

Mr. Herman proposed rate increases for details with and without a police cruiser, adding in administrative and worker's compensation rates, and a cruiser rate consistent with FEMA's schedule. Mr. Leclair advised he would like to be able to track when cruisers are out for details.

Mr. Leclair motioned to adjust the hourly rate for special police details to \$55.25/hr. for an officer and an additional \$15.69 with a police cruiser, effective August 1, 2018. Mr. Eaton seconded the motion. All were in favor, the motion passed unanimously.

Potential Warrant Article for Use of Police Detail Revolving Fund Balance

Mr. Herman presented potential wording for the change to police purposes for the revolving fund with 10% caps on the audited fund balance. Mr. Herman advised no action was required at this meeting and if presented to the voters, it would require 2/3rds affirmative vote to pass.

The Board asked for the proposal be shared with the Police Commission for their input.

Amendment of Town Purchasing Policy

Mr. Herman presented a written revision of the Town's Purchasing Policy consistent with the motion carried at the last meeting to process subcontractor's invoices following a two-week cycle, to be paid two weeks after their submission to allow for review and processing effective July 30, 2018. Mr. Herman suggested it made better sense to capture the direction within the Purchasing Policy in the section concerning invoices than as a stand alone vote within a Board meeting. The Board members felt that made good sense.

Mr. Leclair moved to adjust the policy as proposed. Mr. Eaton seconded.

Road Agent Dross stated this would likely pose a hardship to some of the subcontractors as they would have to wait a month to be paid, especially in the Winter months when fuel costs had to be absorbed and plowing was their only source of revenue.

Mr. Leclair suggested one remedy may be to submit their invoices after a week instead of two weeks.

Mr. Sullivan pointed out that only the initial run would pose a significant delay.

Mrs. Phillips questioned the reason for the change. Mr. Eaton advised they needed more time to review invoices to make sure there are no mistakes. A recent review had found some overages paid out that were questionable. Mr. Viera opined the Road crew worked especially hard for the Town.

Mr. Eaton stated that they would see how it works out. Mr. Herman suggested they would work on tweaking the language to perhaps have weekly submissions during the non-winter months, but to pay more quickly in the winter months where there is a heavier reliance on timely payments for cash flow purposes. He will bring something further back to the Board.

Committee for PD Garage/Storage Facility

Mr. Herman presented a memo in follow-up to the Board's previous discussion concerning the formation of a Committee to plan for a Police Department Garage/Storage facility. He

suggested the Board might consider a Committee comprised of a Selectman, a representative of the Police Department, a Police Commissioner, the Building Inspector, a member of the Planning Board, a member of the Budget Committee and a representative of the Fire Department.

Mrs. Phillips recommended having three Selectmen present, as she felt they had accomplished a lot more with three present.

Mr. Leclair questioned whether the Committee would have enough time to move this along for March or whether they should aim for the next budget cycle. It was felt it depended on what type of project the Committee felt would be the best approach.

Mrs. Philips advised the Police Department's proposal was well presented last year, and all of their needs were set forth and specified. She did not believe it should require more time.

The Board advised Mr. Herman to go with the group with three Selectmen and schedule a meeting of the Committee. Mr. Herman asked if the Board wanted to appoint individuals based on the respective positions or have the committees or departments name their representatives. The Board preferred the members be named by the respective committees or departments.

Report on June 19th Community Facilitation Meeting

Mr. Herman presented a copy of a report from Primex concerning the June 19, 2018 assessment of Parks & Recreation Program future goals and needs. Mr. Herman advised that this would be bundled with the small focus group information and online survey data, and thought the Board may want to discuss the way forward at a future workshop meeting. Mr. Leclair asked if the report was on the town website. Mr. Herman stated that he would put the information on the website on July 19th.

Other Business

Mr. Herman presented a copy of a letter from New Hampshire DOT concerning the proposed I-93, Exit 4A interchange informational meeting on July 25, 2018 at West Running Brook Middle School Gymnasium at 6:30 pm.

Road Agent Dross stated work on Lover's Lane was progressing well, with blasters out in two weeks and to start draining.

Minutes

- **July 2, 2018 – Public Meeting**

Mr. Leclair motioned to approve the Public Minutes of July 2, 2018, as written. Mr. Eaton seconded the motion. A vote was taken, all were in favor, the motion passed unanimously.

- **July 2, 2018 – Non-Public Session**

Mr. Leclair motioned to approve the Non-Public Minutes of July 2, 2018, as written. Mr. Eaton seconded the motion. A vote was taken, all were in favor, the motion passed unanimously

Non-Public Session pursuant to RSA 91-A:3, II, (a) Compensation of any public employee

Mr. Headd motioned to go into Non-Public Session pursuant to RSA 91-A:3, II, (a) compensation of any public employee. Mr. Leclair seconded his motion, with all in favor, the motion passed unanimously.

The meeting room was closed to the public at 7:55 pm.

The meeting room was reopened to the public at 8:00 pm.

Mr. Leclair motioned to seal the Non-Public Meeting minutes. Mr. Eaton seconded the motion. A vote was taken, all were in favor, the motion passed unanimously.

Mr. Leclair motioned to approve a step increase for the Building Inspector from a Labor Grade 10, Step 19 to a Labor Grade 10, Step 20 based on a positive performance evaluation. Mr. Eaton seconded the motion. A vote was taken, all were in favor, the motion passed unanimously.

Mr. Leclair motioned to approve a step increase for the Land Use Administrator from a Labor Grade 7, Step 11, to a Labor Grade 7, Step 12 based on a positive performance evaluation. Mr. Eaton seconded the motion. A vote was taken, all were in favor, the motion passed unanimously.

Adjourn

Mr. Leclair motioned to adjourn the meeting at 8:01 pm. Mr. Eaton seconded the motion. A vote was taken, all were in favor, the motion passed unanimously.

Respectfully submitted,

Nancy J. Hoijer,
Recording Secretary