

**ASHLAND BOARD OF SELECTMEN MEETING
FRIDAY, OCTOBER 24, 2014
ASHLAND TOWN HALL
7:45 AM**

MINUTES

Chairman DeWolfe called the meeting to order at 7:45 AM with a roll call.

Norm DeWolfe, Steve Felton, Fran Newton, Phil Preston, Jeanette Stewart present.

Others Present: Paul Branscombe, Pat Crowell

The Board met with Pat Crowell to discuss a concern over her actions regarding health insurance payments for a retired employee. Pat requested that the meeting should remain public. It was agreed that certain aspects would not be discussed, specifically any action that the Board would take regarding the issue of payments to be made by the town.

Pat had discovered that health insurance payments for a retiree at the expense of the town per letter of agreement had stopped about 10 years back and the retiree picked up these payments. The letter of agreement states that the insurance is provided as long as there is a need. It is unclear if this condition still applies since he is eligible for Medicare and VA benefits.

She had consulted Health Trust, our insurance carrier to determine the amount not paid by the town, which is in excess of \$20,000. She had asked the individual in question to confirm this and also consulted others (T. Randall, A. Abear, R. Alpers, J. Corea and M. Ober) to determine any recollection on their part as to the agreement. She also asked the son if his father had ever mentioned the issue. He had not. P. Branscombe informed us that he had a conversation with his personal attorney and was informed that any conversations between Human Resources (HR) (Pat Crowell serving as the HR representative) and any employee can be confidential. We commented that the individual is no longer an employee so this may not apply. Pat also consulted Primex to determine if errors or omissions in such a matter would be covered under our policy and was told that they would not.

The steps followed by Pat were not necessarily incorrect. However, the Board expressed concern over the process for communication of the noted payment discrepancy. She did not discuss her concerns with Paul or the Board before beginning to research the history. The Board learned of the issue much later in the process resulting in some misunderstanding of what actually transpired and what had been communicated to whom and when. Given the potential financial implications to the town, the Board agreed that in the future, concerns should be first raised to the Town Administrator and/or the Chair of the Board so that the Board members were informed in a timely manner enabling them to make decisions if appropriate. The Board confirmed understanding of the procedures to be followed in the future with Pat.

The Board further discussed the procedure for approving and tracking time off (vacation, sick time, etc.). In an earlier meeting the Board became aware of an employee sick time buy-out payment that was made prior to the time actually being accrued. At the time of that discussion, Pat informed us that she had noted the error on the employee's pay stub, but we had no written

record of it otherwise. J. Stewart presented a draft approval form to ensure that going forward, written records are available. The Board requested that Paul and Pat review the form and discuss it with our financial officer (Brenda Paquette) and make any recommendations to ensure that the form is usable and useful. The Board will discuss it at our next meeting on November 3.

The Board agreed to outline the issues discussed with Pat and place our written assessment in her personnel file. J. Stewart moved to develop a draft text for the memo and S. Felton seconded the motion. The motion was approved unanimously. We further agreed that we would discuss our plan for any payouts in a non-public meeting on November 3. Prior to that time, Paul will consult with the retiree to determine his need for this insurance.

P. Tucker provided us a copy of the new MS-4 form for review and discussion. The state (DRA) had suggested a few changes, specifically to revenues for the Meals and Rentals, Highway Block Grant, Water Pollution Grant and State and Federal Forest Land Reimbursement. The Board agreed with these adjustments. We further agreed that any money from Health and Trust should not be used to offset the tax rate. DRA (Michelle Clark) was informed of our decisions and she used this information to calculate the new tax rate. We were told that we could use the unassigned fund balance to offset taxes is desired.

(J. Stewart had to leave for work at 8:30)

The new tax rate was provided to the Board. The calculation was for a town rate of \$8.616 (down from \$9.15 in 2013). The overall tax rate for the town including school, state school and county would be \$24.207 (down from \$25.12 in 2013). F. Newton moved that we use \$58,414 of our unassigned fund balance of \$687,191 (net fund balance of \$628,777) to offset the town portion of the tax rate by \$.25 resulting in a new overall tax rate of \$23.96. The motion was seconded by S. Felton and all agreed. N. DeWolfe signed off on the surplus retentions document, which was to be scanned and returned to DRA.

F. Newton moved to adjourn the meeting at 10:06 and S. Felton seconded the motion. All approved.

Respectfully Submitted,

Fran Newton