



MINUTES
NASHUA REGIONAL PLANNING COMMISSION
Executive Committee
Nashua City Hall, Community Development Conference Room
May 19, 2004
DRAFT

Present: Frank Bolmarcich, Chairman
John Eresian, Vice Chair
Kathy Hersh
Howard Dilworth, Jr.
Nelson Disco
Andy Prolman
Marilyn Peterman
Mike Fimbel

Members Absent: Bill Parker

Others Present: Stephen Williams, Executive Director

The chair called the meeting to order at 6:10 PM.

Minutes of the April 21, 2004 Executive Committee Meeting

Members reviewed the minutes of the April 21, 2004 meeting of the Executive Committee. Dilworth requested that the motion for the item on "Intervenor Status in the City of Nashua Eminent Domain Petition before the Public Utilities Commission" be amended to reflect that the purpose of NRPC filing for full intervenor status is so that it could act as a clearinghouse for information for the members. Motion by Prolman, second by Peterman to approve the minutes as amended. Motion passed.

Report on Hiring Process for Assistant Director/Land Use

Williams reported that the search committee had reviewed materials from applicants and identified one candidate who seemed superior to others. A committee of Kathy Hersh, Nelson Disco, Steve Williams, John Vogl (GIS manager) and Camille Pattison (Transit Planner) were scheduled to interview that individual on May 24. There were also three other candidates who seemed worthy of consideration. If things don't work out with the first candidate, the committee will move on to conduct interviews with the other candidates.

FY05 Budget - Health Care Benefits

Williams passed out a revised packet of information. Williams stated that there were really two things that NRPC could vary to affect the agency costs for employee health care - the plan that we agree to provide as the basic health care benefit and the percentage of the total cost we agree to pay. Williams went through the spreadsheets that showed the projected cost for FY05 for six different approaches to funding health care benefits for the employees. The base alternative is that NRPC pay 90% of the cost of whatever health care plan the employee might select. In the other five alternatives Williams presented the agency health care cost was reduced by either limiting coverage to 90% on a specific plan or by reducing the percentage that the agency contributed or both. The alternatives reduced agency health care costs by between \$6,000 and \$22,000 for FY05. Williams pointed out that currently all the employees have selected the Blue Choice 3 Tier plan which is the most expensive available plan. However, the only difference between Blue Choice 3 Tier and the lower cost Matthew Thornton plan is the ability under Blue Choice 3 Tier to self-refer within network or to use providers completely outside the network and still receive 80% coverage. Williams reported that according to NRPC's HealthTrust representative less than 3% of total service provided to NRPC is for either self-referrals within the network or for coverage



completely outside the network. In other words, although NRPC employees have selected the most expensive plan, they are using only the features that exist in the least expensive plan.

There was some discussion of details of the plans and the results that various different scenarios would have on the employees. Attention was focused on Alternative #2 because in that alternative, the agency would maintain the 90% payment of the health care benefit, but would only provide that for the Matthew Thornton plan. This would provide the employees an incentive to choose the lower cost plan. The result would be a savings to the agency of \$12,828 in FY05 and a savings to the employees as well. However, if there were any employees that wanted to continue to use the Blue Choice 3 Tier plan, they would pay the difference. This would be a reduction in employee benefits because it would be a reduction in the choice available to the employees.

Williams pointed out that implementing Alternative #2 would require a change in the agency Personnel Policy and would also require asking HealthTrust to provide an open enrollment period for employees.

Motion by Peterman, second by Eresian to recommend the required changes in the Personnel Policy to the Commission at the July meeting and to use Health Care Benefits Alternative #2 in the Proposed FY05 Budget that would be submitted to the Commission. Motion passed.

FY05 - Retirement Plan

Williams told the Executive Committee that he had completed research on the possibility of providing special retirement fund contributions for Shirley Vance. He said that there was no problem with providing \$16,000 per year for the next three years as a special contribution to the 401 plan she participated in. Making the contribution to the 401 plan would shield her from taxes and also allow the agency to charge the contribution off against grants. Williams said that this could be justified since Shirley had worked for the agency for nearly 30 years and for half that time, the agency had no retirement plan at all. He stated that he had already included the additional contribution in the draft FY05 Budget that was under review.

He proposed that if the Executive Committee wanted to proceed, that they needed to approve a motion to do so and recommend that to the full Commission in June. Williams stated that once the Commission agreed that he would put together a short agreement between the agency and the employee, review it with legal counsel and then submit it to the Executive Committee for approval.

Eresian asked if the amount, \$48,000 over three years, had been arrived at through some sort of calculation. Williams stated that the amount was originally negotiated between Andrew Singelakis and the employee. Dilworth asked if the agency could commit to funding this obligation over multiple years. Williams stated that no, we could not do that and that all obligations had to be approved yearly by the Commission in the budget process. All we could do at this point would be to indicate intent.

Motion by Prolman, second by Peterman to recommend the special contribution to the Commission as part of the FY05 Budget. Motion passed.

FY05 Budget Scenarios

Williams passed out revised FY05 Budget Scenarios to the Executive Committee. He then described the four budget scenarios. Williams stated that all four budget scenarios included the \$16,000 additional contribution to the retirement plan for Shirley Vance. He also stated that all of them were based on health care benefits alternative #1. Since the Executive Committee had chosen health care benefits alternative #2, this means that there would be an additional \$6,000 reduction in the personnel costs. Williams focused the attention of the Executive Committee on scenarios #3 and #4. He stated that several months ago, when anticipating status quo funding from state agencies he would have recommended scenario #3 which includes existing staff plus the Assistant Director and includes \$10,000 for office



renovations, \$16,500 for capital purchases (photocopier and plotter) and \$19,000 additional to agency reserves. Williams indicated that in the last several months it has become clear that several grant funds from state or state chartered organizations would not be coming through this year. The economic development planning fund (\$15,000) that is usually provided through CDFA will not be available this year due to the change in Executive Director at CDFA. We have been told that the REPP program (\$23,250) will most likely not be funded next year due to fiscal limitations at the state. The 604(b) water quality planning program (\$5,400) is being converted from a straight pass through to the RPCs into a grant program. Although we think our chances of receiving some funding through that process are good we are not assured of any funding and as a result, have not budgeted any income from that source. Given the loss of these sources of revenue, the agency can still maintain staff and provide a 3.5% average merit increase if the capital purchases (plotter and photocopier), the office renovations and the contribution to agency reserve are removed from the budget. In fact, due to the selection of health care benefits alternative #2, the agency would end up with income in excess of expenses of about \$7,600.

There was discussion of the loss of the funding described by Williams and the reasons for those losses. There was also discussion of the staffing shortfalls that would result from adopting budget scenario #4 and the impact on the staff and particularly the Executive Director. Williams stated that he did not want to face those staffing shortfalls either, but that given the current funding picture he did not think he could recommend funding for positions that could not be assured for the foreseeable future. It was pointed out due to the build up of reserves this year that the agency could spend some reserves next year and still be better off than it was at the beginning of this fiscal year. It was suggested that a "transfer of reserve" funds be included as a revenue line item such that the agency budget would be balanced for the year.

Motion by Prolman, second by Hersh to recommend FY05 Budget Scenario #4 to the Executive Committee with the addition of \$10,000 in expenditure for office renovations, and \$16,500 for capital purchases with sufficient transfer from reserves to present a balanced budget. Motion passed.

Update on Current Projects

Williams gave the members of the committee a brief update on the Commuter Rail project. He also stated that Southern New Hampshire Planning Commission was close to hiring an Executive Director. He said the Executive Directors of the four MPOs were working together to address some issues with NH DOT and that they hoped to develop closer working relationships.

Adjourn

The meeting was adjourned at 7:45 PM.