

TOWN OF HOPKINTON
Budget Committee Meeting Minutes
Wednesday, May 11, 2016
APPROVED

CALL TO ORDER

Ken Traum called the Budget Committee meeting to order at 5:30PM, at the Town Hall, noting he has volunteered until the Chair of the Committee is appointed.

Attendees: Amy Bogart, Virginia Haines, Deborah Norris, Diana Wieland, Don Houston, Ken Traum, Richard Houston, and Mark Zankel.

Absent: Janet Krzyzaniak and Bill Chapin, Jr.

Public Attendees: None.

Ken Traum asked Deb Norris to lead the Pledge of Allegiance.

Mark Zankel was welcomed as a newly elected member to the Budget Committee.

ELECTION OF CHAIR & VICE CHAIR

Amy Bogart MOTIONED to nominate Janet Krzyzaniak as Chair, noting her experience on the Committee. Rich Houston seconded. Motion passed unanimously.

Don Houston MOTIONED to nominate Richard Houston as Vice Chair. Deb Norris seconded. Motion passed, with Rich Houston abstaining.

MINUTES

Ken Traum MOTIONED to approve the February 24, 2016 meeting minutes as presented. Don Houston seconded. Motion passed with Mark Zankel abstaining (He was elected in March 2016 to the Committee).

RESIGNATION

The Committee members acknowledged receipt of the resignation of the Minute Taker Suzanne Beauchesne.

THANK YOU

Rich Houston read a letter of appreciation addressed to Suzanne Beauchesne for her service to the Town as the Budget Committee Minute taker, based on her letter of resignation.

Ken Traum MOTIONED to approve the letter as written. Ginni Haines seconded. Motion carried unanimously.

MEETINGS DURING SUMMER

The Members discussed whether or not they should meet during June, July or August, prior to starting the budget process in September.

Ginni Haines stated her concerns with wanting information from the School, prior to starting the Budget process. She stated it was difficult last year to keep up with their approach and how information was disbursed. She wanted more in depth rationalization and better explanations and how they can as a Committee, request info in a better format for them to better understand. She is looking for suggestions to make it better and easier.

She inquired if a line item is not spent (i.e. budget \$50,000 for snow plowing and expend only \$20,000, can the remaining \$30,000 be put in a separate fund and used for snow plowing the next year?)

Ken Traum explained how the surplus funds are used to offset the tax rate, but that the funds remain in the general fund and are not put into separate accounts.

Ken Traum explained how several years ago, the Select Board voted to use all the surplus in one year to keep the tax rate level, therefore, the following year with no surplus to use, there was a jump in the tax rate.

He further noted the Town has several Capital Reserve Funds, whereby at Town Meeting the voters approve funds to be placed into these accounts for specific purposes for large purchase (i.e. set aside \$50,000 per year for 4 years and then they can purchase an ambulance for \$200,000).

Ginni Haines stated she wants to work towards clear ideas going forward to get ready to be set up for the budget process.

Amy Bogart responded with why they can't mandate the School to be more organized with earlier numbers for them.

It was noted the School will be negotiating upcoming union contracts. The Committee members expressed an interest in meeting sooner with the School to discuss their status and what their plans are for the upcoming year and long term over the next several years.

Don Houston agreed they need to be better informed of the goals of the School going forward for the budget cycle. He wants the Committee to get more connected with the School, to get a summary of their needs. He felt that the earlier the Committee meets with the School Board, the better. He suggested that they attend School Board meetings.

Ken Traum suggested they meet in July with the School Board and ask them for a status report regarding goals, timelines, etc.

It was agreed that Rich Houston will contact absent Committee member Bill Chapin, to discuss setting up a meeting with the School Board and Budget Committee, to see if it would be worthwhile.

Discussion ensued, regarding the Maple Street School renovations and noting one possibility is that the SAU would eventually move into the School as a possible concept.

Don Houston stated he would like to understand what is involved in the accreditation process and what it means. He also is concerned about the upcoming contract negotiations and asked if the Committee can influence the School District approach. Deb Norris agreed they should better understand what is included in the contracts. They questioned the legality of how involved can the Budget Committee be with the School District.

Diana stated the system is very strange and noted how the school can shift funds between tiers. She would like to know what they are asking the taxpayers to pay for. She noted they typically take last years approved budget and add to it and she is saying they need to slow down and not just automatically add to the bottom line.

Diana added the message she got out of last year's process was 'if you told us up front that you really meant that we are not just going to accept what we ask for, we would have looked at it differently'.

Diana added we approved an \$18.6 school budget, therefore, \$21,000+ per student, with the enrollment numbers decreasing.

Don Houston added that a zero increase to the school budget has been discussed for the past three year.

Discussion ensued, regarding Hopkinton being named the #1 high school in the State and how the rankings are submitted.

In response to Ginni Haines, Ken Traum stated the Budget process for the town side starts with the Department Heads submitting a budget for their department that includes their needs for the fiscal year Jan.-Dec. The Town Administrator reviews each budget with the Dept. Head and they reduce it as much as possible.

The reduced budgets are presented to the Select Board and they review each line item and if possible, reduce it further. The Select Board budgets are then presented to the Budget Committee, for their approval.

MEETING

Discussion ensued, regarding the next meeting. Amy Bogart MOTIONED to schedule Wed. August 17, 2016, at 5:30PM, at the Town Hall. Ginni Haines seconded. Motion carried unanimously.

DISCUSSION

Don Houston added the Town has a 10 year forecast plan and inquired about the School doing the same.

It was agreed that they will contact Bill Chapin and ask for info on the Operating Budget, Capital purchases and the Bond Debt for the School, for tax rate purposes, for the next 10 years.

They would like to get the information and also to let the residents be informed of what lies ahead. Diana added if the School cannot provide the info they request, she wants an explanation.

Amy Bogart stated she contacted Bob Gerseny of the Economic Development Committee, regarding trying to bring a "Dollar General" store to town. She added we need revenue resources.

OTHER BUSINESS

Ken Traum stated he has a Financial Report for the Town as of April 30, 2016. He passed out a Revenue & Expenditure Summary Report to the members.

He noted we are 1/3 way through the year (Jan. – Apr.) and Revenues are reflected under projected because the Room & Meals Tax and Flood Control money are not received until the 4th quarter of the year, usually December. He added all else is in line and they have no concerns at this time. The expenses are close to budgeted, noting some items have been paid in full for the year. (i.e. Assessing, IT, Mutual Aid contract, Rescue Squad and Community Action Program). He added there are no concerns at this time; however, with the resignation of the Fire Chief and an Interim Fire Chief in place, they will be watching the Ambulance/Fire Budgets closely, as they have to live with the budgets approved. The Interim Fire Chief is Shawn Murray, who the Town has hired as a consultant from MRI.

ROAD BOND

Ken Traum informed the Committee Members the Road Bond approved (\$2,200,000) at Town Meeting, will be spent on Penacook Rd., including sidewalks and the contract came in below budget and awarded to Weaver Brothers. Kearsarge Ave. is in the operating budget and will be performed by the Town's Highway Dept.

They also are looking into engineering costs for the culverts. In response to Amy Bogart, the culverts will be completed prior to the paving, under the direction of the Public Works Director.

Deb Norris suggested they hold a meeting at the Library Community Room in conjunction with the Town and School, for an informational meeting, to inform the public of the upcoming budgets with questions and answers. She noted last year, the Library sponsored a program with the Town Administrator meeting with the public to discuss the Town Budget with a question and answer period for the public to be informed about the town's plans. She is recommending the school do the same next year. She thinks it is a good idea for the public to get a better understanding of both the Town

and School budgets prior to the Public Hearing held in February, on the budgets to be presented to Town Meeting in March.

Diana added the Town Administrator (Neal Cass) did it last year for the Town and she thinks the School should do the same, but she thinks it is not the responsibility of the Budget Committee. All of the Budget Committee's meetings are held at the Town Hall and are open to the public to attend and ask questions.

Don Houston added the Public Hearing held in February was well attended, because of the issues addressed including the football program, field & track construction and the over 55 population with concerns about the rising tax rate.

Rich Houston expressed his concern with the School bonding funds, with an annual payment of \$400,000.

ROSTER

It was noted each member will receive an updated "Budget Committee Roster" electronically for their use, listing each member with contact information.

MINUTE TAKER

It was noted there is a vacancy for the position of "Budget Committee Minute Taker". The members were asked to submit interested candidates to the Finance Director.

ADJOURN

Ken Traum MOTIONED to adjourn the meeting at 6:45PM. Diana Wieland seconded. Motion carried unanimously.

Respectfully submitted,

Deborah Gallant
Finance Director