

8-Budget Committee Minutes 01/24/2007 Public Hearing

Hopkinton Budget Committee
Public Hearing Minutes
January 24, 2007

Present: Karen Irwin, Chair, Jane Bradstreet, Patrice Gerseny, Barbara Unger, Danny Coen, David Lancaster, Bob Carpenter - Contoocook Village Precinct Representative, Tom O'Donnell - Hopkinton Village Precinct Representative, Marshall Rowe - School Board Representative, Peter Russell - Selectmen Representative.

Chair Irwin began the meeting at 6:37pm. She introduced the Budget Committee to the audience. Chair Irwin gave a brief overview of the Budget Committee and the process to be followed for the presenters as well as the question and answer period.

Hopkinton Village Precinct – Tom O'Donnell – Precinct Representative - gave an overview of the responsibilities of the HVP, stating that it is made of two parts, the water precinct and street lighting. He advised the '07/'08 budget was up around \$1300 due to street lighting costs. The operating budget is estimated at \$181,401 less estimated revenues and credits of \$165,565. The difference is raised through precinct taxes.

Contoocook Village Precinct – Bob Carpenter – Precinct Representative - gave an overview of the responsibilities of the CVP. Mr. Carpenter noted this years' budget without warrant articles is down by 1%. He then went on and explained the warrant articles. The operating budget is estimated at \$289,101 less estimated revenues and credits of \$81,139. The difference is raised through precinct taxes.

Public Discussion and Comments - None

School Budget – Marshall Rowe - School Board Representative - noted the School Board objection to the presentation format requested by the Budget Committee. He explained the town fiscal year runs calendar and the school fiscal year is July – June. Mr. Rowe identified the goal of the school board is to present a budget that is responsible to the students and the taxpayers. Mr. Rowe reviewed a couple of the spreadsheets – the increases/decreases. He advised the School Board was in the process of refinancing a bond created in 1997. Through the refinancing, the town would receive the greatest benefit this year. Mr. Rowe noted the school lunch fees would be increasing because of a Budget Committee recommendation that the program be self funded. Mr. Rowe gave an overview of each line in Warrant Article 2 - \$527,000 to replace the HVAC, 49 replacement windows and to build an additional parking lot for 30 vehicles all at HMS. For the High School – security system and a used 2 classroom modular unit. \$100,000 from the Expendable Trust Funds would be transferred leaving the amount to be raised locally to \$427,000. Mr. Rowe explained this Warrant represented a minimum step in meeting the recommendations in the facilities use report. The operating budget is estimated at \$15,818,942 less estimated revenues of \$4,981,193.64. The difference is raised through taxes.

Town Budget - Peter Russell – Selectmen Representative – highlighted a few personnel adjustments in the budget as **1]** Adding one full time EMT/firefighter to do ambulance/fire calls in place of the Deputy Fire Chief; **2]** Moved the Code Enforcement position to the Fire Dept. – John Pianka, Deputy Fire Chief; **3]** Adding one part time Program Director to the Recreation Dept.; **4]** Replacing the full time Assessor with a consultant; **5]** Adding 1

seasonal employee to Building and Grounds; **6]** Chief Wheeler retired as full time police chief and is now part time police chief. Mr. Russell noted there would be no significant increase in warrant articles or bond articles. Mr. Russell noted the amount of the contract for lawn mowing and snow removal at the library has been moved from the Library budget to Building and Grounds budget. .On the revenue side, Mr. Russell advised tipping fees were being increased, overall revenue sources were reported on the 'conservative side'. Louise Carr, Selectmen, identified an error in the town handout and said that part time employees DO NOT get benefits. The operating budget is estimated at \$5,917,608 less estimated revenues of \$2,630,000. The difference is raised through taxes.

Public Discussion and Comments –

Don Deschenes noted the school salaries and benefits made up about 50% of the budget. He asked SB Representative Mr. Rowe to justify the salaries and how they compare to the rest of the state.

SB Rep. Rowe stated the salaries are for current staffing level, principals and SAU staff. The number of students in classes, student to teacher ratio, are relative to the development stages of the students. Increased staffing is from state mandates, i.e. '07-'08 school year requires a Civics class be added and unanticipated addition of two special education assistants this year with two more required next year.

Brian Blake, Superintendent, compared Hopkinton School District to Farmington School District because of similar size and he is familiar with Farmington and said they are comparable. He believes Hopkinton is comparable with the rest of the state.

Arnold Coda noted that neither the town nor the school met the Budget Committee request for a budget target of 3.8% maximum increase. He asked how the committee arrived at 3.8% before or after revenues.

Chair Irwin responded saying 3.8% was based on the Consumer Price Index and the target increase was requested only for the expenses. The overall town operating budget went down and the school budget with warrants went up.

Mr. Coda asked why the school did not meet the 3.8% target.

SB Rep. Rowe responded saying the school has a number of expenses, contractual obligations – salaries and benefits, special education. Non-mandated items exceed the 3.8%, they are up 4.99%. The School Board looked at bonding the windows over a 10 year period and did not believe it would save the taxpayers any money. The School Board looked at the possibility of State assisted financing and said state funding does not cover renovations, only expansions.

Mr. Coda suggested they give voters a chance to decide which way they would like to go. Mr. Coda noted that he and many other residents are tired of tax increases. He remembered a conversation with Dr. Ayers concerning school budget reduction and how it could be accomplished. Mr. Coda remembers the conversation as Dr. Ayers could/would cut six teachers throughout the district as a cost saving measure.

Mr. Coda

Selectmen Rep. Russell responded

Al Lindquist referred to page 2 the 'Budget Snapshot' created by Chair Irwin when commenting on the School Operating Budget actual in '06 and looking at the proposal for '07 there is an 8% increase rather than 4.99%.

SB Rep. Rowe explained the School Budget has to include for certain expenditures like professional development, the school reimburses teachers for relevant classes they take. If the money is not spent it is returned to the town and applied towards the next FY School Budget.

Peter Yunich announced himself as a rebel and a straight shooter, then stated he believed that if the School could get a reasonable rate on a bond, then the long term savings from replacing the 49 windows at Harold Martin would repay the cost of the

bond. To Selectmen Rep. Russell's comment concerning holding the tax rate as a worthwhile issue
He would like to see the Selectmen take the approach of reducing expenses rather than using any increase in revenues.

Mary French believes the tax rate notation of a .01% reduction is misleading. She has heard conflicting numbers concerning the proposed percentages of budget increases. She noted that long term spending debt has increased and the buy now pay later philosophy is reckless spending.

Arnold Coda noted that it would have been helpful to have pages detailing revenues as part of the handout after Selectmen Rep. Russell affirmed that it did not include the entire revenue schedule and will consider it for next year. Mr. Coda asked what the pay arrangement for the now part time Police Chief.

Selectmen Rep. Russell explained that Chief Wheeler came to the Selectmen with a proposal to either retire completely or he could go part time and save the town health insurance and retirement amounting to around \$18,000.

Mr. Coda asked if the chief would be paid less going part time then he was getting full time.

Mr. Russell responded saying the chief felt he would still get the same job done without the benefits.

Mr. Coda then asked why the Police Department budget proposal is up by \$23,000 before factoring in the \$18,000 savings from the chief going to part time.

Mr. Russell explained the increase was due to salary increases, health insurance increases and affective July 1 retirement fund increases.

Diane LaChance commented she has gone to Budget Committee meetings over the past couple of years and this year the Budget Committee is doing better then before. To Selectmen Rep. Russell she wanted the proposed operating budget for the Slusser Senior Center.

Selectmen Rep. Russell answered by saying \$20,674 is in Building & Grounds for general maintenance – snow removal, fire alarms and janitorial services and the remainder \$11,680 is in the Recreation Budget for heating and fuel. The amount reflects the original estimated 8 months in use and will be proportionately reduced when the center is reconstructed.

Ms. LaChance asked if the Selectmen would consider placing the recreation budget and the Slusser Center budget in separate warrant articles, she believes this would stimulate an interesting discussion.

Mr. Russell responded by saying that anyone could amend the warrant article at the town meeting.

Ms. LaChance identified line item number 1400 – Other Programs, Athletics & School B in the School Budget as a possibility for a separate warrant article. She asked if the parents of athletes could pay into fund using a sliding scale type of schedule to fairly share the cost.

School Board Rep. Rowe stated the fees were recently raised for athletes to participate at the high school level.

Ms. LaChance stated she understood that a reduction in first grade teachers cannot take place until the school has actual enrollment, but wondered when and if it would happen as well as the guidelines the school uses.

Mr. Rowe stated that Hopkinton offers only half day Kindergarten, parents frequently opt for a full day of Kindergarten at a private school.

HMS Principal Carrozza stated that next year they anticipate about 21 students in each of the 2nd grade classes. This years' kindergarten has 54 students, they try to keep first grade class rooms under 20 students.

MS. LaChance asked Mr. Rowe if 'after one month and the numbers remain low would you consider reducing the first grade by one teacher.

Mr. Rowe responded in the affirmative.

Alex W. noted that just by looking at the percentages on the far right columns in the handouts, it appears the town budget increase is more like 15% and the school budget increase is more like 17%. He recommends each look at a 20% cut to see where the cuts could be made.

Bill Drescher stated that his opinion on what he had been listening to tonight was a lot of double talk. He asked Selectmen Rep. Russell what the town would end up with, with a part time chief.

Mr. Russell responded saying that only on paper would he be working 32 hours because according to police retirement that is all he can work. He will get his regular salary without reducing the number of hours he has been working each week and that could be 40 to 60 hours each week.

Peter Yunich noted that it would be very helpful to have a detail accounting of the Slusser Senior Ctr. on one sheet. The details he is looking for are: building contracts, direct and indirect expenses as well as the amount[s] held in any endowment[s].

Mr. Yunich expressed concern of town liability with Chief Wheeler working more than the retirement maximum of 32 hours should something happen. What is the legal responsibility of the town?

Byron Carr mentioned the properties purchased for conservation could have the timber harvested and thought the school could convert the high school to using wood chips like Merrimack Valley High School. To Selectmen Rep. Russell he asked what the tax base would be for a \$250,000 house if the Recreation Dept. and field were cut, then halving the remainder of the budget. Mr. Russell said he would get the figure later in the week.

Mary Carter didn't like the idea of cutting 4 – 6 teachers saying she moved here for the schools and would like the School Board to protect the high quality.

Michael Valentine referred to previous discussion of conservation land and asked if development of any of the parcels was ever considered.

Selectmen Rep. Russell responded by saying the revenues received would not even cover sports.

Mr. Valentine then asked if the Budget Committee considered the effect of increased assessment is going to do on future development of lands.

Mr. Russell said they never had that discussion.

BC member Bradstreet said those discussions take place at Planning Board meetings. Digit Taylor has the figures asked for. Ms. Bradstreet said the original amount set aside to purchase conservation land was \$5 million, 5 properties have been purchased and they have only spent \$2 million. She noted that before any of the parcels were purchased there was a special town meeting where a vote was taken.

Bob LaPree said he was surprised to see so many not recycling at the transfer station and wondered if the selectmen had considered a 'pay as you throw' fee. If yes, could one be fast tracked.

Selectmen Rep. Russell said the selectmen have had discussions with Steve Clough and they have begun assessing tipping fees and have advanced the fee increase schedule and are now investigating the possibility of a warrant article for a pay as you throw fee. Mr. Russell cautioned that Hopkinton could not do this fast. They would need to have a plan of development for implementation and check with Webster on any change. Selectmen Don Lane is on the committee.

BC member Lancaster said that he was on the Recycling Committee and would bring the recommendation forward at the next meeting. Any plan would be for next year not this year.

Joy Bloomfield inquired about the revenues received in the Recreation Dept. and asked if the summer camp fees covered all expenses.

Selectmen Rep. Russell said that about \$50,000 in the revolving fund is used, it is an in and out so there is no effect on the budget. Mr. Russell also advised that DRA – Dept. of Revenue Administration [state] notified the town this week that the revolving fund can be used for salaries, after an inquiry made by BC member Lancaster to DRA. The town previously believed it could not use the revolving fund.

Ms. Bloomfield asked if the taxpayers fund any portion of summer camp.

Mr. Russell said the Recreation budget has proposed \$15,000 to pay for salaries and it appears now that the town can use the revolving fund to offset the salaries.

Joanie McIntire commented on Columbia Hall saying the Selectmen told the Hopkinton Community Center, Inc. that the building should be condemned and wondered how with a new roof and a coat of paint it is now perfect to use. She then asked how much of the maintenance budget was going towards Columbia Hall and the Slusser Ctr.

Selectmen Rep. Russell said that \$9,500 is from Building & Grounds for maintenance. There will be a trust fund for maintenance of the Slusser Ctr. in the future, but now it will be taxpayer funded.

Alex W. noted that an average salary increase for teachers could be around 3.25%. Mr. Wilkins stated that he strongly disliked the use of whole round numbers used in the proposed budgets. Mr. Wilkins then asked about the duration of the expenses listed in both the town and the school budgets.

Selectmen Rep. Russell said the expenses listed '06 were for a 12 month period.

School Board Rep. Rowe said the school expenses were only for a 6 month period because the Budget Committee asked for the budget to be presented in the same format as the rest of the town.

Chris Wallace asked if the state school aide is guaranteed.

School Board Rep. Rowe said they have been assured they will receive the money.

Mr. Wallace then noted the Selectmen projections to keep the town budget the same.

Peter Yunich said he would like to see the gross revenue the in recreation fees for the current year as well as an estimate for the next couple of years. Mr. Yunich then revisited Chief Wheeler going from full time to part time.

Chief Wheeler responded by saying he was working for less than \$3.00 per month if he didn't retire so after checking with the state retirement he proposed to the selectmen that he could retire and pursue another career or he could go part time and stay to train his successor like Chief Tim Russell in Henniker did. The Selectmen opted to have him remain as a part time salaried employee for 32 hours. The 32 hours is on paper and he will be working the same number of hours he always had been.

John Carey requested School Board Rep. Rowe to clarify exactly where the new parking lot would be at HMS.

Mr. Rowe stated that it would be built in the space to the right of the flag pole because there was no place for the parents who drop off and pick up the children safely. All alternate traffic patterns have been tried without success.

Mr. Carey noted that student transportation costs were about \$64,000.

Mr. Rowe explained the shared use of a special ed bus with Henniker for an out of district placement bus.

Mr. Carey would like the school board to take a good look at the school buses. He follows some busses that are just about empty and would like to see if the School Board could begin a campaign to encourage the parents use the busses. Building a parking lot only encourages parents to drop off their children. He classifies the parking lot as 'nice to have but it is not a need'.

Mr. Rowe responded that social perspective has changed since Mr. Carey's children were in school.

Mr. Carey advised that it is possible to ban all private cars from school property during school hours. He has seen it done.

Arnold Coda offered a clarification/reiteration in his discussion with Dr. Ayers saying that the reduction would be 'judicious' and across the board.

School Board Rep. Rowe responded by saying if he had to cut the budget by \$500,000, that is what he might do as well.

Richard 'Stretch' Kennedy Thanked the Budget Committee for being there and the job they have done so far. He agreed that it is a lot more fun to spend other peoples' money. He told Chair Irwin that she was the best numbers juggler he knows and credits her for helping stop Bio Energy. He mentioned that past meetings have reflected a cavalier attitude toward mandates. Mr. Kennedy would like to see the town vote annually on contracts and last he wanted those present that it is cheaper to buy land for conservation then it would be educate the children living in houses that could have been built.

Ron Klemarczyk noted that since the school wants to make it easier for parents to drop off and pick up maybe the school could institute some sort of ticket parents would pay for that would allow them to drop off and pick up.

Chuck Dibble asked for a review of the senior center building contract[s] so far.

Selectmen Louise Carr said she signed a contract for \$887,000 to build the center. The rest of the \$1 million went for site prep, necessary state and local fees, etc. The Selectmen will not ask the town for any money to help in paying for the buildings construction. The contract has safe stop points and as money becomes available they can add more to the construction.

Mr. Dibble asked what the Selectmen were thinking when the warrant was defeated at last years' town meeting.

Selectmen Rep. Russell said they understood the plan brought forward was unacceptable as a proposal and it was defeated because of the process.

Janet Kryzaniak spoke in favor of the senior center and reminded everyone that in 3 years there will be 2,400 seniors in Hopkinton. She reprimanded the town for the lack of support.

Joanie McIntire asked if Public Works was credited in the Slusser Center budget for his part in clearing barn foundation boulders as well as laying the water line to the red barn.

BC member Coen would like to Thank Weaver Brothers Construction who donated the use of their equipment.

Finance Director Bob Blanchette said that Public Works has not been credited yet.

Selectmen Rep. Russell said the hole was already in the ground for a water line and the Selectmen felt the \$7,500 spent to run a 6 inch main from the hydrant on the corner to the red barn was justified.

Ms. McIntire asked why a public hearing wasn't held to authorize spending the \$7500 on the center.

Selectmen Louise Carr said the water hasn't been run through the main yet, but will in the spring. The Selectmen chose to do it now because it was cheaper than in the spring. MS. Carr also advised that Hermie Blanchette took the foundation rocks to crush into usable stones for building roads.

Tom Congoran responded to previous statement made, saying he was not against have a senior center, he was looking for accountability.

Renee Carey commented on recent curious illegal activities in Hopkinton and would like to focus on the police dept. She said nobody is against the seniors just a concern about adding another building to the tax role.

Stretch Kennedy said the state retirement is in bad shape due to ING.

Linda Lussier said she is a parent who drives to school and she does it because of recent stories about harassment/assaults occurring on busses – not in Hopkinton but elsewhere. Another reason is the lack of seat belts on the busses. She said there are seat belt drills just like the school have fire drills.

The Public Hearing was adjourned at 10 pm.

Respectfully Submitted,

Beth Clark
Secretary