

**HOPKINTON BUDGET COMMITTEE
TOWN HALL
DECEMBER 1, 2010
Approved**

Members Present: Janet Krzyzaniak, Chair; Tom O'Donnell, HVP Representative; Cameron Ford, David Lancaster, Tim Carney, Mark Hemmerlein, CVP Representative; Don Lane, Jim O'Brien, Selectman Representative; David Luneau, School Board Representative

Others Present: Marilyn Bresaw, Human Services Representative; Donna Dunlap, Elaine Loft, Barry Needleman, Library Representatives; Police Chief Perdroia, Hopkinton Police Representative; Chief Rick Schaffer, Hopkinton Fire Representative;

Absent: Neil Cass, Town Administrator

1. MINUTES:

Chairman Janet Krzyzaniak opened the meeting by reviewing the November 17 minutes. Karen Irwin and David Lancaster requested a few corrections be made to the minutes. After some discussion, the motion to approve the November 17 minutes was made by Don Lane and second by David Luneau, all were in favor. Denise will make the corrections to the minutes.

2. TOWN BUDGET:

Jim O'Brien reviewed handouts from the last meeting: Cash Flow accounts, Employee wage budget and Policy on the use of surplus money.

Human Services: Marilyn Bresaw, Department Head

2010 Budget was \$65,346.00. The proposed budget for 2011 is \$65,687.00. This is an increase of .5%. The increase is due to benefit increases. Wages will stay the same and operating budget will decrease by 34%. Analysis and data for wages and benefits are from the Local Government Center (LGC). David Lancaster questioned why there was a difference in \$1500.00+ in Office Supplies. Marilyn responded by saying that she had requested a new computer. Jim O'Brien stated that the selectman have a computer to provide to Marilyn. Don Lane questioned the money for travel. Marilyn stated now that her office is in Hopkinton Village, most of her clients are in Contoocook Village, which is the cause for increase mileage (gas).

Human Services Vendor: Marilyn Bresaw, representative

The 2010 Budget was \$55,000.00. The proposed budget for 2011 is \$52,250.00. This is a decrease of .5% (\$2,250.00). Only one line item for Vendors. There is a

Trust Fund that Marilyn can access if she is over budget. She must ask the Selectman for this money. Marilyn has \$12,000.00 left in this year's budget. December is a busy month for Human Services. Marilyn does not anticipate going over budget. She did use all of the Fuel Assistance account last year. The Donation Account is used for items like: car payment, car repairs for those who need the assistance. The State budget for this vendor has been cut. Currently, Marilyn is caring for 3 homeless families. Marilyn is worried about the mileage and telephone budgets. She is already over budget in 2010 for the telephone. Neil Cass will be asked about the phone and will report back at the next Budget meeting. Jim O'Brien did comment that all the Town Municipalities have changed over to a new telephone vendor to save money.

Library: Donna Dunlap, Elaine Loft, Barry Needleman, representatives
The 2010 budget was \$282,000.00. The proposed budget for 2011 is \$287,000.00. This budget shows an increase in wages and benefits, a recommendation from the LGC. After presenting this budget to the Selectman, the Library was asked to find ways to further reduce their budget. So the Library looked at their budget and reduced it to \$281,000.00. To do this they will be closing the Library early on Thursday evenings. This will save on wages and fuel usage. The heating fuel line has made wonderful progress, comment made by Jim O'Brien. Fuel usage went from 8100 gallons used to 4000 gallons used. The library has worked hard in this area. The new roof will contribute to fuel savings but the singles are "shot". The company that originally constructed the roof has gone out of business. Revenues generated by the library are given over to the town. Donna writes 2 checks per year. The second check will be coming shortly. Karen Irwin asked about the H-VAC (Heating, Ventilation and Air Conditioning) system. This work is put out to bid. The organization that works with H-VAC system is helping the library to reduce energy costs. This system is very complex and the building is large. The library also reduced the maintenance person for 6 days per week and this person is no longer with the library. Don Lane questioned the closing of the library on Thursday evenings. Donna keeps statistics on the library usage and found that Thursday evenings showed the lowest usage. She also stated that the library usage in general has gone up. Cost savings for closing on Thursday evenings would be over \$4000.00 per year. This is due to wage, fuel and electricity savings. Don Lane stated a concern in closing the library on Thursday evenings: "In this recession, the library poses a positive purpose for the town." Don Lane asked about the 5% cut. Jim O'Brien responded that the Selectman challenged all department heads with the following: If you were to cut 5% where would you make the cut. Instead of the Selectman making the cuts, they offered it to the Department Heads. Mark Hemmerlein asked about the line item labeled Memberships and Conferences. Donna replied that this money is used for Professional Development and further training for herself and her employees. Karen Irwin questioned the Office Supplies

budget, noting that the budget was spent by 3 times the amount. This was a conscious spending by Donna; she feels that revenues should be paying for these items. Some of this money was used for installing more insulation in the attic of the library. 2011 Warrant articles for the library will include \$5,000.00 for the Technology fund and \$12,000.00 for the Building fund. Karen Irwin requested the amounts in these funds to date. Donna responded with the following: Technology fund has \$14,442.00, the Building fund has \$4082.00 and the System Fund has \$76,000.00 but recently \$30,000.00 was taken out for the roof.

Cemetery: Sarah O' Neil, Department Representative

The 2010 budget was \$44,429.00. The proposed budget for 2011 is \$43,524.00. This shows a decrease of 2%. This reduction is due to a decrease in salary and benefits. The cemetery has a part time worker. The cemetery has acquired a parcel of land behind the current cemetery. This land was bought for the future. Excavation needs to be done. It has been suggested that Cemetery Committee pool their monies and make it one big fund in the Capital Improvement Fund. Currently they have \$29,000.00 in this account. Bids are coming in for this contract. This committee is concerned about the 630 accounts, which has been cut from \$600.00 to \$300.00 (painting and things of this nature). Guests of the Merrimack County have been asked in the past to do this work (their labor is free). This committee would like to ask them again. The 650 accounts include money for the grub problem that the cemeteries are experiencing. The grass may need to be reseeded in the spring. The lawns have been treated for grubs and will have to retreat. Jim questioned whether the town might have the supplies needed for this treatment. He will check into it. The current mowing contract will expire in August of 2011. Mark Hemmerlein wondered if this contract going out to bid is the way to go. Town not interested in mowing the cemeteries. This is a very labor-intensive job. The mowing and watering are the big money spenders.

Police: Chief Stephen Pecora representing the Police Department

The budget for 2010 was \$673,138.00. The proposed budget for 2011 is 670,249.00. Showing a decrease by .5%. This decrease is due to benefits from personal changes. The department is fully staffed though one officer has moved on and the department is currently advertising for a new one. Chief Pecora stated it is hard to get officers to take this position due to the salaries. Police find that they hire someone, put them through the academy and field training. They stay for a short while and then move on to other bigger agencies. A union does not represent this police department. Chief Pecora would like to see for his officers a new fundamental change in policy i.e.: levels, yearly increase in wages, merit wages etc. Some of his officers have been in service for more than 15 years. Karen Irwin asked about how the money from the Hopkinton Fair falls into the pay of the officers. This is a Revolving Fund and is in addition to the officer's regular salary.

Holiday pay is not reflected in the proposed budget per selectman's request. The officers get paid a different rate of pay for holidays. There are 11 days in the calendar that are considered holidays for the police department. In the 2011 budget shows an increase of 2% for holiday pay. It is felt that the Police Wage page in the Budget Binder should be redone to reflect the increases. Special Events pay is shown as a decrease for the 2011 budget. These events would be 4th of July parade, High School graduation, Political Campaigns, etc. There is a revolving fund for these events budgeted. Jim O'Brien will get the name of this fund and where the money comes from. The question was posed, wouldn't the organizations that needed the police department pay for their service. The answer is no. It does not make sense to bill town organizations or charities.

Gas and Oil for the Police Department:

The officers get their auto gas from the state. The state rate is the cheapest and the Warner site is the cheapest in the state. New cruisers are under the Capital Improvement fund. Computer services decreased due to IT person being provided by the town. Professional Development is in the budget if the officers come forward to access it. Money for Dispatch is based on usage. Chief Pecora is expecting to use all of this money in 2010.

Police Emergency Management: \$1.00

Animal Control:

Budget for 2010 was \$7210.00. The budget proposed for 2011 is \$7255.00. This shows an increase of .1%. This increase is due to benefits. Revenue for this fund comes from the Ella Tar Trust fund.

Fire Department: Chief Rick Schaffer representing the Fire Department
Budget for 2010 was \$218,015.00. The budget proposed for 2011 is \$240,112.00. This shows a 10% increase. Wages are down; benefits are up as well as operations. Rick asked if the Fire Department could get into the Revolving Fund for special events like the Police Department. Call firefighters budget was cut by \$8400.00. Jim O'Brien was unsure about this cut. He will speak with Neil Cass and get back to Rick and the Budget Committee. The dispatch for Mutual Aide price has gone down. Last budget year the board split the dispatch fee between the Fire and Ambulance. This is a set fee by property evaluation. Currently the fee comes from just the Fire Department. Rick reported the government has mandated that by the year 2013 all pagers have to be changed. Rick has budgeted for this by requesting 10 new pagers per year for the next 3 years. If the department does not get these pagers, there will be no calls. Rick has researched and found the pagers for \$500.00 each including maintenance agreements. Professional Services has not been used by the Fire Department. If there is a tragic accident and an employee is having a difficult time and is in need of services, the funding is there to provide it. The full time employee's are ambulance personal. They are both certified firemen

and EMT's (paramedic's). The firemen are on call only and the department currently has 2 Deputy Chief's. The department has spent more than double on Engine 60. It was having pump issues, which are resolved. Also the transmission just went on the Fire Chief's car. Rick stated that the town was lucky to have a town mechanic who could fix the car. The town only had to pay for the parts. Fuel costs have increase for the Fire Department. Prices are locked: gas is \$2.94 per gallon - diesel is \$3.19 per gallon - not sure what it will be in the future but will be finding out this month. Revenue for the Fire Department (\$953.00 for 2010) comes from Forest Fire Reimbursement (Mt. Major). Professional Development goes up or down over the years depending on courses taken. It is difficult to get into the courses.

Ambulance: Revenue

Webster's share of the ambulance revenue is \$21,000.00. The town has not signed a contract with Webster as of yet. David Lancaster advises that before we vote on the actual budget we should know what we are getting back. We get back 82% of the costs for the ambulance. Some people do not pay at all for the service or others do not have insurance to cover the cost. The town is looking for a more level funding for payment. It was suggested that the billing comes from the average of past 2 years plus the current year. Warner sends a check 2 times per year for ambulance usage approximately \$81,000.00 total.

Ambulance: Expenses

The budget for 2010 was \$535,583.00 The proposed budget for 2011 is \$539,713.00. Showing an increase of .7%. Wages and benefits have increased. Operations are down. Also ambulance overtime has increased. New town policy has added a new holiday, so that increases wages. The department has to have 2 licensed employees for ambulance. Employees are staying - thankfully. Rick is concerned that there is not enough money if 2 of his employees left or went on extended sick time. The employees are able to accrue 90 sick days. There is a need for a town wide policy for covering extended sick days. Jim O'Brien will talk with Neil Cass about this issue. EMS billing service is \$23.00 per call. There is currently \$4400.00 in the account. There is basically 2 months left for calls. Employees are allowed \$600.00 per person for uniforms. This item went up 100%. The town will receive reimburse for outfits of employees that are active on the ambulance. The diesel was questioned once again. The department uses 2800 gallons of diesel. Price will be known by the end of the month. It is expected to be higher than \$3.19 per gallon. Rick posed a question about the wage study. He felt it was not accurate. Rick called around to other departments and found that the LGC did not contact them. Jim will get an answer for Rick regarding this wage study pertaining to pay scale.

3.FINANCIAL UPDATES:

School: David Luneau, School Board representative

First meeting on budget for the school district was held on November 30. David complimented the superintendent and principals for a good job thus far. Meetings are at Maple Street School beginning at 5:30 PM. State Adequacy Revenue - the school is expecting to receive the same as last year or minus \$160,000.00. The good news is that we will be receiving \$84,000.00. The school has received 3 or 4 requests for early retirement for school year ending June 2011. There is incentive for the teachers to retire early. The longer an employee takes to retire the less retirement money they receive at the end of their teaching.

Town: Jim O'Brien

Town operations are 91% through the budget, 87% of expenditures. In the revenue part there is nothing new, same as handout for October 31. Cameron Ford asked about the overtime for the Transfer Station that was over budget. Jim forgot to get the answer to this question. He will have it for the next meeting. The well project is complete. It is not hooked up to the individual homes as of yet.

Hopkinton Water Precinct: Tom O'Donnell, representative

Nothing new to report

Contoocook Water Precinct: Mark Hemmerlein, representative

Nothing new to report

4. OTHER ISSUES:

December 8, 2010 will be the next Budget Committee meeting. Mark Hemmerlein would like to note the following correction to the October 13, 2010 minutes. Under Contoocook Precinct where it talks about the energy efficient lighting project. It should read, "This project was federally funded at a very small interest rate which was picked up by the Contoocook Precinct.

5. PUBLIC CONCERNS AND COMMENTS:

None Presented.

Motion to adjourn was made by Janet Krzyzaniak and second by Don Lane. The Budget Committee meeting ended at 9:40 PM

Respectfully submitted,

Denise A. Damour