

HOPKINTON BUDGET COMMITTEE

WEDNESDAY, FEBRUARY 8, 2012

Public Hearing on all Budgets

Hopkinton Middle High School

APPROVED

Members present: Janet Krzyzaniak, Chair; Tim Carney, Karen Irwin, Michael Montore, Lance Whitehead, David Lancaster, Tom O'Donnell, HVP Representative; Tom Congoran, Selectmen Representative; David Luneau, School Board Representative; Mark Hemmerlein, CVP Representative

1. Janet Krzyzaniak called the Budget Committee Public Hearing to order at 6:30 p.m. She welcomed all the townspeople in the audience to this special meeting. Janet Krzyzaniak also stated that she was not feeling well this evening and that Karen Irwin had been selected as Vice Chair to run the meeting.

2. **Town Budget** - Neil Cass, Town Administrator

Neil Cass presented the proposed operating budget for the town:

2011 approved operating budget: \$5,521,763

2012 proposed operating budget: \$5,574,223

Change: \$52,460

An increase of 0.95%

2011 raised by taxes: \$3,270,942

2012 est. raised by taxes: \$3,420,912

Change: \$149,970

2011 Town Tax rate: \$5.06

2012 est. town tax rate: \$5.27

Change: .21

3. **School Budget** - David Luneau, School Board Member

David Luneau presented the proposed operating budget for the school:

*FY13 proposed Operating Budget: \$17,024,395

Increase of \$477,849 (2.89%) compared with FY12 budget

*Collective bargaining agreement with teachers (HEA)

-Year 1: \$153,272 Year 2: \$143,754

*General Contingency Fund

- \$75,000 (same as FY12)
- *Repair and Maintenance Trust Fund
 - Add \$25,000 from FY12 end-of-year surplus (last year \$0)
- *Vehicle Capital Reserve Fund
 - Add \$10,000 from FY12 end-of-year surplus (last year \$25K)
- *Health Insurance Expendable Trust Fund
 - Add \$15,000 from FY12 end-of-year surplus (last year \$25K)
- *Estimated tax impact of \$0.97/1000 (+4.9%)
 - Includes local and state tax rates
 - Estimated impact last year was \$0.98/1000 (+5.2%)

***Total proposed budget, Town and School together is as follows:
 \$25,417,083 estimated tax: \$28.95/1000

4. **Contoocook Precinct Budget:** Mark Hemmerlein, CVP Representative
 Mark Hemmerlein presented the proposed operating budget for the Contoocook Village Precinct. He stated that most of the line items are flat lined. The major difference is the repairs to the water treatment plant which is 29 years old. The budget reflects engineering costs for upgrade of the treatment plant. Currently the treatment plant needs repairs in the amount of \$30,000. Mark Hemmerlein reports that the plant has bad valves, filters not working correctly and corrosion amongst other repairs needed. Mark Hemmerlein is very opposed to the Budget Committee's recommended changes to the CVP Budget. He feels that the recommendations will put the CVP in a financial bind.

	2011	2012
Operating Budget	\$427,621.03	\$337,368.10
Special Warrant Articles	\$218,750.00	\$200,000.00
Total Appropriations	\$646,371.03	\$537,368.10
Less: Amt. est. Revenues	\$537,371.03	\$419,118.10
Estimated amt. of taxes to be raised:	\$109,000.00	\$118,250.00

The Budget Committee recommended the following:

	2012
Operating Budget:	\$337,368.10
Special Warrant Articles	\$200,000.00
Total Appropriations	\$537,368.10
Less: Amt. est. Revenues	\$428,368.10
Estimated amt. of taxes to be raised:	\$109,000.00

5. **Hopkinton Village Precinct:** Tom O'Donnell, HVP Representative

Tom O'Donnell presented the proposed operating budget for the Hopkinton Village Precinct. This proposed budget for the HVP reflects a last minute Special Warrant Article for the amount of \$23,000. This has been requested to make necessary repairs to the water system all required by the state.

	2011	2012
Operating Budget:	\$87,650	\$82,380
Special Warrant Article		\$23,000
Total Appropriations recommended	\$87,650	\$105,380
Less amount of revenues	\$70,168	\$90,839
Estimated amt. raised by taxes	\$17,482	\$14,541

This ended the presenting of the budgets. Karen Irwin then asked the people in the audience if they had any questions or concerns for the Budget Committee members.

PUBLIC COMMENT:

Arnold Coda inquired about the Town Welfare vendor's increase in the Town Budget. Tom Congoran addressed this concern stating that this vendor line is strictly payments for oil, electricity, housing payments, food, medical prescriptions that the people in need request. This money is paid directly to the vendor, not given to the client. The cost of fuel oil is rising and the Selectmen made a decision to increase this line item. Mr. Coda also inquired about the Welfare Director position. Tom Congoran replied that the selectmen looked at the job description and the number of clients/caseload.

The caseload was very small, 9 -12 actively engaged. So it was felt at this time to reduce the hours of the Welfare Director to half. Concerning the school budget, Mr. Coda wanted to know if all the warrant articles include "everything". David Luneau replied yes. Mr. Coda inquired about the end of the year surplus for June 2012. David Luneau replied that it is estimated that there would be \$250,000 to be returned to the town. Mr. Coda continued by stating that he was disappointed in the school board concerning the December 19 school board meeting. He stated that the school board listened to 75 townspeople in attendance compared to the 5000+ people in town concerning putting \$120,000 back into the proposed FY12-13 budget. Mr. Coda brought up current enrollment for K - 12:

2011 -2012	957 students
2010 - 2011	975 students
2009 - 2010	999 students
Projected for 2012 - 2013	932 students

"Absent of significant changes in student population, this school budget should be lower or flat in Arnold Coda's opinion." Mr. Coda commented on a piece written by Todd Silage for the Concord Monitor. In this article, Mr. Silage stated that it would be best if schools and town officials hold operational expenses flat. It is imperative for town and school districts to be fiscally responsible.

Mr. Lawless stood before the Budget Committee inquiring about the HEA contract. David Luneau stated that he could not speak about the details concerning contract process. Mr. Lawless asked about the salary schedule for coaching staff. The salaries for the coaching staff have remained unchanged since 2009. The salary schedule is based on location of the staff member in their salary track. Mr. Lawless wanted to know about the warrant article concerning \$300,000 in an account for the Community Center. Tom Congoran stated that it is up to the townspeople to decide what to do with this account. This will be voted on at Town Meeting.

Frank Davis stated that Hopkinton's per pupil costs (\$17,000) are higher than some in the state. He went on to say that in 2002 the enrollment in K-12 was 1,032 students. The Operation Budget was 12,000,000. The proposed budget for 939 students is 17,000,000. Basically the taxes keep

going up. The school board did a poor job. It is time that the school board starts lowering their budget.

Mitch Taranow stood and stated that Hopkinton placed at 65% compared to other districts in terms of cost per student. Education costs vary considerably in this state.

Tom Yestremski stood before the board and voiced his concerns about the school district budget. He feels that the students will not be able to live in this town for they will not be able to afford it. He asked the board to come to the town with a flat rate budget for a couple of years. Before you know it, the school budget will be at \$20,000,000. "Stop and look at the people in this town." Mr. Yestremski also commented on the Contoocook Village Precinct budget. He stated that the water plant needs to work. The precinct works hard to keep the 29 year old plant up to date. It is important to protect the integrity of the water system. He asked that the Budget Committee put the money (\$9,250) back into the CVP budget.

Arnold Coda stood up once again. He feels that we need to prepare our children for the future and we still need to reduce the school budget. He stated that "The school board and administration is not thinking outside the box."

Frank Davis also stood up once again. He would like to see this town get the price per pupil down to \$16,000 per student.

This ended the questions and comments from the audience.

6. Deliberations by the Budget Committee:

Hopkinton Village Precinct budget: Karen asked if there was a reason for the bonding of \$23,000. This money is for electrical and system upgrade all required by the state. Michael Montore made the motion to accept the MS-37 as proposed including the Warrant Article for \$23,000. Mark Hemmerlein seconded the motion. The vote went as follows:

David Luneau - yes

Tom Congoran - yes

Tom O'Donnell - yes

David Lancaster - no

Michael Montore - yes

Karen Irwin - yes

Lance Whitehead - yes

Mark Hemmerlein - yes

Tim Carney - yes
The motion passed.

Contoocook Village Precinct budget: There is a difference of \$9250 between the proposed CVP budget and the recommended Budget Committee amount. It was recommended by the Budget Committee that the CVP take this money from the Capital Reserve Fund. This is not something Mark Hemmerlein is excited about doing. He feels the Capital Reserve Fund is for new equipment etc. not repairs. David Luneau made a motion to restore the revenue line to \$9250. Mark Hemmerlein seconded the motion.

Mark Hemmerlein - yes	Tim Carney - yes
David Luneau - yes	Tom O'Donnell - yes
Michael Montore - yes	Lance Whitehead - yes
Tom Congoran - yes	David Lancaster - yes
Karen Irwin - yes	

The motion passed.

Mark Hemmerlein stated that there are 4 vessels and 2 trains at the water plant. One filter is not working correctly. They have to be backwashed every 8 hours. Currently one of the trains is not working correctly. The valves are so old that it does not work. Steve Clough is changing the valves currently. This is a \$30,000 expense. Originally thought these repairs were going to cost \$20,000. All the major valves were replaced 5 years ago. The replacement of all water meters will be done this year.

Karen Irwin made a motion to reduce the CVP budget line item #4335 by \$9250. David Lancaster seconded the motion.

Mark Hemmerlein - no	Tim Carney - no
David Luneau - no	Tom O'Donnell - no
Michael Montore - yes	Lance Whitehead - no
Tom Congoran - no	Karen Irwin - yes
David Lancaster - yes	

This motion did not pass.

The CVP budget is back to its original proposed budget of \$337,368.10.

Mark Hemmerlein - yes	Tim Carney - yes
David Luneau - yes	Tom O'Donnell - yes
Michael Montore - no	Lance Whitehead - yes
Tom Congoran - yes	David Lancaster - no
Karen Irwin - no	

Mark Hemmerlein now knowing that there is \$30,000 worth of repairs to be made to the water treatment plant would like to increase the CVP budget by this amount. Mark Hemmerlein made a motion to increase line item # 4335 from \$46,900 to \$66,900 (\$20,000) to do the emergency repairs to the water plant. Tom O'Donnell seconded the motion.

Mark Hemmerlein - yes

Tim Carney - yes

David Luneau - yes

Tom O'Donnell - yes

Michael Montore - no

Lance Whitehead - yes

Tom Congoran - yes

David Lancaster - no

Karen Irwin - no

This motion passed. Adding this \$20,000 will put the tax rate at \$0.99.

Mark Hemmerlein made a motion to accept the CVP budget as amended.

Lance Whitehead seconded the motion.

Mark Hemmerlein - yes

Tim Carney - yes

David Luneau - yes

Tom O'Donnell - yes

Michael Montore - no

Lance Whitehead - yes

Tom Congoran - yes

David Lancaster - no

Karen Irwin - no

This motion passed.

Town of Hopkinton budget: Town Warrant Articles

Article #3:

Karen Irwin made the recommendation that the Town Budget be reduced by \$150,000 after hearing concerns from members of the audience. David Lancaster stated that he hoped that Articles 11 and 12 of the Town Warrant would add \$300,000 to the town budget to help reduce the taxes. David Lancaster made the motion to accept Warrant Article # 3 as stated in the Town Warrant. David Luneau seconded the motion. All were in favor. This motion passed with a unanimous vote in the affirmative.

Article #4:

This article supports restoring the position of the Human Services Director. Mark Hemmerlein made the motion to accept this article as presented. Tom O'Donnell seconded the motion.

Tom Congoran - no

David Lancaster - no

Karen Irwin - yes

Mark Hemmerlein - no

Tim Carney - no

David Luneau - no

Tom O'Donnell - yes

Michael Montore - no

Lance Whitehead - no

This motion did not pass.

Article #5:

This article is to raise and appropriate \$362,000 to be placed in a previously established Capital Reserve Fund. Tom O'Donnell made the motion to accept this article as presented. David Lancaster seconded the motion. All were in favor. This motion passed with a unanimous vote in the affirmative.

Article #6:

This article is to raise and appropriate \$12,000 to be placed in a previously established Expendable General Trust fund. Tom O'Donnell made a motion to accept this article as presented. Michael Montore seconded the motion. All were in favor. This motion passed with a unanimous vote in the affirmative.

Article # 7:

This article is to raise and appropriate the sum of \$95,000 for the purpose of offsetting the cost of collection and disposal of residential solid waste and such other direct costs as budgeted annually and to authorize the withdrawal of this sum from the Pay by Bag Fund. Tom O'Donnell made the motion to accept this article as presented. David Luneau seconded the motion. All were in favor. This motion passed with a unanimous vote in the affirmative.

Article #8:

This article is to raise and appropriate the sum of \$15,000 for conceptual architecture and engineering for a new fire station. Lance Whitehead spoke to this article. It is in his opinion that a new fire station will not be funded in the next few years due to the dire economic times. Architectural plans do not last forever. The plans will have to be redone. Thus he feels the proposed \$15,000 will be wasted. Tom Congoran stated that the selectmen are just trying to get an idea of how big this fire department project really is. David Lancaster made the motion to accept this article as presented.

Michael Montore seconded the motion.

Tom Congoran - yes

David Lancaster - yes

Karen Irwin - yes

Mark Hemmerlein - no

Tim Carney - yes

David Luneau - yes

Tom O'Donnell - no

Michael Montore - no

Lance Whitehead - no

The motion passed as presented.

Article #11:

This article is to see if the town will vote to discontinue the Community Center Capital Reserve Fund created in 1999. Said funds would be transferred to the Town's general fund. This fund has about \$300,000 in it. If the town wishes, this money can be used to off-set taxes. Tom Congoran made the motion to accept this article as presented. Michael Montore seconded the motion.

Tom Congoran - yes

David Lancaster - yes

Karen Irwin - yes

Mark Hemmerlein - no

Tim Carney - no

David Luneau - no

Tom O'Donnell - yes

Michael Montore - yes

Lance Whitehead - no

This motion passed as presented.

Article #12:

This article is to see if the town will vote to raise and appropriate the sum of \$300,000 to pay off existing debt. Tom Congoran made the motion to accept this article as presented. Michael Montore seconded the motion.

Tom Congoran - no

David Lancaster - no

Karen Irwin - no

Mark Hemmerlein - no

Tim Carney - no

David Luneau - no

Tom O'Donnell - no

Michael Montore - no

Lance Whitehead - no

This motion did not pass.

Article#15:

This article is to see if the town will vote to raise and appropriate the sum of \$1,522 for the purpose of offsetting operational and maintenance costs of the Slusser Senior Center and to authorize the withdrawal of this sum from the Senior Center Rental Fund. Tom Congoran made the motion to accept this article as presented. Michael Montore seconded the motion. All were in favor. This motion passed with a unanimous vote in the affirmative.

Hopkinton School District Budget: Warrant Articles

Article#2:

This article is to see if the school district will vote to rise and appropriated as an operating budget the sum of \$17,024,395 for the support for the schools.

David Luneau made the motion to accept this article as presented. Mark Hemmerlein seconded the motion.

Tom Congoran - yes

Karen Irwin - yes

Mark Hemmerlein - yes
David Luneau - yes
Michael Montore - no
David Lancaster - no

Tim Carney - yes
Tom O'Donnell - yes
Lance Whitehead - no

This motion passed as presented.

Article #3:

This article is to see if the school district will vote to approve the cost items included in the Collective Bargaining Agreement reached between the Hopkinton School Board and Hopkinton Education Association.

Fiscal Years	Estimated Increase
2012-2013	\$253,273
2013-2014	\$143,754

David Luneau made the motion to accept this article as presented. David Lancaster seconded the motion.

David Luneau - yes
Michael Montore - yes
Tom Congoran - yes
Mark Hemmerlein - yes
David Lancaster - yes

Tom O'Donnell - yes
Lance Whitehead - yes
Karen Irwin - yes
Tim Carney - yes

All were in favor of this motion as presented.

Article #5:

This article is to see if the School District will vote to raise and appropriated the sum of \$75,000 for the purpose of a General Contingency fund. David Luneau made the motion to accept this article as presented. Michael Montore seconded the motion. All were in favor. This motion passed unanimously with a vote in the affirmative.

Article #6:

This article is to see if the School District will vote to raise and appropriate up to \$10,000 to be added to the Replacing School District Vehicles Capital Reserve Fund and to authorize the school board to transfer up to \$10,000 from the year end undesignated fund balance available on June 30, 2012. David Luneau made the motion to accept this article as presented. Michael Montore seconded the motion. All were in favor. The motion passed unanimously with a vote in the affirmative.

Article #7:

This article is to see if the School District will vote to raise and appropriated up to \$15,000 to be added to the Health Insurance Trust Fund. Also authorize the school board to transfer up to \$15,000 from the year

end undesignated fund balance. David Luneau made the motion to accept this article as presented. Michael Montore seconded the motion. All were in favor. The motion passed unanimously with a vote in the affirmative.

Article#8:

This article is to see if the School District will vote to raise and appropriate up to \$25,000 to be added to the School Building Repair and Maintenance Trust Fund and authorize the school board to transfer up to \$25,000 from the year end undesignated fund balance on June 30, 2012. David Luneau made the motion to accept this article as presented. Michael Montore seconded the motion. All were in favor. The motion passed unanimously with a vote in the affirmative.

7. **Adjournment:** Motion to adjourn was made by Tom Congoran and seconded by David Lancaster. All were in favor. Janet Krzyzaniak called the meeting to adjournment at 10:10 p.m.

Respectfully submitted,

Denise A. Damour