



# **Town of Hopkinton, NH**

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## **Budget Committee Meeting Minutes January 16, 2013 – 5:30 p.m. Hopkinton Town Hall**

**Members Present:** Tom Congoran, Karen Irwin, Janet Krzyzaniak, David Luneau, Tom O'Donnell, David O'Keeffe, Terry Quinn, Ken Traum and Lance Whitehead

**Members Absent:** Michael Montore

The meeting was called to order by Karen Irwin at 5:36 p.m.

### **Contoocook Village Precinct**

Ken Traum, Contoocook Village Precinct Representative to the Budget Committee and Steve Clough, Water Superintendent presented the budget for the Precinct. Commissioner William Chapin was in the audience. Mr. Traum stated that the bottom line is that the 2013 tax rate for the Precinct is expected to be within a few cents of the 2012 rate.

Mr. Clough reviewed the history of the Precinct water system and outlined projects that have been done in the last 25 years. He detailed to the Committee how regulations have continually increased and how the Precinct has worked to meet the new regulations working to keep costs low. They have worked to address water usage by raising rates, installing new meters, and fixing any leaking pipes. It is estimated that the Precinct will need to build a \$2.5-3.0 million facility, which is an amount above what was expected and been used for planning. The plan now is to work at doing upgrades to the system each year for the next 5 years, continue to build up the reserves, and to upgrade the treatment facility in 5 years. The money that is presently going into reserves will be used to make bond payments.

The Budget Committee reviewed the proposed budget which has a \$6,211 (3.7%) increase in the amount to be raised by taxes. Specific line items were explained. Mr. Chapin noted that the Precinct has a pond that is 5 miles away with lots of water, but the problem is getting that water clean and getting it to the customers. Under the plan in place in 5-6 years there will be a plant that will serve the precinct for 20 years.

### **Hopkinton Village Precinct**

Tom O'Donnell, Hopkinton Village Precinct Representative to the Budget Committee and Precinct Commission John Wullenweber presented the budget for the Precinct. Mr. O'Donnell informed the Committee that the Water Department has equal revenue and expense so it a "wash" in the Precinct budget. The Commissioners' proposal is for a \$4,616 (31.9%) increase in the amount to be raised by taxes. Mr. Wullenweber said that the increase is to pay for the town clock. Repairs have been done and the clock is now functioning. The Precinct pays for the winder and the maintenance. It was noted that

two different final pages of the MS-37 were provided and they contained different numbers. The Budget Committee asked the Precinct to bring back the NH Department of Revenue MS-37 form with the correct numbers. The Budget Committee thanked Commissioner Wullenweber for attending.

### **Hopkinton School District**

Steven Chamberlin, Superintendent, Michelle Clark, Business Administrator and School Board Members David Luneau, William Jones, and Matthew Cairns continued the presentation of the School District budget. School Board Member William Chapin Jr. was in the audience.

Discussion began with the news that the Hopkinton Educational Support Staff (HESS) agreement has been ratified and will be presented to voters at the School District Meeting in March. There are approximately 60 members of this group which includes food service workers, instructional support staff, and library personnel. Office managers and SAU staff are not part of this group. This contract dramatically changes the longevity system for these employees. Presently employees in this group that reach 10 years of service begin to receive a longevity bonus each year calculated as a percentage of his/her salary. The new system which applies to staff members who have fewer than 9 years of service now, is to pay a longevity bonus on the 10<sup>th</sup> (\$1000), 15<sup>th</sup> (\$1,500), 20<sup>th</sup> (\$2,000), 25<sup>th</sup> (\$2,500), 30<sup>th</sup> (\$3,000), and 35<sup>th</sup> (\$3,500) anniversary of employment, but not the years in between. Those present employees with at least 9 years of service now will still receive a yearly longevity bonus, but it will be capped at the rate it is at now. As part of negotiating, Step 2 will become Step 1 so all the steps will increase 4% and some employees will receive a 4% scale adjustment increase as well as a 4% Step increase. This will be the case in year 1 and 2 of the contract and year 3 will have a 2% increase. Health insurance also changes with this contact bringing the District in compliance with the new federal laws. Other changes include higher copays, the District only paying its percentage for an HMO with the employee covering the extra cost of other plans, and changes to the premium sharing formula. Cost for the new contract is: Year 1 - \$68,357, Year 2 - \$66,209, and Year 3 - \$47,911. Mr. Chamberlin said that the salary bump makes the District more competitive and the Longevity Plan changes will save the District long term.

Updated forms from the School District were distributed. Budget Committee members asked questions of specific line items in the budget for clarification. Mr. Chamberlin said the District is working to do more regionally to help all districts involved. He shared his concern of the downshifting of retirement costs from the State to local districts and towns. \$350,000 that was being paid by the State is now being paid by the taxpayers in town.

Next week the Budget Committee will review all budgets and determine what will be presented at the Public Hearing on February 6.

### **Expense Reports**

The Committee reviewed the year end income and expense report from the Town. Income is higher than predicted and expenses are below budget.

### **Adjournment**

All business having been completed, Tom Congoran moved and Janet Krzyzaniak seconded a motion to adjourn the meeting. The motion was adopted unanimously and the meeting adjourned at 8:39 p.m.

Respectfully Submitted,  
Neal A. Cass  
January 17, 2013