

# **Town of Hopkinton**

## **Budget Committee Meeting Minutes – APPROVED**

**Wednesday, December 2, 2015**

**5:30 p.m.**

**Town Hall**

### **Call to Order:**

Chairwoman Janet Krzyzaniak called the meeting to order at 5:30 p.m. Attendees: Janet Krzyzaniak, Don Houston, Ken Traum, Richard Horner, Amy Bogart, Virginia Haines, Deborah Norris, Diana Wieland, and Bill Chapin, Jr., School Board representative. Also present: Neil Cass, Town Administrator, Deb Gallant, Finance Director, and Suzanne Beauchesne taking minutes.

Chairwoman Krzyzaniak welcomed students from Civics Class from the high school and thanked them for attending the meeting.

### **Approval of Minutes:**

Ken Traum motioned to approve the October 14, 2015 budget committee meeting minutes, as presented. Richard Horner seconded. Motion passed unanimously, 9-0.

Ken Traum motioned to approve the November 18, 2015 budget committee meeting minutes, as amended. Richard Horner seconded. Motion passed unanimously, 9-0. Amendment: Page 1 Financials – Town – Lines 30-31 should read: Account 4195, Cemeteries, is running high but the Cemetery Trust Fund will reimburse the General Operating Fund to balance it out.

### **Presentation of Municipal Budget:**

Ken Traum began his presentation by thanking all those who have regularly attended meetings as the budget was developed. Mr. Traum said that Department Heads held a “Budget Summit” to present all requests and the overall impact, including Capital requests to the Capital Improvement Committee (CIP). The Select Board met with every Department Head and received recommendations from the CIP. The Select Board then set priorities and postponed or reduced costs where possible to minimize the tax impact of residents.

Initial requests included: Operating Budget up \$510,635, or 8.34%; Revenue up \$75,186, or 2.65%; Warrant Articles for CRFs up \$50,000, or 11.16%; Individual Warrant Articles up \$799,000, or 30.42%; Monies to be raised by taxes up \$1,284,449, or 30.42%

The Select Board reduced the operating budget by \$(241,465) as follows:

- Select Board Member Stipend \$ ( 2,500)
  - Stipend reduced to \$1,500 each
- Assessing Professional Services \$ ( 8,000)
  - Power Co. assessing issues/close to resolution
- Workers' Compensation \$ (58,600)
  - Current credit with Primex
- Shimming & Paving \$ (49,000)
  - Cut back on area to be done
- Highway Engineering \$ (30,000)
  - Work push back to spread out engineering cost
- B&G Part-Time Wages \$ (12,000)
  - Not needed with FT person
- B&G Building Repair \$ ( 9,500)
  - Structural study to Houston Barn removed
- B&G Grounds Maintenance \$ (22,172)
  - Repair/Tennis Court/BB Court removed
- B&G Equipment Lease/Contract \$ (20,000)
- Conservation Commission \$ ( 1,549)
  - Land use tax changes
- Other Items Below \$5,000 \$ (28,144)

Mr. Traum stated that the CIP Committee “did an excellent job” and based on their recommendations, the Select Board decreased the CRF/Maintenance Trusts by \$218,000 as follows: Bridge/Culvert CRF Creation \$(100,000), Fire Vehicle Replacement \$(80,000), Town Hall Renovations \$(15,000), Sewer Equipment/Sludge Removal \$(8000), and Revaluation (15,000).

The total Individual Warrant Articles were decreased by \$564,000 as follows: Penacook Road Construction (spread over two years) \$(300,000), Field Repair at George’s Park \$(44,000), Tennis Courts Repair \$(20,000), and Houston Field Repair \$(200,000).

The Select Board changes/cuts amounted to \$1,023,465. The total proposed operating budget equals \$6,416,591 reflecting a \$278,380, or 4.54% increase from the 2015 approved budget. If the proposed budget is approved, the total tax rate will increase 27 cents over the 2015 tax rate of \$6.92. Major drivers totaled \$409,431 and break out as follows:

- Town Clerk (four elections) \$ 11,311
- Merit Wage Pool (3%) \$ 58,098

- Health Insurance \$ 68,281
- NH Retirement \$ 10,505
- Highway Sand \$ 18,000
- Highway Salt \$ 10,000
- Highway Gravel \$ 13,000
- B&G Additional FT Person \$ 25,048
- Fire Station Bond \$195,188

Mr. Traum mentioned that another item impacting the tax rate includes the War Service Credits of \$500 per totaling \$185,000 as set by Town Meeting vote. Also, a copy of Warrant Article 3 was included seeking approval of an additional \$5 motor vehicle registration fee collected from most all vehicles to support a Municipal and Transportation Improvement Fund. Mr. Traum thanked Town Administrator, Neil Cass, and Finance Director, Deb Gallant, for their “invaluable” efforts throughout the budget process.

Richard Houston asked about the impact of pushing back road projects by requesting a \$300,000 individual warrant article, rather than \$600,000. Mr. Traum stated that the Board did consider including \$600,000 and, in the future, may elect to bond \$3 million; however, the Board felt it was best to spread the costs out over a two year period. Don Houston questioned why the Board did not opt to request \$250,000 as recommended by the CIP instead of \$300,000 and asked that the Board reconsider. Mr. Houston said “the CIP and Select Board goals are the same; but it’s a matter of timing”. Ken Traum said the Board wants to continue increasing funding levels to maintain roads and the same issues will exist next year.

Deborah Norris asked whether the additional \$5 motor vehicle registration fee could “bring anything forward”. Mr. Traum said the funds raised would be a supplement, hopefully holding \$30,000-plus each year in contingency. Town Administrator Cass said the fund would be intended to leverage state and federal funds received for bridge maintenance which includes culverts.

Amy Bogart asked about the Buildings and Grounds part-time versus full-time employee and whether this would limit overtime hours. Town Administrator Cass stated that most of the overtime hours are primarily attributed to snow removal. Also, the snow removal contract at \$20,000 will not have to be renewed in the future due to the higher staffing level.

Richard Houston questioned the cost of field repairs (page 13). Mr. Traum said that repairing the baseball field and resurfacing the tennis courts was not recommended by the CIP. Also, the soccer field gets wet because of poor drainage so the topsoil needs to be removed and the drainage repaired. Amy Bogart verified that the 21.50% increase in Account 4155, Personnel Administration, was attributable to the staff merit pay increase and health insurance which is

shown as a lump sum to protect HIPPA rights (page 31). In response to a question by Don Houston, Mr. Cass said that employees pay 7.5% for the standard health insurance plan. A second, more expensive, plan is also offered to employees who pay 100% of the additional cost.

Mr. Traum stated that the budget also includes the costs of two EMTs for on-call ambulance back-up on Saturdays and Sundays from 7-7. Mr. Horner recalled that this practice was employed in the past and is needed. Mr. Horner asked what the town was doing about the statewide problem with opiod abuse. Mr. Traum said that Chief Pecora has met with school officials, staff is trained, and the ambulance does carry NARCAN. The Chief understands that “we’re not going to arrest our way out” of this problem. Mr. Chapin said that school presentations focus on rehabilitation rather than suspension. Kudos were expressed for Police Chief Pecora and Fire Chief Mumford and their staffs for their efforts in this regard and for their good work in general.

**Written Report for the 2016 Town Report:**

Richard Horner said that he is working on the written report. It is not yet completed.

**Public Comment:**

Chairwoman Krzyzaniak indicated that “we’ve reached saturation of increases in taxes” and any increase is going to hurt people. Richard Houston stated that Hopkinton is the most expensive place to live in NH. The tax rate for the town and county are in line with other municipalities but the school amounts to 70% of the tax increase. Mr. Traum said the Board tried to keep everything as low as possible. Don Houston stated that the Town’s position has worsened and moved from 5<sup>th</sup> place to 3<sup>rd</sup> place in accord with Department of Revenue Administration (DRA) figures. Mr. Houston continued saying it is the Budget Committee’s obligation to look at the whole budget and advise residents accordingly. Ginny Haines said that people complain about taxes but many are unwilling to give up their “special interests”.

**Next Meeting: Wednesday, December 9, 2015 at 5:30 p.m.**

**Adjourn:**

Don Houston moved, second by Richard Horner, to adjourn the meeting at 6:45 p.m. The motion passed unanimously.

Respectfully submitted,

Suzanne Beauchesne