

Town of Hopkinton

Budget Committee Meeting Minutes -- Approved Wednesday, January 27, 2016 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, Richard Houston, Ken Traum, Richard Horner, Amy Bogart, Virginia Haines, Deborah Norris, Diana Wieland, and Bill Chapin, Jr., School Board representative.

Also present: School Superintendent Steven Chamberlin, Matthew Cairns, School Board member.

1. Approval of January 20, 2016 Meeting Minutes

Richard Horner moved, second by Ken Traum, to approve the January 20, 2016 budget committee meeting minutes, as amended. Motion passed unanimously, 10-0.

2. School Budget/Teamster Contract

School Superintendent Steve Chamberlin and School Board member, Matthew Cairns, reported on the details of a “just finalized” agreement with the Teamsters Local 633. Mr. Cairns reviewed the information provided on a “Frequently Asked Questions” document distributed to Committee members regarding the proposed two year contract.

The contract impacts eight full time and three part time union employees, addresses new employees and aligns wages to be fairer. An additional maintenance worker position has been created that could offer a higher skill level; such as, electrical and plumbing work. Another addition includes casual employees having seniority status after 90 day hours. Also, part time staff will receive four hours of pay on each paid holiday. All current employees will receive 2.5% raises. In the past, staff received raises on their anniversary dates. Going

forward, all raises will be effective July 1st, and raises for current employees will be accelerated.

A new entry level wage progression was created for employees hired after ratification of the contract. Also, the process of hiring a substitute to a regular employee was codified. This changes and resets the starting pay for a custodian as follows:

Year 1: Day: \$15.00 from \$18.73; Night: \$15.75 from \$19.24
Year 2: Day: \$15.50 from \$19.19; Night \$16.50 from \$19.72

Diana Wieland asked about the contract impact on health insurance. Mr. Cairns said that in the second year of the contract, the HMO plan, at a 90% Employer, 10% Employee cost share, will be offered to new employees. Ken Traum asked if school buildings are reduced by one, would the number of staff be affected. Superintendent Chamberlin said that the contract will end before that happens and management determines the number of custodians necessary.

Richard Houston asked how negotiators were able to drop pay by \$3. Superintendent Chamberlin said that the minimum wage being dallied about was \$15 per hour. Deborah Norris asked how health insurance coverage compared to others. Superintendent Chamberlin said “we’re strong and should be attractive to potential employees”.

Chairwoman Krzyzaniak asked about the HESS contract. In the interest of full disclosure, Mr. Cairns was permitted to sit at the HESS negotiating table though his daughter works as a special education instructional aide. He said instructional aides are in classrooms every day to facilitate excellence in learning and assist students get the most they can from their education. The HESS contract also includes food service and library staff and the media specialist. Mr. Cairns said that the Teamsters agreement was done in two days; HESS took six or more meetings to reach agreement. Richard Houston asked who comprised the negotiating team. Mr. Cairns said it was an efficient process and hard fought. Some members of the team included Kevin Foley, Business Agent for Local 633, Nancy Scarmas(?), Bonnie Wilson, and the HESS President, Kathy ??.

It was mentioned that the Hopkinton Education Association contract will be up in two years. Richard Houston asked how much teachers earn per hour. Superintendent Chamberlin said teachers are salaried employees and there is no standard teacher day but their hourly wage averages \$33 per hour.

Following Superintendent Chamberlin and Mr. Cairns departure, Ken Traum reported that the Select Board had unanimously agreed to move forward on applying for a \$2.2 million bond for roads. Adding the \$250,000 warrant article will increase the tax rate by 2.7 percent. Richard Horner moved, second by Amy Bogart, to approve seeking a 10-year, \$2.2 million bond to begin the repair of Hopkinton’s roads, bridges, and culverts, including engineering

and construction costs. Deborah Norris asked if the work included sidewalks and what would happen if engineering costs come in higher than estimated. Ken Traum said there was a huge backlog of work to be done that will be prioritized by the Department of Public Works. Voters will get estimated costs.

Bill Chapin, Jr. said he was concerned that the town will have to go back to the taxpayers when bond funds are depleted and work remains? Richard Horner said economies of scale could be gotten if money is spent now and that eight culverts could cost \$30,000 or more for each. Don Houston indicated that the \$2.2 million will be eaten up in the first several years since it represents only ¼ to 1/3 of the funds that may be necessary to address all of the backlog work to be done. Deborah Norris said it was important that voters understand and see the reasoning behind the Board's decision and how actual savings can be reached. Ken Traum said that Select Board member Jim O'Brien will make the presentation at the Public Hearing. The motion passed 9-0-1 (Ginny Haines abstained).

Deborah Norris said she was concerned about the lack of balance between the school and the town budgets. Richard Houston pointed out that the first year payment on the bond would be zero. At four percent interest, the expected yearly payment on the bond will be \$308,000. In addition, the \$250,000 warrant article and the engineering line will not be included in the 2017 budget. The original thought of including a warrant article seeking \$600,000 would have added a 10 or 11% tax rate increase.

Don Houston pointed out that the tax impact of the 2016/17 proposed budget, including the \$250,000 warrant article, is 19 cents. Diana Wieland feels the school got a good budget. Richard Horner said the school has done a great job handling all of the Budget Committee requests.

Bill Chapin, Jr. said that over the last two and three years, the School Board has tightened its budget, and the town needs to drive-up revenue. Don Houston read a statement made by Virginia Barry, NH Department of Education Commissioner, having to do with declining enrollments, and the need to reorganize, transform, and make changes to the education system. Mr. Chapin said that state mandates make it unfortunate that "we have to apologize for being a good school system". He also indicated that the School Board is very cognizant of the taxpayers' concerns. Mr. Houston said that \$2.2 million has gone to the schools and the proposed budget does not do anything detrimental to the schools. The tax rate is driving people away.

Diana Wieland said she has no children and is now retired and her tax dollars have gone to the schools and now need to go to road repairs. Bill Chapin, Jr. stated that the impact of tier #29 is that six SAU employees will have their pay reduced. Don Houston said the school district can do what it wants regarding "reducing resources and downshifting work" which is the impact listed on tier #29.

Richard Houston indicated that even though enrollment has decreased, the SAU office has remained at \$1 million. The SAU office has never taken a cut and a “\$49,000 cut is not a big cut”. Mr. Chapin said he wanted to bring up what tier #29 represents. Amy Bogart said such cuts happen in the real world.

Bill Chapin, Jr. moved, second by Don Houston, to approve Warrant Article V, to raise and appropriate \$14,174.56 in year 1 of the Teamsters/Hopkinton School District contract, as presented. Motion passed 10-0.

Deborah Norris said she was not comfortable voting for one group of employees versus another. Richard Houston stated that in the school’s operating budget, everyone gets a raise

3. Presentation of the HVP Budget for 2016-17

Diana Wieland provided a copy of the Hopkinton Village Precinct’s MS-737. The HVP is looking to raise \$15,349 by taxes. This is the first year using the new form 737. The Department of Environmental Services is requiring improvements to the Water System, the cost of which is reflected in Warrant Article V. A new generator was purchased and \$5,000 was budgeted for a new floor listed under account 4194, General Government Buildings. Richard Horner moved, second by Amy Bogart, to accept the HVP 2016/17 budget as presented. Motion passed unanimously, 10-0.

4. Public Comment

Jodie Russell said she feels the budget is fair to the SAU and the School Board needs to differentiate between “needs” and “wants”. She has heard from others that the School Board cares more about image than the majority of taxpayers. Ms. Russell believes the School Board budget should remain flat.

5. Next Meeting: Public Hearing at 6:30 p.m. at the High School, February 3, 2016

6. Other Business

Richard Houston said that Mike Quiet told him that he was putting his house on the market because he can no longer afford the taxes -- \$11,000 this year.

7. Motion to Adjourn

Ken Traum moved, second by Amy Bogart, to adjourn the meeting at 7:45 p.m. The motion passed unanimously, 10-0.

Respectfully submitted,

Suzanne Beauchesne