

TOWN OF HOPKINTON
Budget Committee Meeting Minutes
Wednesday, September 14, 2016
-APPROVED-

CALL TO ORDER

Chairwoman Janet Krzyzaniak called the meeting to order at 5:30 pm, at the Town Hall, followed by the Pledge of Allegiance.

ATTENDEES

Janet Krzyzaniak, Don Houston, Ken Traum, Richard Houston, Deborah Norris, John Wuellenweber, Amy Bogart and Mark Zankel.

ABSENT

Ginnie Haines and Bill Chapin, Jr.

PUBLIC ATTENDEES

None

MINUTES

Ken Traum motioned to approve the August 17, 2016, Budget Committee meeting minutes with the addition of Bill Chapin, Jr., as absent. Debbie Norris seconded. Chairwoman Krzyzaniak said that Mr. Chapin might have additional corrections but in the meantime the motion carried unanimously.

FINANCIALS – Board of Selectmen

Mr. Traum presented the Town's Budget Revenues and Expenses Summaries through August 31, 2016. The Reports represent the Town's Budget through 8 months of the year.

On the Revenue Summary, the report shows 56.99% of the total budget being used, Mr. Traum says it's running low because the State pays at the end of the year.

Ms. Bogart asked why Line 3501 Cemetery Lots had such a big increase. Mr. Traum explained that there had been an increase in sales of cemetery lots. He also said that there may have been some record keeping updates made.

On the Expense Summary, the report shows 64.14% of the total budget being used. They're expecting to come in right around budget. Line 4220 Fire will come in higher because of the professional services of the interim chief. Line 4312 Highways & Streets includes paving, looks low but there is a lot happening now and next month so that'll be caught up.

Ms. Norris asked if the 2 roads were right on budget. Mr. Traum stated that Penacook Road was bid out with a bid that came in a little lower than they had anticipated but they had to do some extra work so the budget will come in close to budget. Kearsarge Road is being done in-house and it's going very well. He stated that there will be some other repaving, not rebuilding, done on East Penacook Road, out by the Transfer Station and on Hatfield Road.

Ms. Norris said that it was exciting to see the new roads in progress. Mr. Traum said if anyone sees Dan Blanchette or any of the guys from the Road Committee or Public Works to be sure to thank them.

Chairwoman Krzyzaniak asked if Kearsarge Road was coming out of the \$743,500. Mr. Traum said that Kearsarge Road was the street that was coming out of the operating budget as opposed to the bond. The rebuilding on Penacook Road, from the cemetery up, was out of the bond. Chairwoman Krzyzaniak asked if we were getting any money on Kearsarge Road for the sidewalk. Mr. Traum said no, that the requirements for Safe Sidewalks to School were such that it cost less to do the work ourselves. Chairwoman Krzyzaniak said we were given two grants at one point. Mr. Traum said there were three - 1 for the safe sidewalks on Kearsarge Road, 1 for sewer and 1 for speed suppression signs near the schools. It's Mr. Traum's understanding that they returned the Kearsarge Road grant because the head of the highway department figured out that the cost with the requirements (from the Federal Government) was more expensive to do. Mr. Traum said that he believes the speed suppression signs are still to go forward.

Chairwoman Krzyzaniak said that she was very impressed with what our town's employees have done on Kearsarge Road. They've worked extremely hard and the men know all that they have to do - the grading, the proper depth, everything they have to do to make the road and sidewalk right. She's very impressed that these people have learned how to do this right on the job over the years and that we have a lot of people that have been there for a lot of years which just shows that if you can keep your employees it makes a big, big difference.

She says that Booper just impresses her with any machine that he's in, he's just so relaxed and looks comfortable working with the equipment, and Dan is out there working right beside his guys. It makes a big difference when the boss is out there working with the guys and not sitting in an office overseeing the work. They did a great job on Spring Street.

Ms. Bogart asked about Line 4290 Emergency Management. Mr. Traum explained that that's the expenses related to a grant and he doesn't believe they've actually gotten the revenues in yet. Ms. Bogart said that the YTD Percentage Expended decimal point needed to be moved over.

Mr. Zankel asked why Line 4195 Cemeteries is coming in so much over budget. Mr. Traum said that Cemeteries has a trust fund and that everything gets charged to the town and then the town will get reimbursed through the trust fund at the end of the year.

FINANCIALS – Contoocook Village Precinct

Don Houston presented a Profit & Loss Budget vs Actual that shows that they're on budget. The completed project in the last two years of \$750,000 getting the pump and a tank up by Linda Kimball's on line has allowed all of us to go through a drought without any water shortages this year which was a major accomplishment. This is one of the reasons they did it and also it was to keep the precinct pressure up in this time of lack of water. The suit is still ongoing but it should be settled by the end of the year.

Chairwoman Krzyzaniak asked about Bear Pond. Mr. Houston said it was fine and the water didn't get too low this year. He further stated that Bear Pond has twice the capacity that we draw at the biggest time.

FINANCIALS – Hopkinton Village Precinct

John Wuellenweber said that he had nothing to report. Chairwoman Krzyzaniak asked that a report or statement of some sort be presented at the meetings stating what they've received, paid and what their expenses are. Mr. Wuellenweber said this would not be a problem and he'd have one for the next meeting.

Mr. Zankel asked what the relationship between the precinct budgets and the management of their budgets was with the Budget Committee. Chairwoman Krzyzaniak stated that the Budget Committee oversees all 4 of the financial budgets.

FINANCIALS – School Board

Chairwoman Krzyzaniak shared a letter from Bill Chapin Jr.

Dear fellow Budget Committee members,

Due to an important commitment I am unable attend to this meeting. In lieu of my attendance, I did want to provide some information on what will be coming to the Budget Committee in the near future:

An update on staffing - Due to increased enrollment, a Kindergarten section was added as there are 71 students in Kindergarten. This proved to be one of the highest enrollment a for Kindergarten in the last 20 years. This was an addition that was met without exceeding the 2017 budget.

A report on the end of the year financials (which is one of the things he wants to produce for us, says Chairperson Krzyzaniak) - I got that report, but I am leery to present it to the Board without a School Board representative to explain all of the lines. I do want the Board to be aware that the School District met all financial obligations estimated during the budget process. In addition, the Board continued sound fiscal management by relieving pressure of the FY17 budget, continued implementation of the FY16 budget, meeting some unanticipated needs not foreseen in the FY17 budget process, while staying under the FY2017 budget and we made a contribution to the tax rate stabilization fund.

At the next meeting, documentation of the end of the fiscal year decisions, monthly financial reports and a revenue analysis will all be provided for the Budget Committee.

At the last Budget meeting the School Board discussed a joint meeting with the Budget Committee prior to the budget process. One strong possible date is Monday, October 24.

I hope that the Budget Committee will seriously consider this, this can only help both parties. I am continuing to work with Michelle on providing a simpler, month-to-months report for the Budget Committee to read. This has been a much harder nut for me to crack but conversation on this has been extensive. I know and Matt Cairns knows that this has been a request from the Budget Committee for quite some time.

Respectfully Submitted, Bill Chapin, Jr., School Board Representative to the Budget Committee

Chairwoman Krzyzaniak stated that she's enthused about this meeting on October 24th and feels that we can accomplish a lot with it. Mr. Traum said that this is the same night as the Select Board meeting.

Discussion took place about who should be there and Chairwoman Krzyzaniak said that she really thought the entire Budget Committee should be there. She said that she and Bill would talk and see what they can work out for a meeting date.

Ms. Bogart asked if there was a way for the Budget Committee to get a copy of the line item copy of the School Board Budget. She feels that if the Budget Committee had a copy of that line item budget we could have found a way to trim that budget. She said with this information we could see where the spending is and question whether or not something in the budget is really an absolute need.

Don Houston stated that a part of the discussion that we would have at this joint meeting would be what do they need from us, what do we need from them, when do they want it, when do we need it? We need a higher level monthly report from the school. We don't need to get into the nitty, gritty of all details of all the items they have in there. We need an executive summary. In his opinion, he says we should be looking at the bottom line and not everything in it. We give them a bottom line number, they're the School Board, they're the professional educators, they then figure out how they're going to spend the money. Unless we give them that bottom line and they accept that this is the bottom line, with the teacher's contracts and everything in there, we're going to be back at this constant bickering of what's in this or that particular item. He further stated that the Budget Committee should give them the bottom line figure or percentage number and not get into the nitpicking. He says that he thinks Bill is having a hard time convincing the School Board as to what should be presented at the Budget Committee Meetings. Hopefully this meeting will clear up some concerns and make each other easier to understand.

Discussion continued about how to present the bottom line figure to the School Board, in October or November, about increases – maybe with a dollar amount or a percentage increase or perhaps putting together a tiered plan that shows dollars and/or percent so that both committees could see and agree what changes might need to be made to keep everyone in sync with the total tax increase. The Budget Committee has to keep in mind that there are certain line budget items that will increase that the School Board has no control over because of State or Federal Requirements. Last minute decisions don't work for either party.

Ms. Norris asked if we had anything from the Facility Committee. Chairwoman Krzyzaniak shared that Steve Chamberlain will recommend to the School Board at their meeting on September 20th that they go back to the drawing board and consider keeping all 3 schools open, shifting grades to make it work.

After a years' study the steering committee decided that there would be no cost savings to reduce to 2 schools. They basically had planned on lesser classrooms but the enrollment has increased so they need more classrooms.

The Facility Committee will have to go back and figure out what's most important. A member of the Budget Committee suggested the cost of safety per school first, maintenance to keep the schools within code and how to have a safe entrance at the high school, even if it means hiring a person to sit at the entry door (whether it be the front door or the gym entrance door). Chairwoman Krzyzaniak said that they said that nothing would be presented for the budget for this coming year, in March. They would discuss it and let people know where they stand perhaps with a warrant article to maintain that bond payment and that money would be put into a special fund to maintain a school capital reserve fund campaign.

Don Houston said that they said that after being given permission to spend \$50,000 to figure out the best plan to minimize the schools, the result will need to be shared at the School Board Annual Meeting, with what they've studied and options available with costs included.

PUBLIC COMMENT

No members of the public were present.

OTHER BUSINESS

Don Houston asked if the School Board has arranged a joint meeting with the local real estate agents in town (as in the past) to figure out the growth or lack of growth in town. That meeting is being arranged.

Ms. Bogart asked if there was any information on the CAT sites available for sale. Nobody has any information.

Chairwoman Krzyzaniak noted that the Fire Department Chief has had one request for a well to be filled but he explained that they couldn't because the water isn't pure water. The Chief said that he expected more requests but that if the men received a call to have them talk to the Chief. Don Houston said he expected that there would be more of a need, even this winter, if there is no ground water going in.

The Economic Development Committee is trying to think about how to keep families in town as baby boomer parents are leaving. Mr. Traum said that the committee is working on a working presence at events in town to figure out what residents (new and old) want to have available to them.

SCHEDULE OF MEETINGS

A schedule of Budget Committee Meetings, Selectmen's Meetings and School Meetings was given to the committee members. Chairwoman Krzyzaniak will check the schedule over and make sure the Budget Committee Meeting requirements are properly listed.

NEXT MEETING

Wednesday, October 12, 2016, 5:30 pm, at the Town Hall

ADJOURN

Ken Traum motioned to adjourn the meeting at 6:30 pm. Seconded by Don Houston. Motion carried unanimously.

Respectfully submitted,
Tammy Clay

