

TOWN OF HOPKINTON
Budget Committee Meeting Minutes
Wednesday, December 6, 2017
DRAFT

BUDGET COMMITTEE MEMBERS IN ATTENDANCE

Janet Krzyzaniak, Don Houston, Ken Traum, Rich Houston, Deb Norris, Amy Bogart, Ginni Haines, Mark Zankel, Matt Belanger, John Wuellenweber

PUBLIC PRESENT

Arnold Coda, Dick Lord, Deb Gallant, Neal Cass

CALL TO ORDER

Janet Krzyzaniak called the Budget Committee Meeting to order at 5:30 pm, at the Town Hall.

APPROVAL OF NOVEMBER 8, 2017, DRAFT MINUTES

Ken Traum motioned to approve the November 8, 2017, Draft Minutes. Amy Bogart seconded the motion. A vote was taken to accept the minutes, all approved.

PRESENTATION OF THE PROPOSED 2018 TOWN BUDGET

Ken Traum presented the 2018 Proposed Town Budget that was approved by the Select Board on November 27, 2017. The Select Board reviewed and discussed requests from each department and reduced or postponed expenses where they felt it was possible, with the overall purpose to provide good service while minimizing the tax impact.

They began with initial requests from the Department Heads with a 6.15% increase in the Operating Budget to \$430,231. Non-Property Tax Revenues would be up 5.35% to \$162,002. Warrant Articles for CRF's would be up 63.62% to \$341,000. Individual Warrant Articles would be up 100% to \$15,000. The total amount to be raised by taxes would be up 23.24% to \$1,018,029, which would result in an increase of \$1.65/thousand assessment.

The Select Board suggested changes to the Proposed Operating Budget to include: reducing the Merit Wage Pool from 5% to 3.5% resulting in a decrease of \$36,064; a \$5,000 reduction to the Cemetery Professional Services, with more to come from Trust Funds; a \$1,424 reduction to the Ambulance Wages for Training/Refreshers; a reduction of \$8,752 to the Ambulance Overtime; a 5% reduction in Highway Shimming/Paving, resulting in a decrease of \$207,000; a \$5,000 reduction to the Welfare Direct Assistance, with anything over to come from Trust Fund; reducing \$1,419 to the Conservation Commission, to return to 0, because they receive LUCT money; and a \$5,000 reduction to the Economic Development Professional Services, with funds remaining from 2017 to be used. The Total Operating Budget Changes would result in a decrease of \$269,659.

PRESENTATION OF THE PROPOSED 2018 TOWN BUDGET, continued

The Select Board suggested changes to the Proposed Capital Appropriations to include: a reduction of \$55,000 to the Town Hall Renovations; a reduction of \$22,000 to the Transfer Station Equipment/Facilities; a reduction of \$25,000 to the Sewer Equipment/Sludge Removal; a reduction of \$85,000 to the Town Facilities Maintenance Trust; and a reduction of \$20,000 to the Recreation Facilities Trust. This would result in a total reduction of \$207,000 to the Capital Appropriations.

The Select Board suggested changes to the Individual Warrant Articles to include: a reduction of \$13,000 to the Houston Park Site Design, that would be moved to a later year; and a reduction of \$17,000 for the Skate Park Fencing. This would result in a total reduction of \$30,000 to Individual Warrant Articles.

The above changes resulted in a total tax impact reduction of \$814,000, coming from: total Select Board cuts of \$506,659 and a total fund balance use proposal of \$308,000.

Comparing the 2017 Budget to the 2018 Proposed Budget

There would be a total Revenue increase to \$3,188,607; that is an increase of 5.35% or \$1,620,002. The major drivers include: Motor Vehicle with an increase of \$80,000; Ambulance Charges with an increase of \$35,000; Transfer Station Commercial with an increase of \$20,000; Checking Account Interest with an increase of \$20,500; and Landfill Grant with a decrease of \$24,000.

The Total Operating Budget would increase to \$7,123,415; that is an increase of 1.91% or \$133,319. The major drivers (over \$10,000) include: an increase of \$85,148 to Merit Wage Pool; an increase of 4.8 % to \$29,268 to Health Insurance; an increase of \$28,537 to Part-time Police Officer; an increase of \$10,000 to Ambulance Training Wages; a 5% increase of \$16,000 to Shimming/Paving; an increase of \$20,000 to Engineering; and a decrease of \$133,805 to the Landfill Bond.

The Capital Reserve/Trust Funds Appropriations would increase to \$665,000, a \$129,000 increase or 24.07%. The major drivers (over \$10,000) include: an increase of \$55,000 to Fire Vehicle Replacement; an increase of \$25,000 to Highway Vehicle Replacement; an increase of \$25,000 to Police Vehicle Replacement; an increase of \$25,000 to Town Hall Renovations; and an increase of \$20,000 to Sewer/Sludge Removal.

The Select Board proposed the following changes to the Capital Improvement Plan: Fire Department Vehicle & Equipment CRF, change the appropriation for 2018 from \$155,000 to \$105,000, change the 2019 appropriation from \$150,000 to \$200,000; DPW-Other Items, change the 2018 appropriation from \$25,000 to 0, expenditures to George Park bathroom/snack shack left in for 2020, but changed it from \$100,000 to \$75,000; Town Hall Renovations, changed the 2018 appropriation from \$90,000 to \$75,000, changed the 2019 appropriation from \$60,000 to \$75,000; and Town Facilities Maintenance Trust, changed the 2018 appropriation from \$30,000 to \$15,000.

PRESENTATION OF THE PROPOSED 2018 TOWN BUDGET, continued

Other items with impact include: Change in Fund Balance Use to \$308,000, which is a decrease of \$102,000 or -24.88%.

The Tax Rate Impact

Amount to be raised by taxes

<u>2017</u>	<u>2018</u>	<u>\$ Change</u>	<u>% Change</u>
\$4,379,691	\$4,550,808	\$171,117	3.91%

Tax Rate/per thousand

<u>2017</u>	<u>2018</u>	<u>\$ Change</u>	<u>% Change</u>
\$7.09	\$7.36	\$ 0.28	3.91%

DISCUSSION/QUESTIONS FROM THE BOARD

Discussion and questions included:

Fire vehicle replacement costs – It was explained that new vehicles are needed to replace vehicles over 25 years old because used vehicles don't have the same useful life or have excessive miles on them.

When the second floor of the fire station would create revenue, because the space was supposed to be used for training and classes to bring in revenue. It was explained that training costs use up the revenues, it is not really for a source of revenue.

Snack Shack renovations – It was explained that the bathroom facilities are going to be the major part of the expense.

The Fund Balance – It was explained that the Fund Balance use for 2018 would include the Operating Budget, Digitalization, EDC Studies, Town Hall Parking, and a Grader. There is \$332,889 available for 2018.

Town Hall renovations – Mr. Cass explained that the front stoop cement is crumbling and that there is a need to replace the entrance and make it handicap accessible. He also explained that there is a need for off-street parking and a ramp that comes right up to the door. The plan is to make the entrance more level and spacious, and one entrance door to be accessible to everyone.

Are there any anticipated large expenses coming up that we are not planning for right now? – There are road projects that need to be done and are not being done, in the amount of \$7M, but that won't be added until 2021.

PUBLIC COMMENTS

Arnold Coda asked:

That a more detailed summary of revenues and expenses be available for the public in future years.

What is the dollar amount of savings for the solar panels verses electric at the Fire Station? The numbers were not available for an answer.

PUBLIC COMMENTS, continued

Is there a replacement schedule for all town vehicles? The answer was yes.

Is the vehicle replacement based on age or hours of usage? The vehicle replacement is based on age and as the age of replacement comes closer, the question is asked if it is necessary for the replacement or if it is still dependable and useable.

What is the snack shack and what is the total amount allocated for that expense? The snack shack is the building at George Park between the baseball and softball field. The figure allocated in this budget is zero. The cost of renovations is not clearly known at this time. The bathroom renovations are going to be the major expense.

How many part-time police officers do we have right now, and why do we need another one? We have 3 part-time officers, 2 that work 1 shift a month and then 1 who has been working more. The part-time officers are, generally, less expensive than full-time officers. We have a full-time certified officer that is available to fill the need of the part-time officer, because we need coverage for our full-time officers, when they take vacations, go to training, and take time off.

What are the Town Hall renovations being proposed? The renovations include widening and redoing the parking, improving the access and the lighting on the outside. The renovations include 11 off-street parking spaces, with 1 handicapped parking space; a dedicated front entrance for everyone that is handicap accessible. Mr. Traum explained that the renovation is not scheduled and will not come before the Board until the 2019 budget, there is just money being put aside for that renovation this year. Mr. Coda asked that the Select Board consider the money proposed to be put aside for the 2019 renovations, in the 2018 budget, be removed to reduce the tax impact.

ANY OTHER BUSINESS TO COME BEFORE THE BOARD

The December 13, 2017, meeting is not necessary for the follow-up of the Select Board's Proposed Budget. Their budget seems clear, it will be considered for acceptance by the Budget Committee in January 2018.

It was noted that Matt Cairns has resigned, as of 12/1/17. He will be relocating to Rhode Island. The School Board is searching for someone to cover through March.

Matt Belanger explained that the NEASC Report is the driver as to what the Facilities Project costs will be. There are safety, security, elevator, and access issues that must be addressed. If these NEASC requirements are not met, the school district might be put on probation. This would make us one of only three districts in the region, that are publicly listed on their web site, as being on probation for not addressing the issues they said must be addressed. The letters the School Board has received will be shared with the Budget Committee, so that everyone is aware of what must be done to meet the accreditation and NEASC requirements. Safety and security needs in the Facilities Project are going to be of top priority, per Matt Belanger.

It was asked if the School Board Meetings could be published on the Town Calendar, so that there is one calendar for the public to go to for all town meetings.

The October 2017 Financial Statement received from Superintendent, Steve Chamberlin, was handed out.

UPCOMING BUDGET COMMITTEE MEETINGS - 2018

Wednesday, January 3	Regular Monthly Meeting, if needed
Wednesday, January 10	School Budget Presentation to the Budget Committee
Wednesday, January 17	Continuation of School Budget Presentation to the Budget Committee
Wednesday, January 24	Follow-up of School Budget. HVP & CVP presentation of the Budget Committee. Presentation to Budget Committee Review of all Budgets and Q&A
Wednesday, January 31	Budget Committee Deliberations, if needed
Wednesday, February 7	Public Hearing on all Budgets, Final Budget deliberations
Wednesday, February 14	Final Budget Committee Deliberations, if needed Public Hearing on School Petition Warrant Articles, if needed

MOTION TO ADJOURN

Amy Bogart motioned to adjourn at 7:00 pm. Deb Norris seconded the motion. There was no discussion. A vote was taken, and all approved to adjourn.

Respectfully submitted,
Tammy Clay