

**TOWN OF HOPKINTON**  
**Budget Committee Meeting**  
**Public Meeting Re: Town and School Budgets and Warrant Articles**  
**Wednesday, July 15, 2020 – via Zoom**  
**\*Approved\***

**BUDGET COMMITTEE MEMBERS IN ATTENDANCE**

Mark Zankel, Rich Houston, Steve Reddy, Jonathan Cohen, Ginni Haines, Ken Traum, Norm Goupil, Don Houston, and Thomas Lipoma.

**BUDGET COMMITTEE MEMBER ABSENT**

Janet Krzyzaniak was unable to attend and the Committee Members wished her well.

**TOWN AND SCHOOL OFFICIALS PRESENT**

Neal Cass, Town Administrator, and Steve Chamberlin, Superintendent of Schools.

**PUBLIC PRESENT**

There were approximately twenty-five Zoom listeners.

**CALL TO ORDER**

Mark Zankel called the Budget Committee Meeting to order at 5:31 pm, via Zoom.

Mr. Zankel read the following statement, because of meeting remotely. As Chair of the Hopkinton Budget Committee, due to the COVID19 Corona Virus crisis, and in accordance with Governor Sununu's Emergency Order #12, pursuant to Executive Order 2020-04, this Board has to meet electronically. Please note, this is no physical location to observe and listen contemporaneously to the meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, this is to confirm that we are providing public access to this meeting by telephone, with additional access possibilities by video or other electronic means. Specifically, we are using the Zoom platform for this meeting. All members of the committee have the ability to communicate during the meeting through the Zoom platform and the public has access to listen and participate in the meeting through dialing this phone number, 1-646-558-8656 meeting ID 892 1128 8232. There is also a web link available. Public notice of the necessary information for accessing the meeting is available on the Town's Website and on the Town's Facebook page. We have also provided a mechanism for the public to alert this body, during the meeting, if there are problems with access. We will adjourn the meeting if the public is unable to access the meeting. Please note that any and all votes, during this meeting, shall be done by roll call vote. This meeting is being recorded and will be available to watch at a later time. The link will be available on the Town Website. The Budget Committee members are unmuted, everyone else is muted. At the appropriate time you can use the "raise hand" feature to let the hosts know that you have a question or comment.

Mark Zankel began the meeting with a roll call of attendance. The attendees are recorded above. The only Committee member with someone else in the room with them was Mr. Zankel, as his wife Susan was in the room. Steve Reddy led the Pledge of Allegiance.

### **APPROVAL OF WEDNESDAY, MAY 27, 2020, DRAFT MINUTES**

Steve Reddy motioned to approve the May 27, 2020, Meeting Minutes. Ken Traum seconded the motion. Mr. Zankel asked for any corrections or discussion. A roll call vote was taken to approve the May 27, 2020, minutes. The vote passed 9-0.

### **PRESENTATION OF 2020 ROAD BOND – KEN TRAUM**

Mr. Traum explained that he would be presenting the changes that the Select Board are recommending to the Road Bond, as well as to the different budget items. Mr. Traum explained that he will begin with what had been presented previously and then he will explain how the Select Board are proposing to amend the article. He reminded the Budget Committee that the previous budget for the Road Bond was \$2.2M and now it is at \$1.8M. The original proposal was:

#### **Article 3: Bond Issue for Road, Bridge, and Culvert Rehabilitation**

To see if the Town will vote to raise and appropriate the sum \$2,200,000 (gross budget) for the planning, design, rehabilitation, and construction of existing town roads, bridges, and culverts, and to authorize the issuance of not more than \$2,200,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33), as amended; to authorize the Select Board to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project; to authorize the Select Board to issue, negotiate, sell and deliver such bonds or notes and to determine the rate of interest thereon and the maturity and other terms thereof; and to authorize the Select Board to take any other action or to pass any other vote relative thereto.

***(2/3 Ballot vote required – voting must be open for 1 hour).***

*(The Select Board recommends this article (5-0)).*

*(The Budget Committee recommends this article (10-0)).*

Mr. Traum explained that four years ago, at the Town Meeting, the Select Board was given the authority to issue a \$2.2M, 10-year bond, for road, culvert, and bridge work. At that time, the estimate was that there was an \$8M-\$10M backlog on work to be done in these areas. That \$2.2M has now been expended or committed to rebuild Penacook Road and Kearsarge Avenue, to replace two culverts on Briar Hill Road, one culvert on Rollins Road, and a bridge on Stickney Hill Road.

The Annual Operating Budget continued to increase the line item for shimming and paving by 5% per year. Such that for 2020, the amount that had unanimously been approved by the Select Board and Budget Committee Pre-COVID had been increased to \$370,500.

Per our Department of Public Works, the current backlog is again almost \$8M. Projects that should be done now are:

◦ Chip Seal 18 Roads	\$ 392,258
◦ Shim & Overlay 17 Roads	1,286,809
◦ Reclaim & Rebuild 20 Roads	3,954,771
◦ Culverts & Bridges	2,230,000
<b>TOTAL = \$7,863,838</b>	

What the Select Board was proposing Pre-COVID, and had been unanimously supported by the Budget Committee, was to seek at Town Meeting approval to issue a \$2.2M bond for Road, Bridge,

**PRESENTATION OF 2020 ROAD BOND – KEN TRAUM, continued**

Culvert Rehabilitation. The tax impact would not have been reflected until 2021. The \$2.2M was largely to pay for culvert replacement, as that was the area of most imminent need per our DPW.

The thinking, at that time, was that the bond would be used to cover the following projects:

Kearsarge Avenue	\$ 400,000
Briar Hill #2	390,000
Briar Hill #3	390,000
Bound Tree #1	130,000
Bound Tree #2	330,000
Tyler Bridge Re-decking	530,000
Engineering	<u>30,000</u>
	<b>\$2,200,000</b>

Among the factors leading to this proposal were: last year the State ordered Stickney Hill Road closed because the bridge (or large culvert) was unsafe for travel. To get the road opened as soon as possible, one of the culverts planned for Briar Hill Road was used for Stickney Hill Road; leaving two culverts on Briar Hill Road still needing to be done. At the same time, we also know that the approved permits reflect that we must complete the work when the permits expire in 2021. Also, the DPW has had to put a metal plate over a major culvert on Kearsarge Avenue, in order to keep the road open to traffic, until that culvert can be replaced.

With that background of the road bond, the Select Board and Budget Committee were seeking approval Pre-COVID for that anticipated \$2.2M, 10-year bond, recognizing at that time, that we were trying to balance the town's needs and affordability for the taxpayers by deciding not to request a larger bond. We have also included \$100,000 from the Capital Reserve Funds to meet similar needs and to start building up a reserve there.

Since then, we all know that the world has changed. Recognizing this, the Select Board has looked at all reasonable ways to minimize the tax impact on our citizens and businesses now and going forward.

The bond we are now seeking is being reduced from the \$2.2M to \$1.8M. The difference is that the Kearsarge project, which is now estimated to cost approximately \$200,000, will be paid for out of this year's DPW shimming and paving budget, which naturally means that there are other projects that will be delayed.

Kearsarge Avenue	\$ 0
Briar Hill #2	390,000
Briar Hill #3	390,000
Bound Tree #1	130,000
Bound Tree #2	330,000
Tyler Bridge Re-decking	530,000
Engineering	<u>30,000</u>
	<b>\$1,800,000</b>

## **PRESENTATION OF 2020 ROAD BOND – KEN TRAUM, continued**

### **Bond Cost (\$1,800,000)**

- 10-year bond at 2.25% interest – conservative estimate
- Total interest cost: \$247,500
- Year 1 payment  
\$245,250 = .31 on tax rate - \$300,000 property = \$93.00
- Year 10 payment  
\$184,050 = .23 on tax rate - \$300,000 property = \$69.00

Due to the passage of time now, we do not anticipate any borrowing will occur until the spring of 2021. Therefore, the tax impact might not hit in 2021, but in 2022. The reason we would like to have the authority to borrow now, is that during the winter we can bid the projects out and be one of the first in line, with the expectation that we can get a better price and quicker completion of the projects.

## **QUESTIONS AND DISCUSSION REGARDING THE ROAD BOND**

Norm Goupil asked if the Select Board had discussed if it would be level debt or level principal on the 10-year bond. Ken Traum responded that they had not gotten into the specifics yet.

Jonathan Cohen asked what the thinking was regarding pushing the borrowing off as opposed to doing it now. His concern was that the school is trying to push a big chunk of their borrowing off. He expressed his concern that the road situations are a need and not a want, why not get the money that is needed while the interest rates are low.

Ken Traum explained that in order to maintain a level tax rate this year, there are other costs that are being deferred until next year. He explained that next year's budget is going to be a horrendous one, we could be looking at up to a half million dollars' worth of additional costs that will need to be addressed. He explained that because of that, they felt they wanted to try to do everything they could do now to keep the tax rate down as much as they could. He agreed with the concern that the road situations are not going to get any better.

Ginni Haines asked how \$400,000 was found from the Operating Budget, is there anything not being addressed?

Ken Traum explained that as Public Works Director Dan Blanchette got more definitive estimates for the cost of the Kearsarge culvert, he was able to reduce the estimate to \$200,000, and that the \$200,000 will be paid out of his shimming and paving budget this year. There are other shimming and paving projects that will be deferred, which Dan Blanchette will make the call on which projects.

## **PRESENTATION OF THE PROPOSED OPERATING BUDGET – KEN TRAUM**

Ken Traum explained that he would begin with a summary of where we were Pre-COVID, then he will explain what the Select Board is proposing to amend. He explained that Warrant Articles 5, 6, and 7 will be staying the same. These items are what the Select Board and the Budget Committee unanimously supported and would have been presented at the Town Meeting in March 2020. The full view of the changes can be found on page 17 of these minutes.

## **PRESENTATION OF THE PROPOSED OPERATING BUDGET – KEN TRAUM, continued**

### **Final Results – Pre-COVID**

Operating Expenses	
Change in Tax Impact	\$ 421,350
CRF/Trust Fund Funding	
Change in Tax Impact	\$ 343,500
Individual Warrant Articles	
Change in Tax Impact	\$ 0
Use of Fund Balance	
Change in Tax Impact	-\$ 215,000

2020 Estimated to be raised by taxes	\$5,243,045	+\$390,485	8.05%
2020 Estimated Town Portion Tax Rate	\$6.75/thousand	+\$ 0.50	7.87%

Ken Traum reminded those listening that the Town operates on a calendar year basis, as opposed to the School that is on a fiscal year basis. The Town is already more than halfway through their year. In developing this proposal, Mr. Traum wanted to thank the Department Heads and Neal Cass for closely watching spending so far this year. He explained that in getting to their proposal, they are assuming that they will receive 100% of the funds that the State previously indicated that they would be receiving and that the Town would be fully reimbursed for all COVID related incremental costs they have incurred but nothing beyond that. This proposal also recognizes that some of our traditional town programs have been suspended and some costs are being deferred. He explained that next year's budget is one he does not even want to think about.

Ken Traum explained that he will be summarizing the new changes that the Select Board is proposing, which will eliminate the tax increase.

### **July Changes Eliminating Tax Rate Increase**

Operating Revenues, with the benefit of the last six months, they have revised the estimates for about a dozen different revenue sources (some up and some down) for net a net increase of \$35,401. The largest was to take an additional \$25,000 out of the Pay-by-Bag fund that has built up over the years. The next was to reverse their prior decision to send 100% of the Land Use Change Tax Revenues to the Conservation Commission, up from 35%. While the Select Board continues to fully support the work of the Conservation Commission, they do not feel that under today's circumstances that this is the appropriate time. This is a \$15,000 adjustment. The other, smaller adjustments are related to planning board and building permits, etc.

Reduction in Proposed Operating Expenses, amounting to \$183,200, they went through every line item (over 400 of them), comparing expenses for the first six months of 2020 versus the first six months of 2019. Reasons why the last six months of 2020 may vary from the first months looked at any staffing vacancies, program shutdowns, etc. At the end of the day, nearly 100-line items were adjusted. This resulted in the \$183,200 reduction versus what was proposed Pre-COVID. Among the largest dollar items included health insurance (over \$11,000), worker's comp (over \$4,000), electricity/heating/cleaning for town buildings (over \$22,000), police over-time and retirement (\$17,000), public works part-time wages (\$24,000), and shimming/paving (\$17,000).

## **PRESENTATION OF THE PROPOSED OPERATING BUDGET – KEN TRAUM, continued**

Reduction in the Proposed CRF Funding by \$142,500 to \$676,500 from \$819,000. The major changes are reducing the amounts to go to the road/bridge/culvert from \$100,000 to \$30,000. Fire Vehicle Replacement reduced by \$15,000, which will still enable us to replace our 25-year old Engine 2 with a new one, thanks to Chief Yale's efforts to line up a demo for us, saving us a fair amount of funds. Reducing Highway Vehicle Replacement by \$35,000, still enabling us to buy a loader.

Reduction in Use of Fund Balance by \$35,000. As soon as the budget for 2020 is approved, the process for 2021 will start. Looking ahead to that, the Select Board is aware that without additional funding from the State or Federal Government, the potential fund balance at the end of 2020, which we could use to level the tax rate for 2021 will be significantly lower than we have been able to use now and in prior years. They are reducing it now by \$35,000 to try to take a step towards leveling the tax rate in 2021.

They now have a more current town valuation than Pre-COVID. The increase in valuation on April 1, 2020 – this is up approximately \$9M related to new buildings in town, which provides us with additional revenue of \$63,568.

Ken Traum presented the budget numbers the Select Board is now proposing, as compared to the 2019 approved budget.

### **Revenue**

Estimated Revenues of \$3,414,993

- Increase of \$159,074 - 4.89%  
(\$98,471 – 3.13% without Sewer)
  - Major Drivers
    - Motor Vehicle Registrations \$ 80,000
    - Municipal Aid From State 49,891
    - Income from Sewer Fund 60,603 (CVP shared position)
    - Transfer Station Commercial -15,000
    - Recycling Revenue -15,000
    - Pay-by-Bag Revenue 25,000

### **Potential Future Revenue Sources in Process (to help alleviate the tax burden)**

- Part-time or Per Diem Economic Development Director
  - Half paid by the TIF Districts
  - To encourage development and obtain grants
- Solar Array at Transfer Station
  - Option has been exercised (Hopkinton and Webster have received \$2,500)
  - They are moving forward
  -

### **Operating Budget**

Total Operating Budget of \$7,520,646

- Reduced Increase to \$238,335 - 3.27%  
(\$182,403 – 2.54% without Sewer)

## **PRESENTATION OF THE PROPOSED OPERATING BUDGET – KEN TRAUM, continued**

### **Operating Budget, continued**

#### Major Drivers:

◦ TC/TC PT Wages (25 hrs/wk)	\$ 21,956
◦ Merit Wage Pool (3.0%)	74,739
◦ Health Insurance	116,545
◦ Police FT Wages	27,610
◦ DPW FT Wages	23,385
◦ Sewer Increase (offset by Revenue)	60,603

### **Warrant article for CRF & Trusts**

Total Warrant Articles of \$748,000

- Increase of \$201,000 - 36.75%

#### Major Drivers:

◦ Fire Vehicle Replacement	\$112,500
◦ Road and Culvert Rehabilitation	30,000
◦ Ambulance Replacement	50,000
◦ Library Building Systems	20,000 (paint/stain)
◦ Library Buildings & Grounds	41,000 (sprinkler upgrade)
◦ Sewer Equip./Sludge Removal	30,000
◦ Town Facilities Maintenance Trust	-20,000 (driveway PD)

### **Use of Undesignated Fund Balance**

Total use of Fund Balance to offset taxes \$315,000

- Increase of \$180,000 - 133.33%

### **Summary of Proposed 2020 Budget**

#### **Tax Rate Impact**

##### TO BE RAISED BY TAXES:

<u>2019</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
\$4,852,560	\$4,916,063	\$ 63,578	1.31%

##### TAX RATE:

<u>2019</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
\$ 6.25	\$ 6.25	\$ 0.00	0.00%

### **QUESTIONS/DISCUSSION REGARDING THE AMENDED TOWN BUDGET**

Jonathan Cohen asked when the last time was that there was a merit pool increase for employees.

Ken Traum replied that they have had a merit pool increase for the last few years. Mr. Traum explained that this increase has already been given to the employees, Pre-COVID. He explained also that there are analyses done every year for wage comparisons and adjustments are then made to their salaries.

Jonathan Cohen asked if the repaving at the Police Department has begun.

Neal Cass explained that the repaving has begun. They had an issue with the drainage going into the building. They are correcting the drainage to direct it away from the building. The town crew is doing



### **QUESTIONS/DISCUSSION REGARDING THE AMENDED TOWN BUDGET, continued**

the prep work and then the paving will be hired out. He explained that \$60,000 had been budgeted but it came in much less than that.

Mr. Cohen asked if we make money or lose money by having our own ambulance as opposed to hiring out to a third-party vendor.

Ken Traum explained that money is received from insurance companies for calls and they also provide service to Warner and Webster, who pay a share of the cost for the ambulance. Mr. Traum explained that years ago the town voted that they wanted their own 24/7 ambulance and police.

Neal Cass explained that the cost savings of not having our ambulance service was looked into and at that time there wouldn't have been a savings. He explained that the money going into a Capital Reserve also is offset, it is part of the formula that Warner and Webster are charged and the average they pay is based on 3-year call volume. He added that this has been in place for quite a while.

Don Houston explained that the question of having our own ambulance service has come up in the past and having our own service has been greatly supported by the people in town.

Jonathan Cohen and Mark Zankel suggested that another analysis should be done, to look at the financial aspect of having our own ambulance service, since it has been 10 years.

Ken Traum said they would look into having this done – to look at the financial aspect, as well as the value of the service.

Mark Zankel asked when the merit increases took place. He shared his concern that so many people have lost their jobs, and a large percentage of those who have jobs are foregoing salary increases this year. He is concerned that these increases seem out of touch with what is going on. He wanted to make sure it was noted that this stood out to him.

Neal Cass explained that the increases take place in the pay period closest to April 1<sup>st</sup> each year.

Ken Traum explained that at the time nobody knew what was happening. He explained that the unemployment numbers that he is getting from the state, for Hopkinton is much better than the state average at 6.6%.

Mark Zankel asked what the projected Fund Balance will be at the end of 2020, with the use of \$315,000 this year.

Ken Traum explained that it could be as low as \$35,000. He explained that they are looking at every avenue to save money.

Neal Cass explained that there is about \$100,000 remaining now and it all depends on how the 2020 budget goes, explaining that it goes up if they under expend expenses or over regarding revenue.

Mark Zankel asked how the Select Board weighs the use of the Unrestricted Fund Balance. In 2019, \$180,000 was used. With 2021, being a very difficult budget year for the town - with the proposal to



### **QUESTIONS/DISCUSSION REGARDING THE AMENDED TOWN BUDGET, continued**

use a lot this year to keep the tax rate impact at 0.0% this year – there won't be any access to funds to use for that year.

Ken Traum explained that they are very aware of the votes regarding the school budgets and they set an informal objective to get to a 0.0% tax rate.

Thomas Lipoma asked for clarification of the average 5-years of having an Unreserved Fund Balance of around \$300,000. He asked if every year the revenues just happen to be about that much over what has been expected?

Ken Traum explained that it is a combination of revenues higher than budgeted or employee vacancies during the year and added that they budget conservatively.

Neal Cass explained that they keep 5% of all the revenues they take in from taxes, which includes the school, precincts, town, and county. He explained that they are required to do that because no matter how property tax revenue comes in, they have to pay the school, precincts, and county. Within the Undesignated Fund Balance, they have to keep about \$1.5M (which is 5%). The amount that gets spent is above that \$1.5M. This Fund Balance also includes uncollected taxes that are on the books. He explained that they would have a real cash flow issue if people did not pay their taxes on time. If this were not the case, they would have to keep a larger fund balance.

Steve Reddy explained that he appreciates the work that the Select Board has done to get to a 0.0% tax increase. He asked if what has been done to get to the 0.0% tax increase is going to cost us more money next year or in the future? Are things that are being deferred now going to cost more money in the next year or after. Other than the road bonding, are there expenses needed to run the town that we are deferring?

Ken Traum explained that there are programs that are not being run this year because of COVID, that hopefully will be able to start running again next year. The expenses for these programs will then need to be put back into the budget.

Ken Traum also explained that roads are being deferred, but this has occurred well before when he came on the Select Board. He explained that people don't realize how expensive it is to replace a culvert.

Ken Traum explained, on the Operating Budget side, that they are reducing the Shimming and Paving budget item by \$17,000 from where it was Pre-COVID, and instead of putting \$100,000 into the Road Bridge/Culvert Capital Reserve Fund, they are only putting in \$30,000.

Don Houston commented that the roads are "the elephant in the room" that have been there for at least 10 years. He commended the Select Board for getting the budget down to a 0.0% increase, knowing that this is what the townspeople want to get the budget approved.

### **PUBLIC COMMENT – PROPOSED TOWN BUDGET AND ROAD BOND**

There was no public comment.

### **HOPKINTON SCHOOL DISTRICT UPDATES – NORM GOUPIL**

Norm Goupil reported some things that are happening in the School District that is quite significant. Most importantly, Steve Chamberlin has made it public that he will be completing his contract at the end of June 2021. He reported that Seth Aframe is chairing the search committee, along with Rob Nadeau to hire a new Superintendent. They are working on an RFP to send out for a consulting firm. He reported that the cost range would be about \$10K-\$15K, and it would be going out soon.

Norm Goupil reported they have started negotiations with the teachers and in the fall, will start negotiations with the support staff.

Norm Goupil reported that they have started the Building Facility Project. The demolition has begun on the bathrooms and the roof work has begun. They are using the bond to get the deferred maintenance done and the expansion at Harold Martin. Norm Goupil reported that the true interest cost of the bond is 1.76%. The School Board has agreed, upon recommendation from the Building Committee, to move forward with this bond as level debt for 20 years.

Norm Goupil reported that the School Board is currently engaged in multiple sub-committees that include the CIP Committee that meets monthly in order to plan forecasts for the School District and the Finance Committee is working to make sure to educate the community on how the school budget is prepared and how it comes together over the course of the year, and to produce a better format so that the information can be shared with the community in an understandable way.

Norm Goupil reported that the Back to School Task Force has been meeting on a weekly basis to discuss school for the fall. He reported that they have a lot to digest after receiving the Governor's information. They have sent out a survey to the teachers and parents, hoping that the feedback would give them a sense of direction, as to the next step for the School District. The top priority will be to keep the students and staff safe.

### **HOPKINTON SCHOOL SYSTEM UPDATES – NORM GOUPIL**

Norm Goupil shared information on how much has been saved over the course of last year, regarding to remote learning and additional revenue. Michelle Clark put together a Memo, dated June 24, 2020, that includes the financial statements, which show that approximately \$750,000 was saved. The information can be found at the following link, folder June F.pdf.

[https://drive.google.com/drive/folders/1pFBgyKMp\\_MhjO2u1BJksawjVu-a-0Cfb](https://drive.google.com/drive/folders/1pFBgyKMp_MhjO2u1BJksawjVu-a-0Cfb)

Norm Goupil reported that they have been able to use that \$750,000 to do the following work:

#### **Unreserved Fund Balance**

\$ 100,000.00	Technology
\$ 20,000.00	Water Heater at the High School
\$ 390,000.00	Tax Relief
\$ 200,000.00	Article X Tax Stabilization
<u>\$ 40,000.00</u>	Expense for remote learning
\$ 750,000.00	Total

### **QUESTIONS/DISCUSSION REGARDING THE SCHOOL SYSTEM UPDATES**

Thomas Lipoma asked why the full bond amount was not being taken out, with such a low interest rate. Norm Goupil explained that the School Board has agreed on taking \$5M now at this rate and

### **QUESTIONS/DISCUSSION REGARDING THE SCHOOL SYSTEM UPDATES, continued**

then the \$4.796M in March 2021, to give them flexibility in this budget of about \$123,000. He agreed with Mr. Lipoma, that at that rate, it would be a good idea to take out the full amount.

Steve Chamberlin explained that the bond sale has been completed. The application was submitted for \$5M. The next time, the School Board could participate in a bond sale, depending on budgets and where they are, would be January 2021.

Norm Goupil reported that the fire suppression bids have come back and are being sorted out. The Building Committee will then make a recommendation to the School Board on what can potentially be done with the additional funds.

Rich Houston asked about the state of the industry in the school districts around the state regarding the teachers and support staff. He asked, if because of COVID, if they are taking pay cuts? Are they honoring old contracts?

Steve Chamberlin explained that regionally, contracts are being honored, and supportive collectively bargained agreements are being implemented with increases. He explained that there are 17 school districts, in this area, that will be beginning negotiations under this new normal. He explained that we are honoring the Hopkinton Educational Support Staff contract and Teamsters contract, which was voted and approved.

### **PRESENTATION OF AMENDED PROPOSED HOPKINTON SCHOOL DISTRICT BUDGET – NORM GOUPIL**

Norm Goupil explained that this is the third time they are coming back with a proposal and that the School Board has listened to the community and to the Budget Committee – it is crucial that this budget gets passed. He has made himself available to the community to make sure all questions asked were answered.

Norm Goupil explained that their budget is about 80% salaries and that is the place for them to look in order to maintain core education for our students, because if they come back to school, or if education is remote, that they are able to provide them with the same great opportunity that they left with. He then presented a slide that described the proposed reductions. This slide can be found on page 18 of these minutes. He explained that the blue area shows the reductions. The tan area shows the Article III history, timeline, and its increase. Below that describes the change in the tax rate.

Norm Goupil explained that it is important to understand that it does include 2 sections of English, wood technology, math, numeracy specialist, section of art at the middle school, middle school sports, high school sports, district psychiatrist, and Dream Box. It includes everything for core values for our students to give them support and to give them what they need. He explained that this Board was able to come up with reductions, mostly administration, and still maintain core values. He feels this is the right, and appropriate, budget for our students and for this town at this time.

Norm Goupil discussed the history and where they are now and what has happened. He explained that in the beginning, they had an increase of 4.3% on the Operating Account, they came back with an additional reduction and used some of their Unreserved Fund Balance with a 2.53% increase – neither of these passed. They now come with a 1.8% increase on the Warrant, it is an increase that

### **PRESENTATION OF AMENDED PROPOSED HOPKINTON SCHOOL DISTRICT BUDGET, continued**

they must have for the schools that deals with health insurance, special needs, and things that are needed for the operations to work. He explained Proposed Article III tax rate information that is included on the slide, found on page 18 of these minutes. Mr. Goupil explained that everyone needs to continue to work together to maintain programs for our students, while respecting the tax rate for our community. He added that they cannot start on their next budget until this one passes.

Steve Chamberlin explained that one of the changes that still needs to be determined, is the Medicaid to Schools Program. Mr. Chamberlin explained that they have received \$20,000, because of work they have done. They had budgeted \$2,000 in the budget that was already done. He explained that at tax rate setting time, they will work together to come up with a number that is higher than \$2,000, which means that the \$0.07 tax rate may drop.

The next slide presented showed the expected revenues, which can be seen on page 19 of these minutes. The slide shows that the tax rate increase will be \$0.07/\$1,000. Mr. Chamberlin explained that the new reassessed value of the town is \$777M. Mr. Chamberlin explained that the new tax rate for the schools will not be more than \$20.47.

### **QUESTIONS/DISCUSSION RE: THE AMENDED PROPOSED HOPKINTON SCHOOL DISTRICT BUDGET**

Jonathan Cohen asked about the elimination of individual days and no raises for the salaried staff.

Steve Chamberlain explained that the elimination of days is a result of two positions in the schools- the registrar at the high school and an administrative assistant that, through the budget process, advocated for expanding the number of days that they work in the summer, because one of the schools gives lots of tours during the summer for the early elementary program.

Steve Chamberlin explained that because the town said no to the teacher's raises, their Board felt that it wasn't right to give raises to salaried workers.

Jonathan Cohen asked about the impact of eliminating the support staff position. He wondered about the morale of those providing the services and them being asked to do more.

Mr. Chamberlin explained that they were asked to do more with less and that is what they are doing.

Ken Traum asked about the use of the \$777M valuation. He asked why they were not using the more recent (4/2020) \$786M that would give them more flexibility. Steve Chamberlin replied that the \$777M was the last valuation number that he received as Superintendent of the Schools.

Ginni Haines explained that this budget is based on the adequacy formula from the state from last year. She asked if any communication from the state that they are going to guarantee that same amount of money. She said she understands that their revenues are down by over \$147M from their rooms and meals tax, plus the lottery fund.

Steve Chamberlin replied that he knows that there was \$640,000, one-time, not to be expected revenue. He explained that the base adequacy formula is constitutionally driven at \$3,650 per child with differentiated aid. He explained that he does not believe the state can unilaterally change the

**QUESTIONS/DISCUSSION RE: AMENDED PROPOSED HOPKINTON SCHOOL DISTRICT BUDGET, cont.**

adequacy formula, but they can certainly reduce some of the revenue. They have already reduced many things to zero, like building aid and retirement.

Ginni Haines asked whether it has been decided whether there will be no fall sports, and what impact will that have on the budget. What about the coaches and transportation?

Steve Chamberlin explained that they have not issued any club or coaching contracts because they don't know if they're going to have them and also because they don't have a budget. He explained that they have received advice from counsel that if contracts are issued, there will be a clause so that if there is something they can't hold this season, they will talk about a 50% reduction in the contract. Currently, they are not obligated to fund the coaching positions. He explained that, right now, everybody is still trying to figure that out.

Ginni Haines asked about the survey that is being sent out. She asked what the formula is for making the decision. She further asked how much they are relying on the responses as far as going forward.

Steve Chamberlin explained what they are trying to do, knowing that some teachers and support staff and families with students are at risk due to high risk issues, will not be comfortable in our schools. They are trying to develop a plan that acknowledges and understands that, while still trying to understand how important it is for students to come to school and have in-person learning. He is not sure how much data, fear, or anxiety will drive this survey.

Thomas Lipoma asked how the School's Unreserved Fund Balance came about. He asked if next year, do they anticipate being able to use \$350,000 out of the Unreserved Fund Balance again.

Steve Chamberlin explained that their Unreserved Fund Balance consists of unanticipated revenues received and expenses that are no longer necessary. He explained that what they do not use, in their budget, they return it. Mr. Chamberlin explained that things have changed, when he presented the budget in December 2019 (Pre-COVID), he asked the School Board to reset the Unreserved Fund Balance. He explained that most of the budget cycle they dropped from \$450,000 to \$150,000, increasing the tax rate by \$300,000 before they even started, but it was necessary to implement the program that the town voted on in March. He explained that he was happy with the \$150,000, because then if they did have \$390,000 then the \$240,000 could have been used for additional facility or CIP work, or other Board objectives. He has moved it to \$390,000 based on his 12<sup>th</sup> budget, he is confident they can still implement the budget. He explained that if it were moved to \$550,000, he is not confident, and they would need to freeze the budget. Mr. Chamberlin explained that he is confident that they will make the \$390,000 next year.

Mark Zankel asked for clarification on if there are changes regarding the school's athletic programs in the Operating Budget; are there any teams that are not going forward.

Norm Goupil explained that all sports are going forward, but assistant coaches are not being funded.

Mark Zankel asked if some revenue should be budgeted for Medicaid reimbursement.

## **QUESTIONS/DISCUSSION RE: AMENDED PROPOSED HOPKINTON SCHOOL DISTRICT BUDGET, cont.**

Steve Chamberlin explained that their expectations is that they will be putting a number in after Mandy Higgins reviews the billing.

Don Houston voiced his support of this budget and all the hard work that was put into it.

Mark Zankel shared his concern about the statement that Norm Goupil's statement that this budget is in the best interest of students and everyone in town. He is not sure it is in the best interest of students. There are a lot of really hard choices and reductions that were made. It is important to be honest about that and to be straight forward about what the impacts are on educational programs, so that people don't get the wrong idea.

Norm Goupil explained that there was a long list of what was needed to build this budget. There was a lot to consider, Rob Nadeau worked with the School Board, Steve Chamberlin, and Michelle Clark, looking at the impact of the student's core values. He explained that if this budget does not pass, we revert to a flat budget – our schools will not be the same. He said that he's heard from multiple people in town that have said they don't want to send their children to school in Hopkinton, if we revert to a flat budget, if you are an investor in town your property values are going to drop, people are not going to want to move to Hopkinton.

## **PUBLIC COMMENT – PROPOSED SCHOOL DISTRICT WARRANT ARTICLES**

Denis Goddard, Penacook Road – He explained that he is concerned by the statement that people wouldn't move to Hopkinton. People are fleeing cities and the properties that are selling are properties that have green, untainted land. Hopkinton also has a populous that understands sustainability and interacts with our environment.

Next year, there is going to be a large decrease in funds coming in due to layoffs and unemployment. Given that we are able to do remote instruction, how much money can be saved by moving on-line? How much has the School or the Budget Committee looked at, especially given that we are expected under the Governor's Task Force Guidelines, to be able to accommodate hybrid learning going forward, given that COVID may be with us for a fair amount of time.

Norm Goupil explained that the School Board needs to know what they are dealing with regarding their teachers, staff, parents, and students. Once that is established, they will work out the plans.

Steve Chamberlin explained that they are looking at a hybrid model. It is also recognized that for some families and students, in person classes are necessary for several reasons. He shared his concern that in some grade levels, it is hard to determine growth without an on-line environment.

Tammy Clay, Buckingham Lane – Shared her concern about how fast the taxes have increased over the past 24 years. The schools have provided a great education to all three of her children. The high taxes have limited being able to maintain their home and now, having only one income, it is becoming increasingly harder to justify staying in town. The hope was that this home would be one that their children and grandchildren would be able to come back to as a place to gather for special events and holidays.

### **PUBLIC COMMENT – PROPOSED SCHOOL DISTRICT WARRANT ARTICLES, continued**

Devon Chaffe, Briar Hill – She wanted to share her concern about the difficult position Hopkinton, and other towns, have been put in to due to the lack of funding structure of our state and how that has resulted in some really difficult choices this town has had to make in regard to school funding. There has been so much work that has been put into this budget. If this budget fails to pass, what will happen to our school system – the potential damage and harm that will be done to our students and educators.

Sarah Mattson Dustin, Dustin Road - It's miraculous that the School Board has been able to find a way to come to this proposal with everything, while preserving the core of the educational quality that this community treasures.

### **BUDGET COMMITTEE VOTES ON THE TOWN ARTICLES**

Ken Traum motioned that the Budget Committee support the Select Board's recommendation to reduce Article 3: Bond Issue for Road, Bridge, and Culvert Rehabilitation, from \$2.2M to \$1.8M. Rich Houston seconded the motion. Mark Zankel asked for any questions or discussions. There being none -

**A roll call vote was taken that the Budget Committee support the Select Board's recommendation to reduce Article 3: Bond Issue for Road, Bridge, and Culvert Rehabilitation, from \$2.2M to \$1.8M. The vote passed 9-0.**

Ken Traum motioned that the Budget Committee support the Select Board's proposed Article 5: Operating Budget of \$7,520,646, a decrease of \$183,090 from the amount originally proposed (\$7,703,736). Jonathan Cohen seconded the motion. Mark Zankel asked for any questions or discussions. Mark Zankel expressed unease with the discrepancy in how salaries are being handled across the town and the school and the Select Board's decision to move forward with the raises at a time when it was known that the Town Meeting was being postponed and all of the uncertainty during this time.

**A roll call vote was taken that the Budget Committee support the Select Board's proposed Article 5: Operating Budget of \$7,520,646, a decrease of \$183,090 from the amount originally proposed (\$7,703,736). The vote passed 9-0.**

Ken Traum motioned that the Budget Committee support the Select Board's proposed reduction in Article 6: Capital Reserve Funds – reducing the appropriations to \$676,500. Ginni Haines seconded the motion. Mark Zankel asked for any questions or discussions. There being none -

**A roll call vote was taken that the Budget Committee support the Select Board's proposed reduction in Article 6: Capital Reserve Funds – reducing the appropriations to \$676,500. The vote passed 9-0.**



### **BUDGET COMMITTEE VOTES ON THE SCHOOL BUDGET**

Norm Goupil motioned that the Budget Committee support the School Board's proposed amended School District Warrant, in the amount of \$20,923,855. Steve Reddy seconded the motion. Mark Zankel asked for any questions or discussions. There being none –

**A roll call vote was taken that the Budget Committee support the School Board's proposed amended School District Warrant, in the amount of \$20,923,855. The vote passed 9-0.**

Steve Reddy explained that it is his understanding that the School Board is working on a letter to the community explaining the work and the rationale behind them supporting the budget. He feels this would be vitally important for the Budget Committee to join the School Board in endorsing and signing that letter. He feels that it is important for the community, given the history of the votes and the contention and some of the misinformation being shared within the community, to see that their elected officials have endorsed this budget.

Ginni Haines wanted to make sure that the endorsement of this kind is within the role of the Budget Committee, as per the state, before this endorsement is done.

Mark Zankel had concern that the two Boards have fundamentally different roles and he is hesitant to have the two Boards being included in one letter. Another open meeting would need to be held to approve this.

Don Houston and Norm Goupil expressed their satisfaction with the personal Zoom meetings and being able to talk to community members who feel comfortable asking questions in a non-public setting.

### **ANY OTHER BUSINESS TO COME BEFORE THE BOARD**

Contoocook Village Precinct water supply test update – Neal Cass reported that on 7/14/2020 one of the tests came back that E coli was found in the Contoocook water supply. The Police and Fire Department went door-to-door and posted on Social Media sites and the Town web site that a 48-hour boil order was put into place. Retesting is done daily, and there needs to be 48 hours of clear tests, before the boil order can be removed.

### **MOTION TO ADJOURN**

Steve Reddy motioned to adjourn at 8:30PM. Jonathan Cohen seconded the motion. There was no further discussion. A roll call vote was taken. The vote passed 9-0.

Respectfully submitted,  
Tammy Clay

**Additional support pages are included on the following pages.**

**Town of Hopkinton Proposed Amended Budget shared at the 07.15.2020 Budget Committee Meeting.**

		<u>2019 Approved</u>	<u>2020 Proposed</u>	<u>\$ Change</u>	<u>% Change</u>
<b>REVENUE</b>					
<b>OPERATING REVENUE</b>					
	Operating Revenue	3,144,679	3,243,150	98,471	3.13%
	Sewer Fund Revenue	111,240	171,843	60,603	54.48%
	<b>Total</b>	<b>3,255,919</b>	<b>3,414,993</b>	<b>159,074</b>	<b>4.89%</b>
<b>PASSTHROUGH REVENUE</b>					
	Road Bond	-	1,800,000		
	From Special Revenue	110,910	121,380		
	<b>Total</b>	<b>110,910</b>	<b>1,921,380</b>	<b>1,810,470</b>	<b>1632.38%</b>
	<b>GRAND TOTAL</b>	<b>3,366,829</b>	<b>5,336,373</b>	<b>1,969,544</b>	<b>58.50%</b>
<b>EXPENSES</b>					
<b>OPERATING BUDGET</b>					
	Operating Expenses	7,171,071	7,353,484	182,413	2.54%
	Sewer Expenses	111,240	167,172	55,932	50.28%
	<b>Total</b>	<b>7,282,311.11</b>	<b>7,520,656.04</b>	<b>238,345</b>	<b>3.27%</b>
<b>WARRANT ARTICLE(CRF/TRUST FUNDS)</b>					
	To CRF	502,000	676,500	174,500	34.76%
	To Trust Funds	45,000	71,500	26,500	58.89%
	<b>Total</b>	<b>547,000</b>	<b>748,000</b>	<b>201,000</b>	<b>36.75%</b>
<b>WARRANT ARTICLES (INDIVIDUAL)</b>					
	Road Bond	-	1,800,000		
	Pay-by-Bag Special Revenue	110,000	120,000	10,000	9.09%
	Senior Center Rental Spec. R	910	1,380	470	51.65%
	<b>Total</b>	<b>110,910</b>	<b>1,921,380</b>	<b>1,810,470</b>	<b>1632.38%</b>
<b>OTHER RATE IMPACTS</b>					
	Fund Balance use	(135,000)	(315,000)	(180,000)	0.00%
	Overlay	215,693	179,000	(36,693)	-17.01%
	War Service Credits	198,400	198,400	-	0.00%
	<b>Total</b>	<b>279,093</b>	<b>62,400</b>	<b>(216,693)</b>	<b>-77.64%</b>
<b>GRAND TOTALS</b>					
	<b>GRAND TOTALS</b>	<b>4,852,485</b>	<b>4,916,063</b>	<b>63,578</b>	<b>1.31%</b>
	<b>TAX IMPACT</b>	<b>6.25</b>	<b>6.25</b>	<b>(0.00)</b>	<b>-0.06%</b>
2019	777,100,755				
2020	786,490,870				

Hopkinton School District Information Shared at the 07.15.2020 Budget Committee Meeting  
also found at [https://drive.google.com/drive/folders/1pFBgyKMp\\_MhjO2u1BJksawjVu-a-0Cfb](https://drive.google.com/drive/folders/1pFBgyKMp_MhjO2u1BJksawjVu-a-0Cfb)

Proposed Reductions from Original Warrant/ March 2020		Article III as Proposed by the School Board		
No Raises for Salaried Staff	\$32,601.89			Increase of
Eliminate additional days Individual	\$5,494.53	19/20 Budget	\$20,553,045	
Eliminate additional days Individual	\$1,883.65	Original Warrant/ March 2020	\$21,416,331	4.30%
Health Insurance Reduction	\$45,000			
Support Position Secondary (HESS)	\$30,474.82	19/20 Budget	\$20,553,045	
Staffing Change	\$8,241.87	Amended Warrant/May 2020	\$21,072,696	2.53%
Technology: Property/ Equipment	\$23,050	19/20 Budget	\$20,553,045	
Supplies /General Fund	\$15,000	Proposed Amended Warrant/August 2020	\$20,923,855	1.80%
HSD Heating Fuel	\$25,713	Proposed Art III Tax Impact	\$370,810	\$0.48
HSD Propane	\$2,460	Apply (Undesignated Fund Balance)	\$390,000	(\$0.51)
*HMS PE (.10)	\$6,620	Article III Impact		(\$0.03)
*HMS Art	\$3,679			
Restructuring Technology Dept	\$51,000	Previously Passed Articles		
MSS Special Education	\$100,824.70	Article VI (Teamsters)	\$12,437	\$0.02
*MSS Specials	\$13,201	Article IX (Repair/Maintenance Fund)	\$142,500	\$0.18
		Article X: Special Ed Fund	\$40,000	\$0.05
Non-Obligated Curriculum Development	\$16,000.00	Article XI: District Vehicle Fund	\$15,000	\$0.02
ESY Savings (Summer School)	\$20,000			
		Overall Tax Impact		\$0.24
Phased Bond Savings	\$122,265	Accounting for Revenue/Change in Tax Rate		\$0.07
		What that looks like?		
			Annual	Monthly
Total	\$523,509.46	200K Property	\$14	\$1.16
ADD Library Media Assistant	\$31,033	300K Property	\$21	\$1.75
New Total	\$492,476.46	400K Property	\$28	\$2.33
		500K Property	\$35	\$2.91

**Hopkinton School District Revenues Information shared at the 07.15.2020 Budget Committee Meeting –**  
**also found at [https://drive.google.com/drive/folders/1pFBgyKMp\\_MhjO2u1BJksawjVu-a-0Cfb](https://drive.google.com/drive/folders/1pFBgyKMp_MhjO2u1BJksawjVu-a-0Cfb)**

REVENUE SOURCES									
	2016/16	2016/17	2017/18	2018/2019	2018/2020	2020/2021	Variance		
	ACTUAL	Actual	Actual	Actual	MS24				
REVENUE FROM LOCAL SOURCES									
Tuition	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tuition Services	66,795.00	113,652.49	79,464.38	78,889.02	79,000.00	79,000.00	79,000.00	\$0.00	\$0.00
Food Service Sales & Transfers into FB	305,481.00	320,357.73	327,845.16	331,472.51	349,000.00	349,000.00	349,000.00	\$15,000.00	\$15,000.00
Student Activities	39,054.00	37,405.53	37,405.53	44,101.31	336,000.00	336,000.00	336,000.00	\$46,000.00	\$46,000.00
Other Student Activities (rent, debris etc aka)	56,786.00	52,762.57	52,834.29	61,616.23	580,000.00	580,000.00	580,000.00	\$0.00	\$0.00
Fuel & Grants and Donations	174,029.00	7,327.48	292.35	27,224.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Refund from HealthTrust for Health, Dental and Property Liability Insurance and other									
REVENUE FROM STATE SOURCES									
School Building Aid	166,786.00	164,285.73	173,285.76	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Special Education Aid	83,684.00	88,289.55	88,289.55	163,620.57	\$376,297.41	\$376,297.41	\$376,297.41	\$0.00	(\$172,862.00)
Statewide Transportation	4,436.00	3,276.50	3,276.50	5,024.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other State Aid	1,605,646.00	1,979,717.76	2,175,748.32	2,363,545.44	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00	\$0.00
Extension Grant	\$	\$	\$	\$	\$	\$	\$	\$	\$
State Property Tax	1,483,025.00	1,475,667.00	1,410,114.00	1,410,114.00	\$1,418,200.00	\$1,418,200.00	\$1,418,200.00	\$0.00	\$841,450.43
Public Infrastructure Grants	0.00	0.00	0.00	326,148.32	\$0.00	\$0.00	\$0.00	\$0.00	(\$38,784.60)
REVENUE FROM FEDERAL SOURCES									
Federal Program Grants	154,548.00	149,209.58	208,811.14	193,355.93	\$362,000.00	\$362,000.00	\$362,000.00	\$0.00	\$0.00
Other Federal Grants (CJ&S, PIRE&H)	76,768.00	81,245.69	74,579.33	232,944.67	\$250,000.00	\$250,000.00	\$250,000.00	\$0.00	\$0.00
Medicaid Reimbursement	223,259.00	174,546.62	165,817.26	183,121.13	\$2,500.00	\$2,500.00	\$2,500.00	\$0.00	(\$2,000.00)
OTHER FINANCING SOURCES									
Bond									
Transfer from Expendable-Maintenance Trust Fund(s)	813.00	-	917.13	75,481.58	\$91,796.692.00	\$91,796.692.00	\$91,796.692.00	\$0.00	(\$50,786,492.86)
Lease Transfer to Expendable Trust Funds	110,000.00	60,000.00	80,000.00	10,000.00	\$55,242.00	\$55,242.00	\$55,242.00	\$0.00	(\$55,242.00)
Transfer from Other Funds	470,376.00	480,000.00	561,100.00	561,100.00	\$175,000.00	\$175,000.00	\$175,000.00	\$0.00	(\$17,450.00)
Transfer from Other Funds - Budget Substitution Fund	0.00	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL REVENUE	\$ 9,529,694.09	\$ 9,450,441.74	\$ 9,707,818.89	\$9,699,128.41	\$16,356,289.00	\$16,356,289.00	\$16,356,289.00	\$0.00	\$6,836,594.91
TOTAL APPROPRIATIONS PER MS22 (APPROVED BY VOTE)									
Appropriations minus Revenues - ESTIMATED Amount to be Raised Locally	\$ 12,801,815.00	\$ 12,837,693.09	\$ 13,437,393.00	\$ 13,646,031.00	\$14,377,510.12	\$14,377,510.12	\$14,377,510.12	\$0.00	\$15,117.00
Revenues related to Operating Budget									
Revenues related to Welfare Activities other than Operating Budget									
Local Revenues at Ward Level									
TOTAL ESTIMATE TAX RATE IMPACT									
Valuation	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assessment	899,605,585.00	613,925,921.00	617,020,647.00	621,769,222.00	777,160,765.00	777,160,765.00	777,160,765.00	\$	\$
Local Tax Rate	12,801,915.00	12,939,693.00	13,437,393.00	13,646,031.00	\$14,377,016.12	\$14,377,016.12	\$14,377,016.12	\$	\$26,117.80
Local Tax Rate	\$1.119	\$1.027	\$1.051	\$1.059	\$1.100	\$1.100	\$1.100	\$	\$1.12
Valuation	582,588,766	586,811,124	595,686,347	596,102,822	746,482,866	746,482,866	746,482,866	\$	\$
State Tax Rate	1,659,696.25	1,675,696.25	1,683,696.25	1,683,696.25	\$1.683,696.25	\$1.683,696.25	\$1.683,696.25	\$	\$
State Tax Rate									

**FUNDING SOURCES**

Rate Stabilization Fund - Article X funds as of end of prior year after audit and tax rate setting process  
Amount to use during budget process (amount referenced above)  
Use during tax rate setting process  
New balance