

**Official
As of 2/28/08**

**BUDGET COMMITTEE MEETING
MINUTES
Thursday, February 21, 2008
Hooksett Town Hall**

CALL TO ORDER

The meeting was called to order at 6:00 PM.

ATTENDANCE

Chair S. Oliver, V. Lembo, D. Argo, S. Doyon, M. Sorel, J. Pieroni, and J. Hyde
J. Danforth arrived at 6:30 PM

Excused G. Kearney

Staff: Town Administrator, David Jodoin and Finance Director Christine Soucie

BUSINESS

Warrant Articles Review and Recommendations

Sewer Bond – 1.5 million

Article #3

To see if the Town will vote to raise and appropriate the sum of \$1,500,000 (One Million Five Hundred Thousand Dollars) for the purpose of completing the upgrades of the Hooksett Wastewater Department Treatment Facility and to authorize the issuance of not more than \$1,500,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Town Council to issue and negotiate such bonds or notes and to determine the rate of interest thereon; and to raise and appropriate an additional sum of _____ for the first year's principal and interest payment on these bonds or notes. (3/5 ballot vote required) RECOMMENDED BY TOWN COUNCIL (6-1)

S. Baines: This is the same Article we proposed four (4) years ago and the Council took under their wing last year under the guise of Cabela's. This money is needed to complete the Plant improvements. This will be a Town Article. It will be paid for by taxes. The other six (6) million was raised internally. With Cabelas procrastinating, and after discussion with their engineers, they believe they will come forward but not for another year. If we get this bond, and Cabelas comes back, we can then pay off this bond.

D. Jodoin: Isn't there a pre payment penalty?

S. Baines: You can argue that with the bond bank. This is a temporary bond until Cabelas comes forward.

C. Soucie: We will have to look into that with the bond bank.

M. Sorel: The Town still doesn't have a letter of intent from Cabelas. We do not have a business commitment.

S. Baines: Regardless, we still need to complete this project.

M. Sorel: Looking at the worst case scenario, we will not get the 1.5 million from Cabela. I have no knowledge that it will in fact happen. I would like to know if there is a prepayment penalty.

J. Pieroni: I agree, I would like to know if there is prepayment penalty as well. I also think that the TIF, mentioned in the bond, is confusing for the voter because they have been told that Cabelas isn't coming. This needs to be laid out more clearly and the cost of the project must be explained as well.

B. Kudrick: The plant is old and everything is worn out. The price of things have gone up and the State and EPA have made things more stringent. If we don't do anything, by next year, the State will mandate that we make changes to the treatment plant. We have had no violations but things are old. This town is growing. The commission was looking at, if something happens at exit 11, not necessarily Cabelas, it gives the capability to the Town to pay the bond off.

J. Pieroni: I think we need a better lay out of the cost.

S. Oliver: The Board wants to see it in writing. This Committee wants to see the cost, including what you presently have and what the interest will be.

S. Baines: We have been doing this Article for four (4) years and nothing has changed. We are looking at a 7 to 7.5 million dollar bid on Phase II, which will open on April 1 and we have approximately 6 million dollars now.

B. Kudrick: The 3.5 million dollar bond is being paid by the users now. The other money has been collected from system development fees. That money will build a treatment plant but will not increase our gallonage.

V. Lembo: Once you get the gallonage, could MS&G buy all that gallonage and put up homes?

B. Kudrick: They have gallonage now for 70 homes and some for where the scale house is located for commercial.

S. Baines: We could go to the Council and have gallonage aside for industrial development.

D. Jodoin: In June of 2009, the bonding for the Exit 11 TIF District goes away.

S. Baines: If this bond does get passed, there will be no additional hook ups.

M. Sorel: What is the impact on the tax rate for this bond, and can that be put on the warrant article?

C. Soucie: There are a lot of communities that put an estimated tax rate on their warrant. The question is "Is it lawful"?

S. Baines: We have completed Phase I of the plant improvements for \$700,000.

J. Pieroni: In order to put the tax rate of the bond on the warrant, you would need to know the type of bond and how many years the bond would be as well as what the rate would be.

B. Kudrick: The Board plans on putting the information with regard to the detail John Pieroni requested.

S. Oliver: We would like that information by the March 13th Budget Committee hearing.

Bruce Kudrick will have the information available to the Budget Committee by February 28, 2008.

V. Lembo: The correct way to word the Article is to put the total cost of the project and include the money which has already been raised.

S. Baines: We used an attorney to help draft the article.

J. Hyde: You should word it to say to complete an ongoing project.

Continued to February 28th.

Two (2) New Firefighters

Article #21

To see if the Town will vote to raise and appropriate the sum of \$129,548 (One Hundred Twenty-nine Thousand Five Hundred Forty-eight Dollars) for the salaries, benefits and taxes for two full-time Firefighters/EMT's for the Fire Department. If this article passes, the operating budget will be reduced \$99,672 in overtime for the Fire Department.

RECOMMENDED BY TOWN COUNCIL (6-1)

<u>Fiscal Year</u>	<u>Salaries</u>	<u>Taxes</u>	<u>Benefits</u>
2008-09	\$73,022	\$1,059	\$55,467

D. Jodoin: The two (2) additional firefighters were taken out of the budget and placed on a Warrant Article by the Council at the request of the Budget Committee.

J. Hyde: I would suggest, if the Department Heads meet the Council's goal of a 2% increase, they would be allowed to put the employees in their budget.

V. Lembo: I asked the Chief, "If you put two (2) men on the ambulance, how will you cover the calls". He said he would call in two firefighters.
The Warrant Article is circumventing the voters and getting two (2) additional staff for the ambulance.

M. Sorel: This was a compromise by the Budget Committee to allow the voters to decide if they want to hire two (2) more people.

S. Oliver: We suggested putting it in a Warrant Article and the Council did that.

J. Hyde: I voted against it at the Council because his department met the 2% goal and therefore it should stay in the budget.

*M. Sorel motioned to recommend \$129,548. Seconded by S. Doyon
Vote 2:6 motion failed*

Administration

Article #5

*To see if the Town will vote to raise and appropriate the sum of \$113,975 (One Hundred Thirteen Thousand Nine Hundred Seventy-Five Dollars) for salaries and benefits to be set aside in a merit wage pool for non union full-time and part-time Town personnel.
RECOMMENDED BY TOWN COUNCIL (7-0)*

<u>Fiscal Year</u>	<u>Salaries</u>	<u>Benefits</u>
2008-09	\$97,973	\$16,002

**J. Pieroni motioned to recommend. Seconded by V. Lembo.
Roll call vote unanimously in favor.**

CIP – Assessing Revaluation - \$50,000

Article #6

To see if the Town will vote to raise and appropriate the sum of \$50,000 (Fifty Thousand Dollars) to be placed in the Assessing Certification Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (7-0)

**J. Pieroni motioned to recommend. Seconded by M. Sorel.
Roll call vote unanimously in favor.**

Administration – Discontinue Capital Reserve Fund

Article #7

To see if the Town will vote to discontinue the following capital reserve funds with said funds with accumulated interest to date of withdrawal, to be transferred to the Town's general fund. RECOMMENDED BY TOWN COUNCIL (7-0).

*-Architectural and Engineering Plans for Town Center Building (established in 2003)
with a zero balance as of February 2008*

- Fire Department Computer Development (established in 2004) with a zero balance as of February 2008*
- Containment/Enclosure for Storage at Transfer Station (established in 2003) with a balance of \$1,391.72 as of February 2008.*

J. Pieroni motioned to recommend. Seconded by M. Sorel.
Roll call vote unanimously in favor.

Debt – reduction of unissued debt

Article #8

Shall the Town rescind \$16,000,000 of bonding authority that was authorized at town meeting in May 2006 and to comply with the results of the special election in October 2007 for the upgrades to the Town's infrastructure at Exit 11 Tax Increment Finance District, otherwise known as Cabelas. (3/5 ballot vote required) RECOMMENDED BY TOWN COUNCIL (6-1).

J. Pieroni motioned to recommend. Seconded by S. Doyon.
Roll call vote unanimously in favor.

Miscellaneous – Numeric tally

Article #9

To see if the Town will vote to continue the numeric tally of all town council and the budget committee votes to recommend or not recommend an article be printed in the town warrant next to the affected article.

No action take; not a money article

Park – Recreation Revolving Fund

Article #10

To see if the Town will vote to establish a Recreation Revolving Fund pursuant to RSA 35:B:2 II. The money received from fees and charges for recreation park services and facilities shall be allowed to accumulate from year to year, and shall not be considered to be part of the Town's general fund unreserved fund balance. The Town Treasurer shall have custody of all monies in the fund, and shall pay out the same only upon order of the Town Administrator. These funds may be expended only for recreation purposes as stated in RSA 35-B, and no expenditures shall be made in such a way as to require the expenditure of other town funds that have not been appropriated for that purpose. RECOMMENDED BY TOWN COUNCIL (7-0).

J. Pieroni motioned to recommend. Seconded by J. Danforth.
Roll call vote unanimously in favor.

Fire Special Detail - \$1.00

Article #11

To see if the Town will vote to establish a revolving fund pursuant to RSA 31:95-h, for the purpose of Fire Special Details. 80% of all revenues received from Fire Special Details will be deposited into this fund, and the money in the fund shall be allowed to accumulate from year to year, and shall not be considered part of the Town's general fund

unreserved fund balance; furthermore, to raise and appropriate \$1 (One Dollar) in order to pay for any details until such time as the outside payments are received. The Town Treasurer shall have custody of all monies in the fund, and shall pay out the same only upon order of the Town Administrator and no further approval is required by the legislative body to expend. Such funds may be expended only for the purpose for which the fund was created. RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY BUDGET COMMITTEE (8-0)

J. Pieroni motioned to recommend. Seconded by V. Lembo.

V. Lembo: Why is only 80% going into the fund?

C. Soucie: The direct cost of the detail is about 75%, so if you put the 25% in the fund, you can never get the money out. We will put 80% for Fire into the detail and the remaining 20% will go into the General Fund.

Roll call vote unanimously in favor.

Fire – Cistern Fund

Article #12

To see if the Town will vote to create a capital reserve fund under the provisions of RSA 35:1, to be known as the Fire Cistern Capital Reserve Fund, for the purpose of repairing and maintaining Town cisterns and to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) for this fund, and to name the Town Administrator as agent to expend. RECOMMENDED BY TOWN COUNCIL (7-0).

J. Pieroni motioned to recommend. Seconded by J. Danforth.

Roll call vote unanimously in favor.

CIP – Fire Air Packs and Bottles

Article #13

To see if the Town will vote to raise and appropriate the sum of \$20,000 (Twenty Thousand Dollars) to be placed in the Fire Air Packs & Bottles Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (7-0).

J. Pieroni motioned to recommend. Seconded by J. Danforth.

C. Soucie: \$53,000 is in the fund now and it is ongoing.

Roll call vote unanimously in favor.

Town Building Maintenance Fund

Article #14

To see if the Town will vote to raise and appropriate the sum of \$50,000 (Fifty Thousand Dollars) to be placed in the Town Building Maintenance Fund already established. RECOMMENDED BY TOWN COUNCIL (7-0).

J. Pieroni motioned to recommend. Seconded by J. Danforth.

M. Sorel: I'm concerned that number is too low.

D. Jodoin: It is low, but we have to start somewhere.

Roll call vote unanimously in favor.

Transfer Station – Scale Management Computer - \$9000

Article #15

To see if the Town will vote to raise and appropriate the sum of \$9,000 (Nine Thousand Dollars) to purchase a Scale Management Computer Program for the Transfer and Recycling Department, to replace an outdated system. Said funds to be withdrawn from the Solid Waste Disposal Special Revenue Fund, with no funds from current year taxation. RECOMMENDED BY TOWN COUNCIL (7-0).

J. Danforth motioned to recommend. Seconded by S. Doyon.

Roll call vote unanimously in favor

CIP – Highway Plow Dump Truck (Lease) - \$30, 205

Article #16

To see if the Town will vote to authorize the Council to enter into a five year lease/purchase agreement for \$151,000 for the purpose of leasing a plow-dump truck for the Highway Department, and to raise and appropriate the sum of \$30,205 (Thirty Thousand Two Hundred Five Dollars) for the first year's payment for that purpose. This lease agreement contains an escape clause RECOMMENDED BY TOWN COUNCIL(7-0)

J. Pieroni motioned to recommend. Seconded by J. Danforth.

Roll call vote unanimously in favor.

CIP – Parks Tractor/Loader/Backhoe - \$55,000

Article #17

To see if the Town will vote to raise and appropriate the sum of \$55,000 (Fifty-five Thousand Dollars) to purchase a Tractor/Loader/Backhoe for the Highway Department. RECOMMENDED BY TOWN COUNCIL (7-0).

J. Pieroni motioned to recommend. Seconded by J. Danforth.

Roll call vote unanimously in favor.

CIP – Administration Town Wide Computer Fund - \$10,000

Article #18

To see if the Town will vote to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in the Town-Wide Computer Development Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (7-0).

J. Pieroni motioned to recommend. Seconded by S. Doyon.

Roll call vote unanimously in favor.

CIP – Community Road Impact Fees - \$33,000

Article #20

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of a Road Impact Fee Traffic Study and to raise and appropriate the sum of \$33,000 (Thirty-three Thousand Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend. RECOMMENDED BY TOWN COUNCIL (6-1).

J. Pieroni motioned to recommend. Seconded by S. Doyon.

M. Sorel: There was discussion at the Council meeting and a presentation made by the Town Planner. It was stated that there is a window of opportunity to spend the impact fee and the study must be done before the money can be spent.

J. Hyde: I voted against this because we were spending \$100,000 to do a study to get \$186,000. I, therefore, thought it was putting good money after bad.

D. Jodoin: Once you have the plan, you can then spend additional money out of the impact fees.

M. Sorel: I thought \$100,000 was high for a study.

Roll call vote 6:2 (M. Sorel and S. Doyon). Motion carries.

Highway – 2 Truck Driver/Laborer - \$118,294

Article #22

To see if the Town will vote to raise and appropriate the sum of \$118,294 (One Hundred Eighteen Thousand Two Hundred Ninety-four Dollars) for the salaries, benefits and taxes for two full-time Truck Driver/Laborers. RECOMMENDED BY TOWN COUNCIL (6-1).

<u>Fiscal Year</u>	<u>Salaries</u>	<u>Overtime</u>	<u>Taxes</u>
<u>Benefits</u>			
2008-09	\$57,824	\$9,592	\$5,158
\$45,720			

M. Sorel motioned to recommend. Seconded by J. Danforth.

Roll call vote unanimously in favor.

CIP – Community Development Master Plan - \$10,000

Article #23

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of updating the Town of Hooksett's Master Plan and to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend. RECOMMENDED BY TOWN COUNCIL (6-1).

***J. Pieroni motioned to recommend. Seconded by J. Danforth.
Roll call vote unanimously in favor.***

CIP – Police Emergency Radio Communications - \$30,000

Article #19

To see if the Town will vote to raise and appropriate the sum of \$30,000 (Thirty Thousand Dollars) to be placed in the Emergency Radio Communication Development Capital Reserve Fund already established RECOMMENDED BY TOWN COUNCIL (7-0).

***J. Pieroni motioned to recommend. Seconded by J. Danforth.
Roll call vote unanimously in favor.***

Building – Contracted Assistant Building/ Zoning Inspector - \$10,400

Article #24

To see if the Town will vote to raise and appropriate the sum of \$10,400 (Ten Thousand Four Hundred Dollars) for a contracted Assistant Building/Zoning Inspector. RECOMMENDED BY TOWN COUNCIL (6-1).

C. Soucie: There is \$133,000 currently in the fund.

M. Sorel motioned to recommend. Seconded by S. Doyon.

J. Hyde: I believe you can slow down growth by limiting the Code Enforcement's availability.

D. Jodoin: This was put in for zoning violations more than for inspections.

Roll call vote unanimously in favor.

CIP – Parks Facilities Development Fund - \$10,000

Article #25

To see if the Town will vote to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in the Parks and Recreation Facilities Development Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (4-3).

***J. Pieroni motioned to recommend. Seconded by J. Danforth.
Roll call vote unanimously in favor.***

ADJOURN

The meeting was adjourned by the Chair at 8:25 PM.

Next meeting is scheduled for February 28th at 7:00 PM at the Hooksett Town Hall.

Respectfully submitted,

Lee Ann Moynihan

