

## Official

# BUDGET COMMITTEE MEETING WORKSHOP Town Hall 35 Main Street Saturday, February 4, 2012

### Call to Order

The Budget Workshop was called to order by Chairman Miville at 1:02 pm.

### Attendance

Chairman Miville, T. Keach, D. Pearl, JR Ouellette, F. Bizzarro, K. Hughes, N. Haas, T. Lizotte, and D. Argo.

Excused – G. Smith

Absent: Hooksett Village Water, Hooksett Central Water

Budget Overview of 2012-2013

**Dean E. Shankle, Jr. Ph.D, Town Administrator**

Handout provided.

The Council recommended budget is \$15,968,007.

Dr. Shankle presented an overview of the budget which represents a budget which maintains level services without increasing costs.

Total staff is down one with the change from one full time police to part time.

The 2% wage increase will be in the Administration budget. There is also a 1% one-time bonus not to be added to the base pay which will be tied to goals. There has been some shifting of agencies. (i.e. Red Cross to Fire)

Reduction in the operating budget:

Land Purchase - \$20,000

Lease Payments - \$43,697

Bond Payment for the Safety Center - \$122,913

Overtime, primarily in DPW - \$59,515

Ambulance (now self-funding) - \$74,577

Increase:

Fuel - \$50,898

Health Insurance - \$41,182

Fire Union Concessions - \$59,800

Maintenance (Building, Vehicles, Equipment) - \$29,263

Legal Cost - \$8,000

Old Home Day - \$9259

Rental Equipment - \$30,257

Non-union employee raises - \$60,699

Police Commission staffing - \$64,600 and vehicles - \$62,700

The Council recommended budget is \$322,069 greater than the Default budget.

Operating Revenue 6.5% reduction due to one-time decreases which include:

Ambulance Services - \$150,000

Sale of Property - \$202,000

School Payment from plowing - \$82,651

Possible revenue increases:

Vehicle Registrations Transportation Fee

Increase in Building Permit Fees

## Building Inspection Fees

D. Pearl: Our cable contract is coming up and has been controversial. The town takes in \$100,000 in franchise fees which have always gone into the General Fund. Moving ahead, what are your views going into the next contract? Are you in favor of getting rid of those fees?

Dr. Shankle: My general feeling is it is a user's fee; it is a tax. Some towns use it for cable but there's no reason you have to do that. That will be a Council decision as we go forward. I don't see any reason to put together a television station. We will be live streaming on the internet and everything will be on the internet. So is there a need to continue to collect those fees? It is a political question. I don't know if the school does anything with classes, and I don't like not getting anything from the cable company for their use of our lines. We should get something from the cable company. We should be looking at that contract soon.

T. Keach: The Court struck down the employee retirement increase so there is the potential of returning that increase to the employee. It is not reflected in here because it just came down last week. This may be an unanticipated cost at some point.

Dr. Shankle: I don't know that the issue has been resolved. It will probably go to Superior Court and we won't know where that goes for quite a while. There is not real way to adjust in this budget for that. I would think the DRA would allow us to get that fund if needed. I don't think it will be a big problem.

K. Hughes requested more information regarding the increase in postage for some departments.

Dr. Shankle stated he will get the information.

N. Haas: Where is the \$59,000 savings in overtime?

Dr. Shankle: This was primarily in DPW and looking at used vs. budgeted. I look at the actual spent and then budgeted accordingly.

M. Miville: Why do certain boards and committees have varying stipends from \$400 – \$1200? There is no consistency.

Dr. Shankle: I suspect that over the years, committees have put things in budgets and they have gotten what they requested. It was somewhat political. I think it develops historically.

D. Pearl: Is this common in other towns as well?

Shankle: It is because it is usually a perception of how much time is put into a Board. It is a historical and political.

## **Presentation of the Budget/Warrants/CIP – Departments**

### **Library**

Library Trustees - M. Farwell, B. Davis, M. Broderick, T. Hooker, L. Kleindschmidt

H. Shumway, Librarian presented the library budget.

The budget approach was three prong. We look at our level of service to meet the needs of the community. An example is the increase in e-book use. Programs were reviewed and changes made accordingly. (Movie night was discontinued and seminars for adults and a Baby Bounce program added) A comparison of the cost of museum passes and the cost saving for the community showed a cost of \$1890 in passes resulted in a savings of \$17,872 to users. The implementation of free e-books has added 59 new e-book accounts with no decrease in traditional book check out.

The wage increase is \$3366 for a third circulation clerk on Saturdays during peak hours of 11 am to 5 pm. This does not include the 2% wage increase.

Other increases were in the health insurance due to a personal change in staff from one to two person plan. The expectation is this trend will continue in future years.  
 The utility line remained at \$39,500 with the continuation of efficiency changes.  
 There is an increase in technology for \$3500 for hardware and \$1701 for software to replace two (2) computers which are nine years old.  
 An increase of \$1000 is for Hooksett's contribution to the Consortium van which is needed as a result of cuts made by the State.

H. Shumway: Training was cut last year as a result of a Council request to look at cutting. We are looking to put that money back.

### **Police**

Joanne McHugh, Police Commissioner and Captain John Daigle, Acting Police Chief  
 The commission held five (5) Workshops to develop this budget. It was developed through input received from the department requests as well as the results of the audit.

Overview:

The budget presented is \$3,585,410. This is a conservative budget with an increase of \$270,000 over the approved budget of last year. This will be the integration of a new policing strategy. The result will be an improved department that works collaboratively to give the best service to the town which includes additional staff, training, development a strategic plan, career development plan, revision procedures.

Budget changes are in staffing, retirement, fuel, vehicle, vehicle maintenance, and training.  
 The change in staffing is to realigning sworn personnel from supervisor to patrol.

Proposed 2012-2013 staffing

25 full time and 1 part time staff

The budget includes one new civilian program manager.

Part time patrol officer will continue to support patrol positions.

Captain Daigle: The biggest change is eliminating the patrol lieutenant that was in charge of fleet maintenance. That will be replaced by a civilian part time position. That will allow another officer in the sworn position where needed.

We added a part time position and change procedures and the way we do business which will require more record management.

We have started with the management team to shift responsibilities and realigning duties.

M. Miville: The patrol lieutenant is eliminated. Is that an open position (new patrol officer)?

Captain Daigle: The person in that position retired yesterday. That position will be moved to the patrol. We currently have seven (7) openings including the Chief's.

JR Ouellette: How many extra employees are you hiring?

J. McHugh: We are basically doing a reorganization. We are starting with Administration. When we speak of Administrative Lieutenant, that was brought down and there was a need for additional patrol officers. We wanted 15, so we needed to get to that number. We also needed additional clerical help to do the additional typing and record keeping. The officers were doing that work in the past, that is why there is a lot of reorganization to make best use of people's time. To do that, we had to reallocate the dollars. Previously our overtime budget was around \$365,000. Now our overtime budget is \$135,000. By reallocating resources and looking at part time positions to file in, we have diminished the amount previously requested.

JR Ouellette: If you had 37 appropriated in the past. What is the increase in the staff number?

Captain Daigle: Just the two (2), the part time clerk and the part time maintenance. The sworn number will not change.

J. McHugh: The PSSG will try and gain an understanding with what is needed for the fleet maintenance position. We will be hiring that position as soon as we have a handle on what we need and what the position requires for time.

D. Argo: The current staffing is increasing by 2 part time positions over current staffing?

Captain Daigle: There are 25 sworn officers and 1 part time.  
Proposed will be 1 part time coordinator and 1 part time administrative.

JR Ouellette: Most of the command staff has either retired or left with the exception of one (1). Is there any discussion about adjusting the base salaries for the command staff?

J. McHugh: There has been no discussion about that.

D. Pearl: Has there been any discussion about the salary for a new chief?

J. McHugh: The figure in the budget is the amount the previous chief was earning. There has been no discussion about that.

Dr. Shankle asked them about their understanding of fleet maintenance with the DPW.

J. McHugh: We have been working on this since I've been on the Commission. In the past, the fleet was maintained by DPW. Over the years, positions were cut in the DPW and they could not continue to provide that service. The Police Department had to incur the cost to send those vehicles outside. The Police Commission has worked over the year with the Town Council Rep to make sure anytime those vehicles needed repair; they got bids associated with that to get the best price. Over the last few months, we spoke with the Town Administrator to have it done within the town. We had occasion to have work done by DPW and it worked well. In exploring that it seems there is an effort to try and see if we can go back to having the DPW do the work and the Police Department incur the cost of parts. That will free up space in the department that is being housed that is not part of the Police Department. This will be a win win. I commend Dr. Shankle for working with us along with Leo Lessard.

T. Keach: In Boston they were sued for not having a certified mechanic working on their equipment. Someone was killed and they didn't have a certified mechanic. You need to maintain proper records.

Dr. Shankle: My understanding is we have a certified person to do work on the Fire trucks.

M. Williams: EBT is an emergency vehicle technician. We are looking to get a new mechanic that is EBT certified. I believe Leo has agreed the new mechanic will get that certification training.

J. Daigle: The previous discussion of transferring the Police van to the Fire Department is not going to happen.

D. Argo: You are decreasing the total number of vehicles and replacing two vehicles based on needs. Are you offsetting your maintenance needs?

Captain Daigle: One unit being replaced is down with the need for a new transmission. To put more money into that is not prudent. Another vehicle needs a transmission as well. The total repairs to that vehicle are \$6000. Just for these two vehicles, it is more cost effective to replace the vehicles.

T. Keach: Is two vehicles enough based on the maintenance costs.

J. McHugh: We had the lieutenant come in and report the mileage and age and the repair history for each vehicle. Last year, we became aware that there were two (2) new vehicles that were not being used. One was 2008 and one was 2010. We put those into service which allowed us to take the four (4) worst ones and turn them over to the town. We did a lot of research and looked at all the repair records and this is the best way to get us on a good vehicle cycle.

D. Pearl: With the reorganization, can we expect better data regarding the fuel and vehicle records? Will you adopt a software package?

J. Daigle: We are looking into that and speaking with DPW, they have a software system that will track cost of repairing vehicles as well.

Dr. Shankle: The four (4) cars that we got we tried to sell. We went to DPW and they were able to put two (2) cars together out of the four (4) we retired, so we will now run them and not pay mileage for employees to use their own personal vehicles.

T. Lizotte: The Police are in a rebuilding phase and I think they are taking a conservative approach. I keep seeing, in all departments, information which is data driven. When we see the data there is a lot more transparency. The more resolution to the data the better. I support this. Even though you are adding two (2) people, looking at this as an entire budget, it is still under the budget from last year. As each department came to the Town Council, they came and said what we can do to save money and resources. It is the first time I've seen this approach and I believe it is driven by Dr. Shankle. You are rebuilding and they made an investment in a plan and you can see the plan. I've got confidence in this plan and that is why the Council voted to support this.

K. Hughes asked if there would be time for training. In the past, that was a concern.

Captain Daigle: We do a rotating two (2) day schedule for training.

D. Argo: Your vehicles decreased but the maintenance increased?

J. McHugh: We still have some aging vehicles and we included in the budget what the actual past expenditures were. I also said, given the fact of the increase supervisors and increase patrol on the west side the mileage will increase and there will be additional cost associated with it.

M. Miville: My view is the \$80,000 for fuel might be too low.

J. McHugh: The fuel is through a state bid and is guaranteed for six (6) months. That is how we arrived at that figure. If the Budget Committee would like to increase that line, the Police Commission has no objection.

M. Miville: You have gone over on your legal line and are 50% expended this year. Will there be enough?

J. McHugh: In the past the legal line has been extreme. I think it was how it was approached. Previously the Town had attorneys they went to for many questions. We now deal with LGC first with a question. If they cannot provide the answer, we go to our Town Attorney. By using the same attorney as the town, we see a savings. We are trying to contain the cost. We have gone through a number of hearings where we need counsel and that have cost us money. We hope that will now be limited.

### **Transfer & Recycling**

D. Boyce: We have a \$53,000 decrease because of the automated program. Our disposal fees are down \$30,000 due to recycling. The increase is on price for disposal fees. We are adding \$5000 for fleet maintenance due to aging equipment. We will be decreasing our wage line. Our fuel is up because we will provide two (2) services in the future.

T. Lizotte: We, the Council looked at this as a whole, there are increases in personnel in police and decreases in Transfer, and this is a more efficient budget.

M. Miville: The tipping fees increase \$50,000?

D. Boyce: We are under a contract with Waste Management and those fees have increased. We have no control over that.

T. Lizotte: The Council has the ability to get tracking data from the Recycling and Transfer. The report is data driven and we can monitor these programs. This shows a lot of the departments are data driven and getting better at tracking their cost.

### **Department of Public Works**

Leo Lessard:

Highway:

Items increased:

Rental and Leases – A rubber tire excavator with a year's lease to do drainage swales.

Guard rails that need to be replaced costs \$10,000 to get them to code.

Vehicle maintenance has gone up because of the age of the equipment. This year's budget will go up due to transmissions being changed in the older vehicles.

Those are the only increases.

Park & Rec:

We added \$10,000 for Old Home Day. (Port-a-potty, staging, fireworks)

Training was increased in Park & Rec. One is for maintenance mechanic to be more educated on brake systems and computers. Park & Rec is for training on chemicals and fertilizers. Training in highway department to do more inspections and roadwork.

M. Miville asked about the overtime.

L. Lessard: We are down one mechanic and the current mechanic has been working overtime. When we hire the new mechanic that should decrease.

M. Miville: The resurfacing line?

L. Lessard: Paving is planned for S. Bow Road and getting the drainage system done. This will be a band aid. That will take the whole budget. There are a lot of roads in this town that need repair. Once we get S. Bow done, the others will be overlays and will be ok for 7 years? Goffstown Road will be completed.

Question: Salt & Sand went up? Do you have a stockpile of salt for next year?

L. Lessard: We were doing well on salt until recently with the little overnight snow. I think we will be alright. It is always an estimate.

Question: Revenue? What is the plowing revenue?

L. Lessard: Those are roads not accepted by the town. We have the contractor pay us to plow them. Some pay and some do not. We recently re-wrote the regs so that the contractor will be responsible for the roads until they are taken over by the town. We don't know if that will be retroactive.

T. Lizotte: Is there considerable outstanding revenue for people who have not paid?

L. Lessard: There is probably only one that is outstanding and we are going after the bond for that.

T. Lizotte: I never want a paradox that comes across in budgeting where they say we can't accomplish a goal without more money. The data driven approach gives us insight into the seasonal costs and factors involved in the costs.

Warrants:

Drainage Update Capital Reserve Fund: This is for the roads that need upgrade. That way I can use my paving for paving.

Plow Dump Truck Capital Reserve Fund: Start putting into a reserve fund and every 2 years we can start to replace the fleet. We have 1996 and 1997 trucks. The software will allow you to see the maintenance costs on these vehicles

Park & Rec Facilities: That is for buildings and bathrooms at Donati Field.

Town Building Capital Reserve Fund: That is to continue the work on the Safety Center. We need to have reserve. We are trying to keep \$250,000 to \$300,000 in that fund.

D. Pearl: How has that gone at the Safety Center with the failure of the bond?

L. Lessard: We put the front part of the roofs and eaves and took down the bricks and saw no icing shields. We fixed that. Now I want to replace the windows with some good vinyl that can be opened. We will piece-meal it. We will work on the bricks and putting a sealer on. It will probably take a while. We are not going to put vinyl siding on the building either.

### **Fire & Rescue**

Chief Williams:

The proposed budget represents a 1% increase:

Increases:

Firefighter concessions that were taken were put back \$59,800.

New Hampshire retirement and health insurance increases

The budget includes the contractual obligations.

The larger increase is the replacement of 15 fire pagers. FCC is going to narrow banding. The ones that are at 3 can't go to narrow banding so we needed to replace 15 of those in new equipment.

There no increases in personnel

The budget reflects a savings of 96,000 due to the new Ambulance Revenue fund.

Under the Emergency Management Budget – We have added money back in to Code Red. The State is doing a State Wide notification system called City Watch. That will be rolled out within a month and that is one area where I reduced but Administration chose to leave it in until we see how the State system works. It will be similar to Code Red without any cost to the town.

Both Town Building budgets that I prepare go into the Town Building budget prepared by L. Lessard.

T. Keach: Services for dispatch, has been moved to another line?

Chief Williams: Yes, lines 973, 975, moved to 223 to clean things up.

T. Keach: What is Concord charging us now? I can't see that now that you consolidated lines?

Chief Williams: Concord is \$124,372 for dispatch. They have gone up. I believe we have a contract that says they need an 18 month notification of a change in service.

T. Keach: My concern is how we can prevent Concord from passing on the expense. I know we need the service but to continue to be hit with huge increase.

Chief Williams: Last year we were the only community to vote against their budget. We're trying to protect our cost.

T. Lizotte requested an electronic copy of the cost calculations of Capital Area Fire Compact to the Council.

D. Pearl: Can we have an overview of the dispatch and why we have two dispatches? Police does their own and Fire is through Concord?

Chief Williams: In the past, we had one system. But back in the day, there were not enough people to run the dispatch department. We originally funded the change through the vacancy of dispatchers. I don't know what system the Police use now. We use a cad system that goes directly to our terminals.

D. Pearl: I ask because it is getting to up to \$124,000 and that is the cost of two dispatchers.

#### Union Negotiations

Line 445- Training went up. Those were concessions that were taken.

Uniforms- That was consolidation of lines

The ambulance will be funded through the revolving fund. The impact fees can only be used to add an ambulance.

Currently there is a full time secretary working 4 days a week and we had a part time person on Wednesday. We reduced that last year and we are putting that back in.

#### Warrants:

2012-13

- Fire Apparatus Capital Reserve Fund: This is for vehicles. We are looking at putting money away so when we do have to replace vehicles, we can purchase rather than lease.
- Replacement of car Five which is a 1999 vehicle
- The annual SUBA replacements.
- The standards changed on our personal protection equipment. There is a life expectancy now for 10 years per NFPA. We have a lot that is reaching that 10 year. We request \$24,000 this year and \$24,000 next year to replace 24 sets.

#### Police CIP

- Radio Communications  
They will look at changing their system. The parts will no longer be available in the next 5 years and so they are looking to reestablish the fund at a higher level. They originally requested \$100,000 and the CIP committee decided to spread it to \$50,000 for 3 years and \$25,000 for the following 3 years.

Administration – To be presented Thursday

#### Supplemental Information

- a. Default Budget
- b. Revenues

#### Adjournment

The meeting was adjourned at 4:45 pm



Respectfully submitted,

Lee Ann Moynihan