

BUDGET COMMITTEE MEETING – February 5, 2015

Official

BUDGET COMMITTEE MEETING MINUTES HOOKSETT MUNICIPAL OFFICES COUNCIL CHAMBERS 35 Main Street Thursday, February 5, 2015 6:30 PM

CALL TO ORDER

M. Miville called the meeting to order at 6:30 pm.

Pledge of Allegiance

ATTENDANCE

Marc Miville, Chair, Frank Bizzarro, Pat Gosselin, John Pieroni, Kevin VanHorn, Amy Boilard, School Board Rep, and Don Winterton, Town Council Rep.

Excused: Tabitha Jennings, Chris Morneau, and Steve Peterson

Absent: Hooksett Village Water Precinct and Central Water Precinct

N. Haas submitted his resignation effective immediately.

D. Winterton motioned to accept Nick Haas resignation. Seconded by F. Bizzarro. Vote unanimously in favor.

F. Bizzarro motioned to table nomination of Vice Chair. Seconded by K. VanHorn. Vote unanimously in favor.

APPROVAL OF MINUTES

January 22, 2015

J. Pieroni motioned to approve the minutes of January 22, 2015. Seconded by P. Gosselin.

Vote unanimously in favor

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

NEW BUSINESS

Overview of 2015-2016 Municipal Budget – Dr. Shankle

Dr. Shankle presented an overview of the Municipal Budget

The charge given by the Town Council at the beginning of the budget process was to maintain current service and increase efficiencies. There were some increases, but those were added by the Council.

\$16,815,222 is the recommend operating budget. This is a **decrease** of \$72,689 or 0.43% from the current year's budget.

Personnel and Benefits overview:

- One full-time patrol officer added

Full-time – 113

Part-time – 26

- Retirement

Group 1 Employees - increased 0.40% from 10.77% to 11.17%

Group 2 Fire - increased 1.42% from 27.74% to 29.16%

Group 2 Police - increased 1.08% from 25.30% to 26.38%

- Insurances

Worker's compensation decreased as a result of shopping the service.

Health insurance increased an average of 2.5%

Departmental overviews:

1. - The **Administration** budget decreased a total of \$84,476. Increased costs in the Computer Software and Programs line which is related to the annual software license for the ViewPermit and ICMA's Performance Measurement software. Decreased cost for workers' compensation and property liability insurance are due to competitive bidding.
2. - The **Community Development** budget reflects a total increase of approximately \$5,500 mainly due to training and vehicle maintenance.
3. - The **Family Services** budget has decreased due to the economic trends. The Town Welfare line has been lowered to \$150,000. Fiscal year 2012 - 13 was the highest year in the past 5 years, having spent \$155,856 for public assistance.
4. - The **Finance** budget reflects an increase of approximately \$6,000. To stay in compliance with the Charter, the Town is required to report post-employment benefits determined by an actuarial study.
5. - The **Fire-Rescue** budget has decreased by \$226,996. Full-time wages has decreased due to staff turnover and Council moved wages and benefits for two firefighters to the Ambulance Service Fund. The department reorganization saved approximately \$15,000 by merging the Forest Division into the Fire Division.

6. - The **Library** budget includes an estimated \$37,000 of increases. Additional funds are requested in Wages, Benefits, Automation and the Programs & Services lines.
7. - The **Police** budget includes an increase in wages and benefits for one patrol officer in the amount of \$97,147. Other cost increases are in the Communications Maintenance, Rentals and Leases, Training and Vehicles Purchases lines. The total department increase is \$109,450.
8. - The **Public Works** budget increased by 3% or approximately \$95,000 in total. Many lines within the budget are historically overspent, such as Vehicle & Building Maintenance, Construction Materials, and Plow Edges & Chains. These lines all include an increase from last year. New equipment and other operational supplies have been kept to a minimum, reduced when possible. Council also increased the Town Building Maintenance line by \$10,000 for projects in the Old Town Hall.
9. - The **Recycling and Transfer** budget reflects a total increase of approximately \$11,000. The major increases are in the Tipping Fee and the Hazardous Waste lines.
10. - The **Tax Collector** budget reflects a total decrease of just under \$12,000 primarily due to staff turnover.
11. - The **Town Clerk and Elections** overall budget reflects a decrease of \$2,465 largely due to one less election held during this year.
12. - Council reduced the **Sewer** budget to reflect the cost of employees contributing 10% to health insurance.

J. Pieroni: Are there any areas of concern which are not in the budget that might be of particular concerns. Are we falling behind in any areas?

Dr. Shankle: The infrastructure of the entire United States is falling behind. It is expensive to maintain infrastructure. To solve that problem is difficult. For Hooksett, we hope to have money left for roads if the winter is not too harsh. It doesn't seem to be going that way this year. I think we are providing enough funding for the basic services people want. We have not had any public or department heads complain.

M. Miville: We had the Sewer Commission present to the Budget Committee prior to the cuts made by the Council. Could you recap the Council's changes to their budget?

Dr. Shankle: Their employees were not paying any percentage of the health insurance. Council is looking to push up the employee contribution from 10 to 12%. In fairness, the Council felt that the Sewer employees should be paying as well. The Council removed

10% of the employee contribution and it is up to the Commission to determine how to manage that decrease.

D. Winterton: If you brought a member of the Sewer Commission onto the Insurance Search Committee, they would not be motivated to change the carrier since they incur no costs.

Dr. Shankle: The Library presented to Council a thorough wage study and compared their employees with others in town. They tried to see how their wages compared to people doing similar functions in town. They felt their employees were getting less than similar job categories in town. Part of the increase they requested is for pay equity. That will be a separate warrant article. The increases in the budget is because there were a couple employees they felt were underpaid in general and wanted to increase those in particular. It was for two employees that received increase in wages because they asked those employees to do tasks, more than what they were hired for. The Children's Librarian salary increased so that they could successfully fill it.

Administration Budget

J. Pieroni: I noticed the Default budget and Council budget for full time employee; the default is less. Why the difference?

The Default budget is the same as 2014-15. What we actually pay employees is actual Council budget.

Dr. Shankle: After the budget was approved, I asked the Council to approve a couple wages for people that I felt were underpaid.

M. Miville: The Legal line decreased by \$5000.

Dr. Shankle: We used the history to determine potential costs.

Dr. Shankle: The Lilac Bridge; after we hired an engineer to look at turning it into a walking bridge, the State determined that it had problems. Our engineer had concerns and since we have sewer lines on it, we didn't want it to fall. We went out for an RFP, as requested by the State. The bids were 3 times greater than the engineers predicted so rather than repairing it, we looked at removing it and moving the sewer lines. The Sewer Department put in a tank so if the bridge does fall, they can immediately start pumping into that tank and trucking it to the other side. One complication is there are plans to repair the Main Street Bridge. It turned out that the Merrimack River is considered a navigable river and the Coast Guard has jurisdiction. The Coast Guard after reviewing this, asked why is the bridge still there since the State was ordered to take it down in 1974. There is a letter in 1977 saying to take it down. It was part of the agreement to put up the new Main Street Bridge that the Lilac Bridge would be removed. In 1977, the only paper trail is someone from the State sent a letter back saying they can't take the bridge down because the Town of Hooksett has a sewer line on it. Since that happened two weeks ago, we have not heard anything. The State gave us that bridge, probably after 1974, so I don't know if it is our issue. Someone needs to do something. We want to do

the right thing. We don't want our sewage falling in the river but we have been told we cannot do anything until we have State and federal approvals to take it down. We are not holding anything up.

P. Gosselin: Is there enough money in the legal line if this becomes an issue?

Dr. Shankle: I have no reason to believe that the State wouldn't do the right thing and I wouldn't want to get between the State and Federal agencies.

Before this latest curve ball, we were looking at taking down the old bridge and replacing it with a walking bridge as well as a structure to carry the sewer lines using the existing abutments. We had planned to use fund balance. The Council would have to approve that spending as well as the budget committee.

M. Miville asked if there was money for cable access and upgrade of video equipment.

Dr. Shankle: Any equipment would be under computer equipment.

M. Miville: Tough books and tablets?

C. Soucie: It is at \$15,000. There is a replacement schedule for equipment if they break or need upgrade.

M. Miville: Did the Council budget for tablets and laptops for themselves?

D. Winterton does not remember such a request.

Next week the Budget Committee will review Warrant Articles and Library and address any questions.

OTHER BUSINESS

Resignations and nominations

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

ADJOURNMENT

P. Gosselin motioned to adjourn. Seconded by J. Pieroni.

Vote unanimously in favor.

Respectfully submitted,

Lee Ann Moynihan