

BUDGET COMMITTEE MEETING – October 27, 2016

Approved

BUDGET COMMITTEE MEETING MINUTES HOOKSETT MUNICIPAL OFFICES COUNCIL CHAMBERS 35 Main Street Thursday, October 27, 2016 6:30 PM

CALL TO ORDER

J. Hyde called the meeting to order at 6:30 pm.

Pledge of Allegiance

ATTENDANCE

Jason Hyde, Chair, Chris Morneau, Joe DiMattina, Steve Peterson, Richard Ross, Brian Tilton, Steve Perrotta, Michael Yakubovich, and Marc Miville, Council Rep.

Excused: Greg Martakos, School Board Rep.

Absent: Village Water Precinct and Central Water Precinct

APPROVAL OF MINUTES

October 20, 2016

S. Peterson motioned to approve the minutes of October 20, 2016. Seconded by C. Morneau.

Vote unanimously in favor.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

NOMINATIONS AND APPOINTMENTS

No nominations at this time.

MUNICIPAL BUDGET PRESENTATIONS

Fire & Rescue Department

Major increases are overtime and vehicle repair.

The overtime is firefighter replacements. All the liability and vacation is added up and we look at average sick leave usage. We come up with a figure and reduce that number by 30% to reduce from 7 on duty to 6. There was a warrant article that further reduced the overtime. We came to the Council with a plan to reduce Administration by one deputy chief and add a firefighter to reduce overtime. The Town Administrator and the Council approved that plan. Our overtime budget was increased by Council and we took the difference between the firefighter's salary and the deputy chief salary. We are still \$40,000 to \$50,000 short in that budget. We are asking that you add \$40,000 to the overtime line.

S. Peterson: Professional services?

Chief: That is the money we pay to Concord for \$154,000. Fifty percent (50%) of the money comes from the Ambulance Account. The Town takes the salary of 2 paramedics the repairs and fuel for the ambulance out of the Ambulance revenue account.

Chief: Steve Colburn took the position previously held by Dean Jore as Assistant Chief.

Chief: The Council approved the purchase of another ambulance which will come out of the Ambulance fund. We have two firefighters that will be hired and will make a full compliment.

Chief: Hiring more firefighters doesn't always reduce overtime because we have 3 shifts. We asked the Council to support a floating position. That will be if someone is out for an extended period. The Council asked us to document that overtime usage. Historically the department runs \$300,000 in overtime.

Chief: With the new ambulance, we will have an ambulance at both stations. With 6 staff, we can handle two (2) calls. With 7 staff, we can handle three (3) calls. I can't predict when that will happen. When we drop from 7 to 6 we lose the ability to respond to one additional call. If there is a third call with six (6) on duty, we would call for mutual aid and the officers are instructed to prioritize the calls. The increase in calls is for fire and medical response.

J. Hyde: You mentioned a 35% swing to add another person. How much does that person cost?

Chief: It is \$45,000 for that person. We took all our liability and reduced our liability. The Town Administrator also dropped it another \$72,000 because of a failed warrant article. That is how we ended up at \$220,000. With this last person added, there were 27 firefighters and this makes it 28 firefighters. There were 3 shifts of 7 with one shift of 6. Now we have all shifts of 7.

J. Hyde: How much more is it costing?

Chief: The Department's budget has been reduced for the past few years. The Administrator was \$64,000 and the new firefighter is \$40,000. The difference of \$20,000 was put in the overtime line. There was no total change.

Chief: The NH Retirement System increased and the health insurance increased. The health insurance estimate was 6% increase. The actual increase is 27%.

Fire and Police: The town pays 31% into the retirement system and the employee pays 12%.

S. Perrotta: The software for \$9000 appears to be a new line?

S. Colburn: It was in another line before. It has been broken out into a separate line. This is where we keep all our records. Our entire information at the station runs out of Fire House.

B. Tilton: Forest Fire line for \$3000; over the last few years nothing was spent.

S. Colburn: They have always had a line there. With the major fires, the State cost is shared 50/50. Half of the cost comes back in revenue to the town. We can also get billed by other communities.

B. Tilton: I understand that historically we have been billed by other towns but we have never billed other towns. Why?

S. Colburn: Statewide, the state has freed up the rules that you can bill. We belong to Capital Mutual Aid. If you are there a certain amount of time you can't bill. A lot of the staffed departments don't bill. The bills come more from the volunteer departments. If the full time departments start billing they will go through a lot of money. The bills we have from the summer are from smaller departments.

S. Perrotta: You requested an LED upgrade to Ladder 1.

S. Colburn: Ladder 1 went out for upgrade for \$26,000 this spring. That truck has a lot of halogens and strobes that are difficult to get. We would like to get new lights to prolong the life. I think based on the work done; we could easily get another 10 years out of that truck. The LED upgrade was taken out by the Town Administrator and he said if there are any funds at the end of the year, we can look at it then.

Chief: A Warrant Articles is a request to rebuild Engine 5 to get another 5 years out of it.

S. Peterson: What is EM American Red Cross?

Chief: Each community is asked to donate to the Red Cross for their assistance in fires. We had 4 prolonged instances where they were present and fed 40 people at no charge.

J. Hyde: There were a number of publications; did you look at getting those publications electronically?

S. Colburn: A lot of these are the association fees.

R. Ross: What is a station uniform?

S. Colburn: The golf shirts, the fire rated pants and the boots; the day to day clothing. Fire Department new equipment is the firefighting clothing.

Chief: Our request is still for a little more overtime money if the committee would consider. We would like \$40,000 more for overtime.

Police Department

Chief: There are very few differences between the Town Administrator's, Council's and my budget. The costs beyond our control are retirement and insurance. We have one officer in field training and two officers that will go to the academy in January. We have two (2) going through the background checks and we have 2 left to be filled. We are doing well budget wise. Some of the items we did a good job on were the fuel lines. We are requesting \$50,000 for fuel and last year we requested \$60,000 and the previous year \$66,000. One thing we did last year is we implemented a WEX car system where we can purchase cheaper at the retail pumps. This has been a cost savings for the entire town. Other costs are training and dues for \$41,000. A lot of those are fees for association memberships and some are the actual dues that we have to pay to be part of the association including the Bar Association and Court Prosecution fees. WE purchase Legal Law updates and manuals that we must buy to have updated statutory changes. You can't access computers at court so we need books.

We have a \$3000 fee for the Regional SWAT team that is based in Concord.

In preparing the budget, we looked at actuals. We reduced \$9800 for tactical gear which was actually purchased this year. We are already getting those vests.

B. Tilton: Why the increase in the overtime line?

Chief: Once we fill those new positons, we will need to fill the vacancy for court time and vacation. There is a four (4) hour minimum for appearance in local court and 5 hours if they must appear in Concord. We budget three (3) hours for every officer and the dispatchers. It comes down to shift replacement.

If an officer is in court for one (1) hour they get paid for four (4) hours minimum. That is a collective bargaining item.

B. Tilton: When we were talking about adding officers last year, I was not aware we would be increasing overtime.

Chief: The warrant article for \$149,000 included the overtime numbers. Most of our overtime comes from transporting someone to the House of Correction or finishing a stop or a detective is working on a case or an officer goes on vacation. We are committed to a three (3) car coverage and a supervisor for safety.

S. Peterson: The Assistant Prosecutor, is that an officer?

Chief: That is an Administrative positon and is assigned to the Prosecuting Attorney and is for filing motions and criminal complaints filed in court. Our Court in Hooksett does not have a full time Judge; they are per diem judges. We don't have a lot of assigned court days so when we have those days; all the cases roll on that one day.

The Executive Assistance runs the Administrative Software system with all the records and budgets. She does correspondence and anything that an Assistant would need to do.

The Administrative Assistants and Clerks are record managers. The Administrative Clerk is a dual position. She works the front counter and process permits and insurance reports and officers reports are filed and customer service during business hours. She also serves as the evidence technician. The part time clerk is to cover the counter when the clerk is in the evidence room.

B. Tilton: Equipment, what vehicle purchases or renovations are coming up?

Chief: Vehicle purchases line – we budget for 2 emergency front line vehicles for \$78,000. (2 Ford Explorer SUVs with equipment) The Cars on the front line are the black and whites and we get 100,000 miles or 3 years. We then rotate those out as spares and as the spares get older, we repurpose for detective or town cars. We have 9 Black and Whites and we run 4 on a shift with one as a supervisor's car. We just lost a car in a total accident and we will need to replace that through the insurance company. It cost \$28,000 for the new SUV then we buy the additional equipment to be installed. We also buy the \$100,000 warranty for these vehicles. Those warrantees are \$1700 and we use them extensively on the SUV's.

Chief: New equipment – Dispatch chairs are 24 hour chairs. They actually make chairs that are called 24 hour chairs. We budget \$1500 per year for two (2) chairs. Last year we purchased 2 for \$700 each.

S. Perrotta: Communication maintenance request decreased significantly. Why?

Chief: I think it is because we had money left over last year and were able to purchase two (2) radios. With money in the CIP and money from the insurance that was the result of a lightning strike, we purchase a whole new system for \$300,000.

J. Hyde: Air cards for \$4361. How many is that?

Chief: We have seven (7) computers and one (1) for a tough book which is eight (8) at \$40 per month with unlimited data.

J. Hyde: \$1680 for bottle water?

Chief: That is for the water coolers in the station.

S. Peterson: How much to put the lights on the cars?

Chief: We have all Explorers and one (1) Taurus sedan and two (2) Crown Vics. Sirens, light bars and flashers are about \$5000 each.

M. Yabubovich: What is your call volume?

Chief: We run about 19,000 to 24,000 calls per year. Last year we stopped 7790 vehicles not counting the dispatch calls.

B. Tilton: What is the number one driver for calls?

Chief: Domestic, suspicious parties, alarms and drug issues.

M. Miville: Health Insurance Increase:

The Finance Director anticipated an increase of 6% and we found out that it would be an increase of 27.09%. The Representatives were at the Council meeting to explain the increases. We are the second highest town for the increase. The primary reason is the nature of the contract has low co-pays and high deductibles. The representative said if you are getting a generic with no co-pay that cost is repetitive. We are 107% over for behavioral, and there is an increase of 27%. The Council asked that the Budget Committee approve an increase in the budget of \$390,000.

J. DiMattina: Has this increase has been approved by the NH Insurance Commission for approval in the increases in rates.

B. Tilton suggested sending the budget back to the town to take another review to reduce and to offset the increase in insurance.

S. Perrotta stated that he feels it is more productive for the Budget Committee to make the adjustments and ask the departments to make any suggestions for reductions.

J. Hyde: Why are we spending money on a bridge to nowhere when we have these insurance cost.

S. Perrotta: We should invite all departments to come and work collaboratively with the Budget Committee to reduce the budget

J. DiMattina: Look at what you can do to reduce the increase in insurance and then look to discontinue the contract. We should look to legal recourse and the NH Insurance Commission has oversight.

S. Perrotta: I am looking at Library/Administration/DPW in particular to make reductions.

B. Tilton: Who reviewed the contract and approved the contract with Health Insurance?

M. Miville: The Council voted to use \$500,000 from the fund balance to reduce the tax rate. It was recommended by staff that 2% of the 10% fund balance be used to offset the tax rate but with the cost of the bridge, I suggested we only put \$500,000. This is what the voters voted for and they should feel the impact of their vote.

S. Perrotta: How much is in the fund balance and how is the % calculated?

OTHER BUSINESS

Sewer Fund Balance Reports were provided by the Sewer Commission and distributed to the Board.

Budget and Warrant Article Summary reports were provided by C. Soucie and distributed to the Board.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

No comments.

ADJOURNMENT

*C. Morneau motioned to adjourn at 9:55 pm. Seconded by S. Peterson.
Vote unanimously in favor.*