

BUDGET COMMITTEE MEETING – November 10, 2016

Approved

BUDGET COMMITTEE MEETING MINUTES HOOKSETT MUNICIPAL OFFICES COUNCIL CHAMBERS 35 Main Street Thursday, November 10, 2016

CALL TO ORDER

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

Pledge of Allegiance

ATTENDANCE

Jason Hyde, Chairman, Chris Morneau, Joe Di Mattina, S. Perrotta, R. Ross, Brian Tilton, M. Miville, Town Council Rep.

APPROVAL OF MINUTES

November 3, 2016

B. Tilton motioned to approve the minutes. Seconded by C. Morneau.

Add: If we went with a plan that other towns use, how would we fair with rates?

Vote unanimously in favor.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Mac Broderick and Mary Farwell, Library stated that they are prepared to respond to any questions regarding the Library.

BUSINESS

Review Municipal Budget

M. Miville stated that at the Council meeting last night, Dr. Shankle advised the Council that regarding the health insurance, they proceed with a one (1) year contract as constituted and there are less expensive plans available and the contract allows them to change plans at any time. Rather than reconstituting the health committee, a committee of the Council was formed to review the less expensive plans and will report back to Council within the next two to three weeks. Members of the committee include Don Winterton, Jim Sullivan and John Giotas. Also at the meeting, the Budget Committee's request regarding the Health Insurance increase of \$390,000 to be taken out of the general fund was declined and the Council wanted to add the money in the budget.

M. Miville motioned to add to the currently proposed municipal budget \$390,413 with the specific lines to each department as provided by Finance. Seconded by J. Di Mattina.

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M. Miville: This has been discussed extensively and includes 130 employees and 350 individuals on the Health Insurance. These are people's livelihoods.

R. Ross: The Park and Rec insurance increase; does that include the new warrant article for the Park and Rec Director?

C. Soucie: No, that cost is not included.

S. Perrotta: When will the recommendations of the other insurance plans be made?

M. Miville: Probably within two to three months. I would hope by January 1st we will have a decision.

J. Di Mattina: The \$390,314, didn't we say we could take half from a fund the town has and the other half from the budget?

M. Miville: The Council rejected that proposal.

M. Miville: The Subcommittee will come back in the next 6 weeks and come back to Council with a recommendation by the last week in December.

J. Hyde: How much money was returned to the general fund last year?

M. Miville: Approximately \$968,000 of which we put \$500,000 to reduce the tax rate and still have 4.4 million in the fund balance.

J. Hyde: If we don't put the money in the budget, the Council will have to find it somewhere and they will have to take it out of the fund balance.

M. Miville: This money will be put in the default budget. If you choose not to put it in the budget, there may be lay-offs. The Council wants this added in the budget.

S. Perrotta motion to table the motion to January 5th, 2017. Seconded by J. Di Mattina. Vote 6:2 Motion carried.

M. Miville motioned to recommend the Municipal Budget for \$18,013,199. Seconded by C. Morneau.

S. Perrotta motion to reduce Administration employment test by \$5,000 to \$8,500. Seconded by R. Ross.

S. Perrotta: This is focusing on pre-employment testing and this for new employment and this can be recouped from vacancies in the salary line for the new employee.

J. Hyde: I agree with Mr. Perrotta and support the motion.

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Vote 7:1 Motion carried

C. Morneau motioned to reduce line 001-100-4130-540-00, Admin. Advertising from \$6500 to \$500 for a reduction of \$1500. Seconded by B. Tilton.

C. Morneau: The Default budget would be \$5000 and we need to work to keep our costs down.

Vote 7:1 Motion carried

C. Morneau motioned to reduce line 001-000-4150-751.000 computer new equipment \$28,000 to \$15,000 for a reduction of \$13,000. Seconded by M. Yakubovich.

C. Morneau: I think in light of the costly insurance, we should not be buying new equipment and just buy what is needed and no extras.

Vote 7:1 motion carried

S. Perrotta motioned to reduce line 001-150.4152-330.000 professional services by \$10,000. Seconded by B. Tilton.

Vote 7:1 Motion carried

M. Yakubovich motioned to reduce 001-100.4153-320 legal services by \$10,000. Seconded by B. Tilton.

M. Yakubovich: Dr. Shankle stated that the attorney's missed the Health Insurance contract and they are therefore not worthy of this amount.

M. Miville: Legal did not review the Health contract.

J. Di Mattina: This insurance was a contract and it is the responsibility of legal to review the contract.

C. Soucie: Our attorney is not on retainer, they are paid when they are requested to do work.

M. Miville: The attorney would not have caught the increase. Everyone in the country is seeing increases in insurance.

R. Ross: Everywhere fees are going up and we are here to protect the people from law suits.

M. Miville: The line has been \$90,000 for 3 years. In 2016, they spent \$89,700 so that line is not fat. This is in addition to whatever assistance we can get from the Municipal Association.

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J. Hyde: Historically, they've either spent or overspent that line so I am inclined to leave it.

Vote 1:7 Motion failed.

S. Perrotta motioned to reduce line 001-150.4152-294 Assessing training and dues by \$500. Seconded by R. Ross.

S. Perrotta: Due to the increase in the department, holding professional development seems reasonable.

J. Hyde: It has been historically underspent.

M. Miville: Last year this committee asked Dr. Shankle to spend more of his training budget.

Vote 7:1 Motion carried

C. Morneau motioned to reduce 001-300-4150-751 from \$949 to \$1. Seconded J. Hyde. Vote 7:1

M. Yakubovich motioned to reduce bus transportation from Family Service budget from \$25,000 to \$5000. Seconded by J. Hyde.

M. Yakubovich: This item will get abused. There is bus transportation provided by Catholic Medical, the VA Hospital and Market Basket. I heard there is a grant from the State for this and if they want to use that, they can.

J. Hyde: I won't support this motion because I have another motion relative to this.

J. Di Mattina: Does the cost include the bus driver. We have to buy the bus and hire a driver.

J. Hyde: This is an existing service provided by the State.

R. Ross: I disagree, for \$5000, even if 20 people use the bus, once a week, that's a win.

S. Perrotta: I'm for giving this a try and as a community we need to provide services. There are a lot of services that are not essential and if you don't offer services, people leave and then the tax burden will shift.

J. Hyde: The Town Administrator when asked if there is a need, said, well we have to fund it to see if there is a need.

Roll Call Vote

C. Morneau No

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B. Tilton Yes
M. Miville No
R. Ross No
J. Di Mattina Yes
S. Perrotta No
J. Hyde No
M. Yakubovich Yes
Vote 3:5 Motion failed.

*J. Hyde motioned to reduce 250-444-800-028 bus transportation from \$25,000 to \$0.
Seconded by J. Di Mattina.*

*M. Miville motioned to amend to reduce transportation from 24,999 to \$1.00.
Seconded by S. Perrotta.*

Roll Call Vote on amendment:

M. Yakubovich No
J. Di Mattina No
R. Ross Yes
B. Tilton No
C. Morneau Yes
M. Miville No
J. Perrotta Yes
J. Hyde No

Roll Call Vote:

3:5 Amendment failed

Roll Call Vote on original motion

J. Di Mattina Yes
R. Ross No
S. Perrotta No
M. Yakubovich Yes
C. Morneau No
M. Miville No
B. Tilton Yes
J. Hyde Yes

4:4 Motion failed

*S. Perrotta motioned to reduce line 001-550-4150-751 the new equipment Tax \$3028.
Seconded by C. Morneau.*

S. Perrotta: Those desks can be purchased for \$400 each plus shipping for \$2000.

Vote 7:1 Motion carried

*S. Perrotta motioned to reduce under DPW line 001-200.4191-550 printing by \$1000.
Seconded by C. Morneau*

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S. Perrotta: Historically they have spent under \$1000 so I am adjusting to the past expense.

Vote 7:1 Motion carried

J. Hyde motioned to reduce Fire and Rescue 001-350.4220-2330.002 Fire Department surviving spouse benefit from \$6000 to 0. Seconded by S. Perrotta.

J. Hyde: In 1967 a volunteer fireman had an accident. He didn't pass but was disabled and in the past few years decided to pay them \$6000 per year. The gentleman has since passed and now the wife who is elderly is collecting the money. I don't believe we should be doing this as a town. This is why we have insurance and liability insurance.

Steve Colburn: It has been around forever. Today it would have been replaced with insurance but when things were itemized in the departments and it was in Administration line and got moved to the Fire Department and I don't know why the Council made this decision.

M. Miville: In 1957 a fireman was injured at a fire and became disabled and passed away 3-4 years ago and the surviving spouse is still receiving the benefit and she is in her 90's and lives with her son. This was given to a hero injured in the line of duty. I believe the payment has been made only in the past 10 years.

C. Soucie: The town has been paying the firefighter for 20-30 years. When he was injured it was before workman's comp was around for those types of employees who were volunteers and in this day and age, it would be covered by insurance.

J. Hyde: That is 20 years of \$6000 equates to \$120,000 which is a large settlement.

C. Soucie: The amount has changed over the 20 years. This is for one individual.

M. Miville motioned to amend to \$1. Seconded by C. Morneau.

Roll Call Vote:

<i>R. Ross</i>	<i>Yes</i>
<i>S. Perrotta</i>	<i>No</i>
<i>M. Miville</i>	<i>No</i>
<i>B. Tilton</i>	<i>Yes</i>
<i>J. Di Mattina</i>	<i>Yes</i>
<i>C. Morneau</i>	<i>Yes</i>
<i>M. Yakubovich</i>	<i>No</i>
<i>J. Hyde</i>	<i>No</i>

4:4 Amendment failed

Roll Call on Original motion:

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C. Morneau *No*
Di Mattina *Yes*
M. Yakubovich *Yes*
B. Tilton *No*
R. Ross *No*
M. Miville *No*
S. Perrotta *No*
J. Hyde *Yes*
3:5 Motion failed.

S. Perrotta motioned to reduce Library wages \$7000 and FICA \$535. Seconded C. Morneau.

S. Perrotta: The Library asked for an increase in hours to turn over periodicals that were outdated and increase their Children's hours. They are doing an excellent job at the Library but we need to take that budget and spread it elsewhere. They were increasing hours by 10 so it is in the ballpark of \$7000.

We are not reducing them; we are not adding and growing a program. We need to focus resources in weaker areas.

R. Ross: I thought they were adding wages because they can't keep up with the demands of the Town.

M. Farrwell: The circulation in the children's room is 43% of the overall circulation. We are having difficulty keeping up. Programming is a part of it but it is not all of it. To maintain services, we need this. This is the number priority. I would prefer to make cuts elsewhere.

Mac Broderick: Unlike other areas, the success of the Library is great. Is this a luxury? I think it is a necessity. We have such a high use rate. We have a known use rate in this town.

J. Hyde: Rarely would I vote no on a reduction. Over the years, the Library Trustees have been good shepherds of the money. They typically don't ask for money that is not worthy. It is a proven need.

B. Tilton: You said if we keep this in, where could you reduce?

Mac Broderick: We have books and computer replacements in the plan. All cuts would hurt. The Library Director's priority was this increase.

S. Perrotta: I agree with Mr. Hyde and believe you do a great job but it comes down to the tough job of making the budgets work.

Motion withdrawn

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S. Perrotta motioned to reduce books and materials line \$4000. Seconded by C. Morneau.

S. Perrotta: In a town where we have more pressing needs we are reducing this 50%. It gives them a little more to work with while helping the whole budget.

Mac Broderick: Our book budget has been flat for a few years. This is our attempt to catch up.

S. Perrotta: This is an attempt to address the total town's budget and needs.

Vote 1:7 Motion failed

M. Yakubovich motioned to reduce Library's programs and service from \$4500 to \$2900.

Seconded S. Perrotta.

M. Yakubovich: In the past it appears that these events were funded by outside vendors. I would like to bring that back and fund it as was in previous years.

Vote 1:7 Motion failed

S. Colburn: We have already spent 67% of the overtime line covering injuries and sick time.

M. Miville: The Council chose not to add the \$40,000 for the overtime. Dr. Shankle is opposed to the \$40,000 as well.

S. Colburn: I believe the Town Administrator's cut of \$72,000 was based on the warrant article which stated by adding a firefighter there would be a reduction in overtime of \$72,000. That is the position of the Dr. Shankle.

S. Colburn: We have floating pumps that are 30 years old. We can no longer get parts. We are looking to get a new pump.

C. Morneau motioned to add \$20,000 to the Fire Department's overtime. Seconded by S. Perrotta.

C. Morneau: I think we need to insure that we have minimum coverage.

Vote 2:6 Motion failed

M. Miville asked the members of the Budget Committee that will remain on the Board in 2017-2018 if they will take the stipend.

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M. Miville motioned to reduce the Budget Committee's stipend \$600. Second by S. Perrotta.

Vote 7:1 Motion carried

S. Perrotta motioned to reduce the Budget Committee FICA \$45. Seconded by C. Morneau.

Vote 7:1 motion carried.

OTHER BUSINESS

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

No comments

ADJOURNMENT

S. Perrotta motioned to adjourn at 10:00 pm. Seconded by R. Ross.

Vote unanimously in favor.

Respectfully submitted,

Lee Ann Moynihan