

Approved

**BUDGET COMMITTEE MEETING
MINUTES
HOOKSETT MUNICIPAL OFFICES
COUNCIL CHAMBERS
35 Main Street
Thursday, November 17, 2016
6:30 PM**

CALL TO ORDER

Chairman J. Hyde called the meeting to order at 6:35 pm.

Pledge of Allegiance

ATTENDANCE

Chair Jason Hyde, Chair, Chris Morneau, Steve Perrotta, Richard Ross, Brian Tilton, Michael Yakubovich, David Ross, Town Council Rep., and Greg Martakos, School Board Rep.

Steve Peterson and Joe Di Mattina excused

Central Water Precinct and Village Water Precinct absent

APPROVAL OF MINUTES

November 10, 2016

C. Morneau motioned to table the minutes of November 10, 2016. Seconded by B. Tilton.

Vote unanimously in favor.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

SCHOOL DISTRICT BUDGET PRESENTATIONS

Dr. Phil Littlefield – Overview

Dr. Littlefield gave a brief overview of the School District Budget and highlighted the significant increases. The Budget philosophy was no expansion of programs and no new programs. The total increase in the budget is \$555,385. The breakdown of the increase is as follows:

- High School tuition
Student enrollment increased from 536 students to 545 students (\$100,000)
Pinkerton estimates a 4% increase in tuition rate – current rate is \$11,478
Manchester current tuition rate is \$10,612 – next year’s rate is \$10,825
MOU Schools current tuition paid by Hooksett \$11,000 next year \$11,250
Next year is the final Capital Cost to Manchester \$791,798.
- Special Education increase of \$295,522
- NH Retirement- Employer’s contribution increased from 15.67% to 17.36%.

- This is a 1.69% increase (\$102,194)
- Health Insurance estimated increase in the budget of 8%. The actual increase rate received was 6.3%. The budget will be adjusted down to reflect the change. The District is migrating groups into a consumer driven, high deductible plan and want to be sure we don't offer a Cadillac Plan. The cost in the budget is \$113,170 based on the 8%.
 - Contracted Services
Psychological Services increase \$40,150
Nursing Services increase \$29,300
 - Science Curriculum
We try and maintain a curriculum cycle where each year we concentrate on one area. The State has adopted the Next Generation Science Standards and the cost for the upgrade is \$132,100.
 - The Board has removed one position from Memorial School based upon enrollment and projected class sizes which is a savings of \$52,887.

We are negotiation contracts with the teaching staff and the support staff. When settled, any cost associated with those contracts will be brought forward in Warrant Articles.

R. Ross: Is Pinkerton always going up 4%. Is that the trend?

Dr. Littlefield: We've only been with Pinkerton for 2 years but that is what we've seen.

R. Ross: What is the parent's cost for the MOU's?

Dr. Littlefield: None of the MOU's have tuition rates set for next year but Bow for example would be approximately \$13,000 with Hooksett paying \$11,250. Parents would pay the difference.

B. Tilton: Next generation Science Standards; is that something the State adopted this year?

Dr. Littlefield: Yes and we will talk about it when the Principal come to speak to the committee.

Curriculum

M. Polak: We do a curriculum cycle but we are off our cycle and we feel it is time to do science. We have not reviewed science in two schools in 13 years and one school in 16 years. WE are now focusing on inquiry science and we are teaching the content and also teaching students to use that information to solve problems. We are looking for a new series K through 8 so the \$132,100 is for K through 8.

In addition to the content, it more about what you do with the content knowledge and how do you solve problems in the world. There will also be supplies in the budget that will go along with the science curriculum.

The School Board has approved the budget presented so they have approved of that curriculum.

S. Perrotta: Do you anticipate there will be any grants to offset these costs?

M. Polak: I don't know if there are any grants to offset the textbooks but there may be grants to offset equipment or STEAM projects.

J. Hyde: In private industry, they have gone completely away from paper and the books are accessed via technology. Was the plan to go with the science curriculum worked with the technology side of things to get books?

M. Polak: The teachers at the older grades want just the class set and will work without books. The lower grades would like books but we are moving in that direction.

D. Ross: Is the science curriculum being used anywhere else in the country?

M. Polak: It is not completely new. There are communities in NH that are in the 2 and 3 year. We are using the science framework. We have been using the framework and easing our way into the next generation science curriculum. It has been successful from what we've heard. The NH Science Teachers Association has been looking at this and we have not heard anything negative. It is inquiry based.

D. Ross: The nursing cost went up?

Dr. Littlefield: That is nursing services for a youngster.

Technology – Christy Prosser

The Technology Plan runs what we do with technology. Currently in year two of the plan which runs from 2015 to 2019.

25 additional MacBook's - Cawley

120 Chrome books and carts and TVs- Memorial

The more equipment on a network the more the strain on the network. Upgrade the WIFI access per the tech plan. Looking for an additional server as well.

\$32,000 for software for recurring fees

\$14,830 is the increase in cost from last year to address our network needs.

C. Morneau: Have you reached out to Xfinity or Fairpoint for help with these costs?

Technology Director: Right now I'm just looking at the in-house needs.

C. Morneau: There are grants out there for the public sector to help with technology.

Dr. Littlefield: I would be interested in reaching out if you can provide a contact person.

C. Morneau: The upgrade for 25 MacBook's for Cawley; is there a different way to go to save money. \$32,000 is a lot of money. Can we move away from Apple?

Technology: This would provide a lab for the students.

B. Tilton: The Apple TV's were cut at Cawley; what were those used for.

Technology: It is a medium go between.

R. Ross: What was cut at Underhill?

Technology: they have the same technology at Underhill, iPads, Chromebooks, but they don't have the quantity of other schools.

Special Ed – Christine Gialousis

All are budget drivers are based on the law.

We have a responsibility to keep a child in the classroom as much as possible. We must provide support and staff to help a child be successful in the classroom. A child's plan is reviewed yearly at a minimum and some more often as needed. Lot of variable that impact our decisions. We work with DCYF and Hooksett Family Court, Foster placement Divorce Plans and medical needs. Many of these needs are unpredictable.

There are 280 Special Ed students ages 3 through 21.

We have an increase to contract a school psychologist. We currently have one that is shared by all three schools

I am requesting one addition staff member serving as the building level facility and we would reallocate 2 positions. \$82,000 cost.

The nursing service is for medically involved students.

Overall tuition increase is \$295,522. The State has set a 5% increase for placements.

Transportation is an addition \$75,000.

Special Ed is costly and the State recognizes that and they have a few ways to offset that. Catastrophic aid \$312,294 reimbursements in 2016. We get 69% of the cost when a child's expense is 3 times the cost for a Regular Ed.

\$222,500 reimbursed for Medicaid in 2016.

The School Board worked to look at areas for cuts for supplies and furniture and made a cut of \$40,000 for contracted services for a total cut of \$48,200.

C. Morneau: The 4% rate increase in High School, is this the historical trend.

C. Gialousis: We don't have the actual costs yet, it is still too early.

B. Tilton: Transportation?

C. Gialousis: We have been overspending that line. Dealing with students in Foster or hospitalized, we are responsible to transport all those students. Last year we were transporting from 20 locations and next year we have 26 locations.

C. Morneau: Transporting out of State, why?

C. Gialousis: We have a couple of students that are placed out of State.

J. Hyde: Dr. Littlefield, you reviewed some increases but I don't remember you listing the transportation increase and the additional staff. You said \$555,000 increase, are all the increases included? When I added up all the increases it was way above \$555,000.

Dr. Littlefield: I didn't mention Christine's increases because I didn't want to repeat. The increases are more so we made reductions in other places. That is the bottom line increase. The total request is more and the overall change is less.

J. Hyde: What was driving the decrease? Were there specific items driving that decrease.

Dr. Littlefield: No because we do a zero base budget. We don't look at what we are going to take out of it. The single largest reduction was the teaching position that was removed for \$60,000.

R. Ross: The \$40,000 is for psychological evaluations. Do all students require evaluation once a year?

C. Gialousis: To be eligible for Special Ed, you must have a psychological evaluation. We do around 90 to 100 new evaluations per year and all students re-evaluated every 3 years. We would be contracting a person through SERESC for 3 days.

Media Services – Justine Thain

There are 3 libraries in each school staffed with a certified librarian.

Underhill - \$22,379 with 7 computers (replacement of 2006 computer) \$5255 increase over 2016-17 budget

Memorial - \$19,276 -This is a \$14,061 reduction from 2016-17 budget

Cawley - \$43,461 which is a \$16,098 increase from 2016-17 which is for computer replacement from 2009 and new furniture.

Total increase to the budget is \$8000.

B. Tilton: Are the new tables still in this budget?

Justine Thain: Yes, these tables will have casters to make movement easier for reconfiguration.

B. Tilton: What was the damage done to the table legs?

Justine Thain: The legs broke and have been repaired.

B. Tilton: Can you add casters to the current tables.

Justine Thain: We asked and they can't be added.

C. Morneau: The bookcases that were cut, are the current cases a safety issue?

Justine Thain: No they are particle board but there is not safety issue.

J. Hyde: Have computers always been in this budget vs the Technology Budget?

Justine Thain: Because they are desktop computers and remain in the walls of the library are in this budget. We also have Chrome Books that are on a cart and do get moved around.

R. Ross: How many desktops in the library at Cawley.

Justine Thain: There are 10, 9 on the desks and one for the staff.

C. Morneau: Are we looking to go to Window 10?

Justine Thain: They are not as powerful as the computers in the lab. They are the basic desktops.

Maintenance – Ray Gagnon

The focus is on all three (3) buildings with the major component being safety including Homeland Security. We need to meet all Federal and State guidelines and implement the improvements to meet those guidelines.

This year we installed camera equipment at the Underhill School. The plan is to enhance security and next year we plan to install cameras at the Memorial School. We need to upgrade the access control and we need to get it integrated between the buildings.

Up to this year it was done with a dial-up modem. We now use the internet.

Energy savings is always a focus. We are working on doors and windows and we have replaced all the bad ones. The worst ones have been done and new seals were installed.

The HVAC system has been corrected. The heat wheels were fixed and boilers optimized. There are still things to be done like heat wheels that need to be changed for efficiency and they are \$12,000/each. Changed companies and are using J. Lawrence Hall and they are a more reputable company in the area.

Continue to repair and replace energy saving faucets as needed. Interior cartridge cost \$100/each.

Flooring has been replaced where needed. The tiles curl due to constant washing. The floors will be complete by next year.

Grounds – I'm not a big fan of seal coating just for appearance. We do have to fill cracks when needed. Memorial may need to be sealed soon. Cawley was done recently and was built on clay so we have more issues on that property. Underhill is also on a sand pit and we did an overlay there but we need to seal and fill cracks soon.

Irrigation System - Cawley has a 37 zone with heads and they are celluloids and have all been there for 14 years and they are now all going. They will need to be replaced because they are a safety issue.

Overall the budget has a 2% increase.

The SAU building has moss growing on the building. The intention is to do some clear cutting on the land to let in some sun and reduce ice dams. That number also includes new shrubs

J. Hyde: Did you looking into solar power?

R. Gagnon: You get a return up to a point but once you are too big you become a power generator. We did talk to one company but after reviewing it the School Board lost interest. I proposed we look at energy lights and replace the doors and windows with energy efficient equipment. We are now much more efficient.

K. Lessard: There are areas in the budget that show decreases like the security at Underhill which was paid by a grant. Instead of costing \$37,000 it cost us \$18,000. The interest on the bond payment for the building is a \$51,000 decrease; there is a \$31,000 decrease in the transfer of funds to the food service fund. The transfer of capital reserve of \$95,000 for Underhill for the roof. The transfer of \$40,000 to the Special Education from the trust fund.

J. Hyde: All of the packets submitted looked like they were done on the computer and could have been done by email or placed on a monitor.

Dr. Littlefield: We talked about it and there is an anxiety going to the Budget Committee and we were concerned, without doing a dry run and operating equipment in advance, we didn't want to fumble.

J. Hyde: We asked for the budget it excel and we got the response that it couldn't be done but one of our own members did it so it can be done.

K. Lessard: I can take this budget and export it into excel.

Dr. Littlefield: We can email the principal's presentations to Lee Ann and she can forward them to you and we can get them up and running here.

S. Perrotta: I actually like having the paper; it allows me to make notes.

J. Hyde: The 2015-16 budget was underspent by close to a million dollars. What were the major drivers?

K. Lessard: I don't have that information available but could provide it at the next meeting.

J. Hyde: Where are we now after at the halfway point in this year's budget.

Dr. Littlefield: It is too early to predict. School didn't start until September and it is March before we have a sense of fund balance. My goal is to at least match fund balance at the end of year. If the fund balance is less this year than last year then there is less going to offset the tax rate and the tax rate spikes so we are mindful of returning money to stabilize taxes. It doesn't mean we over budget.

OTHER BUSINESS

S. Perrotta: We seem to be growing the motor pool with the police department.

J. Hyde: The only way we can affect anything is through the money.
Let's go back to the Municipal budget and start with motions.

B. Tilton: What would be possibility for not filling unfilled position such as have a hiring freeze.

J. Hyde: We can't tell Administration or Council, "don't hire anyone" but we can cut the funding.

S. Perrotta: Do we have any policy for surplus equipment.

D. Ross: As far as I know it is up to the individual departments.

C. Morneau: There was a large decrease in the vehicle maintenance budget. What was the driver for the large increase in 2015? I will send an email to Lee Ann and ask here to send the question to the Chief.

D. Ross: If you want to look at maintenance line, look at recycle and transfer. It is because of the expensive trucks. It is a million dollar mistake. An arm replacement is \$10,000 and it burns three times the diesel fuel and you are driving three times the miles.

D. Ross: They are buying a new vehicle right now because of an accident and that is \$48,000. D. Ross explained the cost to replace a Police Vehicle which was totaled in a recent collision.

S. Perrotta motioned to reduce 001-400.4210-752 Police Vehicles and Related Purchases by \$39,000. Seconded by C. Morneau. (Balance of \$39,000 in that line)

Looking at the current list of vehicles and the plan to replace cars at 100,000 miles; next year they will have six (6) cars under 100,000 miles. The town can only afford one (1) car in the budget.

D. Ross: The damaged vehicle was already scheduled to be replaced and taken out of the rotation having 96,000 miles.

Roll Call vote:

S. Perrotta ***Yes***

M. Yakubovich ***Yes***

B. Tilton ***Yes***

R. Ross **Yes**
G. Martakos **Yes**
D. Ross **No**
C. Morneau **Yes**
J. Hyde **Yes**

7:1 motion carried.

S. Perrotta motioned to reduce 001-200.4191-113, Community Development, part time employee by \$1920 to \$5000. Seconded by C. Morneau.

S. Perrotta they have had less than \$4000 activity in that line over the past few years so I am not sure why the increase.

D. Ross: They are hiring a part time person to help in the office.

B. Tilton: The back-up is for office coverage for vacation coverage and minute taker for the Planning Board.

Roll call vote

D. Ross **No**
M. Yakubovich **Yes**
B. Tilton **Yes**
R. Ross **Yes**
G. Martakos **Yes**
C. Morneau **Yes**
S. Perrotta **Yes**
J. Hyde **Yes**

7:1 motion carried

S. Perrotta motioned to reduce line 001-200.4191.130 Community Development Overtime by \$1140 to \$2800. Seconded by C. Morneau.

This line has been underspent for the past 2 years.

Roll Call Vote

G. Martakos **Yes**
M. Yakubovich **Yes**
B. Tilton **Yes**
R. Ross **Yes**
Perrotta **Yes**
D. Ross **No**
C. Morneau **Yes**
J. Hyde **Yes**

7:1 motion carried

J. Hyde motioned to amend 001-202-4240-330.000 Building Inspections CEO Professional Services by \$999. to \$1. Seconded by R. Ross.

J. Hyde: I am doing this because they didn't spend any money last year on this line.

Roll Call Vote

<i>B. Tilton</i>	<i>Yes</i>
<i>M. Yakubovich</i>	<i>Yes</i>
<i>G. Martakos</i>	<i>No</i>
<i>R. Ross</i>	<i>Yes</i>
<i>S. Perrotta</i>	<i>Yes</i>
<i>D. Ross</i>	<i>No</i>
<i>C. Morneau</i>	<i>Yes</i>
<i>J. Hyde</i>	<i>Yes</i>

6:2 motion carried

C. Morneau motioned to reduce 001-550-4150.600 Tax Department supplies by \$1000 to \$3000. Seconded by S. Perrotta.

C. Morneau: Historically they have not spent the total line

Roll Call Vote

<i>B. Tilton</i>	<i>Yes</i>
<i>M. Yakubovich</i>	<i>Yes</i>
<i>G. Martakos</i>	<i>Yes</i>
<i>R. Ross</i>	<i>Yes</i>
<i>S. Perrotta</i>	<i>Yes</i>
<i>D. Ross</i>	<i>No</i>
<i>C. Morneau</i>	<i>Yes</i>
<i>B. Tilton</i>	<i>Yes</i>
<i>J. Hyde</i>	<i>Yes</i>

7:1 motion carried

S. Perrotta motioned to reduce line 001-200.4191-220 Community Development FICA taxes by \$257. Seconded by R. Ross.

S. Perrotta: That reflects the amount cut from the part time employees and overtime.

Roll Call vote

<i>S. Perrotta</i>	<i>Yes</i>
<i>R. Ross</i>	<i>Yes</i>
<i>M. Yakubovich</i>	<i>Yes</i>
<i>G. Martakos</i>	<i>Yes</i>
<i>D. Ross</i>	<i>No</i>
<i>B. Tilton</i>	<i>Yes</i>
<i>C. Morneau</i>	<i>Yes</i>

J. Hyde **Yes**
7:1 motion carried

B. Tilton motioned to reduce 001-200.4191-630, Community Development Meals and Food by \$150 to \$250. Seconded by S. Perrotta.

B. Tilton: This is in line with previous expenditures.

B. Tilton **Yes**
S. Perrotta **Yes**
G. Martakos **Yes**
C. Morneau **Yes**
D. Ross **No**
R. Ross **Yes**
M. Yakubovich **Yes**
J. Hyde **Yes**
7:1 motion carried

S. Perrotta motioned to amend 001-660.4195-342 Cemetery Software and Programs by \$300 to \$50. Seconded by B. Tilton.

S. Perrotta: This was to make things easier to map the plots but is not necessary.

R. Ross: I disagree that for this small amount of money it is important to be able to plot the lots accurately.

B. Tilton **Yes**
S. Perrotta **Yes**
G. Martakos **No**
C. Morneau **No**
D. Ross **No**
R. Ross **No**
M. Yakubovich **No**
J. Hyde **No**
2:6 motion failed

J. Hyde motioned to reduce Building Inspection 001-202-4240-113 CEO part time employees reduce \$1499 to \$1. Seconded by G. Martakos.

J. Hyde: This line has not been spent for two (2) past years.

B. Tilton **Yes**
S. Perrotta **Yes**
G. Martakos **Yes**
C. Morneau **Yes**
D. Ross **No**

R. Ross Yes
M. Yakubovich Yes
J. Hyde Yes
7:1 motion carried

M. Yakubovich motioned to reduce 001-202-4240-220 CEO FICA taxes by \$115 to \$4559. Seconded by G. Martakos.

R. Ross Yes
M. Yakubovich Yes
B. Tilton Yes
S. Perrotta Yes
G. Martakos Yes
C. Morneau Yes
D. Ross No
J. Hyde Yes
7:1 motion carried

B. Tilton motioned to reduce 001-400-4210-630 Police Meals and Food by \$500 to \$2500. Seconded by C. Morneau.

B. Tilton: This is based on review of the last few years' usage.

B. Tilton Yes
S. Perrotta Yes
G. Martakos No
C. Morneau Yes
D. Ross No
R. Ross No
M. Yakubovich Yes
J. Hyde Yes
5:3 motion carried.

Questions for Administration/Council

Line 001-400.4210.434.000, Police Vehicle Maintenance- why is last year's actual \$9000 higher than this year's proposed?

How many open (vacant) positions are there and how long have they remained unfilled?

S. Perrotta motioned to reduce 001-600.4140-560 Town Clerk postage reduced by \$300 to \$1450. Seconded by G. Martakos.

S. Perrotta: Last year this grew 20% and if it grows 20% this year and we budget 20% next year this would be sufficient to cover it.

<i>M. Yakubovich</i>	<i>Yes</i>
<i>B. Tilton</i>	<i>Yes</i>
<i>S. Perrotta</i>	<i>Yes</i>
<i>G. Martakos</i>	<i>Yes</i>
<i>C. Morneau</i>	<i>Yes</i>
<i>D. Ross</i>	<i>No</i>
<i>R. Ross</i>	<i>Yes</i>
<i>J. Hyde</i>	<i>Yes</i>

7:1 motion carried.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

ADJOURNMENT

*C. Morneau motioned to adjourn at 10:16. Seconded by S. Perrotta.
Vote unanimously in favor.*

Respectfully submitted,

Lee Ann Moynihan