

# BUDGET COMMITTEE MEETING – October 6, 2016

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**Approved**

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

### **CALL TO ORDER**

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

Pledge of Allegiance

### **ATTENDANCE**

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

Absent: Central Water Precinct, Village Water Precinct, and D. Boisvert

Excused: S. Peterson, C. Morneau

### **APPROVAL OF MINUTES**

**September 8, 2016**

*M. Miville motioned to approve the minutes of September 8, 2016. Seconded by R. Ross.*

*Vote unanimously in favor.*

### **OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

No comments

### **NOMINATIONS AND APPOINTMENTS**

*G. Martakos nominated A. Whatley.*

Mr. Whatley addressed the Board regarding his interest and experience as a Budget Committee member.

Vote:

G. Martakos	Yes
M. Yakubovich	Abstained
S. Perrotta	Yes
M. Miville	No
R. Ross	No
B. Tilton	No
J. Hyde	No

Motion failed 2:4:1

## **NEW BUSINESS**

### **Overview of 2017-2018 Municipal Budget – Dr. Shankle**

Dr. Shankle: Basically we started out with the Council directing the department heads to maintain services but within that parameter to keep costs as low as possible.

The difference between default and the budget (look on page 3); the recommended operating budget is \$210,000 higher than the working default. The increase is attributed to non-contractual items.

Council budget is \$18,007,175; an increase of \$6,535.

- \$300,000 is capital projects for roads which the voters approved for 5 years.
- \$130,000 is NH retirement.
- \$24,000 is Non-contractual property liability. We have to estimate because we don't have the health insurance numbers. We estimated 8%. We are always looking for ways to cut. We have always automatically budgeted for family plans for open positions. This year we budgeted for 2 person plans for fire, police and DPW. The other departments were budgeted for family plans.
- The only new employee is the part time employee for the library.

### **Highlights:**

We did end up with a few enhancements to services:

- Administration – replacing a server for fire rescue and we are working on a grant to pay for that so it may come out of the budget.
- Heritage Commission increased
- Family Services – Bus service for \$25,000 and we will get a grant for \$20,000 which will be returned and this is for elderly and medical appointments
- Finance increase because of GATSBY compliance (General Accounting Standards Board). We are supposed to do that every 4 years.
- Fire Rescue – that is an increase in hydrants and insurance. Some preventative maintenance. Our Software “Facility Dude” gives us historical data.
- Police – Police Union Contract and NH retirements contributed to the increase. There will be several warrant articles for union and non-union employees.
- There will be a new full time position that will go on a warrant article for the Recreation “Director.
- Warrant Article for the Fire Vehicle and the Fire Rehab vehicle as well.
- DPW – We will continue to see, year after is year, work being done on the old town hall. We have a grant to repair the tin ceiling as well as a grant for the windows. We want to finish the ceiling and take out the 2<sup>nd</sup> floor and put in the windows and then evaluate where to go next. Looking to be complete by 2022.

B. Tilton: Police, last year, the warrant was approved for 4 part time police officers and one full time officer. We included the part timers in the budget as well. How do the new positions affect the budget?

M. Miville: They are in the budget now.

Dr. Shankle: Some of the smaller departments went down like the tax department due to attrition. Election will go down because there will not be as many elections.

Waste Water will address their increase.

M. Miville: There is one more warrant article which may be presented for the TIF district.

Dr. Shankle: Conservation may have a warrant article as well

M. Miville: The primary driver of the TIF District is Stu Annett. This involves Council, Planning, EDC, Sewer and water. There are minutes available on the Town Council website. There is a meeting on October 17 with Sewer and Planning. The 19<sup>th</sup> is welcome meeting at the Library and the Council meeting of the 26<sup>th</sup> has this on the agenda.

J. Hyde: Why the increase in property liability

C. Soucie: The increase is due to property, not rate. We've added property. We are planning on bidding out property liability and the current insurance company held their rate but we added cyber security and properties.  
We added vehicles and we went through and reviewed our property and changed what we were covering for at the sewer department. We hadn't had someone come through and review all our property before. There are 21 vehicles.

B. Tilton: There is \$3000 for a consultant for excise tax advice and insurance consulting. What is that for?

C. Soucie: In the past we have used him for both scenarios. 2 years ago we did a health insurance committee and he provided data. We did come up with recommendation for changes to health. I believe it did save us money with lower rates and better coverage and sold all unions to switch. I can provide you with the actual savings at the next meeting.

Dr. Shankle: He prepares the RFP's and then reviews them for what we need.

S. Perrotta: The operating budget was \$900,000 under budget; does that go to the reserve or to reduce the tax. How much is personnel savings. Each year the budget is built upon the previous budget; how does in theory the 2018 get prepared.

C. Soucie: In 2016 we were under \$900,000 and that goes into the town's fund balance. Council has the authority to use in 2 ways. 1. It is put to the tax rate which is usually the case. The other way is to fund warrant articles. They don't general do that. They like to put t to the tax rate.  
90% of the \$900,000 is due to personnel vacancies. It takes a long time to recruit police and we have DPW vacancies. We zero base our budget. We start from scratch and don't build from the prior year.

Dr. Shankle: I pay attention to what was spent in the previous year more than what was budgeted in the previous year.

## **Review and discussion of Municipal Budget**

### **Library**

Heather Shumway, Mary Farwell, and Mac Broderick.

Wages: In general, we try and provide a narrative that gives context for what we want to do in the future budget. For the upcoming year, we have 2 areas of focus, one is books and the other is our wage line.

Currently we have the lowest staffing level in the State and one of the lowest book budgets. We do a lot good work with limited help. We hope to address three areas: FLSA regulation regarding exempt and non-exempt. We have a staff member classified as exempt and would not be exempt under these new regulations so we want to increase the salary to continue the exempt status.

S. Perrotta: I don't believe it is the salary but the nature of the work that makes someone exempt.

Mac Broderick: We have an employee; we did a pay equity study a few years ago to align our employees with other town employees. We then made an adjustment. We also had a current position that was modified to a higher level technical services position that didn't benefit from that wage review because of the timing. Her salary was not adjusted for that study. We are doing that in steps. Part of this increase is her pay equity adjustment. The third area is a reaction to demand. We are having a very large increase in demand for our services particularly in the children's area. We are trying to increase our presence in the children room with a 10 hour per week employee. We feel those 10 hours will benefit our patrons and safety for our staff.

Supplies - No increase and what we have in that category is the library processing material and office supplies.

Building Maintenance - We require updates to the HVAC and minor repairs and emergency lights.

J. Hyde: Both years this line was overspent?

M. Farwell: We may have moved money from other lines

Mac Broderick

Utilities - We have done well with our estimates.

Heather Rainer

New Equipment - CO alarms, magazine racks, wall mounts for tvs, and ladders were donated from the courthouse. I would like to see efficient hand dryers in the bathrooms.

Equipment maintenance - contracts for copiers.

Information Technology - We do a lot with technology. We have staff and public computers. We try and maintain our collection so we don't get a spike in equipment.

Automation - GMALC dues provides us the automation system which tracks the use, catalogues and e-books. We are fortunate that we are member of this consortium. We are the second smallest library and we get a big bang for our buck. The automation dues is a formula based the on our number of patrons titles and percentage of circulation.

Books and Material - Included is a comparison by town.  
We have plateaued because we can't meet the demand. That is why we are asking for a significant increase.

J. Hyde: If we have access to GMALC books, why do we need more books and also if we have e-books, do we need more paper books.

R. Ross: How many unique borrowers are there?

Heather Rainer: The number of unique borrowers is 1300 per month.

G. Martakos: Are we limiting the programs to Hooksett only where we are supporting staff for these programs?

Heather Rainer: It depends on the program.  
Programs and Services- Special items related to programs. Cost for speakers, supplies for hosting the programs. This has seen tremendous growth.

J. Hyde thanked the Library for their comprehensive presentation.

BREAK - The Board took a break at 8:05 PM and resumed at 8:15 PM

*M. Miville motioned to accept and receive the Town Council's budget in the amount of \$18,007,175. Seconded by G. Martakos. (Town \$15,931,582 plus sewer \$2,075,593)  
Vote unanimously in favor*

Departments to be scheduled:  
Fire Department/Police Department/DPW/Sewer/Administration/Warrants and Review

### **OTHER BUSINESS**

#### **Budget Transfers –**

C. Soucie: We generally don't do a lot of transfers until the end of the year. We do it by department per the Charter. We only transfer from department to department which doesn't typically happen until the end of the year. This year we did a transfer for Old Home Day.

M. Miville: This is primarily on the agenda for School Board transfers.

C. Soucie stated that she will send any transfers to Budget Committee in the future.

### **School Budget Calendar**

G. Martakos: The new software upgrade is causing things to be slow in preparing the budget. The Board would like to request a one week extension for submission of the budget.

The Budget Committee agreed to extend the due date for the School Budget to November 11<sup>th</sup> with Dr. Littlefield scheduled to present the School Budget overview on November 17<sup>th</sup>.

**School Fund Balance**

The fund balance for the School District was \$900,000.

**OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

**ADJOURNMENT**

*G. Martakos motioned to adjourn at 8:50 pm. Seconded by S. Perrotta.  
Vote unanimously in favor.*