

FINAL



**Town of Henniker
Budget Advisory Committee Meeting
Tuesday, January 12, 2010
Henniker Community Center**

Members Present: Dan Garvey, Jim Crane, Danny Aucoin, Jim McElroy, Caleb Dobbins, Lance Moulton, Dan DaCosta, Tim Pigsley, Jeff Connor

Town Administrator: Peter Flynn

Guests: Wayne Colby, Tom French, Lynn Piotrowicz, Jon Evans, Tia Hooper, Keith Gilbert, Chris Woodbury, John Margeson, Bobbie Gaudet, Bob Pennock, Patti Osgood

Recording Secretary: Cherry Palmisano

Caleb Dobbins called the meeting to order at 6:30 p.m.

Nomination to elect the Chairman

Jim McElroy moved, Lance Moulton seconded to nominate Caleb Dobbins for Chairman of the Budget Advisory Committee. All were in favor.

Nomination to elect Vice Chairman

Dan DaCosta moved, Caleb Dobbins seconded to nominate Jim Crane as Vice Chairman. All were in favor.

Remarks from Leon Parker, Chairman of the Board of Selectmen

Leon Parker thanked all the members of the Committee for their time. He told them that the tension on the Board has been keeping the tax rate constant and funding an adequate level of activity of departments. The budget includes a 5% payroll increase, based on 25 year history of following one year behind the state pay increases, which continues to be a subject of controversy. The pay increases were balanced by taking 7% of the health benefits back from the employees. Mr. Parker said last year they took a lot of money from the fund balance and used it to reduce taxes. Mr. Parker said that the Selectmen do not set the tax rate until next October. He told the Committee that last year they did not put any money into any Capital Reserves. Mr. Parker said the Police Department is asking for two vehicles instead of one because they did not get a vehicle last year. Mr. Parker said the Selectmen instructed Mr. Flynn to go back to departments and ask them to cut further in efforts not to eliminate any positions; they gave back \$93,000. Mr. Parker said there will be bridge requests forth coming. He said the town needs a loader and they are looking at two options, one option is to buy outright (which saves the town a substantial amount of money) and the second option would be a lease purchase option.

Peter Flynn informed the Budget Advisory Committee that the warrant articles, are listed in narrative form, and are just for information. Mr. Flynn said some expenditures have not been accounted for yet.

Mr. Flynn said there is a warrant article to do a revaluation of the town; which will be done this year. It is projected that the revaluation could go down 3-5% next year.

Mr. Flynn said the Selectmen are estimating that they will be committing \$150,000 of the \$250,000 they have in the fund balance to offset taxes; last year they put in \$350,000. It was discussed that \$390,000 = \$1.00 on the tax rate.

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It was discussed that the CIP is now a 20 year projection. Mr. Flynn said they get \$157,000 from state grants for road reconstruction and that is all they have for roads.

Highway Department – John Margeson said there is a 2.3% increase from last year due to employee wage and benefit increases.

Mr. Margeson said last year they budgeted \$11,000 out of the communications repairs budgeted and during the summer they got a grant and therefore only need \$1,500 for 2010. He trimmed \$10,000 off of diesel fuel because of the cost decrease from last year per gallon.

The budget reflects a \$14,000 increase over last year. Mr. Margeson said he trimmed from many lines.

Caleb Dobbins moved, Jim McElroy seconded to approve the Highway Department budget of \$617,762 as presented.

Jim Crane asked about eliminating the rental equipment line. Mr. Margeson said they usually rent an excavator and roller for summer projects but he will have to take from another line to rent the equipment.

Jim Crane asked if the wage increase is for part time help. Mr. Margeson said that the part time employees have not had an increase for 5 years.

Mr. Flynn said that new thermostats were installed in all buildings and heating costs should go down; they have a bid contract with a local oil dealer.

Caleb Dobbins asked about Warner plowing fees and if there was a legal document in place in case of an incident. Mr. Flynn said he is looking into the situation and will have an agreement and a fee system in place soon.

All were in favor of the Highway Budget of \$617,762.

Highway - Street Lights – Mr. Margeson said he checked with PSNH and they said there will be no cost increase.

Caleb Dobbins moved, Dan Aucoin seconded to accept the Street Lights budget of \$20,225. All were in favor.

Highway - Streets – Mr. Margeson said they crush 5,000 tons of gravel per year. The cost of salt is down. Mr. Margeson said he had planned to do Western Ave but it was cut due to the cost. They will be working on Old Concord Road, the culvert and sidewalk by the Police Station. Caleb Dobbins asked about the previously requested sidewalk on Hall Ave. Mr. Margeson said to get a legal sidewalk on Hall Ave, they would have to take people's land. Mr. Flynn mentioned taking this up at Safe Routes to School.

Caleb Dobbins commented on revenues from FEMA not showing on the revenue sheets. He wants to know how money comes in and how it is expended. Mr. Flynn said FEMA money is money reimbursed from state of emergencies. Lance Moulton said the public must approve every expenditure made. Mr. Flynn said it is spent out of the regular operating budget and if they are over they always get enough money back by the end of the year to cover it; it is accounted for.

Caleb Dobbins moved, Dan DaCosta seconded to accept the Highway - Streets budget of \$274,380. All were in favor.

Highway Department Warrant Articles

6) To raise and appropriate \$100,000 to add to the Bridge Capital Reserve Fund.

Caleb Dobbins moved, Jim McElroy seconded to accept Article 6.

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Mr. Flynn said this is specific to the bridge account fund, the bridge is 4-5 years out, after engineering is done they will have a complete estimate. He said next year they should know the total cost and will need to have the design work done. They will already have \$100,000 of the cost. The bridge is already accepted to be matched by state funding.

All were in favor of accepting Article 6.

21) Request for \$160,000 for a front end loader, \$60,000 to be withdrawn from the Capital Reserve Fund and \$100,000 to be raised by taxation.

Mr. Margeson said this would replace the town's 1978 loader.

A member of the public commented on Articles 21 and 22 being for the same item, with different funding options. He asked if the Budget Committee will be recommending one option. Mr. Flynn said he would like a recommendation for the best option.

Jim McElroy asked how much more option 2 would cost. Leon Parker said at least an additional \$12,000.

Caleb Dobbins said Articles 21 and 22 will both be on the warrant; one will have their recommendation.

Tim Pigsley asked Mr. Margeson what he thinks would be the best option for payment. Mr. Margeson said it would be cost effective to the town to purchase a new front loader outright.

Lance Moulton asked about purchasing a used loader. Mr. Margeson said municipalities get a huge discount on new equipment.

Caleb Dobbins moved, Tim Pigsley seconded to accept Article 21. All were in favor.

22) To enter into a long term lease/purchase agreement in the one of \$160,000 payable over a term of sixty months at \$2,882 per month

Caleb Dobbins moved, Tim Pigsley seconded to accept Article 22 as written.

Caleb Dobbins said they way the article is written is over the next four years the lease payments would have to be raised through taxation; there is no guarantee what would come out of the Capital Reserve.

Jim Crane moved, Jim McElroy seconded that the Budget Advisory Committee agrees to put both articles on the warrant, but the Committee recommends paying cash, not doing the lease/purchase.

Jim Crane said they are recommending Article 21, but both Articles need to be on the warrant.

All were in favor.

13) To raise and appropriate \$158,056 for road improvements, which reflects the Town's share of the State of New Hampshire's Highway Block Grant. If no revenue is received from the State of NH this amount will not be spent.

Caleb Dobbins moved, Tim Pigsley seconded to accept Article 23 as submitted. All were in favor

Fire/Rescue – Chief Keith Gilbert and Chief Tom French

Tom French said the Fire/Rescue budget consists of three budgets: Fire Department, Rescue Department and Shared Assets.

They are requesting two EMTs to work Monday-Friday. During the budget process last year they added \$46,000 in part time wages. They haven't been able to find a full time employee and are filling the position with part time help; this reduced their benefit cost to help fund the night time position. This also allows them to have an employee in the station almost 24/7. They can provide this care for minimal expense and doubled their coverage for \$24,000; \$18,000 of this is to cover the night time shift.

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Rescue – There is a 6% decrease, \$5,500 down from last year.

Fire Department – The Selectmen cut \$12,000 from the equipment purchase line. It was discussed that there is a project that won't be done because of that cut. A federal grant was received for \$11,000 to purchase gear storage racks, which they had to cut and they had to eliminate back up cameras on two pieces of equipment.

Jim McElroy said he is not comfortable with safety measures being cut due to budget cuts.

Tom French said they received \$152,000 from revenues in 2009 from ambulance billing.

Caleb Dobbins moved, Jim McElroy seconded to accept the Fire/Rescue Budget of \$503,868 as presented.

It was discussed if there is an accident involving alcohol or recklessness they can charge for the accident and receive revenue.

The motion to approve the Fire/Rescue budget of \$503,868 passed. Jeff Connor and Dan Aucoin abstained.

Fire/Rescue Warrant Articles

19) To raise and appropriate \$175,000 to purchase a new ambulance, with \$130,000 to come from the Capital Reserve Fund and \$45,000 to be raised by taxation.

Tom French said this was requested last year, they held the request to this year, the ambulance is needed; \$175,000 is an estimate.

Caleb Dobbins moved, Tim Pigsley seconded to accept Article 19 as written. All were in favor.

The next scheduled purchase is in 2014.

Tucker Free Library – The 2010 proposed includes Trust Fund revenues, which are down \$2,000. The Library budget is \$214,000 with projected revenue of \$30,000 which brings it down to \$178,000.

Mr. Flynn said the Selectmen submit the budget they approve to the Budget Advisory Committee for their comments.

Mr. Flynn said the Library budget is not consistent with all other departments. Revenues are included in the Library budget, but they are separate from the town.

Patti told the Committee that the budget they originally requested included \$17,000 for books, all other expenses are for operating costs, if they flat line their budget and have no increase there will be cuts in services at the Library. The Library is open to the public 37 hours a week.

Jim McElroy asked if they had to absorb the increase of \$12,396 how they would do that. Patti said they would have to close the Library on Saturdays for the whole year.

Patti said the Library was asked to take an 8.8% cut and she feels it is a large cut for the size of their budget.

Jim McElroy moved, Tim Pigsley seconded to accept the Library budget of \$190,804.18 as submitted by the Library Committee.

Jim McElroy said he would not like to see the opportunity of using the computers taken away from people who need it.

Jim Crane said he read there is a fund balance from 2009 that the Library has the right to keep, but they are giving it back to the town. Lynne Piotrowicz said they sought out other sources of funding ex. Grants and actively solicited funds. Their surplus is going into the General Fund for the town.

Jim Crane recommends the BOS accept the Library's proposal in recognition of cuts. He said the public use the services; they need to recognize their Trust monies are less and they returned monies to the town. Jim Crane feels they should not cut from this budget.

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The motion to approve the Library budget of \$190,804.18 passed. Dan Garvey was not in favor.

Community Services – Mr. Flynn said the Community Services budget consists of three budgets.

CAP Program - provides fuel assistance and is a supplement to the Towns welfare system. This budget is level funded for the 3rd year.

Visiting Nurses Association - no longer needs money from the town due to fundraising.

CASA - system that provides court services to kids. The Selectmen chose not to participate in this program because they did not have enough information.

American Red Cross - Selectman cut this budget and chose not to take on any new community services.

White Birch Community Center - requested \$50,000, which is level funded for the 3rd year.

Fuller Library Program – supplemental program that provides tutoring programs for people who drop out of school, prorated amount based on two Henniker students, budget is \$298.

Caleb Dobbins and Jim Crane recused themselves from voting on the Community Services budget.

Tim Pigsley moved, Jeff Connor seconded to accept the Community Services budget of \$58,314 as presented.

The Committee asked White Birch Community Center what they gave up because their budget was cut by \$5,000.

John Evans, Chairman, said they are a private organization providing services to the Town of Henniker and they asked for \$55,000 to fund their senior program. Mr. Evans said White Birch provides child care and education and senior care. Mr. Evans said they have costs that have increased over the years and have been level funded for several years. They had to revise part of their programming and swim lessons for Henniker children because of an increase of participants in their program and an increase in their expenses.

Mr. Evans said they have many requests to broaden their services for seniors, but they cannot do it with the funding they have. He said the demand for services is increasing as the population ages.

Dan DaCosta said they are overdue some consideration for their request of \$58,314.

Jim McElroy moved, Dan DaCosta seconded to amend the article to fund the Community Services budget at \$63,314, specifically increasing the White Birch Center to \$55,000. The motion passed. Dan Garvey was opposed. Jim Crane and Caleb Dobbins abstained.

The Committee approved the amended article to fund the Community Services budget at \$63,314. Dan Garvey opposed. Jim Crane and Caleb Dobbins abstained.

Athletic Committee – Chris Woodbury said the budget is level funded at \$42,149.

Caleb Dobbins moved, Lance Moulton seconded to accept the Athletic Committee budget of \$42,149 as presented. All were in favor.

There is a ten year lease on the soccer fields; the town pays for the lease and pays the tax bill. Mr. Woodbury said that this budget was presented to the Selectmen in October and some budget lines have changed, but the bottom line of the budget is accurate.

Caleb Dobbins moved, Lance Moulton seconded to change the agenda order, to have EMS come before Solid Waste. All were in favor.

Emergency Management – Mr. Flynn said the Selectmen cut the Emergency Management budget to be level funded.

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Tiamaria Hooper told the Committee that her budget had included other items, in which she had applied for grants, but those items were cut by the Selectman.

Jim McElroy asked why the Selectmen did not include those expenditures that were covered by grants in the budget. Mr. Flynn said they have to appropriate the money and they did not want to take the chance of not being able to get grant approval. Dan DaCosta said if the cost was not expended, it would not be asked for again the next year.

Caleb Dobbins moved, Tim Pigsley seconded to provide funding for the Emergency Management budget for \$3,582 as shown.

Caleb Dobbins said he would like to get the information for what was cut.

Mr. Flynn said that is not part of the recommendation from the Selectmen. He said the Budget Advisory Committee's job is to look at what is presented to them from the Selectmen and decide what is reasonable. Jim McElroy said their job is to recommend a budget be decreased or increased.

Jim Crane said that if the opportunity is there in the future, the Selectmen could accept to apply for grant.

Ms. Hooper said the State of NH says the money has to be allocated for before applying for a grant. She commented that the money would have to be appropriated in order to have money in place for allocation.

Caleb Dobbins wants the information to review to see what can be applied for to save the town money in the future.

Ms. Hooper informed the Committee that she knows of different grants that can be applied for the Police and Fire Departments as well.

The motion passed to accept the Emergency Management budget of \$3,582. Caleb Dobbins opposed.

Elections – Anne Gould said there is an increase in this budget due to the fact that there are three elections.

Caleb Dobbins, moved, Lance Moulton seconded to accept the Election budget of \$10,100 as submitted. All were in favor.

Solid Waste – Mr. Flynn informed the Committee that Solid Waste and Parks was two separate budget; the two budgets were combined representing a \$26,000 savings. Bob Pennock said in the past they had to estimate how many hours they were spending in Parks.

Mr. Pennock justified how lines in the Solid Waste budget went up because of combining the Parks budget within the Solid Waste budget. Solid Waste tipping fees were increased representing half of the total budget increase.

Caleb Dobbins moved, Tim Pigsley seconded to accept the Solid Waste budget of \$707,355 as submitted.

Dan Aucoin asked about overtime costs. Mr. Pennock said they need to have coverage; they try not to work overtime. Mr. Pennock said that no one works on Monday or Friday, so if something needs to be done on Monday or Friday it would be overtime.

Jim Crane asked if they ever looked at using a labor pool from the Highway Department to alleviate overtime. Mr. Pennock said most people would not want to come out for an hour or two to shovel snow. Jim Crane asked if they ever looked into contracting those services out. Mr. Pennock said it would cost much more.

Mr. Pennock said that tipping fees increased to \$19.80 per ton representing a 35% increase.

Jim Crane commented that there was no warrant article for equipment. Mr. Pennock said that for two years his request for a truck has been cut.

All were in favor of the Solid Waste budget of \$707,355.

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ZBA – Mr. Flynn said this budget is \$6,537. They cut back the Planning Consultant by \$1,000 and went back to a budget that represents what was spent.

Jeff Connor abstained from any discussion.

Caleb Dobbins moved, Lance Moulton seconded to accept the ZBA budget of \$6,537 as presented. All were in favor; Jeff Connor abstained.

Mr. McElroy asked about the Planning Consultant. Mr. Flynn said that the Planning Consultant works mostly for the Planning Board.

Patriotic – Mr. Flynn said this budget is \$2,150 and covers the parade, ice cream, and flags for the cemetery.

Caleb Dobbins moved, Tim Pigsley seconded to accept the Patriotic budget of \$2,150 as submitted. All were in favor.

Tax Maps – Mr. Flynn said this budget is \$2,500 and is needed for maintenance purposes. These utilize and outside service. Mr. Flynn said the town maps will be available online soon.

Caleb Dobbins moved, Jim Crane seconded to accept the Tax Map budget of \$2,500 as submitted. All were in favor.

Legal – Mr. Flynn said they have always lived within the budget of \$20,000.

Caleb Dobbins moved, Lance Moulton seconded to accept the Legal budget of \$20,000 as submitted. All were in favor.

Insurance – Mr. Flynn said the budget total is \$100,293, which represents a slight increase in worker's compensation.

Caleb Dobbins moved, Lance Moulton seconded to accept the Insurance budget of \$100,293 as presented. All were in favor.

It was discussed that according to the attached notes the workers compensation should be \$51,726 not \$49,148.

Debt Services – Mr. Flynn said this budget's total is \$109,043; \$64,000 is payment on the principal and \$25,043 is interest on debt, \$20,000 is interest on TAN.

Caleb Dobbins moved, Dan Aucoin seconded to accept the Debt Services budget as submitted for \$109,043. All were in favor.

It was discussed that the town still owes \$1,000,030.

Municipal Dues – Mr. Flynn said this budget is for dues paid to the Local Government Center.

Caleb Dobbins moved, Dan Aucoin seconded to approve the Municipal Dues budget as submitted for \$3,222.00. All were in favor

Caleb Dobbins moved, Tim Pigsley seconded to recess until 6:30 p.m. on Thursday, January 14, 2010. All were in favor.