

TOWN OF EPSOM

BUDGET COMMITTEE

JANUARY 7, 2010

Present: Harvey Harkness, Chairman; Marylou Keane, Vice Chairman; Joyce Heck; Carol McGuire; Brad Keyes; David Fiorentino; Mike Wiggett; Kevin Reeves; Joanne Randall; Virginia Drew

Excused: Carole Brown

Absent: Tammy Vaillancourt

Other Attendees: Patrick Connor; Barbara Noonan; Wayne Preve; Nancy Wheeler; Kathleen Bailey; Keith Cota

Harvey opened the meeting at 7:00 P.M.

Harvey noted tonight would be an opportunity for the Budget Committee to review the three budgets and point out items they would like to discuss.

Carol made a motion to accept the minutes of December 10, 2009 with Joanne seconding the motion.

The minutes of December 10th were reviewed and amended.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion passed with one abstention.

Carol made a motion to accept the minutes of December 17, 2009 with Kevin seconding the motion.

The minutes of December 17th were reviewed and amended.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion passed.

School District:

Lines members wanted to review included:

Line 88 – 001-1100-738-103-055 Replace Computers – Carol

Line 213 – 001-2310-110-103-000 Board Salaries – Virginia

Line 234 – 001-2314-340-103-000 Legal Notices – Carol

Line 330 – 001-2721-518-103-000 High School Bus – Joanne

Line 88 – 001-1100-738-103-055 Replace Computers – Carol

Carol noted last year's actual was less, computers are getting cheaper, and she would like to cut this line to \$30,000.00. Barbara Noonan noted the expense was smaller last year as they had money remaining the year before and had pre-bought computers from the 2007/2008 budget.

Mr. Connor explained what the school had for laptops and desktops and what would be replaced. Mike explained what the school is purchasing is not the off the shelf computers with Mr. Connor further explaining the computer needs for the students.

Joanne asked if the school purchased the computers through a government program. Mr. Connor noted they shop around for the best prices; Dell has been the best in the past. Computers are used in all classrooms almost daily. Dave asked how computers are disposed of, Mr. Connor noted they are run into the ground and they recycled.

Carol made a motion to reduce this line to \$30,000.00, Brad seconded the motion.

Harvey asked the amount of the reduction; Carol indicated it would be 1/3. Mike asked the reason, Carol noted she has purchased computers recently and think the school can do better with prices.

Joanne asked if the line was reduced what would occur. Mr. Connor explained the law now is that every child has a digital portfolio. They cannot predict the prices in the future; the school wants to be prepared. Virginia noted not every child has a computer in the home.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion failed with 5 nos, 3 yeses and 2 abstentions.

Line 213 – 001-2310-110-103-000 Board Salaries – Virginia

Virginia had issues with the salaries, the legislatures work for \$100.00 a year. She was on the School Board for 12 years with no salary. The secretary receives \$2,000.00 also as do the Selectmen. The School board only meets once a month. She suggested lowering the salary line to \$5,000.00.

Barbara noted the salaries were there when she went on the Board. She noted the money has been donated back to the school by some of the Board members. Barbara indicated the SAU expressed the salaries should be increased from the \$1,000.00.

Virginia made a motion to decrease the salary line to \$5,000.00, Carol seconded the motion.

Virginia realized people donate their salary to the school for designated items, but she would rather see the money put in the budget for the educational trip to Washington, D. C.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion passed with 6 yeses, 1 no and 3 abstentions.

Line 234 – 001-2314-340-103-000 Legal Notices – Carol

Carol noted this was a mistake.

Line 330 – 001-2721-518-103-000 High School Bus – Joanne

Joanne requested more information regarding the meetings held, people present and the discussions.

Barbara noted there were approximately 15 people at the meeting in favor of the buses. The Town is obliged to keep students in school until the age of 18, there is no parking at Pembroke Academy for all the students. Based on the enrollment they budgeted for two buses.

Dave asked if there was transportation now. Barbara noted no. Last year Dail Transportation offered a bus for pay and had 15 riders. Virginia noted when she was on the Board they had full rooms of people when the bus would be discussed and had overwhelming support for them as a Warrant Article. The following year was a default budget, the bus was cut. She noted it is an issue to get the children to Pembroke Academy. Mike noted there was another school affair the same night as the discussion.

Joanne asked the ridership the year the bus was provided. It was full in the morning but not so in the afternoon due to participation in after school programs. Joanne was concerned with questions as this is not mandated. Mike noted the Board would not keep in the budget if there was a default budget.

Marylou noted when her children go to Pembroke Academy she wants them on a bus. We need to support parents who can't get a child to school, they are forgetting the fact we are a community.

Joanne feels this should be a Warrant Article, Carol agreed it should be a separate item. Virginia noted in the past they were pulling out Warrant Articles due to the number of Articles.

Harvey reminded the Committee the budget presented is the Committee's budget. It was determined there was still time to do a Warrant Article if the School Board wanted to.

Joanne made a motion to reduce the High School bus line to \$1.00, Kevin seconded the motion.

Mike noted there were people out there who would like to see the money in the budget and as a Warrant Article.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion passed with 5 yeses, 4 nos and 1 abstention.

The Committee took a break from 8:13 P.M. to 8:20 P.M.

Town Budget:

Joanne noted there were some minor changes to the town Budget since the last meeting. The CIP line under the Planning Board was reduced to \$500.00 as the Town has a \$2,500.00 credit with the Central New Hampshire Regional Planning Commission. The Fire department Health insurance line was increased \$609.00 to reflect the actual plans and premiums. The Morrison – Other Improvements line has been reduced to zero, the computers were purchased with remaining 2009 funds. With these changes the budget is \$6,731.00 less than last year for a total of \$2,710,458.00.

Joyce noted she had an interest in the differences in the salary increases, Marylou would also like to revisit the salaries.

Joyce noted it seems to make sense to have consistent increases, it would seem the Budget Committee and the Board of Selectmen would have a structure. She did not believe the Police Department should get an 8% increase and the Fire Department personnel less.

Marylou noted two points:

1. The budget is \$6,000.00 less with the last revenue projections being 1.2 million; this would be an automatic tax rate increase if all else remains the same. Nancy Wheeler noted she had revised revenue figures but did not want to discuss them now.
2. Everyone she deals with in the private sector is not giving increases, people are lucky to have jobs.

Marylou noted the BCEP gave 2% increases with some Selectmen not wanting to give that and they are not giving the Town employees an increase. She thinks the increase should be flat across the board. She is not saying the employees don't deserve an increase, but the Committee has to remember what is going on. Last year they got the trust of the people and believe we would lose that with the increases. She felt they should

give a 3% increase across the Board except for Police and Fire who should receive an 8% increase.

Joyce thought the 8% was debatable, thinking more as 3%. Mike agreed the Police and Fire Departments should receive the same increases as the other employees. Dave agreed with Marylou, going one step further as he feels the economy is worse than last year. Dave thinks with this economy they should just put the fires out, the Patrolmen, Fire and also the Road Agent and his employee.

Discussion continued regarding the increases that should be given to the various departments. Joanne reminded the Committee that they could not set the salaries; if they want to reduce the budget by an amount they could and allow the Board of Selectmen to determine where the money would come from. Joanne added that if all town employees were being paid the median income for their field and they were all performing at the same level, then it would be appropriate to offer the same percentage for each person. Since that is not the case, it does not make sense. She also noted that the Town is not in a position to take advantage of employees who feel lucky to have a job by paying them less than they are worth.

Harvey noted they needed to go through the discussion so people can make the best decision for the town.

Joyce thought it would be appropriate for this Committee to recommend salary amounts. The Selectmen does not have to accept them. The salaries should be around the position; the Selectmen could determine the salary based on the person in the position.

Marylou noted last year the patrolmen and fire employees' salaries were increased. She noted even under a default budget the employees had received increases.

Carol noted we are a small town and have a situation where each department determined what it needed to retain people. She had no issues with asking the Police Department to come up with a three year plan.

Brad did not think there was anyway they could tell the Selectmen all the employees should receive a 3% raise. He felt they should go to the Town with a budget less than last years, they are going to get the Police Department up, are giving the Fire Department some raises, he reiterated the Committee should not be micromanaging.

Mike asked the default budget amount, Joanne indicated it is not finalized but is currently \$2,651,657.00.

Harvey noted they are voting on a budget to be presented at the Public Hearing. Joyce noted at the deliberative session people make motions to change the lines.

Mike made a motion to present the budget as presented at the Public Hearing, Carol seconded the motion.

The motion and second were withdrawn.

Joyce moved the salaries for all the Police and Fire Department positions be increased by 5.5%, Mike seconded the motion.

Chief Preve noted when the town asked the department heads to put together their budgets, they don't talk to each other. They are asked to request what they think they should have for salaries and the Budget Committee is taking that away from them.

Joyce appreciated what Chief Preve was saying. Keith noted the Selectmen rely heavily on the department heads and support what is needed to be competitive with the surrounding towns. The Police Department was asked for a three year approach, it was discussed last year and the Town supported it. He heard from the Fire Department they were willing to work an extra hour, they will be reviewed next year. He would like to go back to the Fire Chief and explore giving increases with additional hours.

Mike noted after listening to two people who know more, he would like to withdraw his second.

Dave seconded the motion.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion failed with 2 yeses, 5 nos and 3 abstentions.

Kevin noted in the past the Police and Fire Departments did warrant articles to get the salaries up, this year they have the Police Department step increase with the Fire Chief telling them he had no increase. Kevin noted they were told the Fire Department will come up next year and thinks it needs to be brought up.

Carol thought they had done something giving the Fire Department an increase without their asking for it, she did not think they should give more than 3%.

Marylou made a motion to decrease the bottom line by \$25,000.00, which is one-half of the bond amount, Carol seconded the motion.

Joyce asked how it would be applied, Joanne noted the Selectmen would have to meet and determine that. Keith disagreed with Joanne, he felt the Budget Committee should tell them where the decrease should come from.

Virginia felt they should not take the money off the bottom line. Mike did not see the purpose of removing \$25,000.00 when the budget is less than last years.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion failed.

Joanne made a motion to present the budget as is at the Public Hearing, Mike seconded the motion.

Harvey asked if there was any discussion on the motion. There being no discussion on the motion, Harvey called for a vote. The motion passed with 7 yeses, 1 no and 1 abstention.

Dave noted he had wanted to discuss the Zoning Compliance budget. The Planning Board and Zoning Board of Adjustment are slow, why is there a need for an assistant as everyone who gives him work is 50% less.

Joanne noted the Zoning Compliance Officer reports to the Selectmen on a regular basis. There is not as much new construction, but more additions, etc. He has been working without an assistant for a number of years and is behind on compliance issues. The assistant is addressing these issues. Carol confirmed this. Joanne added that any concerns with the Zoning Compliance Officer should be directed to the Board of Selectmen.

Harvey noted they have a budget to present next week. The work they have done has been open, through and transparent. He feels good about the work done.

Nancy Wheeler presented the Committee with a revenue sheet, noting the actual came in \$5,000.00 higher than her previous estimates at \$1,241,350.00. She explained this year DRA had a column for the Budget Committee to determine revenue estimates.

Carol moved to accept the Board of Selectmen's recommendation for the Budget Committee's estimated revenues, Mike seconded the motion.

Nancy reviewed the Selectmen's estimates and how they were arrived at.

Harvey asked if there was any further discussion on the motion. There being no further discussion on the motion, Harvey called for a vote. The motion passed.

Marylou passed out information on the Trust Funds with the December 31, 2009 balances.

Joanne left the meeting at 9:48 P.M. with Keith setting in her place.

Keith discussed the Warrant Articles with 4 having monetary values. The first is for the Highway Department with the Road Agent having a number of projects to use the money for. The Police Department is looking to add a seventh position. The Warrant Article includes a half year salary and benefits. They are trying to maintain the current coverage and cover vacations, etc. and allow the sergeant more investigative time.

The third is for money to further explore options for a Town Office. The Building Committee has presented the Selectmen with a draft report noting the need for a town office. They are looking at a 10 year growth and the need for additional space. The options include using the basement of the Meetinghouse as a Town Office with the required renovations or the construction of an additional structure.

The Gossville Cemetery Trustees has requested the Town take over the cemetery. This article is an estimate of the costs to maintain the cemetery for the summer mowing, etc.

The remaining three articles are by petition.

Harvey asked if the Selectmen had acted on the Articles, Keith said no.

Brad asked if there was a way to get the possible information for the Town Office without spending \$30,000.00. Keith explained the process and the information that was required. He noted they would be using the same firm that developed the Library, they know the area and concerns.

The next meeting is January 14th at 7:00 P.M. at the Town Office, being the Public Hearing for the budget..

Brad made a motion to adjourn the meeting with Kevin seconding the motion.

Harvey asked if there was any discussion on the motion. There being no discussion on the motion, Harvey called for a vote. The motion passed unanimously.

Harvey adjourned the meeting at 10:05 P.M.

Respectfully submitted,

Betsy Bosiak
Recording Secretary