

HUDSON, NH BOARD OF SELECTMEN  
Minutes of the October 25, 2012 Meeting

1. CALL TO ORDER - by Chairman Nadeau the meeting of October 25, 2012 at 7:06 p.m. in the Selectmen's Meeting Room at Town Hall.
2. PLEDGE OF ALLEGIANCE - led by Chairman Nadeau.
3. ATTENDANCE

Board of Selectmen: Rick Maddox, Ben Nadeau, Ted Luszey, Nancy Brucker

Absent: Roger Coutu

Staff/Others: Steve Malizia, Town Administrator; Donna Graham, Executive Assistant; Kathy Carpentier, Finance Director; Mike O'Keefe, Chairman of Cable; Police Chief Jason Lavoie; Captain Bill Avery; Captain Bob Tousignant; Dorothy Carey; Dave Yates, Recreation Director; Charlie Matthews, Library Director; Mike Linehan, HLN Reporter

4. NEW BUSINESS

A. Musquash Trail Grant - Project 12-034

Chairman Nadeau recognized Town Engineer Gary Webster.

Gary Webster advised that this was the second grant that I've applied for. We have one for the Benson Trails. This is the second grant that has to be brought tonight to accept this grant. We gave the proper notice and so forth and I have to have it by 10/31/12. It's for redoing the trails at Musquash and I have it broken down - gravel and so forth. They have a couple of miles of trails out there. They're going to build a bridge over a wetland so it doesn't disturb it. We own all the property - 400 acres out there. They're going to touch up 5,000 feet of existing trails that goes along the Musquash conservation land. Of course, we're going to be using some small equipment in there to bring in the gravel and try to smooth out the roads a lot better than what they are right now. Those trails need a lot of work. I talked to Sandra Rumbaugh and she's going to spearhead the trails. The grant expires June 30, 2013. Hopefully they can use it and make those trails worthwhile. Our match is \$5,000 which is made up of labor. The Conservation Commission will be up front with paying the bills on this project and get reimbursed to go back into the Conservation Commission.

Selectman Maddox asked for the total cost. Mr. Webster indicated \$20,000. That's the maximum they had this time. The last time was \$30,000 for Benson trails.

*Motion by Selectman Maddox, seconded by Selectman Brucker, to accept a Musquash Trail Grant in the amount of \$20,000 from the State of New Hampshire, Department of Resources and Economic Development, Division of Parks and Recreation, Bureau of Trails. This grant requires a 20% or \$5,000 match from the Town of Hudson, carried 4-0.*

5. BUDGET PRESENTATIONS

Trustees of Trust Funds (5020)

Chairman Nadeau recognized Finance Director Kathy Carpentier.

On behalf of the Trustees of the Trust Fund, Ms. Carpentier said she was asked to present their budget as level funded - \$4,694.

Cemetery Trustees (5025)

Steve Malizia indicated that it appeared to be level funded and it's basically to take care of the Town cemeteries that we are responsible for by Statute.

Cable Committee (5045)

Chairman Nadeau recognized Mike O'Keefe, Chairman of Cable Committee.

Good evening Mr. Chairman and members of the Board. Mike O'Keefe stated in preparing their budget every year, the Cable Committee uses the estimate of franchise fees that we'll be receiving from Comcast as the basis for our budget. The way we estimate those is we take the most recent payment from Comcast which is paid quarterly to the Town and we extrapolate that out to 4 quarters. Given that amount for 2014 budget would come to \$322,228 in franchise fee revenue.

What we did in the budget was we actually used \$321,000 just slightly less than that to be a little conservative. What we did was we level funded all the expense line items in our budget. The excess from the expenses and the amount of revenue received we allocated to the Capital Reserve Account. That's the line that's going to go up in this year's budget but it's completely offset by the revenue. In a sense, our budget is level funded against our revenue. Again, we're in a little bit of a different situation this year in that we don't know for certain whether we'll be moving to a new facility or not. That's contingent upon the plan going forward at Benson Park. Should that happen, some of these line items will probably get adjusted. We're confident either way that there's enough money in the budget to handle either scenario. Questions?

Selectman Brucker noticed the studio sets. It went last year from \$5,026 to \$4,500 and it will be the same in the next budget. What exactly is that for? Mr. O'Keefe said the 45,026 in FY12 is the actuals spent. The \$4,500 is what was budgeted this year and \$4,500 is budgeted the same for next year. That's basically for any materials that we buy at the studio to construct sets for any shows that are done. We probably won't use all that amount but that's what we've been allocating for the last couple of years. Selectman Brucker said but only actually using somewhere near \$500 or so. Mr. O'Keefe said last year we used only about \$5,026. I'm not sure this year. I believed we've used some of it but I'm not sure how much.

Selectman Maddox asked to go to 252. Is that going to stay at the same rate? Mr. O'Keefe said that was their plan. Again, there was a little bit of unknown here. If the facility is built and we discuss different staffing levels at that point, it may change. There's actually a cushion and the \$56,000 is more than the base amount we're paying now for the Part Time Facilitator. There's some extra built in there for anticipation of any increase. Of course also if we move, there's money that becomes available in the lease line item because that will go away. Half of that would potentially go away. The 224 is for a one year lease at our current access center. Selectman Maddox asked when you leave there's an expense there. Mr. O'Keefe said they actually built that in. That's line 380. There's \$20,000 there for that. We have to essentially restore the space back to two separate units. Right now we rent 2 units but we had them take a wall down between the two and built some extra space for ourselves. Part of the lease agreement is we have to restore it when we leave. We're confident the \$20,000 is sufficient to cover that.

Senior Ctr/Cable Facility (5135), p. 24

Selectman Maddox's question was how is this being - we're combining them together then we're going to separate them later. You have \$37,000. Selectman Luszey said the \$37,000 is just for the senior center support. Are you talking about cable too? I did not allocate any money in this cost center for support of the utility underneath. The maintenance and everything there is for the senior center. Each cost center should be carrying its own electricity, its own heat, its own maintenance, and stuff like that. In the senior center one, you just see the cost per maintaining the upper level. That's also the program there. I have to find it because I don't find it in the PDF.

Again, Selectman Maddox said this says senior center/cable facility electricity. Ms. Carpentier said she created the department and that's the name of the building. That's why...Selectman Maddox asked if it was only the cable \$8,300. They're both levels of this building. Selectman Luszey indicated that was just the upper floor. The senior center. Everything on that cost center is just related to the first floor, the senior center floor. Ms. Carpentier labeled it all because that was the name of the building. If it would be clearer, I could rename all of the departments.

Chairman Nadeau indicated he wanted to get this right. The \$2,500 for gas is just for your heat upstairs. They would have to put in for heat for theirs but they already have it in their budget. Selectman Luszey said they already have money allocated for the entire FY14 budget from wherever they are today. My assumption is if we get this bill, we'll probably have about 6 months worth of operation costs for the new building. They would have to include in their budget contingency for actually relocating moving. I think you have some of that money somewhere. They would stop paying the electrical bill at Old Derry Road and start picking it up here. It roughly should be the same. All the monies that you see in this new cost center is strictly related to the operation of the senior center portion of that building. If you understand, the design of the building is for the two entities to be separate in terms of operating costs which they are. They have their own thermostats, their own meters, and their own gas.

Selectman Maddox thought they should disremain this. I think that's the confusion. If they already have all of this in their budget, to call this the senior and cable facility is certainly going to be...Selectman Luszey wasn't sure how we do that. This is a dual purpose building. If you want to rename it, fine but just remember for Board of Selectmen in the future, they're not going to know. They may not have all of the institutional knowledge that we have how we set this up. It may be more appropriate to call it. It is a dual purpose building. If you want to call it something else, we can call it something else if it's more appropriate. For me the name's not real important it's the figures right now. If everybody is okay with that.

Selectman Brucker was curious back on the Cable Committee professional services jumped from \$39,000 to \$56,000. What are those? Mr. O'Keefe said that's the money we pay the Facilitator. He's not an employee. He's a contractor so he comes under Professional Services. His hours have increased over the years. That's why there was an increase. He basically runs the facility and coordinates with all the users. Selectman Brucker asked about the part time people. Mr. O'Keefe said the part time are the people who record the government meetings. They're considered part time employees of the Town so they fall under a different category. They're not contractors.

Selection Maddox questioned the 102 line. Selectman Luszey said when they established the Senior Affairs Committee and even prior to that, this Board has had a number of conversations that basically centered around the need for a part time

person to begin to manage the affairs if you will of the Hudson seniors. When the voters approved to have this center designed and we have that all done this year, the expectation is that we'll actually build it next year and given that, part of the turnkey operation cost of that we believe is a part time person. So what you see here is reflected a half year of a part time person to work helping to direct the activities of the Senior Affairs Committee as well as interfacing directly and supporting the seniors that use that facility - similar to a Rec. Director.

Selectman Maddox said this is going to go into effect July 1, 2014. So you have a half a year so you're not going to hire this person until January? Selectman Luszey said they could have that conversation because when I put this budget proposal together, I based it and the requests that I had from this Board was put together a plan for a turnkey operation when the doors are open. That's what this reflects. Things have transpired since then and that is we formed the Hudson Affairs Committee. We also funded the Hudson Affairs Committee this past week - Tuesday. We may want to have a conversation that says is this a 6-month startup cost when the building is done or do we actually want to bring this person on board around July and have it a full year cost whereas the Hudson Affairs Committee is up and running and is becoming active.

Selectman Luszey actually has a question for the Town Administrator and it relates to Tuesday's conversation we had where I had programming materials I have \$3,000 in there for 6 months. There's the impact fees that go there. Would we have an offset revenue in this cost center now to show those impact fees coming in to offset that line item? Mr. Malizia indicated that those impact fees are pretty much it. You might get another \$500 in that account. I went and looked at the development agreement, that's a once in a contractor deal. You may get another \$500. It was for 5 units at \$500 a pop. You have \$2,000 in there. At best you're going to get another \$500. Selectman Luszey indicated that that's probably done. Mr. Malizia researched it afterwards just to double check.

Again Mr. Chairman, Selectman Maddox said this is going into the budget as a part time person. Again, I think for complete transparency we have always gone and said to the voters we are going to hire a part time person. Selectman Luszey is of the opinion that since we have a lot of full time positions we haven't filled, we're just going to take this one. I wanted to make sure we're understanding what we're doing here.

Selectman Luszey was in full agreement. Now is the time to have the conversation. If the Finance Director may help me out here because there is...am I right in saying there's 8 vacancies right now throughout the entire Town? Ms. Carpentier said 4. Selectman Luszey said if he looked down at the Community Development line item is there just 2 positions there? Ms. Carpentier said 2 administrative people in Community Development, the part time Building Inspector, and the Assistant Town Administrator. Selectman Luszey said there was one unfunded. The head count is still there correct so there's really 5. Kathy Carpentier said that was in the 4. Just for clarity, Selectman Luszey said there's 4 vacancies within the Town structure today. My proposal would be we refund the unfunded one to fulfill this. The voters already approved that head count and we don't need to go back and ask the voters to reapprove the head count. We're not adding any additional head count to the Town. All we're doing is reallocating the funds for the type of head count or skills that we're requesting to use for that position. I'd ask the Town Administrator for a ruling. That's my understanding. Mr. Malizia said the Board has done that in the past during years and the Board has the authority to reallocate resources. That's a resource that's on the books.

Selectman Brucker asked which position would not be filled of those 4. Kathy Carpentier indicated this was a secretary position that was vacated a couple of years back and it's been unfunded in 2013 and 2014. It's an unfunded open position. It is not to be confused with the one that just opened up. Selectman Luszey wanted to be real clear on that. I'm not suggesting we impact any of the recently opened positions. This position has been vacant for a couple of years. Mr. Malizia said they've carried as such in the book for visibility purposes.

So that be the case, Selectman Maddox said we are going to disconnect this from our budget so that that position does not exist anymore. Again, I can see not this Board of course but future Boards saying well we still have that position in Community Development. We're just going to use that one again. We're going to take that one completely out. Mr. Malizia said (inaudible) to the backup and remove it from that. Selectman Luszey said from the Community Development side of the house and move it to the senior center side of the house.

Selectman Brucker noted that it's been 2 years and what position was that. Ms. Carpentier said at least 2. It was the fourth Administrative Assistant up there. We had 4 at one point. It was a couple of years back that the Board chose to defund the position once it vacated.

Selectman Luszey had a follow up because he wasn't sure there is a warrant article. I've been working with the Town Engineer, Finance Director and Road Agent to try to figure out how to reduce the overall estimate that we have. The last estimate that was published was \$2.1 million to build the senior center. As late as 25 minutes ago, I do have an update. That update is that we believe based on the work that the Highway Department can do on that site that we can get the entire building cost down in the \$1.71.8 million range. The current funds that will be available, and KC help me if I say this wrong, as of July 1<sup>st</sup> should the voters approve the releasing of the funds from the Capital Reserve Funds for the senior center and the cable center is \$1.6 million which means we need to come up with approximately \$200,000.

Selectman Luszey as said in talking with the architects, Bernie Manor who is acting as our Clerk of the Works and Mr. Webster, we also believe that if we were to go out to bid in the November/December time frame for this project with a letter of intent based on voter approval of releasing the funds, we can get this number down slightly. We believe the 1.7 is probably a real good number which means we only need to come up with about \$100,000 in our budget process here to build

this center as of July 1<sup>st</sup>. For that, I don't think we need a warrant article. I think we should be able to figure out how to do that within the budget. I do have a proposal on that when we do the Cs and Ws.

To help out, Mr. Malizia stated to withdraw the money from the reserve funds; you would need a warrant article. That's what Selectman Luszey just said. I said with voter approval. Mr. Malizia said no matter what you do, you have to have a warrant article because you're taking...Selectman Luszey said to pull the monies out. I'm talking about a warrant article for any additional funds. Mr. Malizia said what you're saying is your article would be a reduced number based on something that may or may not happen in the budget. Selectman Luszey was saying the warrant article would be to raise and appropriate these funds from the Capital Reserve zero impact.

Selectman Maddox asked if they were counting the FY14 projected funds that aren't available until 6/30/2014. Selectman Luszey said yes.

Selectman Maddox had a follow up question. Why wouldn't we make this cleaner and just put to raise and appropriate \$100,000 of it is from X and not put it in the budget? If that goes down then either we have extra money in the budget...Selectman Luszey said it would require 2 separate warrant articles wouldn't it. Mr. Malizia said you'd gross appropriate. What you're going to do here is you're going to gross appropriate and you're going to identify in the warrant article where you're going to get the money. You're going to get some from Cable Capital Reserve, you're going to get some from the Senior Center Capital Reserve. I'm assuming perhaps you might get some donation money. Further, you could then appropriate from the general budget the balance. You could write it in one warrant article. It's a gross appropriation. Let's just say after the highway folks work their magic, it's \$1.7, we could put all the components in it.

Selectman Luszey said if you were to do that in that fashion as long as we reallocated money from say one cost center to this, the impact to the tax rate would still be zero. Mr. Malizia said it depends on how you like to structure it. If you're saying its...Selectman Luszey gave an example. In this current fiscal year, there's an Assistant Town Administrator's salary. If we were to allocate that money to this, that would be \$85,000 which has zero impact to the current tax rate. Mr. Malizia said you're talking from this year's FY13. What will happen with that money in reality is it will flow to surplus if you don't spend it. Then you could appropriate it from surplus. You could do that. You'd probably want to gross appropriate it on the warrant article because it's a lot more visible when you do that. Selectman Luszey indicated he was fine with that. My intent is zero cent impact to the tax rate going forward. Mr. Malizia indicated that what you're proposing is that that money that we're not going to spend this year because we don't have an Assistant Town Administrator, you're saying freeze it, don't spend it, let's earmark it and when it comes to surplus, that's where we'll appropriate it out of. That's what I think I hear you saying. That's exactly what Selectman Luszey is saying. When you go to appropriate that next year, Mr. Malizia indicated that would still be written in the article but you could make the claim that it would be true that it's zero impact because you're not raising anything. Just let that flow to surplus.

Selectman Luszey asked if everybody followed my logic and thinking on all of this. Selectman Maddox said no. I think we just need to be a little bit more transparent. You are the famous one for saying it's still taxpayer dollars. So we need to explain that that is in fact money that they're not getting put into surplus. We're going to take it out of the FY13 budget and put it towards the FY14 building of the senior center. Selectman Luszey thought he was being consistent in saying that it has a zero impact going forward. No different than any other warrant article that does something of that nature. If you want to put language in there that says oh by the way if we don't do this, we can reduce the tax rate by something. I'll be okay with that as long as we do that with every single warrant article that takes money out of surplus. That's always been my stance.

Mr. Malizia indicated that the Finance Director has come up with something. If you took that money for the Assistant Town Administrator, put it in the Capital Reserve Fund right now and appropriate it out of that. You could do that during this year so you know it's earmarked. It specifically goes in there and now you're raised \$100,000 and just flow it that way. Then you don't even have to get into that language on the warrant article. You'd just be taking it from this bucket and this bucket.

Selectman Luszey thought that everybody here knows my intent. I don't know if we need to have more conversations or do we put it on the W list so that when we come back Monday and see where everything is we can make that decision then and decide if I need to float a much larger warrant article. Chairman Nadeau said we can put a W next to it. Consensus to put a W?

Selectman Brucker asked if the position was still open. Are we still leaving that position open - the Assistant Town Administrator? It's still there even though...Chairman Nadeau said it's just like the secretary. It's still there. To put it another way, Mr. Malizia said there's money in it this year but there isn't for next year's budget. It's still a position. It's still titled in there and still in the head count. You could redeploy it somewhere else later or not.

Town Treasurer (5050), p. 23

Steve Malizia pointed out that under Tab C there's a proposal to have the voters decide if they'd like to change this to an appointed position. Right now it's an elected position. Given the sophistication of our operation, the millions of dollars that flow through here, this Board had discussed proposing to make this an appointed position from the elected position. So there's been a warrant article prepared. It's under Tab C. You could do it now or you could do it Monday which is to forward that, this is the language that the attorney has provided us to put in front of the voters to see if they want to go to an appointed Treasurer versus the current elected Treasurer.

Chairman Nadeau thought we've talked about this in the past. Selectman Luszey thought they had already agreed on this one. Chairman Nadeau said they agreed on it, we just didn't know what to do and we asked the attorney. Instead of saving this for Monday night, if we just want to forward this to the warrant. Selectman Brucker, Selectman Maddox, and Selectman Luszey said yes. Selectman Maddox indicated this one needed a motion.

Motion by Selectman Maddox, seconded by Selectman Luszey, to forward Warrant Article C to the Fiscal Year 2014 warrant for the appointment of the Treasurer, carried 4-0.

Selectman Luszey thought a few words ought to be said on why we're doing that. I think this year was a prime example of why we need to do this. The Town Treasurer resigned during a very stressful and important period of time and we needed to back those positions. This way here, we will be putting people in place that are there for the long term. Chairman Nadeau said we can only hope.

Recycling (5055), p. 26

Chairman Nadeau indicated that Leo Bernard, Chairman of the Recycling Committee was there. Any questions on this one? Kathy Carpentier wanted to point out that there's a \$2,000 revenue offsetting some of these appropriations for the sale of their recycle bins, pails, and composting bins. Chairman Nadeau thanked Leo Bernard for attending.

Budget Committee (5070)

Kathy Carpentier indicated that it was level funded \$926. I was asked to represent the budget for them.

Ethics Committee (5080)

Steve Malizia indicated that they put this money in just in the event that they perhaps need to hold any kind of hearing or meeting. It's a modest \$100 just in case.

Energy Committee (5085), p. 36

Chairman Nadeau recognized Linda Kipnes.

Good evening. It is level funded. We are down a few members and we have not been able to be as active as we would like to be. First off I'd like to ask if anybody is interested, please come and join us. Second, if you would like to take a little money out of the budget that would be fine. Chairman Nadeau indicated that we'd come back to it. Selectman Maddox commented that the total budget was \$800 for all those that are watching. Chairman Nadeau said that would make Selectman Luszey feel really good if we cut it by 10 percent. Selectman Luszey said no it wouldn't. Given that this is the Committee that has saved us thousands of dollars, I think next year is \$21,000. If they can find another nugget like that, I think \$800 is well worth it. As you can see coming up in the Police Department, Chairman Nadeau stated they have a Memo discussing the new HVAC and how it would save us money if we did that. I'd like to thank you for finding those nice things for us. If anybody is interested in joining the Energy Committee, the application is on the Town website.

Police Department (5610 to 5673)

Chairman Nadeau recognized Chief Jason Lavoie, Captain Bob Tousignant, and Captain Bill Avery along with backup staff if they need it, which will be in the back. Good evening.

Good evening. Chief Lavoie expected to be almost as long as Mr. Bernard was. We were asked again to come in level funded. We were able to do that. It's pretty much the same budget that you've seen for the last several years. We're just trying to maintain the things that we currently have and that is really about it.

Selectman Maddox indicated that they tried to come in at level funding but you're up 2.9 percent. Chief Lavoie said not in operations. Selectman Maddox said your total budget you're up 3 percent, which is about \$200,000. Kathy Carpentier indicated that the NH Retirement System rates went up. So the budget for the Police Department is up \$191,526 in retirement. Selectman Maddox said that was what they needed to hear. Chief Lavoie said they came back in at zero within our operations as we were told.

5610 - Police Administration - No questions by Board members.

5615 - Police Facility

Selectman Maddox said this went down. Is that because of some of the energy savings Chief? Chief Lavoie said they dropped 10.4 in the electricity and our belief is that when we were able to get that grant for the new chiller, we were told it was old, outdated, and not energy efficient. We submitted a grant for that and we were able to obtain and that was our first full year of having that new air conditioning unit. That's what we're attributing it to. Selectman Maddox said that's why I asked the question. We are going to be seeing something else in that realm.

5620 - Police Communications

Selectman Maddox wanted to ask it here. Again, I didn't study this as good as you have. You just got \$80,000 worth of new radios. Is that in here as communications or is it in another section? Is that in patrol or...Chief Lavoie said it wasn't in there at all. I'm not quite sure what you're...Selectman Maddox's question is if you have all the new radios and I asked you a while back is the maintenance contract going to be as much? You just replaced the...Chief Lavoie stated they're under warranty with Motorola as part of the grant that come through. Selectman Maddox asked is there a savings in this line item, or this group, where is that? The same with the alarm. You just replaced that Pelmac alarm. It should be under warranty. I'm just looking to see if there was any savings in those two areas. Chief Lavoie said there were not savings in those areas. We still have additional radios that are older that are outside of warranty. Those radios still need to be replaced. We didn't replace our entire inventory of radios. Selectman Maddox thought when you replace a good chunk of them I would expect that that line item would have seen some decrease. That's the only question I had.

Selectman Luszey had a question in the same regard. Is there any grants from Homeland Security for radios that can be used to offset this? If so, have we applied for them? If not, why not? Chief Lavoie said there's none out there to our knowledge as of right now. We just received one. There's no additional ones that we know of that are coming. I don't. I'm not aware of that.

Selectman Luszey wasn't sure if this is the right place to put it. During some of our conversations, there were issues with Salem stumping all over the south end. Do you have any monies in here to fix that issue or do you expect to continue the rest of this year and next year with that problem? Chief Lavoie indicated that there are no monies in there to fix it. All we can do is work collaboratively with maybe a phone call to Salem to see if we can tweak their end a little bit. No, there's no monies in there to work on that. It's a separate issue. Chairman Nadeau asked if we've made the phone call. Chief Lavoie said Cybercom has been tweaking it a bit turning up our strength signal on ours. It's one of those things where we still can't predict. It's not always just that. That has happened. We also have issues with the terrain, weather conditions interfere. It's not just any one issue that causes the problems or the dropped calls that we get. Salem is one of the issues that we do have.

Selectman Maddox asked if he was able to see if the foot tower would change the footprint. Chief Lavoie said that information has not come back. We have not received a copy of that just yet. I didn't know that you wanted that for the budget. To me, that was not budgetary information. Selectman Maddox said if they needed to put money in the budget, we wanted to know what it was. It was Chief Lavoie's understanding that that was a separate infrastructure improvement that the Board is talking with us about trying to do. We could not include that as part of the budget. I had a zero percent increase. Selectman Maddox understood but it could have been at the end like always there's a list of things that we could spend money on. Chief Lavoie's impression from this is that whole infrastructure was a separate entity that the Board was working on. I'm sorry that wasn't...Selectman Luszey said it was a fair comment. I think what I'd like to do is to put a W to come back to this line. Selectman Maddox and I have been having conversations with the Chief, Chief Murray, and Ms. Nute about the communications infrastructure. We may need to put some money to work some stuff here if we don't see it in this year's budget. I think we ought to discuss it a little further after we see what's going on with the whole budget in its entirety. I would be a W for town-wide communications. I think it relates to fire and police. For now, Selectman Maddox said they're just going to put it in 5620. Selectman Luszey said yes as a place holder.

Kathy Carpentier thought they already planned on revisiting Warrant Article E, which was a communications equipment and infrastructure Capital Reserve Fund for \$20,000 that the police...Selectman Luszey indicated that was for the reserve fund. This to me is making monies available to do something. The reserve fund to me is, again, that one there was the hardware, software, and other things that are 3, 5, 8 years out.

5630 - Police Patrol, p. 13

Chairman Nadeau noted the reason this has a significant jump in this is because of the retirement. Ms. Carpentier said correct.

Selectman Luszey asked a question on the retirement. What is the percentage increase? It seems that the percentage increase in the salary line is anywhere from 1.3, 1.2 all the way up to 3.7. What has the impact of that change in salary - what is that percentage we should be looking for? Is it going to be variable like that based on...Ms. Carpentier said it is variable between the employee group, the police group and the fire group. Their percentage rates changed differently. Mr. Malizia said they're 3 different pension pools. Selectman Luszey said he understood but when the stake passed down the changes was there a percentage change for police, a percentage change for fire, a percentage change for...? Selectman Maddox said it was Group I and Group II.

Mr. Malizia said Group II is Police and Fire. They have separate rates for Group II. Ms. Carpentier indicated it was in the front of their books. Police increased from 19.95 percent to 25.3 percent. That's 5.35 points increase, which is almost a 27 percent increase.

If Selectman Luszey looked at the Police Communication, are they in the same group? Ms. Carpentier said no. Selectman Luszey said they were 1.8 percent and yet they are...Mr. Malizia said they are Group I. They're civilian employees. They're not covered under the police rate. They're covered under a civilian rate. Ms. Carpenter said in the Summary section, page

25, I told you the prior rates, the new rates, how many points they've changed, and the increase of the rate. For the Town, again, I'll reiterate Police has gone up \$191,000 and the Town has absorbed \$379,000 in increases.

Selectman Luszey asked if Animal Control was in Group I. Mr. Malizia indicated that they're civilian employees too. Selectman Luszey indicated that if they're civilians, I'll use that one as their 2.1 yet the other one I called off was only 1.3. Why such a difference? Ms. Carpentier believed in the Animal Control - I don't exactly know what you're looking at. Selectman Luszey was looking at the salary percentage increase and every time we ask the question on what the increase is, we're given the answer that it's based on the new salary benefits being passed down from the State. When I take a look at the salary and combined with the benefits line, 1XX line, they're all over the place. I would expect to see that increase in Group I say 2.9 percent of what the gross salary is and not 3.9, 2.6, 1.8 and things like that. Ms. Carpentier said everything is going to change the retirement number. Not everything is attributable to the State changing the rates. If you have increases, decreases, termination, new hires, your 100s, your salaries are going to change so the retirement is going to change also. Selectman Luszey didn't recall some of the groups having any major changes in. They should be roughly the same. All I'm saying is for me there seems to be a wide range of percentage increase over all of the different groups. That's all.

Selectman Maddox said as this represents just shy of \$5 million worth of our budget, I think we need to at least make this a "C" so there is no surprises later on if there needs to be - as we look at the budget, I don't know. Again, we don't know where we're going yet. At the very least, this needs to be a "C". Selectman Brucker agreed with it being a "C". Chairman Nadeau indicated that they would come back to 5630. Selectman Maddox indicated he was just doing this because, again, its \$5 million out the \$6.5 million. Ms. Carpentier indicated Police Patrol 5630. Selectman Maddox said it's a "C". We'll see where we are when we're looking at what our goal is. I think with that kind of dollars, we need to leave it on the table.

Chairman Nadeau also noted that gas is up in 5630. Selectman Maddox asked if it was enough. Chairman Nadeau asked what it was based on. Steve Malizia indicated \$3.00 a gallon - 37,000 gallons. Selectman Maddox said they spent \$108,000 in 2012. We reduced that number by something right because you're down to \$95,000 this year. Chief Lavoie said the gas that we've spent, some of that money that's factored in would be from the other departments. Ms. Carpentier said they do take it out. We credit you back for any usage from other departments. Mr. Malizia indicated that the 2013 budget is \$95,000. This proposal for 2014 is \$111,000. He spent \$108,000 last year. Selectman Maddox said right but we could be short this year at the very least. Mr. Malizia said it's always possible.

Selectman Luszey asked what this year's (2013) rate that we budgeted for. Here it has \$3, which I think is the 2014 rate. Ms. Carpentier said they were less in 2013. I think it was like 251 or something. I believe the Board took it as an action item to bring back to talk about a gas contingency. We got an estimate from the Road Agent and all gas in this budget is at \$3 and all diesel is at \$3.30. We're getting a more current estimate for your wrap up because you were thinking about putting in a gas contingency for the Town. I've already received some information on that. I was planning to bring it back on Monday.

Based on forecasts, Selectman Luszey said they're expecting gasoline prices at the pump to be \$3.25 in December of 2014. What would that mean for this? Steve Malizia said less than \$3 because we don't pay all the taxes. Selectman Luszey said \$3 is actually a good number here. If you were to go by that forecast, Mr. Malizia said \$3 would be okay because we pay less. Selectman Maddox said if you can predict gas prices in December of 2014, you're in the wrong seat. Kathy Carpentier indicated the most current estimate that I received from the Road Agent today was \$3.21 is currently what we're paying for gasoline and \$3.60 for diesel. I rolled up all the departments and I would say we're about \$26,000 overall short. It was going to be right. My recommendation to put up a \$26,000 gas contingency based on the current numbers. That's what Selectman Luszey was thinking. It's based on \$3 here and the contingency which would be okay.

5640 Police Investigations, p. 18 - no questions.

5650 Animal Control, p. 20 - no questions.

5660 Police Information Services, p. 23 - no questions.

5671 Police Support Services, p. 26 - no questions.

5672 Crossing Guards, p. 28 - no questions.

5673 Police Prosecution, p. 31 - no questions.

Kathy Carpentier indicated that she handed out a Memo from Chief Lavoie dated October 25 for HVAC systems.

Chief Jason Lavoie indicated that when the Energy Committee walked through our department and made observations and suggestions, etc., one of the ones that they had suggested was replacing basically some of the software that we have that controls our heating system. The original one is still in place. It's still working for us currently. We need to improve that. Control Technologies provided that quote to replace our system - roughly just a little over \$16,000. The Green Team estimated that this would save us approximately \$3,000 a year because of its ability to control the different temperatures in the rooms throughout the building.

Selectman Luszey noted that Chief Lavoie's payback is roughly a little over 5 years. Did they give you any indication whether this technology is good for 5 plus years or will we be back here in 5 years looking to redoing it again? Captain Tousignant said no. They didn't indicate that this would be upgrading. The latest upgrade to our system which in our system now is 18 years old. Selectman Luszey got that but based on what's coming down in terms of energy control systems, will we get 5 years out of this or are we looking at upgrading it in 3 years, which means we'll never get a payback. Captain Tousignant said no that was not figured into the price of the estimate that was done.

Selectman Maddox asked if this was our current vendor. Captain Tousignant said yes it was. As we saw with the sprinklers, Selectman Maddox said probably when we actually go to do this, we'll go out to bid and see if there's a price to be had or are we accepting one person's quote. Somewhere in the \$15,000 range. We can put it as a "C" and we'll see where we end up. Selectman Brucker also said to put it in as a "C". Chairman Nadeau indicated he'd put it in as a "C" for our wrap up night.

In wrapping up with the Police Department, Chairman Nadeau thanked Dorothy for her 25 years of service which we'll be seeing her shortly I'm sure. That's it for the Police Department. We'll take the rest of this up on Monday. Thank you.

Selectman Luszey asked to interject here because it's not specific to the Police Department but since they have a huge fleet of vehicles. I've actually been doing some work on the side. Natural gas is about 25 percent the cost of a BTU for the same BTUs for gasoline. Would it be worthwhile for having someone take a look at what it would cost to convert all of town fleet to LNG and what it might project out in terms of savings if we were running all the town-wide vehicles all on LNG?

Chairman Nadeau said Nashua just did that and they're not having such good luck with it. It's up to the rest of the Board. I'm not interested in going to that. Selectman Maddox thought they needed to look at the overall costs. Nashua did that and when you have compressed natural gas, you have to treat the repairs as a different animal. So there's a whole bunch of things that they're going through. We'd have to use their fueling station in Nashua. So you're going to have all that lag time driving back and forth to Nashua. I guess we can look at it as one of the many things that we look at. I don't see where they'd want to put it in this year's budget at the very least. It would be a discussion item somewhere downstream in 2014 to review to find out. To put it into this year's budget, what would you put in? Selectman Luszey wasn't saying put it in this year's budget. I don't want it to fall off the radar screen. It is coming. I think the more up front work we do to get ready for it, the better off we'll be. The cost is significant. There is a pretty good chunk of startup costs. It's no different than any other. The operating costs is about 25 percent of or you get a 75 percent savings running LNG over petroleum gasoline. Chairman Nadeau asked if they had LNG police cars. Selectman Luszey said you can convert any engine to LNG - a gasoline engine.

Selectman Brucker didn't know. Retrofitting is always pretty expensive. I think you have to really think about which cruisers you'd want to do it to. Selectman Luszey said New York has taxis running it. Selectman Brucker asked if you wanted to put all that money into a cruiser that's going to die. Selectman Luszey said he wouldn't put it in an existing cruiser. I'd put it in a cruiser that we're going to be purchasing. How often do we rotate the cruisers? One every three years or something like that? Captain Tousignant said two on certain cars. It depends on the rotation. Selectman Brucker thought he wanted to tackle the whole fleet. Selectman Luszey said no. You need to take a look at the costs of migrating the whole fleet up and running on it to get to what the return and savings would be. I would not suggest we do that over night.

Chief Lavoie asked if that was an aftermarket piece or Chevy would actually provide that. Selectman Luszey stated you will see some Detroit offerings very shortly. Chief Lavoie said right now if it's aftermarket, our warranties are voided. So that wouldn't be helpful to us. I'd want to spend some time somehow trying to acquire information just because we're not New York City cabs. I know that's not what you're saying but we're public safety. I'd want to learn about the acceleration and the other stuff that we need, the reliability, what problems derived. It seems like there's a lot of work that has to go into this. I would encourage the Board not to do anything right now. Selectman Luszey didn't want it to fall off the radar. It's work that I think we need to start doing now because probably by the end of 2014 or early 2015 there will be mandates coming out of federal government saying that we're to start doing this. So let's get ahead of that step.

Chairman Nadeau said as long as they're willing to pay, I'm willing to listen to their mandates. We'll start looking at Prius too. Selectman Luszey indicated he could show police forces that have Prius.

#### Recreation (5810 to 5840)

Good evening. Dave Yates indicated he had with him Keith Bowen from the Recreation Committee. I have a brief statement that I'd like to read prior to the budget. The Recreation Department FY2014 budget is respectfully submitted. Typically my opening statements are very brief. However with the absence of Selectman Coutu, the Recreation Department Liaison who's well aware of the programs that we offer and our commitment to the community, I would like to give an overview to the other members of the Board of Selectmen. The Recreation Department is comprised of a full time Recreation Director, a part time Administrator, and a part time maintenance man. Season employees are hired annually for our summer program and also Program Coordinators are hired to assist and coordinate with other very popular sports programs. In addition, we have hundreds of volunteer sports coaches and volunteers that assist with special events.

Excuse me Mr. Chairman. Selectman Luszey called a point of order. How is this...we've not done this. Are we going to go through this? Chairman Nadeau indicated that all department heads are allowed to give us a presentation when they start. Some have decided not to. Others have tried different approaches. Selectman Luszey wanted to know if the Recreation Director is giving this overview as his or if he's doing this in lieu of Selectman Coutu. He stated this is in lieu of Selectman



Coutu being here. Dave Yates said both. Selectman Luszey indicated it couldn't be both. Dave Yates spoke on his behalf. Typically our Liaison will speak to our budget prior to budget sessions in the past. He is not here tonight and that's why I'm giving a little more overview than I typically do.

Between our annual programs and special events, Dave Yates stated that we provide recreation opportunities to thousands of participants ranging in the age from 2 year old in our tot play group to seniors that attend our Over 60 Coffee Club. The FY2014 budget has remained level funded at \$357,068. It is anticipated that revenue will be over \$201,000 this year leaving a cost of \$155,686 to the taxpayer to run an entire year of programs for the community. In fact, the cost after revenue is less than it was in 2007. In this budget, several line items were adjusted to reflect actual costs.

Dave Yates indicated that the biggest change to this budget due to the decreased enrollment, cost and low revenue, it is my recommendation with the support from the Recreation Committee to eliminate the Babe Ruth Baseball Program. However due to the demands in the community, we would like to introduce a Lacrosse program. Currently many Hudson residents are going to other communities to play lacrosse since it's not offered in Hudson. This program will bridge the gap of cost/revenue that we had with Babe Ruth Baseball. While there will be initial costs associated with a startup program, it is anticipated that within 3 years lacrosse will be a completely self funded program. With me tonight, there are members of the Recreation Committee and several of our program coordinators. I may defer to them during the evening if there's questions that they may answer better than me. Thank you.

5810 Recreation Administration, p. 2 - no questions.

5815 Merrifield Park, p. 8 - no questions.

5821 Supervised Play, p. 10

Selectman Maddox indicated that this is the one that has revenues of 89 and costs of 103. How many kids are in this program at this point or were in last year's? Dave Yates said this year there was just about 400 with an average daily attendance of about 200 a day. Selectman Maddox asked if it was the cost increase. I went back and looked at some of your previous years and the year you took over, there were 1,025 kids in this program according to the Annual Report. What aren't we doing right if you're only getting 400? What's the elementary school population in town? We're only capturing 10 percent. Dave Yates said he didn't know. To back the numbers, we were charging \$40 for the whole summer back then. Maybe the increase in fees has kept people away. Back then, it was \$40 my first year. Selectman Maddox asked what it was now. Mr. Yates indicated \$250.

Selectman Maddox's question is we've asked over the last several years for this to be promoted I guess is the word I want to use to see if we can bring in another 100 kids into the program by going to the schools, going to the PTAs, going to the newspapers, cable facilities to increase. If you're at 400 can you get that to 500 to be able to, again, make this almost self sufficient? What have you done I guess and what has been the outcome? Have you seen no increase with all the work you've done or...currently, Mr. Yates said we send flyers to all the public schools in Hudson for any program we do. We're allowed to do that. It is on cable TV. Anything we do, Susan will put it on Channel 22. It is also on our website so she'll update our website. That's our 3 main courses of advertising. We do use the HLN for the summer program. We cut down on the amount of time. We've used HLN to do the costs. They used to put free articles in there for us. Now we have to actually pay for ads to advertise our programs. We do use it for the summer program but we have cut down. We definitely try to get the word out there and the number one way is through the schools. Other than that, I don't know. I'm always up for suggestions but that's the way we've always advertised. I'm not sure what...when you say you put it on cable, Selectman Maddox said you're just putting it on the scroll. You haven't done an infomercial for the lack of a better term to say this is what we offer - safe, background checks, all the things that you're doing to sell more..Mr. Yates mentioned that was a good point. Jeremy Griffith one of our Recreation Committee members is on the Cable Committee. That's a good point. That's something we definitely could do.

Selectman Maddox indicated all he's trying to get to is the fact that we're looking to see, and we've asked repeatedly, to see if we can find a way to increase as you raise the salaries for these people. All the things we've done is to get this to be a break even if you would. Mr. Yates indicated that they're bridging that gap too. We're about \$14,000 short right now. We are getting closer. Selectman Maddox said if you picked up another 50, you'd be there. Again, I think we're just looking at this is the big dollar item in your budget. Thank you Mr. Chairman.

As far as bringing in more kids, Selectman Brucker said her grandson has participated in what I found with him and his friends it's a lot of it is bringing your friends along. They want to go with their friends. I think a lot of that is word of mouth, parent to parent, and that kind of information.

Keith Bowen thought one of the important differences between what you're looking at historically where we had 1,025 kids that was 1,025 kids registered. That wasn't 1,025 kids in daily attendance to the Recreation Department. They were paying the \$40 at the time. Currently today, you're looking at the 440 to 450 that are in pretty much regular attendance every day. At that time, it was a come with your friends program, leave with your friends type of program. There wasn't the check in check out policy that is currently in place. The way that it's structured now is a lot safer and more reliable place for kids to go in terms of parents and thinking of safety. Back then, we didn't have those things in place. There's some differences to why the numbers have reduced over time to the way the program is structured, the freedom the kids have isn't necessarily there

to come down with their neighborhood friends like they would in the past, they stay in their neighborhoods when they have parents at home. Those are some of the differences that I can recognize historically over the 14 years that it changed. It's definitely increased safety and more accountability to the liability that's in place there.

Selectman Maddox asked wouldn't we try to push that that is a service that is there as opposed to just wondering down when I was growing up to the field and play softball because there was a kid there from high school that was overseeing it. So you have a much more structured safe place. We, again, should be pushing that fact.

One of the other things that Chairman Nadeau said he could see on this is between now and then, the economy has changed a lot. When it was \$40 to sign up your kid for the summer and okay I'm going to send them on Wednesday this week with his friends great. If I have to shell out \$250, he's only going to go 3 times, I'm not going to shell out the \$250 to do that. With a lot more parents in the neighborhood staying home, I think that they're going to watch their neighbor's kids and do them the favor of that to save them the money and help the neighbors out. I've seen that this year just around my neighborhood alone. I do think that we could do a little bit more advertising. One of the things that I was just thinking of while he was talking about it is movie nights are a big thing for us with the Rec. Department. In the last maybe 2 Rec. movie nights that we have, we should send home a flyer with the kids promoting this. Some of those kids might not be the ones that we're getting from school. They might go to private schools and stuff that we're getting for movie nights. That might be another way to promote the summer program with the people that are using our other services.

Selectman Luszey had a comment on that. Is it a service that is still viable for our community? If there's a real big drop off, then maybe we should be re-evaluating that. The second thought I had is when I read the Library's submission to us for tonight, they quote in there "children's entertainment". How much of the population is going to the Library for their recreational - movie nights and things like that versus the Recreation Dept.? Dave Yates answered that he'd have to ask them. I don't know. I don't know maybe they're geared to younger children. I have noticed that they are doing more recreational activities. The Library Director and I have talked to get together next year and coordinate some efforts for the summer. They did come up and do a story time twice this summer for us. We will talk as we get closer. I don't know what their attendance is. I guess you'd have to ask that.

Selectman Luszey's concern would be we're providing competing services.

Chairman Nadeau thought it was two different services that we're providing. This service because I do a couple different roles in this Town, this is a very valuable asset to some of the less fortunate residents in our community that use this service. A lot of them can't afford to go and do some of the other programs for the summer that other families are allowed to do or participate in financially. I see the gap is getting better on this and I think that with our other ways that we're going to be doing some different things; I think that we can close this gap a little bit more. I'm hoping to see this as self funded sooner rather than later but it all depends on the economy and what happens.

Selectman Brucker thought Dave Yates does more in the sports area. You have a lot of sports activities. What I like about it is everybody can participate. It's not a talent search like some of them are. I think that's really valuable.

To wrap this thing up, Selectman Maddox would like to see from the Recreation Director and the Recreation Committee a program. We have asked for this very thing at least 2 years at budget time. Unfortunately, budget time is that crazy season where everything is we made it through. I think we need something before June 1<sup>st</sup> to say what is your plan to increase attendance so that we have something to review so that we're not having this conversation next year and everybody said we were going to. I think we want to see some progress made on getting an increase in that number or if it is truly that is going to be the top number, then we need to be looking at either partnering with the Library or having a discussion there. I think we need to have as an action item Mr. Chairman some sort of report...

Selectman Luszey thought it was a little more than that. Monday night we started this conversation. Part of the conversation really dealt with when is the Recreation Department's peak activity season. I don't know that right now given what we did Monday night. As part of that plan if you would, I would like to see when the activities are planned and what the peak activity is and when they need labor hours allocated from Rec. employees to those times if you follow me.

Selectman Maddox indicated that was a wonderful idea but not what I'm looking for. I'm looking for us to not have a conversation for the third year in a row saying what can we do between Mr. Yates and the Recreation Committee, whatever we're going to do.

Selectman Luszey said he was asking for two different things. It's your plan on how to get to a net zero budget if you will...Selectman Maddox said or try to increase more kids going to this sort of participation rate. Selectman Luszey asked how do you increase the participation rate and two, what is the activity schedule if you will of that department. When are they busy? When are they not so busy and what are the resources we need to put there to do that? I don't have a clear picture on that right now. Do we get that for Monday or is that a next year discussion item again?

Selectman Brucker thought Mr. Yates has it figured out when he needs people the most. Dave Yates said right. As I came the other night, it's basketball season. We have 1,000 people that's going to be playing basketball here this season. I came to you Tuesday night to get our basketball coordinators in place. This is a busy time. I typically come in a month prior and ask for those positions. Soccer just ended. We had back in August I came before you and said its soccer time we need our

soccer coordinators in place. So we roll right in from us and then the summer program - I'm back tracking - but we hire all of our summer staff in March for the summer. I'll be honest, the Recreation Department is busy 11 months out of the year. We quiet down at the end of February after basketball ends and the month of March is kind of a down time. However because Babe Ruth Baseball was such a small program but now with the introduction of lacrosse, we may get busy during that time frame now. Typically the month of March is when I typically take my 2 week vacation because it's a quiet time. We are fairly busy 11 months out of the year. Like I said, lacrosse is going to fill that void I believe. That's typically how we always work. A month prior to that season, we come in and start asking for our coordinators to be hired so we can press on with the programs.

Selectman Luszey thought he missed something. Lacrosse - did we agree that we're going to add that? Selectman Maddox indicated that we haven't gotten there yet. Selectman Luszey just heard him say we're going to...Dave Yates said if it's approved...Selectman Luszey said he misunderstood.

Selectman Brucker wondered if you ever do get to a break even point because the more children you add the more supervision they need. I think that what did you say \$150,000 or \$100,000 from the town for the program for the whole budget. In getting to that, Mr. Yates said a lot of that is our administrative costs. If we took these programs with the revenue and the numbers, we're very close in breaking even on programs. The administrative budget, I don't think we're ever going to come up with that. We have salaries, overhead, lights, electric, all our utilities, our building, copiers, that's all overhead. If you took out 5810, which is administration, these programs are nearly paying for themselves. We're very close to them paying for themselves. I know in the past the comment about Pelham does the revolving fund and programs pay for themselves. It came up one year that Pelham's programs all pay for themselves. We've looked at their budget. Yes their programs were paying for themselves and I called the Recreation Director in Pelham and he said that they have a separate account for administration. Pelham for a town of half the size of us had a \$200,000 budget where we had \$150,000 for administration. Programs are close to paying for themselves. I think we'll get there eventually but I don't think we're ever going to take care of that 5810 Administration. That is overhead and there's costs to do business.

Selectman Luszey asked when you do the analysis could you give me the ratio of what the admin. costs per participant is year over year for the last 3 years. That's a fixed cost. That doesn't change. We pay that whether it's 1 person goes to Rec. or 5,000 people go to Rec. Mr. Yates said he didn't have that information now. Selectman Luszey asked if Mr. Yates was going to put some stuff together for us. I'd like to know that.

5822 Robinson Pond, p.13

Selectman Luszey asked if we can't swim there does this money get spent. How many days was Robinson closed this past year? Dave Yates said quite a few. The only expense is we have the gate person that's there on weekends and holidays. On those weekends and holidays that the E-Coli issues are high and there was no swimming, he was not out there. Other than that, the other costs are for maintenance, water quality tests which we will do all the time. That's the only way we get better results is to continue to test the water and take it up to Concord. The employee will not be out there on rainy days and he's only there on weekends.

5823 Babe Ruth, p. 16

Chairman Nadeau indicated that this was the one that we zeroed. Is there any questions on this? Seeing none.

5824 Recreation Ball Fields, p. 18 - no questions.

5825 Tennis, p. 21 - no questions.

5826 Lacrosse, p. 24

Selectman Luszey asked if this was to replace Babe Ruth. Chairman Nadeau said yes.

Dave Yates asked to speak to this item. As I said in my earlier statement, we will be bridging the gap between the cost of the program and revenue. It won't be the first year. There's a lot of start up costs with buying equipment and other items. Babe Ruth was costing us \$13,774 and revenue last year was \$4,130. There was a \$10,000 gap there. For lacrosse I had put in the budget for \$12,516 and has anticipated the first year that revenue will be approximately \$6,000. We have spoken to Karen Bonnie from the high school. The high school is going to be putting lacrosse in their budget also this year starting as a JV program and this would be a feeder program towards that program. They are working with us to let us use their fields. There seems to be a lot of interest. You have a lot of children that are playing in Londonderry, Litchfield, and Nashua. They would come back and play in Hudson if we had a Hudson lacrosse program. We do plan on doing some start up clinics for the younger age groups and that would also bring in some revenue. We anticipate and I've been working with Amy King and she's here tonight too if you have any questions. We feel that we will get the lacrosse program going if we offer it. Like I said in my earlier statement, I think within 3 years it will be a self funded program. Initially it will cost money and I think the gap will be a lot closer than it was. We've been all struggling with Babe Ruth the last few years. It comes up every year. I think this will help bridge the gap somewhat.

Selectman Maddox said that Mr. Yates said you're probably going to have 60 players. Mr. Yates said correct. The fees will be higher. The other towns are charging anywhere from \$100 to \$140. Amy said somewhere up to \$190. It depends where you play. Dave Yates said they'd check the fees and we're thinking right in that \$100 to \$125. They would have to provide their own personal equipment. We'll provide goals and that type of stuff. They would have to go out and purchase their own masks and protective equipment.

Selectman Luszey asked that Mr. Yates talk to him a little bit about the equipment. You have in there balls, nets, sticks, goals, and related equipment. Dave Yates indicated the sticks would be for the instructional league. You can buy sticks a lot cheaper but the league itself, the children playing in the league, would provide their own equipment. We might get some aluminum cheaper sticks so when we're doing these clinics, we can teach the younger kids how to use them. They would be used year, after year, after year.

Selectman Luszey had a follow up question. If this is the start up costs, the \$12,500, what is your anticipated ongoing costs in 2015 on out? Mr. Yates would say the professional services isn't going to go away. The dues and fees are always going to be there. We had put portable toilets in there like we do at every other facility at Alvirne, program materials might go down a little. I would say a budget of approximately \$10,000 a year.

Selectman Luszey asked how do you figure you're going to get to a break even in 3 or 4 years if it's going to be roughly \$10,000 a year. Mr. Yates thought their numbers are going to go up. Our number for participation will go up. I'm not involved in lacrosse programs like some of the people I have here. They might be able to answer that. If it's a successful program, the numbers will go up and the revenue goes up.

Selectman Maddox asked Mr. Yates if he was going to have 4 teams playing against themselves or are they going to be going to Londonderry to play against Londonderry. Dave Yates said yes. There's not enough interest individually at town so we won't have our own league. It's not elite players. Anybody that registers that wants to play lacrosse regardless of ability, and that was one of my main concerns and questions when I sat with Amy was I don't want kids excluded. If they want to play lacrosse, they'll play lacrosse regardless of their ability. Because there's not enough interest - and maybe down the road if we get 200 or 300 kids interested, maybe we can have our own in house league like we do for soccer and we do for basketball. Initially we know that there's not going to be enough so it would be pretty boring playing against the same team every week.

With that said, Selectman Maddox asked how long has Londonderry or one of those other towns been doing this and what are those numbers. Mr. Yates deferred to Amy. I don't know that.

My name is Jerry Stratton and I've been coaching lacrosse for the past two years. I'm the head coach over in Litchfield. To be honest with you, I knew nothing about the sport. My son got involved with some friends and they needed a coach. I stepped up. It's going on three years now, I've done numerous clinics. You have to have coaching clinics you have to go to. To answer your question, Londonderry has been doing it for 15 years. They have a fantastic facility over there. We have a state wide tournament at the end of the year that they call the "Granite State Tournament" where they have 1,500 participants there. They have 14 fields lined up. Londonderry had been in it for 15 years. Nashua I believe is now 10 years. Exeter has been in for 15 years.

Selectman Maddox asked for the number of participants in Londonderry estimate. Mr. Stratton would say 1,500. They have the elite teams. We started 9U, and then you go 9, 10, 11, 13, 15 but they can have double teams. You can have a non-compete team and then you can have a compete team. You can also have a non-compete and then you can have a compete A, B, and C. They fill it up right across the board. They go from non-compete to A, B, and C. So they'll have actually a "9U" team, approximately 22 players per team. So they'll have the players. When you get that big, what they have is an actual try out. If you try out for the A team, which is the elite team, you make the A team. If you don't make the A team, then you make the B team. You follow me. As far as number wise, I can tell you that I started like I said 2 years ago and this will be my third year in Litchfield.

Selectman Luszey asked how many towns does Litchfield host in terms of kids participating from. That can't be all Litchfield students. Mr. Stratton said Litchfield and Hudson is most of the towns because Nashua has it; Londonderry has it. It's pretty much Litchfield/Hudson players. Mr. Yates indicated that the number he was talking about earlier was Londonderry. Selectman Luszey said the Town of Londonderry has 1,500 participants. Mr. Stratton said yes 1,500 participants is how he understood it. They have some others that may come from other towns like if they have a full program, they'll turn around and let them go. That's not very often. Amy indicated that there are some Hudson players playing in Londonderry. If Hudson doesn't have a team, they can go anywhere. Selectman Luszey said he understood. Given the population size of Londonderry and Hudson, 1,500 is a huge segment of the Londonderry populations.

Selectman Maddox said that this is saying we're going to do 60. That's why I'm trying to make that loop.

For instance, Jerry Stratton said last year Litchfield did not have a U15 team. They had 10 boys registered. They didn't have enough. What they did in turn is they sent them to Londonderry. Let's say Nashua. If Nashua doesn't have enough, they can turn around and they can send them to Londonderry because Londonderry can fill those teams. They have enough spots because they have a non-compete, and A, a B, and a C team. Follow me? That's why they have so many participants at that organization.

Selectman Luszey asked if it was boys and girls. Mr. Stratton said boys and girls correct. Just to give you an idea in numbers. I coached a U11 team. The first year we were there while I started to recruit, I coached the Hudson/Litchfield Bears and I'm also a coach of the basketball program, and I also coach wrestling in Nashua. I know a lot of kids. What I did was I started recruiting. Our first year literally we had 24. It was literally half Hudson and half Litchfield. The following year, I turned around and I recruited a lot of boys. I actually wound up having 2 U11 teams and we actually had more Hudson players than there were Litchfield players. I recruited them for the 9U teams as well as the 13U teams. There's no doubt in my mind that we'd have for the first year I think that we could put 4 teams on the field with a girls' team included. I do what they call a pickup game. I call it pick up rec. where it's a pick up lacrosse game. I have my some and all of his buddies and all the other kids that play lacrosse have them show up on a Sunday afternoon. I don't know if you happened to see it but we were over at the field. I had a lacrosse game going on over there. Eddy Brown who's actually the President for Nashua Blast stopped by and asked if we had a program going. I said we'd love to have a program here but I just have a pickup game going and that was for my lacrosse kids as well as getting some other kids involved. I was amazed. I was absolutely amazed at the boys and girls that were showing that I didn't know that actually saw us at the Alvirne field.

Selectman Maddox asked when the season for lacrosse was. Jerry Stratton said the spring. Amy said the season runs from April to June but you start to run practices sometimes in February and March. Jerry Stratton said what he could do is start running clinics where you turn around and you have X amount. Let's say we have 16 U9 boys for the moment and we have...according to this, Selectman Maddox said that was a team. Mr. Stratton said correct. That would be a team. Selectman Maddox's problem was the numbers don't seem to be jiving. I'm trying to understand. You're telling me that communities have 1,500 and we're going to have all this and you're saying here we're going to be servicing 60 kids for \$12,000. Mr. Stratton said initially because it's start up. Selectman Maddox said if you're on television doing what we hope we could do for the summer program, you're going to have 300 kids the way you're making it sound. I'm trying to justify both of these moving targets.

Jerry Stratton stated you have to remember when I talk about Londonderry; I'm talking about a program that's been there for 15 years. Do you understand what I'm saying? Selectman Maddox said if 10 percent of their kids are Hudson kids, that's 150 right there. Amy said it wasn't that high in Londonderry. I'm just trying to jive these numbers.

Chairman Nadeau said one of the things you have to think about Selectman Maddox is these kids are in a program now...Selectman Maddox said no they're not because spring hasn't started. Chairman Nadeau said they were in a program last year. They're not going to come back here because all their friends are in that program over there. Some of them might come to Hudson. So we're thinking 60 is a safe number to start with. Could it be more? I'm hoping it will be more because the interest when I was the Rec. Liaison was very high in lacrosse. A lot of the people that have asked about it since then are not the same ones that are talking about it now. The people that are asking for this program are out there. They were out there 3 years ago when I was Liaison to the Rec. Committee. I think a 60 number for a first year would be nice as a start up number but I don't see a lot of these people leaving their other programs. If they're in the U11 and they've been in that program for 3 years since U9 or whenever they started, I don't see them jumping over to here to a brand new program. I can see the younger kids starting out here and if we do some clinics and advertise, we might be surprised and see 100 which would be great. I think that's where we're looking at. We do have the Community Center. That is the time where basketball is ending and getting ready for the spring season.

Selectman Maddox said this is a year and a half away.

Selectman Luszey said you're hoping for 60. What happens if you get 10? Mr. Stratton said it's not going to happen. Dave Yates said they won't do the program. Selectman Luszey asked at what point don't you do the program. Mr. Yates said they will set a deadline for sign ups. Selectman Luszey said he didn't care about the deadline. I want to know at what people number is - the cutoff that he's saying, it's not feasible to go forward. Mr. Yates would say initially this first year a minimal of 3 teams. From what I'm hearing, again, I'm not an expert on lacrosse. I have the experts telling me the numbers. From what I'm hearing, I'm thinking 3 or 4 teams is what we should get the first year.

Jerry Stratton said he'd like to elaborate a little bit on what you had said about as far as these other teams. When we're registered in the State of New Hampshire, which we have to be registered, they cannot go and play for Nashua. If we field a team at U11 even though you've been playing for Nashua Blast for the past 3 years if we field a team, the Town of Hudson fields a team, they have to play for the Town of Hudson. They cannot go to Nashua. They cannot go to Litchfield. They cannot go to...Chairman Nadeau said even if they've already been on the team for 2 years. Mr. Stratton said they cannot go. They have to play for the Town. Mr. Yates said if your Town is offering it, you have to play in your town. That's according to USA lacrosse rules. Mr. Stratton said it's written in black and white. That's what it is.

Again, Selectman Maddox said we're talking one here about 45 players and if that rule is in place, you're talking about 200 players. I think for Monday's wrap up I think I'm going to vote this to be a "W" at this point. Come back with some more details to this. If you're sitting where I'm sitting, this is a moving target. One hand you're talking about you just want a start up program, and the other hand you're saying because of these rules, you're going to have these many kids.

Dave Yates asked if Selectman Maddox wanted research of how many actual Hudson players are playing somewhere else. Selectman Maddox said yes. Selectman Luszey said what happens if you have...Selectman Maddox said if you have 200 participants, that's going to change your budget number one. Mr. Yates said they'll call Londonderry, Litchfield, and Nashua

and figure out how many actual Hudson kids are playing in those towns. Would that answer your question? Selectman Maddox said that would get us a better handle than the 60 that you're budgeting for because all that would change right.

Selectman Luszey's other concern was what would happen if you said you registered with USA Lacrosse and all of a sudden you decide you don't want to go forward. Do the kids that are in these teams in other towns all of a sudden get disqualified from going there because you just registered? Mr. Yates said that's why we would have a deadline in knowing if we were going to have a team or not. They would have the opportunity to go to the other towns. Selectman Luszey asked if they had a deadline also the other towns. Mr. Stratton said yes some of them do. Selectman Luszey asked if they were going to put it far enough forward so that if we don't they'd have an opportunity to register with these other towns. Selectman Maddox indicated that this was March of 2014. That's what we have to remember. We're talking about the 2015 budget. Selectman Luszey indicated they definitely needed some more detail.

Selectman Brucker would like it to be a "W". Is lacrosse considered a non contact sport? Dave Yates said no. There are two different sets of rules for the boys and the girls. There's also different equipment for the boys and the girls. It wouldn't be co-ed if that's your question.

Chairman Nadeau indicated that they 3 or 4 "Ws" for Monday and other stuff. We'll put this back to a "W" for Monday and we'll come back to this one.

5831 Basketball, p. 27 - no questions.

5834 Soccer, p. 30 - no questions.

5836 Teen Dances, p. 33

Dave Yates indicated that the next dance is November 17<sup>th</sup>. I would like to see all the Selectmen there chaperoning please.

5839 Community Activities, p. 35 - no questions.

5840 Skate Park, p. 37 - no questions.

Kathy Carpentier indicated that that concludes the Recreation Department.

Chairman Nadeau indicated seeing no further questions, we'll see Mr. Yates on Monday for the wrap up. Hopefully you'll have those numbers for us for lacrosse.

Before we move on to the next item which is the Library, we'll be taking a 5 minute recess. Chairman Nadeau indicated that the Board was back at 9:15 p.m.

Before we go to the Library, Selectman Maddox asked if we could finish up on Rec. Looking at the possibility of bringing non residential children into the summer program and having the Rec. Director look at that. I'm saying 50 slots. Town employees that want to be able to utilize that they drive into Hudson every day be able to use that service. Again, I think we should ask...I did ask him but formally I think we should ask to say to look at that as a source of increasing his numbers. Selectman Luszey wholeheartedly agreed. Selectman Maddox said it was a "W". That's more revenue income. I think Mr. Yates needs to kind of look at that as part of his how does he bring more people into the program. That would be something that I guess he's been excluded from being able to do. I'm saying that if he had up to 50 people from the outside, that would again help.

Selectman Luszey said he didn't know if it's just a motion by us tonight that says that we will allow the Rec. Department to accept non-resident participants and then that's a done deal and we just forward that message or does it need to be part of this. Chairman Nadeau thought they could talk about it with him. We've given him just before he left that word. Mr. Malizia was not saying that you ultimately couldn't do that, but you might want to just think, or hear, or have a different conversation. I'm not saying you couldn't do it. Selectman Maddox said that's why he wanted us to have him bring that back when he comes back as part of that plan that he's talking about. If he can pick up 50 more slots being filled by again people that work in Hudson.

To Selectman Luszey it's a much bigger question. It's not just about the lacrosse program and it's not about...right now I think he is limited. I'm talking about opening up our program to non-residents if they want to pay the entry fee. Mr. Malizia asked if it would be the same entry fee or would it be a higher entry fee. Selectman Luszey said it could be higher. Mr. Malizia said sometimes you pay a different fee. To Selectman Luszey it's a policy decision that we need to make that's outside of just the budget discussion. Again, Selectman Maddox said if he can take a look at what that possibility may be if that's an item that we want to look at as well as looking at the fees. If you have a second child, do we give them a discount to be able to bring in so it's not onerous to have a family bring their 2 or 3 kids, there's an incentive to get more seats in but also make it reasonable. Again, it's an item for him to...Selectman Luszey said to bring it back as a "W".

Just for clarification, Kathy Carpentier said that's for all programs you're asking him to look at. Selectman Maddox just asked for the summer program. Selectman Luszey was asking for all programs. That's why I think it's a "W" and we'll have the

conversation in its earnest Monday. To give him clarification, Ms. Carpentier wasn't sure if he's going to look into it. Is he looking into it at all? Selectman Maddox said summer program. Chairman Nadeau thought the summer program would probably be the only one that we could do it. You can't do it for basketball like you just heard that you couldn't do it for lacrosse if you're registered. So you're not going to get any excess. We can ask him anyway. Selectman Luszey indicated that if you don't open up the possibility, again, we're already limiting ourselves on what the possibilities could be if we just say summer. Chairman Nadeau said they told us what they were tonight. Selectman Luszey said no. We did not say if you were to open it up year round what are the possibilities.

#### Library (5060)

Before we begin, Connie Owen wanted to make sure that you have all met Charlie Matthews our new Library Director who's been with us since March. I believe most of you have seen him at different meetings and hopefully you've run into him at the Library as well. We're very pleased after 12 years of wonderful service from our prior Director Toni Weller, we were very fortunate to have Mr. Matthews join us with over 10 years experience in the Nashua Public Library and before that quite a number of years in corporate libraries as well. He brings a lot of business skills and talent to his job here in Hudson. As usual, we have presented a brief narration and we're very pleased to report that our overall budget is down 1.2 percent for the year and our operating budget is down 9.1 percent for the year. Part of those savings have been as a result of the good business leadership and economies that Charlie Matthews our Director has been able to negotiate.

Just to go through, Ms. Owen said they've provide the Board with their mission and goals and we are committed to serving all citizens of Hudson and from 6 months old right on up to people over 80 who are in some of the groups who meet their regularly. One of our regular issues as Trustees, we're committed to the fact of the importance of working towards salary equity for our employees. You will see that we provided you with some comparisons for communities with population of 20,000 and above. That's the last page. Arlene Creeden our Treasurer has provided a breakdown of specific budget items that showed either significant increases or decreases. To answer further questions, we have our coach Linda Kipnes with us and our Secretary Jennifer Chafe. We are here to answer whatever questions you might have.

Selectman Maddox asked why the Library is running a recreation program. Connie Owen indicated that recreation is part of learning. The best learning comes in an open and happy environment. Our mission is to serve culturally, educationally, and recreationally leading toward a better quality of life in town. We do not have a recreation program such as the Rec. Department has. We have special programs with children starting at a very early age so that they can develop an interest in reading and learning. As part of the summer program, we do provide slight incentives such as Big Truck Day that the children participate in several special events. Primarily, the children's programs are geared around learning and developing learning skills.

Selectman Maddox heard that you were renting the American Legion and having programs in there. Connie Owen indicated that that was for one of our summer programs. We have 4 of those during the summer or 5 Charlie? Charlie Matthews thought they had 5 perhaps 6. Again, Selectman Maddox was having a tough time. When the Police Department puts on a self defense course and you're putting on a self defense course. We're trying to squeeze every dollar we can. You're \$1 million. Why are we running two programs to accomplish the same mission?

Charlie Matthews indicated that they focus on literacy with our children's programs. I don't see any competition with other town programs. Maybe I haven't been here that long and maybe there is some. With the Recreation Department for example, Dave Yates was talking about the things that we've done together would be children's reading programs during Rec. time for his organization. I think that our programs are geared toward younger kids if you're looking at our summer programs. I don't think we do a self defense program. I think we really focus on literacy and education primarily. That's where we're trying to get kids to enjoy reading, to learn how to read, prepare them for preschool, and to work with them through the school system.

Selectman Luszey said that's what RSA 202's mission. Charlie Matthews thought they filled that mission. We inform people. We provide information. Selectman Luszey stated that RSA 202 specifically talks about the purpose of the public library system in the State of New Hampshire which states in its opening paragraphs that it's for the purpose of education of the population after formal education. So how does pre-school fit into post education? Charlie Matthews considered RSA 202 being a base line. I think if you look at just about any public library in New Hampshire, I think without exception you're going to find children's programs libraries our size are going to have a Children's Department, a Children's Librarian. I think we've fulfilled the requirements of the RSA and go beyond it. I think that libraries over the last 100 years have evolved in that direction and I think our communities have demanded it, and I think that we've very successfully providing that kind of service.

Connie Owen indicated that much of children's literacy these days depends on competency and using technology. Personally I don't know if I'll ever learn but I'm way behind the learning curve of many of these first graders. In our Children's Room in a recreational and game format, we have 2 years old operating computers and touch screens providing them with basic skills even before they get into the school system. I was there the other night and the 2 year old was doing much more than I could do on it. It's all part of the general education. Education is not just going into a classroom and studying out of a textbook or studying off of a screen. It's a much wider goal. I believe that our programs are complimentary to the other programs in town. Movie nights were mentioned. We have movie days for children on weekends and during the holidays. We don't compete with the Recreation Department movie nights. We have movie programs for adults that we experimented

with this summer. We know that the cost of going out to a regular movie theater is exorbitant these days. In the context of trying to provide more services on an economical level when people might be unable to pay the additional cost of going out for a movie. We had some first run DVDs that we showed that was reasonable popular. It was a test. We don't know whether or not we'll repeat it. That is part of the mission of the library.

Selectman Luszey said that the houses were sold and that money was transferred to you. Correct? Connie Owen said yes but it's by warrant. Selectman Luszey said he couldn't see in here you talk about a decrease in your budget. Does that include the money that you got from the sale of the houses? Explain to me the affect that that money that you received from the sale of the houses affected your budget.

Arlene Creeden said basically that was only for fit up and furnishings for something that we would need that we were unable to finish when we originally built the library because we didn't have any funds to build it or to do it. It cannot be used to balance our budget so we don't put it into the budget. Selectman Luszey said fair enough. Why wouldn't you use that to replace your computers that you're looking for? Ms. Creeden indicated that they already own the computers. If we wanted to buy new ones, we would use it but we don't use them to replace something that we already have. Selectman Luszey asked if they used the money to buy all the tablets because that's a new addition to your portfolio. Ms. Creeden stated that was a new addition. Connie Owen indicated that that money is tightly restricted for fit up and furnishings. I get very impatient sometimes that we can't replace something but Arlene always says, "No, no". Ms. Creeden thought they have a furniture line item which we just put in there for \$100 to replace something that if we already owned it we had needed a piece but we used to have to put considerably more in there when we needed to buy shelving or something, which now when we add to our shelving we take it out of the fit up and furnishings money as long as it's a new item.

Selectman Maddox questioned revenue to offset expenses - \$30,000. Arlene said that they have a fax machine that does a booming business. In fact, our staff used to do all the faxes and it was tying our staff up too much. Now we have an automatic fax that the patrons can use on their own. We take in about \$5,000 to \$6,000 a year on faxes on our share of what they give us back for the fax machine. We also have fines for overdue books and items like that. So that's probably about another \$7,000 or \$8,000. So that's what we lumped into this \$30,000. Selectman Maddox indicated that most times we get a breakdown. So I'm just trying again so people understand where that money comes from. Thank you.

Selectman Luszey stated in your write up you basically glossed over the need to provide salaries that are on parity with surrounding communities which I don't necessarily agree or disagree with. It is what it is. However what I have issue with is you bundled 3 percent raise increases in a line item within the budget where it's been the practice of this Town that all increases...and I will say with the exception of one that I'm aware of that this Board did when I was NOT on the Board, and I'll make that real clear, and as a Budget member of that political year I voted against that line item. Why you're hiding. You're not being transparent. Why you're hiding increases from the voters. I strongly believe it's the voters that are paying for this service and I think they have the right to be able to vote on the level of service that they wish to receive.

Connie Owen indicated that in the past we have submitted warrant articles for increases for full time staff. We have never been required to submit a warrant article for moderate increases under 3 percent for part time staff. Because of a precedent that was set last year, we did decide that we would attempt to bring up the full time salaries and put up to a 3 percent for full time - not everyone is going to get that, into our budget. It was grouped together as is in past years. There was either a warrant article issued or we decided not to submit a warrant article because we've not had a great deal of luck with them.

That was Selectman Luszey's point. The voters are voting on the level of service and the cost for that service that they want to get. So why wouldn't you do that until such time the voters agree that the level of service isn't at the value that they want to pay for. Ms. Owen believed because the Board of Selectmen did use the argument that it was a recommended warrant article and not a mandated warrant article the full time salaries. We thought that we would follow that path this budget year.

Selectman Luszey told Chairman Nadeau that he didn't know what the procedure is for this. I would like for our Budget member to go back when they review this particular budget to recommend to the Budget Committee to take those out. I know they can do that. Do I make a motion to that affect? Chairman Nadeau indicated that if he'd like to make a motion to that affect Selectman Luszey you may. Then we can direct our Liaison to the Budget Committee to do that or if the Library wishes to do that on their own they can. It's up to you if you'd like to make the motion. I believe that was the practice that we've always used on the Budget Committee when I was on the Board. That's the way I've always gone along with that theory also. Selectman Luszey asked to direct the Budget Committee Liaison to make a recommendation to the Budget Committee in cost center 5060-101 to reduce that line item by 3 percent. There's a 3 percent increase for 9 percent full time positions and a 3 percent increase for 15 part time staff positions. We would like the Budget Committee to reduce that line item.

*Motion by Selectman Luszey, seconded by Selectman Maddox, to direct the Budget Committee Liaison to make a recommendation to the Budget Committee in cost center 5060-101 to reduce that line item by 3 percent.*

Selectman Luszey indicated that he thought he stated his position quite clearly Mr. Chairman. Increases I believe are the duty of the taxpayer. It's their pockets that we're picking. If they want to pay for this increase, they will pass a warrant article stating that. If they don't want to pay for that level of increased service, then they won't. I think it's our obligation to make sure that we are fully transparent with the taxpayers when it comes to salaries and benefits. It is the largest, fastest growing component of our budgets.



Selectman Maddox said this was going to be one of my no good deed goes unpunished. We made a decision as the Board of Selectmen to the 9 people that are not within a bargaining unit to give them an increase. Now the Library has looked at that and said that's the way they want to go. Had I thought that that was what was going to happen, I might have thought differently. I agree with Selectman Luszey. The contracts, salaries are paid for by the citizens - the taxpayers. We did it because we were having an issue with compression with the fact that department heads - Fire Chief, Police Chief were making less than some of their staff. Shame on us in hindsight seeing that this is going to happen. I think we need to unfortunately go another way in the future with that. Matter of fact, I think as we have contracts, tentative agreements for two contracts right now, I think we need to take a look at what we're going to do with department heads and make a warrant article. I guess it's one of those things where they should get on the list like everybody else.

Selectman Brucker asked if she was right in thinking what they did was within the guidelines of what the Board had dictated. Is that correct? Selectman Maddox indicated there's no guidelines. We made a decision but it wasn't a guideline. Selectman Brucker asked what you'd call it. I don't know. Selectman Maddox said at this point a good choice but bad decision.

Selectman Luszey indicated that it has been the practice, and I'm not sure if there was ever a formal policy put in place but it has been the practice for almost 13 years since I've been on the Budget Committee prior to this that all increases were on a warrant article. The voters either upped it or downed it. There was in 2009 or 2010 the Board of Selectmen put salary increases in a line item against the wishes of the Budget Committee. We attempted to take those out. They were put back in on Town Meeting. So the voters then had a choice. They could either defeat the entire budget or approve the budget for the Town. They approved the budget for the Town in lieu of defeating the budget and putting the Town in a default budget position. So it's my opinion that to be totally transparent with the voter, wages should be a separate warrant article when you go to increase those so that the voters know exactly what they are paying for when they say yes to that box. At the end of the day we will either recommend or not recommend the Town budget. We here need to send our budget to the Budget Committee with a recommendation. The way this is, this is going to go in there as it is correct? Ms. Carpentier said correct. Selectman Luszey said we have no choice.

Kathy Carpentier asked to make one clarification to Selectman Luszey's statement. In the past, part time increases - and we only have very few of them - have been incorporated in the operating budget. We have not always gone to warrant articles for part time. Steve Malizia said that was actually a policy of the Board of Selectmen that the Board approved. So that is not just...Selectman Luszey wasn't aware of that policy. Again, Mr. Malizia said for non union part time people because there's variability in those positions, people come and go, it has not been the practice and it's not the policy of the Board to put those on the warrant. So just to clarify that for part time people, we don't do that and that's been the policy. Generally Selectman Luszey would state that it has been a practice, and I won't use the word "policy" to put all increases on a warrant article for full time personnel.

Selectman Brucker thought it was significant that they've come in under budget.

Vote: Motion carried 3-1. Selectman Brucker in opposition.

Kathy Carpentier asked for clarification on the motion. Is it for both the full time and the part time. I believe that was...Chairman Nadeau said that was what the motion was. Selectman Luszey indicated it will take on a life of its own. Selectman Brucker indicated that it shouldn't be for the part time people. Steve Malizia said you're contradicting your own policy. Chairman Nadeau said if it gets changed between now and then, then there might be a different vote on that before it goes to the Budget Committee. Selectman Luszey said there would be nothing if I may to stop the Library folks from coming in and saying we want to put those on a warrant article and here's the warrant article and take it out of the operating budget. Chairman Nadeau indicated that we could put just the part time raises into the budget and do the full time separately which is what the practice has been. If things change and this Board changes the way that they direct the representative to vote, then things could change during the budget process.

Connie Owen was asking for clarification because it doesn't seem to make sense that the motion goes in direct opposition with the current town policy by suggesting that the part time increases be brought to warrant when the town policy says that they should not. Am I hearing this correctly? Steve Malizia indicated that's the Board of Selectmen's policy. That is the Board's policy. We approved it. It's not only the policy, that's been the practice.

Chairman Nadeau said that what's in front of us now is all the 3 percent raises. It's not broken down. Arlene indicated it was. Mr. Malizia stated if you go to their cost page on...Arlene indicated on page 10 it's broken down between full time and part time. Mr. Malizia said they've attributed \$12,966 into full time. If you see that the full time, there's a piece you can see it. Its \$12,966 and the part time was \$5,740. They have identified them separately.

Arlene Creeden stated that they did also just leave it as a single line item as opposed to divided up to make it more clear that we were giving the 3 percent to the full time people. Connie Owen said it was certainly transparent on the page that Arlene quoted there is 3 percent increase for full time. It's not buried and then 3 percent increase for part time. It was put into the regular budget format as is laid out for us as one line.

Selectman Luszey indicated that 369 is a detail but the actual line item 101, which is on 365, has them both bundled into it. That's the line items that is what reflects. That's the one I said line item 101 needs to be reduced by because the other one isn't a line item. It's just a detail of what makes up line item 101. Kathy Carpentier said the \$12,966 is in 101. The \$5,740 is in 102. So there are two different...Connie Owen indicated it was. That was Selectman Luszey's question. What I see is 1XX. Kathy Carpentier indicated in 101 is \$10,949, and 108 is \$838, and 112 is \$1,179 all pertaining to 3 percent for full time. That's why we say 1XX. In 102, the similar. Selectman Luszey asked what page she was on because on PDF page 365 I've got under 1XX, and it is broken down to two items. I've got a \$571,963 for full time and then \$197,087 for part time. Where's the numbers that you're...Ms. Carpentier indicated on page 369 at the bottom. We put together 1XX because we have the detail that backs up all the salaries instead of being redundant. The breakdown is clearly visible on page 10 or 369. It depends upon how you're looking at it. Mr. Malizia said it was on this page too. When you look through the actual budget, you can see there's a 101 and a 102 which are two separate things.

Connie Owen said she would like to clarify that we were not being less than transparent. We were not hiding anything because it keeps showing up in different places. Three percent full time, three percent part time whereas in the past if you look back in prior years, it was full time budgets with nothing put in about an increase and then part time staff with a 3 percent increase so that was no intent to be less than transparent with this.

Chairman Nadeau asked what the pleasure of the Board was. Selectman Luszey indicated that they've already made the motion. Selectman Maddox asked what other pleasure would you like. Chairman Nadeau said if there was anything further on this.

Selectman Maddox said one of the things that we're doing with our contracts and again we're putting them on the warrant article to say do you agree to give X amount. We're also getting give backs on some of the insurances that we provide. I'm just wondering has any of that done been done within your cost center. Ms. Owen said they do have a give back on some of the insurance for a part time person who is taking partial insurance and paying for part of it. She's no longer using our insurance. Arlene Creeden indicated that we follow your Town policy. Whatever your Town policy is for the staff here at Town Hall is what we do for our employees also. Selectman Maddox asked if the clerical staff union gets approved then it changes X, Y, and Z and you'll then change that also. Ms. Owen indicated that they're non union. Steve Malizia indicated that we have 5 unions and non represented people. The non represented people their benefits are articulated in the Personnel Policies because if there isn't a contract, it goes to Personnel Policies. What they're saying is whatever we do in the Personnel Policies they mimic. Selectman Maddox said that they're doing what we do for the 9 people that aren't in any union. Ms. Owen said none of our people aren't in any bargaining unit of any sort. They consistently come in 12 to 24 percent lower than similar positions within the Town. The last sheet shows you where they come into in ranking with the other libraries in town of similar and larger sizes. Anywhere between 32 percent below the average of all the libraries within towns of over 20,000. Anywhere from 32 down to 4 percent below the average. We've lost hours for 2 very valuable people because of that. A similar situation in the last 6 months.

Chairman Nadeau asked Connie Owen what she meant by that. Charlie Matthews indicated that two of our long-time employees went to other towns - actually to the City of Nashua to be precise. One went from \$10.50 an hour to \$15.50 an hour doing the exact same thing for the City of Nashua in their library. We have both of those people on payroll because they both like working with us and they can fill in hours for us. Essentially we get whatever is left over from their positions in Nashua. That kind of thing could continue because these were both valuable people. These are not people that we would want to lose. If you're paying the lowest scale in the area, this is the risk you take. That's a concern that we have. Connie Owen indicated that they also had someone else go to Londonderry within the past year too in a very similar situation. We just can't touch as much as we value those people, we can't touch the salaries that they're being offered. Selectman Maddox indicated that we're struggling with it with Firefighters because the entry level of salaries are so low. We understand.

Selectman Maddox thought that we need to not in the budget but when we go to our workshops that we're going to go to right semi-Chairman that we need to have these discussions. Whether that be you reduce your head count and justify increasing salaries, maybe that's something that we can all agree that it may need to be done. There's got to be a way to get good people but its \$1 million. At some point, we have to struggle between public safety and all the other things we have to do and the library. So I think it's a discussion not for tonight but is something that we should probably talk with as far as we're going to be. Selectman Luszey thinks libraries are going away. I don't think they're going away. I think they're going to have to evolve like everything else. Much as the Rodger's Library has already evolved, Connie Owen said they're way in the forefront of using all of the digital and electronic technology that is available and adding even more services to the residents of the Town because of this digital and electronic linkage. We've worked very hard with the IT Department in the Town with the School Department, with the Town on the purchase of copiers to find economies of scale in our purchasing and in our planning for system. We would like to continue to work with the Town on maintaining a very reasonable budget for the library. There are certain things that...Selectman Maddox asked if they were on our electricity package. Connie Owen indicated that they were supposed to be. We found out accidentally that we were sort of left off. Mr. Malizia indicated that they're on the list. For some reason they didn't pick you up. Ms. Owen said they didn't put it through but we're correcting that right now. At any rate, we're committed to working to keep costs down, quality up, programs up, and make Hudson a place where people really want to live.

Just as a follow up on what the longevity of public libraries are, Selectman Luszey said he would like to hear where you think that is. The research that I've done with the Library of Congress going fully digital and being free to all users. Major

Universities like Carnegie Mellon, University of Pennsylvania, Stanford and a few others offering college courses for nothing and opening up their libraries to the general population for nothing. Where do you see the future of public libraries.

Charlie Matthews though the libraries are constantly evolving but I think this is an exciting time for public libraries. We circulate 171,000 items a year. We have 90,000 visitors. We have 35,000 people that log into our website during the course of the year to access our on-line databases, borrow museum passes, search our catalog, reserve books. We are moving very quickly into an age where people are going to be downloading things remotely from a library. A public library will still be a community center. As Connie had said, we have babies to elderly people coming in every day participating in programs, borrowing materials. We're circulating I think it's about 600 or 700 downloadable books a month at this point. That number is going up. We just bought 6 Nooks that we're circulating with best sellers. There's always a reserve list for those. We just bought 3 IPADS. We use fine money to do that. That was not town money which we have early literacy programs on for the Children's Department. These are things that people like to experiment with and learn from. We also have public access computers. Anybody in the Town of Hudson has access to a computer and it's at the Rodger's Library. People can print there; they can search the internet. We have Microsoft Office applications. They can do resumes.

Selectman Luszey said he got that. That's all today. What I'm asking for is where do you see the library in 5, 10, and 15 years from now given that students that are graduating right now today have no use for vinyl records, radios, and CD players. It wasn't in their life. They are the digital age. We're starting to see those people starting to graduate. The children that's entering our school are computer literate right out of the box. As we grew up with the telephone and TV, they're growing up with the downloading capability. It's not a novelty for them to get that. When I talk to college students, they don't look to be going to libraries. They're in their dorm rooms. They're in their bedrooms and they're doing their social networking; they're doing their research papers from there. Again, where do you see the value and the place for our libraries in the future?

Charlie Matthews indicated that not all information is free. There are publications that are only available on line and you have to pay for them. Libraries would provide that kind of content. Streaming media for example. You can get things on YouTube but you may not be able to get a documentary from Ken Burns that way. You may need to go through the library or even download it and pay for it. We're here to provide a service to the community. We are very careful to read what the community wants. We listen to requests all the time. That's how we build our collection. We have a conversation with all of our patrons regarding what they'd like to see, what they don't like to see. So I think every public library is tailored to its community. I think that goes for Hudson as well as any other community. I do think there's a future for libraries but I do think you're correct. It's changing dramatically. I think that we are more invested in technology than ever before.

Selectman Luszey indicated that one of the stats I read, and it wasn't that long ago, is there's a public library being closed roughly one a month right now in the United States. Connie Owen indicated in 5 years from now, people might come into the Rodger's building and see one third less space holding paper documents. Perhaps half of that would be giving over towards electronic documents and the other half converted to additional public computer space or Wi-Fi space. As Charlie mentioned, these databases are very, very expensive for an individual. For instance, genealogy is a major interest in town. There is a genealogy database which you can subscribe to and use on your own computer. I'm not sure how much ancestry.com costs individually but well up \$300 to \$500 if I were to subscribe to it at home. All I need to do is have a library card and I can access ancestry.com and all of its connections without any charge to me. The actual paper book that we're customary to seeing in libraries, there might be fewer of these but much more of the technological equipment.

Selectman Luszey asked for a closing comment. To your point, what do we need a building for? Selectman Maddox indicated that this would make for a nice workshop. Mr. Matthews indicated he could answer that question. We had a public library here at the Hills that did not have a meeting room. Selectman Luszey asked him not to go there. Mr. Matthews indicated that the Rodger's Memorial Library is accessible to every resident in Hudson. I don't know of any...Selectman Luszey indicated so was Hills. Mr. Matthew said that's true but I don't know of any other...Selectman Luszey said that the voters declined the request to build a new library 3 times. So don't go there please. Now we have two.

Selectman Maddox asked if they were going to discuss their parameters or are we going to wait until Monday night. Are we going to decide Monday night what our parameters are that we're going to shoot for? Is that your plan? Chairman Nadeau indicated that is the first thing we're starting with on Monday night. If we have to move the time up so we can fit everything in a timely manner, I have no problem with changing the time. Selectman Maddox thought if they made a decision tonight, then the Finance Director wouldn't have to do 4 columns to see where we're going. Again, is Selectman Coutu going to be here? How are we going to do this? You have a plan. Chairman Nadeau thought the plan was we were going to discuss this on Monday night. Selectman Luszey thought we stated the last couple of nights that we would talk about and set parameters tonight before we left because that would give the department heads time to react to anything that we set forward tonight. I don't know what's in people's minds. Are we okay with what we just talked about? If we are, then we can all adjourn and go home and so be it. We have a bunch of "Ws" and "Cs"...Chairman Nadeau asked if that was a motion to adjourn. Selectman Luszey said no. Listen to me out. We have a bunch of "Ws" and "Cs" that we said we want to come back to and we will come back to. Based on that, we have artificially set some type of parameters in each of our own minds on what that means. I think it would be fair to kind of have a brief dialog to let the department heads know kind of where we're heading with our "Ws" and "Cs" list if anything.

Selectman Maddox indicated that he's always known for his shyness. I'm willing to say that my thought process is to take the Town's portion, not the water and sewer, and add 1 percent to the FY13 budget which is approximately \$220,000. How

we divvy that up would be something we're going to have to go through the "Ws" and "Cs". I think a 1 percent increase is a reasonable number over the last number of years that we've been doing this. There are some things that we probably should get done. That's where I'm coming from. Selectman Luszey thought every one of us has had conversations between each of us over the course of the last 6 months about things we think we should be doing. I think that's probably a reasonable starting point.

Selectman Brucker asked if we had a total. Have we seen a number? Is it in here somewhere? Kathy Carpentier said in your books the current tax rate is level at \$6.15. You have one warrant article in here that you have not made a position on which is 1 cent. The tax rate for the Town side is going up 1 cent and it's a .1 percent increase. Selectman Luszey asked if that was the communication warrant article. Ms. Carpentier said that was correct. That's the only cost one that's in here right now. There's a fire squad vehicle but there's no tax impact. The Town Treasurer appoint rather than elect and senior center cable facility. It's coming in with zero increases. The increase in New Hampshire Retirement System that we have absorbed in this number already. So we're starting kind of at a level playing field.

Chairman Nadeau thought hearing that now once we go through our "Cs" and "Ws" on Monday we should probably be around a 1 percent increase with the way some of the discussions went. Selectman Luszey asked if that was our parameter we want to stay within the 1 percent or the...no right now we have a 1 cent impact. A 20 percent would be 4 cents. Ms. Carpentier said right. I believe Selectman Maddox's position at this point is 1 percent which would be a \$200,000 increase to the general fund if I understood it correctly. Selectman Maddox indicated that you're taking in water and sewer into that .1 percent. The budget itself is .9 right? Ms. Carpentier said the .1 is on the tax rate itself. Sewer and water have an equal budget and revenue. So whether they're in or not is irrelevant. It is relevant in if you want to increase general fund by 1 percent, it's about \$200,000. Selectman Maddox said if you take a look at page 4, it says to go from our approved FY13 to the department head request is a .9 percent increase. Ms. Carpentier said that is on appropriations. On the first page, that's a tax rate increase of .1 percent. You're looking at appropriations are increasing .9 percent. To Selectman Maddox's point whether the Board wants to have a parameter based on tax rate, or based on appropriations, or based on some other.

Mr. Chairman while we're all just enjoying this part, Selectman Maddox thought they needed to look at the income. If you take a look at some of the income items, they seem to be assuming some - there's \$88,000 less budgeted on the first page alone in 14 than there was in 13 or are we just expecting less money to be coming in. Steve Malizia indicated if you look at 12's actuals, I think it gives you some sort of idea of what you might expect in 14. Revenue forecasting is difficult as we're well aware. It is not as predictable as budgeting a cost item. Any surprise you see here, you'd want it to be an up surprise and not a down surprise.

Just on that, Selectman Luszey said there isn't an estimated line item for the sales of property should we go forward with any of the Assessor's recommendations which would only reduce that line item. Kathy Carpentier said correct but unless you could guarantee it, you wouldn't want to budget it as an anticipated revenue. What you're better off doing is having it be an unanticipated revenue. Selectman Maddox said it doesn't go into our budget if money comes in for sale of the property. Mr. Malizia indicated that you don't get any more money for it. It would go into your undesignated fund balance or surplus as we call it which would be subject to a conversation for future budget years. Selectman Luszey was looking for it to offset the 14 tax rate. Mr. Malizia said if the Board feels that that's appropriate, the Board can have that conversation if they'd like to do that. We from our position always tend to take a conservative position. It doesn't mean that you can't take a contrary position. I wouldn't say that it's wrong. We just don't go in making all kinds of assumptions that the Board is going to want to do that. If the Board has a conversation that says we make it a goal to sell \$50,000 worth of property, okay we can make that a goal. Selectman Luszey said he hears Mr. Malizia but what I'm going to wait for is to see what the Assessor comes back with on what might be viable properties to sell. My thinking would be is we would target those revenues specifically to this increase in the 14 budget to cover the costs of taking care of some things on our "W" and "C" list that need to be taken care of and therefore trying to minimize the tax rate impact.

Selectman Maddox thought was hopeful at best. By the time he comes back, and we decide, and you go out to bid property that said it's a house lot which say \$100,000 and we get offered \$6,000. Are you going to take \$6,000? Selectman Luszey said he's not of the opinion that the way we would handle these properties is a closed bid type of transaction. We would hire a realtor and market and sell it. Mr. Malizia indicated that there's two kinds of properties just to make it simple. There's tax deeded property and there's other property that the Town has acquired some other way either through maybe a Planning Board process. Those properties specifically I believe you have to put them on a warrant to have the voters approve you selling them. Then you could sell them in whatever fashion you want. The other properties I think that we also discussed were tax deeded which if they're tax deeded you can sell through sealed bid or public auction. Selectman Luszey indicated that those are more risky than stuff that we own that we can forecast and manage on what we want to get out of them. Selectman Maddox indicated that a lot of the properties that are on our list are places that were tax deeded 25 years ago. Selectman Luszey said he needed to see the list and that's all I'm saying. Selectman Maddox said to put it in the 14 budget I think is government is glacial. Selectman Luszey said they make it as glacial as we want to make it.

Kathy Carpentier asked if the Assessor supposed to be coming back for wrap up. Selectman Luszey said he thought he was. Selectman Maddox said he was coming back but I didn't think it was for wrap up. Mr. Malizia didn't think it was targeted for wrap up. Selectman Luszey asked what the purpose of going through all of that for this cycle. Chairman Nadeau didn't think he was going to come back with a list of properties for sale yet for you if that's what you're looking for. Selectman Luszey said a recommendation. Chairman Nadeau didn't think he was going to have that done for Monday night. Selectman Maddox thought he was going to come back with 20 properties at some point. Selectman Luszey asked if they

could make the request. Its 20 properties. I don't know how hard it would be to list 20 properties whether they're deeded properties or they're outright owned and what their estimated market value is so that we can make some kind of decision on them or we can defer it to FY15. Ms. Carpentier said you could take action. It would just be unanticipated revenue in any year. You could get it done in 13 or 14 and just take it as unanticipated revenue. Mr. Malizia indicated that there's 5 or 6 pages of what we would call town-owned property. I can't tell by looking at this what's tax deeded and what's not. What he was doing was just making a general proposal - hey wouldn't it be great if you sold town property. Selectman Maddox believed that Selectman Nadeau is working on the form to come up with the process to do this. I think that this is an FY15 project at best. To back up if it's a tax deeded property, Mr. Malizia indicated that you can sell it at any time you as the Board decide to sell it. I just want to qualify that a little bit. You don't have to wait to 14, 15, 16. Selectman Maddox said we need a policy to say that if the property is a buildable house lot and you get \$3,000 off it for it, do you want to take that? Again, that's what we need to decide.

Chairman Nadeau asked what the Board's pleasure was for this evening. Selectman Luszey's pleasure would be we have a list Monday to be able to make an informed decision on the FY14 budget. Apparently that's too much to ask for. Chairman Nadeau thought it was but if the rest of the Board members want to ask, we can ask him. Selectman Brucker said she could wait for the list. Selectman Luszey asked if they decided on what we're going to do with the tax rate.

Chairman Nadeau asked what the pleasure of the Board was for Monday night. Selectman Luszey's personal opinion is we should try to hold the tax rate to no more than a nickel increase. It's up to 4 cents on the tax rate for going through our "Ws" and "Cs". It's the one cent for the only dollar value warrant article that we have right now. Chairman Nadeau said he's willing to try for that goal but I'm looking for less. Selectman Luszey said that's why I said up to. Selectman Brucker indicated that sounded fine to her. I have a very naive question though. What happens about the contract that were...Chairman Nadeau indicated that was in addition to. Selectman Luszey said each contract will have its own separate tax rate impact price tag. That would be incremental to everything we talk about tonight. Chairman Nadeau said if you were looking for a 5 cent and then you look at these...Selectman Luszey said there's a total of 7 contracts between us and the School District. You could be talking .20 to .30 cents. Selectman Maddox stated that we also have some hopeful savings in insurance costs and those types of things that we need to at least bring forward to the voters that it's not just an increase. There is some savings on our insurance. Mr. Malizia said certainly cost avoidance on a lot of them.

Chairman Nadeau indicated that we have our where we're planning on going on Monday night. Selectman Maddox said you're going with 5 cents. Chairman Nadeau said up to 5 cents but I want less than. Selectman Luszey indicated that was your "W" and "C" list. Selectman Maddox indicated no more than a nickel increase from the 615 of the FY13 budget which...Ms. Carpentier said it equates to \$125,000. Selectman Maddox said he opposes but it looks like it's 3 to 1. Selectman Luszey asked what he wanted. Selectman Maddox wanted higher. I think at some point to say...Selectman Luszey indicated that you want \$200,000...Selectman Maddox said added to the Town budget yes. Selectman Luszey thought that would be 8 cents. So we're talking 9 cents total then. Selectman Maddox indicated that they haven't voted to put that 1 cent item on. Chairman Nadeau said they'd do that Monday night to see where we go. Outside all the warrants, Selectman Luszey asked if Selectman Maddox wanted 8 cents. Selectman Maddox said yes.

Kathy Carpentier thought that the department heads have their direction and it's somewhere between up to 5 and maybe up to 8. That could be in appropriations and revenue. Selectman Maddox said they're "W" and "C" and we're going to add some and we're going to subtract some. I think it's a case of now taking the "Ws" and seeing what impact those have, then going to the "Cs" and seeing what impact they may have, then making the tough decisions.

Kathy Carpentier thought it was also prudent to look over the revenues as you suggested. We probably need to look at the default budget unless we're planning on another night and we'll have an update on insurance rates. Selectman Maddox thought that was going to impact our talking on Monday night. Mr. Malizia indicated that he gave it to the Board so they could look at it. I would say there are minimal costs but I told you I would give it to you so I thought it would be appropriate to give it to you.

Selectman Luszey said it was a great piece of work. I think it's the first step in many steps. I'm not sure if there's anything we'll be talking about Monday night against this. I think this is more of we may put some money aside in the 14 budget but this is like workshop type work that we should be having every month to really get into some of these discussions. Mr. Malizia said it was stated somewhere that a journey of a thousand steps begins with a single step and this is our step.

6. ADJOURNMENT

*Motion to adjourn at 10:20 p.m. by Selectman Maddox, seconded by Selectman Brucker, carried 4-0.*

Recorded by HGTV and transcribed by Donna Graham, Recorder.

HUDSON BOARD OF SELECTMEN

\_\_\_\_\_  
Benjamin Nadeau, Acting Chairman

\_\_\_\_\_  
Richard J. Maddox, Selectman

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Ted Luszey, Selectman

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Nancy Brucker, Selectman