

HUDSON, NH BOARD OF SELECTMEN
Minutes of the October 24, 2009 Meeting

1. CALL TO ORDER by Chairman Coutu the meeting of October 24, 2009 at 9:03 a.m. in the Selectmen's Meeting Room at Town Hall.
2. PLEDGE OF ALLEGIANCE, led by Kathy Carpentier.
3. ATTENDANCE

Board of Selectmen: Roger Coutu, Ken Massey, Shawn Jasper, Rick Maddox, Ben Nadeau

Staff/Others: Kathy Carpentier, Finance Director; Mark Pearson, Assistant Town Administrator; Connie Owens, Wendy LeBlanc, Mike O'Keefe, Scott Slattery, Donna Graham, Executive Assistant

4. BUDGET PRESENTATIONS

Chairman Coutu indicated that they were going to start with item 5920, which are the grants on page 4. Number 2 is the total budget, number 4 gives us the breakdown, and we also have 3 new considerations to take. We had 4 but by virtue of suggestion of Selectman Maddox, we will be eliminating one. It is his understanding that Linda Carter from Healthy Homes will not be here as she is incapacitated at this time. She has broken her leg. So she won't be able to be here. There is documentation to support their request.

Selectman Jasper started off by being the Grinch. I think in a year when we're directing our department heads to come in at zero and talking seriously about what we're going to do, I don't think this is a time to take on any new responsibilities. Frankly he thinks as we've directed with everything else, this particular cost hunter should be level funded. These are things that we don't have to do as a community. Most of the other things we're looking at are things that we have to do and have been authorized to do by the community.

Chairman Coutu didn't think Selectman Jasper was being a Grinch. He's being very realistic as to what we're confronted with in terms of the economy and where we should go with our budget. He can't agree more that at the very least we should level fund it.

Selectman Maddox is not saying we should spend more, but he thinks we have an obligation to take a look at the 3 other presentations and say do we put that into the mix because are they serving the citizens of Hudson? Is there a need for this service? So before we just summarily dismiss the news, he thought they should take a look at what services they provide our citizens. If we need to keep it still level funded, maybe there's some things that we cut back on some of the other ones. Again, it is what the services are that they provide to the citizens of our community.

Selectman Massey thought that by implicitly owning saying to not ask the one person not to come here, we owe the courtesy to at least hear from the 3 other organizations. An equal important, there is a \$3,068 reduction in the request from the Nashua Transit. So even if we level funded and we do nothing, we're going to reduce that line item by \$3,000. He thinks after they hear, they can decide what best way to do it. He thinks they should at least listen as Selectman Maddox has suggested to the other 3 organizations. Chairman Coutu said to Selectman Massey that there are several that have increased. Selectman Massey understood that, but this is the first time on the 6 budgets he's been doing that he's ever seen the Transit budget request less than what we had from the previous year. This is a first for this one. He believed it's because of matching funds from the federal government. The best we have option we have is level funding. If we level fund then there would be in his mind a motion to reduce the total by \$3,068.

Harbor Homes

Chairman Coutu would agree that we did only opt to eliminate one request. He agreed. They should extend the courtesy to each of them. With that if there's no objection, he asked if Vanessa Sarlo was there from Harbor Homes if she would step forward.

Thank you Mr. Chairman. My name is Scott Slattery. I live at 23 Towhee Drive. The Chairman is correct. I do sit on the Library Board of Trustees. However, I am also an employee of Harbor

Homes. He did speak with Vanessa yesterday. She received an e-mail saying there was no need for her to come this morning. Mr. Slattery did explain to the Director that he would be here regardless for the library and he'd be happy to speak on behalf of Harbor Homes. Chairman Coutu asked who she received that communication from. Mr. Slattery said he honestly didn't but he could certainly find out. He can speak on behalf of Harbor Homes. He is authorized to do that. Chairman Coutu asked for a summary of what Harbor Homes is and of what benefit Harbor Homes is to the Town of Hudson.

Mr. Slattery indicated that Harbor Homes is a non-profit agency that operates predominately in Nashua but does serve many of the surrounding communities including Hudson. They provide housing and support services traditionally for the mentally ill and homeless. However, recently have branched out and started to provide quite a bit of housing for veterans and their families. His understanding during the last year, Harbor Homes provided services to 2 veterans from Hudson as well as 3 other individuals through their permanent housing program. His understanding through the literature that was sent to you was the request is for \$2,000 and if you quantify the services that Harbor Homes provided to Hudson citizens last year, it came out to over \$100,000. We feel that this is a very reasonable request to continue to serve the citizens of Hudson.

Chairman Coutu indicated that they were going to list to all of the requests Scott, then we'll make our decision. Selectman Massey asked if he knew what the percent of monies go that this budget has are related to direct services and how much are related to administrative costs. Do you know what that breakdown is? Mr. Slattery said he did not have that but he certainly could get that information to the Selectmen first thing next week. Chairman Coutu thanked Mr. Slattery for his presentation. We'll be making our decision when we look at the final analysis of the presentations and what we have before us from those agencies which we have customarily been funding.

HIV/AIDS Task Force - presented by Wendy LeBlanc

Chairman Coutu recognized Wendy LeBlanc and asked for an overview of the agency and what direct impact her agency has on the Town of Hudson.

Wendy LeBlanc stated absolutely. Thank you so much. Her agency is the only HIV and AIDS service organization in Southern Hillsborough County. We serve greater Nashua and we provide a variety of direct services primarily case management services to be sure that our clients have access to medical care, dental care, safe and affordable housing, make sure they have enough food to eat, and treatment for any mental health or substance abuse challenges they may be. At the time that she wrote this report to the Selectmen, they had 6 families. Today we have 7 families living in Hudson. One of our federally funded programs allows us to help with emergency rent, mortgage, and utility assistance for our clients that are connected with us. We're primarily serving low income and those living in poverty. As you can see in the document in the last 12 months, we provided over \$21,000 in direct financial support, rent, mortgage, and utility assistance to residents of Hudson. If we didn't have this funding available, she's sure that they would have seen many of these families on your doorstep looking for that assistance from the town.

Additionally, you may know that HIV medication is extremely expensive. With our case management services, we're able to connect our clients to programs that pay for their medications for them and that includes additional medications not just HIV medications. So again she believes they're saving the town a significant amount of money as she knows that often folks with no prescription assistance will come to the town looking for that type of assistance. She would like to add while she's very mindful and respectful of Selectman Jasper's comment about not taking on new proposals; our agency has been serving your community, our community, for over 20 years. We've never asked for money before because we've not needed to. As budgets are getting tighter all around, federal and state budgets, and our fundraising efforts are getting less and less support. We're now kind of need to ask you. So I'd like you to consider that we've never asked you before and that we're asking you for the first time because we really need to. Thank you.

Chairman Coutu said when he looked at their breakdown of funding sources from July '08 to June '09, is Hudson outside of Nashua the only community that you service? Ms. LeBlanc said it is definitely not. No. After she wrote this proposal, she received funds from Merrimack - \$500 we received from Merrimack from last year. That didn't come until the end of August after Ms. LeBlanc had written this report. So those were new. While we do primarily serve Nashua residents, Hudson and Merrimack are the 2 bordering towns that have the larger number of clients. We maybe have 1 or 2 in Hollis or Amherst or some of the other towns. But Hudson and Merrimack have the larger

number of non Nashuans. Chairman Coutu's curiosity was peaked when he saw that and said why Hudson and no other community outside of Nashua. Ms. LeBlanc stated that again by the same respect we haven't felt the need to approach the smaller towns. We know that your budgets are small and we recognize that. This is the first time we've really needed to. So we have submitted requests to some of the other smaller towns this year for the first time. But they haven't been awarded yet so therefore she didn't present them here. Chairman Coutu indicated that we're all in budget deliberations at this time. He asked if they had a walk-in service on Amherst Street. Ms. LeBlanc indicated that's where their office is located.

Chairman Coutu asked the same question that Selectman Massey asked because your percent of admin. versus total income. Ms. LeBlanc stated honestly she didn't anticipate the question so she didn't have an exact number. She would share with them is that there is a total of 8 staff persons that work at the agency. Only 1 of them is half time an admin. staff person. The rest of us, including herself, provide direct service to their clients. So all of their staff are direct service funded. We don't even pay a receptionist. We have volunteer receptionists. She has a half-time bookkeeper out of her 8 staff. She can't tell them exactly the dollar amount that they spend on admin. but it's minimal. Chairman Coutu said she receives approximately a half a million dollars a year - \$530,000. Ms. LeBlanc said correct. Chairman Coutu said that their admin. costs were...Ms. LeBlanc indicated she has a half-time bookkeeper. So that would be approximately \$25,000 a year and then she has volunteer admin. and then all the rest of the staff are direct - like the case managers and she also is a case manager as well as the agency director. She provides direct services as well. So while part of her job is admin., she is funded under the direct service grants because her primary role is working directly with the clients as well. Chairman Coutu said that they're service oriented. Ms. LeBlanc indicated yes very much so yes. Chairman Coutu expected the costs would be a little more. If you have case workers...

Selectman Maddox thought they were talking 2 different things. You're asking of your entire budget how much of that is overhead if you would and not direct care to the citizens. You're counting how much admin. time out of all of your staff. So he thinks the Chairman and Ms. LeBlanc are talking 2 different things. So if Ms. LeBlanc did a round in her head figure knowing what we paid for our overhead, we rent an office space and we rent a copy machine. It's not significant. Selectman Massey said those would be part of delivering the service. So that would be included in non-administrative costs. We're talking about the functions that don't directly contribute to the service. So a bookkeeper would be in the overhead. The rent and office wouldn't be in his mind because you can't deliver the service without having those things. It looks to him like they'll probably just based on the rough numbers that we've heard it looks like it's under 10 percent.

Selectman Jasper still thinks they're talking to 2 different things. If you go to Harbor Homes, he thinks that administration included all their staff. Selectman Massey said he factored that in. Selectman Jasper said Ms. LeBlanc hasn't given us any indication of what their staff is paid. So we don't know based on the information what their total salary line is. He thinks that's what they've always looked at. How much is paid to staff versus how much direct service in terms of whether its rent vouchers, medicine, or anything. How much money directly goes to the clientele? So we still haven't gotten it apples and apples. Selectman Massey indicated that in any organization if you're a service provider the cost of a registered nurse would not be overhead. That's the piece that goes directly to supporting the clients. At any rate, we have a general idea of where they're spending their money.

Ms. LeBlanc said that their case managers, which are the primary staff of our agency make between \$12 and \$13 an hour. So they are certainly not excessively paid. In fact, she believed they are underpaid. Chairman Coutu said he didn't know who put their presentation together but he wanted to compliment the person for their full disclosure and giving us your financial audit overview budget requests and what their recommended changes were. He appreciated that full disclosure. Ms. LeBlanc thanked Chairman Coutu. They believe in transparency. Thank you. Chairman Coutu said they are being transparent when you show documents like this. There's nothing seriously negative here. So Chairman Coutu didn't want people to think that there is anything negative. There was 1 unresolved issue. Based on the disclosure, that has since been resolved. He's satisfied with that.

Selectman Massey missed the actual numbers. You indicated the costs of the services that you provided to the Hudson clients. Ms. LeBlanc said through the line item that's direct financial support, which is much easier to quantify. It was over \$21,000 in the last 12 months that we provided to 6 Hudson families for emergency rent, mortgage, and utility assistance to prevent

eviction or housing foreclosure. As a follow up, Selectman Massey said regardless of what we do here, you should be aware that there is 2 trust funds that the Trustees of the Trust Funds manage that provide assistance to worthy poor. Worthy poor is defined not as somebody who is on welfare but as somebody who needs help. Those 2 trust funds you have to make a presentation to the Trustees of the Trust Funds but you can certainly get in the past they've provided assistance for drug prescription coverage, etc., etc. So no matter what we do here, that's one option that you can have your clients if they're looking for that type of support. They can at least approach the Trustees of the Trust Funds to see if they qualify for that type of coverage. Frankly, Ms. LeBlanc, said they try to avoid that by accessing the federal funding whenever they can on behalf of their clients to save that for those. We are fortunate that there are federal funds for HIV services that are not available for other conditions. Selectman Massey said that those 2 trust funds were set up to support "worthy poor". Worthy poor has been defined as somebody who needs help not somebody who's currently collecting welfare.

Chairman Coutu thanked Wendy for her presentation, and they'll be discussing that as we will all of the other requests.

Healthy Homes

Chairman Coutu indicated that the last item for consideration is Health Homes. Linda Carter is not here. He didn't know if they had an opportunity to review the document. On page 4 of their presentation, the numbers are clearly identified. Of their total revenues - \$1,563,000, it appears that \$1,118,000 is for salaries and wages. It's pretty high and there's no one here to address how many people are employed. Selectman Maddox indicated that on page 1 it said Healthy at Home provided 322 subsidized home health care visits to residents of Hudson. Chairman Coutu imagined that was all service oriented. It's like a visiting nurse association.

Scott Slattery of 23 Towhee Drive. Healthy at Home is one of the agencies that's under Harbor Homes' umbrella. He works side by side with the folks at Healthy at Home, so he is aware of the types of services that they provide. You have the specific numbers, he doesn't. He can tell them that they are correct. It all primarily is visiting nurse and home health care.

Chairman Coutu asked if anyone had any questions. You've had an opportunity to review the document. Scott apparently if it's an umbrella would have some direct knowledge of some of the services they provide. He believed most of them are aware what V&A does and this is typical of what a V&A organization would normally provide for a local community. He knows that from his experience their first born they had a V&A because it was their first child. They wanted to make sure his wife knew what she was doing. We found it very helpful. He understands the quality of service that the V&A organization that they had supported them and provided them, and they monitored them for the first month. It was very much appreciated. Not that we had any problems, it was just a routine visit to make sure that the nutritional requirements of a new born, and what to look for in the first month.

Chairman Coutu told the selectmen that they have that before them. We have a couple of suggestions that have been made prior to the discussion with these 3 agencies. As he sees it, the alternatives are to fund the request, to level fund it and deny the new requests, or as Selectman Massey suggested level fund, decrease the Nashua Transit as they requested by \$3,000, and consider the request that we have before us.

Selectman Maddox said that in that area he thought that the difference is \$3,068 from the difference from what Nashua Transit asked. Let's just divide the \$3,068 proportionately for what they requested for the 3 new ones. It's not exactly what they asked for, but it's better than zero. Ms. Carpentier indicated that within the budget is the \$117,279. So the decreased amount for Nashua Transit is already in the budget. Selectman Maddox said go to the FY2010 approved budget and subtract \$3,068. Selectman Massey stated there was already going to be a motion to reduce it by \$27,000 for the request. Selectman Maddox said it would be to the \$90,260.

Motion by Selectman Nadeau to approve the community grants at the 2010 budgeted \$90,260 less the corrected amount for Nashua Transit down to \$13,857 and then divide that up between the 3 new ones.

Selectman Massey said so they don't get to squirrely Mr. Chairman, he thought it would be easier - and he'd be glad to second the vote if they made it in 2 steps. Subtract \$90,260 from \$3,068. What does that come up to? Kathy Carpentier said \$87,192.

Motion by Selectman Nadeau, seconded by Selectman Massey, to reduce the request from \$117,279 to \$87,192.

Selectman Massey said that Selectman Nadeau is going to come back with a second motion for the other 3 agencies. You talk about squirrely Selectman Maddox said. What we need to do is reduce the budget from the 117 to 90,260. That should be the motion for our fiscal where we're going in the budget. Selectman Massey said they've reduced it to \$87,192. Selectman Maddox wanted to finish out his thought process. If you do that, that's where we are with the budget. The allocation then would just be a motion to reduce the Nashua Transit by that much and add the others. Selectman Massey and Selectman Nadeau understood and agreed. Chairman Coutu indicated that what they're going to do is the motion is going to be, because he got a nod from both of them, the motion is going to reduce the Fiscal 2011 request from \$117,279 to \$90,260. That makes it clean. That's the motion on the discussion.

Motion by Selectman Nadeau, seconded by Selectman Massey, to reduce the Fiscal 2011 request from \$117,279 to \$90,260.

Selectman Jasper indicated that this is where he gets so extremely frustrated with the thought process on this Board. We're telling our departments we have to cut back. There are things that we have no control over that are going up by hundreds of thousands of dollars yet at the end of the day we're saying well we've got to cut back to zero even though we can't do anything about insurance and retirement. So other areas are going to have to suffer. Now he knows the dollars are different. The principal is exactly the same. When you lose track of your principal and your government, you lose track of everything. At the end of the day this is how government gets in so much trouble because we don't stick to the principal. We have certain responsibilities we have take on. If you ignore the dollar amount and you look at what our departments are asking for and what our departments are suggesting, we're saying no, no, no. No new responsibilities and here we're saying yes we'll take on new responsibilities. We've got organizations who have requested new money than we have allocated in the previous year, which he thinks was pretty much level funded from '09. We haven't added a lot of money to this. We're saying you don't deserve more even though you've been doing this but we're going to add on new programs. We wouldn't do that any where else in this budget. So forget that it's only \$3,000. Is this a philosophy that we endorse as a Board taking on new responsibilities this year? He thinks it runs counter to everything else we're doing. He just doesn't see where this makes sense. Everybody else will be asking for more money next year. We should just say no we stick with what we have. If you want to allocate the additional \$3,000, then we should be allocating it to those who have been asking for more each and every year that he can remember. We rarely if ever fully funded these current requests.

Selectman Maddox is going to come in from a different perspective. He thinks all of these that they've looked at service the citizens of Hudson and the \$3,000 yes it's an increase and we're talking on new programs but if we don't, he thinks they're going to see more than \$3,000 taken from our Town Poor account. These people need to come up with some money some place. So he thinks this is a good cost versus rewards benefit respective. No more, no less. We can certainly not fund these 3 new agencies, but we could spend more than \$4,000 or whatever out of our Town Poor account in assistance. For what they provide the citizens of Hudson, we're getting a great cost to benefit ration. Thank you Mr. Chairman.

Selectman Nadeau agreed with Selectman Maddox on this one. Seeing what these people have provided to us for material and have seen what these organizations have done. He would have to agree with him on that. The \$3,000 we are going to be saving in the long run with our Town Poor account. He thinks it is a very prudent use of our money in this case.

Selectman Jasper said they haven't seen a lot here, but if you go in to the detail for Harbor Homes where the money goes and you look at salaries and wages, he's assuming that rent and mortgage most of that is probably direct client. But when you look at how much money is actually going directly to the clients, it looks like its well under half. He doesn't see that as a great bang for the taxpayer. We get all these organizations that duplicate what everybody else is doing and we end up spending more on salaries, and wages, and buildings and everything else. We just had one

organization serving people. You're going to do what you want to do. For \$1,000 if you think that's going to keep people from coming into the Town Poor, he just doesn't see it.

Selectman Massey believed a question is in order. Mr. Slattery it's my understanding that there are residential clients at the building there on High Street. Is that correct or is that incorrect? Mr. Slattery indicated that's incorrect. The High Street is strictly administration and programming space. There's no residential within that building. Selectman Massey asked if they provided any residential at all. Mr. Slattery indicated that through that building the services are, but the housing itself is not in that location. Selectman Massey asked if his budget included housing for some portion of your clients. Mr. Slattery said absolutely. That's predominately what Harbor Homes' mission is to provide housing. Selectman Massey said which is where a lot of your staffing costs would come from. Mr. Slattery said that each resident whether it be a community residence or a group home, or an independent apartment program have offices on site as well as other of the independent or what they call their permanent housing programs where there are scattered sites. Case management comes out of the administrative office and then goes to the residents' location.

So as Selectman Massey is looking at his overall mission for some people you provide mortgage assistance. For other clients, you provide housing directly. Mr. Slattery is not aware of any mortgage assistance that's provided to Harbor Homes clients. It's all direct care, rent subsidies, and case management services yes. Selectman Massey said that rent subsidies would mean that they live in somebody else's - what he's really looking at is some portion of your costs are directly related to managing housing programs where your clients live. Mr. Slattery indicated that's correct.

As Chairman Coutu understands funding from housing in urban development, the federal housing HUD agency of the appropriation they gave you - \$2.7 million, as he understands the federal standard for the allocation of monies, no more than 10 percent could be use for administration and the remainder must provide housing assistance. Mr. Slattery said that was absolutely correct. That's how Chairman Coutu understood the funding from HUD.

Selectman Maddox thought this is a good workshop item to address Selectman Jasper's concerns. He thinks that unfortunately a compressed time period but at some point a workshop to bring all of the agencies and work up a set of questions maybe but how much of their percentages are to direct clients. How many citizens do they directly affect here in Hudson so that we're better prepared next year for this type of presentations?

Selectman Massey said to Selectman Maddox if he recalled, he believed it was either 2 or 3 years ago Selectman Massey actually provided for the Board a breakdown of how many clients each of these agencies served and how many of those clients were from Hudson. He made a motion to redistribute the allocations that you see here based on that. So what you're looking at right now is basically a percentage of clients that each one of these do relative to the whole town. It might be worthwhile to revisit it again, but the allocations that are currently here were based on that analysis that all those agencies provided either two or three years ago.

Vote: Motion carried 4-1. Selectman Jasper in opposition.

Motion by Selectman Massey, seconded by Selectman Nadeau, to reduce the Nashua Transit request from \$16,925 to \$13,857 and to allocate the \$3,068 proportionately fifty (50%) percent to Harbor Homes (\$1,534) and twenty-five (25%) percent each to Health at Home (\$767) and twenty-five (25%) percent to Southern NH HIV/AIDS Task Force (\$767), leaving a final number of \$90,260

Selectman Massey thought that Selectman Maddox said it all at the beginning. He understands that we're trying not to do new programs. In truth, these aren't new programs. In one manner shape or form, these services are being provided to citizens of Hudson. We're either going to do it through here or through the Town Poor account. The services are better administered through these agencies than they are by just providing the cash agency. In truth, the (inaudible) in the Town Poor account the person is sent to one of these agencies but we pay the money. So either way, we're going to pay it. He thinks this is an easier way to administer the money. Thank you.

Selectman Jasper cannot let that statement go on. We're a little over \$1,000. We actually believe that that's going to prevent people who are going to come on town assistance by giving it to them. If we don't give it to them, the flood gates are going to open. There is absolutely no evidence. This is just we believe, we think with evidence. That's the wrong way to govern. You have to know that you're doing something. You can sit here and say this is a good program and he's not saying it

isn't, all he knows is of a \$7,300,000 budget, over \$4 million goes to employee wages, taxes, and benefits. That's not a great return on investment from his point of view as a town father in terms of giving money that's not going directly to client service. He understands it's only a small amount of money. As he said, it's principle but when government does things just because we think and we feel, that doesn't serve the people we elect very well. We don't have any evidence at all and he does not believe, he does not feel, he does not think that not giving this \$1,000 or whatever will cost the taxpayers of Hudson a dime because this is not going to offset enough out of their \$7 million budget to make any difference. It is what these things always are. It's a little bit of help to these agencies, but then the requests come in and they go up each and every year. Maybe it's a good way to spend taxpayer's money. In his opinion, we don't have enough information here and we haven't look at this long enough to make this decision at a time when we're telling everybody else in our town government to do with less.

Chairman Coutu asked Selectman Jasper if he knew something about Harbor Homes that we don't know other than what they presented. Selectman Jasper said he didn't know anything about Harbor Homes. What he's saying is not that it's not a good organization, he doesn't know what their programs - over half, and he knows in the Town of Hudson almost 80 percent of our expenditures go towards salaries, and wages, and benefits. That's our job. We have highway people who are out working. We have firefighters who are out fighting fires and providing ambulance service. We have police officers whose job is to be out there and patrol the streets. This is an organization whose mission is in part, and he's reading 450 housing units and things like that. He knows they have additional programs but just on looking at 3 lines, well over half the money is going to wages, and salaries, and benefits. He's just saying this is a foot in the door without a little bit more information he doesn't think they ought to do it. It's nothing against the organization. As he said right at the beginning, he doesn't think this is the time to be adding anything. This is how this line has as many things in it as it does.

Chairman Coutu stated that Selectman Jasper has flagged some numbers that he can't see. He doesn't want the taxpayers to think that we're just throwing good money away. At the very least we're going to level fund the budget based on the motions that were passed. So we're not increasing anything. We're treating the community grants in the same fashion in which we're treating our town departments. He understands their concerns. If we need to have Mr. Slattery come forward again to elaborate further on the numbers, he didn't want people to think that out of their \$7 million budget that almost 50 percent, \$3.5 million is going to salaries. He has those numbers in front of him. He doesn't see \$3.5 million worth of salaries here. He sees direct support and aid if he were to take the 10 percent...Selectman Jasper directed Chairman Coutu to page 5 of the auditor's report. About 8 or 9 lines you'll see employee benefits - \$654,000. Then if you continue down you'll come to payroll taxes - \$255,000. You continue down salaries and wages - \$3,117,000. If you add those together it comes up to over \$4 million of the \$7,605,000.

Selectman Maddox said if you do look at that, it says \$3 million in the salary and wages. Of that under program it says \$2,285,000 is under the program. Only \$796,000 is for administration. So he, and hopefully Mr. Slattery is going to answer this in total, but the program are their people that actually directly interface with the clients that deal with the day to day helping these people. Even though its \$3 million worth of salaries, they are doing something for the citizens. While he's at it while he has the floor Mr. Chairman, he thinks this is a result of the trickle down from the State's cutting back maybe even the federal cutting back. It's coming to the local, and that's where it ends up. We're the last door step. He knows that it's only \$3,000 and since he has a reputation for being cheap, he sees this thankfully that the Nashua Transit gave them the \$3,000. They would be having a much difficult discussion if they had not. Selectman Maddox doesn't terribly disagree with Selectman Jasper's basic premise, and he does think they need to review of all of these once again. He knows that in his 6 years on the Board Selectman McLaine brought up a number of issues with these ultimately. This \$90,000 helps citizens of Hudson that need help. The distribution is always going to be in question. He thinks the numbers he through out Selectman Jasper are probably not all administrative and management. They are people helping people. Thank you.

Selectman Jasper indicated that he never said they were all doing that. What he's indicating if you look at this page and all the organizations, there are probably 8 or 9 on here who are in some way or another replicating part of the service of another organization. What he's saying is they get so inefficient. Everybody has to have their own organization doing the same thing. This is what is so wasteful about everything. Instead of having an umbrella group that's dealing with the client that have housing issues, food issues. In this budget there's \$114,000 for food. We have the Nashua

Soup Kitchen which does the same thing. We have all these other organizations that deal with mental health issues, which this organization does. All in the same community and when you look at where all the money is, the money is going to labor. There's just too much duplication of services. He thinks they ought to just pick an organization that does one thing and say that's the one we're going to support and not continue to support duplicative efforts all over the community. That was one of the premises that he made early on. We have too many people doing the same thing. It's leading to mostly salaries and wages.

Selectman Massey told Selectman Jasper he is absolutely right. On the basis of that, he would propose that we entertain a motion to engage the cities of Nashua, Litchfield, Pelham, Londonderry and Windham who all border us to enter into a regional police and a regional fire service because the statistics nationwide have always proved that municipal only agencies duplicate or present costs that can be better due by an economy of scale. The reason why you see all these different programs is they had different missions in life. He thinks he still needs to go back because we can't lose sight of this. He still understands Mr. Slattery that your clients are not somebody who come there in the morning and you don't see them again for a month. They are clients that come in the morning and need housing. You provide that housing for them, and the people that they are interfacing with for the next 30 days are these folks that are on the salary that are providing the housing. He can only give them some examples because he's been there. He won't name the agency because it's not important. He at one point in time was familiar with an agency that had housed homeless men. He can tell them right now that the shelter that they went to would not have functioned if they didn't have people managing that shelter. So you needed people to house those folks so that they could provide the safety that they needed. As an example, one of the purposes of the staff was to keep people who weren't authorized to be in that shelter from coming in. If you don't have employees on site doing that work, guess what. You're absolutely right Selectman Jasper, there are potentially some inefficiencies. The alternate no municipality is really interested, as he said before, in entering into those types of regional associations. If we go back to the issue in this particular case, these salaries are for management and direct services to the people that they're servicing.

Mr. Slattery indicated he didn't disagree with the sentiment that is being expressed here this morning. He can tell them that all of Harbor Homes' housing programs are staffed 24 hours a day, 7 days a week, 365 days a year including the apartment programs where there is a staff person. He knows he was one of them at one time who would go from apartment to apartment or location to location providing support services. He wasn't sure how familiar that the Board is with the mental health issues, mentally ill people typically have struggles not Monday through Friday 9 to 5. It's Friday night at midnight when they need some support services. So it is critical that Harbor Homes have the staffing at 24 hours a day. He sees the figures that you're talking about and he does want to just touch on what Selectman Maddox said. He is absolutely right. These are direct care for the most part - professionals out there providing these services to these clients. He doesn't disagree with some of the sentiment being around the table this evening.

Chairman Coutu asked Mr. Slattery if he was also responsible for if housing is going to be provided or you find a unit that has a 7 housing units within 1 structure, your agency is responsible for converting those units to make them depending on the need of the individual handicapped accessible, also altering the kitchens so that all the safety is being provided. He's aware of a contractor here in town that went to Nashua last year and converted 14 units. He believed it was for Harbor Homes. Mr. Slattery said that is correct. All the federal stipulations do apply whether it be the American for Disabilities Act or in cases where Harbor Homes purchases a building that is occupied - the Uniform Relocation Act comes into play as well. So yes you're absolutely correct. Apartments and units are retrofitted for specific disabilities. He can think of, for example, a mentally ill woman who is deaf where we keyed the doorbells and the telephones to flashing lights and things of that nature. So yes there are sometimes retrofits to some of these units to make it more livable for those folks with disabilities.

Chairman Coutu said because of the nature of that work wouldn't that not come under administrative costs. Mr. Slattery indicated that those types of costs like that would probably be an administrative cost for the retrofit, yes. Chairman Coutu knows that Housing and Urban Development allows for that for retrofits. It's providing housing and it has to go directly to the housing. Ninety percent of it has to go in that direction. Thank you. That gives him a clearer picture.

Vote: Motion carried 4-1. Selectman Jasper in opposition.

Trustee of the Trust Funds

Kathy Carpentier presented the budget. Chairman Coutu said that their total request is level funded he can see from the last year. Selectman Jasper stated that the outside hire. There was no expenditure in '08. In '09 there was only 1481. He's wondering if they really need 4,500 in there. Ms. Carpentier said that last year the Trustees of the Trust Fund hired a part time clerk to assist them and to create continuity. They have a person that works for them about 25 hours a month. It is new. So we don't know if that's too much or not enough. She does come in and help put together their worksheets and that type of stuff. Finding that they're elected officials that are coming and going and might not have bookkeeping skills. They found that this was a great addition to the Trustees of the Trust Fund. So the \$4,500 represents 25 hours a month at \$15 an hour. It was just done into '09, so we haven't had a lot of history to see if the \$4,500 is too much or not enough. Chairman Coutu asked if that person also worked on the preparation of material necessary for audits and things of that nature. Ms. Carpentier said that's correct. Although the bookkeeper is one of the Trustees of the Trust Fund, she is a clerk to the Trustees of the Trust Fund but she does help do the MS9, which is a form the DRA, the Attorney General requires.

Moderator

First of all, Paul Inderbitzen would like to thank both the fire - this is my first budget that he kind of worked on from the beginning. He's kind of taken over in between last year. But thanking the Finance Director and the Town Clerk where all these numbers are coming from since he was unfamiliar with it. Fiscal 2011 there will be 3 elections. There'll be a State primary in September of 2010 and a State general election which he thought also included some federal offices. But it's considered a State election, the general election. Selectman Jasper said one senator and one congressman. Mr. Inderbitzen indicated that they planned on 3 elections and a deliberative session for the town. He's tried to figure out what we actually used and what we actually need for elections. I know sometimes he's not even looking at the federal, primary or the presidential election. That was such an odd ball out of character this year. Who knows if that will happen again. He's sure we'll get to that. The next time he will try to be a little more up front. Basically this budget is based on the number of elections we had. Last year was only one so we didn't have to worry too much. Although we did have a recount. He did not budget for a recount. In figuring it out, it cost about \$350 to do the recount. So he was hoping that there's enough of a buffer that we would be able to cover that should there be a recount.

He also planned based on last year's town ballot there were 2 pages, 1 ½ sides, and we budget for printing costs for that. We don't need to budget for the State printing because the State primary and State election they provide the printing costs. We pay for the programming, but they provide the ballots for us so we don't have to do that. So he only planned for the town election. He planned on the same size as last year. If there is going to be a lot of warrant articles - he did not contact the Planning Board, he thought of that afterwards, are they planning a lot of zoning amendments that would make for a difference. So if we needed to go to a third page, we'd have to add another \$1,200 on for that. We pay \$.33 per page for each ballot. We order about 3,500 ballots for the town election.

For the purpose of clarification for the audience, Chairman Coutu indicated that your request for Fiscal Year 2011 is approximately \$2,500 less than what you will have for this fiscal year. Any questions, comments?

Selectman Maddox knows that the federals are a tough one to gauge against, but he knows we had some issues with the machines. Is part of that some money to refurbish or to take a look at some of those machines that are getting up in age to be able to handle upcoming...Mr. Inderbitzen said the machines were rehabbed last year. The Clerk took care of that. He did budget \$500 for small equipment repairs only because he thinks they may have a problem with a couple of the boxes. The jams we had last year were, he thought, in the boxes. We're going to pull them out this year when we get ready to test. He's actually going to pull the boxes out and test the boxes as well when we do the ballot testing. We may need to replace one of those because we had one of those - and he thought it was more of the box. We haven't looked at the boxes for a year, but they are actually electronic as well. They're the ones that tilt one way or the other to go into hand counted or automatic counted. That sort of thing. He thinks that might be where all that jamming that we had might happen. He's not sure yet until we do that. He left in \$500 there just to handle that. They do come down and service them. The Clerk did have all of the machines services last year. He

believes they might be okay there but we left enough in just in case. They're checked every year. We have them checked almost every year by the company.

Unless we need to replace. They did replace a whole electronic unit on one of them last year or the year before. As those things come up, we do them. We maintain enough in there to be able to do that. If we ever need to buy a whole new machine, he didn't even know what they cost now. He hasn't looked into that or if we ever get to a point where we need to have more machines, then we'll have to look into that. You always like to have one in reserve, but we're using all 4 of our machines now at every election. Sometime you don't need all 4, but at times when it's busy. He even thought about cutting back on the number of ballot clerks and try to save some money there. When you get the lines up, you don't want to crowd them up too much. You never can judge whether it's going to be A through D. It's tough. So you have to provide the service all day. He didn't plan on any extra poll workers this year. He's just trying to keep the ones we have. Hopefully the flu doesn't get to us and wipe all that out at the same time. It will be right about then in March when we're in the peak of our season.

There's a training session coming up in November. He's sure the Board has received the notices on that. The Clerk and he are going to attend. It's very helpful from the State end of things to say this is what we're going to be looking at give you updates on stuff. He finds it very helpful. Selectman Massey said he looked over at Selectman Maddox and smiling because we thought we had the Cs all under control and all of a sudden it was the Bs that were... but with all humor aside, he thinks we should be proud of our Town Moderator and his staff. When you look back at any of the recounts, the difference between what the machine showed was the final count and what the manual recount showed were so minor that in his mind even though you think you may owe your constituents a recount, if the delta between you and your opponent is at least 5 ballots, the history of the recounts over the last 10 years have shown that you are unlikely to prevail if you're on the short end of that stick. He thinks it's a testament to what the moderator and his staff do to keep those machines going and to stay on top of everything. He thinks that the message that the voters should take away from is our electronic vote counting is very accurate. Chairman Coutu agreed. He can remember having this conversation with Selectman Nadeau saying, "Don't worry Ben it's beyond 10 votes you're safe." As it turned out, it was. As a matter of fact, he recollected that 2 years ago and last year, he hasn't seen the results yet, but our auditing from the State they come in and they actually monitor part of the election process. We did very well.

Mr. Inderbitzen's understanding of the recount was that the partial recount that they started on the Presidential election was very, very good. Actually most towns in the State were doing very well. We did very well with that. Chairman Coutu indicated that they are audited. Mr. Inderbitzen said he tried to provide some - he's been having pre-election meetings with the staff, with the ballot clerks to try to brief them on doing the check off. We've had a little problem with the tallies that the ballot clerks do with what the supervisor's of the checklist. We've always had some difficulty there because it's a hand count. It's very difficult on those books to do that. He wished there was a different way to do that. There isn't. He relies more on the numbers we get out of the machine than on the terms of number of voters that he does on the counting. We want to do it the same day, but really when the supervisors of the checklist and sit down afterwards and they go through and they get the numbers, they get them right. We come out much better than we do the night of the counting. Of course after you're there for 16 hours, its touch to sit down and have to tally up all those pages. It is really tough. So he doesn't spend a lot effort on that, but we do try to get everybody to be checking off and watching. We've had a few minor mistakes and things like that that we try to catch. He thinks it helps having a little bit more up front training for the ballot clerks and bringing them up to date on the changes. He put examples out there so that we can do it. He thought that helps the process run more smoothly. Hopefully we'll continue that.

Chairman Coutu asked if there was any further questions or comments. Other than to say, Paul, Chairman Coutu has met a lot of Town Moderators, and he appreciates and he's sure the Board does your professionalism, you manner in which you make everyone feel comfortable at town meeting. You do an outstanding job and we certainly appreciate it. Thank you Sir.

Supervisors of the Checklist

Chairman Coutu thought he had kind of gone over that. Selectman Massey indicated that there was a typo in there. Kathy Carpentier said the Selectmen had requested in prior years to have elected officials taken out of salaries part time. So we've moved it down to an account called "119".

Cable Committee - (5045)

Chairman Coutu asked for a general overview and their request for the fiscal year.

Mike O'Keefe thought as most of the members of the Board know the way we do our annual project for cable, which is the committee in Hudson, mostly Hudson community television. We derive all of our budget from the revenue of the franchise fees that we collect from Comcast our cable provider. So when we start our budget each year we look at the most recent revenues that have come from Comcast, which would have been a quarterly payment we received for the end of July. We take that amount. We use that as an estimate for our annual upcoming budget. That number for this fiscal year 2011 we're proposing is \$119,892. It's based entirely on the revenue collected from Comcast. Once we have that number, we go down the individual line items and try to estimate what we're going to need for each of those. Some of the bigger items that we estimate are for the labor. This year it's salaries to cover all of the government meetings, the boards and committees that we cable cast on our access channels. There's also the amount to cover the professional services of the HCTV facilitator that we hire under a contract to run our access center and manager various operations.

This year we also additionally have expenses associated with the access center itself, and some of the fixed costs, and some variable costs. Some of that has to be estimated because we haven't as of yet had a full year of operation of the access center. So we're going on partial year expenses so far. We've also bumped up our legal line item this year for the 2011 budget. Fiscal year 2011 time frame is when we'll be in the midst of our negotiation of the renewal of the franchise agreement with Comcast, which expired in August of 2011. That will be primarily where we'll be spending a fair amount of legal fees to do that negotiation and finalize the contract.

So that's kind of an overview of how we do the budget. The only one other minor thing is once we've estimate those costs for the year if there is any remaining balance, we allocate that to the capital reserve account that was created a number of years ago at town meeting. So this year we're allocating 7503 to be placed in a capital reserve, which is essentially the surplus we estimate will be left after all of our expenses. One other small comment in terms of revenue, as he mentioned all the revenue comes from the franchise fees and not tax dollars. As far back as records that he has, we always collect in revenue that we estimated for that year. He has as far back as FY06. It ranges anywhere from \$5,800 to \$26,000 excess come in than we anticipated. That money then goes back into the general fund and essentially offsets the tax rate. So that's his presentation for now.

Selectman Maddox had a question on the revenue coming in. You're projecting \$199,000. Based on FY2010 was 186; in 2009 it looks like 204. Are you seeing a trend? He knows that he's signed up for cable Mr. Chairman. They haven't gotten his bill right once. So he's just wondering as things get tougher do you take off HBO are you adjusting for that factor? Mr. O'Keefe said they base it exactly on what we get in. The numbers you quoted are not exactly accurate because the FY2010 186 is not the revenue that's the expense because of the default budget. We actually originally budgeted for 196 for last year. So we're actually only increasing - we're estimating under a 3 percent increase for FY2011 in terms of revenue. You mentioned a 200,000 number. There's never been a \$200,000 revenue estimate. So I'm not sure what that is.

Selectman Maddox said that it says in their FY09 actuals \$204,944. So again, we don't see the revenue. That's just what you have is actuals. Mr. O'Keefe said right but that includes encumbrances from the previous years. So it's a little misleading. He knows the exact numbers that we've estimated for revenue. It's never been over 200,000. It's essentially a 3 percent increase. We've never seen a decrease. Like he said, the most recent numbers we have are from the second quarter of '09. So you would think the economy is certainly been bad enough during that period that you would have seen a decrease if it was going to happen. If you do not bring in that money, Selectman Maddox said it would just be reducing the amount you put into the capital reserve at that point. Mr. O'Keefe said they could certainly do it that way.

And finally Mr. Chairman one last question. Selectman Maddox asked about the leasehold improvements. You have \$20,000 with no backup what that is going to be. It's in your letter. We already fit up that space. He was wondering what additional...Mr. O'Keefe indicated that the \$20,000 was a discussion we had at our Cable Committee budgeting meeting. The bulk of that we put in there in anticipation of the possibly needing air conditioning installed at the facility. The access center has air conditioning in the smaller front offices but the main studio space does not

have air conditioning. It has heat but not air conditioning. This summer we got by without it, but frankly it was a rather cool summer. So we didn't need air conditioning. We put that in there in case we need to do that type of work in this coming year. Chairman Coutu said there is documentation for it as well as the acoustic improvements. That would be on as an as needed basis. That hasn't really been tested because we haven't gotten into full production as he understands. So once we get into full production, we'll know how the acoustics affect the quality of the production piece that's presented for airing.

Selectman Massey has several questions. The first one unless something has changed at the State level that he's not aware of, State statute says that capital reserve appropriations must be submitted to the Trustees of the Trust Fund within ten days after the start of the fiscal year. Traditionally because we really don't have some audit defuncions, those have occurred after the town auditor has certified our books. Transfers are made to the capital reserve funds in August. So he would expect normally that the capital reserve appropriation here would be going to be capital reserve fund in August and not towards the end of the year. So it doesn't really give you the ability to know do I hold off putting the money in there.

Ms. Carpentier indicated that we got a legal opinion because of the default budget this year saying that because it's within our operating budget, the Board of Selectmen has the authority at the end of the year to fund or not to fund and the amount that they fund. If it was in a warrant article separate by itself, that is when you have to honor the ten days. We are holding off in fiscal 2010 funding to the capital reserve fund pending on how much is left at the cable until the late 4th quarter the Board will make the decision on that funding. So it is my opinion that at the end of fiscal 2011 you can do the same thing. Any funds remaining can be sent to their capital reserve fund. Selectman Massey thanked Ms. Carpentier. That updates where we (inaudible).

Secondly, Selectman Massey is looking at line item 5045252 professional services. All you have in the backup is that's the contract for the facilitator. So he'd like to understand if it was the default was for \$30,000, what's causing it to be \$38,000 this year? Is there any salary increase in that? What Mr. O'Keefe did is he didn't do a salary increase, but he did increase the number of hours. Again we're projecting out a bit here. So he's assuming that once the access center is up and running and we've got regular usage, we're going to have more hours necessary of the cable facilitator. Right now he's at 65 hours per month. To be quite honest, he's spending more than those hours right now doing the work. So while it certainly hasn't been approved by the Board yet, he would anticipate at some point coming back and requesting additional hours be added to that contract. That's why it was budgeted at a higher amount.

Selectman Massey's last question and it goes to what Selectman Maddox was talking about, what happens since the authorization for your money is basically coming from the franchise fee, what happens if the cable revenues drop? Where are you going to be in a position to cut back in this budget at that point? Mr. O'Keefe said obviously the first place you could cut is the capital reserve. So that's roughly 7,500 right there could go. In general, he assumed they would just scale back on probably cable facilitator hours or maybe some - many of the purchases we make for equipment during the year we hold off until further in the year so we know how much money is available. There's a fair amount in small equipment that we could scale back towards the end of the year. He cannot imagine that cable revenue fees are going to drop off dramatically. He thinks we would have seen it by now. Unless there's a change in the laws or something that eliminates franchise fees, but he can't see it dropping significantly and we have not history of that either.

This truly is the last question of Selectman Massey. He guesses he doesn't understand if in fact, and he recalled too that we never have had a revenue estimate more than \$200,000. Yet for 7, 8 and 9 the expenditures have exceeded 200,000. Mr. O'Keefe said it's because of encumbrances. We really haven't exceeded the revenue. It's just the way it's displayed. The Finance Director could maybe address it. Kathy Carpentier said that she didn't know what more to add, but it is because he's carrying money over every year. Mr. O'Keefe said you'd see that much less in a previous year. Selectman Massey said the bottom line is he didn't think he ever overspent his budget. Thank you.

Chairman Coutu made one observation as their liaison to the Cable Committee. He can personally attest to two statements that were made here and he'll add another one briefly. Mr. McIntosh has held the line at 65 hours. He knows for a fact that he puts in a lot more than 65 hours. For that Sir, Chairman Coutu wanted to extend their appreciation. He knows he's always there for technical support and he's certainly not including all of the telephone inquiries at your home and other things

that come up over and above your physical presence which is far in excess of the 65 hours. We've gone from a cable facilitator who billed us for every minute they dedicated to cable to a facilitator who understands the fiscal constraints within the budget. He can attest to the fact that Leo puts in a lot more time than what he's actually being paid. Mr. O'Keefe you Sir and several members of the committee who are volunteers who are out there with the cameras, and your wife is out there with the cameras, and all of the dedication that you've put into this Chairman Coutu wanted to extend on behalf of the Board their sincere appreciation. The last thing he will attest to is that with regards to purchases of especially equipment, it has been his practice and he's served now 2 years on the Cable Committee that those requests are held off until almost the end of the year. He will review his budget, and he lets us know, and then he puts in his request to the committee for equipment that he feels is necessary in order to increase the quality of the production and the final package which is the output on television. He will attest that he does do that. Again, thank you both gentlemen.

Selectman Jasper said he does know that you do put in more hours than 65. His only comment is he hoped that you are documenting that and that it shows up on your timesheet somehow whether it's saying donated hours, or in excess of contract not billed so we possibly will have 2 new selectmen here in March and when you come forward for the request for additional hours, it would be nice to have the documentation saying for the last 9 months here's how much I've been putting in anyhow. It will make it that much easier with the process. Chairman Coutu said he's heard him say several times to him in conversation that we've had about his hours is that he doesn't mind volunteering some time myself. He's also a resident of the Town of Hudson. He's a taxpayer in the Town of Hudson, and he shares I'm sure the same concerns all the other taxpayers in the town do with regards to our revenue projections and how much we spend.

Mr. O'Keefe had one thing he wanted to bring up. It's not related to the budget, but he wanted to make the folks aware. One purchase we did approve and are making is we're going to have the equipment to do live streaming. He knows that's been a hot topic of some members of the Board and frankly a lot of members of the community. Once the purchase order has made its rounds and got all the signatures, we'll get that equipment in. Probably within the next few weeks we'll have live streaming capability.

Town Treasurer - (5050), page 23

Kathy Carpentier stated that all this represents is level funded for the town treasurer, which is an elected official. This fee was based on a warrant article. Again, you might see some shifting of numbers. This is one of the positions we now put into elected official salary instead of part-time salary.

Budget Committee - (5070), page 26

Kathy Carpentier will speak to this one also. She believes the Town Administrator and she just level funded this as recommended by the Chairman of the Budget Committee. As you see under 252 the default of \$4,000 were for minutes. They did not do that. I guess the Board could make a recommendation to decrease.

Motion by Selectman Jasper, seconded by Selectman Massey, to decrease Professional Services to zero, a reduction of \$4,000.

Selectman Nadeau asked if they hired a minute taker to do the town hearings when we have those. Kathy Carpentier said no they do not at this point. One of their members of the Budget Committee are taking minutes, but it's just mostly the motions that are being taken. It's not verbatim. That's a practice she believed a few different committees have taken on. Selectman Nadeau asked even at Town Meeting we don't have a...if Selectman Jasper may, at Town Meeting that is the job of the Town Clerk to take the minutes at the Town Meeting. Selectman Maddox thought that was an elected official. Selectman Jasper said the Town Clerk is an elected official. J. Bradford Seabury is doing that on behalf of the Town Clerk.

Selectman Jasper said if the Budget Committee feels that they need some money in there, they can put it back in when they deliberate. Ms. Carpentier stated that last year they did not ask for it and by default they got it back.

Vote: Motion carried 5-0.

Ethics Committee - (5080), page 31

Kathy Carpentier said its level funded \$100 because we have no activity.

Library - (5060)

Connie Owens is representing the Library Trustees, 3 Bruce Street in Hudson, and our Vice Chair David Jelley, Tate Street in Hudson. Ms. Owens indicated that they have 2 other Trustees in the audience here to support us. As we all know, several years ago we received a wonderful gift from the Rodgers Brothers of a donation that has lead to the community having a marvelous asset. The Trustees take very seriously our stewardship of this asset. In keeping with our responsibilities, we submit the proposed budget for fiscal year 2011. It's been an interesting experience putting this budget together and working on it because the biggest challenge of course is we're only 5 months into our shakedown cruise as our former navy man has given us the word for it. So we have worked very hard to research and to estimate as accurate a way as possible the costs. We have gone to a building that is virtually 3 times the size of the original building. So many of the utility costs are very, very difficult. We have research similar buildings in the area and gotten some figures. We've also tried to annualize some of the actual costs.

Our presentation today begins with a warrant article requesting once again a 3 percent increase in salary for our full time employees, and that comes to approximately \$12,001. Selectman Massey interrupted and said to the Chairman before they deal with a warrant article dealing with salary increases, we need to deal with the salary line in the Library Trustees budget itself. Point of order. Selectman Jasper said that a number of years ago the Library Trustees received a legal opinion, and the Board of Selectmen have no oversight as to the operating budget of the library. Selectman Massey is well aware of that. But he's not prepared to - he needs to understand why there is an increase in the salary lines in the operating budget before he can understand why they're looking for an increase for the warrant article. We cannot make a difference here on their operating budget. Selectman Jasper said when he said "deal with" instead of "inquire". Selectman Massey changed his language to inquire. He would like to understand the salary line and the 2 lines - the 101 and the 102. Unless they have new personnel there, the way that the town has been handling over the last umpteen years, when was the warrant article in 1983 Selectman Jasper that all salary increases would be through warrant article.

If Selectman Jasper may clarify. What has been done is all full time new positions have to be handled through a warrant article. If you look at the salary line for the library, obviously there's really not change in the full time. Selectman Massey indicated yes. There's a \$3,000 change unless there's step increases there. Selectman Jasper said that was the default. If you look at the actuals for '09 - so it's actually a decrease of 2,000. He's not paying any attention to the default line item when it comes to....so he didn't see any change there. Part time, which is where this is a significant change have never been handled through warrant articles. Those have always been handled through the budget process.

Chairman Coutu thinks the question if they're going to look and not pay attention to the default budget because that's what we were handed to operate from as you were. If you look at the line item 102, which is the salaries part time and we look at your actuals for '09 as opposed to your request for 11, we're looking at a \$43,000 increase - \$43,700 approximately. Can you explain why that has gone up significantly on your part time requests? Ms. Owens said that they had upgraded a number of the salaries. She cannot give them a specific figure for a specific rational for each one. We have through the library's regular salary projects for part time employees, we have provided regular increases for them and steps as they move on up from one position to another. We have recently done a market study of salaries and most recently there was a similar position in a neighboring town offering \$10,000 a year more for one of our positions requiring less than the requirements we have for our positions. So we really feel that our library staff has been significantly behind on salaries. So when it is possible to increase even part time salaries, we've been able to do that.

Mr. Jelley said that he's sure that the cost of benefits has gone up. Chairman Coutu understands that. That we know. That's a given across the board because of certain State mandates and insurance cost increase. Selectman Maddox stated that on page 4 it does say part time staff with a 3 percent increase. So you obviously put that into the budget. Thank you Mr. Chairman. Chairman Coutu asked with regard to this budget what provisions are made in this budget and where would

he find them. He's sure they're scattered throughout, but he wants to make sure he has a clear picture. The Hills building is included in here whatever the costs that are going to be associated with maintaining the building. Ms. Owens said yes. You'll notice on the worksheet pages the costs related to the Hills building are coded as "HML" as opposed to "RML" the Rodgers Memorial versus the Hills Memorial building. Chairman Coutu knows that Linda, whose here, at the library meeting this past week indicated that there have been really no suggestions submitted as to what to do with the Hills Memorial Library. He's going to make one - donate it to the Town. Ms. Owens said there have been no formal suggestions made at this time. We have spoken with town authorities about different ways that it can be used by the town. We are actively working on coming up with alternatives for use of that building. Mr. Jelley told him to send them a letter.

Selectman Maddox said, again, maybe that is something that they need to break out for the Budget Committee. Your budget by their numbers is going up 13 percent. We asked our departments to stay at zero, and we know that you're separately elected. But you rely on us to be the collectors of that money. How much of that 13 percent increase is related to the Hills building so that again if the town took it over or whatever we could see that difference. When you're looking at double digit increases. Mr. Jelley will get back to him on that. Selectman Maddox said that he asked his people to do at zero it is tough for them to sit there and not stew a little. Mr. Jelley will get back to them on that. Ms. Owens certainly will be happy to and also addressing that certainly. When you see an increase of 231 percent for our telephone and telecommunications budget, and 344 percent for natural gas, significantly that's not level funding. We're reducing it. But these are the difficulties in estimating what real costs would be in the new building. Selectman Maddox indicated that they were not using oil at the new building. So the heating would be almost the same even though it's a bigger building. All he's saying is again trying to mollify the number of concerns with double digit increase how much of that is the existing building. Ms. Owens said that natural gas is what they are going to be heating with. The amount for the heating of the Hills building will be minimal, and we can break all that out for you.

Selectman Jasper said this is really a precursor to questions he'll be asking in his role as Budget Committee and he goes back to the part time because that's a big increase. His recollections in all of the discussions that we had was there would be efficiencies by moving into one building from 3 trailers and yet we see an increase of \$43,000 over the actual expenditures from '09. You do have 3 vacant positions in part time. It might be appropriate for you to really take a look at that and see if given the economies of now being 1 building versus essentially 3 if you can live without those vacancies. He certainly understands what he's saying about giving people a realistic wage to do the job, but you need to make good on the assumptions that you made. This does not indicate that. He would have expected that number actually to be down. It doesn't appear to be on a person to person basis at this point let alone. Ms. Owen indicated that again that's in part related to the newness. We've not been through a full 5 months yet in the new building and to be able to realize any savings that we can do. We've had about a 65 percent increase in utilization and then programs, but we are still looking at developing greater efficiencies in that building. That's they type of information certainly that Selectman Jasper said they need to have documented. That does make a difference. If more people are using the library, then the assumption is built on the same utilization or only a slight increase would not be valid any more. The electricity is probably the only thing that you can really give us some actuals when we come in. Granted the days are getting longer, the electricity will be more, but he would hope that when they come in they can give them some more realistic ideas on the electricity usage in the building. He realized that they were not in the heating system yet, so that's going to have to be a guestimate.

Mr. Jelley just wanted to point out that because of the new building and all of the new technology that society has forced on us, we have a lot of maintenance contracts that we have to maintain - security, computers, there's a whole bunch of them, the HAVC systems. We all have service maintenance contracts for those. A lot more than we had at the Hills. We have to have them or we're going to be in deep trouble. We had a problem with the gate that comes down. It would only come down half way or something, so we had to call them in to fix it. It's these things that we're going to have to face that we didn't have to do it at the Hills.

Chairman Coutu said he hopes they understand their concern. We asked everybody to level fund, and this number comes in at 13 percent over last year. He knows they're dealing with some intangibles here. One of the things that he does understand is that we still have the Hills building. It's still under your jurisdiction, and he knows that there are costs associated with that. That's why he brought up the Hills building because it clearly defines each of the costs that are related or associated with the building. But a 13 percent increase not counting an additional warrant article is

pretty tough for the people to swallow when we're asking everybody to level fund. You know how he feels about you people and how much we care about our library and how proud we are of where we are and how we got there. It was a tough road. He knows a lot of this is estimating. Ms. Owens said they can certainly understand that. Their working with however they can to maintain reasonable costs for those things that we can't actually come up with a figure for it at this point.

Selectman Massey said they have to make sure that they're all talking apples and apples. When we talked about zero funding, it was the operating expenses to be zero funded and the salaries would follow their natural progression based on all the benefits, etc. We're not talking about a 13 percent increase; we're talking about a 28 percent increase in the operating expenses side. So he's reflecting again Selectman Jasper, he believed that at the Budget Committee it would be very helpful to know what the costs on the Hills Memorial Library are embedded in this budget right now. It would go a long way towards helping them make their decisions. He knows from personal experience because he's up there quite frequently now, that the number of people he sees in that library today far exceed on any day that he went to Hills Memorial the number of people he saw at the Hills Memorial. So he knows their traffic in the building at the Rodger's Memorial is significantly higher at least from his personal experience from what he's seeing there. So that may or may not impact what the Budget Committee may be thinking about. But certainly he thinks that knowing the delta between what the budget is and what Hills Memorial is in there is going to be helpful. Ms. Owens said they will certainly have that. In addition to that, they will have the statistical verification of increased usage and programming.

Selectman Maddox said again when the Budget Committee meets, you'll probably be able to come in with some electric bills. You're having almost a 100 percent increase in electricity use. Again, some of that may be still associated with the Hills building, but again those are the kind of numbers. From his recollection and he knows it was sell it at any cost. At deliberative session, there was said if when we build a new library, there will be a reduction in staff and we have not yet seen that. That's going to be a question that has to come. Thank you Mr. Chairman.

Selectman Jasper just went through and did the math. There's \$12,575 if his numbers are right to maintain the Hills building. That's what is embedded in the budget. It's pretty easy to find, and 9,500 of that is heat and electric.

Chairman Coutu instructed the Board to go to the back of the book to Tab H, the Hudson library warrant article - proceeding to raise and appropriate \$12,001 which would equate to a 3 percent increase in wages.

Motion by Selectman Jasper, seconded by Selectman Maddox, to move Warrant Article H to the Warrant.

Selectman Jasper said this is been a courtesy we've extended to forward this because they obviously have the ability to petition the warrant article any how. In the past they've come in at a higher percentage, and we've asked them to knock it down to 3 percent, and we've done that. We can certainly have that discussion at this time about whether 3 is the number or not. He knows that there was a year not too long ago when they did not get an increase. Ms. Owens said 2 years ago. So Selectmen Jasper is a little reticent to say no to any increase given that they have not gotten the same increase that all other town employees have over the year. They have had a year of zero. But he moves it forward for discussion and see what people think is the appropriate number.

To that, Chairman Coutu would like to ask Selectman Jasper a question. Did not the highway department have a zero increase one year? Selectman Jasper said he was correct. Selectman Massey opposed this. He fully recognizes that the library trustees can bring a petition warrant article. But as a selectman, he cannot accept a salary increase for this budget year. So for that reason as a selectman, he does not choose to have a selectmen's warrant article approving this. Unfortunately we don't have the ability he didn't think to put down forwarded with no support from the selectmen. It either has to be an up or down for them. So that's why he's going to - he recognizes that he can bring in a petition warrant article.

Selectman Maddox seconded it because he wanted to hear what Selectman Jasper had to say. He thinks it's premature at this point. Until we decide what we are going to do on the town side, he thinks it would be inappropriate to put in a 3 percent raise on the warrant at this time. So he will also not vote in favor of this. He thinks it would be better to just withdraw it and see where it..

Selectman Jasper and Selectman Maddox withdrew their motion.

Chairman Coutu thanked Connie and Dave.

Energy Committee - (5085), page 33

Chairman Coutu indicated that energy was level funded. Kathy Carpentier said that she believed the Town Administrator put the budget together level funded to the default budget. Linda when Chairman Coutu looks at this it's level funded to the default budget. Your appropriation last year on the base of the default was \$1,200 but you're actual expenses in 2009 were \$375.80. Are you going to need \$1,200? Ms. Kipnes indicated probably not. We have managed to get speakers who come for free. We haven't had to pay anybody, and we haven't actually had any professional services which we thought we might and we may still depending on what projects we pursue this year. Probably we won't need \$1,200. She knows several members, including herself, do pay out of their own pockets for a lot of materials that we make available to people. We do copying and printing. She's going to encourage people to actually put in for it, since we have a budget for it. Some of the printing costs and the publicity costs may go up some. We probably won't need \$1,200.

Chairman Coutu said that the last speaker that they had, he was on television, was an excellent presentation. That was excellent on energy conservation.

Motion by Selectman Jasper, seconded by Selectman Massey, to reduce line 252, professional services, to \$100 from \$500, a reduction of \$400, carried 5-0.

Chairman Coutu said that the net effect brings the budget to \$800. Selectman Maddox asked if he was keeping any track of the benefits. He knows that one of the things he was looking for the other day was what we've saved with all the light bulbs and the energy saving. Is somebody reporting to you? Is PSNH giving you some sort of data of what that eventually will save us? Ms. Kipnes said they don't have anything from PSNH. We are part of the EPA challenge where we are entering data into the EPA system and it keeps track for them. They are somewhat behind. Some of their members have not been as active as they should be. They may be looking to advertise for some new members. So we are somewhat behind on that. We are pursuing it. Selectman Maddox was looking to see where those revenues are hopefully going to balance out the expenses.

Chairman Coutu thanked Linda for her time, and effort, and energies and everything that she provides and gives to the town. They appreciate it.

Finance - (5300), page 1

Kathy Carpentier said she has 2 departments. One is finance administration and one accounting. It represents herself, the accounting and payroll function, the health and human services specialist and the town accountant. Primarily in these budgets are the town copier upstairs that is used for the whole town hall and her audit services. She is one department head that did not come in at zero percent solely due to the fact of the audit expenses. She felt it was not a good case to come in at zero and have them add it in as she tried last year. She felt that that was misleading, so she put in the estimate there. There is a charge to water and sewer for a portion. We are seeing increased audit fees based on federal grant monies that we're receiving. That's her entire presentation.

From what Chairman Coutu can see, in her '09 actuals in the audit line she spent \$39,000. As a result of the default last year, you were left with 26,900. Looking at her actuals for '09 and then requesting basically the same shows some justification that line item. Then if you were to look at the bottom line on that page and you were to deduct the difference, you can see that she's relatively level funded. The numbers against the default show obviously that you did come in and an increase in this particular section of your budget. Ms. Carpentier said that was correct.

Selectman Jasper said that there really wasn't anything she could do here. This is a department that is driven entirely by wages and benefits. He thinks they recognize they can't lay people off in finance and collect the monies that are due us and get the job done. Chairman Coutu agreed.

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Ms. Carpentier's overall statement the same functions. This department is down because of shifting of new employees. Chairman Coutu said that this request is down \$4,000 as opposed to the default. You're up 9,000 comparative to your '09 budget. Is there a new part time employee in here? Ms. Carpentier indicated that would be down in the water department. There are no new employees either. We are filling the position. Chairman Coutu indicated that again we had the increase in insurance, the increase in the retirement, and it has impacted but you are asking for \$4,000 less than what was appropriated in your department last year.

Chairman Coutu indicated that that ended today's session and asked if anybody wished to make any comments. Selectman Massey had hoped they are going to do what he had asked.

Non-departmental - page 7

Ms. Carpentier was doing a budget follow up from the other night. If you'd like her to hold off until Thursday night she can do that, but she looked into the telephone. Is now an appropriate time? Chairman Coutu indicated that was fine. Ms. Carpentier said that under the section non departmental, the Town Administrator had put in a budget for telephone of \$60,000. In round numbers our usage in '09 was 44. We are definitely trending around \$35,000 at this point. But we only have 4 months of actuals to compare to. She did a spreadsheet. She did not make copies for them, but the IT Director has been working on this and she believes that they could definitely decrease this line item by \$20,000. On page 7 you have a budget of \$60,000 - 44 was the actual in '09. She does believe they can move it down to \$40,000. We are seeing in the last 4 months a trend to support \$40,000.

Motion by Selectman Jasper, seconded by Selectman Nadeau, to decrease the 208 account in 5940, telephone, from \$60,000 to \$40,000 and decrease the \$20,000.

Selectman Massey just wanted to make it clear. He understands that if we were looking at actuals of \$44,000 and you're trending this year in that same direction. Ms. Carpentier said no, 44 did not have realizing of savings were tracked. Selectman Massey understood. They had the actuals of \$44,000 and she's trending this year is going to show you how much? Ms. Carpentier said about \$35,000. Selectman Massey asked if she was fairly good that the \$40,000 just based on the trend. Thank you.

Vote: Motion carried 5-0.

5. REMARKS BY THE SELECTMEN

Selectman Massey - Wanted to say that Fright Night last night was a very successful night. They had a very large attendance, and he'll have some more information on Tuesday night as to all the people who supported it. He thinks that the CHIPS organization did a really good job to make that happen this year. When you looked at all the little children that were having a grand time, it was really a nice event.

Selectman Jasper - He assumed that the soft opening is still taking place at Benson Park. If you want to grab your umbrella and take a walk around until 2 p.m., he thinks they can do that today. He hopes safe in saying that, but it will be open again tomorrow from 10 to 2.

Selectman Nadeau - would like to follow up with what Selectman Massey said about Fright Night last night. He was there from about 4:30 until 9:30. There was a lot of kids there. It was a great time Jeremy Griffus is now running the Fright Night and he did an excellent job with the help of all of his volunteers and the help from the police department. He just wanted to thank the people who helped them out with that. We had a couple of bikes there that they raffled off and Wal-Mart gave them a gift card to raffle off. So that was very good. We'll get you some more information on that Tuesday. Selectman Massey followed up on that. He had to give Selectman Nadeau kudos because he thought he got there early. He was there before he got there at 5 o'clock and he left shortly after 9 and he was still working away. The other piece of it was they tried an experiment this year, and he's hoping that they're going to find that it was worthwhile is that all of the food was free. They had free will donations but if you chose to come and have the food without paying for it, you were able to do it this year. It's the first time they did not charge for the food. It looked like it went very well.

6. NONPUBLIC SESSION

Motion by Selectman Massey, seconded by Selectman Maddox, to enter Nonpublic Session under RSA 91-A:3 II (a), carried 5-0 by roll call.

Nonpublic session was entered into at 11:13 a.m., thus ending the television portion of the meeting. Any votes taken upon existing nonpublic session will be listed on the Board's next agenda. Open session was entered into at 11:26 a.m.

7. ADJOURNMENT

Motion to adjourn at 11:27 a.m. by Selectman Jasper, seconded by Selectman Massey, carried 5-0.

Recorded by HGTV and transcribed by Donna Graham, Recorder.

HUDSON BOARD OF SELECTMEN

Roger E. Coutu, Chairman

Kenneth J. Massey, Vice-Chairman

Shawn N. Jasper, Selectman

Richard J. Maddox, Selectman

Benjamin J. Nadeau, Selectman