

HUDSON BOARD OF SELECTMEN

Minutes of the November 13, 1998 Budget Deliberations

1. **Call to Order** by Chairman E. Lorraine Madison at 6:45 p.m.

2. **Attendance**

Selectmen Present: E. Lorraine Madison, Rhona Charbonneau, Shawn N. Jasper, Ann Seabury & Terry Stewart

Staff/Others Present: Paul D. Sharon, Town Administrator; Priscilla Boisvert, Executive Assistant; Cecile Nichols, Town Clerk/Tax Collector; Steve Malizia, Finance Director; Jim Michaud, Assessor; Mike Keenan, Moderator; Karen Burnell, Treasurer; David Yates, Recreation Director; Keith Bowen, Recreation Cmt; Ken Massey and Joe Wozniak, Trustees of the Trust Funds; Joyce Cloutier and Marty Anderson, Supervisors of the Checklist; Pat Hetzer and David Alukonis, Cemetery Trustees; Coleman Kelly, Cable Cmt

3. **Pledge of Allegiance** was led by Selectman Ann Seabury

4. **Budget Presentations**

5030 -- Town Clerk/Tax Collector (Cecile Nichols)

Cecile said her only increases were Furniture and Small Equipment, due to the pending expansion and renovation of her office, which includes updating the phone system. Paul said the only phones left to be changed over are in Cecile's operation and the Selectmen's area, both of which are included in the respective budgets. After that, everyone in Town Hall will be on the same system. Cecile said she based her postage costs on the proposed increase in January. Selectman Jasper asked about the renovation costs because they weren't included. Paul said they're in Town Hall Operations. Selectman Charbonneau asked if that was going out to bid. Paul said yes. Chairman Madison said they normally cut Office Supplies, but she hesitated doing that here because of additional expenses due to the expansion.

Motion by Selectman Seabury, seconded by Selectman Jasper, to reduce 233 Mileage from \$100 to \$50 carried unanimously.

Motion by Selectman Seabury, seconded by Selectman Charbonneau, to reduce 234 Lodging from \$300 to \$200 failed 2-3. Selectmen Seabury and Charbonneau voted in favor. (Cecile said she hasn't been able to go to conventions due to lack of funds but, by statute, that amount should be available.)

Motion by Selectman Seabury, seconded by Selectman Stewart, to reduce 303 Other Office Supplies from \$1,000 to \$750 failed 2-3. Selectmen Seabury and Stewart voted in favor.

Motion by Selectman Seabury, seconded by Selectman Stewart, to reduce 326 Furniture from \$1,500 to \$1,000 failed 1-4. Selectman Seabury voted in favor. (Selectman Charbonneau said Cecile would need new furniture when her office is renovated, and \$1,500 won't go very far.)

5041 -- Moderator

Motion by Selectman Jasper, seconded by Selectman Stewart, to increase 403 Small Equipment from \$4,803 to \$6,003 carried 4-1. Selectman Seabury was opposed. (The increase was for an extra ballot box in order to keep everyone comfortable that they run a pure election.)

5042 -- Supervisors of the Checklist (Joyce Cloutier and Marty Anderson. No changes were made by the Selectmen.)

5025 -- Cemetery Trustees (Pat Hetzer and David Alukonis. No changes were made by the Selectmen.)

5070 -- Budget Committee (John Drabinowicz. No changes were made by the Selectmen.)

5050 -- Treasurer (Karen Burnell)

The Treasurer requested a \$1,500 increase, which will go on the Warrant. Karen didn't realize how much was involved when she took on the duties of Treasurer, especially with the acquisition of the Water Company, which greatly increased the workload. Selectman Jasper said the request was justified.

Motion by Selectman Jasper, seconded by Selectman Stewart, to approve a Warrant Article in the amount of \$1,615 for an increase for the Treasurer carried unanimously. (\$1,615 includes salary increase and FICA.)

5020 -- Trustees of the Trust Funds (Ken Massey and Joe Wozniak. No changes were made by the Selectmen.)

(Start Tape 1, Second Side)

Ken said they might need a new printer, unless an 11 x 14 paper tray can be located at Town Hall.

Ken hopes there will be a Warrant Article that allows the Town not to pay FICA for anybody whose salary is under \$1,000 in accordance with a federal law that was just changed. If it passes, the Town doesn't have to contribute to that employee's FICA. Chairman Madison said she just attended a workshop and wasn't sure if this pertains to elected officials or election officials. She felt that the amounts should still stay in the budget.

Ken said that last year the Auditor indicated that the Animal Shelter fund was incorrectly created. The Department of Charitable Trust said public and private funds cannot be combined in a Capital Reserve fund. Therefore, all of the private donations that were put into the Animal Shelter fund had to be pulled out. The Trustees checked the resolution adopted by the Town Council that created the fund. The wording was improper for creating a public Cap Reserve fund. After Terry Knowles reviewed the resolution, based on her recommendation, the Trustees split the funds apart and prorated the difference in interest between what was in the public monies and in the private monies. About 55% of the interest income went to the public monies and 45% to the private. There are two separate funds now. The Town will have to have a Warrant Article to create a Capital Reserve Fund for the Animal Shelter. If there is no Article, or if it fails, the Town must move the public monies into the General Fund.

Paul said a private donor asked how they can get their donation reallocated to some other public purpose, other than the Animal Shelter. Ken said, according to Terry Knowles, the only way that the monies donated by private people and put into the fund for the Animal Shelter can be redirected is by Warrant Article that would specify what the money would be used for. The Town cannot give the money back to individuals.

Ken said they had been working with the State to get out from under managing private cemetery funds. Of the five private cemeteries in Town, only Hills Farms and St. Patrick's are willing to assume responsibility. There is a legal process they have to go through to convey the money back to them. The Trustees can file the document in probate court themselves, but they still have to pay the fees, about \$250 each. The Trustees are managing the following: Hills Farms, \$29,075; St. Patrick's, \$18,550; Westveiw, \$17,250; Sunnyside, \$11,000; and Reverend Deunius at Holy Cross, it's only \$150. For the latter, Terry Knowles recommended sending the money and interest back to the Trustees. Towns are not supposed to be in the private cemetery business. Two years ago, they instituted a policy stating they no longer accept any monies from these cemeteries. The Trustees may need to ask the Town to fund the legal costs. The Trustees feel that both Sunnyside and Westview should be turned into public trusts, so they haven't pushed

either of them to take on the money. But if the private groups don't want to do it, the Trustees can't force the action to take place. They also have two other funds they would like to turn back: the Lucina Floyd fund for \$500 for the schools and the Town Center Common for \$75. According to Terry Knowles, there is a legitimate reason to turn those back, but they would have to file the paperwork with the Probate Court. It may cost more money to turn back the one for the Town Center Common than it's worth, but the court may waive their processing fee. Selectman Jasper suggested the Trustees go for all of them and, if they need to come back for more money, they can do it next year. Ken said they'd like to try it either this quarter or early next quarter. Paul said the legal fees could be paid out of the legal budget.

Chairman Madison said last year, the voters said they did not want the Animal Shelter. Selectman Jasper said he's been trying to meet with Jean Serino and a representative from the Nashua Humane Society, who has an interest in doing something with Hudson. Ken thinks the Humane Society wants to build a facility in Hudson. Selectman Jasper said if they do nothing, the money will go back into the General Fund. No motion was made.

5045 -- Cable Committee (Coleman Kelly)

Chairman Madison said the part-time person's salary and other expenses would be offset by the franchise fee. Coleman said the difference between the anticipated revenue and the budget request is about \$6,000 which would go into the General Fund. Paul asked when the committee would be through with the attorney. Coleman said they could reduce the line to a steady state after the conclusion of negotiation for franchise renewal. Those negotiations have yet to open. Once started, and if all goes well, they could conclude in three months. Selectman Jasper thought that, even though it was a part-time person, it should go on the Warrant, such as they have done with part-time positions in the past. Chairman Madison said the Warrant Article should state that the salary will be offset by revenue.

Motion by Selectman Jasper, seconded by Selectman Stewart, to reduce line items 102 and 108 to 0 and place those amounts in a Warrant Article, which would track Article 32 (1998) in terms of the offsetting revenue carried unanimously.

Coleman requested that the language, "offset by revenues" be inserted right after "to raise and appropriate," so people will know immediately there is no cost to them.

5080 -- Ethics Committee

Motion by Selectman Jasper, seconded by Selectman Stewart, to reduce 252 Other Professional Services from \$300 to \$100 carried 4-0. Selectman Seabury abstained.

Motion by Selectman Jasper, seconded by Selectman Stewart, to reduce 214 Advertising from \$100 to \$50 and 238 Postage from \$50 to \$25 and 303 Other Office Supplies from \$50 to \$25 carried 5-0.

5410 -- Assessing (Jim Michaud)

Jim said he added 265 Outside Hire for \$30,000 and 411 Computer Equipment for \$35,000, plus a Warrant Article for a Property Appraiser at \$41,410. They are missing a lot of data on properties that have been improved without permits. The last revaluation cost over \$330,000 including the contract and bonding. If the Town waits until 2001, he estimates it will cost \$40 - \$50 per parcel and there are more than 9,000 parcels. With bonding costs, it's over \$½ million, a lot of money to spend in one fell swoop.

He asked himself how the Town could conduct a revaluation and equalization program so they won't have to do one again. (His back up explains his plan.) Total estimated value equalization costs \$175,000 with no bonding and a three year cost spread. By phasing in what they are doing, they will realize a \$300,000 cost savings. Year one is doing data collection and buying CAMA software. The current package by Avitar has 2000 issues, which would make it impossible to do the analysis required to change the values in the system. Nor does the current system have Windows application and it's not conducive to the direction in

which Town Hall is headed, which is Windows NT. Neither is it conducive to tying in to a GIS data base. When Avitar did the '94 reval, Hudson was the largest town they ever did and they haven't done a town any larger since. Towns like Hudson, Londonderry and Merrimack have gone to Windows based packages. Londonderry does value updates every year, or as needed. Nashua does value updates. The additional first year's cost is data conversion services, which converts the existing data to a Windows environment.

(Start Tape 2, Side A)

Selectman Jasper said the Town wouldn't have to go through a reval again; it would be done on a more gradual and consistent basis. Jim said it's a staffing resource issue and the current system isn't designed for that. It does not have a solid increment approachment module, needed for commercial-industrial properties. It's not designed for a Town with a diverse mix of properties like Hudson. Selectman Jasper thinks they should fully support Jim's proposal. One of the worst things towns go through are revaluations and Jim's proposal is a way to get away from that.

Selectman Seabury asked why Public Transportation, Mileage/Car Reimbursement, Registration Fees, Education Reimbursement and Lodging were up. Jim said one is for the Assessors Annual Conference. The other conference in Washington, DC in Spring of 2000 is for integration of GIS and new Computer Assisted Mass Appraisal package. He doesn't know who the Town will send to the integration course, but Assessing has the greatest amount of data in GIS, outside of maps. Part of the lodging request is for his Aide to take an Assessing course, as Ellen Boucher did, if it is offered in New England.

Selectman Seabury questioned the camera and fax machine. Jim said they get tons of out-of-state requests for fax information and he has no way of recovering that charge unless he bills it out. There's two fax machines at Town Hall, in the Selectmen's area and in Planning. He is going to try to establish a per-fax charge.

Selectman Charbonneau questioned the need for a laptop computer. Jim said a laptop would mean entering the data only once from the field. He would then feed it into the computer at Town Hall and all of the information on that property goes right into the data base. He hasn't seen any applications of palm pilots.

Selectman Charbonneau asked about the Registry of Deeds. Jim said the Registry is not going to reinvest in microfiche machines. When the equipment fails, they will send the information on CD ROM or paper.

Motion by Selectman Seabury, seconded by Selectman Charbonneau, to reduce 233 Mileage/Car Reimbursement from \$250 to \$50 failed 2-3. Selectmen Charbonneau and Seabury voted in favor.

Motion by Selectman Seabury, seconded by Selectman Charbonneau, to reduce 411 Computer Equipment from \$38,695 to \$36,000 failed 1-4 Selectman Seabury was in favor.

(Start Tape 2, Second Side)

Chairman Madison passed the gavel to Vice-Chairman Stewart.

Motion by Selectman Madison, seconded by Selectman Seabury, to reduce 411 Computer Equipment from \$38,695 to \$36,695 carried 3-2. (Selectmen Jasper and Stewart were opposed.)(\$2,000 lap top computer)

Motion by Selectman Madison, seconded by Selectman Charbonneau, to reduce 233 Mileage from \$250 to \$225 carried unanimously.

Motion by Selectman Madison, seconded by Selectman Seabury, to reduce 235 Registration Fees from \$1,200 to \$1,000 carried unanimously.

Motion by Selectman Madison, seconded by Selectman Seabury, to reduce 236 Education Reimbursement

from \$1,200 to \$1,000 carried unanimously.

Vice-Chairman Stewart passed the gavel back to Chairman Madison.

Motion by Selectman Jasper, seconded by Selectman Stewart, for a Warrant Article in the amount of \$41,410 to cover salary and benefits for a Property Appraiser carried 4-1. Selectman Seabury was opposed.

(Start Tape 3, Side A)

There was no action taken on the Warrant Article to establish a capital reserve for the future revaluation of the municipality and to raise and appropriate the sum of \$10,000.

9:00 - 9:05 break.

5800 -- Recreation (David Yates and Keith Bowen)

5810 Admin

David Yates explained the increases. Chairman Madison passed the gavel to Selectman Stewart.

Motion by Selectman Madison, seconded by Selectman Jasper, to reduce **Miscellaneous 399** by \$300 from \$2125 to \$1,825 carried unanimously. (They didn't need the extra software package because it comes with Windows NT.)

Chairman Madison took the gavel back.

Motion by Selectman Seabury, seconded by Selectman Madison, to reduce **Mileage 233** from \$500 to \$300 carried unanimously.

5815 -- Merrifield Park (No changes were made by the Selectmen.)

5821 -- Supervised Play (No changes were made by the Selectmen.)

5822 -- Robinson Pond (No changes were made by the Selectmen.) Chairman Madison hoped the Rec Director would spend some time searching out grants for this area.

5823 -- Babe Ruth (No changes were made by the Selectmen.)

5824 -- Ball Fields (No changes were made by the Selectmen.)

5825 -- Tennis (No changes were made by the Selectmen.)

5831 -- Winter Basketball (No changes were made by the Selectmen.)

Other Professional Services appropriation was for referees and the janitor. Nottingham charges two hours of janitorial services every Saturday and Sunday and Memorial charges them four hours on each day. Nottingham janitors come in for an hour before and after them. Memorial janitors come in two hours before they leave and stay two extra hours. The rest is referee fees, who make \$18 a game. Selectman Jasper said the Town plows the school parking lots so the Town shouldn't be paying janitors fees. The schools should budget for things like that, just like the Town budgets for plowing. Chairman Madison said this is an issue she has been working on and has talked to the Budget Committee Chairman about it. Whether it goes in the Town's budget or the School's budget, the Budget Committee will have to leave it there. If the janitors work, they get overtime. Selectman Jasper said if it's in the school budget, they won't be paying people four hours to open and close gyms. Chairman Madison said there's also a lot of cleaning up, including the bathrooms. Paul said the Town does get some services from the school, such as the

counter in the Assessor's Office for materials only. Chairman Madison said they need to have a meeting with the School Department to get this squared away. They could leave it in the budget this year and then set a goal to get it squared away for next year's budget. She will add it to her "To-Do" list.

5833 -- Senior Citizens (This item has been moved to Community Grants.)

5834 -- Soccer League (No changes were made by the Selectmen.)

5836 -- Teen Dances (New program--No changes were made by the Selectmen.)

5837 -- KNOT Night (No changes were made by the Selectmen.)

Selectman Charbonneau said grant money was available for programs dealing with kids.

5838 -- Adult Aerobics (New program--No changes were made by the Selectmen.)

5839 -- Teen Basketball (New program--No changes were made by the Selectmen.)

5840 -- Adult Basketball (No changes were made by the Selectmen.)

Chairman Madison questioned the \$22.50 fee for janitorial services because she does the billing, and it's supposed to be \$21. Keith said they paid \$21 last year but were told it was going up to \$22.50.

(Start Tape 3, Second Side)

Warrant Article. "To see if the Town would vote to raise and appropriate the sum of \$5,000 for a Civil Engineer Consultant to perform site analysis and visual survey of Town-owned land for feasibility of future soccer fields. Included in the survey will be a topographical survey, a boundary survey and a grading plan."

David said he contacted Maynard and Paquette to get an idea of cost. Paul said there is some information on GIS, which can generate a map showing the location of Town-owned property and they can probably rule out 90% of it without spending money for a consultant. Keith said he already has done that and they've narrowed it down to a few sites. Paul said when the flyover is completed, they will have topography for the whole town, which would allow them to evaluate whether or not a site would work. Selectman Jasper didn't think \$5,000 was unreasonable. Paul said the scope of work wasn't provided, but he didn't think they were talking about doing geo-technical soil borings, etc and thought \$3,000 or \$4,000 might suffice.

Motion by Selectman Jasper to increase 5810-252 Other Professional Services by \$3,000 for survey of land for soccer fields, seconded by Selectman Stewart, carried unanimously.

Budget Goal

Chairman Madison asked how much the budget was up. Steve said, with all of the Warrant Articles, they are looking at a 21.9 % (\$1.51) increase on the tax rate. Selectman Charbonneau said they have to cut some things, or they won't get the garage. Steve said if they add about \$225,000 (about 5%) of revenue, that buys either a lower a tax rate or the ability to expend more. If they want to keep the tax rate the same as today, \$6.88, they need to cut \$1½ million from the budget. If they want to revert to last year's tax rate of \$7.18, they need to cut \$1.2 million. If they want to go up 2% for inflation factors, they need to cut about \$1 million. Selectman Charbonneau said, starting with the Community Grants , they should level fund them which would cut \$50,000 from the budget. The County alone gave St. Joseph's Services \$52,000. Selectman Jasper said their goal should be in the range of increasing the 97 tax rate 2%.

Chairman Madison wanted to make sure that included the Town Garage. Steve said the \$950,000 for the

garage would come directly out of surplus, so there will be no tax effect. Selectman Charbonneau asked how much was in surplus. Steve said \$3 million. Chairman Madison said if they want to use the \$950,000 from surplus, it has to go on a Warrant Article. Steve said on the revenue estimates, he assumed they would take \$1.5 million of surplus to offset the tax rate and retain at least \$1.5 million surplus, which is the 5% figure. There's enough money in surplus to do the garage, which will have no tax impact.

Motion by Selectman Jasper to cut \$1 million from the budget proposals, seconded by Selectman Seabury, carried unanimously. Steve said this is an approximate \$7.32 tax rate.

5. Adjournment

Motion to adjourn at 10:00 p.m. by Selectman Jasper, seconded by Selectman Seabury, carried unanimously.

Recorded and Transcribed by Priscilla Boisvert

Executive Assistant to the Board of Selectmen

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E. Lorraine Madison, Chairman

Rhona Charbonneau

Shawn N. Jasper

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Terry Stewart