

BUDGET COMMITTEE MEETING
January 13, 2015

Board of Selectmen – Work Session:

John Sherman opened a work session of the Board of Selectmen (BOS) at 6:30 p.m. He noted that there was not a quorum of Selectmen present at this meeting and there would be no votes taken by that Board.

It was noted that a citizen's petition had been received at approximately 3:30 this afternoon, bearing signatures of 100 petitioners. The petition has been verified by the Town Clerk's office. It was noted that since there is not a quorum of the Selectmen present they cannot take any action on the petition. It was also noted that the petition did not involve any financial considerations and therefore the Budget Committee (BudCom) did not need to act on it either. A courtesy copy of the petition was given to all the BudCom members.

J. Sherman closed the BOS work session at 6:37 p.m.

The Budget Committee meeting was called to order at 6:38 p.m.

ROLL CALL

Martha Sumner, *Chair*,
Kristin Lewis-Savage, *Vice Chair*, arrived 6:42 p.m.
Tricia Holt
W. David Gerns
Darrell Britton, *Excused*
Dennis Heffernan
Jack Paone
Charles Fowler
Dean Nifakos
John Sherman, *Selectmen Ex-Officio*

Also present: Sean Fitzgerald, *Town Manager*; Joyce Ingerson, *Selectmen* and Town of Plaistow Department Heads.

The Pledge of Allegiance was led by J. Ingerson

APPROVAL OF MINUTES

D. Heffernan moved, second by C. Fowler to approve the minutes of the December 30, 2014 meeting. There was no discussion on the motion. The vote was 9-0-0 U/A.

S. Fitzgerald noted and read two new proposed Warrant Articles related to the employee's collective bargaining unit.

Collective Bargaining Agreement:

Article P-15-20: Shall the Town vote to raise and appropriate the sum of \$7,909.72 for the current fiscal year and to approve the items included in the proposed 3 year collective bargaining agreement reached between the Town of Plaistow and Teamsters Local 633 Union comprised of Town Supervisory employees including the Deputy Police Chief, Code Enforcement Officer, Health Officer, Recreation Director, Highway Department Foreman, Highway Laborers,

Assistant Town Clerk, Town Crossing Guards and Administrative Staff. This unit has not received a wage increase since 2008. The contract calls for the following increases in salaries and benefits:

Calendar Year	Increase %	Estimated Gross Payroll Cost	Estimated Health Insurance Savings	Estimated Net Contract Cost
2009	0%	0%	0%	0%
2010	0%	\$0	\$0	\$0
2011	0%	\$0	\$0	\$0
2012	0%	\$0	\$0	\$0
2013	0%	\$0	\$0	\$0
2014	2% Wage	\$0	\$0	\$0
2015	2% Wage	\$12,269.72	\$4,360.00	\$7,909.72
2016	2% Wage	\$10,749.94	\$4,892.00	\$5,857.94

(Recommended by the Board of Selectmen 3-0-0)

[Intent: This three-year contract averages increases to the salary matrix of less than 1% per year. The contract reduces the rate of cost sharing for health insurance from 90/10 to 85/15% effective April 1, 2015. The savings from the health care reduction is estimated to be \$9,252 over the 3 years of the contract (2014-2016). The estimated health care costs savings achieved through this contract represents approximately 40% of the total costs of the wage increase.]

Collective Bargaining Agreement (Special Meeting)

Article P-15-21: Shall the Town of Plaistow, if Article 20 is defeated, authorize the Board of Selectmen to call a Special Town Meeting, at its option, to address Article 20's cost items only?

Recommended by the Board of Selectmen 0-0-0

[Intent: This article allows the Board of Selectmen to schedule a Special Town Meeting to represent a collective bargaining agreement for this group of employees.]

K. Lewis Savage arrived at 6:42 p.m.

J. Sherman noted that the table showed that there is no retroactive pay as part of this contract.

S. Fitzgerald talked about the savings in healthcare costs. He noted that many employees are still at 90/10% contribution levels, police are at 87/13% and this agreement will bring all other employees to 85/15% reducing overall costs. He noted that once all Town employees got to 85/15% the police department will as well.

K. Lewis Savage noted that the contract has to be binding.

S. Fitzgerald offered that DRA (Department of Revenue Administration) only asks for the appropriation in the first year, and then future increases are shown as part of the operating budget. He noted that the healthcare savings would pay for nearly half of the modest wage increase.

There was discussion regarding the bargaining process. It was noted that the Town has been bargaining with the employees since 2009 when the employees organized.

D. Heffernan moved, second by T. Holt to recommend Article P-15-20 in the amount of \$7,909.72 . There was no discussion on the motion. The vote was 9-0-1 (Fowler abstaining).

It was noted that Article P-15-21 was not financially related. The BOS have not taken any action on the Article and it will be discussed at Deliberative Session.

It was noted that there weren't any additional significant changes in the proposed budget. There was a brief discussion regarding updates to the revenues and the loss of the C.O.P.S program funding.

The work session meeting was adjourned at 6:54 p.m.

PUBLIC HEARING

M. Sumner called the Public Hearing to order at 7:01 p.m.

ROLL CALL

Martha Sumner, *Chair*,
Kristin Lewis-Savage, *Vice Chair*
Tricia Holt
W. David Gerns
Darrell Britton
Dennis Heffernan
Jack Paone
Charles Fowler
Dean Nifakos
John Sherman, *Selectmen Ex-Officio*

Also present: Sean Fitzgerald, *Town Manager*; Joyce Ingerson, *Board of Selectmen* and Town of Plaistow Department Heads

M. Sumner and K. Lewis Savage took turns reporting on the individual budgets noting the following:

GENERAL GOVERNMENT

Comprised of one (1) budget – total budget request \$293,148.

4130 – EXECUTIVE

The 2015 budget request is for \$293,148, which is a \$254.00 increase. The increases are in the general supplies, postage, and rental/leases lines. There was a decrease in the dues line.

ELECTION/REGISTRATION/VITAL STATISTICS

Comprised of two (2) budgets, Elections and Town Clerk – total request is \$116,681

4140 – ELECTIONS

The 2015 budget request is for \$16,060, which is a decrease of \$2540. The decrease is due to only one (1) election and one (1) Deliberative Session in 2015.

4140 – TOWN CLERK

The 2015 budget request is for \$100,610, which is an increase of \$1,043. There are increases in the salary, telephone, software, dog tags and forms lines and decreases in the training line.

FINANCIAL ADMINISTRATION

Comprised of four (4) budgets – total request is \$316,659

4150 – FINANCE ADMINISTRATION

The 2015 budget request is for \$111,671, which is an increase of \$18,287. There are increases in the salary line, including additional part time coverage of 10-15 hours a week to support the functions of Accounts Payable and Receivables. There are decreases in the supply and audit fee lines.

4150 – ASSESSOR’S OFFICE (INCLUDES HUMAN RESOURCES)

The 2015 budget request is for \$146,047, which is a decrease of \$1,975. There was an increase in the books and periodicals line and a decrease in the Assessor’s contract line.

4150 – TAX COLLECTOR

The 2105 budget request is for \$49,197, which is a decrease of \$1,619. There are increases in the salary, software, tax bill mailing service, training and recording of deeds lines. There are decreases in the mortgage and deed research, telephone and postage lines.

4150 – FINANCIAL ACCOUNTING (INCLUDES, TREASURER, BUDGET COMMITTEE AND TRUSTEES OF THE TRUST FUNDS)

The 2015 budget request is for \$9,744, which is an increase of \$1,165. There are increases in the stipend for the Deputy Treasurer, Budget Committee Secretary (increased number of meetings) and the trustee mileage lines.

LEGAL EXPENSE

Comprised of one (1) budget – total request is for \$50,000

4153 – LEGAL EXPENSE

The 2015 budget request is for \$50,000, which is a \$10,000 increase. The increase is due to the number of pending cases and active negotiations on the Collective Bargaining Agreement for the Town Hall employees bargaining unit.

PERSONNEL ADMINISTRATION

Comprised of one (1) budget – total request is for \$1,789,471.

4155 – PERSONNEL ADMINISTRATION

The 2015 budget request is \$1,789,471, which is an increase of \$79,648. The majority of the increase is related to health insurance costs and other items that are mandated by outside agencies.

PLANNING AND ZONING

Comprised of two (2) budgets – total budget request is \$91,956

4191 – PLANNING

The 2015 budget request is \$84,846, which is a \$58 decrease. There were increases in the telephone, postage and equipment purchase lines. There were decreases in the training, supplies and recording fees lines.

4191 – ZONING

The 2105 budget request is level funded at \$7,110.

GENERAL GOVERNMENT BUILDINGS

Comprised of one (1) budget – total budget request \$177,260

4194 – GOVERNMENT BUILDINGS

The 2015 budget request is for \$177,260, which is a \$20,450 decrease. There are increases in the uniform, telephone and service contract lines. There are decreases in the office supply, gasoline and general repairs lines.

CEMETERIES

Comprised of one (1) budget – total budget request \$0.

4195 – CEMETERIES

The 2015 budget request for is \$0 as this budget has been moved to the Highway Department.

INSURANCE

Comprised of one (1) budget – total budget request \$63,000

4196 – INSURANCE (Town Liability, Building Insurance, etc)

The 2015 budget request is for \$63,000, which is a \$20,000 decrease. This is calculated on an estimated property value of \$14.7M.

ADVERTISING AND REGIONAL ASSOCIATION

Comprised of one (1) budget – total budget request \$25,771.

4197 – ADVERTISING AND REGIONAL ASSOCIATION (Notices, Town Report, Dues)

The 2015 budget request is \$25,771, which is level funded.

OTHER GENERAL GOVERNMENT

Comprised of two (2) budgets – total budget request \$33,833

4198 – CABLE

The 2015 budget request is \$33,233, which is an increase of \$522. There are increases in the training, dues and subscriptions.

4199 – CONFLICT OF INTEREST

The 2105 budget request is \$600, which is level funded

PUBLIC SAFETY

Comprised of four (4) budgets – total request is \$2,644,057.

4210 – POLICE

Budget request is for \$1,941,054 which is a \$91,318 Increase

Increases are in salaries; prosecutor; software; employment screening; and communication tower rental lines. The decreases are in the training; rentals and leases; supplies; postage; and gasoline lines.

4220 – FIRE

Budget request is \$562,606, which is a \$24,770 increase.

There are increases in salaries, both fulltime and call firefighters; overtime line for full time staff; medical services; and events and activities lines. Decreases are in uniforms; equipment maintenance and gasoline.

4240 – BUILDING INSPECTION

Budget request is for \$114,347, which is a \$235 decrease.

The increases are in training and dues and subscriptions line. There are decreases in gasoline and vehicle maintenance.

4290 – EMERGENCY MANAGEMENT

Budget request is \$26,050, a \$2056 increase.

The increase is in the telephone line; there are decreases in the postage and mileage lines.

HIGHWAYS AND STREETS

Comprised of three (3) budgets – total budget request is \$845,183.

4311 – HIGHWAY ADMINISTRATION

Budget request is for \$286,486, which is a \$875 decrease.

The increases are in the salary; electric; and heating lines. There is also an increase in the Cemetery Sexton Stipend line. There is a decrease in the data processing line.

4312 – HIGHWAYS AND STREETS

The budget request is for \$558,600, a \$300 increase.

There are increases in the catch basin/street sweeping and grounds maintenance/supplies line. There is a decrease in the vehicle maintenance line.

4316 – STREET LIGHTING

Level funded at \$97,000

SANITATION

Comprised of two (2) budgets – total request is \$562,000.

4323 – SOLID WASTE COLLECTION

Budget request is level funded at \$515,000

4324 – SOLID WASTE DISPOSAL

Budget request is level funded at \$47,000

WATER DISTRIBUTION

Comprised of one (1) budget – total request is \$43,105.

4332 – WATER SERVICES

The budget request is for \$43,105, which is a \$1,945 decrease. There are decreases in the electric and fuel lines.

HEALTH & WELFARE

Comprised of two (2) budgets – total request is \$140,249.

4411 – ADMINISTRATION – (Health Department)

The budget request is for \$80,167, which is a \$625 Increase

There are increases to establish a stipend for the Deputy Health Officer and increases in dues and general supplies.

4419 – HEALTH AGENCIES - (Human Services) Organizations the town contributes to on a regular basis to help provide affordable services to residents.

The budget request is for \$60,082, which is a \$600 increase. The increase is due to additional funding to Greater Salem Caregivers.

ADMINISTRATION AND DIRECT ASSISTANCE

Comprised of 2 budgets: Welfare/Human services administration and Welfare assistance – total request is \$33,090

4441 – WELFARE ADMINISTRATION

Level funded at \$740.00.

4442 – WELFARE – DIRECT ASSISTANCE

Level funded at \$32,350.

CULTURE & RECREATION

Comprised of four (4) budgets – total request is \$785,461

4520 – RECREATION

Budget request is for \$215,199, which is a \$3817 increase. The increases are in the equipment; community events; and youth basketball lines. There are decreases in the overtime; transportation (summer, community and senior) and senior trips lines.

4550 – LIBRARY

The budget request is for \$542,643; a \$31,361 increase. The increase due to salaries; materials; online resources; and continuing education public activities line increases.

4583 – PATRIOTIC (Memorial Day)

Level Funded at \$1,000.

4589 – CULTURAL (Old Home Day)

Level Funded at \$26,619.

CONSERVATION

Comprised of one (1) line – total request is \$9,680

4611 – CONSERVATION COMMISSION

The budget request is for \$9,680, which is a \$10 decrease in the supplies line.

DEBT SERVICES

Comprised of three (3) budgets – total request is level funded at \$1.

4711 – PRINCIPAL DUE ON LONG TERM BONDS

Level funded at \$0

4721 – INTEREST DUE ON LONG TERM BONDS

Level funded at \$0

4723 – INTEREST DUE ON TAN's (tax anticipation notes)

Level funded at \$ 1.

TOTAL BUDGET

The total budget proposed for 2015 is \$8,117,508 this is an increase of \$234,009 from the 2014 budget of \$7,883,499. The percentage increase is 2.9%.

WARRANT ARTICLES:

K. Lewis Savage recommended to waive the exact reading of the Warrant Articles. She noted that they were available on the Town's Website.

P-15-02: Operating Budget in the amount of \$8,117,508. It was noted that if the Article was defeated the Default Budget would be \$8,120,928.

P-15-03: Public Safety Complex Expansion with related site work; renovations to the existing building for Fire Department Headquarters and new access road to the cemetery - \$11,000,000

P-15-04: Highway Department Capital Reserve Fund Deposit - \$73,000.

P-15-05: Fire Department Capital Reserve Fund Deposit - \$105,000

P-15-06: Building Systems Capital Reserve Fund Deposit - \$6,232

P-15-07: Fire Suppression Pump and Pump House Capital Reserve Fund Deposit - \$125,000

P-15-08: Conservation Fund Deposit - \$10,000

P-15-09: Recreation Plan Capital Reserve Fund Deposit - \$50,000

P-15-10: Replacement of Highway Department Dump Truck - \$160,000 (withdrawal from Capital Reserve Fund)

P-15-11: Create a Fire Department Capital Reserve Account for the Replacement of SCBA (Self Contained Breathing Apparatus), Air Cylinders, and High Temperature Masks and Associated Deposit - \$33,400

P-15-12: Create a Communications Radio Dispatching System Capital Reserve Account and Associated Deposit - \$50,000

P-15-13: Replacement of the Rooftop Heating and Cooling Control System Unit #4 on the Public Safety Complex - \$15,000

P-15-14: Replacement of the Building Department Inspections Truck - \$27,000

D. Heffernan noted that the BudCom's vote to recommend was incorrect recorded as 7-2-0, it should be 6-2-0.

P-15-15: Design Engineering Costs for the Replacement of the Westville Road Bridge - \$140,000

P-15-16: Replacement of the Cable Department Playback/Message Board Server - \$40,000

P-15-17: Authorization for the Trustees of the Trust Fund to Obtain Professional Banking and Brokerage Assistance – Non-financial Article – BudCom does not need to vote whether or not to recommend.

P-15-18: Rail Study Special Town Meeting, to allow the BOS to call a Special Town Meeting once the Rail Study has been completed and accepted by the BOS - \$3,000

P-15-19: Office Manager (New Position) for the Fire Department to fill administrative needs - \$49,798.

P-15-20: Collective Bargaining Agreement (Town Hall Unit) - \$7,909.72

P-15-20: Collective Bargaining Agreement (Special Town Meeting) – Non-monetary

J. Sherman offered thanks to the BudCom for all their hard work this year. He added that he was impressed with the level of detailed knowledge of the Department Heads and their ability to facilitate the budget process.

M. Sumner echoed Mr. Sherman's thank you to the Department Heads.

J. Ingerson offered recognition to Rose Bayek, who is retiring as Tax Collector.

M. Sumner also offered thanks to Darrell Britton, who is retiring from the Budget Committee this year.

J. Sherman reminded voters to take a close look at the Petitioned Articles on the Timberlane Regional School District's Warrant this year.

There were thank yous offered to Selectmen Joyce Ingerson and John Sherman, noted to be the longest serving member of the Budget Committee, for attending the meeting. It was noted that Selectmen Steve Ranlett was working in Vermont and unable to attend this public hearing.

M. Sumner reminded all members to please sign the MS7 report before leaving.

There was no additional business before the Committee. The Public Hearing and Meeting were adjourned at 7:30 p.m.

Respectfully Submitted:

Dee Voss
Recording Secretary