

HAMPTON BUDGET COMMITTEE
MINUTES
October 18, 2005

Budget Committee Members Present

Mary-Louise Woolsey, Chairman
Michael Plouffe, Vice Chairman
Ginny Russell, Selectman Representative
John Kane, Precinct Representative
John Bridle, School Board Representative
Pat Collins
Maury Friedman
Dick Hansen
William Lally
Eileen Latimer (7:15 p.m.)
Jack Lessard
Richard Nichols
Michael Pierce
Charlie Preston

Excused

Russ Bernstein

Chairman Woolsey called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was said.

Chairman Woolsey introduced the members of the Budget Committee.

Chairman Woolsey said that Russ Bernstein was excused from the meeting due to his father's illness. She expressed sincere thoughts of concern from the Committee.

Approval of Minutes – September 20, 2005

Moved by Mr. Lessard, seconded by Mr. Pierce, to approve the Minutes of September 20, 2005.

Vote: 11 yes, 0 no, 2 abstentions (Collins, Kane). Motion passed.

Chairman Woolsey said that Barbara Reid, LGC Finance Adviser, who was to be the guest speaker for this meeting had to postpone due to having to travel for the LGC to Sullivan and Cheshire counties to help the towns apply for FEMA grants after damage from the recent floods. Chairman Woolsey said that the schedule is very tight this fall and it may be possible to invite her back in the spring.

Chairman Woolsey said that Barbara Reid and the LGC staff members reviewed the packet of legal pleadings regarding the Police Private Detail Special Revenue Fund challenge brought to court by the police union. The consensus is that RSA32 as amended stands, and the LGC staff members feel that the relevant provisions that apply to special revenue funds are stated in RSA32:10 (e) as amended in July, 2004. The danger now becomes that if any of the Special

Revenue Funds fail to pass in '06 there will likely be another legal challenge before a judge who may well make a more strict interpretation of the statute.

Mr. Nichols expressed concern that public monies are being used for private details. He estimated 50%. He questioned who makes the decision to use a flag person or a police officer who would be making much more money.

Mr. Lally replied that some contractors will hire a flag person and some are willing to pay the price for a policeman. Rates also fluctuate from officer to officer. Ms. Russell mentioned that there is also an extra cost for the cruiser if used.

Mr. Hansen asked why a contractor would elect to hire a more expensive person to work on a project, i.e., police officer vs. flag person. Mr. Lally replied that it is because of liability issues and most contractors would prefer to have a police presence. Flag persons have no enforcement powers.

Mr. Pierce asked if the Selectmen have considered any of the special warrant articles and the transfer of special revenue funds into the budget. Ms. Russell said there are no costs associated with these funds in the budget as yet. No warrant articles have been considered at this time.

Chairman Woolsey asked if the Selectmen discussed an estimated default budget for 2006. Ms. Russell replied that Ms. Duhamel has not finished the calculations yet.

Ms. Latimer said that she didn't understand why the police detail is such a topic of discussion. Chairman Woolsey said it is because it is the one that keeps failing. The voters say "No". Ms. Latimer said that all these funds should be looked at. She suggested approaching the Town Counsel to help in reconciling this and making sure that these funds end up in the same place.

Chairman Woolsey said she would call the Town Counsel and ask for statutory requirements on those funds. She said the statute is very clear. Barbara Reid said the state has the capability of having capital reserve, revolving and special revenue funds. She strongly advises that any town that uses these funds must understand what they are doing. Chairman Woolsey said that her concern is strictly budgeting and any money that comes into the Town is the Town's money.

Mr. Friedman asked if anyone has attempted to understand why the voters defeated the police special revenue fund two years in a row. Ms. Russell replied no. Mr. Friedman said perhaps the negative vote is based on a perception and it would be beneficial to know what that is.

Mr. Pierce said he would like to have the Town Counsel come in and tell the Committee how this all works.

Ms. Latimer said that when these warrant articles were passed, it allowed them to be funded if they failed and that is not true now. This is a concern. These funds are in jeopardy and the public needs to be educated about the problem. This Committee needs to be proactive and seek legal interpretation.

Moved by Ms. Latimer, seconded by Mr. Pierce, to invite Town Counsel to the November 8th meeting of the Budget Committee for the purpose of reviewing the legal ramifications of the special revenue fund articles.

Vote: 11 yes, 0 no, 3 abstentions (Preston, Russell, Woolsey).

Selectman Report

Ms. Russell said that the Selectmen will present the Budget Committee with a proposed operating budget of \$24,328,523. That is a 3.29% increase over last year's budget. The only wage increase is for the Town Clerk. Copies of the budget will be available on Monday, October 31.

Chairman Woolsey said that the Committee will need the 2006 default budget estimate for the November work sessions..

Mr. Friedman asked where the CIP Committee was in terms of preparing programs for this year. Ms. Russell said that project has been completed.

School Board Report

Mr. Bridle said that the Annual Yearly Progress testing is completed. The school board is working on the SAU21 budget.

Various programs have been taking place and the school year has been great so far.

Chairman Woolsey asked what has been happening with the Junior High project. Mr. Bridle replied that there will be a warrant article for this. There will also be a warrant article requesting \$4-6,000 for the Woodburn Scholarship. Collective bargaining with teachers will be addressed soon.

Precinct Report.

Mr. Kane said that the Precinct has secured \$363,000 for the lighting project. The Precinct went to the Selectmen to talk about the lease expiring for the fire station. Fire safety issues may be coming up and must be addressed.

Ms. Latimer expressed concern that budgets keep being rejected. She asked what happens now with the fire station. The lease is running out and there are no funds to build a station. She asked if the Town will wait until a tragedy happens.

Mr. Preston said that the CIP process has been flawed by a lack of public opinion. Ms. Latimer replied that the CIP has no policy making powers, it can only recommend.

Chairman Woolsey discussed the October 10th issue of the *Hampton Union* where it said that the Town of Rye is spending \$2.9 million for a combined police and fire facility. She said "No Comment".

Mr. Friedman said he could not understand how there was this problem with the beach station and the Town spent \$6 million on a police station. He said the Town needs to review the CIP process because it has failed. The CIP has to look at the total needs of the Town and come up with a plan that makes sense.

Ms. Russell said that a dual police and fire station was discussed and dismissed.

Ms. Woolsey said she felt that the Budget Committee, the Board of Selectmen, etc. have lost credibility. We must understand that what we want and what we need are two different things. There are problems with the economy and large fuel bills that will come up this winter.

Old Business

Mr. Nichols passed out a Beach Infrastructure Analysis Summary. These various costs were discussed.

Mr. Friedman said that there is no time to schedule the workshop on budget planning he had brought up earlier. He will request some written material.

New Business

Mr. Preston asked how many Town Reports are published. Ms. Russell replied that the Selectmen are looking at that issue. There is, however, a certain percentage of the population that must be met.

Mr. Nichols said that the Budget Committee information does not show up on the website. Mr. Collins said that the board in front of Town Hall is usually empty also. Maureen Duffy, new administrative assistant, will be contacted regarding these issues.

Chairman Woolsey said the Committee is about to head into the most important part of the year which is actual work on proposed expenditures and revenues. She said each member of the Committee needs to be responsible for picking up their budget books which will be available at the Town Office on Monday, October 31. She asked them to read the books and get a feel for what is coming up. She said the Committee needs to focus on an overview, not nit picking.

Adjournment

There being no further business to come before the Committee, Mr. Hansen **moved**, seconded by Mr. Preston, that the meeting be adjourned. The motion passed by unanimous vote.

The meeting was adjourned at 9:10 p.m.

Respectfully submitted,

Joan Rice
Secretary

Mary-Louise Woolsey, Chairman

