

HAMPTON BUDGET COMMITTEE  
MINUTES  
May 17, 2011

Budget Committee Members Present

Eileen Latimer, Chairman  
Mary-Louise Woolsey, Vice-Chairman  
Michael Pierce, Selectman Representative  
Ginny Bridle, School Board Representative  
Pat Collins  
Richard Desrosiers  
Brian Lapham  
Dustin Marzinzik  
Mark McFarlin  
Sandra Nickerson  
Michael Plouffe  
Richard Reniere  
Peter Traynor  
Brian Warburton

Absent

Precinct Representative

Chairman Latimer called the meeting to order at 7:05 p.m.

The Pledge of Allegiance was said.

Chairman Latimer introduced the members of the Committee.

Mr. Warburton asked for a moment of silence for Robert Viviano who recently passed away.

**Approval of Minutes of April 19, 2011**

**Moved** by Ms. Woolsey, seconded by Mr. Warburton, to approve the Minutes of April 19, 2011 as amended.

**Vote:** 13 yes, 0 no, 1 abstention (Traynor). Motion passed.

Amendments made were as follows:

Page 3, last paragraph: Fourth sentence should read "Ms. Nickerson said RSA 194:C states that assets must be in a withdrawal plan.

Page 3, last paragraph: Add "Ms. Nickerson cautioned the Committee about doing business via email."

Mr. Vic DeMarco had previously requested to speak to the Committee and Ms. Nickerson raised a point of order saying he should be allowed to do so at the beginning of the meeting.

**Moved** by Ms. Nickerson, seconded by Mr. Collins, to move New Business to the next item of business and allow Mr. DeMarco to speak.

Mr. Collins said he felt Mr. DeMarco should be allowed to speak at this time. Mr. Lapham said he was not happy with the letter sent to the Chairman by Mr. DeMarco. Mr. Warburton said he thought this matter was inappropriate. If Mr. DeMarco wished to run for the Budget Committee, he should have signed up.

**Vote:** 10 yes, 1 no (Lapham), 3 abstentions (Traynor, Warburton, Woolsey). Motion passed.

Mr. DeMarco said he felt he should have received the appointment to the vacant Budget Committee seat because he was next in line as a write-in candidate having received in excess of 30 votes. Mr. DeMarco said he did not sign up to run because he felt he could not make a 3-year commitment. He said he would not be here before the Committee if his number of write-in votes had not been called "insignificant".

### **Default Budget Format**

Chairman Latimer welcomed Mike Schwotzer, Finance Director, and Richard Nichols, Chairman of the Board of Selectmen.

Chairman Latimer said the Committee is trying to establish a format with Mr. Schwotzer that will be acceptable to the Committee.

Mr. Schwotzer discussed his monthly report. He said it is divided into three pieces: 1) Verbiage (these are notable items), 2) Income Statement (this is one of the variables that will affect the tax rate), and 3) Summary by department group. Mr. Schwotzer said he would be happy to drill down into the numbers on an exception basis.

Chairman Latimer asked what protocol should be used when the Committee would like more extensive explanations. Mr. Schwotzer said the Committee should communicate to him if they need such a number, however anything out of line is always included in his report. The Summary page shows everything.

Mr. Desrosiers said this report is very straight forward. Ms. Nickerson said the Committee should receive this report every month. Ms. Woolsey said her concern has always been encumbrances and rolling money into another year. Mr. Nichols said anything in the encumbrance column is always for a very specific project. The encumbrance list for 2010

becomes part of the budget for 2011. Mr. Schwotzer explained the realignment of the default budget.

The undesignated funds were discussed. Ms. Woolsey said she did not believe the funds should be over 5%. They are presently around 8%. That money should go back to the taxpayers.

Chairman Latimer said when you consider the trust funds and undesignated funds you have almost a full year's budget. She asked where a cap should be added. Mr. Nichols said the \$16 million in the trust funds cannot be considered in the equation. Mr. Nichols said the undesignated fund balance should not be driven too low because no one knows at this time what will happen with the waste water treatment plant.

Chairman Latimer thanked Mr. Schwotzer and Mr. Nichols for attending the meeting.

### **Sub-Committee Reports**

#### Public Works

Mr. Plouffe said a meeting was held on May 14<sup>th</sup>. He and Mr. Marzinzik visited Public Works. They contacted the Town Manager and Teresa at Public Works has been designated as their contact. Meetings will be ongoing.

#### Education/School Board Report

Mr. McFarlin said the sub-committee met on May 14<sup>th</sup>. A number of questions were raised and Ms. Bridle responded quickly. The sub-committee has the SAU 90 withdrawal breakdown which was passed out to the Budget Committee members.

Ms. Bridle said the School Board had accepted the Superintendent's list as brought forth on May 12<sup>th</sup>.

Ms. Bridle discussed the school budget and said they are predicting \$266,197 as unexpended funds at this time. Ms. Bridle said \$853,000 has been cut out of the budget due to the retirement issue. Every department was hit. Since no contracts have passed, SAU 90 will begin negotiations after July 1.

Mr. Warburton said the taxpayers of Hampton have paid for 40% of the assets of SAU 21 and the School Board has decided not to address the physical assets. Ms. Nickerson said RSA 194:C III-d states that physical assets must be taken into account. This needs to be addressed because it is state law. Ms. Nickerson said Hampton also owns part of the SAU 21 building. The debt service for that building was paid for by all of the districts. Ms.

Nickerson said the School Board should rethink their decision not to take a decent percentage of the assets.

Ms. Nickerson asked what was happening with students who are not residents of Hampton. Ms. Bridle replied that Dr. Sullivan had sent out a letter regarding this.

#### Administration

Mr. Collins said he felt the sub-committees were put together without much discussion and input. Department heads appear many times before this committee and it is not necessary to add another layer. Mr. Collins said he would withdraw as Chairman of this sub-committee. Ms. Latimer said she will take over Chairmanship.

#### Safety

Mr. Reniere said he does not have the time to chair this sub-committee and the remaining members can decide who will lead.

#### **Selectman Report**

Mr. Pierce said he would suggest that the Committee have a representative sent to the CIP. He said any expenditure over \$75,000 is considered by the CIP. Mr. Warburton said the Selectmen need to get on the same page regarding the CIP. He will talk to Tracy Emerick of the Planning Board.

Ms. Woolsey asked if any steps have been taken to pursue the Town's money from the LGC. Chairman Latimer said some towns have already positioned themselves legally. Hampton has a Legal Department and it is reasonable to get them involved. Mr. Pierce said he would check on this.

Mr. Traynor said he would like to request some information from the Legal Department.

**Moved** by Mr. Traynor, seconded by Ms. Woolsey, to request from the Legal Department prior to the next meeting on June 21, 2011 the following in writing:

1. List of all pending cases involving the Town of Hampton. This involves years 2009, 2010 and 2011.
2. Cost and number of cases involving tax or property liens. Names not to be listed on these cases.
3. Legal costs for all cases settled and other costs to Hampton.

4. Cost of legal agreement between Hampton and the Village District.
5. Town of Hampton Police-wage dispute – all legal costs.
6. Town of Hampton Fire-wage dispute – all legal costs. Total legal costs of union negotiations for 2008, 2009 and 2010.

**Amendment made** by Ms. Woolsey, seconded by Ms. Nickerson, to add “pursuant to RSA 32:16.

**Vote:** 14 yes, 0 no. Amendment passed unanimously.

Chairman Latimer then asked for a vote on the main motion as amended.

**Vote:** 14 yes, 0 no. Motion passed unanimously.

The next meeting will be held on Tuesday, June 21, 2011, at 7:00 p.m. in the Selectmen’s Meeting Room.

### **Adjournment**

There being no further business to come before the meeting, Mr. Warburton **moved**, seconded by Ms. Woolsey, that the meeting be adjourned.

The meeting was adjourned at 10:07 p.m.

Respectfully submitted,

Joan Rice  
Secretary

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Eileen Latimer, Chairman