

BUDGET COMMITTEE

May 16, 2023 in the Selectmen's Meeting Room

Draft Version

Chairwoman Harake called the meeting to order at 6:00 PM.

Chairwoman Harake led the pledge of allegiance.

Introduction of Members (Roll Call)

Katherine Harake, Chairwoman

Matt Saunders, Vice-Chair

Larry Quinn

Mike Plouffe

Anne Marie Galanis

Bob Ladd, Village District Representative

Rich Sawyer, Selectmen's Representative

Absent: Ginny Russell-Bridle, School Board Representative

I. Acceptance of 4/18/23 Minutes

Mr. Plouffe noted that he felt the minutes did not accurately reflect discussion about the Undesignated Fund Balance (UFB). He suggested that they seemed "edited" and stated that he would not be voting in favor of accepting them. He stated that he had not had time to rewatch the meeting, and did not have suggestions for edits, but he felt they should be revised.

Ms. Galanis suggested that acceptance of the April minutes be pushed to June to give others more time to review the meeting. The committee agreed to this.

II. New Business

- **Selectmen's Update - Presented by Mr. Sawyer**
 - Mr. Sawyer had a conversation with the Town Manager regarding allowable language in the footnotes of proposed warrant articles. It is likely that language can be added to clarify the legally required "no tax impact" statement.
 - The Board of Selectmen have given permission to the Hampton Police Chief to enter into an MOU arrangement with North Hampton to temporarily assist them during a staffing issue. This will be done at cost. This creates potential unexpected revenues.
- **School Board Update - Presented by Ms. Russell Bridle**
 - Ms. Russell Bridle was absent. No updates.
- **Village District Update - Presented by Mr. Ladd**
 - May 27th and 28th there will be entertainment on the stage from 7 PM - 9:30 PM.
 - May 28th there will be Fireworks.
 - May 30th there will be a concert presented by the Winnacunnet High School Jazz Band and Chorus. In the event of inclement weather, the concert will be moved to the Winnacunnet Auditorium.

- **Questions and Comments on March Financials**
 - Ms. Galanis noted that outside agencies and gas costs were driving the budget.
 - Mr. Sawyer stated that he expects a spike in June, July, and August. Good weather can increase costs of medical, fire, and DPW.
 - Ms. Harake noted that the budget was 2% under and that the Real Estate Trust income was down.
- **Tour of DPW**
 - The tour of the DPW will take place on June 7th at 10 AM.
 - Committee members will meet in front of the DPW office.
 - Ms. Harake will contact the fire chief to arrange a tour of the firehouse on either the same day or another day.
- **Cable Fund Review**
 - Ms. Harake Reviewed the letter from Town Manager, Jamie Sullivan. (please see the attachment on the last page for the letter.)
 - The fund currently sits at \$824,300.
 - At this time last year the fund was \$764,101.
 - Mr. Plouffe referenced historical use of the Cable Fund and suggested that the use of the surplus funds be reevaluated.
 - Mr. Sawyer will look into the legal procedures for adjusting the use of money from this fund, but he believes change would require a town vote.
 - Ms. Galanis stated that she would like to make sure there are not major future costs that would need to be drawn from this fund before using the funds elsewhere.
 - Mr. Ladd suggested looking into investment opportunities to generate revenues on the “parked” funds.
- **Budget Committee Vacancy**
 - Ms. Harake announced that Mr. Warburton had submitted a letter of resignation to the Town Clerk via email. All members of the Budget Committee acknowledged and accepted the resignation.
 - The committee agreed to advertise the vacancy and invite interested candidates to come to the meeting on June 20th and present themselves.
 - Candidates will be given 3-5 minutes to speak at the June meeting.
 - Anyone interested in filling the vacancy should send an email to Kristina Ostman at Kostman@Hamptonnh.gov and include a reason for why they are interested in the position.
 - William Dibiasio (Harbor Road, Hampton) stood up to voice his interest in the vacant position.
 - He has lived in Hampton for 6 years.
 - He previously lived in Lincoln, Rhode Island and served on their Budget Board for 40 years.
 - He oversaw the Lincoln, Rhode Island budget as it grew from 10 million to 100 million dollars.
 - He will return for the June meeting.
- **Other Business/Comment**
 - Ms. Harake will post the proposed Budget Committee Calendar as it is now. It is subject to change.
 - Mr. Ladd complimented the Town Manager for the detailed memo regarding the Cable Fund. He also suggested that the committee take a

closer look at the EMS fund. He would specifically like to know why the EMS fund has not been used for the purchase of a firetruck.

- Ms. Galanis asked how often the EMS vehicle is changed. Mr. Sawyer will look into that.
- Ms. Harake will ask the town for information regarding all revolving funds. They will plan to review and discuss this information in September.
- Mr. Ladd received feedback from constituents that they enjoyed the informational nature of the last Budget Committee meeting. He asked if informational programming could be expanded on channel 22, outside of Budget Committee meetings.
 - Mr. Sawyer noted that there has been discussion of bringing back more informational programming that has been implemented in the past.
- Mr. Quinn stated that he was made to feel uncomfortable by the CHAT organizer and asked that Ms. Harake communicated that to the CHAT organizer.
 - Ms. Harake stated that the Budget Committee does not need official representation at the CHAT meetings, and emphasized that it is not a Budget Committee responsibility.
- Mr. Ladd stated that he would like to see the Budget Committee represented at the CHAT meetings. He noted two warrant articles that submitted last year that did have substantial financial impact.

III. Adjournment

Mr. Sawyer MOTIONED to adjourn the meeting. SECONDED by Mr. Saunders. Vote: Unanimous.



TOWN OF HAMPTON
Inter-office
MEMORANDUM

Date: May 9, 2023

To: Hampton Municipal Budget Committee

From: Jamie Sullivan, Town Manager

A handwritten signature in black ink, appearing to read "J. Sullivan", written over the printed name.

RE: Cable Fund

Committee Members:

We have been asked to give an overview of the Hampton Cable TV Revolving Fund, I hope you find this information useful.

History:

As Cable TV began expanding in the country, federal laws outlined the process for a provider of Cable TV service to contract with a local community. The federal law identified the local communities as the "franchisee" in these agreements with cable operators, as a part of that process a fee is charged to each customer which is known as the franchise fee. The fee negotiated in Hampton's franchise agreement is 4% of the service provided. These fees are collected by the cable provider and paid to the local community on a quarterly basis.

The purpose of the fee is to compensate local communities for the rights of cable providers to use the public rights of ways for their cable lines. Section 622 of the Cable Communications Act of 1984 outlines these rules. The fees are also to assist the local authority (Town) to provide cable services such as public, educational and government access (PEG) TV Channels.

Hampton Cable TV Fund:

In 1995 the Annual Town meeting initially set up a special revenue fund to accept these franchise fees; requiring 25% of the collected fees to be placed in the special fund and the balance to go to the general fund. Over the years additional votes of Town meeting made changes to the type of fund and how the fees should be distributed. In 2013, the fund was changed to a revolving fund with the Board of Selectman as agents to authorize use of these funds. In 2016, the most recent change, the Town meeting voted that 100% of the franchise fees were to be directed into the Cable TV special revenue fund, eliminating any share with the general fund.

Fund use and Balance:

The fund balance is reported in the monthly financial reports and is listed as "FUND 025 CABLE COMMITTEE – REVOLVER". The March report showed an unaudited balance of \$824,300.10. These funds are used to support the local cable programming for the Town on Channel 22 and the schools on Channel 13. The fund pays for supplying cameras, lighting, sound equipment, salaries for employees and other necessary items to produce approved programming.

The process for requesting funds is the local Cable Committee (appointed by the Board of Selectman) review requests from the Town or School. Those that are recommended by the committee are then sent to the Board of Selectmen to review and vote on. Some examples of recently approved expenses and future projects are:

- 1.) \$52,100 to SAU 90 for Channel 13 needs
- 2.) \$54,836 to upgrade the studio equipment for the Hampton Beach Village District

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IV.



TOWN OF HAMPTON
Inter-office
MEMORANDUM

- 3.) \$150,000 for upgrading the CH22 Cable van with Fly Pack and Cameras for remote broadcasts (such as Deliberative session, and WHS football games).
- 4.) Upgrade portable lighting and other grip equipment.
- 5.) Upgraded computer, NAS Server, necessary for editing work.

The fund balance will continue to support the great work done by our teams at Channel 22 and Channel 13 who bring us messaging for public safety, community information, live and recorded broadcast of our meetings and special events for the Town and schools.