

HAMPTON BUDGET COMMITTEE
MINUTES
April 18, 2006

Budget Committee Members Present

Mary-Louise Woolsey, Chairman
Michael Plouffe, Vice-Chairman
William Lally, Selectman Representative
Rosemary Lamers, School Board Representative
Russ Bernstein
Pat Collins
Maury Friedman
Dick Hansen
Eileen Latimer
Jack Lessard
Richard Nichols
Michael Pierce
Norman Silberdick

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 Committee. She welcomed Rosemary Lamers as the new School Board Representative. Due to work constraints, John Kane is stepping down as Precinct Representative and will be replaced by Gary Kubik.

Approval of Minutes – March 21, 2006

Moved by Mr. Lessard, seconded by Mr. Pierce, to approve the Minutes of March 21, 2006.

Vote: 11 yes, 0 no, 2 abstentions (Friedman, Lamers). Motion passed.

Chairman Woolsey introduced Dawna Duhamel, Hampton Finance Officer. She asked Ms. Duhamel to outline the parameters of her job. Ms. Duhamel said that she handles all of the money paid in taxes each year, a total of about \$42 million dollars in 2005. She is involved in many areas including the operating budget, salaries, schools, county, state, education tax. Chairman Woolsey asked how the school money is portioned out. Ms. Duhamel replied that the county is paid once a year, Winnacunnet High School is paid once a month, and the Hampton schools twice a month. Ms. Duhamel said that the new computer system has been in since January 1 and some account numbers have changed slightly.

Ms. Duhamel went over the Town of Hampton Expenditure Report for January 1 – March 31 and explained how the total amount of funds available is computed.

Mr. Silberdick asked if the PO's from 2005 have been finished. Ms. Duhamel said that for the most part everything has been ordered and/or purchased. Chairman Woolsey asked if the Town had a policy allowing lag time in paying bills. Ms. Duhamel said the Town pays bills immediately and there is no lag time.

Mr. Friedman asked why the Police Department is only at used funds of 20.9% for the year. Ms. Duhamel said she could look this up, but expects that it will rise during the summer. Chairman

Woolsey said that it is important to look at the seasons. There are much heavier expenses during the summer.

Chairman Woolsey congratulated the Board of Selectmen for agreeing to meet with Ms. Duhamel on a monthly basis to review expenditures.

Mr. Friedman asked about the high utility costs for Police and Fire departments. Ms. Duhamel said that utility costs have soared, but the budget has been adjusted for this.

Chairman Woolsey said that everyone wants to understand the expenditure process. It is not cut and dried. There is flexibility within the budget. The Selectmen can transfer funds to another department if it becomes necessary. It is not appropriate to think an absolute can be viewed. This is a general guide.

Ms. Latimer asked if the department heads are given a general figure upon which to base utility costs or do they speculate on their own. Ms. Duhamel said they are given a general figure.

Mr. Silberdick asked if the Budget Committee would be informed if the Selectmen allocate funds from one department to another. Mr. Lally said yes, the Budget Committee would be informed.

Chairman Woolsey asked about the \$1 million shortfall because of the Hurd Farm grant. Ms. Duhamel replied that the grant money received to offset the Hurd Farm bond was included on the MS4 as revenue in 2004 and 2005. It should not have been included on the MS4 for 2005, and as a result the tax bills for that year produced \$1 million less in income than was needed. Chairman Woolsey asked if this would have any impact on the default budget. Ms. Duhamel said that it would not, but the shortfall will be made up from the "unreserved fund balance" this year, which will mean less revenue applied against the 2006 town portion of the tax rate.

Chairman Woolsey asked about the revolving funds. Ms. Duhamel said they would be set up by the end of May.

Chairman thanked Ms. Duhamel for attending the meeting.

Selectman Report

Mr. Lally said the bottom line for the default budget is \$23,609,157. He said that the department heads are anticipating that there might be another default budget next year. He said that the three cruisers for the Police Department that were cut from the budget last year have been purchased with funds from other line items. Ms. Woolsey mentioned that the Aquarion work on the Highland Avenue/Ashworth Avenue area has been postponed due to unforeseen conditions and time constraints. Chairman Woolsey asked how this decision by Aquarion will affect the completion of the beach infrastructure project. Mr. Lally will get back to the Committee on this issue.

School Board Report

Chairman Woolsey said that people have been asking why so many art and music teachers are needed. Ms. Lamers said that the school system K through 12 utilizes a philosophy of integrated arts. The arts are integrated into the core course areas. Children learn by different modalities and math and science tie into music while language and social studies tie into art. Ms. Lamers said in the past Hampton Academy and Marston shared resources. This was difficult. Two years ago the school board decided to have two people at the Junior High and two at Marston. These four teachers service 1,400 students K through 8.

Ms. Lamers invited the Committee and the public to the following events:

Celebration of Learning on May 18 at 6:00 p.m. at Marston School

School Literacy Night on May 31 at 6:00 p.m. at Centre School (second grade)

School Literacy Night on June 1 at 6:00 p.m. at Centre School (kindergarten)

Jazz Fest on May 10 at 6:30 p.m. at Hampton Academy

Chorus Jazz Band for entire SAU on May 24 at Winnacunnet High School

Old Business

Chairman Woolsey discussed the vacancy on the Budget Committee. She read a letter from the NHMA which she had requested for clarification. The NHMA attorney confirmed that the Budget Committee has the statutory authority to appoint a member-at-large to fill a vacancy, but no time frame is stipulated. Attorney Hallquist stated that a prudent decision would be to fill the vacancy as soon as possible. Chairman Woolsey said that this appointment would be only until the next election. She said it would seem to be fair to ask the next person on the ballot, which is Rusty Bridle. Ms. Latimer said that Mr. Bridle has a lot of experience and is also a state representative. Mr. Hansen asked what the Committee's options were. Chairman Woolsey said an appointment could be made or if desired, members of the Committee could move individuals onto the table. Mr. Pierce said he felt a public announcement should be made asking for interested persons. Mr. Plouffe said he agreed that the seat should be offered to Mr. Bridle.

Moved by Mr. Friedman, seconded by Mr. Pierce, that the open vacancy on the Budget Committee be advertised asking interested persons to appear at the next Budget Committee meeting in May. These persons should be prepared to explain why they would like to fill this vacancy.

Vote: 2 yes, 9 no, 2 abstentions (Lamers, Nichols). Motion failed.

Moved by Mr. Lessard, seconded by Mr. Bernstein, to offer the appointment for the Budget Committee vacancy to Rusty Bridle, the next candidate on the ballot. If the appointment is declined, this matter will be revisited at the May meeting.

Vote: 12 yes, 0 no, 1 abstention (Lamers). Motion passed.

The appointment of a Committee member to the CIP Committee was discussed.

The current CIP representative, Ms. Latimer, declined to be considered for appointment this year. Mr. Friedman then explained his reasons for volunteering for this appointment. He said he feels there is a lot of opportunity to do things a little differently on the committee. Mr. Friedman said he is able and willing to devote the time to serve on this committee.

Moved by Mr. Lessard, seconded by Mr. Collins, to appoint Maury Friedman as the Budget Committee representative to the CIP Committee.

Vote: 9 yes, 0 no, 4 abstentions(Friedman, Lamers, Latimer, Woolsey). Motion passed.

Chairman Woolsey discussed the appointment of a Budget Committee member to be a representative on the Recreation Advisory Board. Mr. Lally explained what this board does. They plan recreational activities, help with library renovations, work with seniors, etc. It was decided to table this item until the May meeting.

Chairman Woolsey discussed the appointment of a Budget committee member to be a representative to the Withdrawal from SAU21 Committee.

Moved by Ms. Latimer, seconded by Mr. Lessard, to appoint Pat Collins as the Budget Committee representative to the Withdrawal from SAU21 Committee.

Vote: 12 yes, 0 no, 1 abstention (Collins). Motion passed.

Chairman Woolsey read a letter from Maureen Duffy, Administrative Assistant for the Town of Hampton, saying that the Board of Selectmen has invited the Budget Committee to name a representative to participate in the Hampton Beach Fire Station Committee. This committee will do a study to propose the most suitable location for the Hampton Beach Fire Station. Mr. Nichols and Ms. Latimer both expressed interest in being on this committee.

Moved by Mr. Lessard, seconded by Mr. Collins, to appoint Richard Nichols as the Budget Committee representative to the Hampton Beach Fire Station Committee.

Moved by Mr. Lally, seconded by Mr. Bernstein, to appoint Eileen Latimer as the Budget Committee representative to the Hampton Beach Fire Station committee.

Vote on First Motion: 9 yes, 2 no (Bernstein, Lally), 2 abstentions (Latimer, Nichols). Motion passed.

Ms. Latimer then withdrew her name from consideration for appointment to this committee.

Chairman Woolsey then discussed the Selectmen's response to the request for clarification of the 19 "year end 2005 expenditures". She said that the Committee should not be arbitrarily drowning people in paperwork, but if the Committee feels they need clarification, they can certainly ask for

it. The Right to Know Law was discussed. This will be revisited under Old Business next month.

Mr. Nichols said that one of the most important things is to understand what has gone on in the past. Once the year end is looked at, there will be a better understanding not only of the last month, but of the entire year. This gives perspective. Therefore, this request was a legitimate one.

Chairman Woolsey discussed an article from the March 12th Portsmouth Herald, written by City Manager Steve Marchand and city Councilor Chris Dwyer. Some of the points were: Available dollars are finite, therefore, the Town must allocate resources to deliver to citizens the highest priority results as efficiently as possible. In preparing a budget there is a need to estimate the amount that can be expected from the average taxpayer and then build the budget from that.

New Business

Mr. Pierce had asked for a discussion of the Municipal Retirement Fund. Mr. Pierce said he had done a search of the NH Statutes, but was not able to find out anything about the Town's increase in contribution. Chairman Woolsey asked Mr. Pierce to continue researching this subject and referred him to the April issue of Town and City magazine, which has an extensive article on the subject. This will be brought up under Old Business at the next meeting.

Any Other Business

Mr. Friedman discussed workshops that are available from Concord. Chairman Woolsey said these workshops are often advertised in Town & City Magazine.

Adjournment

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

The meeting adjourned at 9:18 p.m.

Respectfully submitted,

Joan Rice
Secretary

Mary-Louise Woolsey, Chairman