

HAMPTON BUDGET COMMITTEE
MINUTES
November 20, 2007

Budget Committee Members Present

Mary-Louise Woolsey, Chairman
Mike Plouffe, Vice-Chairman
Rick Griffin, Selectman Representative
Russ Bernstein
Victor DeMarco
Eileen Latimer
Jack Lessard
Richard Nichols
Michael Pierce

Excused

Pat Collins
Norman Silberdick

Unexcused

Maury Friedman
Dick Hansen

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.

Approval of Minutes – November 8, 2007

Moved by Mr. Plouffe, seconded by Mr. Lessard, to approve the Minutes of November 8, 2007.

Vote: 7 yes, 0 no, 2 abstentions (Bernstein, Latimer). Motion passed.

GENERAL GOVERNMENT

Trustees of the Trust Fund

Moved by Mr. Plouffe, seconded by Mr. DeMarco, to move forward to the public hearing the amount of \$2,350 for Trustees of the Trust Fund.

Vote: 9 yes, 0 no. Motion passed unanimously.

Town Clerk

Chairman Woolsey welcomed Jane Cypher, Town Clerk.

Moved by Mr. Plouffe, seconded by Mr. Lessard, to move forward to the public hearing the amount of \$197,710 for the Town Clerk's Office.

Ms. Cypher said this budget is not much different from last year's budget. She said a significant amount of binding of documents needs to be done. The last time this was updated was in 1998.

Mr. Nichols mentioned that one of the problems is that people must take time off from work to do business with the Town Clerk's office. He asked if it would be possible to extend the hours to 6:00 p.m. a couple of times a month. Ms. Cypher replied that her main concern was security. She said that in her opinion it is not safe to have just a couple of people in the building considering the amount of money that is taken in. People can register online and there is a drop box in front of the Town Office.

Ms. Latimer asked what the binding would cost. Ms. Cypher replied that right now the amount would be over \$5,000. This had been budgeted in the past but was set aside because of the default budget. Ms. Latimer said that this is something that is being put in jeopardy because of the budget.

Vote: 9 yes, 0 no. Motion passed unanimously.

Assessing

Chairman Woolsey welcomed Bob Estes, Assessing Officer.

Moved by Mr. Plouffe, seconded by Mr. DeMarco, to move forward to the public hearing the amount of \$210,194 for the Assessor's office.

Mr. Estey said wages are up because of moving the data collector to a 52 week schedule. Chairman Woolsey asked how the assessing is progressing with the use of this data collector. Mr. Estey said that they are presently doing a reval and are extremely busy. They are finding things people have done without permits – mostly decks, kitchens, etc.

Chairman Woolsey asked when the next reval would be. Mr. Estey said that it would be in 2013. They are presently working on 2008. Chairman Woolsey asked if all standards would be met. Mr. Estey said standards would be met as they always have been.

Vote: 9 yes, 0 no. Motion passed unanimously.

Cemeteries

Chairman Woolsey welcomed Mr. Kenny, Cemetery Director, and Mr. Shaw and Mr. Bateman, Cemetery Trustees.

Moved by Mr. Plouffe, seconded by Mr. Lessard, to move forward to the public hearing the amount of \$93,419 for Cemeteries.

Mr. Kenny said that they are the only cemetery operation operating on a budget under \$100,000 a year and with only one full time employee. Mr. Kenny asked that \$6,000 be added to the cemetery budget bringing it up to \$99,639.

Chairman Woolsey asked about health insurance benefits. Mr. Kenny said he was not insured by the Town. Mike Schwotzer explained that when an employee declines town provided health care, he is paid \$500 in lieu of coverage. Ms. Latimer asked about a raise for Mr. Kenny. Mr. Kenny said this was in the budget last year but was deleted because of the default budget.

Moved by Ms. Latimer, seconded by Mr. Lessard, to amend the amount moved forward to the public hearing for Cemeteries by adding \$6,220 for a total of \$99,639.

Mr. DeMarco said he wanted to make sure that there is enough money in this budget to provide for an increase in wages.

Mr. Shaw said that this is basically a gas operation because of cutting the grass. Also another 300 grave section has been put in. Every three or four years more work is added.

Mr. Bateman said that much of what goes on is truly a landscaping business.

Mr. Pierce asked if this extra money would go directly to wages. Mr. Kenny replied that a good portion will but that he cannot promise more.

Mr. Kenny said that there will be a warrant article for a new truck. There will be no cost to the taxpayers. They will withdraw this amount from the Cemetery trust fund.

Mr. Pierce asked if there would be any more warrant articles. Mr. Shaw said that there will be one to replace the roof on the cemetery building. Mr. Kenny said that this will also come from the Cemetery trust fund.

Chairman Woolsey said this is a budget of independently elected trustees. Their intent is that this is to go to salaries. She asked Mr. Griffin to inform the Selectmen of this intent.

Vote: 9 yes, 0 no. Amendment passed unanimously.

There was then a vote on the main motion to move forward to the public hearing the amount of \$99,639 for Cemeteries.

Vote: 9 yes, 0 no. Motion passed unanimously.

Mr. Bateman said if individuals would like to help the Cemetery they can. They can take endowments, grants, etc. Chairman Woolsey said this information should be on Channel 22 to advise the public.

Library

Chairman Woolsey welcomed Bridgit Valgenti representing the Library.

Moved by Mr. Plouffe, seconded by Mr. Bernstein, to move forward to the public hearing the amount of \$831,936 for the Library.

Ms. Valgenti said this budget is a 4.34% increase over last year. She said there are costs they cannot control such as gas, electric, etc. There are \$9,000 in extra repairs that need to be done. There is a warrant article to address the repairs. The library has been relying on donations, etc., but it is only a matter of time before they will feel the pinch. Ms. Valgenti said this budget is being requested to keep the library as a treasure for the community.

Chairman Woolsey asked how much revenue is brought in by the library. Ms. Valgenti said total non-tax revenue was \$14,375. They no longer assess fines.

Mr. Nichols said that there has been a 17% increase over two years, most in regular wages and health insurance. He asked if people had been changed from part time to full time. Ms. Valgenti said that they did add a person in March of 2005. This was a part time position which has evolved into a full time position. Some increase is from health insurance where single coverages were replaced with family coverages. Chairman Woolsey asked how many people are employed at the library. Ms. Valgenti replied that there were eight full time and six part time employees.

Ms. Latimer asked if the health insurance was under a collective bargaining agreement. Ms. Valgenti said it was not. Ms. Latimer said she felt this increase was too much because other departments have been asked to hold the line. Also, the last increase was a very generous one.

Mr. DeMarco said he would like a better explanation on the health plan. Mr. Schwotzer said that this line should be readjusted. Chairman Woolsey said the Committee would need a new figure. This figure will be needed before December 4th.

Mr. Nichols asked about the increase in regular wages and if it was reflecting increasing the wages of the people that are already there. Ms. Valgenti said that they looked at competitive salaries in other communities because they could not retain employees. They created a wage scale to bring salaries up to where they should be. This is not a contractual item as in a collective bargaining agreement.

Moved by Mr. Lessard, seconded by Mr. Pierce, to table the Library's requested budget pending clarification of the health insurance segment.

Vote: 9 yes, 0 no. Motion passed unanimously.

Tax Collector

Moved by Mr. Plouffe, seconded by Mr. Lessard, to move forward to the public hearing the amount of \$96,179 for the Tax Collector.

Vote: 9 yes, 0 no. Motion passed unanimously.

Voter Registrations and Elections

Moved by Mr. Plouffe, seconded by Mr. Pierce, to move forward to the public hearing the amount of \$235,455 for Voter Registrations and Elections.

Vote: 9 yes, 0 no. Motion passed unanimously.

Accounting and Financial

Moved by Mr. Pierce, seconded by Mr. Griffin, to move forward to the public hearing the amount of \$311,325 for Accounting and Financial and the amount of \$25,000 for Audit Services for a total of \$336,325.

Mr. Schwotzer said they have a flat budget this year. Fred Welch, Town Manager, said that it is important that GASB 34 is completed. If not, people who loan the Town money will stop. Chairman Woolsey said it is important to get this process started. She asked if there was anything available to start this process this year. Mr. Welch said it will be placed on the warrant and they are looking at it carefully.

Hampton Budget Committee

November 20, 2007

Page 6

Mr. Nichols said GASB 34 absolutely needs to be done. The public will not understand this as a warrant article. Mr. Welch said this will be a board decision. They are also looking at GASB 45. Chairman Woolsey said that \$12,500 could be a starter for getting in the process of GASB. Mr. Welch said they would look for a professional firm to do the work. Chairman Woolsey told the Committee to keep the \$12,500 in mind and asked Mr. Welch to get back to the Committee at final review. This should be inserted into the operating budget for 2008.

Mr. Nichols asked if the audit would be up for bid. Mr. Welch replied that this is the direction they are taking. He said the more grants there are, the more audits will be required and they are very expensive.

Chairman Woolsey asked Mr. Griffin to communicate with the Board of Selectmen and see if they can come to a conclusion to accommodate the funding of GASB or the Committee will be inserting this in the operating budget for 2008.

Mr. DeMarco asked about the reserve considering there is \$3.5 million in uncollected taxes and if there is a plan for this. Mr. Welch replied that they will work to have on reserve a designated fund balance at least equal to what is owed to the Town in uncollected taxes. Mr. DeMarco asked how this could be done with a default budget. Mr. Welch said it cannot be done. He said it is impossible to survive on default budgets. There will never be an available surplus.

Mr. DeMarco said that there is a reserve of \$16 million from the property that was sold at the beach. He asked if this could be used for some capital expenditures instead of letting it sit for income purposes. Mr. Welch said these funds may be used for capital projects. The trustees have come out with a new investment policy. This would have to be paid back at 7% interest.

Chairman Woolsey noted that 1/8 of the operating budget is debt service and asked Mr. Welch if he intends to restructure the police loan. Mr. Welch said he wants to come out with a proposal that would allow the Town to rewrite the police loan and then present this proposal to the Board of Selectmen. This will not be done until next year. Mr. Welch said a tremendous amount of money is being wasted operating obsolete facilities. This needs to be fixed.

Chairman Woolsey distributed the Beach Fire Station Agreement and asked the Committee members to review.

Mr. Bernstein left the meeting at 9:20 p.m.

Vote: 8 yes, 0 no. Motion passed unanimously.

Hampton Budget Committee

November 20, 2007

Page 7

Management Information Systems

Moved by Mr. Plouffe, seconded by Mr. Pierce, to move forward to the public hearing the amount of \$149,924 for Management Information Systems.

Mr. Schwotzer said the biggest change is the replacement equipment. This is a multi-year project to replace all PC services within the Town Hall, Recreation and Fire Departments. This equipment has a lifespan and critical mass has been reached. Paul Paquette takes care of 94 PC's. Mr. Nichols asked if it would be the same number next year. Mr. Welch said it would be \$40,500 for five years.

Vote: 8 yes, 0 no. Motion passed unanimously.

Total Finance Administration

Moved by Mr. Plouffe, seconded by Mr. Pierce, to move forward to the public hearing the amount of \$795,622 for Total Finance Administration.

Vote: 8 yes, 0 no. Motion passed unanimously.

Personnel Administration

Moved by Mr. Plouffe, seconded by Mr. Griffin, to move forward to the public hearing the amount of \$1,978,654 for Personel Administration.

Vote: 8 yes, 0 no. Motion passed unanimously.

Municipal Insurance

Moved by Mr. Plouffe, seconded by Mr. Griffin, to move forward to the public hearing the amount of \$3,025,160 for Municipal Insurance.

Vote: 8 yes, 0 no. Motion passed unanimously.

Parking Administration

Moved by Mr. DeMarco, seconded by Mr. Plouffe, to move forward to the public hearing the amount of \$55,171 for Parking Administration.

Vote: 8 yes, 0 no. Motion passed unanimously.

Recreation and Parks

Moved by Mr. Griffin, seconded by Mr. Plouffe, to move forward to the public hearing the amount of \$192,272 for Recreation and Parks.

Vote: 8 yes, 0 no. Motion passed unanimously.

Mr. Griffin left the meeting at 9:40 p.m.

Estimated Revenues

Moved by Mr. Plouffe, seconded by Mr. Lessard, to move forward to the public hearing the amount of \$6,425,625 for Estimated Revenues.

Vote: 7 yes, 0 no. Motion passed unanimously.

Chairman Woolsey said at the next meeting on December 4th, the Fire Department, Library and the \$12,500 for GASB would be addressed. Then there will be an overall review.

Adjournment

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

The meeting adjourned at 9:50 p.m.

Respectfully submitted,

Joan Rice
Secretary

Mary-Louise Woolsey, Chairman