

Town Administrator and Councilors,

Thank you for graciously taking the time to address the citizens' concerns about the apparent lack of transparency in some town budgetary decisions, specifically relating to the approval and funding of the new Safety Center sign. Your responses to my questions, however, do not fully nor satisfactorily allay those citizen concerns.

The Police Chief sent out a letter on Dec 31, 2008 to both the Budget Committee and Town Council, stating that the meeting minutes are public record, and anyone can look them up to know what is happening.

The Chief recommended that those meeting minutes should be examined to fully understand how the sign was approved and appropriated. So I took the Chief's advice and did just that, and found some discrepancies in the minutes for over the last year, in the Council's responses to my transparency questions about the appropriation of the new Safety Center sign.

First to address the Police Chief's comment that the Budget Committee should only need to read meeting minutes, in order to find transparency in the appropriation of the sign.

- 1) It is NOT the Budget Committee's responsibility to look up minutes to find out what is happening at Commissions and Council meetings.
- 2) It is the Police Commission's and Council's responsibilities to present to the Budget Committee its proposed budgets and items to be requested for recommendation. The Budget Committee doesn't have to seek out information ... the information is supposed to come to the Budget Committee for recommendation.
- 3) Therein lies the transparency issue – written minutes of discussions from other Council and Commission meetings is irrelevant to the Budget Committee, until the requests are officially brought forward to the Budget Committee for a vote to recommend the funding for the project. So until such time that the spending proposal is brought to the attention of the Budget Committee, the meeting discussions are merely discussions, and nothing more. Discussions in meetings are not binding until the Council approves of the spending by a majority vote, and if necessary the Budget Committee must also recommend it, or send it to the voters to approve in town meeting.
- 4) If the spending appropriation proposal is not found on the budget as a line item request, it does not exist as a legitimate expenditure. It should have to wait to be proposed at the next year's budget deliberations, or have the request as a town meeting warrant article for the voting townspeople to decide. There was no line.
- 5) "Minutes of meetings" conducted is very different from "presenting a spending appropriation proposal" to the Town Council and Budget Committee.
Talking about spending money in casual discussions at meetings, is a far cry from actually going through the process without specific voted-on approvals.
- 6) "It is the duties of the governing body to submit recommendations to the budget committee and include the purpose for which each appropriation is sought. All purposes included shall be disclosed at the final budget hearing. After that, the budget committee cannot include any items not disclosed." – John Pieroni, 11/6/08

I regard any NO response by Town Council to be an indication of a lack of transparency.

1) Did the Town Council vote to approve to create, design, and erect the new Safety Center sign, for the appropriated cost of \$33,000 from the Police Commission's budget? *Answer > At the May 14, 2008 Town Council meeting, the Town Council authorized the Police Commission to assume responsibility for the completion of a Safety Center Hooksett Road sign project to be paid for by the Police Commission and to assemble a sign committee for the project.*

The question was not adequately answered and misinterpreted in intent. The question that I actually asked of the Town Council was > Did the Town Council vote to approve to create, design and erect the Safety Center sign for the appropriated cost of \$33,000 from the Police Commission budget?

The question of the appropriated amount of \$33,000 was important to stress in that question, since the Council voted to approve a sign for the Safety Center, but did not approve the \$33,000 amount for the sign. There is no roll call vote on record that approves the \$33,000 funds for the new safety center sign. The funds cannot be spent unless the budget request is encumbered in the budget for the sign project.

This indicates a distinct lack of transparency and accountability.

I have not yet found any past Council minutes that specifically approved \$33,000 for the new sign. Please advise when that vote to approve that amount occurred, as it did not occur at the May 14, 2008 meeting. Authorizing the completion of a sign is not the same as authorizing \$33,000 to approve the spending on it.

The Town Council was not following proper budgetary procedures, when it granted the Police Department the right to design and erect the new sign. The Council over-stepped its bounds to allow the Police to handle non-Police projects, which are not vested in its statutory authority to do so. It was not within the statutory purview of the Police to build the sign.

I ask again, was the Town Council truthfully aware or not, that the new sign was going to have the final cost of up to \$33,000 of taxpayer money?

2) If the vote was taken, what is the date of that Council meeting's minutes?

Answer > May 14, 2008

I asked for the date and result of the Council vote to approve the money totaling \$33,000 to spend on the sign. No specific amount was approved by the Council for the sign – Councilor Dickson repeatedly states at meetings “if it involves money over \$7,500... we have to vote on it.”

3) Did the Police Commission and/or Town Council erect the new Safety Center sign, using \$33,000 of non-appropriated money from the Police Commission's budget? *Answer > The Police Commission has the vested authority to manage the affairs of the Police Department within the limits of funds appropriated and the department has not overspent its budget.*

As you correctly state in your response, the Police have the authority to manage their own affairs, and the Town cannot interfere. That statute also validly relates in the opposite manner, such that the Police cannot interfere in the Town's affairs, restricted only to Police matters.

The Safety Center sign was not a Police Department project, rather should have been managed by the Town Council and/or Highway Department. The Police Chief has admitted at the November 6, 2008 Budget Committee meeting that the sign belongs to the Town and not to the Police, and that they would prefer not to be handling the Town's maintenance projects.

Again, the Town Council was not following proper budgetary procedures, when it granted the Police Department the right to design and erect the new sign. The Council over-stepped its bounds to allow the Police to handle non-Police projects, which are not vested in its statutory authority to do so. It was not within the statutory purview of the Police to build the sign.

The process to appropriate the money and approval for the sign project was mishandled by the Council and Police Department. The new safety center sign was never appropriated in a specific budget line for that year's Police budget. Without that specifically requested budget line in their budget, the project may not proceed in that year's appropriations. The process would allow the sign to be constructed in the following year's budget, provided that the proper budgetary appropriation request is recommended and approved in the budget for the project.

So because the statute that gives the Police authority "*within the limits of funds appropriated,*" those funds were not specifically appropriated for the sign in the Police budget, and therefore "limited in its funding" for the sign to be erected. It should have been handled by the Town, not the Police.

Meanwhile, it is well documented that the Safety Center has been in dire need of building repairs, yet the choice was made to forego those repairs for the same amount that would have been paid for, instead of the sign being done. Had there been transparency, better choices would have resulted.

- 4) Were there 3 bids sent out for the Safety Center sign project to be done, as required by administrative rule, beyond the \$7,500 threshold amount? *Answer > NO, however, while the Administrative Code specifies three bids and the department generally complies with practices, it is not necessarily obligated to do so.*

There was no vote taken by Town Council to waive the administrative rule for the bids to be sent by Town Administrator. Even if so, what does it say about the transparency of the process, whereby the head of the town's law enforcement department perhaps sought legal advice on whether they can get around the bidding process on the sign project? Why - What would it hurt? What benefit was being sought for no bids sent out? The benefit of seeking bids is to determine the best price for taxpayers to pay for the sign. Not having bids sent out was a disservice to the taxpayers and not very transparent to the approval process.

The minutes the Nov. 6, 2008 Budget Committee meeting indicate the Police Chief's explanation of why the bids were not sent out. His reason for not having bids had nothing to do with not following the administrative code obligations.

The Police Chief's explanation at that meeting is as follows:

“June 17, 2008, the company that was already doing work for the town, gave us a bid of 33,000 to build, design and place the sign, which included the electrical work.... A motion was made and voted unanimous by the police commission to accept that bid for the sign project. We were already working with this company and felt they had the experience to work with PSNH. We were also trying to get it done before the end of the budget year.”

So the vote to accept the \$33,000 bid was actually approved by the Police Commission, not Town Council and without the town's prior knowledge or approval. And “to get it done before the end of the budget year” took higher priority over the town's best financial interest. They were already working with them... so why not just give it to them? Is that transparent, and the right process to acquire the best bid price?

David Jodoin stated at that same 11/6/08 budget meeting:

“I put out for 3 bids anything over \$7,500....one way to get transparency is to adopt a procedure for purchase orders, and bids as well as sealed bids.”

NO TRANSPARENCY IN THIS PROCESS

- 5) Was the Budget Committee informed about the appropriation and expenditure to spend exactly \$33,000 from the Police Commission's budget, to erect a new Safety Center sign?

Answer > Not that we are aware of.

That above answer alone indicates some measure of a lack of transparency. The Budget Committee must be made aware of any and all expenditures and appropriation requests presented to the Committee during budget hearings, prior to the budget being recommended by them. The Town Council and Police Department failed to inform the Budget Committee of this project, prior to the budget being recommended and approved with this specific line item appropriation.

I would ask the Council to read Budget Chairman John Pieroni's comments again regarding this issue, in the 12/3/08 Town council meeting minutes.

- 6) Did the Police Commission notify the Town Council of the exact amount of money it was going to cost to create, design and to erect the new Safety Center sign? **Answer > NO, as it was given the authority to move forth on the project.**

Authority was not given to the Police Department by the Town Council for the exact amount of \$33,000 for the new sign. Town Councilors were of the understanding that the sign was to only cost up to \$5,000 in funding, therefore not requiring a vote to waive the 3 bid admin rule, and were not aware that this new sign project was to end up with a \$33,000 price tag.

- 7) Did the Town Council vote to approve the purchase and placement of the new Safety Center sign, by only collecting donations and fundraising efforts to be used for its funding? **Answer > NO.**

Town Council minutes indicate that the Council was of the understanding that the new sign was to be built by fundraising efforts and donations, with the expectation that \$5,000 would be needed to erect the sign. Donations were solicited, and fundraising efforts initially raised up to \$1,500 to fund the sign. By your NO response, you all don't apparently remember that discussion... but it's in the meeting minutes.

Meeting minutes subsequently indicate that Councilor Longfellow even suggested that his comments be changed to reflect that fact, stating that he said \$1,500 was raised, not \$15,000.

At this time, there is still question as to where the donated money has been kept in which specific fund, or whether it has been returned to its donated party... whoever that is, since the Council does not even remember who donated the money. These are transparent transactions?

**So how did the new sign start with Council approval for funding of the sign by donated / fundraising money... and end up with a \$33,000 sign to be erected -- without being properly appropriated through the Town Council and Budget Committee, and without an appropriation budget line in the Police Department's budget requests for that same year? That is the answer the citizens demand to know.
NO TRANSPARENCY IN THIS PROCESS.**

8) Did the Town Council vote to approve any taxpayer money to be appropriated for the new Safety Center sign?

Answer > Yes, by the vote on May 14, 2008.

NO - The vote on May 14, 2008 was for a sign to be erected, not appropriated, and not in the exact \$33,000.00 amount. The new sign was never appropriated in any budget for the sum of \$33,000. It was never presented to the Budget Committee for recommendation, and never presented to the voters for approval.

NO TRANSPARENCY IN THIS PROCESS.

9) Was there ever any consideration by the Town Council to place this new Safety Center sign expenditure, up for a warrant article vote of the taxpayers?

Answer > NO.

Hooksett voters don't get a say as to whether they want to spend money for a new \$33,000 sign at the Safety Center? The voters do not even get to be informed that the new \$33,000 has been approved and planned for placement?

NO TRANSPARENCY.

10) How much extra money was allocated and spent to the new Safety Center sign project, to have James Oliver's name placed on the two signs and building? *Answer > The sign was part of the total project for the entrance.*

Meeting minutes indicate that Mrs. Oliver was the Budget Committee Chairman during the process of discussions about the sign, expressed her dismay about the absence of a new sign, monitored its progress, and yet did not inform budget members about its approval or appropriation from the Police budget. Is she the criteria by which the taxpayers must pay out a sum of \$33,000 for this new sign? Was there no follow-up in the process?

John Pieroni stated at Town Council 12/3/08 meeting: “the budget process is important and was not followed in the case of the sign erected at the Safety Center. I have no recollection of any discussions of this item or money being placed in the budget.”

Mrs. Oliver resigned from the budget committee on June 11, 2008 after the sign’s approval had been worked on and passed and construction begun.

11) Did the Council understand that the new Safety Center sign project was the responsibility of the Town to manage, and is not within the statutory purview of the Police Commission, within its own non-policing / non-safety related statutory obligations?

Answer > Refer to action on May 14, 2008.

The Town Council was not following proper budgetary and administrative procedures, when it granted the Police Department the right to erect the new sign. The Council over-stepped its bounds to allow the Police to handle non-Police projects, which are not vested in its statutory authority to do so.

The process to appropriate the money and approval for the sign project was mishandled by the Town Council and Police Department, in the eyes of the town citizenry, and demonstrates a clear lack of transparency in town government.

TRANSPARENCY >

“All actions, statements, votes, discussions, meetings, deliberations and opinions of all town officials, boards and commissions, should be made clearly visible and available to all townspeople, in compliance with the town’s laws, reports and rules, within the budgeted and approved appropriated money voted on by a majority of townspeople. If something happens in town that the citizens should be priory made aware of, then the process must allow for its access.”

Respectfully submitted,

Marc Miville, Hooksett resident

