

North Hampton Budget Committee
MINUTES
December 21, 2004

Chairman Robbie Robinson called the meeting to order at 7:02 p.m.

Present: Terry Conklin, Mary Pat Dolan, Don Gould, Henry Marsh, Larry Miller, Robbie Robinson, Peter Simmons, Sue Spencer

Absent: Paul Fitzgibbons

1. Review revised proposed town budgets

North Hampton Public Library

Rich Goeselt, library trustee, reported that the revised library budget comes in at a 3% increase, except for a new fire alarm monitoring system which increases the bottom line to 3.1%. Programs are down 10%, operations 10%. Peter Simmons asked why the library did not use the conference room in the northwest corner for books. Mr. Goeselt said that room was used for meetings and for displays of art. Mr. Simmons suggested using low shelves in that room. Sue Spencer asked about health insurance rates. Town Administrator Mike Pardue said the highest possible increase is 22.9%. Robbie Robinson suggested the school contact Fred Englebach, the school's business manager, to find out why the school's rates are only projected to increase 10%. Mr. Pardue said health insurance plans were stipulated in the contracts; police and fire were in the middle of 5-year contracts.

Henry Marsh asked about the 5% increase in non-contractual employee salaries. Mr. Goeselt replied that North Hampton pay was below surrounding libraries. The 4 part-time employees will receive a 3.5% increase for cost of living and to remain competitive with surrounding towns. Mr. Robinson asked if the cost of fire alarm monitoring would appear in all department budgets now. Fire Chief Tom Lambert explained that not all buildings required a monitoring system and that the library chose to be monitored. The current town alarm system does not have the capacity to add the library. Mr. Robinson said the Budget Committee's final vote would take place after the public hearing. Mr. Goeselt's announcement that he was concluding his 8th and final year as trustee was noted with applause.

Overall town budget

Selectman Don Gould noted that the overall revised town operating budget was cut to a 2.65%, below 3% as promised. Most significant in terms of community impact were cuts in police and fire budgets. There would be no additional police officers and callmen were eliminated from the fire budget. The Board of Selectmen had met from 9:30 a.m. - 6:45

p.m. on Monday, December 20, then again for their regular meeting from 7-8:30 p.m. They voted 3-0 to recommend to the Budget Committee that the fire callmen be retained for \$24,800. They voted 2-1 to recommend two additional police officers. Emily Creighton was not opposed to an increase, but she preferred one officer for this coming year and 1 for the next.

Mr. Gould distributed copies of town budgets with the three options: with callmen cut and no new police officers; with callmen restored and two additional officers; with callmen restored and one additional officer. Callmen added \$28,600 to the fire department bottom line. One additional police officer increased the total budget bottom-line to 4%, 2 to 5.28%. Selectmen were recommending 2-1 the third budget option, with a bottom-line increase of 5.28%.

Mr. Gould said the police currently had a single officer out between 2 a.m. and 7 a.m. each day. He felt an additional one patrol officer was essential to provide the level of safety and service the community needs. Police Chief Brian Page explained that if two officers passed, the first would be hired in July and the second in mid-September; each would take 12-14 weeks to train, accompanying another officer on patrol. If a certified officer were hired, which is likely with North Hampton's competitive pay and Lt. Scippa's connections to the police academy, training would take less time.

Larry Miller asked for an overview from Chief Page as to why he needed the additional officers. Chief Page said arrests were up 26% with the increase in the business base and overall population of North Hampton, and more serious crimes were occurring. If two serious calls come in when one officer is on duty, an officer comes from another town, which can create a domino effect on the Seacoast. He said it was up to the legislators of North Hampton to choose the level of service they wanted. Mr. Gould said the Budget Committee's recommendation for the police budget would be supported by the selectmen in the deliberative session.

Mr. Robinson asked if there were other alternatives, such as part-time officers. Chief Page explained it had been difficult to hire and retain part-time employees. Ms. Spencer asked why overtime was not reduced in the budgets that added officers. Chief Page said training took 28 weeks before shifts could be filled and overtime might be reduced the following year. Ms. Spencer asked if police could be shared regionally and Chief Page said there were legal jurisdiction issues that prevented that. It was agreed that the town cannot continue to assimilate the increases; Mr. Gould suggested the selectmen would be looking at some regional consolidation of public safety in coming years. Selectman Jon Rineman said that, as tight as the budgets are, the town still had to cover public safety and he was convinced by the police data the two additional officers were necessary.

Mr. Marsh asked about background checks, particularly concerning school employees and the cost impact that has on the school budget. Chief Page said the police were only allowed to check their own employees, according to the attorney general's office. Mr. Marsh asked if a certified officer would be hired. Lt. Scippa said this part of the state was desirable and that the salary would draw a certified officer, so the town would get back

12 weeks of work time because residential police academy would not be necessary. Mr. Simmons asked if federal grant money was available. Chief Page said the department had exhausted most avenues, having written homeland security grants and been denied. Mr. Simmons asked if Chief Page could live with one additional officer. Chief Page said he could live with any option but it was up to the public as they might not be happy with delayed services. Also one additional officer would not fill the gap at night— there would still be single coverage on two day and two evening shifts. Two would allow 24/7 coverage by two officers.

Terry Conklin said he would expect that overtime, which was 10% of salary, could be managed down if officers were added. Chief Page said that could happen by the second part of the next fiscal year. Mr. Robinson asked for an explanation of the difference between overtime and detail pay. Chief Page said detail pay, \$31 per hour, was reimbursed to the town as it was privately paid. Mr. Robinson asked if the town could forgo a cruiser purchase this year and Chief Page said it was needed because at the end of this year all cruisers will have 80,000+ miles.

Recreation Department

Program Director Diane Wheeler presented the revised Recreation Department budget, now at around a 2% increase. There were no full-time positions added. Two part-time directors work 25 hours per week each and do not receive health benefits. The summer rec camp will be 6 weeks rather than 8, plus an additional half hour each day for lunch with no increased cost to parents. Conferences, subscriptions and advertising were cut. Rec Trac will add the capacity of online registration for programs. Easter Egg Hunt and Santa's visit were added to the budget in case they are not sponsored. A laptop will be purchased for offsite registration. Youth Association will not be paid the customary annual \$9,500, as they currently have \$20,000 in their account. Mr. Gould said he did not understand why the town rec dept paid the Youth Association and did their registration and accounting for them too. Beach stickers cost \$500, said Ms. Wheeler, but bring in revenue for the town. Twenty parking spots are leased from the state and 526 stickers were sold last summer. Roughly 600 will be available for next summer.

Fire Department

Chief Tom Lambert presented the revised Fire Department budget. Mr. Conklin asked why overtime had increased to 14% of salary if four new staff had been hired. He said that, as a general comment, if the head count had increased by 40% the overtime cost should be managed down. Mary Pat Dolan asked what the driver was behind that increase, if there were four new staff. Chief Lambert said the overtime maintained staffing levels at all times, during vacation and sick leave. Mr. Conklin suggested cost avoidance where possible. Chief Lambert said the town had voted last year for the coverage of three fire fighters on duty at all times. Mr. Conklin said that if \$200,000 in salary had been added there should be more reduction in overtime. Mr. Simmons read from a list of New Hampshire towns, noting population and staffing of Fire Departments. Chief Lambert said North Hampton provides a superior level of fire protection and

ambulance service which is what voters chose to fund. Mr. Gould wondered if voters still want this level of service.

Ms. Dolan asked if grants were available for training and education. Chief Lambert said the Fire Department worked with the Police Department on Homeland Security issues, which are based on risk. Chief Lambert reviewed reduced items, including physicals, equipment maintenance, radios, aerial testing, new equipment. Mr. Robinson asked what restoring the five callmen would add to the budget. Chief Lambert said \$8,400 total, bringing the department increase to 5.2%. Mr. Simmons asked if overtime could be abolished if another position were added. Chief Lambert said shifts were determined in the contract. Mr. Conklin asked if the coverage decisions were market-driven rather than statutory. Chief Lambert said coverage was for safety reasons, but not mandated. Mr. Conklin said the Budget Committee was answerable to the public and still had to justify the Fire Department's \$111,000 overtime.

Mr. Robinson noted it was 9:30 p.m. and asked if the committee wanted to proceed or schedule another meeting. The decision was to proceed.

Warrant articles

Mr. Gould reported that the list of articles had been reduced and the total amount was now \$305,000, not including the first two, the construction of a new Highway Department facility and demolition of the old building, which selectmen consider an essential need of the town. All articles are recommended 3-0, except that the warrant for an architect's municipal plan and mosquito control have not yet been voted on. Laurel Pohl and Terry Conklin are developing a Powerpoint presentation for the deliberative session based on an Excel spreadsheet showing anticipated tax impact of each article on a real-time basis. Mr. Gould said that, based on the current model, next year's tax rate should not go up and may even go down.

Selectmen will defer adding \$125,000 to the cable reserve fund. A new fund for town hall building maintenance will allow more proactive building maintenance, said Mr. Gould. A software upgrade is necessary because Windows 95 and a Unix server are not compatible. If it crashes there is no support, said Mr. Pardue. Currently a tape drive backup is necessary every night. Total warrants without highway, architect or mosquitos is \$362,881, said Mr. Gould,. Only \$8,000 would come from the fund balance, in order to preserve it for a good bond rating. Ms. Dolan asked if recycling would move to Cedar Road. Mr. Gould said he felt recycling was a money loser and should be shut down.

Continuing Business

The committee briefly reviewed the North Hampton School District revised budget and information that had been requested, including SPED identification and costs. Mr. Marsh said the teachers' contract had been ratified by the school board and would proceed to a March vote. Good news was a 5% discount on workmen's comp and a reduction in

proportion of costs paid for health insurance plans. Salaries would increase 3% and the contract was for 1 year.

The committee agreed to meet one more time before the public hearing to prepare. Mr. Robinson shared a new law that, if adopted by the town legislature, would make the Budget Committee responsible for determining the default budget; he will look into writing that warrant article and getting signatures. Ms. Spencer moved that the committee meet January 4 at 7 p.m. in the selectmen's conference room, seconded by Mr. Miller. Vote passed unanimously.

Motion to adjourn by Sue Spencer, seconded by Larry Miller. Meeting adjourned at 10:40 p.m.

Respectfully submitted,

Amy Kane
Recording Secretary

Approved by the Budget Committee 2-3-05