

North Hampton Budget Committee
Minutes of November 5, 2007 Meeting
Mary Herbert Room, North Hampton Town Offices



Attending Committee Members: Robert Copp, Michael Coutu, Michael Golden, Don Gould (Board of Selectmen), Robert Hamilton (Little Boar's Head), Jim Maggiore, Larry Miller, David Peck (Chair), Kari Schmitz
Others in Attendance: Emily Creighton (Chair, Board of Selectmen), Steve Fournier (Town Manager), Diane Wheeler
Not Attending Committee Members: none

David Peck, Chair, called the Budget Committee to order promptly at 7:00 P.M.

Meeting Agenda and Discussion Points

1. David Peck, Chair of the Budget Committee, introduced the new budgetary year by reviewing the role and responsibilities of the Budget Committee. He reminded the Committee that a typical citizen in North Hampton does not have the opportunity to examine each detail of the Town budget. Thus it was the responsibility of the Budget Committee members to set aside each of their individual agendas, and to examine the financial data of our community to present to the voters in February a budget which would represent the interests and wishes of the citizens of North Hampton.

In order to illustrate the demographic characteristics of North Hampton, David Peck used a video projection to display U.S. Census Data Highlights for North Hampton for the year 2000. A copy of this visual is attached to these minutes.

David Peck gave each Budget Committee member a multipage handout of the Selectmen's suggested 2008-2009 budget, in which he had added fiscal year 2005-2006 dollar amounts for each line item, along with percentage increases from year to year so that the committee could better understand multi-year spending and tax rate trends.

David ended his introduction by encouraging each member of the Budget Committee to contribute their thoughts, freely and strongly, while respecting the viewpoints of other Board members. Personal attacks and bullying had no place among well-intentioned fellow members.

2. Mike Coutu suggested it might be helpful for the budget committee to have year to date spending figures for each line item so that a more accurate estimate of needs could be determined. Other members agreed. Following this line of thought, Steve Fournier informed the committee that some communities were changing their annual meeting date from March to May. The committee unanimously voted to encourage Steve Fournier to gather information from towns who made the switch and report back.
3. Last June 2007, Dave Peck, appointed Mike Coutu to be on the Board of Selectmen's team to negotiate with the firefighters. Bob Copp brought up that he felt it was wrong to have a Budget

Committee member on the negotiating team, as the BOS is the administrative arm of the town government and as such had a responsibility to negotiate independently with the firefighters. The Budget Committee has an independent role to play in creating a town budget from the preliminary budget given to it by the Board of Selectmen. Bob Hamilton cited state law, which he felt, supported the independent roles of the Board of Selectmen and Budget Committee. Don Gould reported that the Selectmen had consulted with the Board's lawyer and, in his opinion, it was legal for a member of the Budget Committee to be on the negotiating team. Emily Creighton suggested there were two positions voiced by the committee, on being legal, one being legal. Larry Miller suggested that the Budget Committee ask the North Hampton town attorney for an opinion. Bob Copp made a motion, seconded by Bob Hamilton that the Budget Committee not send a representative to be on the negotiating team with the firefighters. Such motion was defeated 5-4, with Coutu, Golden, Gould, Miller and Peck against and Copp, Hamilton, Maggiore and Schmitz for.

4. Diane Wheeler, Director of the North Hampton Recreation Department presented the budget proposal for the North Hampton Recreation Commission. The proposed total cost for 2008-2009 is \$94,956 as compared to \$90,159 for 2007-2008. The \$4,797 increase is mainly due to a 5% increase in salaries of \$1,986 and an increase of \$3,240 for the maintenance of Dearborn Park. Don Gould said that the Selectmen had voted to increase town salaries across the board to non-union employees by 5% this year as this is what other union salaries would approximate. With reference to the maintenance increase for Dearborn Park, Diane Wheeler noted that whereas the Road Department had worked hard to maintain the field, it might be better to have people who maintain grass on a daily basis take care of it. In addition, there would be an improvement in safety for the kids as a private landscaping group could be scheduled to maintain the field when kids were not using it.

Diane also explained that the Recreation Department needs a sixteen-seat van. Rising transportation costs, along with minimum participation requirements needed to rent a bus, cause many activities to be impractical or to be cancelled. In addition, a van would support the Senior Program. Both Hampton and Exeter have vans for their recreational programs. A new van would cost \$15,000 (plus fuel and maintenance) and would be purchased with funds allocated from the Recreation Department's revolving fund. This fund is created from fees charged over the years by the Recreation Department. Thus, money for the van would not come from town taxes.

Lastly, Diane said that the tennis courts would need to be resurfaced at a cost of \$9,000 to protect them for the long haul. This money would be funded from a warrant article.

It was clear to members of the Budget Committee that Diane Wheeler, her staff of part time workers, her volunteers and the Recreation Commission had done a great deal to provide North Hampton with a fine recreation program for young and old alike. Dave Peck shared that he had watched the development of the North Hampton recreation program over the years and thought it was "fabulous". The Committee thanked Diane with applause.

5. Health care insurance costs are skyrocketing. North Hampton and other communities are paying up to \$20,000 per year for family health insurance for their employees. Mike Coutu, Larry Miller and others on the Board thought the town should explore if other programs might be available which are more cost efficient. Larry Miller, in particular, suggested we look for plans that would provide the same benefits for town employees while costing less. In this spirit, David Peck suggested that perhaps a "cafeteria" type plan used by the school department might be explored in which

employees have more choice in the plan that suits their particular needs. Thus, employee needs might be better served while saving the town money.

6. Chief Page and Lieutenant Scippa, of the Police Department, presented the Committee with the rationale for its part of the Selectmen's suggested budget. Before going over the budget figures, Chief Page offered some background facts that he thought might be useful the Committee.
 - a. There are twelve full time police officers and one administrative assistant in North Hampton. The Police Department tries to have at least three officers on duty at any given time (to allow for backup, etc.) and never less than two officers.
 - b. North Hampton has 2.8 officers per 1000 residents. This puts us in the bottom 25% for towns our size.
 - c. There is an average of 900 calls per month made to the Police Department.
 - d. There are about 400 businesses on Route 1 in North Hampton, which in ways big and small, require police attention.
 - e. In a given year, there are about 250 investigations, many of which generate court time for the police. On a given Wednesday, which is North Hampton's day in court, there are typically two to four officers representing the town in court cases.

Whereas most line items in the Police Department budget were slightly more or less than last year, two line items increased significantly. The line item for police overtime increases 35% from \$59,400 for 2007-2008 to \$80,175 for 2008-2009. Chief Page explained this was largely due to two factors. In order to compute time and a half overtime pay in accordance with the Federal Labor Standards Act the 2007-2008 budget of \$35.78 per hour for overtime needs to be adjusted to \$41.11 per hour for 2008-2009. This is a 14.9% increase. In addition, eight officers have worked in North Hampton long enough to have earned an additional eight weeks of vacation time for an increase of 320 overtime hours. Thus, there are more overtime hours costing more per hour. Even though the Police Department will try to manage for the additional overtime hours by using comp time and other methods, it will still be necessary to increase the overtime hour line item significantly in order to pay for this increase.

The second significant budget increase was in the Vehicle Lease line item. The 2007-2008 budgeted amount of \$45,600 will increase \$8,620 to \$54,220 (an increase of 19%) due to the need to lease/purchase, over three years, a new cruiser.

To sum up, the requested Police Department budget would increase from \$1,157,970 in 2007-2008 to 1,206,876 in 2008-2009 for an overall increase of 4.2%. Salaries would also increase by 4.2%.

7. During the discussion concerning insurance coverage for the Police Department, Mike Coutu asked if the Department was covered for "Error and Omission". Steve Fournier offered to check into this and report back.
8. While discussing the Administrative part of the budget, Dave Peck and Mike Golden encouraged the Business Department to be efficient in using human resources, and wise in town investments. Steve Fournier saw that this was his responsibility and he would do it. Don Gould said the BOS was aware of this need and sensitive to it. With this in mind, Steve Fournier suggested it might be wise to hire a person who either knew, or could be trained to know, municipal finance. This position would pay approximately \$24,000 a year. In addition, there was discussion concerning the need for a part time bookkeeper at approximately \$24,000 a year. Larry Miller and Don Gould strongly

recommended that Steve Fournier talk with Penelope Kidd, North Hampton's Treasurer, as she had this expertise, and more.

9. Lastly, Mike Golden made a motion that the Budget Committee requests the North Hampton School Board to supply information in answer to a printed list of fifteen "Information Requests" which he had prepared. Kari Schmitz seconded the motion and it passed unanimously. The "Information Requests" is attached to these minutes.
10. At 11:08 PM, David Peck asked for, and received, a motion to adjourn.