

Town of North Hampton Budget Committee
Minutes of November 8, 2007 meeting

Mary Herbert Room, North Hampton Town Offices

Committee members present: David Peck (Chairman)
Don Gould (Representative from Board of Selectmen)
Kari Schmitz (Representative from NHS School Board)
Larry Miller
Michael Golden
Bob Hamilton (Representative from Little Boar's Head Dist.)
Michael Coutu
Jim Maggiore

Committee member absent: Robert Copp

Also in attendance: Stephen Miller (Chairman, Library Trustees)
Dale Rochford (Secretary, Library Trustees)
Susan Grant (Library Co-Director)
Barbara Dewing
Tom Lambert (Fire Chief)
Dennis Cote (Assistant Fire Chief)
Emily Creighton (Chairwoman, Board of Selectmen)

David Peck called the meeting to order at 7:03 PM

Town Departmental Reviews

Library

Emily Creighton, Treasurer of the Library Trustees, gave a presentation of the library staffing, mission, history, long range plans, and facility. With respect to long range plans, Ms. Creighton noted that the 34 year old, 5625 square foot facility has required little substantial maintenance, however, both the men's and women's bathrooms are not American's with Disabilities Act (ADA) compliant, the library lacks a quiet room, lacks a children's room, has no meeting space, but does provide a wireless environment for computer use and networking.

Library co-director, Lorreen Keating presented the FY 08 – 09 budget reflecting an increase of \$7,431.24 over FY 07-08, increasing from \$325,098.00 to \$332,529.24 or 2.29%. Ms. Keating noted increases from FY 07-08 budget in total salaries (.40% - \$245.895 to \$246,868.24), programs (27.54% - \$3450.00 to \$4400.00), utilities (12.61% - \$11,100.00 to \$12,500.00), maintenance (21.08% - \$5,200.00 to \$6296.00) and media (11.42% - \$44,651.00 to \$49,751.00). Noted of salaries is a 3.6% cost of living (COLA) increase. Additionally the director's salary was readjusted from \$57,000 to \$50,000.

Library trustee chairman, Stephen Miller, cited the proposed salary increases are meant to compensate library employees fairly in relationship to other municipal employees. Noted within programs is an increase in professional development and training. A decrease is proposed for operations (7.88% - \$13,802.00 to \$12,714.00).

The library's Capital Reserve Fund stands at \$100,000.00. As per the 2006 voter approved warrant article this capital reserve fund will receive an additional \$50,000 from the town and matching \$50,000.00 from trustees this year.

Ms. Keeting noted that a library needs assessment will be done in 2008, updating the previous assessment from 2001.

Library co-director, Susan Grant, highlighted library income of \$25,649.83 stemming from contributions to the "conscience jar" (replacing overdue book fees), book sales, copier fees, non-resident fees, gifts, memorials, and fundraising.

Michael Golden asked if the library has a 3 or 4 year tracking of circulation. Ms. Keeting said yes and noted the library currently counts more than 3300 card holders, among the highest number of card holders within the state. David Peck asked for circulation numbers from 2006 for reference. Ms. Keeting also noted that a people counter will soon be installed to track the number of people visiting the library.

Larry Miller questioned whether a 12.61% increase in utility expenses would be sufficient. Ms. Keeting responded by saying examining historical averages and considering the locked price of \$2.35/gallon for kerosene (as per town bid) for heat suggest the increase will be sufficient.

Town Clerk/ Tax Collector

Town Clerk/Tax Collector, Susan Buchanan presented a summary of town collections and the proposed budget for the town clerk.

The collections summary showed total receipts from FY 2000 to FY 2007 (with a reporting date of 07/06/2007) including liens and interest of \$13,728,514.97.

David Peck asked what, if any, percentage of town fees is paid to the state. Ms. Buchanan said no town fees are paid to the state.

Don Gould prepared a Town Clerk/Tax Collector comparison for the committee. Considerable time and discussion was given to the source of an hourly wage increase given to the town clerk.

Ms. Buchanan's hourly wage was \$25.00/hour for a 30 hour work. At the beginning of this fiscal year her wage was increased to \$30.00 per hour. It was noted by Ms. Buchanan and Mr. Gould that as an elected official, Ms. Buchanan is within her rights to set her salary as long as that salary does not exceed the bottom line of the budget. Mr. Gould and Ms. Emily Creighton, chairperson of the Board of Selectmen, had considerable discussion about accurate recollection of the timing, language, and source for this authorization, which was contrary to BudCom direction during the FY08 budget deliberation. Mr. Gould recalled that Mr. Philip Munck, former acting Town Administration, said that he would accept responsibility.

David Peck asked Ms. Buchanan if she was consistently working in excess of 30 hours per week. Ms. Buchanan said she was, but expected her hours to decrease by the end of 2007.

Fire Department

Prior to the budget presentation from Fire Chief Thomas Lambert, Michael Coutu, budget committee liaison to the fire department offered updates to the proposed FY 2009 budget citing vacation schedules during preparation as reasons for the updates. Changes are as follows:

- Line item 01-4220-10-120 Salary updated from \$698,054 to \$695,051
- Line item 01-4220-10-140 Overtime updated from \$175,489 to \$163,372
- Line item 01-4220-10-210 Health Insurance updated from \$260,871 to \$266,463
- Total 10 updated from \$1,423,389 to \$1,416,864 and from 5% to 3.6% increase
- Total 4220 Fire & Rescue updated from \$1,640, 389 to \$1,633,864 and 5% to 4.1% increase

Chief Lambert first introduced Mr. Dennis Cote, new assistant fire chief. He followed with an overview of the fire department including staffing, apparatus profile, key services, calls for service, and mutual aid.

David Peck asked Chief Lambert for a more detailed breakdown of the 229 calls for Fire service during 2007 YTD. The very long list of calls for service included: emergency calls related to smell smoke, explosions, hazardous material spills, downed power lines, aircraft crashes, unauthorized burning, vapors, false alarms, car fires, highway accidents, CO2 detection, and building fires. With respect to building fires David Peck asked how many building fires have been reported 2007 YTD and how many in 2006. Chief Lambert counts 1 (one) structural fire in 2007 and 4 (four) structural fires in 2006.

Larry Miller asked how often the fire department is called for emergencies on Interstate 95. Chief Lambert cited approximately 1 -2 per week.

Chief Lambert further discussed the base salary increases. The proposed FY 2009 base salary for the 14 fire fighters, lieutenants and chiefs is \$695,051 up 1.12% from FY 2008 \$687,359, excluding salary increases for union staff. Cost of living increases are granted within the fire department contract.

David Peck asked Chief Lambert to justify and detail the proposed 15.26% increase (\$141,753 to \$163,386) in overtime costs. Chief Lambert said this increase is based upon the last two years statistics and forecasting anticipated overtime hours needed if there are vacancies. He further explained that if staffing remains consistent and there is a surplus in this line item, the money can be used in other under-budgeted line items.

With respect to anticipated overtime Chief Lambert also noted that sick time is budgeted at 5% of total hours (730 hours multiplied by 12 employees). Michael Golden asked if sick days could be accrued. Chief Lambert responded by saying employees are granted 1 (one) sick day per month accrued year over year with a maximum of 90 days.

David Peck returned to the discussion of overtime specifically related to calls backs and staffing noting the chief's statistic that North Hampton suffered only 1 (one) structure fire to date, smaller budgets in surrounding towns, utilization of part time staff in surrounding towns, and demographics from surrounding towns.

Chief Lambert defended his position with an explanation of daily staffing and shift structure (as per the town's collective bargaining agreement with Local 3211 of the International Association of Firefighters), call analysis (relying upon the experience of the person taking the call), call back procedure (employees are called on a rotational basis based upon their sequence in the shift schedule), vacation time, and sick time.

Noting the fire department's shift structure and staffing are set by contract at an eight week cycle of 4 shifts of 3 people working 24 hours per shift three times and then receiving 5 days off, resulting in 42 hour

work week, Michael Coutu asked rhetorically, how the chief could possibly, whether by mandate of the budget committee of voluntarily, reduce overtime costs. The chief was without a solution.

The chief pointed out that the pending fire department survey should shed some light on among other things, appropriate staffing, call backs, and overtime.

David Peck also questioned the chief on the possibility that the person receiving calls for assistance might be motivated to escalate the seriousness of the call in order to generate more overtime. The chief denied this possibility saying that he and his staff hope for the best in every situation but must plan for the worst.

Don Gould also noted that the voters in North Hampton supported the fire department's three (3) man coverage at the deliberative session in 2004 by adding four (4) new firefighters.

Bob Hamilton asked if the chief and assistant chief are available to respond to calls. The chief said they are. David asked if the chief and assistant chief could possibly stagger their schedules.

At this point David Peck suggested the possibility of a budget committee mandate of a fire department staff change from 3 people to 2 people during shifts where a fireman is on vacation / sick etc..

Don Gould was quick to say that he (on behalf of the Board of Selectmen) would not be comfortable supporting a fire department staffing mandate based only upon fiscal concerns of the budget committee.

Michael Coutu suggested the possibility of using more part time call men to offset overtime cost. Chief Lambert noted call men are used to augment full time staff but, by contract, they are not permitted to fill a position of full time employee.

At this David Peck referred to the number of part time employees used in comparable towns' fire departments as noted in his 2006 fire department budget comparison. Chief Lambert responded by saying an accurate comparison of fire department responsibilities across seacoast and other comparable towns is difficult at best due to the unique characteristics of the make-up of North Hampton: seacoast roads, Interstate 95, Route 1 among notable components.

Bob Hamilton asked for a compelling reason to approve a 15% increase in FY 09 overtime when it appears FY 08 overtime expense will exceed budget.

Responding to Michael Coutu calculations that the department was running with a burn rate that will certainly exceed the FY 08 budget, David Peck pressed the need to reassess the need for a 3 person staff.

David Peck went further to make a motion to request of Chief Lambert the following:

- Detail of calls by incident
- Overtime run rate to existing
- Reforecast of budget by FY end if the current run rate will not change
- Thoughts for change
- Call hours by time of day

The motion was seconded by Michael Coutu.

The motion passed by an 8-0 vote.

Noting the low frequency of actual fire related calls in relation to EMS calls, Michael Coutu then asked if the fire department really needs a new class A pumper truck at the cost of approximately \$550,000.

The chief defended his recommendation of a new, comparable size (3000 gallon) pumper.

Larry Miller questioned how often the tank of the existing truck was depleted. The answer was unclear.

Highways, Street, and Recycling

Mr. Bob Stout presented the proposed FY 2009 budget for highways, streets, and recycling.

Mr. Strout noted the 3% proposed salary increase in contractual. The salary for Mr. Strout has no increase as he is retiring in June of 2008.

David Peck questioned the overtime line item, noting no increase from last year's budget of \$20,000 yet a significant increase (\$20,000 from \$14,744) from the prior year. Mr. Strout responded by saying his analysis is based upon a 4 (four) year historical average. The overwhelming majority of overtime costs related to "Mother Nature"; however, lasses, paving, street sweeping, and catch basin cleaning contribute also.

Mr. Strout noted a 108% increase in equipment rental (\$25,000 from \$12,000) due to rental fees for a front-end loader. Mr. Strout estimates the cost of a new front end loader with a 2.7 yard bucket to be \$135,000 with maintenance agreement.

David Peck asked Jim Maggiore to review the highway department needs related to this item.

David then asked why the line item, asphalt paving, increased from \$40,000 to \$73,399 to \$92,000 over a three year span. Mr. Strout pointed to increase dealer costs.

Michael Golden asked if there is general plan for paving. Mr. Strout explained the town's 10 -14 year paving cycle for paving all the roads in North Hampton.

Michael Coutu asked about asphalt reclaim in paving. Mr. Strout said the town typically shims and pours and overlay.

Michael Coutu asked for an explanation of tipping fees.

To this David Peck asked for a motion asking Mr. Strout for a run rate for tipping fees to analyze the increase in tipping fees cost from \$90,692 in FY 06-07 to \$125,000 in FY 07-08.

The motion was seconded by Michael Coutu.

The motion passed by a vote of 8-0.

Further questions were asked of the profitability of the town's recycling center. Mr. Strout said the recycling center generates approximately \$8,000 per year at a cost of \$50,000 in operational fees. This is largely attributed to the fact that North Hampton does not have mandatory recycling, thus very low volume at the center.

Discussion then turned to review of the minutes from the September 17, 2007 meeting.

The following people made motions to change language of the minutes (with Michael Coutu and Bob Hamilton not voting due to their absence as the 9/17/2007 meeting):

1. Kari Schmitz
 Seconded by Larry Miller
 Motion passed by a 6-0 vote
2. Kari Schmitz
 Seconded by David Peck
 Motion passed by a 6-0 vote
3. David Peck
 Seconded by Larry Miller
 Motion passed by a 6-0 vote
4. David Peck
 Seconded by Kari Schmitz
 Motion passed by 6-0 vote
5. Kari Schmitz
 Seconded by David Peck
 Motion passed by 6-0 vote

The minutes for the September 17, 2007 will be corrected as per each motion by Michael Golden.

Other Business

Discussion turned to a suggestion by Michael Coutu to solicit opinions from residents of important issues concerning the town of North Hampton via a survey.

Michael offered a draft of survey questions, reviewed and edited previously by Don Gould. He also asked for input from other committee members.

The committee discussed delivery options and timing.

Kari Schmitz suggested using the UNH Service Center as a resource.

Emily Creighton suggested that this survey might be better received if it came directly from the budget committee.

As additional reference Kari added that the recent NHS kindergarten survey cost approximately \$1500.00.

David Peck made motion that the budget committee support a resident survey, finalize questions for the survey at the 11/18/2007 meeting, and request \$1500.00 to \$2000.00 from the Board of Selectmen to cover cost of the survey.

Jim Maggiore seconded the motion.

The motion passed by an 8-0 vote.

There being no further discussion, David Peck made a motion to adjourn the meeting at 11:18pm. Jim Maggiore seconded the motion.

Respectfully submitted,

Jim Maggiore