



Town of North Hampton
Budget Committee
Robert Copp
Michael Golden
Don Gould
Robert Hamilton
Jim Maggiore
Larry Miller
David Peck
Kari Schmitz

Budget Committee Meeting *Minutes*

Thursday, November 29, 2007
Town Office Conference Room
Recorded by Larry Miller

Members Attending -Copp, Golden, Gould, Hamilton, Maggiore, Miller, Peck
Members not Attending- Schmitz

Others in Attendance- Emily Creighton, Steve Fournier, Bob Strout, Chief Page, Lt. Skippa, Chief Lambert, John Simmons, Judy Day

The Meeting was called to order by Chairman David Peck at 7:00 pm.

1. Approval of Nov. 19 Meeting Minutes-Changes are additional to annotated copy used for meeting
Page 1- Motion to remove " Discussion, Firefighter CBA". Peck-Miller, 7-0.
Page 2- Change "is keeping the same high percentage increase as in the past few years prior versus slowing down" to "is staying the same relative to inflation as in the past few years."
Page 3-Change "compensation, etc.... as" to "compensation and other relative information ...as"

Motion to adopt minutes as amended- Copp- Gould, 6 yes-0

2. Cable Committee Report, Channel 22-The Budcom discussed Proposed Warrant Article 6, "Establishing the PEG (Public, Education and Government) Access Television Special Revenue Fund". J.A. Simmons led a discussion of the Cable Committee, franchise fees equipment situation and the new Warrant Article. The original cable drop was selected for NHS because it was free. A drop at the Town Complex was ~ \$17k. Funding for Channel 22 is derived from franchise fees collected by Comcast and turned over to North Hampton. Annual funding has grown from \$22k to \$35K annually. Initial equipment is installed in the music room at NHS. The 2006 Warrant Article establishing the non-lapsing account did not include the spending of funds for labor. The 2008 Warrant Article will permit funding for labor and equipment. Several members agreed this Article should have an explanatory note for the voter to fully understand the Article's purpose, need and how Channel 22 is funded. Peck suggested a long term plan for Channel 22 is in order. Simmons explained the long term goal of Channel 22 is to record and broad cast all North Hampton Public meetings. Maggiore asked what would happen if the Article does not pass. Simmons said the needed equipment will be available, but volunteers will be required for the needed labor. Copp asked for the expected life of the already purchased equipment. The equipment is digital and therefore should last about 8 years.

Motion to approve Article 6 as written with the correction of \$108,707.39 to \$39,137.
Peck-Copp. 7-0

3. Departmental Follow-up Topics – Fournier & BOS
Motions for Budget Adjustments – BudCom Members

PD Budget- Chief Page presented the Budcom with a 3 page handout to accompany his discussion of the PD overtime budget. He explained the largest contributor to the OT budget was shift coverage. Officers work 8 and 12 hour shifts, 2 and 3 man shifts. An Officer is called in to cover an opening in a 2 man shift, but openings in 3 man shifts are not covered. This is the Chief's opportunity to manage down the overtime expenses.

Motion to approve the 2008/2009 PD overtime budget at \$80,175. Peck-Copp. 7-0

Highway Paving- The variability of the salt and overtime accounts in the Public Works budget has forced Bob Strout to use the Paving account as compensating fund. Golden noted this practice may compromise road paving. Peck expressed concern for the 30% increase over 3 years in Public Works budget. Gould added that the health insurance retirements costs have increased 47% and 37% respectfully. "Fixed costs are out of control." It was agreed the unpredictable winters make budgeting very difficult.

Motion to approve asphalt Budget as requested. Gould-Hamilton. 7-0

4. Warrant Article Review – Fournier & BOS
Discussion / Motions – BudCom Members

Warrant Article 7, Purchase of a Front End Loader-

The article is a 5 year lease/purchase agreement. SunBelt in North Hampton had been asked for a rental agreement which Bob did feel was advantages. A loader has not been rented by the Town for two years. Strout feels a loader is a need, not a want. Peck questioned the need for a loader. Presently a ramp allows a backhoe to load sand/salt mix in trucks. Strout stated there was no room for a ramp at the new Highway Department location. Peck said he felt renting was an option and the loader was a want, not a need. During a time of rapidly increasing taxes, he believes the lease/purchase is inappropriate.

Motion to recommend Article 7- Gould, Miller. 2 yes, Copp, Gould- 4 no, Golden, Maggiore, Miller, Peck- 1 abstention, Hamilton

Warrant Article 8, Purchase of a Fire Engine-

Chief Lambert provided a 5 page brochure on "Rescue Pumpers" to the committee. Last year, the acquisition of a new pumper vehicle was proposed as a lease/purchase agreement. The DRA mandated the removal of the article from the 2007 Warrant because required Public Hearings were not held. This year, the new pumper vehicle is being proposed as purchase using funds from the capital reserve fund + \$72,000 from taxation. Peck believes a mini-pumper is a better use of taxpayer dollars; concluding structural fires are not very frequent. Hamilton asked the cost of repairs to the existing pumper. \$17,000 has been expended in the last 3 years. In the previous 4 years, this vehicle has been used approximately 50 hours/year. Peck and Hamilton stated more justification was needed for this expenditure. Hamilton believes most emergency calls are related to automobile accidents and fires. Copp stated homeowners insurance is affected by fire equipment available.

Motion to recommend Article 8- Miller, Gould. 1 yes, Copp- 6 no.

Warrant Article 9, Discontinuance of the Highway Equipment Capital Reserve Fund-

Motion to recommend Article 9 as written with the addition of the correct fund balance amount- Miller, Gould. 6 yes- 0 no-1 abstention, Golden.

Warrant Article 10, Discontinuance of the Dearborn Park Capital Reserve Fund-

This is a cleanup of a fund no longer needed.

Motion to approve Article 10 with the addition of the correct fund balance amount- Miller, Peck. 7 yes- 0 no

Warrant Article 11, Contribution to the Road Reconstruction Capital Reserve Fund-

Motion to recommend Article 11 as written with the addition of a note stating funds to be raised by taxation.

Miller, Gould. A discussion of the committee concluded further information was needed.

Gould withdrew his second of the motion. Miller withdrew his motion.

Warrant Article 12, Road Reconstruction

No discussion.

Warrant Article 13, Tennis Court Repairs

Motion to recommend Article 13 with the addition of the correct fund balance-Miller, Peck.

7 yes-0 no.

Warrant Article 14, Demolition of Town Owned Property at 239 Atlantic Avenue and Former Highway Facility

Motion to recommend Article 14- Miller, Gould.

Miller stated this article funds the build-down of two buildings no longer need. Gould stated 239 Atlantic Avenue was purchased for the purpose of land banking for future town needs.

Question called- 7 yes-0 no.

Warrant Article 15, Library Capital Reserve Fund

Motion to recommend Article 15- Miller, Gould. Miller noted a note could be added to the article stating the Library Trustees will match the appropriated funds.

4 yes, Gould, Miller, Copp, Hamilton. 3 no, Golden, Peck, Maggiore

Warrant Article 16, Town Maintenance Capital Reserve Fund

Motion to recommend Article 16- Miller, Peck.

Additional funds are needed to complete the rehabilitation of Town Hall.

6 yes. 1 no, Golden.

Warrant Article 17, Contribution to the Digital Imaging Document Management System Capital Reserve Fund

Motion to recommend Article 17- Miller, Peck. Gould explained the need for converting documents to digital format for use and safekeeping. 7 yes. 0 no.

Warrant Article 18, Contribution to the Mosquito Control Capital Reserve Fund

Motion to recommend Article 18. Miller, Peck.

Bob Hamilton, a member of the Mosquito Control Commission, presented a 1 page report of the Commission's income, expenses and fund balance stated to be \$23,225.

7 yes. 0 no.

Warrant Article 19, Purchase of Mechanical Stretcher

Chief Lambert provided the Committee with an 8 page brochure describing " Power Pro ambulance cots".

Motion to recommend Article 19. Miller, Peck. 7 yes. 0 no.

5. Further follow-up discussions and considerations

Steve Fournier provided the committee with a memorandum, "Debt Service Budget", dated 11-29-07. The purpose was to correct the debt service dollars for fiscal 2008/2009 to \$317,011 from \$424,805. This corrected a clerical error.

Proposed financial positions in the Town Office- Steve Fournier presented the committee with a memorandum, "Financial Services for the Town", dated 11-29-07.

Steve is proposing a part time accountant position for 30 hours per week with a yearly cost of \$40,000 and a starting rate of \$21/hour. The second position recommended is that of a Finance Director for 8 hours per month, 10 hours for audit and training, all at \$75/hour. Yearly cost is to be \$8,000. Total yearly cost of both positions to \$48,000. ADP Services could be brought in house, saving \$15,000 annually. Hamilton expressed his concern that the part time accountant would turn into a full time position, thereby incurring retirement and health insurance costs. Peck presented the committee with a 1 page handout delineating a 5 year history of payroll, overhead, debt service and general services expenses. The comparison shows steady budget creep greater than inflation. Fournier stated there are now no "in house" financial skills. Concern was expressed again that the accountant position would creep into a fulltime position. Creighton and Fournier stated their belief this would not happen.

Motion to reinstate \$48,000 into the operating budget for a part-time accountant and a part-time financial director. Miller, Gould. 7 yes. 0 no.

Discussion of part-time Code enforcement officer.

Motion to deduce funding for a part-time code enforcement officer from \$12,000 annually to \$6,000 annually. Hamilton, Gould. 7 yes. 0 no.

Data processing and software support- Fournier provided the committee with a 2 page memorandum, "Data Processing Budget", date 11-29-07.

Motion to reinstate \$50,000 to the data processing budget as outlined in S. Fournier's memorandum to the Budget Committee dated 11-29-07. Miller, Gould. 7 yes. 0 no.

Chairman Peck adjourned the meeting at 10:37 pm.

Minutes corrected and approved at the Budcom on 1-10-08 at North Hampton School.