

North Hampton Budget Committee Meeting Minutes

Monday, Nov. 17

Mary Herbert Conference Room

Members attending: Robert Copp, Michael Coutu, Michael Golden, Robert Hamilton, Jim Maggiore, Larry Miller, David Peck, Jennifer Simmons, Kari Schmitz

Minutes: Amy Kane

Chairman David Peck called the meeting to order at 7:04 p.m.

1. Minutes of the Nov. 6, 2008 meeting

Motion by Kari Schmitz to approve minutes as written. Second by Michael Coutu. Approved 9-0.

2. Town budget follow-up topics

a. Cemetery

Cemetery Superintendent Kendall Chevalier asked the Budget Committee to reconsider its recommendation to cut the proposed FY 09-10 cemetery budget from \$45,000 to \$30,000. The new building still needs ceilings, sheetrock (roughly \$10,000), and installation of the hot air heating system salvaged from the highway shed (estimated at \$5800), and water.

Mr. Chevalier said he used the \$30,000 in the previous year's budget for mowing, trimming, roads, and monument maintenance. One-half to two-thirds of the grave lots in the town's 4 cemeteries are not under "perpetual care" and state law mandates town appropriations to fund their maintenance.

Mr. Peck said actual expenses for cemeteries was roughly \$20,000 in '05 and '06 and \$30,000 in '07 and '08, but in the last 12 months only \$16,000 has been spent.

Mr. Chevalier said he had not yet addressed driveways, tree removal and monument repair. With the size of the town's larger cemetery doubled, maintenance costs have increased.

In response to questions from members, Mr. Chevalier explained that the principal and interest from the perpetual care funds, held in the cemetery trust fund (roughly \$300,000, according to trustee Richard Bettcher), can only be used for specified lots, not for general care. Lots currently cost \$700. He could not estimate how many were sold per year, as it was variable.

Mr. Miller asked how much money from the trust fund, principal and interest, was being spent. Mr. Chevalier said the cemetery secretary had the numbers. Ms. Schmitz asked what are one-time v. ongoing costs. Mr. Chevalier gave general illustrations of increasing ongoing costs and said \$15,000 was the minimal amount to add back in to the proposed budget.

Mr. Peck said the Budget Committee has three options: as it is a difficult year economically, keep the committee-recommended amount at the status quo; choose a number in between; work with the town administrator to extract one-time capital needs to complete the building and create a warrant article for that amount.

Motion by Larry Miller asking that Mr. Chevalier provide the percentage of cemetery grounds under perpetual care and what available funds are funding that. Second by Kari Schmitz. Approved 9-0.

Motion by Michael Coutu requesting that Mr. Chevalier: provide the one-time expenditures included in the current budget ending June '09; identify those one-time charges to be included in the proposed FY 09-10 budget; provide the amount of interest earned by the perpetual care fund. Second by Kari Schmitz. Approved 9-0.

b. Fire Department

Fire Chief Thomas Lambert made a presentation in response to a Budget Committee request to reduce the Fire Department budget up to \$200,000. Chief Lambert cited the MRI report, saying the level of service by Fire & Rescue adds to the quality of life in town.

Mr. Peck asked how many structural fires there were in the last 12 months. Chief Lambert said 1 or 2. Two per year is average. Prevention, education and upkeep of properties as overseen by Deputy Fire Chief Dennis Cote helps to prevent fires.

Chief Lambert addressed a report showing that the NHFD cost more than other comparable towns in the state, saying the accuracy was open to question. He said the NHFD pay may be premium but residents enjoy exceptional service as evident in the community survey. He said a budget cut would increase response times and challenge public safety.

There were questions and discussion about staffing and costs in surrounding towns. He described the paramedic agreement with Exeter Hospital.

Mr. Peck said the general feeling of the Budget Committee was that, as the number of structural fires has decreased and the number of ambulance calls has increased, more paramedic training and certification would increase the value of the department to the town. Mr. Hamilton said paramedic training would redirect resources to where the need is greatest (with over 500 ambulance calls per year), and would allow paramedic-trained and certified firefighters to earn more money.

Chief Lambert was supportive of paramedic training and said firefighters were willing, but it has not yet been addressed in the collective bargaining agreement.

Chief Lambert reviewed a proposed scheduling plan for firefighters based on recommended cuts to the proposed budget; two employees would be cut. Now there are 5 firefighters working during the day and 3 at night; with reductions, 4 or 3 would work during the day and 2 at night, with 2 "floaters." Man-hours would be reduced from current 30,368 to 19,552.

The committee questioned the scheduling, and Lieutenant Michael Tully helped explain the distribution of man-hours and scheduling, saying the 19,552 was "a worst case scenario." There were questions and discussion of overtime, callback, vacation, and shift coverage.

Chief Lambert said that the workability of the schedule was in question. Employee retention would be more difficult. Two men on duty would increase response times and increase risk of injury. Three people are needed to treat cardiac arrest calls. Fires could grow larger more quickly.

Mr. Golden said the chief was presenting a proposed reduction, but at the same time he was saying it would not work or be supported by firefighters. He said the committee had asked for a proposal up to \$200,000 that would work.

The committee discussed callback and overtime scenarios. Managing and reducing overtime could save a significant amount without requiring employee layoff and reduced coverage. Mr. Coutu said he had reviewed this in detail and it could be done, resulting in an approximate \$100,000 reduction.

Mr. Miller said a reduction in services as well would be warranted this year due to the state of the economy, and that neighboring towns provided the services more cheaply than North Hampton. Mr. Hamilton said that if \$100,000 could be saved in overtime, \$20,000 of that could be spent on paramedic training, with \$80,000 a fair amount to be cut overall.

Mr. Peck said our town was providing fire and rescue coverage by the most expensive means and asked the chief to be part of the solution. Mr. Coutu said the department and select board should work together to develop a workable plan meeting public safety objectives but seeking to cut up to \$194,000.

Motion by Mr. Peck to recommend a cut of \$194,000 in the proposed Fire Department budget. If the cut is met, then the proposed budget is approved by the Budget Committee. If a lesser amount is cut, the Fire Chief and Select Board representative(s) should return to the Budget Committee to justify the lesser amount. Second by Michael Coutu. Approved 8-0-1, with Robert Copp abstaining.

c. Police Department

Police Chief Brian Page addressed inconsistencies in the MRI survey of New Hampshire Police Departments. The MRI shows North Hampton to be among the most costly departments, but this often does not include employee benefits and other associated costs in other towns. The chief shared revised comparison figures showing North Hampton closer to the median in costs per capita.

Lieutenant John Scippa showed that citizen opinion of the department is favorable, as reflected in the recent MRI and Budget Committee surveys, and that citizens do not want a reduction in police services. The police budget is the budget citizens are least willing to cut, according to the Budget Committee survey.

Mr. Peck said the survey also showed that residents strongly favor cutting property taxes, even when they do not want services cut. He additionally stressed that the Budget Committee Citizen Survey was conducted during January 2008, well before the economic downturn.

Chief Page next discussed staffing levels. He said there is no concrete statistical analysis determining the right staffing levels other than "community expectations and needs." He compared North Hampton's police officers (13 full-time) per thousand residents (2.8) with 9 other area towns.

In regard to police staffing and budget, Mr. Coutu said the perception that North Hampton was “way out of bounds” was not true.

The committee and the chief discussed: paperwork and processing vs. active duty time; cost per employee including benefits (\$95,000 to \$100,000); the service impact of one reduction; number of officers per shift; mutual aid; and managed overtime.

Mr. Hamilton said it was not desirable to have a single officer on duty for part of the day and that the chief was willing to do that proved he needed every officer he has. Mr. Coutu said security and protection was now the greatest challenge of society and the police budget should not be cut further. Mr. Miller was in favor of a \$15,000 cut. Mr. Golden said the committee should recognize a department well run and accept the budget as presented.

Motion by Michael Golden to accept the Police Department budget as presented by the Police Chief. Second by Jim Maggiore. Approved 8-1-0, with Larry Miller opposed.

d. Select Board and Town Administration

Town administrator Stephen Fournier reviewed the data processing line item, the proposed health insurance non-lapsing fund, and the auditing fees.

A proposed replacement of 9 computers in the police and fire departments would cost \$7,200. The computers will be 3 years old. There was discussion about whether that could be increased to 4. IT contractor services are budgeted at \$25,000. Before 2007, technology costs appears in each department’s budget.

A local government center attorney advises that non-expended funds from the estimated costs of health benefits cannot be placed into a non-lapsing fund automatically, but that an expendable trust fund could be created at Town Meeting, naming the Select Board as agents for the purpose of offsetting health care costs.

Motion by Michael Coutu that the Budget Committee recommend to the Select Board the creation of an expendable trust fund for health care. Second by Larry Miller. Approved 8-0-1, with Kari Schmitz abstaining.

Motion by David Peck to accept the proposed Select Board and Administration budget with the proviso that the Select Board moves forward with this warrant article and a second warrant article to fund it. Second by Jennifer Simmons. Approved 8-0-1 with Kari Schmitz abstaining.

Mr. Fournier explained that auditing fees were high in FY 08 as compared to previous years and FY 09 because the monies that were supposed to be spent in FY 07 were not encumbered to bring over to FY 08.

Motion by Robert Hamilton to hold the Budget Committee Public Hearing on Thursday, Jan. 15. Second by David Peck. Approved 8-0-1 with David Peck abstaining.

Ms. Schmitz informed the committee that the school books would be available after 3 p.m. on Tuesday, Nov. 25 at the Town Offices.

Motion to adjourn by Robert Copp. Second by Robert Hamilton. Approved 9-0.

Meeting was adjourned at 11:20 p.m.

Respectfully submitted,
Amy Kane