



*Budget Committee Meeting
Approved Minutes
February 21, 2012*

These minutes were prepared as a reasonable summary of the essential content of this meeting, not as a transcription.

1. Review Minutes from Previous Meeting

Chair Martino called the meeting to order at 7:00 PM. Those in attendance were Select Board Representative Jim Maggiore, Dickie Garnett, Margaret Allen, Michael Golden, David Peck, Bob Hamilton, Rick Stanton and Victoria Kilroy.

Chair Martino stated the minutes from the February 15, 2012 would be tabled until the next meeting.

2. Review Operating Budget

Chair Martino stated that they would be reviewing action items and that his goal would be to get through the question from prior meetings regarding the operating budgets.

Chair Martino stated that the first question on the list was whether or not Property Valuation should be a budget item or a warrant article.

Mr. Peck stated that he would like to give a broader perspective of the action items before them. He further stated that if there were to be no further changes to operating expenses, than really the town has come back with the budget committee's goal of being at the 1.5%, and he would then like to say "bless you" and take it from there as they have done their job and done it well.

Mr. Peck stated that he did however wish to go through the questions that the Budget Committee had in case the town were to come back with CBA's (Collective Bargaining Agreements), they will then know roughly how much the CBA's will affect the bottom line, and then make adjustments as necessary.

Bob Hamilton stated that the Budget Committee had asked for a spreadsheet showing employees salaries over the past three or four years, and felt that it had a lot of errors. Mr. Hamilton stated

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that he would put all of the contradictions that he sees in writing and forward a copy to the Town Administrator and the Budget Committee members.

Town Administrator Fournier stated that some discrepancies might be that some employees have bought vacation time or have received overtime pay.

Mr. Hamilton stated that he believed that the merit system is seriously flawed. He stated that he felt employees should receive the same 2 or 2.5% increase that town residents are seeing. Mr. Hamilton stated that with the merit pay, somebody may see a 4% pay increase and some may get zero. He further stated that he would much rather see an employee receive a bonus then to keep getting a 2% increase year after year.

Mr. Golden stated that he has been on the Budget Committee for five years, and he has never seen the town reward people because they need it, it is based on merit.

Chair Martino stated that with the health insurance rates that were received, he felt that it is being budgeted accurately, and the intent of the Health Insurance Expendable Trust Fund was to help budget accurately, and he is comfortable leaving the \$20,000 in the fund this year.

Chair Martino asked Town Administrator Fournier if information had been received from Primex.

Town Administrator Fournier stated that the information had not been received yet, but would get it out to the committee as soon as he receives it.

Chair Martino asked Town Administrator Fournier if he had any further information on Seacoast Hospice.

Town Administrator Fournier stated that they could be eliminated as they are no longer a nonprofit organization and were bought out by Beacon Hospice. He further stated that would now eliminate \$2,000 from the operating budget, and would bring the “all up, all in” budget to a 1.4% increase.

Mr. Peck suggested placing the \$2,000 in a category for “other” if a need arose that a charity needed a donation.

Several members of the Budget Committee did not agree with this suggestion.

Chair Martino made a motion to cut \$2,000 from Seacoast Hospice. Seconded by Mr. Garnett.

Discussion:

Mrs. Allen stated that she would like to see the \$2,000 placed in the General Assistance line item. Chair Maggiore disagreed and stated that the town, by law, has to find the money for General Assistance somewhere in the budget so that line item would never be depleted.

Motion carries 8-1.

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Chair Martino stated that the operating budget was now at \$5,675,880 or approximately a 1.6% increase.

Chair Martino stated that he and Mr. Maggiore spoke with the chair of the Conservation Commission, and that legally it is the Conservation Commission's authority to spend the money in their conservation fund.

Mr. Maggiore stated that the \$10,000 that is being proposed in the Conservation Commission's budget is for day to day operations of the Little River, beach closures and other water testing and sampling that goes on. He further stated that they have applied for a grant, and if it does go through that would be very specific items that would be covered under that grant. He further stated that the grant would be money over and above the \$10,000 that is being proposed and felt that the money should stay in the budget.

Chief Dennis Cote briefed the Budget Committee about the monitoring and testing of the Little River Watershed and the purpose of the grant that was applied for.

Mr. Stanton stated that he feels that the testing and the indentifying should be part of the Conservation Commission's charter. He further stated that with \$460,000 available to them from current use taxes, he feels that it is one of the Conservation purposes that was intended way back when. Mr. Stanton stated that he would argue cutting \$10,000 from the budget and if the grant does not come in that they fund it out of their funds.

Motion by Mr. Stanton to cut the budget by \$10,000. Seconded by Mr. Golden.

Discussion:

Mr. Garnett asked Chief Cote if this testing would be done consistently once the problem is found. Chief Cote stated that a maintenance plan would be established.

Mr. Maggiore stated that he would be concerned to cut the money because if it is needed and it isn't there, they would have to go to the Conservation Commission and ask for the money and they wouldn't have to comply with the request.

Mrs. Allen stated that she felt the money should be kept in the budget as it is an important issue to the community.

Motion fails 3-6.

Chief Cote addressed the questions that the Budget Committee had posed to him, and asked to come back with answers to the Dues and Subscription, Vehicle Maintenance and the Deputy Fire Chief position line items in his budget.

Mr. Stanton stated that his point in raising the issue of a Deputy Chief was to raise the flag to say there is an issue with not having one and to let people know ahead of time what the costs may be.

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Mr. Peck reiterated that he disagreed with the position of Deputy Chief as there isn't the population to support the position.

The Budget Committee discussed the possibility of having one employee at the Recycling Center on Wednesdays.

Town Administrator Fournier stated that there would be a safety issue having an employee there alone.

Mrs. Allen asked if she could get a spreadsheet showing salaries for employees of the highway department as well as the recycling department that shows each employee and the amount earned in highway and the amount earned in recycling.

Chair Martino stated that historic salary information was requested from the Library and was received.

Mr. Stanton stated that a statement had been made by the Library that they have not received a pay increase in three years, yet when looking at the information provided they actually have had increases.

Mr. Stanton asked if the Library has switched to the lower cost Matthew Thornton health insurance plan.

Town Administrator Fournier stated that they have not, and are still receiving the Blue Choice Three-Tier plan, which is the most expensive plan that the town offers.

Chair Martino stated that based on the information they have received, they would like to have the Library come back to the next meeting on March 6.

Mr. Maggiore asked if the Chair would have the Library present salary comps that were more in line with North Hampton as he did not feel it was fair to compare North Hampton to the larger cities of Nashua, Merrimack and Dover.

Mr. Peck agreed with Mr. Maggiore and stated that they should be comparing salaries with towns of similar populations. Mr. Peck also asked for clarification on the FICA employer contribution.

Mr. Stanton stated that the library will potentially be receiving 7% salary increases and the town non union employees would be receiving nothing, and felt that there would be a morale issue building.

3. Review Warrant Articles

Town Administrator Fournier reviewed the following proposed Warrant Articles:

- Contribution to the Health Benefit Stabilization Capital Reserve Fund \$25,000
- Contribution to Earned Time Settlement Capital Reserve Fund \$10,000
- Town Building Maintenance Capital Reserve Fund \$110,000
- Road Resurfacing \$265,000

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- Contribution to the Mosquito Control Capital Reserve Fund \$75,000
- Lease Purchase Agreement for Police Cruiser \$39,000
- Lease Purchase Agreement for Public Works Ford F650 Vehicle \$85,000
- Engine 2 Refurbishment \$50,000
- Change Purpose of Fire Department Equipment Capital Reserve Fund
- Contribution to the Town Revaluation Capital Reserve Fund \$40,000

4. Other

Chair Martino stated that on March 6, 2012 he will be asking for an overview of the current budget.

Town Administrator Fournier stated that as of the end of December approximately 46% of the budget had been expended.

Town Administrator Fournier briefed the Budget Committee on the new Pole Tax for Fairpoint Communications and stated that the town would now receive a potential of up to \$50,000 in revenue.

Motion by Mr. Peck to adjourn the meeting at 9:00 PM. Seconded by Mr. Garnett. Motion carries 9-0.

Respectfully submitted,

Janet Facella, Administrative Assistant

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