

HAMPTON BUDGET COMMITTEE
MINUTES
April 21, 2009

Budget Committee Members Present

Mary-Louise Woolsey, Chairman
Michael Plouffe, Vice-Chairman
Norman Silberdick, School Board Representative
Victor DeMarco
Dick Hansen
Brian Lapham
Eileen Latimer
Jack Lessard
Michael Pierce
Richard Reniere 7:35 p.m.
Larry Stuker
Peter Traynor

Unexcused

Pat Collins

Chairman Woolsey called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was said.

Chairman Woolsey introduced the members of the Committee.

Chairman Woolsey welcomed State Representatives Nancy Stiles, Sue Kepner and Rennie Cushing.

Chairman Woolsey asked if the gas tax was in effect. Ms. Stiles said it is and it will be increased by five cents each year for three years.

Ms. Stiles said that the capital budget that came out of the House Finance Committee pulled the school budget out. Hampton receives about \$6 million for aid plus money for Winnacunnet. These school funds need to be included when the budget goes to the Senate. The Finance Committee did put the \$117,000 for rooms and meals tax back in the budget.

Mr. Cushing said when they came back to the House in January it was clear that the economy was declining. The first goal was to reduce expenditures which was provided for in the budget brought in by the Governor. The Governor took out rooms and meals taxes and the House put it back in. Due to stimulus money coming in there will be a new National Guard training facility outside of Loudon. The Hampton Beach project was considered to be a good investment. There were some hard cuts, i.e., shutting down a

prison. Ms. Stiles said it is important that the Hampton Beach project stays in the budget. She also said she believes the Senate will work the school building aid back in the budget.

Chairman Woolsey brought up the possibility of gambling to raise revenues. She asked for input from the members of the Committee.

Mr. Lapham said he saw no problem with the gambling. Mr. Pierce said he had mixed feelings about gambling and thought it was not a good time to jump onto this. Mr. Traynor said he felt that people coming into our state and using our facilities should be taxed and perhaps it could be an increase in the rooms and meals tax. Mr. Cushing said cities and municipalities can be given the right to charge a tax on rooms and meals.

Mr. Traynor said he felt slot machines should be looked at and possibly a fee could be charged that would go for education, public safety and the general fund.

Mr. Cushing said they are looking at slot machines at racetracks and also the possibility of three large casinos. However there have been objections from law enforcement.

Ms. Latimer said that if the economy continues to decline, crime will increase. It is important to look to the future and decide what can be done to bring tourism back into the state. Ms. Latimer said she was ambivalent about gambling. Ms. Latimer asked what the projected income from the three casinos would be. Ms. Stiles said she did not have the exact figures, but it is a considerable amount of money. Ms. Latimer said she was not opposed, but would want to see it done well and with a tight rein by the state.

Mr. Silberdick said he was indifferent to gambling, but that if it was properly regulated and done with quality and taste it would attract more people. Mr. Silberdick said he was more concerned with cost reductions and an overhaul of the pension system.

Mr. Stuker said he agreed about the pension situation and that it was a far more important issue. He said he has no moral issue with gambling, but the problem is that Connecticut and New Jersey who have gambling have a lot of problems. There are many more costs than people realize – social costs, etc.

Mr. Hansen said he generally agreed with Mr. Silberdick and Mr. Stuker. He said he had no strong feelings against gambling. Mr. Hansen referred to an article from *Forbes Magazine* related to pensions. He said this is becoming a major problem.

Mr. DeMarco said he would like a sensible reliable tax source to support the communities and would be in favor of a state income tax. Mr. DeMarco said that except for certain isolated instances, retired police and firemen really do not receive an unreasonable amount in their pensions. Mr. DeMarco said that he did agree that the pension question

has to be revamped. Mr. Cushing said that the charge that retirees have to pay for medical costs has been increased. Mr. DeMarco said changes should affect new people, but not those who have come before.

Mr. Lessard said it would be fine if the gambling were in nice places, i.e., restaurants, etc.

Mr. Plouffe said that if the gambling was done the proper way and controlled, it would be a good thing. He said he did not believe it would be a windfall due to the cost to control it. If out of control, it could be very dangerous. Mr. Plouffe said the pension problem is more pressing. Promises were made and now there is no funding.

Chairman Woolsey said this is a symptom of what is happening country-wide. If the State of New Hampshire is going to put these benefits in place then the State had better watch what it is doing. The towns are not responsible for this. Somebody in the Legislature should sit down and start figuring out what to do about this retirement problem. Chairman Woolsey said she was personally opposed to gambling. She said she could live with the concept of the tracks having a little gambling, but is opposed to casino gambling.

Chairman Woolsey asked when it would be possible to see the budget. Mr. Cushing said it would be available June 30th.

Mr. Silberdick said he felt it was a waste of stimulus money to redo 101 when so many state roads need to be fixed. Ms. Kepner passed around a letter explaining that 101 does need work and it is important that it be done.

Mr. Reniere said NH is a gambling state now because of lotto tickets, race tracks, etc. Mr. Reniere said he would like to see the same structure as in Massachusetts where a lot of revenue goes back to the communities.

Chairman thanked the three Representatives for attending the meeting. Mr. DeMarco said he wanted to compliment the five Representatives for doing such a great job.

Approval of Minutes – March 17, 2009

Moved by Mr. Plouffe, seconded by Mr. Lessard, to approve the Minutes of March 17, 2009.

Vote: 9 yes, 0 no, 3 abstentions (Hansen, Silberdick, Stuker). Motion passed.

Chairman Woolsey said that RSA 91-A:2 II now allows the Town's website to be one of the two required posting locations for meetings. However, to comply with the RSA, each board or committee needs to vote to include the Town website as one of the two locations.

Moved by Mr. Pierce, seconded by Mr. Stuker, to include the Town website as one of the two required posting locations for meetings in compliance with RSA 91-A:2 II.

Vote: 11 yes, 0 no. Motion passed unanimously.

Chairman Woolsey said a request needs to be made to the Board of Selectmen for an emergency plan for big weather events.

Ms. Latimer said it was clear from the first day after the ice storm that there was no plan. This is not something that can be put off any longer. Mr. DeMarco said there was plan, but apparently it was not used.

Chairman Woolsey said the Board of Selectmen should be asked if they are entertaining a warrant article for a cable revolving fund.

School Board Report

Chairman Woolsey discussed the current problem of opposition to the School Board's decision to change curriculum and cut staff. She said there will be a meeting Thursday night at Marston to review the problem. Chairman Woolsey said it is important to remember that any savings in the budget the Committee approved would not come into play until the fall of 2010. Chairman Woolsey said she felt there was a lack of communication and it was a public relations disaster. She said she would have hoped that when the school budget was being discussed last year there would have been some indication that this move was being considered.

Mr. Silberdick said there had been a concern about excessive planning time for the teachers. This had been a chronic complaint. In an executive session, a plan was submitted to change the format to a vertical level of teaching. The main goal was to change the amount of planning time. Mr. Silberdick said the sequence of information flow was poorly executed. The word got out to the public before the press release. Mr. Silberdick said the emphasis in the new format will be on reading, writing, math skills and computer technology. This will go back to core competencies. This will result in a \$780,000 reduction in budget. What will happen to this money has not been discussed.

Chairman Woolsey said the School Board has total control of its budget which was passed. She said she would expect that they would spend the money on other expenses, and if there is an excess, it would be returned to the Town.

New Business

Moved by Ms. Latimer, seconded by Mr. Pierce, that any single member of the Budget Committee acting on behalf of the Committee, present their intentions to the Committee.

Vote: 11 yes, 0 no. Motion passed unanimously.

The School Sub-Committee was discussed. Chairman will be Eileen Latimer and members are Peter Traynor and Larry Stuker with Vic DeMarco as alternate.

School District Moderator Cliff Pratt sent a letter to the Chairman of the Budget Committee asking for a member of the Committee to serve on the committee to study the withdrawal of Hampton from the SAU. The Chairman appointed Eileen Latimer, current school sub-committee Chairman, to serve as the appointed member.

Mr. Pierce said he did not feel Ms. Latimer should serve both as the Chairman of the school sub-committee and as a member of the committee to study the withdrawal of Hampton from the SAU.

Moved by Mr. Pierce, seconded by Mr. Silberdick, that the appointment of Eileen Latimer to the committee to study the withdrawal of Hampton from the SAU be reconsidered.

Vote: 2 yes, 8 no (DeMarco, Lapham, Latimer, Lessard, Plouffe, Reniere, Stuker, Traynor), 1 abstention (Woolsey). Motion defeated.

Adjournment

There being no further business to come before the Committee, Mr. Lessard **moved**, seconded by Mr. Stuker, that the meeting be adjourned. The motion passed by unanimous vote.

The meeting adjourned at 9:50 p.m.

Respectfully submitted,

Joan Rice

Mary-Louise Woolsey, Chairman