

HAMPTON BUDGET COMMITTEE
MINUTES
December 10, 2009

Budget Committee Members Present

Mary-Louise Woolsey, Chairman
Michael Plouffe, Vice-Chairman
Jerry Znoj, Selectman Representative
Charlotte "Peppa" Ring, School Board Representative
Pat Collins
Victor DeMarco
Dick Hansen
Brian Lapham
Eileen Latimer
Jack Lessard
Michael Pierce
Richard Reniere
Larry Stuker
Peter Traynor

Chairman Woolsey called the meeting to order at 7:00 p.m. She said this was the final work session for the 2010 Budget.

The Pledge of Allegiance was said.

Chairman Woolsey introduced the members of the Committee.

Chairman Woolsey asked for a moment of silence for former firefighter John Genthner and former Hampton Selectman Frank Fitzgerald who recently passed away.

Richard Reniere asked that everyone remember our military who are serving during this Holiday Season.

Approval of Minutes of November 17, 2009

Moved by Mr. Lessard, seconded by Mr. Znoj, to approve the Minutes of November 17, 2009.

Vote: 13 yes, 0 no, 1 abstention (Ring). Motion passed.

Estimated Revenues were discussed.

Moved by Mr. Plouffe, seconded by Mr. Lessard, to approve \$6,142,154 as Estimated Revenues for 2010.

Chairman Woolsey said this amount is \$84,358 less than last year.

Vote: 14 yes, 0 no. Motion passed unanimously.

Chairman Woolsey said that through Mike Schwotzer, Finance Director, she had asked that the Town Attorney provide a legal opinion to the Budget Committee concerning the legality of a vote taken by the Board of Selectmen on October 26, 2009 regarding EMS revenues. Chairman Woolsey read a memo from Fred Welch, Town Manager, dated December 3, 2009, saying that the Town Attorney is ethically precluded from responding to this request and that perhaps an opinion should be obtained from the Local Government Center. Mr. Welch also said in his memo that he had directed the Finance Director and the Town Attorney to ascertain how much has been expended by the Town on the Hannaford case. However this case has not been concluded.

Chairman Woolsey then read a memo dated December 4, 2009, which she sent to Mr. Welch asking that the Budget Committee be informed of all costs for the Hannaford case once it is concluded. In this memo, Chairman Woolsey also stated that the Budget Committee was not looking for a legal opinion regarding the EMS fund. They are asking for clarification on Article 19 on the 2006 warrant which was written by the Town Attorney.

Chairman Woolsey then read a memo dated December 8, 2009 from Town Manager Welch stating that the Board of Selectmen will be submitting a warrant article to have the Town clarify the use of the EMS fund. The article will address whether or not the funds can be used as a revenue to be applied against the tax rate.

Chairman Woolsey said the Committee was not asking for a legal opinion. Should a legal opinion be sought from the NH Municipal Association free of charge, they could not provide one if there is a perceived conflict of interest between the Budget Committee and the Board of Selectmen. Attorney Gerald did draft Article 19 (EMS Fund) and Article 21 (Police Revenue Fund) and what is wanted from him is a rationale for developing those articles which do not clarify the essence of the revenue funds. Articles submitted to the public should be as clear as possible. It would help if Attorney Gearreald would advise as to why he structured the articles the way he did. These funds have always come in as a revenue for the specific purposes for which they were intended. These funds function outside of the operating budget and pay for themselves.

Mr. Traynor said he felt diverting these funds was a disservice to the Town.

Ms. Latimer said the Legal Department was established to establish clarity. Parts were omitted from Article 19. Ms. Latimer said she didn't know why a department is being funded when the articles are not clear.

Mr. Znoj said when the Board of Selectmen reviewed the budget in September there was close to \$500,000 excess money in the EMS fund. There were no intentions to take money out of the fund after it was in there. The BOS would regulate money going in. Mr. Znoj said the Board of Selectmen are trying to safeguard the interest of the taxpayers.

Richard Nichols, Selectman, said that even with the purchase of a new ambulance there will still be \$300,000 in the fund. What the Board of Selectmen have said is that they will not let that year-end balance be higher than \$175,000.

Mr. DeMarco said it was first perceived that the Selectmen were going to take money out of the fund. Then they realized that they can't take it out. They can only take it before it goes in the fund. Mr. DeMarco said it was his opinion that when the article was passed, the public believed they would be funding ambulances.

Chairman Woolsey said the Committee had asked over the years to maintain some kind of consistency in the budget presentation. She said it is difficult to compare year to year unless there is a reasonable format. She said she wanted to see where overspending on a line was allowed and where underspending was done on another line.

Mr. Nichols said the revised budget will show this. Chairman Woolsey said she still believed it should be clear why allocations were made. It was decided to discuss this issue next April.

Chairman Woolsey asked Vice Chairman Plouffe to present a motion for an operating budget proposal totaling \$24,305,073.

Moved by Mr. Plouffe, seconded by Mr. Stuker, to change the operating budget figure to \$24,305,073, and to forward that figure to the public hearing.

Chairman Woolsey said additions were made to the Police and Fire Departments, Planning and Library. Deductions came from Transcription, Data Collector, MIS PT, Legal PT, Staff Development and Tipping Fees.

Mr. DeMarco presented an operating budget proposal totaling \$24,364,484. This budget went back to the Town Manager's recommendations for the Police and Fire Departments. Adjustments were reductions in various areas of public works. This is a reduction of \$10,250 from the default budget.

Mr. Hansen left the meeting at 8:30 p.m.

Chairman Woolsey said she will be submitting a warrant article that would end commercial trash collection. This would reduce tipping fees and there would be savings in many areas of Public Works.

Mr. Nichols said he believed there needs to be a plan for ending commercial trash collection. This has been in effect for many years. Mr. Welch said there would need to be a meeting with the business owners and then try to help them get one vendor for trash collection.

Selectman Griffin said he was opposed to ending commercial trash collection.

Mr. Stuker said he believed the Committee had a consensus with the Town Manager's recommendations on Police and Fire which were included in Mr. DeMarco's proposal. Mr. Collins expressed his agreement with Mr. Stuker.

Amendment moved by Mr. DeMarco, seconded by Mr. Stuker, to change the operating budget figure to \$24,364,484 and to forward that figure to the public hearing.

Vote: 11 yes, 2 no (Pierce, Znoj). Amendment passed.

Chairman Woolsey then asked for a vote on the main motion as amended.

Vote: 11 yes, 2 no (Pierce, Znoj). Motion passed.

The next meeting will be Tuesday, December 15, 2009, at 7:00 p.m. in the Selectmen's Meeting Room at which time there will be a final review of the School District Budget and Revenues for 2010-2011.

Adjournment

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

The meeting adjourned at 9:52 p.m.

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Respectfully submitted,

Joan Rice
Secretary

Mary-Louise Woolsey, Chairman