

Town of Hampton
Board of Finance
Regular Monthly Meeting
Tuesday, February 11, 2014
7pm
Hampton Town Hall

Meeting Minutes

Call to Order: The meeting was called to order at 7:00pm by Chair Jeff Clermont.

Members present: Ed Adelman, Nick Brown, Jeff Clermont, Dan Meade, Penny Newbury.

Alternates present: Luciann Norton, Michael Higgins.

Members/alternates absent: Rick Matejka, Rheo Brouillard.

Michael Higgins was seated for Rick Matejka.

Also present: 1st Selectman Al Cahill, Selectman Bob Grindle, Treasurer Ellen Rodriguez, HES Board Chair John Burnham, Recording Clerk Kathi Newcombe and a few audience members.

Citizen Comments: None.

Approval of Minutes: Penny moved and Dan seconded to approve the minutes of the 1/14/14 meeting; motion passed unanimously.

Presentations: None.

Reports/Action:

- 1st Selectman: Al reported that the Selectmen have been working on a first draft of the General Government budget. Since town employees have not received a pay increase in at least two years, he proposes a 3% cost-of-living increase for all employees, with an adjustment in the 1st Selectman salary to \$30,000 as well as an adjustment for the transfer station attendants to \$16 and \$18 per hour since they have been underpaid compared to surrounding towns; those with adjustments will not receive the cost-of-living-increase (COLA). Nick asked for justification for the 1st Selectman increase; Al and Bob responded that Hampton's 1st Selectman salary was the lowest in the area by far, with Chaplin at \$43,000 and Scotland around \$40,000. Mike thought that a 3% increase for employees was reasonable and that he thought especially the Public Works Department does a great job. Al added that the Public Works Department also does a wonderful job in maintaining town equipment in-house. Penny also praised the PW Department, and stressed the difference between a "raise" and a "cost-of-living increase". Ed asked if the COLA was tied in to some index; Al responded that if so, the percentage would have been higher; he is trying to be frugal but equitable and treat town employees as close to equally as those employed by the elementary school that have received regular increases the last several years. There will be no increase in the Ambulance Corps budget request, but there is a need for some serious maintenance on some of the fire department equipment totally around \$75,000, \$59,000 of which is in a Capital/Non-recurring (CNR) fund set up for that purpose and the rest will need to be funded in this budget; in addition, the increase in health insurance,

contracted as part of the RD11 insurance pool, could be as high as 28% in comparison to around 2% per year for the last several, with a target figure in the high teens. Bob Grindle noted that the town is paying far less for health insurance since four years ago with adjustments in who can receive the benefit and the employees' premium share. The Board of Selectmen (BoS) appointed a working group to work with the consultants on the school study. An amendment was made to the original study proposal which will cost an additional \$6,500 to be split among the three towns; Al plans to include that cost in the regional performance grant applied for. On 2/18 shortly after 7pm there will be a meeting at Chaplin Town Hall with the Chaplin BoF and BoS regarding the Ambulance Corps; Al suggested that a Board of Finance (BoF) representative be present as well as two (Bob Grindle and Mike Chapel) from our BoS, in order to discuss how to maintain the viability of the Ambulance Corps; Jeff offered to attend.

- Tax Collector:

The monthly Tax Collector's reports had been distributed previously to members via email. There were no questions. Al noted that \$25,000 had been collected early that day from a delinquent tax situation.

Penny moved and Dan seconded to accept the tax collectors report; motion passed unanimously.

- Board of Education (BoE):

The monthly Board of Education reports had been distributed previously to members via email. There were no questions on the reports.

HES BoE Chair John Burnham stated that the BoE has started working on the school budget which is currently proposed at nearly a 5% increase. 1% contractual increase with certified staff, 1% in health insurance premium increase, the rest representing the Superintendent's suggestion to restore the positions cut this fiscal year when the budget finally passed. By the end of March he anticipates a pretty firm budget which will be lower than the current proposal, and he will provide an update at the next BoF budget meeting. Per Nick as HES BoE liaison, the certified staff are receiving contracted increases, the non-certified staff are receiving increases according to a step increase on a salary scale set up last year, others not covered by contract or salary scale are proposed to receive a 2% COLA. There will be a several thousand dollar deficit in the cafeteria fund, due to maintenance costs, reduced usage of cafeteria services and an increase in the number of students receiving free or reduced-price lunch. No other school districts have expressed interest in a joint transportation contract so a Request for Proposal (RFP) is going out to various transportation providers to cover just Hampton; the Board will continue to look at routes. The BoE will work on reducing their proposal.

- Request for transfer from Capital/Non-recurring fund. Chairman Burnham thought an original request from the Superintendent to the Chair of the BoF may have been misplaced in the transition to the new BoF. The amount was far lower than anticipated due to some suggestions for alternatives made by the 1st Selectman. The resolution was also acceptable to the State Department of Health.

Dan moved and Penny seconded to approve transfer from the HES Capital/Non-recurring fund of \$9,151 to reimburse HES for the cost of modifications made to the school well; motion passed unanimously.

- Board of Finance (BoF) Committees

- HR Committee

Nick noted that he saw Scotland has job descriptions on their website; Dan responded that almost all towns have job descriptions. Nick and Jeff both thought that the Treasurer and Tax Collector job descriptions should contain a stronger statement that desirable qualifications are not requirements for elected positions. Penny suggested "or

a combination of experience and education” to be added to the statement “desirable” all of which should be bolded. Nick suggested “Associates or Bachelors degree” for Treasurer job description. There were questions about the final versions of the job descriptions; Penny noted that the former Chair had made suggestions which had been incorporated.

- Treasurer:

Ellen asked if her responses to last month’s questions were sufficient; the response was affirmative. She presented two transfers requests to cover two overspent line items in the current fiscal year budget.

Penny moved and Michael seconded to approve the transfer of \$52 from line item# 6011-03 IWWA mileage to line item# 6011-04 IWWA DEEP land use fees, and \$156.11 from line item# 6201-01 Road maintenance to line item# 6201-00 Road Paving; motion passed unanimously.

Ellen made changes suggested by the auditor to the base budget document; she will forward a new copy of the draft budget at the same time as the other reports are generated to distribute to BoF members for review prior to the meeting.

Ellen noted the material weakness from the auditor was internal controls, ongoing for several years and the subject of a letter from the State Office of Policy and Management. She will forward an email from the auditor outlining a suggestion to another town with this material weakness on how to deal with it, to be forwarded to full BoF. The essence of the suggestions is that someone should be checking to be sure that the procedures outlined by the Treasurer are actually being completed. Nick asked if the purpose of the audit is to assure that all procedures are being followed; the response was the town needs to take responsibility for that assurance.

Al and Bob both stated that there are many crosschecks with invoices against timesheets.

Michael asked if there is a procedure for completing and approving timesheets; Al noted that Public Works outlines on the back side of their timesheets exactly what they are doing every day; Mike thought all employees should be following the lead of Public Works in reporting their time in detail; Ellen will review.

Nick asked about the increase in the net cost of all governmental activities and the decrease in education spending in the audit. Nick also asked about the \$200,000 of additional appropriations on page 26; he also asked about the uninsured/uncollateralized amount of \$628,126 and why the insured and non-insured do not add up to total bank balance. Nick also questioned why the budgeted and actual amounts for road paving matched exactly; the response was that the town uses every dollar that (and sometimes more than) is budgeted. Ellen will contact the auditor with the questions and get back to the Board.

Nick also suggested that the town could do something to increase the amount of interest the town earns on its savings. Ellen will research the possibilities and get back to the Board.

The monthly Treasurer’s reports had been distributed previously to members via email. There were no other questions.

- Other: None.

Correspondence: A packet from WINCOG that Jeff will review and report back on at the next meeting.

Old Business:

- Approval of job descriptions:

Nick moved and Ed seconded to approve the job descriptions as presented with amendments to all elected job descriptions to bold “highly desirable ...” statement on all elected job descriptions and expand the education requirements on the Tax Collector and Treasurer job

description to “Associates or Bachelors degree or combination of <the appropriate number of years’ experience> or education”; motion passed unanimously.

- BoF website page update:
Ed had previously sent out a suggested description for the Board of Finance, culled from the State Statutes and the Handbook for Boards of Finance. Dan asked about “complete control over town finances” – he suggested that taxpayers ultimately have control. Nick suggested deleting the sentence; Penny thought it should stay in as a catch-all. Ed noticed that a few corrections need to be made. By general consensus, the description was approved for publication; the Recording Clerk will correct and forward to the town Administrative Assistant. It was agreed that the statement would be reviewed once more after it is uploaded to the webpage. With members’ approval, their names on the webpage will have an email address attached.
- Calendar of budget worksessions:
Nick withdrew his previous request to consider scheduling some of the budget worksessions on Wednesdays rather than Tuesdays.
Penny moved and Dan seconded to schedule the next batch of four budget worksession meetings: 4/15, 4/22, 4/29 and 5/6, all Tuesdays, at 7pm; motion passed unanimously.

New Business:

- 2012-13 Annual Report: Recording Clerk Kathi Newcombe distributed copies of the 2011-12 Annual Report for new members/alternates to review, and reported the submissions received for the 2012-13 annual report as well as those outstanding; she will continue to pursue submissions from those entities that have not yet responded.
- 2014-15 Budget draft: covered under 1st Selectman and Treasurer’s reports.

Citizen Comments: Stan Crawford gave kudos to HR Committee on the great job done on the job descriptions and praised Nick for bringing up finding ways to increase the interest earned on the town’s funds.

Suggestions for Agenda of next monthly meeting (3/11):

- Procedure for seating alternates set by statute
- Annual report

Set the Date, Time and Place of next meeting: The next meeting will be a budget worksession on March 4th at 7pm, and the next regular monthly meeting will take place at 7pm on Tuesday, March 11th.

Adjourn: Meeting was adjourned at 8:37pm.

Respectfully submitted,
Kathi Newcombe,
BoF Recording Clerk