

Town of Hampton
Board of Finance
Special Budget Meeting
Thursday, April 4, 2013
7pm
Hampton Town Hall

Meeting Minutes

Call to Order: The meeting was called to order at 7:04pm by Chair Rheo Brouillard.

Members present: Rheo Brouillard, Stan Crawford, Margaret Haraghey, Penny Newbury, Luciann Norton, Paul Wakely.

Alternates present: Jeff Clermont.

Members/alternates absent: Dan Meade.

Others present: 1st Selectman Al Cahill as ex-officio member, Selectman Bob Grindle, Treasurer Ellen Rodriguez, Recording Clerk Kathi Newcombe.

Citizen Comments: None.

Library Board Request: No request or action.

Transfer Station Contract: 1st Selectman Cahill reported that the Board of Selectmen, along with the Scotland Board of Selectmen, signed on to a ten-year contract with Donahue. The transfer station has been permitted for another ten years, and the owners were willing to give a discount (rate of inflation plus 1.5% per year) with the longer term agreement from the current 5% annual escalator. In addition, the cost share between Hampton and Scotland has been modified from the current 55/45 split to an even 50/50 split, due to the loss of population in Hampton. Trucking costs for disposing of the trash and recyclables will not increase next year.

Rheo asked about the problems with the landfill brought to light by the Transfer Station Operator several months ago; 1st Selectman Cahill stated that there is no longer unauthorized access to the transfer station and there has been a tightening of the examination of stickers.

Jeff asked about the possibility of purchasing the land instead of leasing; 1st Selectman Cahill informed him that it had been looked into in the past by previous administrations but not acted on because of concerns about liability, which the town has anyway even with the lease. Jeff also asked about regional landfill options; 1st Selectman Cahill responded that it may require townspeople to travel quite a distance to dispose of their trash.

Rheo asked about the impact to the proposed budget; the response is that revenue should increase and expenses decrease because of the more favorable split with Scotland, with the net savings being about \$1,600.

2013-14 Budget Worksession: The Board of Selectmen have scheduled the annual town meeting for Thursday, May 16th which would require a Public Hearing no later than May 2nd. There was discussion as to whether this would give the Board of Finance a large enough window of time to thoroughly review the proposed budgets and get all questions answered from any entities the BoF asks to come before it to justify their requests. It was decided to ask the HES BoE to come on Thursday, April 18th if possible

and the Ambulance Corps on Tuesday, April 23rd to talk about their requests. The BoF would like to hear from the RD11 BoE but that Board is not required to come before this Board.

Board members examined the latest budget document and had the following questions:

Stan questioned the increase in 6000.01 First Selectman Salary, up \$3,645 or 14.97%. The Board of Selectmen had discussed increasing this line item, at the urging of the Selectmen salary committee, for several years, but it was “never the right time.” Response was that it is a start toward a reasonable salary in order to attract qualified people to run for the position; it was also stated that the salary in Hampton was by far one of the lowest in the area. Health insurance for elected officials is being phased out, creating an even greater need to adjust the salary. The other Selectmen felt that it was more important to increase the salary for the 1st Selectman rather than increase the other Selectmen line items.

Penny asked for written documentation of the need for the increase in both the 1st Selectman salary and 6000.04 Administrative Assistant, up \$2,600 or 16.88%; Selectman Grindle will bring to the public hearing and town meeting.

Stan wondered if any of the amount in 6003.02 Town Clerk Land Records was covered by grants; Treasurer Rodriguez reported that \$4,000 was a State Preservation grant.

Margaret questioned why there was no 1% increase for 6003.02 Town Clerk Assistant when it was stated that there was a 1% increase across the board; Treasurer Rodriguez thought that the hourly rate would increase but fewer hours would be used.

Margaret asked about the decrease in 6006.02 Assessor Clerk; Treasurer Rodriguez will check with the Assessor.

Stan asked what was included in 6007.03 Town Hall Maintenance; response was mowing, shoveling, and a cleaning service.

Margaret asked about the change in 6009.01 Election Registrars Pay and 6009.02 Election workers, and asked if they included the 1% increase; response was need is based upon anticipated number and types of election events, and the increase is included.

Stan stated that 6011 IWWA items were reduced because of decreased activity and 6011.04 DEP Land Use Fees are just passed through, collected and paid to the State.

Penny questioned 6010.10 P&Z Professional; response was Professional Development representing membership fees and dues.

Rheo asked about the drop in 6011.02 IWWA Legal Notices; response was an anticipated drop in need based upon the current year’s actuals could drop this line back to \$300.

Margaret wondered why the 6013.12 Street Light showed a decrease when there was an additional street light; response was lower electric rates.

Paul asked about the amount in 6013.02 Transfer Station Telephone when transfer station employees have cell phones; response was it was a public safety issue.

Stan wondered how the new HVAC would affect costs of fuel at the town hall.

Paul asked about the possibility of solar panels on the town garage roof; response was that it would negate the warranty on the roof; solar panels would have to be placed elsewhere as ground-mounted.

Stan also asked if the panels which had been placed on the school and town hall roof were cost-effective; response was that grants had offset much of the cost and electric bills were now lower. More solar panels can be erected.

Margaret asked about revenue match for solar energy; response was that the revenue does not have to match the expense.

Rheo wanted to know why 6016.02 had increased by \$5,000; response was that the Green Energy Committee was applying for an additional \$5,000 grant which requires matching funds; funds will not be spent if the grant is not received.

Paul asked about the increase in 6100.03 Ambulance and questioned why the entire amount requested was not included in the budget, and thought that it was money well spent; response was that the BoS decided to only partially fund the request and would be willing to set aside some funds toward a replacement ambulance.

Al noted that a request was just received from the Building Official for an additional \$700 in 6100.08 Building Inspector Supplies for new code books, not reflected in the current budget document.

Stan asked if 6100.04 911 Dues was based on per capita; response was yes.

Al noted that he would like to add an additional \$670 to 6900.00 Insurance & Bonds to bump up liability insurance from \$3 million to \$5 million; was increased to \$3 million in the current budget because he felt the town was too exposed at \$1 million.

Stan asked if the town utilized bulk storage of gas and diesel fuel or invested in futures for them, also if the town pays road tax; response was no to storage and futures, and Treasurer Rodriguez will check on the road tax question.

Paul asked about the increase in 6201.02 Road Maintenance – Payroll; response was that it was a pay adjustment for a job grade change for a Public Works employee who is far underpaid for his expertise and performance.

Stan noted that the library and librarian were lumped into a single line item; it was explained that the librarian would be an employee of the Library Board which would reduce the town's liability and treat this private organization the same as others such as the Fire Company and Ambulance Corps, which both get a lump sum and determine for themselves how the stipend is spent. In addition, workman's comp and social security formerly paid for by the town will also be included, as well as a one-time fee to allow the Library Board to employ a payroll service to pay the Librarian.

Stan asked about the overall decrease in the 7600 Dog Fund; response was that NECCOG charges a flat per capita rate, and the town gets better coverage from NECCOG.

Stan thought that the amount allocated to 7000.00 was small; response was that it was set at an amount that reflected its use in the past, that the BoS will come before the BoF for additional funds if they are needed.

Penny questioned the C/NR accounts for land acquisition vs open space, and she and Paul talked about the confusion between the two; response was that there was a town resolution requiring \$10,000 be allocated to land acquisition each year, but open space does not have such a stipulation. Margaret noted that the resolution was made in error for land acquisition instead of open space. Al noted that monies have been spent from both accounts within the last year. Penny felt that an allocation of \$1 in open space would be interpreted as the town not valuing open space.

Rheo thought that the BoF had the ability to add to or subtract from line items; response was that the BoF can only impact the bottom line, not individual line items.

Stan asked about the apparent interest reflected in 8100.00 and 8110.00; response was the interest rate was 3.5%.

Margaret asked if 5100.07 LOCIP revenue and 6202.00 LOCIP expense amounts should match; response was that the expense listed was too low by over \$12,000 and would have to be corrected.

Treasurer Rodriguez noted that the PILOT funds would be restored as well as the Transportation Grant according to CCM.

Stan asked if the town received any cell tower revenue; response was that the town receives two small checks each year.

Stan asked if school bus fuel was included in the bus contract; Treasurer Rodriguez noted that 5850.05 School Bus Fuel would increase to \$26,800 to match HES's payment from the school budget.

Rheo calculated that 5850.06 Scotland's Share Transfer Station would increase by about \$2,000 due to the new agreement.

Penny asked if there was consideration of reinstating the fees for transfer station permits in line 5850.09; response was that permits will be issued when residents pay their tax bill. Scotland will continue to charge for permits. Hampton's BoS felt that taxpayers are taxed enough and the service should be included without additional charge.

Paul asked about 5850.07 Sale of Recyclables/Equipment reduction; response was that there was less in recyclables and they were getting a reduced amount.

Luciann asked what was included in 5850.06; response was reimbursement to Hampton for transfer station salaries, portable toilet rental, phone and utilities. The two towns are billed separately by Donahue and Willimantic Waste.

Rheo expressed concern about the RD11 budget increase, noting that it constituted the entire increase in the bottom line of the budget, also noting that the general government budget had actually decreased. He had asked for and received a lot of historical information from RD11 about student population and past budget and town allocation figures. It was noted that any information about students who are attending private schools or public schools at their own expense (other than Parish Hill, tech schools, vo-ag programs and outplacements) must be gleaned from the State Department of Education. The RD11 BoE will not entertain suggestions to use more of their fund balance (which is over 5%) to offset the allocations to the towns. Rheo noted that the RD11 Superintendent claims RD11 cannot take on the transportation costs for their students, that it's the town's responsibility; Al refuted that and noted that RD8 is putting out an RFP for transporting its students. Hampton's share of the RD11 budget increase, at \$173,139, is almost entirely due to the increase in Hampton's census from 87 to 94.

The bottom line as it stands represents a deficit of \$189,379 which would equate to a 1.25 mil increase without any allocation from the general fund. The general fund balance is about 15% of budget, which is at the high end of the auditor's recommendation. There was general concern about adjustments that would have to be made in next year's budget process as a result of revaluation.

Jeff asked what the BoS recommendation of what to do to make up the deficit; the response was that last year the BoS planned to take about \$93,000 from the general fund but that couldn't continue every year.

Rheo asked Treasurer Rodriguez for information concerning the activity, both plus and minus, in the general fund over the last four or five years.

Rheo suggested that the Board would have to question the HES BoE on their budget, and would then have to make some decisions about the total budget and how to fund the shortfall.

Jeff asked if any more communication had come from the Youth Sports Committee; the response was no. He expressed concern that as a private organization they would have to schedule use of the town recreational facilities and have to provide their own liability insurance.

Date, Time and Place of next meeting: The next meeting will be the regular monthly meeting on Tuesday, April 9th at 7pm in the Town Hall Community Room. The next budget meeting will be on Thursday, April 18th at 7pm.

Adjourn: Meeting was adjourned at 8:20pm.

Respectfully submitted,
Kathi Newcombe,
BoF Recording Clerk