

Budget Committee

11 Main Street, Hampstead, New Hampshire 03841-2033

January 18, 2024 Minutes

A meeting of the Budget Committee was held on Thursday, January 18, 2024, at the Hampstead Town Hall, 11 Main Street, Hampstead, NH. This meeting was broadcast live on HCTV 16.

PRESENT: Robert Weimar, Lewis Eaton (Ex-Officio), Lilli Walsh, and Steve Bates.

- Final Review/Approval of Report to the Town

The board had received a final version of the Report to the Town and Chairman Weimar asked if there was any question or comment to the document. Weimar stated he had asked the school to review and agree with the report recommendations, but he has not heard back yet.

Cable informed the committee that there was a problem with the recording and the group paused for 5 minutes until the problem was rectified.

The board began review of the Report to the Town starting with DPW, Weimar informed the group that money from Buildings & Grounds was transferred to the newly created DPW department. There was also a DPW increase relating to shifting labor costs.

Walsh commented that she had not reviewed the document. Weimar stated he wanted to make sure the numbers are correct and asked that the Table on page 26 be reviewed for accuracy. Weimar stated that any comments are needed asap for inclusion. Weimar stated he is awaiting a response from D. Smith regarding the School section of the report.

Weimar commented that the biggest question on the budget will be the 14% increase from 2023 to 2024, the bulk of the increase is a result of solid waste increase of \$360K, HFD of \$360K, and DPW of \$270K; each of these budgets increased 20%. Weimar stated he feels the Report to the Town explains the reason for the increases.

Weimar asked the group if they had any comment on page 33 and there was none. Weimar stated he added the Library's Strategic Plan to their section of the document. Weimar stated he also added the newly created form for health agencies as an appendix item. Weimar stated he would like agreement from members on the document in order to distribute.

Walsh had a spelling correction on the Health & Welfare section. Weimar added there are a few health & welfare individual warrant articles versus those that are already included in the budget. Weimar stated the document will go to the BOS for a final review at their 1/22/2024 meeting. Bates commented that the document looks good and hits all the key points.

MOTION: Walsh made a motion to approve the Final Budget Committee document for publishing and distribution.

SECOND: Bates

VOTE: 3-0

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- Review of Warrant Articles

ARTICLE 4

To see if the Town will vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling 10,274,080 (Ten Million Two Hundred Seventy-Four Thousand and Eighty Dollars). Should this article be defeated, the default budget shall be \$10,004,478 (Ten Million Four Thousand Four Hundred Seventy Eight Dollars) which is the same as last year, with certain adjustments required by previous action of the Town or by law; or the governing body may hold one special meeting in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

MOTION: Walsh made a motion to recommend Article 4 as supported by the Budget Committee.

SECOND: Bates

VOTE: 3-0

ARTICLE 5

To see if the Town will vote to approve the cost items included in the 3-year collective bargaining agreement reached between the Hampstead Board of Selectmen and the New England Police Benevolent Association Local No. 37 of New Hampshire, effective April 1st, 2024, which calls for the following increases in salaries and benefits at the current staffing levels:

Estimated Increase:

		Fiscal Year 1 9 months	Fiscal Year 2 12 months	Fiscal Year 3 12 months	Fiscal Year 4 3 months
Salary Changes	wages	\$ 60,511	\$38,334	\$26,401	\$ 6,625
Shift Differential		\$ 2,034	\$ 678		
NHRS	31.28%	\$ 17,300	\$10,775	\$ 7,323	\$ 1,836
FICA	7.65%	\$ 381	\$ 297	\$ 230	\$ 58
		\$80,227	\$50,084	\$33,954	\$8,519
Benefits		<u>\$ 675</u>	<u>\$ 250</u>		
TOTAL		\$ 80,902	\$ 50,334	\$33,954	\$8,519

and further to raise and appropriate the sum of \$80,902 (Eighty Thousand Nine Hundred Two Dollars) for the current fiscal year, such sum representing the additional cost attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year.

Weimar commented that there is a 3-4% increase for police salaries which seems reasonable.

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MOTION: Walsh made a motion to recommend Article 5 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

ARTICLE 7

To see if the Town will vote to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in the existing Building Repairs and Maintenance Expendable Trust Fund.

Chairman Weimar commented that this is currently how projects are funded, if the cost is less than 10% it is not part of the Capital Improvement Program (CIP).

MOTION: Walsh made a motion to recommend Article 7 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

ARTICLE 8

To see if the Town will vote to raise and appropriate the sum of \$6,000 (Six Thousand Dollars) for the Vic Geary Center.

Weimar commented this article is a health & welfare item and stated that 20 Hampstead residents received over 1,400 meals as well as activities offered at Vic Geary. Historically the town has supported this organization.

MOTION: Bates made a motion to recommend Article 8 as supported by the Budget Committee

SECOND: Walsh

VOTE: 3-0

ARTICLE 9

To see if the Town will vote to raise and appropriate the sum of \$8,657 (Eight Thousand Six Hundred Fifty-Seven Dollars) for the SoRock NH.

Weimar stated he does not know a lot about SoRock NH and indicated they provided 400 Hampstead residents with service in 2023 and 2022. Eaton stated SoRock is an education program and the residents served are students. Weimar commented that going forward Hampstead should be discriminating since this organization charges \$1 per resident.

Walsh commented that the revenue for SoRock was in the millions. Walsh stated she feels they have lots of sponsors and money from other avenues. Weimar asked Bates for his comment, Bates stated they claim they spent 90% of dollars on the mission which is efficient. Walsh stated she has no objection to the work; as a Budget Committee member she feels she has a fiduciary responsibility to the residents of Hampstead.

MOTION: Weimar made a motion to recommend Article 9 as supported by the Budget Committee

SECOND: Bates

VOTE: 2-1 (Walsh)

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ARTICLE 10

To see if the Town will vote to raise and appropriate the sum of \$5,000 (Five Thousand Dollars) for Isaiah 58.

Weimar commented that Isaiah 58 served 11 families in 2023 and added the nature of the services varies. Eaton commented that they presented to the BOS. Weimar stated he has concerns with recommending, there was limited information, and he is not sure what was provided to Hampstead. Bates commented he feels there is decreasing efficiency of the group. There is a staff of 3 that includes \$130K in salaries representing 18% of the budget.

Walsh suggested adding "grants" received to the form for health & welfare groups. Walsh stated Isaiah 58 provides case management support, food, help with utilities; it sounds like social service activities. Weimar stated the nature of what they do is important.

MOTION: Walsh made a motion to recommend Article 10 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

ARTICLE 11

To see if the Town will vote to raise and appropriate the sum of \$1,200 (One Thousand Two Hundred Dollars) for Waypoint, formerly known as Child and Family Services.

Bates commented that the group has reasonable salaries and seems pretty efficient. Bates stated the group tracks benefits, and he accepts the request. Walsh commented that this group gets money from Rockingham County as well sponsors and donations from other groups. Bates commented that 12 families per year have received benefits. Weimar commented that he wouldn't be surprised that they helped a lot of folks. Walsh stated \$20.1 million was the 2021 revenue, she doesn't feel money from Hampstead makes a difference. Weimar stated he personally doesn't have a problem supporting this organization, the request of \$1,200 breaks down to \$100 for each family served.

MOTION: Walsh made a motion to recommend Article 11 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

ARTICLE 13

To see if the Town will vote to raise and appropriate the sum of \$12,000 (Twelve Thousand Dollars) to be placed in the existing Hampstead Public Library Building Maintenance Non-Capital Reserve Fund.

Chairman Weimar commented that the library budget did include maintenance items. Weimar commented that he has seen a list of the needs. Weimar feels it needs to be reviewed next year to see how the money has been spent.

MOTION: Walsh made a motion to recommend Article 13 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

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ARTICLE 15

Shall the Town vote to establish a Capital Improvement Plan Capital Reserve Fund under RSA 35:1 for the purpose of funding projects as recommended in the Town's Capital Improvement Plan adopted under RSA 674:5 which include but are not limited to road construction, construction, reconstruction, and acquisition of capital improvement, and the acquisition of equipment, and to raise and appropriate the sum of \$1 (One Dollar) from the unassigned fund balance. Further to name the Board of Selectmen as agents to expend from such fund. This article shall be null and void if Article 14 does pass.

Weimar discussed the CIP program and recommendation to establish a fund. Weimar stated that in 2022 a warrant article established a capital reserve fund only for new buildings. Weimar added that something like roadway improvements could not be funded via the current fund. Weimar stated this article, as well as #14, will expand the scope of what the money can be spent on. Weimar stated the CIP will be recommending money on projects next year.

Weimar stated Articles 14/15 will keep the final decision on how the money is spent with the BOS with recommendation from the CIP.

MOTION: Walsh made a motion to recommend Article 15 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

ARTICLE 16

To see if the Town will vote pursuant to RSA 72:39-b to modify the elderly exemptions qualifications from a net income of not more than \$35,000 to \$40,000, or if married, from a combined net income of not more than \$50,000 to \$70,000 and assets not in excess of \$100,000; and to modify the elderly exemption based on the assessed value for qualified taxpayers to be as follows: for a person 65 years of age up to 75 years of age from \$150,000 to \$210,000; for a person 75 years of age up to 80 years of age from \$200,000 to \$280,000; and for a person 80 years of age or older from \$230,000 to \$322,000. To qualify, the person must have been a New Hampshire resident for at least 3 consecutive years, own the real estate individually or jointly, or if the real estate is owned by such person's spouse, they must have been married to each other for at least 5 consecutive years.

Weimar stated the BOS discussed this at a recent meeting, these recommendations were made by MRI (the assessors) since the dollar amounts haven't been adjusted in several years.

MOTION: Walsh made a motion to recommend Article 16 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

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ARTICLE 17

To see if the Town will vote pursuant to RSA 72:37-b to modify the exemption for the disabled and/or blind qualifications from a net income of not more than \$35,000 to \$40,000 or if married, from a combined net income of not more than \$50,000 to \$70,000 and assets not in excess of \$100,000 and has been a New Hampshire resident for at least 5 years, own the real estate individually or jointly, or if the real estate is owned by such person's spouse, they must have been married to each other for at least 5 consecutive years.

Chairman Weimar commented that this is the same issue as Article 16 except with regard to the disabled/and or blind.

MOTION: Walsh made a motion to recommend Article 17 as supported by the Budget Committee

SECOND: Bates

VOTE: 3-0

- Review/Approval of Press Release regarding **Petition Warrant Article #19** to see If the Town shall adopt the provisions of RSA 32:14 to establish a municipal budget committee.

Weimar stated that historically the Budget Committee has been advisory only with no formal responsibility and no authority to prepare the budget. Weimar stated that a municipal budget committee will also include the school. Weimar stated that the Municipal Budget Committee becomes the authorizing agent of the budget.

Weimar distributed an article from NHMA regarding Municipal Budget Committee roles and responsibilities. Weimar stated the current board makes recommendations only; this would change all departments including the school would report to the Budget Committee. Weimar stated he feels this would require someone familiar with budgeting. Weimar felt this is taking away roles from Tina, Sally, the BOS and School administration; people who have more fiscal experience than himself. Weimar stated another point is that it is hard to get folks to volunteer for advisory committee and a municipal budget committee would be more responsibility. Weimar feels it will create more administrative and political issues. Weimar stated the current BOS hasn't had an opportunity to really expand their authority.

Walsh stated there is no reason to object to Petition Warrant Article #19; why not want an authoritative board. Walsh stated she has lots of experience with budgets in the past and added there are lots of smart folks in Hampstead capable of being on a municipal budget committee. Walsh thinks the process would still be the same and each department would prepare their own budget.

Weimar stated he disagrees as the governing body would be the Budget Committee versus the BOS; the approval would change from BOS/School Board to the Budget Committee. A new group yet to be determined, also if #19 passes there is no way to elect members and they would be appointed by the town moderator.

Weimar feels that this would be an overlay group and will not improve the process. Weimar commented that this year the Budget Committee has provided a more expanded view of budgets. Weimar added as the Budget Committee becomes more sophisticated, they will be more

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proficient. Weimar stated that this group has done more than in the past to provide information to the public.

Bates stated he is not sure of the impact of Article 19; however, we can't staff a 5-person advisory board and #19 is more involved, there are lots of unknowns. Bates commented that the BOS seem to be against the proposal as more information is needed. Walsh stated she doesn't see the problem with more eyes. Walsh stated she agrees that the work this year was informative. Walsh stated let the taxpayers decide and vote.

Weimar feels the need to make a recommendation; feels at this point the committee is starting to get the level of cooperation needed and wants to continue in future years. Weimar commented that the biggest part of the budget would be salaries; lot of salaries are made via union contracts, Weimar feels a municipal budget committee would further complicate negotiations. Weimar stated he does not see how a municipal budget would add more value than what they have done.

Walsh stated she does feel the process would change. Walsh commented that maybe people don't want to be part of a board that has no authority. Weimar asked what the impact of taking authority away from BOS/School Board.

Walsh feels other towns do fine. Weimar feels it becomes a political matter. Weimar stated the existing process is somewhat reasonable; he personally feels this change would be disruptive. Walsh commented that citizens have a right to put forward a petition warrant article.

Soucy informed the group they would not be voting on Petition Warrant Article #19 since there is no dollar amount associated with the article.

Chairman Weimar brought the discussion back to the letter to the Town from the Budget Committee regarding Article #19. Weimar asked the group if they feel a letter is warranted. Bates feels the board should provide a letter since the majority of the public won't understand. Walsh suggested explaining the difference between an advisory budget committee versus a municipal budget committee. Weimar stated he would amend the document to simply present the facts of each board and send the document to the group for approval.

MOTION: Bates made a motion to accept the stance of the Press Release re: Petition Warrant Article #19 based on all members review/approval

SECOND: Walsh

VOTE: 3-0

MOTION: Walsh made a motion to accept the 12/6/2023 minutes as presented/amended

SECOND: Bates

VOTE: 3-0

MOTION: Walsh made a motion to adjourn at 8:50 PM

SECOND: Bates

VOTE: 3-0

Minutes prepared by Debbie Soucy, Secretary