

Town of Hampton
Board of Finance
Regular Meeting
June 10, 2020
7:00 PM
Zoom Meeting

Call to Order: The meeting was called to order at 7:00 PM.

Roll Call/Seating of Alternates: Kathy Donahue, Diane Gagnon, Perry Matchinis, Ed Adelman, Nick Brown, Kathy Newcombe and Alyssa Languth.

Staff and Others Present: First Selectman Al Cahill, Selectman Bob Grindle, Treasurer Ellen Rodriguez, Hampton Elementary School Board Chairman Rose Bisson, members Mark Becker and Maryellen Donnelly, Zoom Meeting Host John Guskowski and Recording Secretary Dayna McDermott-Arriola.

Motion: Perry Matchinis, seconded by Diane Gagnon, to seat Kathi Newcombe for Lisa Sanchez. Motion carried unanimously.

Correspondence: Vice-Chairman Donahue announced that Joan Fox's request to access the recording of the May 13 meeting has been satisfied, and that the recordings of all meetings have been posted on the Town website. She also received a request from the Assessor for the mill rate after it is set so that tax bills can be sent on time.

Citizen Comments:

Penny Newbury asked if there was, or would be, a Town Meeting for discussion, or dissolution, of the Board of Finance, or any other matters. Vice-Chairman Donahue stated that the Public Hearing was scheduled to obtain input on the municipal and elementary school budgets, but that, per Executive Order, the Board of Finance approves the budgets this year. She stated that she was unaware of any pending meetings on other Town matters.

Lisa Grady advocated for the \$4000 request for the Seniors' Organization. She also expressed concern that the group's former treasurer, Stan Crawford, has not transferred financial materials to the new treasurer, Kathi Newcombe.

Board of Education Chairman Rose Bisson reminded the finance board that a member could be appointed as an observer to the upcoming contract negotiations with the Hampton Education Association.

Approval of Minutes of April 29, 2020 Special Meeting, Minutes of May 13, 2020 Regular Meeting, and Minutes of May 20, 2020 Special Meeting.

Motion: Diane Gagnon, seconded by Perry Matchinis, to approve the Minutes of the April 29, 2020 Special Meeting. Motion carried unanimously.

Motion: Ed Adelman, seconded by Kathi Newcombe, to approve the Minutes of the May 13, 2020 Regular Meeting as amended to include, under **Report of Regional District #11**, "Ed Adelman reported that, *according to the assessment comparison of the three towns*, 58 students from Hampton attend Parish Hill Middle/High School." Motion carried unanimously.

Mr. Adelman also questioned Kathi Newcombe's statement that the "Board of Finance is the last line of defense for taxpayers," stating that he doesn't see himself in this role; however, Ms. Newcombe stood by her statement.

Motion: Perry Matchinis, seconded by Diane Gagnon, to approve the Minutes of the May 20, 2020 Special Meeting with the following amendments: under **Town Government Budget**, "Motion carried, 4 – 2"; "...with the exception of the Land Acquisition account, which requires annual funding *per a vote of the Town Meeting*"; "...it was decided, by general consent, to review each department *line item by line item*"; under **Board of Finance**, "Motion: *Kathy Donahue*, seconded by *Perry Matchinis*, to appropriate \$250 for 6012.03 Computer Support"; under **Public Works**, "Motion: Nick Brown, seconded by Perry Matchinis, to reduce the line items for gasoline *and* diesel by 5%, or \$1,463; "Motion: Perry Matchinis,

seconded by Diane Gagnon, to separate the line item for Road Paving to its own Department...Motion carried 4-1-1"; under **Capital & Non-Recurring** "...with the exception of Land Acquisition which is funded annually *per a vote of the Town Meeting*".

In Favor: Kathy Donahue, Perry Matchinis, Nick Brown, Ed Adelman, Kathi Newcombe

Opposed: Diane Gagnon

Motion carried, 5-1.

Reports/Actions

First Selectman: First Selectman Cahill announced that Griffin Road has been paved at a cost of \$36,845, and the pavilion on the Town Hall campus has been completed by volunteers, predominately members of the Mennonite community. The materials for the pavilion cost \$20,000; there were no other expenses incurred as electricity was installed at the site years ago and there was no excavation involved; however \$10,000 - \$15,000, no longer budgeted in this year's Building & Grounds CNR, will be required for paving and landscaping. First Selectman Cahill also announced that John Valente intends to resign as the Wetlands Enforcement Officer as soon as a replacement is found. He reported that, per Executive Order, a Town Meeting will be necessary prior to the end of June, with the sole allowable consideration the election of a member to the Regional District #11 Board of Education. Plans for conducting this Town Meeting are underway.

Tax Collector: the report of the Tax Collector will be attached to the Minutes when available.

Treasurer: Vice-Chairman Donahue added to the list of the Treasurer's requests for transfers \$500 from #6012.02 Board of Finance Legal to 6012.01 Board of Finance Administration to compensate for technology support for meetings.

Motion: Perry Matchinis, seconded by Nick Brown, to approve the following transfers: \$790 to Town Counsel # 6004 from Contingency # 7000; \$2.00 to Treasurer Mileage # 6005-03 from Treasurer Postage # 6005-06; \$1415 to Election Cards, Ballots, Maintenance from #6009-01 Election Registrar Pay; \$54 to Town Garage Telephone #6013-09 from Transfer Station Electricity #6013-01; \$75 to Community Center Supplies #6013-17 from Community Center Cleaning # 6013-15; \$570 to Building Inspector Clerk # 6100-10 from Contingency #7000; \$90 to Town Garage Maintenance #6201-07 from Road Maintenance Payroll OT #6201-03; \$500 to Board of Finance Administration #6012.01 from Board of Finance Legal #6012.02. Motion carried unanimously.

New Business

a. Discuss and Act on FY2020-2021 Municipal Budget

First Selectman Cahill presented a list of additional reductions to consider:

\$4000 from #6201.07 Garage Maintenance: Members agreed to affirm the First Selectman's recommendation on maintenance needs.

Motion: Ed Adelman, seconded by Kathi Newcombe, to cut Garage Maintenance from \$7402 to \$2000. Motion carried unanimously.

\$2000 from #6406.00 Seniors: First Selectman Cahill advocated for halving the request from \$4000 to \$2000, claiming that there were sufficient funds in the organization's checkbook. Nick Brown pointed to the \$4300 Stan Crawford said was in the checkbook, and the fact that the organization was once self-funded, to justify the cut. Ed Adelman suggested that members consider a compromise of \$3000. Kathi Newcombe questioned why the Town was spending \$25,000 per pupil yet was not willing to provide the Seniors, of which there are many, with \$4000 annually. Perry Matchinis suggested that an explanation of expenses would be helpful. Diane Gagnon reiterated the need for kitchen utensils, explaining that the amount of meals provided, the participants, and the price of food

have all increased considerably. Vice-Chairman Donahue noted that meals are not the sole services the organization provides. No one responded to a call for a motion.

\$500 from #7100.03 C.A.T.S: Calling the funding redundant, First Selectman Cahill reminded members of the communication he sent on NECCOG's services. Though Diane Gagnon spoke to the responsiveness of the organization in dealing with the problem of feral cats, other members were troubled by the notion of the Town donating to an organization.

Motion: Perry Matchinis, seconded by Nick Brown, to reduce the donation to C.A.T.S. from \$500 to \$0.

In Favor: Kathy Donahue, Perry Matchinis, Ed Adelman, Nick Brown

Opposed: Diane Gagnon

Abstention: Kathi Newcombe

Motion carried 4-1-1.

Vice-Chairman Donahue stated that she would make a private donation to the organization.

\$2000 from #7500 Solar Energy/Efficiency: First Selectman Cahill stated that there were no active projects to fund, adding that the school's funding for projects will utilize a grant from Eversource and money in the account.

Motion: Kathi Newcombe, seconded by Diane Gagnon, to reduce Solar Energy/Efficiency from \$2000 to \$0.

In Favor: Kathy Donahue, Diane Gagnon, Perry Matchinis, Kathi Newcombe

Opposed: Ed Adelman, Nick Brown

Motion carried, 4-2.

\$10,000 from #7500 Land Acquisition: Though First Selectman Cahill advocated for removing the \$10,000 annually placed in the Land Acquisition CNR Account per a vote of the legislative body, claiming that it could be negated this year due to the Governor's Executive Order, members questioned the legality of negating the annual amount.

Motion: Ed Adelman, seconded by Diane Gagnon, to negate the \$10,000 for Land Acquisition.

Motion failed, unanimously.

\$5825 from #6012 Board of Finance if ordinance is rescinded: No discussion.

First Selectman Cahill reported that the contract with KB Ambulance is \$51,600; paramedical costs remain the same. It was determined that the amount in Contingency, \$15,000, is deemed adequate. Perry Matchinis requested that the line item for Road Paving be renamed "Paving Services and Materials".

There was discussion on adding a line item to the budget for Covid-19 related expenses in the current budget and for FY2020-2021. First Selectman Cahill reported that thus far the Town has spent \$250 for a Zoom subscription, \$500 for communications, and \$1,500 for hazard pay for Transfer Station employees, which will be discontinued when the State enters Phase III of the reopening plan. These expenses should be reimbursed through Covid-19 Federal Grants. Vice-Chairman Donahue reported that the elementary school has spent \$36,431 in Covid-19 related expenses, also reimbursable; additional costs will be dependent on State mandates and recommendations. Town officials have met with the Building Inspector and a local contractor to discuss the removal of walls between some classrooms to allow for sufficient space for social distancing. The Treasurer reported an approximate \$115,000 surplus, which will be reduced to \$79,000 due to the cost of paving Griffin Road. After outstanding bills are paid, the surplus is estimated at \$75,000.

Motion: Kathi Newcombe, seconded by Nick Brown, to add \$25,000 to a line item for Covid-19 related expenses to the FY2020-2021 budget.

In Favor: Kathy Donahue, Ed Adelman, Nick Brown, Kathi Newcombe

Opposed: Diane Gagnon, Perry Matchinis.

Motion carried, 4-2.

The Board recessed at 8:57PM. The Meeting reconvened at 9:06.

Motion: Kathi Newcombe, seconded by Ed Adelman, to approve a \$5,291,918 budget for FY2020-2021.

In Favor: Kathy Donahue, Diane Gagnon, Nick Brown, Ed Adelman, Kathi Newcombe.

Opposed: Perry Matchinis.

Motion carried, 5-1.

b. Discuss and Act on Setting the Mill Rate for FY2020-2021

Treasurer Rodriguez reported that the mill rate is currently 25.82, and with the approved FY2020-2021 budget, it will be 25.83. Perry Matchinis stated that some of the anticipated \$75,000 surplus should be returned to the voters in the form of a lowered mill rate, reminding members that the impetus for reducing accounts was the financial impact of the pandemic on taxpayers. Kathi Newcombe stated the addition of a line item for the current fiscal year for Covid-19 related expenses could consume \$40,000 of the surplus. Members concurred with Vice-Chairman Donahue that the process for this would require verification from the Town auditor. Treasurer Rodriguez cautioned members that the surplus was largely due to revenue from permits issued for the Solar Field; First Selectman Cahill said that the Solar Field would be taxable as of October. Ed Adelman stated that the mill rate, without using some of the surplus to lower it, is basically the same as last year and suggested that taxpayers prefer a consistent tax rate. Kathi Newcombe countered that taxpayers prefer that their taxes are lowered.

Motion: Perry Matchinis, seconded by Kathi Newcombe, to set the mill rate at 25.5 for FY2020-2021.

In Favor: Kathy Donahue, Perry Matchinis, Nick Brown, Kathi Newcombe, Diane Gagnon.

Opposed: Ed Adelman

Motion carried, 5-1.

Treasurer Rodriguez was asked the amount in the undesignated funds, which she reported after the motion was made and before the vote was taken, as 21% of the operating budget.

Additions to Agenda: none.

Audience for Citizens

Lisa Grady spoke to the Town's financial and moral obligations to our elderly residents, advocating for the additional funding for the Seniors' organization, providing a brief history of the costs associated with the luncheons, and explaining that the increase in participants has strengthened the network that provides additional services to elderly residents whose families are not near. Nick Brown thanked those involved and expressed his intention to assist in the future. Perry Matchinis said that a quantitative plan for expenses would be helpful in making financial decisions. Ms. Grady replied that the initial request listed specifics, reiterating the difficulty of that task when the new treasurer has yet to receive the financial materials. Diane Gagnon clarified that the purchase of equipment has been postponed because of restrictions related to Covid-19. First Selectman Cahill said that \$2000 unspent in the current year's budget, \$2000 budgeted for next year, and \$4300 in the checkbook is an exorbitant amount, and compared the "greatest generation" of the past with the present "culture of victims" to stress that there is sufficient funding to provide for our senior neighbors.

Jessie Samios stated that her comments related to the changes the finance board made after the Public Hearing and she was, therefore, precluded from sharing them prior to the finance board's votes. She suggested that each department submit estimates of Covid-19 related costs, and that expenses should

dictate the mill rate. Perry Matchinis explained that the percentage of undesignated funds, typically at 12% of the operating budget, impacts the amount the State awards in grant funding, and that if the percentage was known prior to making the motion, he would have moved to drop the mill rate lower. Vice-Chairman Donahue and Nick Brown agreed that the Audience for Citizens, in the future, should occur before the final vote on the budget and the mill rate so that citizens can comment on the changes the finance board makes during their meeting.

Suggestions for next Agenda: Vice-Chairman Donahue stated that a special meeting would be scheduled after information from the auditor on the transfer of funds was obtained. She requested that members send suggestions for future agendas to the Vice-Chairman, the Recording Secretary, or the Board of Finance email address. She thanked all participants.

Adjournment: There being no further business to come before the Board, the Meeting adjourned at 10:10PM.

Respectfully submitted,

Dayna McDermott Arriola
Recording Secretary

This is a draft version of the Minutes until approved by the Board of Finance.