

Town of Hampton  
Board of Finance  
Regular Monthly Meeting  
Tuesday, March 12, 2013  
7pm  
Hampton Town Hall

Meeting Minutes

**Call to Order:** The meeting was called to order at 7:00pm by Chair Rheo Brouillard.

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

Alternates present: Jeff Clermont, Dan Meade.

Members/alternates absent: Thayne Hutchins.

Others present: 1<sup>st</sup> Selectman Al Cahill as ex-officio member, Treasurer Ellen Rodriguez, Recording Clerk Kathi Newcombe.

**Approval of Minutes: Penny moved and Margaret seconded to approve the minutes of 2/12/13; motion passed with Stan & Margaret abstaining.**

**Citizen Comments:** None.

**Presentations:** None.

**Reports:**

- **First Selectman:**  
1<sup>st</sup> Selectman Cahill reminded the Board of the referendum on 3/14 to vote on the items reported last month. He reported there may be a shortfall in the health insurance line due to the separation agreement with the public works employee and the short deployment orders (less than six months) of another public works employee; he may be able to make up the shortfall within the public works department but he'll know more next month.
- **Tax Collector:**  
The monthly Tax Collector's reports had been distributed previously to members via email. Rheo noted that the collections are slightly ahead of this time last year. 1<sup>st</sup> Selectman Cahill noted that the Board of Selectmen is working in conjunction with the Tax Collector with seriously delinquent taxpayers on implementing a variety of strategies to collect those back taxes. There were no questions.
- **Treasurer:**  
The monthly Treasurer's reported had been distributed previously to members via email. Treasurer Rodriguez noted that the format of the payments report had changed. Rheo asked for clarification of the totals on the income page of the budget vs actual report. She said that she has started working on the budget, receiving requests from all departments/boards except for Registrar and Building Inspector and noted that the receipt of those requests would allow the budget to be ready to be worked on next week. Rheo asked about the format of the budget vs actual report and what is included in each column. He also questioned the status of some seemingly underspent line items, in particular the school bus fuel line which was only 33% expended effective the end of February; Treasurer Rodriguez noted that the BoE may not be

aware that there is a savings in bus fuel and may have overbudgeted the line. Rheo also asked about the timing of the ECS grant revenue receipt. Treasurer Rodriguez requested two transfers to cover cost overruns.

- Transfer request.

Treasurer Rodriguez noted that one of the transfers was to cover legal notices.

Margaret stated that town legal notices should be published in the Hampton Gazette whenever possible to reduce expenditures; Penny noted that publishing the ordinances in the Gazette several years ago saved thousands of dollars.

**Penny moved and Margaret seconded to transfer \$120 from #6001-03, Tax Collector Equipment and Supplies, to acct. # 6001-08, Tax Collector Postage – Legal, and \$55 from acct. # 6001-02 Tax Collector Assistant, to acct. # 6001-06, Tax Collector Computer Support; motion passed unanimously.**

- Board of Education:

No one was present from the HES Board of Education. Rheo noted that he had asked to meet with HES Board Chair John Burnham to discuss the school budget in general, but Chair Burnham had not yet responded.

- Board of Finance Committees

- HR Committee: Penny reported that the Committee had scheduled three meetings with paid elected officials and town employees to discuss any concerns about revising job descriptions and the charge of the Committee; the meetings were well attended. She also said that the Committee already had several job descriptions ready to be approved by the full BoF and wanted direction on how to proceed. Rheo suggested that the Committee wait until all job descriptions had been updated, put into standard format and reviewed before they are brought to the full Board for approval. Penny also noted that the Committee has several questions for the Town Attorney

**Correspondence:** An email was received from Heather Stewart, Chair of the Youth Sports Committee, stating that they would not be presenting at the meeting and that they would not be requesting funds from the town for the 2013-14 fiscal year; a submission for the Annual Report was attached.

Discussion ensued about the Youth Sports Committee and their obligation to report their internal controls to the town via the Board of Finance. Rheo noted that several BoF members had expressed to him that as a town organization, YSC has a responsibility to provide the requested information, noting that the Committee is using town funds in the current fiscal year. Rheo asked for further input from members, noting that the members' terms expire in June. Margaret agreed that the YSC needed to report back to the BoF especially because of the current town allotment. Penny stated that they should be required to submit their budget even if they are not requesting funds, as should all departments and boards; even non-government entities such as the Fire Department, show their entire budget when requesting funds from the town. Dan noted that they are piggybacking on the town liability insurance policy and are using town facilities. Jeff pointed out that YSC may come before the BoF to request funds in future years and as such, the Committee needs to come to the BoF now and present. Rheo asked 1<sup>st</sup> Selectman Cahill if the YSC is covered under the town insurance; 1<sup>st</sup> Selectman Cahill will determine. Rheo will reach out to the Youth Sports Committee and relay the general consensus of the BoF.

#### **Old Business:**

- Audit Review: Rheo noted that the sole concern of the auditors was one expressed on several of the most recent audits, and caused by the fact that most of the departments are single-person departments. Rheo asked if the new policy manuals were complete. Rheo will work on putting together a formal statement, in conjunction with the Board of Selectmen, accepting the risks

and showing what controls have been put in place. 1<sup>st</sup> Selectman Cahill noted that he reported to OPM last year that forming a Board of Finance was approved by the town which would provide an extra level of controls.

- Request for Ordinance Change: The latest draft of the ordinance establishing the Board of Finance, with the additions previously discussed, was distributed. Rheo stated that the changes would need a ruling from the Town Attorney. Paul asked how removal of a member would be initiated; Rheo reviewed the process, most of which was laid out as part of the change. Penny asked how an investigation would be done and who would investigate an issue and wondered if it needed to be laid out in the ordinance. Rheo responded that an accusation against a member could not be made without some sort of evidence. This question would ultimately be answered by the Town Attorney, as well as the general question about whether an elected official can be removed if the process for removal is stated in the ordinance. Stan asked about the change approval process, and felt that the change would improve transparency of the BoF. Any further suggestions for change should be communicated to Rheo/Kathi; the next step would be meeting with the Town Attorney before requesting the Board of Selectmen to put it on the agenda of a future town meeting.
- Annual report: The latest version of the Annual Report with the audit and all department/board submissions received thus far included. Rheo felt it important to assure receipt of a submission from the Fire Department. Rheo had crafted a preface from the Board of Finance but felt that one paragraph needed more work in order to properly reflect the financial health of the town. Various methods of publishing the report, once complete, were discussed, including outside publication (through Gulemo Printers or Staples) and self-publication. A suggestion was raised that HES may have a binding machine that could be used, allowing flexibility in the number of copies printed; Kathi to follow up.

#### **New Business:**

- Revised 2013 schedule. It was determined that the revised schedule will work for most members for most dates; Kathi will submit revision to Town Clerk and distribute to members.
- Auditor RFP/selection. Rheo felt that it should be the responsibility of an elected Board of Finance to solicit bids from different auditor firms instead of the current appointed Board. Hearing no objection, he stated his intention to ask for a discounted estimate from O'Connor Davies, the current auditor.
- 2013-14 Budget. Rheo asked about the grand list for 2012; the response from Treasurer Rodriguez was that it had increased by a little over \$35,000. If the mil rate is not to be increased, any additional budget expenditure cannot exceed \$35,000 or so. Rheo asked about what the goal of the Board of Finance was for this upcoming year. Most members agreed that townspeople may want more in funding and/or services, but they don't want taxes raised. Al felt that we were starting in a good position. Stan asked about the status of the general fund; the response was 20-22% of the budget which is very healthy, as the recommended level is about two months' worth of expenditures (about 16% of the budget). Rheo stated that the BoE budget would be problematic and is likely to be contentious with the current cost per pupil near or over \$20,000; Stan noted that nationally the average cost per pupil is under \$11,000. The cost of mandates was discussed. Al noted that the town of Columbia is currently fighting the MBR mandate. Luci noted that the BoE seems to feel that they are operating under a tight budget. Al noted that since the formation of the Shared Services Committee, two of the towns involved have hired Superintendents and Principals separately, which seems to be counter to the goal of having the Shared Services Committee. Stan suggested closing the elementary school, sending students to Brooklyn, and putting a portion of the funds saved by doing so into a

dedicated fund to provide money for college tuition for the students so sent; Margaret thought the students' parents may really like this idea. The subject of the costs of Parish Hill was also raised. The idea discussed at the Shared Services Committee of regionalizing totally would not save any tax dollars at the middle/high school level because no economy of scale would be realized. The lack of a business plan to sustain the education system was noted. Rheo stated that the BoF would have to decide what to do with the HES budget when it comes. Luci wants to focus the BoF energy on what is happening in Hampton, not in the three-town region. Rheo noted that school choice seemed to be what other towns are offering. It was agreed that after review, the BoF may ask various departments/boards to come before the BoF to present and/or justify their request.

**Citizen Comments:** None.

**Suggestions for next Agenda:**

- Annual report update
- 2013-14 budget

**Set the Date, Time and Place of next meeting:** The next regular meeting will be held on Tuesday, March 19th at 7pm in the Town Hall Community Room.

**Adjourn:** Meeting was adjourned at 8:20pm.

Respectfully submitted,  
Kathi Newcombe,  
BoF Recording Clerk