

Town of Hampton  
Board of Finance  
Special Meeting  
May 25, 2023  
7:15PM

**Call to Order:** Chairman Donahue called the Meeting to order at 7:25PM.

**Roll Call/Seating of Alternates:** Kathy Donahue, Ed Adelman, Joan Fox, Nick Brown, Judy Buell, Diane Gagnon, Kathi Newcombe, First Selectman Allan Cahill, Selectmen John Tillinghast and Bob Grindle, Hampton Elementary School Board Chairman Rose Bisson, Treasurer Ellen Rodriguez, Recording Clerk Dayna McDermott Arriola

**Citizen Comments:** none.

**Discussion and Possible Action on FY2023-23 Municipal Budget and FY2023-24 Hampton Elementary School Budget:**

Chairman Donahue explained that \$37,120 is to be removed from the KB Ambulance line item and included on the ballot as a separate question with voters approving the use of American Recovery Plan Act (ARPA) funds to cover the amount. To Treasurer Rodriguez's question, Chairman Donahue stated that if the question was defeated, funds from the unassigned General Fund would be used to cover the amount. Responding to Kathi Newcombe's question, Treasurer Rodriguez stated that approximately 15% - 20% of the ARPA funds have been spent to date. Ed Adelman asked if the unspent funds were protected due to current legislative deliberations, and First Selectman Cahill stated they were in the Town's bank account.

**Motion:** Nick Brown, seconded by Diane Gagnon, to decrease line item #6100.03 by \$37,120 to be covered, if approved, by ARPA funds. Motion carried unanimously.

Chairman Donahue also explained that voters at the referendum would be asked to approve \$10,000 of ARPA funds for the Little River Project, noting that, if approved, the \$10,000 would count toward the Town's matching funds when the Conservation Commission reapplies for the grant.

First Selectman Cahill stated that areas of reduction to the municipal budget included the removal of \$10,000 from Contingency, \$30,000 from the tree removal line, and the annual allotment for the Fire Department Incentive Program, as there are sufficient funds in the account at this time. He also stated that Town employees received a 5% cost-of-living-adjustment. Treasurer Rodriguez suggested that the finance board add \$4,300 to the municipal budget to cover certain expenses based on the actuals to date. These included \$1,500 for Town Garage fuel oil, \$600 for Fire Department fuel oil, \$1,500 for Paramedic fees, and \$500 for the Town newsletter. She also suggested taking \$115 from the Walking Weekend line item and transferring it to the Memorial Day Parade line item.

**Motion:** Ed Adelman, seconded by Diane Gagnon, to add \$4,300 to the municipal budget and make the listed changes to the draft version. Motion carried unanimously.

Chairman Donahue explained that the Hampton Elementary School's budget increased to \$2,155,830 due to a 10% increase in public tuition. She also announced that she received information on the Minimum Budget Requirement (MBR), which is \$142,975 less than the current year due to a drop in enrollment, but clarified that she was not suggesting that the budget be reduced by that amount. She also reminded members that there remained a potential for a reduction of \$74,000 in the Education Cost Sharing (ECS) grant per the Governor's budget proposal, and though the Appropriations Committee suggested that the ECS formula remain frozen, as it was during the pandemic, for another two years, the Town will lose \$400,000 by 2030. Kathi Newcombe added that the State Department of Education ranks Hampton 9<sup>th</sup> in net current expenditures while the Town ranks 113<sup>th</sup> in wealth.

While acknowledging that the finance board's role is limited to deciding on the budget's bottom line, and that the school board decides on line items to be reduced, Ms. Donahue suggested that there were savings in the recent retirements, that hiring a beginning teacher with a Master's Degree would be \$30,000-\$36,000 less than the teacher retiring after 39 years, and that with a .4 Superintendent and doubling the Special Education Director's position this year, the board could explore the possibility of combining administrative roles for the retiring principal's position, or consider sharing a principal with another school. Ms. Donahue also stated that recent reductions in staff had not impacted student programs, and that the actual expenditures to date could be reviewed, with surplus funds applied to future purchases and next year's line items reduced accordingly.

Nick Brown opposed reductions to the school board's budget, citing increases in public tuition, fuel oil, and supplies, but proposed that the budget be returned to its original proposal adopted by the Board of Education at \$2,140,288. Joan Fox also voiced opposition to reducing the budget, suggesting that the school's proposal remain intact and that \$100,000 be removed from the Fire Department's Capital & Non-Recurring Account toward the purchase of a new fire truck. Ed Adelman also expressed support for the budget as presented and stated that the MBR should not be viewed as a target. Chairman Donahue countered that, historically, the Town has subjected school budgets to four or five referenda before approving a budget that reduced the bottom line to the MBR.

Chairman Donahue entertained comments from other officials at this time. First Selectman Cahill, advocating for the hiring of a new teacher to replace the retired teacher, suggested that schools should aim for a mix of experience within their staff which includes seasoned veterans and recent graduates. Hampton Elementary School Business Coordinator Sally Lehoux cautioned that there might be increases in insurance with the hiring of new staff. School board member Maryellen Donnelly said that there is a legislative bill being considered that would reimburse the costs of tuition to public schools, and Chairman Donahue requested the link to that information to distribute to board members.

Nick Brown appealed to members to arrive at consensus by supporting a budget reduced to the original version. Diane Gagnon stated that the original budget was passed two months prior to receipt of the two resignations, and Judy Buell expressed concern with the continued reduction in ECS funds and confidence that the recent resignations could result in savings.

**Motion:** Nick Brown, seconded by Joan Fox, to approve the Hampton Elementary School Board's budget adopted on March 22, 2023, at \$2,140,288.

**In Favor:** Ed Adelman, Joan Fox, Nick Brown, Diane Gagnon

**Opposed:** Kathy Donahue, Judy Buell

Motion carried, 4-2.

### **Citizen Comments**

Rachael LaVoie asked why Town employees received a 5% raise. First Selectman Cahill stated that the increases are cost-of-living adjustments. Ed Adelman added that neighboring towns awarded at least 5% to employees this year, and Nick Brown noted that Social Security sets the cost-of-living, which was 8.7% this year. Ms. LaVoie also inquired as to the Solar Park. First Selectman Cahill explained that the Solar Park, yet to be constructed, has refused to pay the taxes the Town believes are owed, and that the matter is still in court, waiting, along with other towns, for a decision.

### **Adjournment**

There being no further business, the meeting adjourned at 8:48PM.

Respectfully submitted,

Dayna McDermott Arriola, Recording Secretary

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

