

Budget Committee
Atkinson, New Hampshire
May 3, 2005

Present: Mark Acciard, Chairman, Marsha Bassi, Dave Paquette, Fred Thompson,

Mark Acciard opened the meeting reading the posting on the town hall bulletin board. As posted on the board the purpose of this meeting is to get to the bottom of how the town acquired a 2005 expedition. Mr. Acciard thanked the Board of Selectman for their attendance this evening and hoped that this meeting can be conducted with an air of civility. At this time Mark Acciard turned the meeting over to Mr. Fred Thompson.

Fred Thompson begins by saying that this is particularly difficult for him because he is friends with everyone here who makes the process difficult; we need to separate friendship from business. Fred says he will try to chair this meeting, for obvious reasons. Mr. Thompson begins by reading a brief statement and will then entertain comments from the Board of Selectman regarding the statement. Mr. Thompson directs the Board of Selectman and others to direct all comments to him (Mr. Thompson) in an attempt to have one person speaking at a given time.

The purpose of this meeting is to open a civil dialogue between the Budget Committee and the Board of Selectman over the recent acquisition of a SUV for the Police Department. We truly believe that all the parties here would agree that this purchase could have been handled better. Mr. Thompson has spoken at length with Chief Consentino and Mr. Thompson believes that the Chief would like nothing more than to have an opportunity of going back in time and change what happened. Having said this, when tonight's meeting is over you people will still be the Selectman, we are still going to be the Budget Committee and the Town will still own and SUV. We cannot go back in time but we can improve the way we conduct business in the future. Again our intention is to open a dialogue with the Selectmen and to develop policies and procedures to help prevent this from happening in the future. We have two basic issues we would like to discuss this evening; the first issue is the acquisition itself. This purchase was not brought before the budget committee as a warrant nor as part of the Police Department's operating budget. The budget committee was never given an opportunity to give the voters their recommendation either for or against. It is clear that the Chief did not have the information necessary to bring a warrant forward in time for this years deliberative session, therefore a warrant was not possible. We do feel prior to the deliberative session, however, the selectman had every opportunity to consult with our committee as to how we, as a budget committee, would suggest they proceed. Without a warrant article supported by the voters, the Selectmen proceeded to purchase the SUV. The questions we have are pertaining to the process they followed in making this purchase. I took the opportunity to sit in at a regular selectman meeting last night and watched you routinely vote on the following items: Approval of your last meeting's minutes, a payment plan to repay back taxes by a resident, and a posting of an advertisement for bidding on a new computer server and ironically the replacement of one of the new 2005 police cruisers that was recently totaled in an accident. It was clear to me that as the selectman you vote on virtually everything you act on. Having said this we would expect

a noted purchase of a SUV, that was not in a warrant or the police budget, would have had to have a vote on the decision to purchase the new vehicle, the movement of money from one line item to another, and the authorization of the town manager to sign the lease. We can't find evidence that these votes took place. The Budget Committee would like the Board of Selectman to explain the process they followed and why public votes were not taken.

The second issue is the size of the fleet. There seems to be some evidence, some, that the justification for this acquisition is tied to the reduction in the size of the fleet. Former chairman, Brian Boyle, indicated that the plan was to eliminate as many as three (3) police cruisers. The Chief stated in the Selectman's minutes of January 24, 2005 that the intent was to replace two (2) cruisers with an SUV. Again because the budget committee was excluded from the process we had no budgetary input on this. Had the purchase come before the budget committee we would have considered this reduction in part as a factor in developing our recommendation. Now that the money has been appropriated only the Board of Selectman can authorize a reduction in the fleet. We encourage the board to have a public discussion of what the intent of the board was at that time regarding this issue. At this point in time, I will turn this over to the Board of Selectman to respond in anyway they see fit.

Selectman Jack Sapia speaks:

Gentlemen and ladies, thank you so much for having us here tonight. I am glad we have this opportunity to sit down with the utmost civility to discuss this like gentlemen and ladies. First I would like to say that moving forward that an unwritten code of conduct that when we have conflicts and we have disagreements that we move forward professionally and with the utmost respect for each other. Quite frankly the last few weeks have been rather trying for me having questions of integrity, honest mistakes can and will be made. We are all volunteers, we all do our best to serve the public and I would like to direct and start answering some of your questions. Hopefully we can get this video tape going from January 3 because I believe that there are a lot of loose ends. I think there are a lot of lessons to be learned here and certainly it does not rise to the level of anyone, as it has been suggested, breaking the law. The law clearly was not broken and we will review some of the RSA and some of the opinions we got from town council as well as NHMA. (At this time the video is being viewed by all present.) Selectman Sapia refers to the conversation on the video that there was talk about an SUV, there was no talk of how that money was going to come to be, there was no suggestion.

Mr. Thompson responds that the conversation on the video was no proposal to add an SUV to his budget. Mr. Sapia agrees with Mr. Thompson. Mr. Sapia suggests that everyone was cognoscente of the fact the Chief was getting an SUV, Mr. Thompson notes he was cognoscente of the fact that the Chief was looking into it. Mr. Sapia points out that the budget committee thought it was a wonderful idea. Mr. Acciard still thinks it is a wonderful idea as did Mr. Thompson. With all the years of experience of the budget committee and the Selectmen there was no finality to the decision as to what the size of the fleet would be.

So to say that we OK'd the SUV relative to the fleet reduction, I don't think that, ever came to task. Marsha Bassi mentioned that this issue was discussed at the selectman's meeting. Jack agreed however, no agreement was made.

Mr. Thompson summarized Mr. Sapia's statement by saying he doesn't believe there was any more final decision on the fleet reduction than there was on the purchase of the SUV. Mr. Sapia states he believes that everyone is in agreement with that.

At this time Russ (Town Administrator) asked the board if they intended to discuss how the Selectman came up with the money for the SUV without it being on the town warrant. Russ addresses the budget committee regarding the committee's budget. The budget committee's budget goes to the voters to be voted upon by the legislative body. We have a pre-lease line item in the budget for about \$28,900.00 which was approved. You can expend that amount more or less. That is how that amount came about. Mr. Thompson states that you can spend less or more for the purpose of the line item which was the cruisers. Russ states cruiser lease agreement. There are all kinds of cruisers. Mr. Thompson states that reason it is more or less is because when you have trade-ins you are never sure exactly what the value of those trade-ins are going to be and those leases vary. Russ agrees. Everyone is in agreement that the lease line item was approved. With respect to department head expenditures we do routinely vote on matters. Russ continues to explain that there are a host of expenditures that are not routinely voted on. Mr. Thompson states that the acquisition by an appropriation from an approved budget in Atkinson where a vehicle that was not on that budget that year was purchased. Mr. Thompson does not recall that happening during his tenure in Atkinson. Russ reiterates that the specific purpose in there was there. Mr. Thompson asks the specific purpose of purchasing an SUV? Russ states that a cruiser lease agreement is a specific lease. Mr. Thompson goes on to state that he disagrees with Russ, although he respects his opinion, I would treat that differently, we have in the passed treated vehicle(interruption) the chief has gone out of his way to say that this is not a cruiser, it is a gas guzzler, it can't be used as a cruiser. It has purpose; just a different purpose.

Mr. Sapia states that the argument is as stated in Mr. Acciard bullets that this vehicle is to replace two (2) cruisers then the logic would clearly be (although I don't necessarily agree, Mr. Sapia speaking) that it is replacing two (2) cruisers to reduce the size of the fleet . The logic would be in lieu of two cruisers thus replacing a cruiser thus falling under the lease agreement. What I am speaking to is the definition of the word purpose. Mr. Thompson was speaking to the intent.

The purpose means that this SUV falls under the lease agreement line item. As far as whether this action was done properly, Mr. Sapia goes on to state that he spoke with NHMA and she (?) explain the whole thing, explained how we purchased the SUV, over expended the line item, she said absolutely you have done nothing illegal, you have done nothing improper. Mr. Acciard asked if Mr. Sapia mentioned that the selectman never took a vote. Mr. Sapia's reply was yes and he went on to repeat her answer. At this time he paused to be sure he repeated this information correctly. What she said were you left yourself open by not taking the vote because people could misconstrue that or run with that and say that you have done -----but by not taking the vote clearly you have not done anything illegal. Note there is no letter from NHMA as a backup. Russ mentioned some correspondence with Sumner Cal..... which there is a letter associated. (This letter should be attached to these minutes) Russ reminds the Budget Committee that Russ, the Town Administrator, represents the Selectman. Russ reiterates that we do follow the law and that no laws were broken. Could there have been a better way to proceed, Russ agrees wholeheartedly.

Mr. Thompson reiterates that there is no issue with the source of the funds. The funds are in the budget. Our issue is the process that leads up to how it was a mere month from deliberative session and all of a sudden we had an SUV that we did not have in our budget or in a warrant. Marsha Bassi asks what was the process that lead up to this and why was this not publicly discussed in front of the voters in front of the camera and a vote was not taken. Mr. Thompson reiterated the question presented by Marsha Bassi what was the process the chief got the figures, he brought it to who, how did this happen that all of a sudden we were able to purchase a SUV in such a short period.

Mr. Sapia states that we totally agree that we should have put this to a vote. The chief made a public statement regarding stating that the process could have been handled better. Marsha Bassi once again asks not to have the action repeated but to explain what did happen. Mr. Sapia responded to Mrs. Bassi by saying I am speaking.

Mr. Sapia reminds the budget committee that they have the right review the action of the selectman; however you do not have the position to question the discretion of the board and the decision that we make. Mr. Thompson states he believes he has that right as a voter. As a voter, yes Mr. Sapia agrees. Mr. Sapia believes the questions have been asked, the selectman have been clear and up front with there answers. It is the intent of board of selectman to meet with the budget committee to lay everything on the table to work together in order to move forward. Mr. Sapia is asking for a united front.

Mr. Acciard addressed Russ with the following question. Russ what was the question that you asked Sumner that he was responding to in the letter? Russ replied that it was a response to Mr. Acciard's bullet that the board had broken the law and acted illegally. Russ did ask if it was illegal to go out and use a specific purpose the cruiser lease agreement to purchase an SUV. Did you mention to Sumner that there was no vote at the Board of Selectman or warrant article to the voters to do this? Russ responded saying you do not need a warrant article because the budget committee put it in the budget. Mr. Acciard repeated his question that there was no vote presented to the voters? Russ responded, yeah. (Many people talking at once).

Mr. Sapia reiterates to the board that there was nothing illegal done, there was no intent to circumvent the system, it was bought under the line item of lease agreement and he would rather be spending his time working with the budget committee doing great things for the town and moving forward. Mr. Thompson addresses Mr. Sapia concerns that Mr. Sapia is not answering some of the questions, however, having said that Mr. Thompson does also agree with Mr. Sapia that we may not come out of this meeting in agreement, you have your opinions, you have your RSA's. We all know the RSA's in New Hampshire cover a lot of territory and depending on which one you want to read you come up with a different interpretation. So therefore, we tried to ask you what the process was in that month's time; you have avoided that question because we would just like to know. Mr. Sapia says he will answer that question, first of all even though we disagree doesn't mean I don't respect you, Fred. Thank you Secondly the easiest thing for me to have done being here about a week when this happened was say I am the freshman guy and bug out of this and sit back. (referring to the audience) Mr. Sapia says he got the votes and he assumes the responsibility. There was endless talk of the SUV it was done at the board of selectmen's meeting, and it was done night over night at the budget committee. I did not miss a one or not watch a one. The Chief and Russ went out, leased the vehicle and the vouchers showed up on our desks, and we signed the vouchers

because quite frankly we assumed at least, let's put it this way, that this was just another expenditure under the lease line item. It was one of the cruisers coming on the fleet. At the end of the day to me (Mr. Sapia) it was a standard acquisition under one of those line items, all three selectman signed the voucher and all three selectmen as did the budget committee members support and SUV as part of the fleet. As hard working volunteer we all make mistakes, each meeting we say we forgot to take a vote last week, let's vote on it now. I hope I have answered all your questions.

Mr. Acciard refers to questions to selectmen at the April 18 meeting. The board told the committee if they ask the questions they would get back to them. As of now those questions have not be answered. The two questions were: At what meeting did the board vote to authorize Russ to sign the lease? Second question: At what meeting did the board vote to move money into the cruiser lease line to cover the over expenditure and from what line was it moved? These two questions have not been answered. Mr. Sapia told the budget committee that when the budget is referred to you, you will see that transaction recorded properly.

Mr. Thompson states that we as a committee do not agree with the process that took place. Do we want to move onto point two? Are you prepared to discuss the number of vehicles in the police fleet? Mr. Sapia explains that the Chief has been very frugal in attaining and maintaining the current fleet. Mr. Thompson agrees he is not criticizing that point. Mr. Thompson reminds Jack that he keeps taking his eye off the ball. Relative to this committee is the ball/the process you guys take to spend money. That is our concern and our only concern. Mr. Thompson shares that this is his 6 season and he has seen a lot of appropriations, a lot of warrant articles, I have seen a lot of purchases over those years not that I have seen them all but I have never seen the board act in this manner, before. I think it sets a bad precedent and I am hoping that you as a board because of this are committed to not letting this happen in the future. I hear you say you do not believe you did anything wrong, does that mean you will continue to act in that manner in the future?

Mr. Sapia said we would not be here if procedurally we had put this to a vote, but the fact that we didn't and I am not saying we would do it again I'm just saying the fact that we didn't; doesn't mean we broke the law.

Mr. Sapia would have preferred Mr. Acciard to call the liaison to the budget committee and bring to his attention that there is a problem. Mr. Sapia reminds the budget committee that there is a protocol. We are there for the budget committee with respect to any reports on a monthly or quarterly basis we are here to assist you.

Chief Consentino approaches the table. Mr. Thompson asks if he will be brief.

One more time the Chief will go through the process for the budget committee. The budget committee believes they already have it. The chief mention that they continue to relate to the fact that the other two selectman were not involved and did not know about purchasing the SUV. Again we will go through this scenario. The morning of town meeting I had not received the accurate figures of exactly what this SUV would cost us. We were still debating whether we would be getting the Ford Expedition or whether we would be getting a Durango. We had four different companies that were working on state bids. The only difference we were coming to was what we were going to be allowed for the cruisers we were going to trade in. I had an approximate figure of roughly \$5900.00 between the four different people we were dealing with. The morning of town meeting

two people came to the selectman's office and we sat down to have our pre-town meeting minutes and to go over and discuss what we were going to do at town meeting. I had a memo all typed up that was to amend the bottom line of the police department budget by \$5900.00 to acquire the SUV with anticipation of picking it up but we couldn't do anything until it was voted on, on the March meeting when the total was voted on by the voters and I wasn't quite sure what the figures were going to be. I sat in my chair and I looked over to Chairman Boyle, I said Brian I am just letting you know, on town meeting floor I am going to be amending my operating budget by \$5900.00 to purchase the SUV. He came back to me and said Sergeant Baldwin has put in for a family plan, a two member plan, on the insurance. He watches that very closely and he came back and said he is not allowed to get a two member plan. He is only allowed to get a one member plan. Now what did you budget for, I said I budgeted for a two member plan, why go to town meeting to raise and appropriate the money when you already have that extra \$5900.00 in your insurance line. I said I suppose we could go that way, but I am prepared to go to town meeting and ask for that budget to be amended for that amount. He said you don't have to do that because the money is there. At that moment I stopped and I looked over to Fred Childs and said Fred are you in agreement of going this way? Yes, no problem I said fine. If there was any hesitation, any doubt at all I would have gone before the voters, presented it and had no problem whatsoever with it and I am sure we would have gotten it. I hope that answers how it supposedly didn't come to a vote. I took it as an understanding of the other two selectman, that I had their approval to go that route to purchase that SUV. If one of them had come up and said I think you should bring that to the voters of town meeting, even though it was already a lease line, in a heartbeat it would have gone to the voters. Mr. Thompson agrees. Chief Consentino reiterates that his fleet does not depend on the SUV to operate, that SUV is primarily a winter vehicle. The way it was handled I thought it was appropriate. Once again Chief Consentino states that we did nothing illegal. We broke no laws. Could it have been done cleaner; it could have. Could I have stuck to my guns and said I am going to town meeting and do this way I have done this in the past. When your budget committee cut my elderly affairs on numerous occasions; I have gone to the voters and said I want to raise my elderly affair line by x number of dollars. I have done this on numerous occasions. This was done openly; it was done with the other two members present. The Chief that getting memos that state that the Board of Selectman have done something illegal, that is over stepping someone's bounds here because that is not the way this was done. Mr. Thompson asks that we not get personal again. Mr. Thompson states the difference in what you were saying Chief, because you and I had this conversation early on in your office and you explained that exact scenario to me. I have no problem with that. The Chief asks why he has to keep repeating. Mr. Thompson tells the Chief that he is missing the point of the month after the meeting. Our problem is not the fact that you decided not to bring it to town meeting. The only part that I disagree with you on is that you would have brought it in front of the voters at town meeting had you chose to go that way. Having chosen not to go that way, you should have brought before the voters at a later date at a Selectman meeting and explained what you were doing and then gone ahead and done it. Mr. Thompson states that he is comfortable that this was not done as a means for the Chief to circumvent the process. However, what I feel we are elected to do is to monitor the process and when a mistake is made it is our duty to bring it forth and

make sure the process isn't. (Interrupted) the chief is not saying a mistake was done, he is saying there was a misunderstanding. I spoke to my two other colleagues on the board that morning I was under the impression that I had the OK to go ahead and do it, get the SUV, by taking the money from the insurance line. If there was any indication from anyone of those two members that it was not the proper way to handle this; it would never have been done. I was under the understanding that there was a vote taken that those monies could be transferred from another line item. Mr. Thompson states he has one question for the Chief. In the future if those circumstances were identical would you be under the same impression? The Chief responds that we have all addressed that a hundred times (interrupted by Mr. Thompson with thank you, thank you we are all set). The Chief went on to inquire about inquiries made by someone on the budget committee as to finances regarding leasing where the police department conducts their vehicle business. Mr. Acciardi steps up to the questions and states his participation in these inquiries. His intent was to gather information for the budgetary process. Chief Consentino states he considers this action to be bordering harassment. Mr. Acciardi states that he has harassed no one. (Many committee members talking at the same time), Mr. Thompson begins with all due respect I think this has been a very productive meeting, I very much appreciate that you guys decided to come to this meeting, I think we accomplished something here today, I think we do have some differences of opinions Jack but I also appreciate your explanation of what happened; our board will be meeting and will be discussing it as well, but I personally am comfortable with the answers we have gotten. I can't speak for the board, but again I very much appreciate your efforts and your time.

Thank you's were expressed all round.

Respectfully submitted

dab