

TOWN OF HAMPSTEAD

BUDGET COMMITTEE

MINUTES

THURSDAY DECEMBER 9, 2010

PRESENT: Tracey McCormick, Bob O'Brien, Chip Hastings, Brian Vass

VISITORS: Jim Stewart, Penny Williams, Winfried Feneberg, Jaye Dimando, Kathy Smith

CALL TO ORDER: Chairman McCormick called the meeting to order at 7:00 PM

VISITORS COMMENTS: Mr. Stewart present to explain changes with the new police contract. Mr. Feneberg, Ms. Dimando, and Ms. Smith represented the School Board/SAU , and Penny Williams for the local newspapers.

NEW BUSINESS: Selectman Stewart reviewed the new police contract, which had been ratified by the union members. There were twelve items new to this contract. Mr. Stewart addressed each item, which included new language to clarify experienced hires; now reads experience in New Hampshire. Overtime schedules; now removes the need to backfill the Detective position during his time off paid time off. Holiday Pay will now pay time and one-half for all 11 holidays. Vacation Allowance will pay 80 paid hours for one to four years service, 120 hours for five to nine years service, and 160 paid hours after ten years service. PTO, paid time off, changes from 11 to 12 days. Medical Plans will have 90% of the cost covered by the Town for each category of coverage. Physical Fitness Incentive allows \$100 support for gym membership. Uniform Allowance is increased to \$850 annually. Detail Rate, which is not an expense but money paid to the Town when an officer is needed for safety reasons will increase over the life of the contract. Pay raises, negotiated and approved will take effect each year without COLA adjustments. Costs for each item may vary depending on the size of the workforce. This is now a three-year agreement, which extends from April 1, 2011 to March 31, 2014.

Mr. Stewart was asked if it would be more practical to align department expenditures with a full calendar year rather than the current April to December timeframe. He explained this would not work well with the schedules for deliberative sessions, voting, and publication of town records.

Committee Chairman Tracey McCormick entered into record a brief letter from Vice Chair O'Brien, which identified education funding based on NH SB 539, SWEPT increases, and average cost per pupil. It was determined that Pinkerton tuition, with an increase to \$9712 per student is below the state average of \$11,417, while elementary students in Hampstead are in excess of \$12,000.

Superintendent Feneberg addressed the Committee. He stated the SAU was still in the process of finding ways to reduce the upcoming budget and would have more information to discuss at the December 14 School Committee meeting. He also expressed concern for reaching a level funded budget due to mandated programs and contractual agreements that controlled a large percentage of the proposed budget and would require more discussion with the School Board. There were questions about declining enrollment. Mr. Feneberg said it was difficult to predict the future but the current trend is that numbers are going down, just the opposite of previous forecasts.

School budget surpluses have been around 2% each year with a low of \$402,000 and a high over \$1,000,000 for the past five or more years. Jaye Dimando of the School Committee has taken that information under advisement for future review. All surplus funds are returned to the town each year. On occasion, the surplus may be used for large purchases, pending a vote from the School Board. Ex. Roof repairs.

No warrant articles were presented for discussion at this time.

Mr. Hastings expressed his concern for not having enough time for Committee or the Public to review pending warrant articles, which would allow opportunity to make good decisions at the voting booth. For example, the bidding process for the new police station has begun and it appears we won't know much until the first deliberative session.

Selectman Stewart told the Committee he had challenged the way the default budget is determined. It is based on last year's budget rather than last year's actual expenditures. He was informed, "That's the way it is!" Maybe there is room for discussion later.

Tracey McCormick and Bob O'Brien agreed to attend the Dec. 14 School Committee meeting. Other committee members are invited.

The Committee has tentatively agreed to meet and make its recommendations on the upcoming budget after each deliberative session: Town on January 12, 2011 and School on February 8, 2011 so recommendations will be ready for the voters on March 8, 2011.

APPROVAL OF MINUTES: On a voice vote, minutes of the November 11, 2010 were approved, 4-0 in favor.

OLD BUSINESS: The Cemetery Trustees did not attend to review plans for work needed at each facility.

ADJOURNMENT: On a motion from Mr. Vass and seconded by Mr. Hastings the meeting was adjourned at 8:28 PM.

Respectfully submitted by:

Bob O'Brien

Budget Committee Vice Chair