

North Hampton Budget Committee
MINUTES
August 12, 2004

Chairman Robbie Robinson called the meeting to order at 7:05 p.m.

Members present: Terence Conklin, Paul Fitzgibbons, Henry Marsh, Larry Miller, Robbie Robinson, Katherine Southworth (LBH alternate) Susan Spencer

Members absent: Mary Pat Dolan, Donald Gould, Peter Simmons

Also present: Fred Englebach (SAU 21 business manager), Jan Facella (town admin asst)

1. Fourth quarter review town budget FY 03-04

The town expenditure report for the fourth quarter of FY 03-04, ending June 30, 2004 was presented by Jan Facella. She noted and explained certain overages including: selectmen's misc acct for repairs and renovations in the town clerk and tax collector's offices; town administrator's acct for an internal investigation; town clerk expenses and printing & supplies (offset by fees not shown); a raise for the town administrative asst; tax assessor's salary for the state-mandated reevaluation; town attorney for legal expenses related to Fire Dept personnel matters; and engineering reviews in the planning & zoning special studies acct (offset by revenue not shown).

Terry Conklin asked if insurance/worker's comp for town employees was put out to bid and Jan Facella said it was not. He suggested opportunities for reducing costs be explored, such as collaboration with other municipalities.

There was discussion of the Fire Dept employees and contract. Three of the four authorized by the March warrant article have been hired so far since July 1. Henry Marsh asked how salaries can increase over a budgeted line item amount; Jan Facella said the town administrator or selectmen approve and the selectmen sign the manifest. There was a question as to why the Fire Dept contract costs were a separate line item and not spread among the appropriate accounts. Jan Facella said it is required by the auditor to be shown that way.

There was concern among some committee members that neither the town administrator nor a selectman nor department heads were present at the meeting to answer questions or hear committee feedback. Robbie Robinson said review of last year's budget would also occur during the fall meetings in which next year's proposed budgets are reviewed and refined. There was discussion of how the committee can be more effective (within the law), such as through written communications, or presenting information during public hearings and deliberative sessions; it was agreed to include further discussion of committee effectiveness as an agenda item at the next meeting.

The committee noted and lauded the Highway Dept and library for remaining close to actual budget this past fiscal year. Henry Marsh questioned the increased costs per child of summer rec camp.

2. Proposed budget Village District of Little Boar's Head 9/04-8/05

Katherine Southworth presented last year's LBH budget and actual amounts spent, plus next year's proposed budget, which remains the same as this year's, at \$21,152. She explained that the sidewalks line item had been exceeded to repave several deteriorating spots using hot top. Next year's legal and zoning line item has been increased in anticipation of a challenge to a zoning variance decision regarding wetlands. Sidewalks, parks and commons, and LBH improvement items have decreased slightly, and an

increase was added to the miscellaneous line item to cover anticipated costs in celebrating the 100th anniversary of Little Boar's Head District.

The LBH improvement fund is a capital reserve fund established in 1976 which grows every year (currently \$25,000) and is used mainly for sidewalks. The LBH budget is funded by the village district tax, currently 10 cents per mil. Robbie Robinson said that because the district funds their own budget it should be up to them how they spend their money, not the town budget committee, but acknowledged that the review is required by municipal law.

3. Fourth quarter review school budget FY 03-04

Fred Englebach reviewed the meanings of the columns on the school district budget report and reported that at the end of the fiscal year the bottom line was close to zero. The primary pressure points for overexpenditures were the special ed items and legal expenses for 3 due process cases in which the district prevailed, he noted, and costly out-of-district placement was avoided.

He noted a change in this year's accounting to improve budget management: line items will not be overexpended without knowing ahead of time from what other accounts the money will be moved, therefore the "adjusted column" will see more activity, but there will be fewer minuses in percents remaining. There will still be an encumbered column, which shows what is committed to be spent, or on order.

The teacher's contract will be negotiated this year, and the current health insurance plans were described. Henry Marsh, school board rep to the committee, said SPED numbers would be available after the next school board meeting. There was discussion of facilities management for the district and SAU 21; it is unlikely that the individual districts will agree to centralization. Insurance policies are also separate, as districts are separate legal entities, but all are with Primex, a company the SAU has been pleased with.

Robbie Robinson noted that the bottom line of the school budget was closer to zero than it should be. Henry Marsh asked if he could communicate anything to the school board from the committee. There was concern about health insurance increases, which would be addressed in contract negotiations; the committee would like to see health insurance projections that are firmer numbers. Janet Gorman will be the school board member from North Hampton on the contract negotiations. Larry Miller asked the school board to show strong leadership and support its final budget this year during deliberations, if amendments are offered.

4. Review minutes 4/13/04

Motion by Terry Conklin to approve minutes as written, seconded by Susan Spencer. Motion passed 6-0-1 with Larry Miller abstaining.

There was further discussion about budget committee effectiveness and options for more proactive communications with the public. The committee would also like to encourage more people to attend hearings and deliberative sessions.

Motion to adjourn by Paul Fitzgibbons, seconded by Larry Miller. Meeting adjourned at 9:34 p.m.

Respectfully submitted,

Amy Kane
Recording Secretary

(Minutes were approved by the Budget Committee on 10-14-04.)