

North Hampton Budget Committee
MINUTES
October 14, 2004

Chairman Robbie Robinson called the meeting to order at 7:02 p.m.

Present: Terry Conklin, Mary Pat Dolan, Paul Fitzgibbons, Don Gould, Henry Marsh, Larry Miller, Robbie Robinson, Peter Simmons, Sue Spencer, Fred Englebach (SAU 21 Business Manager)

1. First quarter review- school budget

SAU 21 Business Manager Fred Englebach presented an overview of the 1st quarter North Hampton School District Budget for FY 2004-2005, declaring it "right on track".

The SAU has a new accounting system called MUNIS which allows for real-time accounting, however the report is not yet in the format the budget committee has requested. A percentage column comparing YTD expended against the original appropriated amount will be added.

Mr. Englebach explained that the encumbrance column shows money that is committed to be spent, through salary agreements or purchase orders, but not yet spent. The \$71,467 not encumbered in the salary line item is due to staff resignations/retirements and replacements at lesser cost. In the substitute line item, 1 person is a permanent substitute and that portion is encumbered.

In answer to questions about how SAU services are allocated across the districts, Mr. Englebach described the formula. Half of what each district pays is based on the number of students relative to the other districts, the other half is based on relative property value in the district. North Hampton School District pays 12% of the SAU budget, Hampton 33%, Hampton Falls 5%, Seabrook 20%, South Hampton 2% and Winnacunnet Cooperative District 28% (North Hampton pays 17% of that).

There was discussion of scenarios if Hampton decides to withdraw from the SAU, with school board perspective added by Henry Marsh. He said that for the \$150,000 North Hampton is spending now it could not replicate necessary administrative services for just the district.

Mr. Englebach said debt service is paid by the district twice per year, a principal payment plus half the interest in August and the other half of the interest paid in February.

An increase in amounts budgeted for special education from last year to this year was noted. There was discussion of last year's anomalous legal costs. It was noted that the school defends its business model of delivering all services in the building and that it cannot afford to lose legal challenges as outplacing special education can cost significantly more.

A state bill just passed allowing insurers to look at individuals within a group for insurability rather than the group as a whole, said Mr. Englebach. Health care is under negotiation with teachers now. The committee can also look forward to viewing the cost impacts of the federal No Child Left Behind act.

2. Calendar and process for reviewing proposed budgets for FY 2005-06

Henry Marsh said that the school board would like to meet informally with the budget committee after the budget is complete and prior to the deliberative session. Mr. Robinson reminded him that the budget committee would like to see everything that the public will see prior to the school deliberative session February 8, 2005.

There was general discussion of presentation and review of proposed budgets, including an overview of the process for new members. The committee would like more information from departments on trends, comparisons with surrounding towns, explanations/justifications for significant increases, and the "big picture" rather than looking at line items "in a vacuum." The committee would also like all department heads to be present during review of their budgets.

Questions may be submitted to town administrator Mike Pardue at least two days prior to a meeting via email, as long as they are copied to all committee members. Answers will be given at a public meeting.

The chance that items may be added back during the deliberative session to a carefully considered budget proposal was discussed. The committee plans to help present good useful information during the public hearings and deliberative sessions, and will consider a mailer too.

For quarterly reviews of the town budget the committee would like representation from the town administrator and/or a selectman. Questions may be submitted by email to the TA either directly and including copies to all budget committee members, or through the recording secretary Amy Kane and she will copy all members. Henry Marsh requested that his email not be given out to anyone other than members of the budget committee.

3. Review minutes 8-12-04

Motion to accept the minutes as written by Paul Fitzgibbons, seconded by Sue Spencer. Passed 7-0 with Peter Simmons and Don Gould abstaining.

Motion to adjourn by Paul Fitzgibbons, seconded by Sue Spencer. Meeting adjourned at 9:53 p.m.

Respectfully submitted,

Amy Kane
Recording Secretary

(Minutes approved as written by the budget committee Nov. 4, 2004.)