

NORTH HAMPTON BUDGET COMMITTEE
Meeting
Tuesday, April 4, 2006

Attendance

Attendees: (1) Terry Conklin; (2) Emily Creighton; (3) Andrew Hart; (4) Henry Marsh; (5) Larry Miller; (6) David Peck. Members absent: (1) Paul Marston; (2) Peter Simmons; (3) Susan Spencer. Guests: Ralph Minichello, SAU 21 Assistant Superintendent

Terry Conklin called the meeting to order at 6:30 p.m. in the Mary Hebert Conference Room.

Items considered

Review of 3rd quarter North Hampton School District expenditure report

Mr. Minichello presented highlights of the 3rd quarter budget, ending March 31, 2006. He noted the budget was on track and highlighted the Technology equipment line item which is over expended by 536% (\$14,788). This was due to the unexpected need for replacement of the school's network server. The cost over run also includes the backup of all of the schools vital data. This over run is offset by the regular education personnel line item. There has been some unexpected teacher turnover and associated cost savings.

Discussion followed regarding cash payout in lieu of the health care benefit and how prevalent it is in other districts. A request was made by Mr. Miller to have SAU 21 forward relevant data on this topic to the Budget Committee. Mr. Minichello was to gather the data.

Discussion followed about the potential break up of SAU 21 since the town of Hampton approved a Warrant Article to study with drawl from SAU 21. Concerns were raised over potential cost increases to the remaining districts. Comments were made regarding the appearance of layers of bureaucracy at the SAU and whether the dissolution of SAU 21 might lead to a smaller and more efficient Superintendents office.

The upcoming labor contract discussion between SAU 21 and the teacher's unions was discussed. A formal invitation was extended to Henry Marsh (North Hampton School Board Rep) for the School Board to meet with the Bud Com to discuss upcoming budget issues during the summer, prior to the fall budget meetings, in an effort to work together on any upcoming budget issues.

Terry Conklin shared with Mr. Minichello a Summary Budget Analysis which presents the town's budget in a summarized one page document along key line items (ie: salaries, benefits, infrastructure maintenance and repair, debt service, food service, etc.) and inquired as to the SAU's ability to present the school's information in a similar format. Mr. Minichello believed that it could be and would respond back if there were any issues.

A motion was made by Terry Conklin to request that the North Hampton School Board work to consolidate its budget into a one page summary sheet similar to the recent document created by the Town Of North Hampton. The motion was seconded by David Peck. The vote was unanimous (6-0).

Mr. Minichello concluded his presentation and left the meeting at 7:40 p.m.

Other Business:

Mr. Marsh moved and Mr. Hart seconded a motion to nominate Terry Conklin as Chairman. The vote was unanimous (6-0).

Mr. Marsh moved and Mr. Hart seconded the motion to nominate David Peck to be Vice Chairman. The vote was unanimous (6-0).

Chairman Conklin stated that his goals for this year's Bud Com would be for it to become more active in working with and assisting the Board of Selectmen and School Board with financial or budgeting issues – as opposed to the simple reactive budget review process in the fall. He indicated a desire to complete a project begun in February regarding the accounting and internal controls and procedures involving the Town's various reserves (including the general fund) and volunteered to head a sub-committee to work with the BOS.

Mr. Conklin will chair a sub committee to research town treasuries (reserve funds).

There was discussion on how to control escalating health care costs with input by all. Various cost saving initiatives from private companies were discussed at this time. Mr. Miller volunteered to chair a sub committee to help the town research cost effective alternatives in the management of health care benefits for all town employees (union and non union).

Mr. Miller will chair a sub committee to analyze town healthcare benefit policies.

Mr. Miller has requested the Census Data for healthcare polices for both union and non union employees. Ms. Creighton will direct Town Manager Mike Pardue to collate the data requested and provide it to Mr. Miller for his analysis.

Review of 3rd quarter North Hampton town expenditures

Ms. Creighton noted that 28% of funds were remaining for the year with 28.9% projected expenses. The town is on target for the year.

Legal was budgeted at \$45,000 and is up to approximately \$90,000 due to ongoing litigation regarding potential cell phone tower construction.

Vehicle and Highway maintenance is up due to the age of the vehicles.

These expenses are being offset by surplus in the Fire Department healthcare line item due to turnover within the department.

Ms. Creighton noted that there is a hiring freeze in effect for fulltime personnel.

A headcount history will be forth coming from Town Manager Mike Pardue.

Ms. Laurel Pohl will be presenting the Capital Improvement Plan to the Board of Selectmen and Budget Committee at the next meeting set for **May 8th**. The time is to be determined.

Motion to adjourn at 8:38 p.m. by Mr. Hart seconded by Mr. Miller. The vote was unanimous (6-0).