

**MINUTES  
NORTH HAMPTON BUDGET COMMITTEE MEETING  
TUESDAY, DECEMBER 5, 2006**

**Attendance**

Attendees: (1) Terence Conklin - chair; (2) Emily Creighton; (3) Henry Marsh; (4) Andrew Hart; (5) David Peck; (6) Paul Marston; (7) Peter Simmons; (8) Larry Miller; (9) Sue Spencer.

Other Attendees: NHS School Board members (Gorman, King, Sarazen, Marsh, Dolan), Peter Sweet (NHS), Kathleen Lynn (NHS) and Bill Sanders and Maureen Ward (SAU)

Mr. Conklin called the meeting to order at 7:03 PM

**Approval of Minutes**

The draft of the minutes for the Bud Com meeting held on November 16, 2006 was reviewed. Mr. Miller made a motion to amend the minutes as drafted. Second Motion to accept as amended. Vote was unanimous to accept minutes as amended.

**North Hampton School District Budget Presentation**

Ms. Gorman presented the 2007/2008 Proposed NHS Budget and answered various questions from Committee members. An analysis prepared by Mr. Sanders set forth major increases / decreases over the prior year's budget as explained by Ms. Gorman. Discussions included existing staffing, pay and benefit rates for union and non-union employees, class size, and SPED costs as compared to other like communities in NH. Mr. Sweet set forth the administration's goals and objectives for SPED and provided information on the operational and financial benefits of the NHS program. Mr. Sweet indicated that the 2006 budget was under-spent by \$150,000 primarily due to a positive variance in medical insurance costs below budget. Ms. Gorman indicated that the SAU was in negotiations with the Teacher's Union regarding upcoming contract (expires in June 2007) and that she could not comment on projected payroll cost increases or specific contract related issues. Mr. Sanders agreed to provide information on policies and liabilities relating to accrued sick time.

Ms. Gorman provided update on Bus contract which resulted in major cost increase for last year's budget. NHS is withholding payment due to breach of contract and is in negotiations to resolve operational and financial issues. Mr. Marsh set forth the many challenges in resolving logistical challenges including staffing, route layout and parallel starting times.

Mr. Conklin shared an analysis of enrollment and class size based on projected class sizes compared with Board adopted class size maximums. Mr. Sweet explained the administrations goals and objectives related to sizing classrooms and resultant student to teacher ratios.

Discussions shifted to cost per pupil statistics. Mr. Sanders handed out an analysis comparing the 2004/2005 NHS cost per pupil with other communities in the Seacoast area. Mr. Conklin shared a similar analysis going back to 2002/2003 through projected 2007/2008 as compared with the NH state average as published by the Dept. of Education. It was concluded that a more representative “index” of like kind school districts be developed. Mr. Sanders agreed to provide the average data for such communities going back to 2002/2003.

Mr. Peck discussed the BudCom’s offer to assist the Board in evaluating and managing the alternatives to funding medical benefits. Ms. Gorman expressed interest in having the BudCom work with the Board in the future (current negotiations prevent any input at this time). Mr. Conklin also discussed property and casualty insurance coverage with regard to deductible levels. Mr. Sanders agreed to provide the Board with alternative premium quotes from the broker at \$5,000 and \$10,000 deductible levels.

Discussion shifted to the effect of Hampton’s possible withdrawal from the SAU and what actions NHS was considering. Ms. Gorman referred to a Warrant article that the Board is planning on presenting to the voters looking to establish a steering committee to study the issue.

Mr. Sarazen led the group through the Board’s technology plan which included the purchase of new and replacement IT equipment, computers, laptops, and wiring. He also led the BudCom through a three year plan for capital expenditures in this area. Discussion followed regarding the inclusion of these expenditures within the annual budget or as a separate Warrant Article. The Board indicated that they would review the issue and report back to the BudCom as to their final recommendation.

Ms. Gorman presented a Warrant Article establishing a Building Capital Reserve Fund for the school. Given that the expansion and renovation is now 10 years old, the establishment of a reserve was considered appropriate to begin accumulating money for large repairs. The proposed reserve would be funded from positive spending variances vs. the budget (similar to last year’s \$150,000 amount), and not from taxation. A maximum on the annual funding was suggested at \$50,000. The Board would have authority to expend monies from the fund as needed.

Ms. Gorman also walked the BudCom through two other Warrant Articles dealing with an upgrade to the HVAC computer system and the implementation of a School Security Plan which calls for \$50,000 - \$70,000 of spending in the coming year (primarily lock down capability, security cameras and identification card entry systems)

### **Other Items**

Next scheduled meeting is for December 7<sup>th</sup> in the Mary Herbert Conference Room at 7PM.

Motion by Mr. Marston to adjourn the meeting at 11:47 PM , seconded by Mr. Hart. Vote was unanimous.