

**Draft MINUTES**  
**NORTH HAMPTON BUDGET COMMITTEE MEETING**  
**WEDNESDAY , JANUARY 24, 2007**

**Attendance**

BudCom Attendees: (1) Terence Conklin - chair; (2) Emily Creighton (BOS); (3) Henry Marsh (SB); (4) Andrew Hart; (5) David Peck – co chair; (6) Sue Spencer; (7) Bob Hamilton (representing LBH); (8) Larry Miller.

Absent: Paul Marston

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

**Minutes:**

Minutes for December 14<sup>th</sup> were reviewed, motion by Peck and seconded by Creighton to accept, approved 7-0-1. Minutes for January 8<sup>th</sup> Public Hearing were reviewed, motion by Miller to amend, motion by Spencer to approved amended minutes and seconded by Conklin, approved 7-0-1.

**Winnacunnet School Budget:**

Mr. Copp (NH representative to the W BudCom), updated Committee on the approved budget of the Winnacunnet High School. Total student enrollment is expected to grow from 1,319 to 1,379 next year. NH contributes to budget based on enrollment which is approx. 12% - 15%. Total budget increase over last year is 2.8%. If all warrant articles are approved, the budget would increase 5.1%.

**Review of Specific Warrant Articles:**

Mr. Conklin invited discussion on several warrant articles that the BudCom had not previously discussed or debated. The following warrant articles were discussed:

**Town Article #7** – Homer Johnson updated the BudCom on the citizens petition Warrant Article to direct the BOS to purchase a parcel of land and existing home at 3 Exeter Road in the amount of \$900,000 through a bond issuance. Mr. Johnson handed out a description of the citizen's petition setting forth the details and merits of the proposed transaction. He also shared conversations he has had with Acquarion to amend an existing lease encumbering the property (13 years remaining with a 15 year extension option). Questions included (a) the existence of a current appraisal (none); (b) ability of NH Forever to be part of transaction; (c) state and federal regulatory restrictions on use of property given Acquarion well; (d) specific proposed amendments to the existing lease and impact on Town's proposed use; (e) status of other customary due diligence. The

discussion also focused on the specific language in the Warrant Article that appears to bind the BOS to the acquisition at the stated price – regardless of the results of any appraisal, lease negotiations, permitting, legal, title or environmental due diligence. The BudCom was generally supportive of the opportunity to acquire land for recreation that was adjacent to Dearborn Park, however, there were many unanswered questions. Mr. Johnson noted these comments and indicated that the wording of the Warrant may be changed at the Deliberative Session to allow the BOS use its “best efforts” to pursue such a transaction - as opposed to strictly obligating it to purchase the land. The BudCom would have an opportunity to revote on the Warrant if changes were made thereto.

**School Article # 2** – Janet Gorman (SB Chair) presented the specifics of the proposed three year contract between the school district (SAU 21), the NH School Board and SEA. Ms. Gorman handed out schedules which set forth the pay scales for teachers based on step increases and track advances. She also reviewed an analysis which calculated the amounts listed in the Warrant Article. On a district wide basis, the average amount of pay increase in the new contract were calculated to be Year 1 – 4.67%, Year 2 – 4.9 % and Year 3- 4.67%. The percentage increases for NH School teachers were slightly higher due to the make up the teacher staff from a step and track basis. Ms. Gorman described some of the other contract terms including a buy back of unused personal and sick days including the tightening up of the utilization of these benefits. Health care plans were amended to restrict enrollment in the highest priced plan and to increase the employee portion of the premium for one plan from 0% to 5% over the three year period. Questions and discussions included (a) basis for determining the pay scale increases as they relate to national and regional data; (b) anticipated retirements from NHS and effect on the budget; and (c) term of contract in light of possible withdrawal from the SAU. As part of the discussion, Mr. Peck handed out information from the Bureau of Statistics for state and local governments which showed an average 2006 increase of 3.7% nationally.

### **Town Budget & Warrant Articles:**

Ms. Creighton requested that the BudCom revisit several line items in the Town Budget based on updated and corrected information. Ms. Creighton motioned to adjust certain line items – all motions were seconded and approved 8-0. See **Exhibit A** for summary of adjustments. The new budget to be voted on by the BudCom and presented to the BOS was calculated to be **\$4, 896,107**, after taking into effect the adjustments.

The following votes (recommend – not recommend – abstain) were made on the Warrant Articles presented by the BOS:

- #6 > 8-0
- #7 > 0-0-8
- #8 > (with new budget number **\$4,896,107**) 8-0
- #9 > 0-0-8
- #10> 0-0-8
- #11 > 8-0
- #12 > 8-0
- #13 > 7-1
- #14 > 8-0

- #15 > 8-0
- #16 > 3-4-1
- #17 > 2-4-2
- #18 > 7-1
- #19 > 7-1
- #20 > 8-0
- #21 > 6-1-1
- #22 > 8-0
- #23 > 0-8
- #24 > 0-8

### **School Budget & Warrant Articles:**

Mr. Conklin invited Ms. Gorman to participate in further discussion relating to the budgeting, accounting and compensation structures for administrative pay and benefits in light of the SB's updated response to our discussions from the January 8<sup>th</sup> meeting. Lengthy discussion and debate over the issue ensued as to how best convey the BudCom's position regarding past practice and future compensation structuring – while recognizing the SB's role and responsibility to negotiate such agreements. Ms. Gorman noted that although she could not discuss specifics surrounding the upcoming agreements (due to confidentiality), she stated that the SB had discussed the BudCom's concerns at length at their last meeting and would take them into consideration going forward. She also agreed to share the results of such negotiations with the BudCom when they were completed (April timeframe). Several suggestions and compromises were discussed - resulting in Mr. Conklin's motion to decrease the medical benefit budget by \$9,000, representing the teacher's contracted 25% employee contribution amount for two employees on an estimated \$18,000 premium. The motion was passed 7-1, resulting in a new budget for the NHS of **\$7,293,862**.

The following votes (recommend – not recommend – abstain) were made on the Warrant Articles presented by the SB:

- Article 1 – (with new budget amount \$7,293,862) > 7-1
- Article 2 - > 5-3
- Article 3 - > 8-0
- Article 4 - > 8-0
- Article 5 - > 8-0
- Article 6 - > 8-0
- Article 7 - > 8-0

### **Other Items**

Next scheduled meeting is for Town Deliberative Session for February 3rd in the School Auditorium at 8:30 AM and the School session on February 6<sup>th</sup> at 7 PM.  
Motion by Mr. Hart to adjourn the meeting at 11:05 PM , seconded by Mr. Conklin. Vote was unanimous.