

North Hampton Budget Committee  
Minutes of September 17, 2007 Meeting  
Mary Herbert Room, North Hampton Town Offices

Attending Committee Members: Robert Copp, Michael Golden, Bob Hamilton (newly appointed representative for Little Boar's Head District), Jim Maggiore, Larry Miller, David Peck, Kari Schmitz  
Others in attendance: Emily Creighton (Chair, Board of Selectmen, on behalf of Don Gould), Mary Pat Dolan (Chairperson, School Board), Sandy Dewing (representing himself)  
Not Attending Committee Members: Michael Coutu, Don Gould

David Peck, Chairman, called the Budget Committee meeting to order at 7:06 pm.

### Meeting Agenda and Discussion

1. Discussion and approval of July 30, 2007 BudCom Meeting Minutes- Peck.

Discussion pertaining to how previous meeting minutes should be approved in the future. Larry Miller agreed to draft guidelines to share with the BudCom in a future meeting.

Meeting minutes approved by 4-0 vote, with Larry Miller abstaining due to his absence from that meeting.

2. Review Calendar for Upcoming Budget Season-Peck.

The budget calendar for the 2008/2009 season was passed out (attached). The calendar covers the full cycle for the BudComm members, beginning in mid October in review of several of the town department budget submissions, concluding on February 5, 2008 with the school deliberative session. Due to the significant material to cover

and the weighting of the school budget to the total town budget, it was agreed that the school budget would be reviewed in two separate sessions for the upcoming budget cycle. Kari Schmitz will come back to the committee indicating how the material will be split into the two review sessions. The town and school budgets will be reviewed by the BudCom with the respective department heads and responsible parties in attendance.

During the calendar discussion, Bob Copp indicated a surplus would be returned to the town from Winnicut. David Peck will recirculate the calendar via email to all BudCom members.

### 3. Designation of Elected BudCom members as Town Department and School Project Leaders-Peck.

As a means of improving the budget process, it was agreed that the school and town departments would have a designated elected BudCom member serving as a liason between these groups and the BudCom, each BudCom specialist taking an active role in supporting both the school/town department and the collective BudCom. This effort by the designee would encompass gaining a full understanding of the submitted budget, including any warrants, and including comparisons to prior years and perhaps developing relevant comparisons by reaching out to other towns fitting the same profile as North Hampton. Attached is a listing of the departments/school actual 2006/2007 actual spending, indicating the weighting of each. This budget improvement is not intended to cover Winnicut, county or revenue portions of the budget, but will include any warrant articles for the town and school. It was decided that Michael Golden will serve as the lead designee for the school budget, with Mike Coutu in support. Further, the fire department budget will be covered by Mike Coutu, police department by Bob Copp, highway/recycle/disposal by Jim Maggiore and the admin/clerk/tax collector/other by both Dave Peck and Larry Miller. Since the library is supported by trustees as oversight, this area was not assigned to any BudCom member. Larry Miller has previously contact with the town of Rye, who have

graciously agreed to reciprocate and share relevant information for benchmarking purposes. It was felt that Hampton Falls, without a budget committee, would not be a good candidate, while South Hampton was too small and would not offer good benchmarking comparisons. Mary Pat Dolan indicated the school board would be happy to reformat the budget information for the BudCom if it would improve the information flow or allow for a more meaningful discussion between the two groups. She is also open to changes for the subsequent presentations at the town meetings if it would add value. Mary Pat then ran through the budget cycle for the school, an iterative process between the SAU, school admin and school board. Mary Pat, while in support of comparisons, indicated it may be a challenge to find towns with similar structures/models to the North Hampton school. She will seek Bob Berry's (SAU 21 Business Administrator) assistance on possible towns to contact. At the same time, Kari Schmitz will set up a meeting with herself, Mary Pat and Mike Golden to discuss benchmarking for the school. During the discussion on comps in general, it was agreed it was important to understand what to measure when setting up town-to-town comps. Addressing a previous action item, Kari Schmitz will set up a tour of the school facility for the BudCom, this tour to include a discussion of some of the regulatory challenges the school faces, special education challenges and other pertinent information, done in the spirit of improving the BudCom's understanding of the issues the school faces when developing its budget. It was decided that the tour would occur sometime in October, with perhaps Peter Sweet, Principal, guiding the tour. In order to avoid being a distraction to the students, it was suggested to conduct the tour while the school was in session, but perhaps at the end of the school day. Jim Maggiore announced that there will be a public meeting on September 18 to discuss the possible withdrawal by the town from SAU21. Meeting begins at 6:00 pm in the school cafeteria, where the school admin will offer their recommendations, previously receiving input from relevant parties including the teachers. Then at 7:00 pm there will be an open discussion and input from the public in attendance.

#### 4. Review NHSB response to BudCom questions regarding Play Area Artificial Surface Investment-Schmitz.

Refer to July 30 BudCom minutes for discussion on this issue.

Prior to discussion on this matter, it was requested by David Peck that Kari Schmitz discuss with Bob Berry the favorable \$140,000 variance to budget for the 2006/2007 year for employee benefits, including what were the budget assumptions when developing the budget for this line item. It was also requested by Larry Miller that all line item transfers within last year's school budget be presented to the BudCom.

Discussion then turned to the agenda item covering the play area.

A document was handed out by Kari, which explained the history of the play area, criteria for selecting a new surface, ground cover options-including cost implications (see attachment) and final solution. It was felt by a majority of the BudCom that the materials presented fell short of what was requested. Speaking on behalf of the School Board, Kari re-affirmed their original expenditure due to the safety issues of the playground, but agreed to review the internal procedures surrounding capital improvements. It was disclosed during this discussion that no consultants were retained to assist in the decision making process, rather sales rep-type suppliers of the various proposed solutions or from the collective knowledge of the review group which included Peter Sweet and members of PAL. While it was very concerning to members of the BudCom that the need for a new playground surface was never brought to their attention, especially considering the large outlay of approximately \$120,000, there was also major concerns about the process in arriving at a final solution. David Peck repeated several times that the school admin and School Board were within their rights to spend what turned out to be a school budget surplus, yet it was a decision that probably should have gone to the town voters and taxpayers to decide. Given this right to spend surpluses in the budget, the BudCom, elected by the voters, has an

accountability to these voters as an oversight to the budget and actual spending for the town departments and the school.

Mary Pat outlined the process around the decision to replace the playground surface area. She recalled that it was more a conversion of many conversations around safety combined with interest by PAL to remedy the problems with the shredded tires. David Peck raised the issue that using the much lower cost solution of sand, if in fact it did not comply with National Safety Standards and American with Disabilities Act, why so many area school play grounds have sand in place today.

It was felt by a majority of the BudCom that proper diligence, detail and rigor to the review process of the play surface were lacking, especially considering the large outlay. Mary Pat went on to further explain that this was not on the school board's radar screen during the 2007/2008 budget preparation. She felt that they did not start the review process for play ground surface with any expectations to the final solution, and she assumes that there was an open discussion around the lower cost solutions by the review group prior to bringing to the school board for approval. Mary Pat stated that the School Board is not happy with any unexpected maintenance issues. Due to the safety concerns and perhaps subsequent liabilities given an accident, Mary Pat felt the Board needed to act. She shares the BudCom's objective of getting these type of issues up front, to have better planning in place and working closely with the BudCom. With this in mind, a Capital Improvement Plan is to be presented by the School Board to the BudCom during this upcoming budget cycle.

David Peck stated that while the School Board submitted a 2008 Capital Plan for the school, it did not include any mention of the playground surface. Sandy Dewing, asked to submit a quote for one of the proposed solutions, in speaking with members of the play surface review group at the time of the review, felt that a solution was predetermined before the review process began. Because this action

came so late in the year, and even though the school board had the right to spend this at the time projected school budget surplus, it was probably in the best interest of the voters and taxpayers that this expenditure be brought to the voters as a warrant. David Peck stated that the school administration and Board are not only stewards and guardians of our school children, but also the voters and taxpayers monies. Kari and Mary Pat agreed with this statement. David Peck requested one of two options in further discussing this issue: members of the school board together with Peter Sweet join a BudCom meeting, or members of the BudCom join a school board meeting. Mary Pat agreed on the value of the two Boards to address this topic together, but will first present this issue to the School Board for their decision and will get back to David Peck no later than Monday, September 24 on the Board's response to his request.

#### 5. Other matters.

Larry Miller asked Selectwoman Emily Creighton on a previously raised issued at a BudCom meeting on how to staff for what appears to be a finance personnel shortfall in the town office, and further, have any problems surfaced in the reconciliation review process. Emily indicated that no problems have surfaced to her knowledge, and would get back to the Budcom on the staffing matter.

Bob Hamilton, on behalf of Little Boar's Head District, requested that the BudCom sign the MS form for the previously approved Little Boar's Head budget for 2007/2008. Bob indicated that the New Hampshire Government Center will be holding a full day workshop on town budget preparation. This session will be held on September 25 in Bedford, N.H.

There being no further discussions, David Peck adjourned the meeting at 8:59 pm.

Respectfully submitted,  
Michael Golden