



Budget Committee

Robert Copp
Dickie Garnett
Michael Golden
Robert Hamilton - absent
Paul Martino - Chairman
Larry Miller
David Peck
Jon Rineman
Jennifer Simmons

Budget Committee Meeting – Official Minutes

Thursday, December 2, 2010
Mary Herbert Conference Room

Call to order: Chairman Paul Martino called the meeting to order at 7:01 p.m.

1. Review Minutes

Motion by David Peck to approve the minutes of November 1, 2010 as written. Second by Dickie Garnett. The minutes were approved 8-0.

Motion by Michael Golden to approve the minutes of October 4, 2010 as written. Second by Dickie Garnett. The minutes were approved 8-0.

2. Update on town budget issues

Mr. Rineman said kitchen renovations are underway at Town Hall for between \$5,000 and \$6,000. The Select Board has not yet reviewed the proposed town budget.

A preliminary report on LGC commingling of funds has been presented; the state is still investigating. Mr. Peck said that even if the state does not find the issue illegal, it is unethical for our largest supplier to take money out of the health trust to use for other purposes. Mr. Golden noted that the Budget Committee had previously raised concerns about a conflict of interest regarding the town administrator's position on the LGC board. Mr. Miller said the town administrator could not serve in both positions if litigation occurred. Mr. Peck said that as an LGC board member the current town administrator would have to recuse himself from investigating alternative providers, yet he is the only employee qualified to do the investigating.

Motion by David Peck asking the Select Board to state their position on the LGC workers' comp/health trust issue and their action plans to investigate alternatives to LGC health premium brokers. Second by Larry Miller.

Discussion. Mr. Golden said that for the 4 years he has been on the committee the question has repeatedly been raised about why we have 19 to 27% increases annually in health care; maybe the committee should be more persistent in seeking the answer. Mr. Martino noted they were two separate issues. Mr. Peck suggested reviewing the claims history. Mr. Miller will investigate the town's portion of claims.

Vote: Motion passed 8-0.

Mr. Martino asked Select Board rep Mr. Rineman to report on the Select Board's decision. He agreed.

3. Review school budget

a) Ms. Simmons shared the past five years' budgets for reference. She presented the major changes in this year's proposed North Hampton School District budget. The proposed budget for FY 2011-12 is \$8,789,080, which is a 2.4 percent increase over the current budget. Major changes are:

- \$85,000 increase in SPED aide salaries
- \$52,000 increase in employee benefits; \$49,000 is for retirement
- \$30,000 increase in SAU services due to Hampton's departure from the SAU
- \$30,000 increase in SPED legal fees for due process settlement payments
- \$11,000 increase in the student activities fund
- \$10,000 increase in regular education salaries for step and track upgrades
- \$9,000 increase in the bus contract
- \$4,200 decrease in grounds; the sander purchase is complete
- \$5,000 decrease in food service
- \$7,900 decrease in building maintenance

Mr. Miller noted there was no difference between the administration-proposed and board-proposed budgets this year.

b) Mr. Copp presented the proposed school budget. The committee reviewed page by page, and asked questions for clarification. There is no proposed increase in regular education staffing this year; most of the staff is on the top step. Enrollment numbers are steady. **The committee would like information on class size decision-making.** Interns are paid so they will be on the school schedule rather than UNH's schedule. Teachers have not had a contract for two years; they have recently ratified a proposed contract, which will appear as a warrant article on this year's ballot. **The committee would like more information on rental/ lease equipment and the current run rate on supplies, print media, SPED salaries and tuition reimbursement.** There are 6 more aides in the proposed budget. Ms. Simmons noted that the committee had cut \$4,000 from the student activities account last year with the intention of not funding a 7th grade trip to New York City. She said she would have voted differently if she knew they would be going to New York anyway and the burden would be shifted to parents and community through fundraising. Mr. Miller said capital equipment purchases of computers should be in a warrant article. Mr. Golden was interested in learning about the policy for technology equipment and replacement. Mr. Peck said technology replacement to maintain a steady state is appropriately placed in the operating budget. **The committee would like to see a capital replacement plan for technology.**

Mr. Copp said the Joint Board had pushed for a reduction in SAU expenses with Hampton out; \$200,000 was cut. Mr. Miller asked that the title "curriculum coordinator" be added back to "assistant principal." Fuel cost was projected at 2.33. **The committee would like information on costs and savings under the new snow removal plan.** Debt service ends August 2011. The committee noted that, due to state building aid, the amount is actually \$325,000 rather than \$460,000. Mr. Peck asked if the committee would be able to see the teacher's contract, including impact on health expenses. Mr. Copp said yes, after the school board reviews and approves it. **The committee would like to know if the principal also participates in the teacher retirement.** Mr. Copp reported that enough students have been found who qualify for free and reduced lunch to sizably increase the amount of money the school gets from the federal government. Mr. Copp said the building capacity for students has been called 550 but is closer to 510 to 520. Three

classrooms will be needed for kindergarten instead of one if K goes to full day. Mr. Peck noted the small class size in upper grades and suggested that fewer teachers might be needed. Staff levels are also determined by the need for “highly qualified teachers” in subject areas in those grades, said Mr. Copp. There is no change in the Unified Arts staff levels. Mr. Peck said, looking at the big picture, a 2.4 percent increase plus the potential of up to 3.4 percent if the contract is ratified was too great.

4. Other

The School Deliberative Session is set for Tuesday, February 8. The committee will meet next on Tuesday, December 7. An additional meeting has been scheduled for Thursday, December 16. January 3 and 11 are also reserved for reviewing the school budget. The public hearing for the school budget has not yet been determined.

Adjournment

Motion to adjourn by Dickie Garnett; second by Larry Miller. Motion passed 8-0. The meeting was adjourned at 10:20 p.m.

Respectfully submitted,
Amy Kane

(Minutes approved 12-7-10.)