



## **TOWN OF NORTH HAMPTON, NEW HAMPSHIRE**

**North Hampton Budget Committee  
Public Hearing on the 2012-13 School Budget  
January 17, 2012 at 7:00PM  
North Hampton Town Hall**

Chair Paul Martino called the Public Hearing to order at 7:00 PM. Those in attendance were Select Board Representative Jim Maggiore, Margaret Allen, Michael Golden, David Peck, Bob Hamilton, Rick Stanton and Bob Copp. Absent from the Public Hearing was Dickie Garnett.

Two members of the Boy Scouts presented the flags and led the Pledge of Allegiance.

Chair Martino presented a power point presentation of an overview of the seven year tax rate history, the current tax rate, revenues from 2007 through 2011, 2009 North Hampton Census Data, N.H. Occupational Employment and Wages, Per Capita Income for Rockingham County, Employment Cost Index, Social Security Cost of Living Adjustments for 2007 through 2011, Consumer Price Index, Unemployment percentages for North Hampton and Rockingham County for the past 10 years, Home Sale Trends in North Hampton and Rockingham County for 2006 through 2011. A copy of these slides are attached to the minutes.

Chair Martino stated that the Budget Committee was in agreement that the town and school budgets should stay in line with the citizens ability to pay. He further stated that after a review of numerous points of data, the Budget Committee voted 7-0 that they would send word to the Select Board and the School Board that they felt the town could afford a 1.5% budget increase.

Chair Martino stated that both the School Board and the Budget Committee agreed that an “apples to apples” review of the school budget should be done. He further stated that when speaking about how this budget compares to last year, the debt service and principal payments were netted out. The proposed budget is a 2.26% increase and should be noted that the difference between this year’s budget and next year’s proposed budget is an approximate \$171,000 increase comprised of a majority of the following costs:

- Health insurance increase of \$65,115
- Retirement increase of \$61,491
- SAU share increase of \$7,387
- Special Education increase of \$20,172
- Food service increase of \$10,000



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- Bus contract increase of \$20,132

Chair Martino stated that the proposed budget eliminates a full time occupational therapist position and budgets for contract services. This change accounted for a \$61,002 reduction in the budget.

### **Warrant Article 1**

Shall the School District raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$7,751,682? Should this article be defeated, the default budget shall be \$7,836,992, which is the same as last year, with certain adjustments required by previous action of the School District or by law; or the governing body may hold one special meeting in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (Majority vote required.)

Note: Warrant Article 1 (operating budget) does not include appropriations in any other warrant articles.

**Recommended by the School Board 5-0.**

**Recommended by the Budget Committee 9-0.**

Peter Sweet, North Hampton School Principal explained that the increases to the budget were all items that the school has no control over such as health care, retirement and transportation costs. Those items that could be controlled were not increased. He further stated that by eliminating the position of the OT, quality of services will be effected, and as the Principal he would always recommend having an OT on staff full time, but at the same time is very sensitive to the taxpayers of North Hampton.

Tamara Le, Walnut Avenue stated that there must be an affordable way to provide the services of the OT to the taxpayers. She further stated that she did not feel that there would be a cost savings to the town by eliminating the full time position of the Occupational Therapist.

Beverley Barvenik, 133 Walnut Avenue stated before any decision of this magnitude is made, a great deal of research should be done as to how much contracted services will actually cost the school in the long run, versus keeping the position of full time Occupational Therapist.

Chair Martino asked Mrs. Barvenik where she felt money could be found elsewhere in the budget.

Mrs. Barvenik stated that she questioned the part time position for the Talent Show coordinator and also stated that she didn't think so many field trips are absolutely necessary.

Joan Bauer, 215 Post Road stated that she felt the Budget Committee is trying to take out a "paltry" sum of money and balance the budget on the backs of the children that can least afford it.



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Tom Novak, 64 South Road stated that he felt the Occupational Therapist's position needs to be in control by the school staff, and not an outside contract service. He further stated that hiring an outside contract service will cost much more than what the current position is paying.

Sandra Hoyt, 22 Sandpiper Path spoke of the importance of continuity with keeping the current Occupational Therapist, and stated that there can be cuts made to the computer budget or somewhere else and not put this on the backs of those children that need the services the most.

Tom Carroll, 86 Woodland Road stated the importance of keeping the Occupational Therapist and not look at price versus cost in this situation. Her further stated that perhaps go back and look into alternative energy to save some money, and know what the costs are going to be.

Jeff Hillier, 3 Glendale Road stated he is ready to spend the \$61,000 that was cut, and asked where in the budget would the OT money now come from.

Chair Martino stated that the Budget Committee had varying opinions as to where the money should come from, but that they felt it is the School Board's duty to see how the money is spent, and nothing holds them to each line item.

Sarah Maloney, Grandview Terrace stated the importance of keeping continuity with the Occupational Therapists position, and in the long run by saving \$61,000 now, it might cost much more down the road.

Stacey Whittier, 15 Chapel Road stated that she was concerned with those children that don't need all of the services of an Occupational Therapist, will fall through the cracks because of hiring a contract service.

Lauren deConstant, 116 Atlantic Avenue stated that it is important to have continuity not just in services, but also in relationships.

Sandra Hoyt, 22 Sandpiper Path asked how the rate of \$50 per hour for a contract OT was derived.

Mr. Sweet stated that the figure was an estimate as they have never contracted out for these services before, and that they had looked at other communities and what was typical.

Brenda Tharp, Pine Road read a letter from the teachers at North Hampton School.

Rob Spaulding, 70 Winnicut Road asked what exactly the contract position is going to do for the school, and also asked if money has been budgeted for potential lawsuits that could happen as a result of cutting this position.



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Rick Stanton stated that the Budget Committee's statutory role is to set a bottom line figure, and not get involved in going line by line of the budget or having veto authority. The Budget Committee set a limit that they felt the town could afford, and it was the School Board and the School Administration that came up with the budget cuts. He further stated that the Budget Committee offered the School Board an opportunity at the last meeting if they wished to reconsider and find other cuts other than the OT position, and they decided not to do so.

Mr. Stanton stated that it is good to air all of the concerns that people have, but he felt they need to be directed to the school and how they should administer the staff.

Margaret Allen stated that the driving force for the 1.5% increase was that there are several people in the town on fixed incomes with no increases to their Social Security checks in two years. She further hoped that the School Board will pick the best staffing to get the best resources and the best education and services for the kids, however she would still like to hold the line at the 2.26% increase, and find other places to take money out of the budget.

Michael Golden thanked the folks that showed up and for their well thought out comments. He further stated that he too supports putting the money back into the budget for the position, as he does not support contracting the position.

Mr. Golden cautioned that the voters be very clear at the Deliberative Session if it is decided to put the money back in that it is specified where they want the money put back in, because the School Board can move the money around and spend it how they see fit.

Selectman Maggiore explained how the undesignated fund balance works. He further stated where he would take cuts from the school budget in the amount of \$61,000, but the School Board has the purview to make cuts and additions to the budget where they see fit.

Dan Donahue, Shepherd's Lane asked for year to date expenditures for the school and was told that they are available through the SAU office or on their web site.

Tamara Le, Walnut Avenue suggested money could be cut from the computer technology line, pay raises for non-union personnel, SAU costs, electricity costs and fuel consumption.

### **Warrant Article 2**

To see if the School District will vote to approve the cost items included in the collective bargaining agreement reached between the North Hampton School Board and the Seacoast Education Association which calls for the following increases in salaries and benefits at the current staffing levels:



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### **Year: 2012-13**

|  |            |
|--|------------|
| Estimated Salary Increase:                 | \$85,260   |
| Estimated Health Insurance Savings:        | (\$36,767) |
| Estimated Salary Driven Benefits Increase: | \$16,463   |
| Total Estimated Cost:                      | \$64,956   |

### **Year: 2013-14**

|  |           |
|--|-----------|
| Estimated Salary Increase:                 | \$91,444  |
| Estimated Health Ins. Savings              | (\$4,155) |
| Estimated Salary Driven Benefits Increase: | \$17,658  |
| Total Estimated Cost:                      | \$104,948 |

And further to raise and appropriate the sum of \$64,956 for the 2012-13 school year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement. (Majority vote required.)

### **Recommended by the School Board 5-0**

### **Recommended by the Budget Committee 6-3**

Joan Bauer, Post Road spoke to the article about the importance of compensating for experience in the teachers and the significance of the step increases to the teachers with less experience.

### **Warrant Article 3**

To see if the School District will vote to approve the cost items included in the collective bargaining agreement reached between the North Hampton School Board and the Seacoast Educational Support Personnel Association, which calls for the following increases in salaries and benefits at the current staffing levels:

### **Year: 2012-13**

|  |           |
|--|-----------|
| Estimated Salary Increase:                 | \$13,870  |
| Estimated Health Ins. Savings              | \$(3,055) |
| Estimated Salary Driven Benefits Increase: | \$1,301   |
| Total Estimated Cost:                      | \$12,116  |

### **Year: 2013-14**

|  |          |
|--|----------|
| Estimated Salary Increase:                 | \$16,046 |
| Estimated Health Ins. Savings              | 0        |
| Estimated Salary Driven Benefits Increase: | \$1,430  |
| Total Estimated Cost:                      | \$17,476 |



## **TOWN OF NORTH HAMPTON, NEW HAMPSHIRE**

### **Year: 2014-15**

|  |          |
|--|----------|
| Estimated Salary Increase:                 | \$15,874 |
| Estimated Health Ins. Savings              | 0        |
| Estimated Salary Driven Benefits Increase: | \$1,416  |
| Total Estimated Cost:                      | \$17,290 |

And further to raise and appropriate the sum of \$12,116 for the 2012-13 school year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement. (Majority vote required.)

**Recommended by the School Board 5-0**

**Recommended by the Budget Committee 6-3**

### **Warrant Article 4**

To see if the School District will raise and appropriate the sum of \$399,500 (\$389,500 for the property purchase, \$3,000 for closing costs and related fees and \$7,000 for operational/maintenance costs for the first year) for the purchase of the property at 197 Atlantic Avenue as described on Tax Map 007 Lot 164 (which abuts the eastern boundary of the North Hampton School, consists of 4 bedrooms, 2 bath colonial, 2.5 stories, including barn and attached shed on approximately 2.0+/- acres of land.) (Majority vote required.)

**Recommended by the School Board 5-0**

**Recommendation pending by the Budget Committee**

Chair Martino stated that the Budget Committee has not voted on this warrant article yet because it was presented to them at last week's meeting.

David Sarazen stated the reason this article is on the warrant is because the School Board felt that it should be up to the voters to decide.

There was much discussion, questions and comments from the audience but could not be heard because they did not speak at the podium.

Mr. Hamilton reviewed what the tax rate increase would be if this property was purchased.

### **Warrant Article 5**

To see if the School District will vote to raise and appropriate up to \$30,000 to be added to the existing School Health Insurance Expendable Trust Fund, with such amount to be funded from the June 30, 2012 unreserved fund balance available for transfer on July 1, 2012. (Majority vote required.)



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**Recommended by the School Board 5-0**

**Recommended by the Budget Committee 9-0**

Chair Martino stated that the next three warrant articles were very similar and ask voters if they would like to put excess funds into expendable trust funds for future years use.

Chair Martino stated that the articles in which the order they are submitted are important because that is the way that they are funded should there be unexpended funds at the end of the fiscal year.

### **Warrant Article 6**

To see if the School District will vote to raise and appropriate up to \$50,000 to be added to the existing Special Education Expendable Trust Fund, with such amount to be funded from the June 30, 2012 unreserved fund balance available for transfer on July 1, 2012. (Majority vote required.)

**Recommended by the School Board 5-0**

**Recommended by the Budget Committee 9-0**

### **Warrant Article 7**

To see if the School District will vote to raise and appropriate up to \$60,000 to be added to the existing Building Maintenance Trust Fund, with such amount to be funded from the June 30, 2012 unreserved fund balance available for transfer on July 1, 2012. (Majority vote required.)

**Recommended by the School Board 5-0**

**Recommended by the Budget Committee 9-0**

**Chair Martino adjourned the public hearing at 9:30 PM.**

Chair Martino resumed the meeting at 9:40 PM.

Chair Martino asked members of the Budget Committee if anyone wished to revisit Warrant Articles 5, 6 or 7. All members declined.

Chair Martino asked members of the Budget Committee if anyone wished to revisit Warrant Articles 2 or 3. All members declined.

Chair Martino asked members of the Budget Committee if anyone wished to revisit Warrant Article 4 as the last meeting was spent getting all of the facts, and take a vote on this article.

Mr. Hickey stated that he wanted to mention that Citizens Bank appraised the property at 197 Atlantic Avenue at \$465,000.



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Mr. Stanton stated that he looked at both appraisals and the inspection and in comparing the two appraisals he believed the Stanhope appraisal was closer due to the condition and issues that affect the value. He further stated that his primary concern is whether or not this purchase is a want or a need.

Mr. Stanton stated that in these economic times it is not right to ask the taxpayers to pay an additional \$145 on their tax bill. He further stated that he would hate to see a stately old home from the 1800's torn down, as well as a loss in revenue.

Mr. Stanton stated that he could not in good conscience support the purchase of the property using taxpayer dollars.

Mr. Copp stated that he would be voting yes on this warrant article because he felt it was an opportunity that won't come along probably for another 40 years. He further stated that there are many options that haven't even been discuss, and for anyone to assume that the house is going to be torn down is premature.

Mr. Hamilton stated that he would not be in favor of this purchase if he didn't feel it was worth much more than what the offer to buy it is for the community, and he would be voting in favor of it.

Mr. Maggiore stated that it is a remarkable opportunity and that there would be remarkable learning opportunities if the house was to be torn down. He further stated that he is hesitant to ask the taxpayers to spend more money, but that this is a once in a lifetime opportunity, and he would be voting in favor of it.

Mrs. Allen stated that it would have been great the purchase could have been bonded over ten years, but the benefits of having that land right next to the school is something that can't be passed up and she would vote in favor of it.

Mr. Golden stated that he has issues on two levels; one being the purchase price which he feels is too high based on the appraisals. He also stated that he felt it is an unexpected burden to place on the taxpayers and that he would vote no.

Mr. Peck stated that he was torn, but is going to vote against it. He further stated that he believes in land banking and that if this were a 10 or 20 year bond it would clearly be worth the investment. Mr. Peck stated that he could not support this much money at this point in time for a single increase in taxes.

There was discussion amongst the Budget Committee about the possibility of putting this as a town warrant article instead of a school warrant article and changing the terms to bonding.

Chair Martino stated that he supports the school warrant article and it is an investment in the future.





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**Motion by Mr. Golden to approve Warrant Article 4 as written. Seconded by Mr. Peck. Motion carries 5-3.**

Chair Martino stated that the Budget Committee had vote 9-0 to approve the operating budget and would like to hear how members feel about the 2.26% increase versus the 2.26% plus the \$61,000 for the Occupational Therapists position being added back in at the Deliberative Session.

Mr. Golden stated that he would strongly urge the Budget Committee not to change the number, that he would let it happen at the Deliberative Session.

Mr. Maggiore stated that he supports 2.26% and that it might end up being 3%, and he would not support an additional \$61,000.

Mrs. Allen she holds firm on the 2.26% , and if the position is needed then the \$61,000 needs to be found somewhere else in the budget to be cut.

Mr. Copp stated that he supports the School Board and what the presented.

Mr. Stanton stated that he agrees with Mr. Maggiore and Mrs. Allen and leave it at 2.26%.

Mr. Hamilton stated that he agrees with the 2.26%.

**Motion by Mr. Golden to not change the dollar amount in Warrant Article 1. Seconded by Mr. Hamilton. Motion carries 8-1.**

**Meeting adjourned at 10:40 PM.**

**Respectfully submitted,**

**Janet Facella  
Administrative Assistant**