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2 **TOWN OF NORTH HAMPTON, NEW HAMPSHIRE**  
3 **MUNICIPAL BUDGET COMMITTEE MEETING**

4 **November 20, 2023 6:30 PM**

5 **NORTH HAMPTON TOWN HALL**

6 ***DRAFT MINUTES***

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8 **MEMBERS PRESENT:** Chairman Rick Stanton, Vice-Chairman Tom von Jess, Sean Dionne, Larry Miller,  
9 Little Boar's Head Rep Brian Goode, School Board Rep Lisa Gagalis, Select Board Rep James Sununu

10 **ABSENT:** Andrew Raucci, Lisa Gallagher

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13 Chairman Rick Stanton welcomed everyone to the Municipal Budget Committee Meeting of November  
14 20, 2023 and called the meeting to order at 6:33 pm, followed by the Pledge of Allegiance.

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16 **OLD BUSINESS** - See below.

17  
18 **NEW BUSINESS**

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20 **First Review of FY2025 North Hampton School Budget**

21 *Associate Superintendent Finance and Operations, Matt Ferreira*

22 *Superintendent of Schools, Meridith Nadeau*

23  
24 Mr. Ferreira said when preparing budgets care is taken to allocate resources and provide funding with  
25 vision of students in mind, and look at bottom-line numbers and costs to taxpayers. School Improvement  
26 Plan Goals: Maximize outdoor space, support outside instructional opportunities, support a multi-tiered  
27 system (MTSS), enhance school culture and climate, commit to high quality Special Education and  
28 resources, and identify additional resources and staff to meet goals.

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30 Priorities for FY2025 Budget: Maintaining stable classroom staffing patterns with declining enrollment,  
31 increase capacity in Special Education by investing in professional development, and incorporating long-  
32 term planning. Now training existing staff in Specific Reading Instruction instead of contracting out;  
33 incorporating long-term technology planning with replacement cycles for equipment and professional  
34 development, using trusts and grant funding where appropriate.

35

36 Enrollment: 2023-2024 Actual 270; 2024-2025 projected 270; need to look at enrollment at short and  
37 long-term level; proposed classroom configuration K-8<sup>th</sup> Grade 19 teachers for projected enrollment.  
38 Grade 2 currently has 3 teachers with retirement expected the following year; prudent to maintain  
39 existing high-quality staff.

40  
41 FY2024-2025 Proposed Budget: \$10,243,832, increase of \$214,814 or 2.145; \$62,441 below Default of  
42 \$10,306,273. Budget Reductions: end of Dept Service from Bond issue; reduction of 0.5 Music Teacher,  
43 1.0 FTE Special Ed teacher, and 4.0 FTE Educational Associate position. Budget Increases: Cost escalation  
44 due to price inflation, higher buildings and grounds expenses due to inflation for repairs/maintenance,  
45 significant increase in Health Insurance premiums (GMR 23.7%), and investment in School Resource  
46 Officer (SRO); SRO cost share 75%/25% with estimated North Hampton cost of \$90,000.

47  
48 Mr. Dionne said he understood the Special Education teacher but asked about Music and Art sharing 1.5  
49 FTE and the long-term plan for the Music Department; Mr. Ferreira said the budget is based on projected  
50 enrollment and music will be 0.5 FTE. Chairman Stanton questioned the SRO cost in the budget with  
51 \$36,000 allocated to Unassigned Fund Balance for future expenses, and asked if there was a way to reduce  
52 the SRO cost. Mr. Ferreira said the \$36,000 can only be used for emergency purposes and the SRO was  
53 approved by voters and funds not used will be returned to the Town. Selectman Sununu said it will affect  
54 the tax rate either way, before or after. Mr. Goode agreed the money has to stay in the Budget.

55  
56 Selectman Sununu asked when last enrollment projection was done; Mr. Ferreira said this year and he  
57 would provide it. Mr. Goode asked the number of Educational Associate positions left; Mr. Ferreira said  
58 18 with 6 vacancies left: 5 are 1:1 and 13 are shared. Mr. von Jess said EAs are assigned to students  
59 determined by need and they are hard positions to fill. Mr. Dionne said the cost is minimal compared to  
60 any other employee.

61  
62 Mr. Ferreira said there are 3 primary drivers: Health Insurance, Special Education Transportation, and the  
63 SRO representing an increase of \$287,318 with overall budget increase only \$214,814. He said there are  
64 2 types of transportation: in-district and out-of-district placements (3 for next year); out-of-district tuition  
65 increased \$75,000. Non-union employees are embedded in the Budget with COLA set SAU-wide, tied to  
66 benchmark inflation and CPI (2.8%) for Portsmouth Region. Non-Union employees include Administration,  
67 Technology Staff, Administrative Assistants, Facilities Staff, and Food Service.

68

69 **Operating Budget by Department**

70 General Education \$2,617,188, \$42,700 increase or 1.66%; ESOL Contracted Services small increase offset  
71 by staff reduction; Special Education \$1,853,651, \$19,012 decrease or 1.02%, due to staffing changes and  
72 Special Education Organizational restructuring; Student Activities \$133,218, \$2,411 increase or 1.84%;  
73 Guidance Budget \$88,793, \$1,974 increase or 3.27%; Health Budget \$85,575, \$1,545 increase or 1.84%;  
74 Special Services \$140,980, \$4007 increase or 2.93%; Improvement of Instruction \$106,543, decrease or  
75 \$51,452 or 32.57%, Tuition Reimbursement savings expected per CBA.

76  
77 Educational Media Budget (Library) \$143,053, increase of \$5,291 or 3.84%; Support Services \$90,000  
78 funding cost share for SRO; Board of Education \$30,182, \$797 decrease or 2.57%; SAU Services Budget  
79 \$298,847, \$13,546 increase or 4.75%; School Administration \$321,106, \$412 increase or 0.13%; Building  
80 Budget \$654,413, \$54,707 increase of 9.12%, applied for SAFE Grant but not approved; Grounds \$75,763,  
81 \$30,818 increase or 68.57%; Vehicles \$2,001, \$1,100 increase or 122.09 %; Transportation Budget  
82 \$705,809, \$67,111 increase or 10.51%; Debt Service Budget \$0; Employee Benefits \$2,327,700, \$96,215

83 increase or 4.31%; Interfund Transfer \$30,000 transfer from General Fund to Food services deficit. Food  
84 Services (separate) \$213,179, \$9,023 increase or 4.42%,

85  
86 Chairman Stanton asked if all grounds/maintenance projects were sent out for competitive bid; Mr.  
87 Ferreira said multiple bids are solicited for everything with \$25,000 threshold for RFP. Mr. von Jess  
88 requested the administration consider leasing the brush hog equipment for mowing and reconsidering  
89 the \$10,000 for over-seeding in this budget. Chairman Stanton asked the cost of the new contract for  
90 transportation; Mr. Ferreira said a route was reduced but there was a 14% increase plus 6% annual  
91 increase for labor and bussing costs.

92  
93 Default Budget is \$10,306,273, \$62,441 more than Operating Budget of \$10,243,832.

94  
95 Questions: Mr. von Jess questioned the 2<sup>nd</sup> Grade staffing and said the School is anticipating a retirement  
96 1 or 2 years out and does not want to lose a teacher but encouraged the Board to go back and look and  
97 enrollment numbers and felt they would be okay even with a retirement. He asked about the bigger  
98 picture with all the staffing changes and reorganizations and said the number of positions increased from  
99 3 to 5 while staffing has gone down, plus there is a lot of sharing with SAU. Mr. Goode said reducing  
100 population by 10% and going up in administrative positions does not make sense.

101  
102 Selectman Sununu said last year's projected enrollment for Kindergarten was 28 and only came in at 14  
103 this year and asked if the School Board had taken steps to determine the reason for the big difference  
104 from expected. He said there was a marked decline from Pre-Covid to Post-Covid which seems to be  
105 sticking. Mr. Ferreira said some parents are sending kids to private kindergarten and the Board will try to  
106 dig deeper into reasons; also an Early Education Coordinator is grant funded as the SAU level.

107  
108 **Warrant Articles**

109 (1) Contribution to Building Maintenance Expendable Trust: \$50,000 from Unreserved Fund Balance.  
110 Established Trust Balances: Special Education \$432,962 with target of \$500,000; Health Care \$199,115,  
111 with target of \$200,000; Building Maintenance \$100,000 with target of \$200,000.

112  
113 Mr. Goode asked when the targets for Special Education and Building Maintenance were increased and  
114 said the increase for Special Education increased 25%. Mr. Ferreira said they were adjusted up based on  
115 current costs, Special Education target based on worst-case scenario and Building Maintenance due to  
116 increased construction costs and costs in general. Mr. Goode said they are putting a tremendous amount  
117 of money in these trusts accounts and losing buying power every day. Chairman Stanton recommended  
118 cutting the targets by 25%. Budget Committee members agreed they were comfortable with Special  
119 Education and Health Care but asked that Building Maintenance be looked into.

120  
121 (2) Long-Term Maintenance Warrant Article (Annual): \$80,000 to be raised and appropriated, aligns with  
122 5-year Capital Improvement Plan (CIP). Upgrade door Win DSX automation system, cost \$60,000;  
123 replacement of Public Announcement (PA) system \$20,000. Homeland Security grant for doors not  
124 approved.

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126 (3) Final Warrant Article: Seacoast Educational Support Personnel Association (SESPA CBA). For Year 1  
127 \$58,647, Year 2 \$53,795, Year 3 \$61,292, Year 4 \$58,768. Four-year proposed agreement for Educational  
128 Associates/Paraprofessionals primarily on Special Education side. Mr. Ferreira said this warrant is critical  
129 as our compensation is far below comparable districts. Chairman Stanton asked what SAU would do to

130 inform voters of this issue for voter education. Mr. Ferreira said there would be an informative video  
131 outlining changes and increases.

132

133 Mr. Goode asked for a percentage breakdown of yearly salary increases, benefits, etc. Mr. Ferreira said in  
134 Year 1 there are no benefit changes, purely salary going from 11 steps to 10 steps which adds to increase;  
135 Year 2 includes salaries, FICA, COLA, and one new holiday; Years 3 and 4 have a lower salary increase with  
136 increasing benefits. He said he would get the information on percentage of wage increase in each year.  
137 Mr. Dionne said it is basically a \$2.00 increase to \$16.63 hourly.

138

139 **ANY OTHER ITEM THAT MAY LEGALLY COME BEFORE THE COMMITTEE**

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141 **PERIOD OF PUBLIC COMMENT**

142

143 **OLD BUSINESS**

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144 **Approval of Budget Committee Meeting Minutes of October 30,2023**

145 **Motion:** Selectman Sununu; **Seconded** Mr. Dionne; **Approved** 6-0 with 1 abstention.

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147 **Approval of Budget Committee Meeting Minutes of August 21,2023**

148 *Minutes already approved 10/30/2023.*

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150 **Approval of Budget Committee Meeting Minutes of May 15,2023**

151 **Motion:** Selectman Sununu; **Seconded** Mr. Dionne; **Approved** 7-0.

152

153 **Approval of Budget Committee Meeting Minutes of April 17,2023**

154 *Minutes already approved 5/15/2023.*

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156 **Next Budget Committee Meeting:** November 29, 2023.

157

158 **ADJOURNMENT**

159

160 Chairman Stanton adjourned the Municipal Budget Committee Meeting at 8:16 pm.

161 Respectfully submitted,

162 Patricia Denmark, Recording Secretary