



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

NOVEMBER 21, 2022 6:30 PM

NORTH HAMPTON TOWN HALL

Approved December 5, 2022

MEMBERS PRESENT: Chairman Rick Stanton, Vice-Chairman/Select Board Rep James Sununu, Sean Dionne, Andrew Raucci, Frank Ferraro, Lisa Gallagher, George Chauncey, School Board Rep Lisa Gagalis, Little Boar's Head Rep Brian Goode

ALSO PRESENT: School Business Administrator Matt Ferreira, School Superintendent Meredith Nadeau

Chairman Rick Stanton welcomed everyone to the November 21, 2022 North Hampton Municipal Budget Committee Meeting and called the meeting to order at 6:30 pm, followed by the Pledge of Allegiance.

Motion: To allow Frank Ferraro to participate in the meeting by Zoom; motioned by Vice-Chair Sununu, seconded by Mr. Chauncey, motion approved 8-0.

OLD BUSINESS – None

NEW BUSINESS

Review Proposed Budget for FY2024 for the North Hampton School

School Business Administrator Matt Ferreira said the goal of North Hampton School is developing students by promoting 21st-century skills in communication, critical thinking, and problem solving. A School Improvement Plan is developed that aligns with our budget and how we allocate resources to those goals through long-term development of high-quality curriculum and highly effective teaching and assessment practices at all grade levels. The School has implemented a multi-tiered system of support (MTSS) for students and is committed to providing high quality Special Education Services.

Budget priorities include maintaining a stable staffing pattern, increasing capacity of Special Education Department and continuing long-term planning for technology needs/equipment replacement cycles; utilize grant funding and expendable trust resources to supplement the operating budget; received a SAFE Grant of \$45,000 and expect to see more in January. The School is aware of energy and climate-control aid coming from the Federal government and has a Capital Improvement Plan for long-term planning; all

lighting was upgraded to LED for energy savings. For Enrollment the School is anticipating a slight decrease from 304 students in 2022-2023 to 296 in 2023-3024, estimate contracted out to NESDEC for formalized projections. Class Configuration shows class size and number of teachers by grade level which is looked at annually and adjusted accordingly.

Proposed FY2023-2024 Operating Budget: \$9,782,594, increase of 0.95% or \$91,593 increase from prior year, reflects a 0.96% or \$93,084 increase compared to Default of \$9.680,510; a modest increase in a difficult inflationary environment. Budget Drivers: cost escalations including books, supplies, equipment, food services, software, repair/maintenance, technology/hardware, contracted services, and furniture; electricity and heating fuels increases reflected in this Budget; anticipating replacement of gymnasium divider and adding ceiling fans to cafeteria.

Business Administrator Ferreira said embedded in the Budget is a non-union staff COLA adjustment benchmarked to inflation CPI for Portsmouth (7%); additional increases in Special Education Out-of-District placements; savings recognized by under-budgeting Health Insurance by \$118,000 which covers the entire SAU. New Hampshire Retirement has provided the School with a refund this current fiscal year and we are reducing the employee percentage for next year reflected in this Budget.

Business Administrator Ferreira said the SEA CBA, if it passes, will be for our teacher and funded via Warrant Article, falling into Budget in subsequent years. He said it is historically difficult to pass a CBA as it has to be approved by each district in the SAU by both local ballot and Winnecunnet ballot. Mr. Ferraro said according to teacher salaries from the 2021 school year, North Hampton teacher salaries are 10th in the State. Business Administrator Ferreira said the Seacoast is where most top-10 communities reside and said all CBAs are public documents.

Budget by Department: General Education Budget \$2,430,040, decrease of \$30,172 or -1.23% due to staffing changes; additionally have a shared ESOL teacher with other districts. Special Education Budget: \$1,842,616, increase of \$44,103 or +2.45% due to increase in out-of-district tuition, represents \$45,662 which is more than the total increase. Additionally shifted some personnel and services into Budget and others into IDEA federal funds. A School Psychologist was contracted out parttime but is being increased to fulltime based on need, proposing to hire in-house as contracting out is \$130,000-\$140,000 for hourly rate; moved onto salary schedule and will be part of staff.

Mr. Goode asked the salary with benefits for the School Psychologist and Business Administrator Ferreira said \$108,413 was budgeted which includes a salary of \$68,135. Mr. Ferraro asked if the position was for Special Education students and Business Administrator Ferreira said yes, it services students on IEPs; it is coming off Professional Services and going into Salary for that position. Student Activities: \$128,891, decrease of \$8,304 or -6.05% back to normal spending; Guidance Budget: \$82,732, decrease of \$7,401 or -8.21% due to staffing changes; Health Budget: \$80,380, increase of \$2,170 or 2.77% due to increased costs of supplies and budgeting for substitute nurses.

Mr. Goode asked about Admissions under student activities; Business Administrator Ferreira said \$51,500 was budgeted for Admissions: field trips with overnight stays for 6th, 7th, and 8th graders. Mr. Goode asked about Salaries/Coaches/Advisors with a 25% drop in students; Business Administrator Ferreira said page 32 in Worksheet reflects extra-curricular stipend for athletic coaches and non-athletic advisors; included in CBA.

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Speech Services: \$132,414, increase of \$7,537 or 6.04% due to staffing change; Improvement of Instruction: \$157,995, increase of \$8,794 or 5.89%; leadership council stipends previously grant-funded moved into Operating Budget, offset by reduction in tuition reimbursement; Educational Media Budget: \$133,675, increase of \$916 or 0.69% and level-funded; Technology: \$321,635, increase of \$5,629 or 1.78%; reflects 1:1 program; Board of Education: \$39,912, decrease of \$2,275 or -5.39% due to legal account reduction; SAU Services: \$285,301, decrease of \$2,241 or -0.78% for North Hampton allocation of SAU.

School Administration: \$320,694, increase of \$19,593 or 6.5%; Buildings: \$598,706, increase of \$59,602 or 11.04%, affected by inflationary costs including significant heating and electric cost increases, proposal to replace Gymnasium divider and addition of ceiling fans to Cafeteria, contracted services and supplies costs; additionally want to purchase tractor forks and a field groomer in cooperation with the Town at \$8,000 split 50:50. Grounds: \$44,945, less \$390 or -0.87% due to groomer, offset by increased snow removal costs.

Vehicles: \$901, decrease of \$12,369 or -93.21% due to end of truck lease payments; Transportation: \$638,748, increase of \$26,919 or 4.40%, due to Special Education Transportation and general transportation cost increases expected for next year. Chairman Stanton asked if the bus company provides transportation for every student. Vice-Chair Sununu said the contract has to cover every student on every date. Ms. Gallagher asked about athletics and field trips; Business Administrator Ferreira said those are on a per bus basis.

Debt Service: \$133,478, decrease of \$1,821 or -1.35%; principal and Interest payment on Bond issued for building project, last payment August 2023; Employee Benefits: \$2,174,375, decrease of \$29,124 or -1.32%, reflects underbudgeting Health Care; Interfund Transfer: \$30,000 level-funded from General Fund to Food Service; Food Service: \$204,156, increase of \$10,792 or 5.58%, reflects price inflation, receives revenue from USDA.

Default Budget: \$9,689,510, decrease of \$93,084; less than Proposed Operating Budget of \$9,782,594. Calculated based on prior year budget plus/minus debt service, plus contracts or legally mandated items, reduced by one-time expenditures. Vice-Chair Sununu asked if Food Service Revenues were based on the School's last full year. Business Administrator Ferreira said they are partially reverting back to pre-pandemic and fewer students are submitting reimbursement requests.

Chairman Stanton asked about Water (p. 109) and asked if there was any thought to digging a well; Mr. Ferraro said the School would then essentially become a municipal water system subject to all its rules and requirements. Chairman Stanton asked why the School was paying for bottled gas when they have natural gas. Vice-Chair Sununu said it was a propane tank for the greenhouse. Business Administrator Ferreira said they would have to extend the natural gas line under the parking lot and it did not make sense from a cost-perspective. He said as far as solar, the cost has been hard to justify as the School cannot benefit from tax credit as a tax-exempt organization.

Mr. Dionne asked about Tuition for Special Services (p. 27), and whether there are certain things that cannot be done in-house; Business Administrator Ferreira said we prefer to have our students in-house but there are certain students we cannot service. Mr. Dionne asked about Tuition Reimbursement (p. 58); Business Administrator Ferreira explained that this is a mechanism for teachers to increase their salaries by taking courses. Mr. Dionne asked about Information Access Fees (p. 59) and Business Administrator

Ferreira said that is essentially the School Library databases. Mr. Dionne asked about the Programmer and iPads; Business Administrator Ferreira said the programmer (\$4,000) is the shared cost with the Town for a Groomer, and said the School has a 1:1 program with iPads for each student on a replacement cycle with grades 2 and 4 this year. Vice-Chair Sununu said the whole cost for the iPads is \$298 to lease spread over 3 years.

Mr. Goode asked why new computers were needed for the Computer Lab if everyone has computers; Business Administrator Ferreira said that is a separate line item for Mac Pros. Mr. Goode asked for a copy of the Tech Plan for the School. Mr. Ferraro asked if the two 50% instructors/math specialists applied to all students; Business Administrator Ferreira said for grades K through 5. Mr. Ferraro questioned the \$15,500 proposed for Tutoring/Music Instructors; Business Administrator Ferreira said those are 2 separate line items: the UNH Music Instructors \$15,500, then Tutorial Assistants for in-home and summer tutoring for \$1,000.

Mr. Ferraro questioned the attendance of a Foreign Language Teacher's Conference in MA; Business Administrator Ferreira said this conference is of particular interest and importance with the School looking at a World Language Program; \$285/person to attend. Mr. Ferraro brought up the issue of cellphones for Custodial, Principal, and Assistant Principal questioning the cost of \$100/month. Business Administrator Ferreira said the \$100 is part of contract negotiations; the Committee discussed the matter further and felt cost should be investigated.

Mr. Ferraro asked about 2 pre-school EAs and said he needed to better understand pre-school in the North Hampton School District and assumed it was an independent setup. Superintendent Meredith Nadeau said it is not and is a Special Education requirement which the School has an obligation to provide as part of the District; it is an integrated Pre-School Program approved by the NH Department of Education with 51% non-identified students in the program as a match; students pay tuition to attend but is provided to our Special Education students regardless. Vice-Chair Sununu said because Pre-School is established under premise of Special Education, the instructor is a Special Education Teacher, and also teaches those children who opt to attend and pay \$2,700/person. Superintendent Nadeau said the School does accept out-of-district Special Ed students but not out-of-district general education students.

School Warrant Articles: (1) Building Maintenance Expendable Trust, current balance \$130,000; last year included a plan to utilize the trust to replace glycol in the heating system and budgeted \$50,000 for the project. After going out to bid the actual RFP costs increased dramatically into the \$90,000 range, partly based on error in quote. Proposal is adding \$50,000 to trust, using unassigned fund balance, and using trust to cover cost of project. Chairman Stanton asked that more data be provided for the next Budget Committee Meeting. The Committee discussed warranting for the entire cost of the project instead; Business Administrator Ferreira said he was not opposed to a different funding source.

(2) Technology Expendable Trust: Planned last year to spend down the remaining \$15,000 in this account; Warrant is to close the account with any remainder moved to unreturned fund balance. (3) Long-Term Maintenance Article: Annual for building maintenance and repair, proposing \$75,000 which aligns with 5-year CIP. Two projects: replacement of exterior doors by gymnasium due to security concerns \$20,000; repair and replace portions of playground rubber surface areas \$55,000. (4) Collective Bargaining Agreement (CBA): for teachers, not yet ratified and has to pass all districts; will have for next Budget Committee Meeting.

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ANY OTHER ITEM THAT MAY LEGALLY COME BEFORE THE COMMITTEE

Mr. Chauncey offered a tour of the new Library to any Budget Committee members who were not familiar with the facility; Ms. Gallagher and Mr. Dionne agreed.

PERIOD OF PUBLIC COMMENT

Next Budget Committee Meeting: December 5, 2022; second review of Library & Town Proposed FY2024 Proposed Budgets.

ADJOURNMENT

Motion: Mr. Chauncey made a motion to adjourn, seconded by Ms. Gallagher, all in favor.

Chairman Stanton adjourned the Municipal Budget Committee Meeting at 9:06 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary