

**Town of Greenland
Budget Committee Meeting
January 13, 2009**

Present: Budget Committee Members: Mary McDonough, Chairperson, R.B. Laurence, John Weeks, Patrick Walsh, Ron Gross, Sandra Trull Smith, Mike Marsh, Bob Krasko, Jim Haslam, school board representative, Paul Sanderson, Selectman's representative

Also present: Karen Anderson, Town Administrator, Denise Grimes and two library trustees (Adele Wick and Carolynn Weeks).

The meeting was called to order at 7:05 p.m. by Mary McDonough, after which there was a motion by Mr. Haslam with a second by R.B. Laurence to approve the meeting minutes from 1-10-09; they were approved by a unanimous vote.

Mr. Walsh requested we have an overview of how the Selectman approached the budget process this year. Mr. Sanderson obliged explaining the selectman thought the following. The town had just completed it's 5 year reassessment of property values bringing all properties up to market value. There are no significant abatements presently which allowed the selectman's to cut the tax rate at the most recent tax rate setting with DRA. The only outstanding debt we currently have is the school bonds (from the school additions). It is anticipated the mall will add 40 million to the tax base if it is fully completed and operational. The previous year we had one permit fee for Target. Our unreserved fund balance ranges around 7-8% (The DRA suggests you have 17-18%). We had \$650,000 and are adding back \$150,000 to the fund mostly from warrant articles which did not come to fruition, thus totaling \$800,000. Traditionally, this fund has helped with capital reserve without raising money in taxation.

Mr. Sanderson also reported that as as town we have 97% of our taxes collected on time thus it appears the people in town have the ability to pay their appointed amount. Due to the current economic downturn, the selectmen asked the department heads to come forward with a flat budget. The 3.9% increase for raises was based on the CPI for September 2008 (5.5%) for which the selectmen chose to go under settling on 3.9% increase. After some discussion the board agreed that 3.9% was a fair increase.

The total tax evaluation is currently 626,690 million.

The board then began reviewing the budget on a line by line basis starting with General Town Government. The following action was taken:

Line 01-4130-215 Town Office Supplies:

Mr. Marsh made a motion which was seconded by Mr. Weeks to reduce this line to \$7,500. This motion failed by a vote of 7-2.

Mr. Walsh made motion and Mr. Haslam seconded to reduce this line to \$8,000. By a vote of 8-1, this motion passed.

Line 01-4130-217 Service contracts

Mr. Marsh made a motion which was seconded by Mr. Gross to reduce this line to \$6,189 based on new figures Mrs. Anderson presented to the board. This motion passed by a vote of 9-0.

Line 01-4130-281 Consultants

This line was discussed for clarification, however no action was taken. The line is kept high with the anticipation we will need consultants to help revise our communications systems which partially failed during the ice storm and potentially to recruit a new police chief this coming year.

Line 01-4153-279 General legal

Mr. Weeks made a motion which was seconded by Mr. Marsh to reduce this line to \$45,000. This motion passed by a vote of 8-0 with Mr. Sanderson abstaining.

Line 01-4153-278 Legal for Planning and ZBA

Mr. Walsh made a motion which was seconded by Mr. Gross to reduce this line to \$10,000. This motion failed by a vote of 3-6.

Discussion: since it is only the beginning of the year, we are not sure if issue will arise.

Mr. Weeks made a motion which was seconded by Mrs. Trull-Smith to reduce this line to \$15,000. This motion passed by a vote of 7-0 with three members abstaining.

Line 01-4155-418 NH Retirement Group I

This line needed to be increased this year due to the fact that Mrs. Morgan (town clerk) needed to be added after the warrant article passed last year.

Line 01-4191-215 Planning Supplies

Mrs. McDonough to ask Mr. McDevitt what the line item Master Plan Supplies for (\$925) represents and get back to the board with the answer.

Line 01-4194-272 Building Maintenance

A motion was made by Mr. Weeks and seconded by Mr. Gross to reduce this line by \$2,800. Discussion revolved around the fact the window in the building inspector's office is functional and not structurally in need of replacement. This motion passed by a vote of 7-0 with 3 persons abstaining.

Line 01-4194-576 Police Building Gas

A motion was made by Mr. Marsh and seconded by Mr. Gross to reduce this line to \$4,500. Discussion revolved around the fact the price of gas has decreased since last year. This motion passed by a vote of 6-3.

Line 01-4195-215 Cemetery Supplies

Mr. Marsh made a motion which was seconded by Mr. Laurence to reduce this line to \$3,000. Discussion: based amount of reduction on past history. This motion passed by a vote of 8-0 with one person abstaining.

Line 01-4210-222 Police gas/oil

Mr. Haslam made a motion which was seconded by Mr. Krasko to reduce this line to \$15,000.

The Chief of Police recently received a new rate/gallon for gasoline of \$1.97. Discussion: the new rate reduces the price by more than 1/3, but the request by the chief was to reduce this line only by ?. The question was raised if the chief now planned on putting more patrols on the road. Mrs. Anderson will ask the chief about this difference to help. This motion was passed by a vote of 8-0 with one member abstaining.

Line 01-4210-359 Police Administrative Expense

A motion was made by Mr. Lawrence to reduce this line to \$600, however no second was made.

A motion was made by Mr. Krasko and seconded by Mr. Lawrence to reduce this line to \$750. Discussion: based on history, this line has not been spent to beyond a few hundred dollars. The motion passed by a vote of 7-0 with two persons abstaining.

Due to the fact the Library trustees and librarian were in attendance, it was decided to take the library budget out of order. Discussion:

- the library did try to stay level budgeted from last year per the selectmen recommendations;
- they do expect less donations this year due to the declining economy; last year they had some unexpected donations from previous employees;
- per the recommendation from the budget committee in previous years, the library has switched to the same insurance company and benefits all the other town employees. The budget committee feels this is more equitable and appreciate the effort the library has shown.
- Two warrant articles are expected; \$50,000 for capital reserve and \$7,700 for emergency maintenance fund.
- Mr. Marsh made a motion which was seconded by Mr. Haslam to accept line 01-4550-001 Library Operating Budget at \$227,808.00. The motion passed with one person abstaining.

Line 01-4220-282 Fire Clothing allowance

•discussion: Mr. Weeks brought up the concern that fire fighters are getting paid with both a stipend and a clothing allowance. Mr. Weeks requested this is an issue the board of selectmen should address with the chief to determine if both are still warranted. It was determined it is a policy issue and not a budget issue, thus no action was taken.

Line 01-4220-289 Fire Department Training

Mr. Weeks made a motion which was seconded by Mr. Krasko to reduce this line to \$5,500. The motion failed by a vote of 3-6.

In reviewing the Fire Department proposed budget several questions arose which Mr. Sanderson will clarify with the chief. The budget committee will revisit this department after the questions have been answered. The questions are as follows:

- The state government may have passed a bill which covers life insurance for volunteer fire fighters; Mr. Marsh is to explore this issue to determine if we need to be providing this service. We agree the service is necessary, however if the state provides for life insurance and dismemberment, then we do not need to duplicate this service.
- What specific training is expected over the course of 2009. The question is if we can reduce this line by using an outside outfit to provide training sessions.

•Do we still need to maintain \$19,500 in line 01-4220-294 Maintenance Mechanical Equipment now that we have the new fire truck? Do they expect as many repairs will be needed this year?

The next meeting is Thursday, January 15, 2009 at 7:00 in Town Hall to review the school budget with Mr. Haslam and Mr. Katkin. The meeting was adjourned at 9:30 p.m.

Respectively submitted:

Mary McDonough
Chair, Budget Committee