



**BUDGET COMMITTEE**  
**Town of Greenland • Greenland, NH 03840**  
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**MINUTES OF THE BUDGET COMMITTEE HEARING**

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Wednesday, January 07, 2015 – 6:30 p.m. – Town Hall Conference Room

*Members Present:* Chair Mary McDonough, Alyson Baryames, Toby Fedder, Steve Gerrato, Chris Halligan, Bob Krasko, Steve McKenzie, Don Miller, Mark Raque, Pat Walsh – School Board Rep

*Members Absent:* John Penacho - Selectmen's Rep

*Also Present:* Salvatore H. Petralia – SAU 50 Superintendent, Jim Katkin – Business Administrator, Mo Sodini - Selectman

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Chair McDonough opened the Budget Committee meeting at 6:34 p.m. and a roll call was taken. The Chair stated that a quorum was present and the meeting was being recorded. Chair McDonough told those present that three positions on the Budget Committee will be open. Anyone interested should see Marge Morgan, Town Clerk, between January 21 and January 30, 2015.

**FIRE DEPARTMENT BUDGET REVIEW**

Chair McDonough briefly reviewed her conversation with Chief Cresta (Fire Department); his budget increased slightly over last year. Chief Cresta reviewed his budget via a conference call.

**SCHOOL BUDGET REVIEW**

M. Raque reviewed his analysis with the Budget Committee. He explained that the Unreserved Fund Balance decreased from last year and the potential impact on the tax rate. J. Katkin stated they would be using all their appropriations this year. The School Board has voted to go into the Expendable Trust Fund for tuition to offset unanticipated Special Education tuition costs. If needed, they will return to the Budget Committee, the School Board and the Education Commissioner to offset the additional deficit through the retainage funds that are being held at 2.5%.

M. Raque briefly discussed the default budget. The proposed budget for 2015-2016 is \$9,376,074; the default budget is \$9,022,404. The difference between the two budgets is \$353,670.

Chair McDonough explained the Budget Committee would need to make preliminary recommendations that will be presented at the public hearing. She distributed additional information requested at the last school budget meeting to Committee members.

M. Raque commented that he was looking at a budget that increased 11% to 12.5%, or \$1.48 on the tax rate. Understanding that there are mandatory items that must be done, the proposed default is a \$537,000 increase over the 2014 budget. He continued to explain how adopting the default budget will impact the tax rate. He suggested starting with the default budget, add the mandatory items, and continue from there. M. Raque added that in good conscience he could not see the Budget Committee recommending a budget that would increase the tax rate by \$1.48.

## DRAFT: SUBJECT TO CHANGE

Chair McDonough reminded members that the Town budget still needed to be reviewed. The Selectmen may not draw from the Unreserved Fund Balance to level out the tax rate as they have in past years.

S. McKenzie agreed with M. Raque that they needed to keep as close to the default budget as possible. C. Halligan stated the default budget should not be looked at and was for “fall back” should the proposed budget not be passed. He felt they should start with the proposed budget and work from there. S. McKenzie stated that almost \$200,000 of the budget was salaries, which included new positions. He felt the Budget Committee would be doing a disservice to the taxpayers by not taking a good hard look at the numbers. S. Gerrato and M. Sodini reminded Committee members that the tax rate could change based on revenue from development in Town. S. Gerrato added that the Selectmen would have money to lower taxes.

Chair McDonough stated that they had requested a breakdown for the Assistant Principal. Considering benefits, the salary would be in the range of \$120,000. The additional teaching position would be closer to \$93,000. B. Krasko stated that with the increase in Special Education and salaries as well as the additional positions, it would be too much to handle. He added that he was against the Assistant Principal position. P. Walsh stated Special Education should be removed from the equation because it’s mandated by the State and cannot be controlled. A. Baryames felt not starting with the proposed budget would be disregarding what the School Board sees as the needs of the school; by going to the default, you are eliminating that. The default was not meant to be a baseline to start a budget or how the school should be run.

T. Fedder stated that as a board they should be independent of what the School Board does. Looking at the default was just as valid a starting point as using what the School Board recommends. He continued that the increase needed to be taken into consideration. The Budget Committee is a watchdog for taxpayers. M. Raque added that they had to rely on the School Board for what was wanted vs. what was really needed.

T. Fedder stated that the two drivers of the budget were Special Education and tuition to Portsmouth High School. The Budget Committee had asked for a copy of the cost sharing with Portsmouth, and it was not received; he requested a five year projection.

The budget was reviewed line-by-line. Chair McDonough explained that if there was a vote to zero out a line, it would be gone from the budget; if \$1 was left, monies could be moved into that account.

**MOTION:** *S. McKenzie moved to reduce the amount in the Classroom Teachers Salary line by \$60,000. Second – S. Gerrato*

**DISCUSSION:** A. Baryames stated that saying a first grade teacher is not needed is detrimental to that class. S. McKenzie commented that State congressional leaders should be pressured to fund Special Education. A. Baryames felt that was beyond the scope of the discussion. She encouraged members of the Committee to visit a first grade class to see what students are learning. Responding to a question from T. Fedder, J. Katkin explained the progression ratio for first grade students in 2015-2016.

**MOTION:** *S. McKenzie moved to reduce the amount in the Classroom Teachers Salary line by \$60,000. Second – S. Gerrato; six in favor, three opposed. MOTION CARRIED*

Chair McDonough explained that the line was cut by \$60,000; however, it does not have to be a teacher position.

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**MOTION:** S. Gerrato moved to reduce the amount in the Health Curriculum Workbooks line by \$1,000. There was no second.

**MOTION:** S. Gerrato moved to reduce the amount in the Life Skills Total line by \$500.

DISCUSSION: A specific line was not given; J. Katkin clarified that he must be able to show reductions in a specific line.

**MOTION:** S. Gerrato moved to reduce the amount in the Life Skills Supplies line by \$500. There was no second.

**MOTION:** S. Gerrato moved to reduce the amount in the Mathematic Workbooks and Other Printed Media line by \$1,000. There was no second.

**MOTION:** S. Gerrato moved to reduce the amount in the Science Supplies line by \$2,000. Second – D. Miller

DISCUSSION: D. Miller asked for an explanation of the \$2,000 increase. J. Katkin explained that there are kits in the Science curriculum which are a learning staple for students. When a kit is purchased, there are supplies included which need to be replenished when used, otherwise the kits are worthless. The kits are for Grades One through Six. A. Baryames stated Science was one of the core areas and should not be reduced.

**MOTION:** S. Gerrato moved to reduce the amount in the Science Supplies line by \$2,000. Second – D. Miller; two in favor, seven opposed. **MOTION FAILED**

**MOTION:** M. Raque moved to reduce the Internet Access Subscriptions line to \$500. Second – S. McKenzie

DISCUSSION: Internet subscriptions allow students to access the internet, giving them a broader range. History Alive! gives students the ability to view history through the years, rather than purchasing a book series that doesn't provide a broad expanse. The internet access subscription would be aligned to the textbook adoption for the update. Example: if a middle school student is researching a time period that's been discussed in the text, the student can go online to research information required as part of the project. There is alignment between the subscription and the textbook adoption.

S. Petralia stated that the budget process began in early fall with a zero-based budget. A great deal of time, effort and rationale had been put forth to substantiate all expenditures that were recommended. To go line-by-line and randomly cut without substance or rationale was unacceptable. Chair McDonough responded that the Budget Committee had been told in the past by J. Katkin to cut by line. When line-by-line cuts were not made in the past but rather by an overall reduction, residents questioned if the Budget Committee had looked at the budget.

M. Raque added that every budget has a lot of time and effort put into its development. The amount added to this line seems like the introduction of a new program. He questioned if it was something that the school absolutely needed and could afford. M. Raque continued that he was looking at the larger differences in the default budget vs. the proposed budget in terms of the impact on the tax rate.

**MOTION:** M. Raque moved to reduce the Internet Access Subscriptions line to \$500. Second – S. McKenzie; three in favor, six opposed. **MOTION FAILED**

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M. Raque pointed out there was some “wobble room” in Special Education that was not mandated. There was a difference between the proposed and default budgets. J. Katkin provided clarification: although the positions are required, salaries cannot be added to the default budget because that staff is not union. Support staff has to be carried at the same salary and pay rate for 2015-2016 as the current year in the default budget. Possible assistance with Special Education tuition was further discussed.

The Assistant Principal position was discussed.

**MOTION:** Chair McDonough moved to reduce the line for the Assistant Principal’s Salary back to a stipend of \$5,000. Second – S. Gerrato

DISCUSSION: Chair McDonough stated that the position should go before the Town as a warrant article due the financial impact of almost \$130,000. A. Baryames felt there would be a discrepancy between people voting on the Town level and school level; the process was different. Putting it as a warrant article without the due diligence of educating people about what the position is and why it’s needed would be a disservice. P. Walsh stated that the level of activity at the school has increased (compliance issues were used as an example). He felt the position would pay for itself within a few years. T. Fedder stated that he trusted the residents of Greenland to do the right thing given the correct information. Information requested for justification of this position was not received. Several members felt they didn’t have enough information to make a decision.

**MOTION:** Chair McDonough moved to reduce the line for the Assistant Principal’s Salary back to a stipend of \$5,000. Second – S. Gerrato; six in favor, three abstain. MOTION CARRIED

B. Krasko suggested volunteers for coaching positions, to which J. Katkin responded volunteers are not always available. Umpire/referee salaries were briefly discussed.

The amount in the Educational Media – Library was based on one book per student. The American Library Association has stated that if you wish to expand your collection, there should be three books per student per year. To maintain your collection, it would be two books per student per year. A declining collection would be one book per student per year, which is what currently is there. This account was reduced last year; the year before it was cut completely.

**MOTION:** S. McKenzie moved to reduce the Library Books and Other Media line to \$4,000. Second – S. Gerrato

DISCUSSION: J. Katkin stated if the account is reduced again, the amount spent on the School Library would be \$7,000 for 400 students over a three year period. A. Baryames pointed out that not only was the Library not being maintained, it was actually declining. S. Gerrato asked if parents could buy books; S. McKenzie suggested that the Town Library has a substantial collection. J. Katkin stated that the books are needed.

**MOTION:** S. McKenzie moved to reduce the Library Books and Other Media line to \$4,000. Second – S. Gerrato; count unavailable, one abstain. MOTION FAILED

**MOTION:** Chair McDonough moved to reduce the Technology Stipend line to \$6,000. Second – D. Miller

DISCUSSION: Chair McDonough stated the Budget Committee was told that by purchasing additional technology the IT person would spend less time on repairing equipment. The work load would be less,

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but the stipend increased. P. Walsh stated that the School Board based the increase on what it would cost outside of school to have someone duplicate that service.

**MOTION:** Chair McDonough moved to reduce the Technology Stipend line to \$6,000. Second – D. Miller; seven in favor, two opposed. MOTION CARRIED

**MOTION:** M. Raque moved to reduce the Technology Supplies line to \$7,000. Second – S. Gerrato; five in favor, 2 opposed. MOTION CARRIED

Chair McDonough requested an updated Technology Plan indicating where the School was in replacing computers.

**MOTION:** M. Raque moved to reduce the Technology – Additional Hardware line to \$19,000. Second – S. Gerrato; six in favor, unsure of opposed and abstained. MOTION CARRIED

**MOTION:** S. Gerrato moved to reduce the Office of the Superintendent line to \$123,470 and use volunteers to pick up the slack. There was no second.

Internet Access Subscriptions showed a large increase because of the new student information system. This system is definitely a need, and includes a web portal.

Maintenance requests were discussed. Some items were also included as CIP (Capital Improvement Plan) requests. The Budget Committee will receive a copy of the CIP after approved by the Planning Board.

School warrant articles will be available for the public hearing. There is a warrant article to discontinue the Generator Expendable Trust Fund; any remaining funds, including accumulated interest, will be used to reduce next year's District Assessment.

There was a difference between the default budget and proposed budget for Support Services. Support staff and administration are non-union, and have to be carried at the same salary and pay rate for 2015-2016 as the current year in the default budget.

At a December public hearing of the Greenland School Board, \$150,000 from the Tuition Expendable Trust Fund was approved to be used for any unanticipated Special Education costs to avoid a deficit.

Warrant articles to be submitted were reviewed. Article Four will be used this year in an attempt to avoid a deficit situation. J. Katkin has spoken to the Department of Revenue Administration; there does not have to be a warrant article to reduce some of the retainage. Money from the retainage can be used to offset if the Commissioner of Education deems what the money will be used for as an emergency. The School Department feels it's an emergency and they're trying to determine how much will be needed and can be used from the Expendable Trust Fund to get through to the end of the year. They will need the approval of the Budget Committee to use the retainage to offset any deficit in Special Education. The current retainage is approximately \$171,000.

At the public hearing on Wednesday, January 14, the Budget Committee will listen to comments regarding the budget and make final recommendations.

M. Raque reviewed reductions made to the budget. Salaries were reduced by \$60,000; the Assistant Principal (including benefits) was reduced to \$5,000; Technology was reduced by a total of \$8,016. The

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impact on the tax rate was \$1.48 down to \$1.20. Warrant Article Four, if approved for \$75,000, would add \$.11. The impact would be approximately \$1.31.

### ADJOURNMENT

**MOTION:** *B. Krasko moved to adjourn at 9:32 p.m. Second - A. Baryiames; all in favor. MOTION CARRIED*

### NEXT MEETING

Wednesday, January 14, 2015 – 6:30 p.m., School Budget Public Hearing, Greenland Central School  
Thursday, January 15, 2015 – SNOW DATE

Respectfully Submitted – Charlotte Hussey, Secretary to the Boards

Approved: 