



BUDGET COMMITTEE
Town of Greenland • Greenland, NH 03840
575 Portsmouth Avenue • PO Box 100
Phone: 603.431.7111 • Fax: 603.430.3761
www.greenland-nh.com

MINUTES OF THE BUDGET COMMITTEE HEARING

Wednesday, November 18, 2015 – 6:30 p.m. – Town Hall Conference Room

Members Present: Chair Mary McDonough, Alyson Baryames, James Connelly, Bob Krasko, Steve McKenzie, Don Miller, John Penacho - Selectmen's Rep, Mark Raque, Kristen Syphers, Pat Walsh – School Board Rep

Members Absent: Toby Fedder

Also Present: Peter Smith – Principal, Greenland Central School; James Katkin – Business Administrator, SAU 50, Ann Mayer – Greenland School Board

Chair McDonough opened the Budget Committee meeting at 6:00 p.m. and a roll call was taken. The Chair stated that a quorum was present and the meeting was being recorded.

1. Introduction of Members

Members introduced themselves to audience members.

2. Acceptance of Resignation: Chris Halligan

Chris Halligan has relocated and submitted his resignation to the Budget Committee.

3. Acceptance to Fill Vacancy: Mark Raque

MOTION: D. Miller moved to elect Mark Raque to fill the vacant position on the Budget Committee, which will be a one year term. Second – J. Penacho; all in favor. **MOTION CARRIED**

4. Approval of Minutes: Tuesday, February 10, 2015

Chair McDonough reminded Committee members that final recommendations were made for the previous year's budgets.

MOTION: Chair McDonough moved to approve the minutes of Tuesday, February 10, 2015. Second – B. Krasko; eight in favor, two abstain (K. Syphers, J. Connelly). **MOTION CARRIED**

5. School Budget Books Distributed

The Town budget books were distributed as well as the booklet "The Basic Law of Budgeting". Chair McDonough told members that the numbers in the Town budget will be updated after the year closes out, which is December 31.

6. Introduction of SAU 50 Business Administrator: Jim Katkin

Pat Walsh began the review of the School budget.

The majority of money was spent at Greenland School, with the high school next. P. Walsh stated that tuition and the number of students attending Portsmouth High School was one of the biggest expenses. Tuition has increased \$800 per year over the last two years. There is an agreement with Portsmouth that is built on formulas, but Greenland doesn't have a voting representative on their Board. P. Walsh stated it's an advantageous agreement for Greenland; renegotiating may be a lot more of a downside. J. Penacho asked for information on the formula Portsmouth uses for the tuition amount; he also asked to see the estimated number vs. the actual number. J. Katkin explained how the figures are calculated. J. Penacho stated he would like to see it in writing, not verbal. He further stated he would like the Portsmouth School Department Business Administrator to explain in person.

The Generator Fund has been closed. M. Raque noted that the Health Fund stays the same every year. J. Katkin explained four years ago, approximately \$100,000 was put into an Expendable Trust Fund; they turned funds over to the Town, with the exception of \$1,000 to keep the fund open. J. Katkin explained the purpose of the fund. J. Penacho suggested closing the account because it's an added administrative expense; it will be discussed with the School Board.

P. Walsh stated there are several issues coming up with the building, many of which have been submitted as part of the CIP. If boiler replacement is necessary, it will cost \$120,000 due to the significant amount of asbestos. The CIP was explained the members.

School enrollment has been holding at around 400 students. There was a discussion regarding how to obtain demographics of people moving into Town.

P. Walsh stated that high school tuition was still ongoing as were teacher negotiations. Teacher negotiations need to be completed by Tuesday, January 12, 2016.

J. Katkin reviewed the proposed budget. There will be four warrant articles:

- Article 1: Operating budget (\$9,617,990); the default budget is \$9,392,027
- Article 2: Negotiations, which are still ongoing
- Article 3: If Article II is defeated, authorization is needed for the governing body to call a special meeting
- Article 4: School Buildings and Grounds Expendable Trust Fund

The \$9.6 million budget keeps some items flat, while increases in others are included (example: salaries for teachers are flat and do not include increases). The projected gross operating budgetary increase, which includes warrant articles, is up \$316,073 (3.40%). The projected net budgetary increase, less the prior year's warrant articles and excluding CBA agreements, is up \$411,473 (4.47%). The estimated tax rate increase, excluding warrant articles, is \$0.55 per \$1,000. The Comparative Analysis of the Proposed 2016-2017 Operating Budget was reviewed. The actual cost of the assistant principal position, including benefits, will be approximately \$129,000 (based upon the family health insurance plan).

J. Katkin told the Committee that Portsmouth High School and Portsmouth Middle School are considering changing times. If that happens, and the "in" time changes to 8:15 or 8:30, the current bus structure in Greenland can't be utilized. Currently, the high school bus becomes an elementary run; with a change of times in Portsmouth, all schools would be moving at the same time and busing

becomes a problem. A contingency of \$50,000 has been built into Pupil Transportation. If the decision has been made by the Deliberative Session, the budget can be amended. A. Mayer updated the possible Portsmouth bus changes.

The ten accounts under “Major Increases in the Proposed 2016-2017 Budget” account for an increase of \$0.75 in the budget. Also reviewed were major decreases in the proposed budget and anticipated revenues and credits. These items amount to an estimated increase on the tax rate of \$0.55, not including warrant articles. Included in the budget was a four year history of actual expenditures. The remaining sections of the proposed budget were quickly reviewed.

J. Katkin addressed the boiler situation. The steam boiler in the 1920 section of the building is asbestos clad. If the steam boiler is replaced by steam, the piping and radiators won’t need to be changed. If a hot water boiler is installed, the piping and radiators will need to be replaced. It costs more to convert from steam to hot water. The CIP figures for the boiler include asbestos mitigation and replacement to another steam system; it doesn’t include changing from steam to hot water.

J. Katkin concluded his presentation by stating families are moving to Greenland because it’s affordable.

7. Other Business

There was no other business to be discussed.

8. Adjournment

MOTION: Chair McDonough moved to adjourn at 8:13 p.m. Second - B. Krasko; all in favor. **MOTION CARRIED**

NEXT MEETING

Wednesday, December 02, 2015 – 6:30 p.m., School Budget Review, Town Hall Conference Room

Respectfully Submitted: Charlotte Hussey, Secretary to the Boards

Approved: Wednesday, December 02, 2015