



BUDGET COMMITTEE
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MINUTES OF THE BUDGET COMMITTEE HEARING

Tuesday, January 08, 2019 – 6:30 p.m. – Town Hall Conference Room

Members Present: Jamie Connelly, Mark Connelly, Frank Hansler, Sharon Hussey, Bob Krasko, Steve McKenzie, Don Miller, John Penacho, Patty Porter, Randy Bunnell – School Board Rep, Chip Hussey – Selectmen's Rep

Also Present: Karen Anderson, Town Administrator; Members of the Board of Selectmen; Department Heads; School and SAU Personnel

Chair Krasko opened the Budget Committee meeting at 6:30 p.m. A roll call was taken by the Chair; he announced a quorum was present and the meeting was being recorded.

1. Approval of Minutes: Tuesday, December 04, 2018

MOTION: D. Miller moved to approve the minutes of Tuesday, December 04, 2018. Second – P. Porter; all in favor. MOTION CARRIED

2. Town Warrant Articles

- Article 2 – Fire Station Bond: The bond public hearing on Thursday, January 10, 2019, will be a separate hearing from the budget; it has been properly noticed in the newspapers. If the bond doesn't pass, the building will require work and the department has outgrown the current building. Chief Cresta explained the need for a second set of gear and that there was no storage room for that gear in the existing building. K. Anderson explained that if the bond doesn't pass, it would slow down the growth of the department; there isn't enough room for staff or equipment to meet the needs of the Town. D. Miller explained that Article 5 is to use funds to repair the existing building to be repurposed for public works. The current building is 60x80. Information on the proposed station would be available at the public hearing. Surveys have been completed; the property is viable.
- Article 4 – School Resource Officer: This will be a full-time year round position. When school is not in session, the SRO would be available to cover overtime, sick time, vacations, etc. for the Police Department. The SRO would be assigned to the school for their functions. The SRO would be under the supervision of the Chief of Police. If approved, that position will be included in the budget going forward and part of the default budget. Chief Laurent has met with the School Board. This position is one of the hardest to hire and must be the perfect fit for the School community. Chief Laurent hoped to see 5% to 6% savings in overtime; the SRO would be expected to work regular shifts in the Police Department when school is not in session. The SRO would be expected to work an eight hour day, whether it's in the school or working in the PD. The SRO will be expected to be at after school and/or evening activities. R. Bunnell stated the School Board is still discussing the SRO; there will be a safety meeting on Wednesday, January 16, 2019. Responding to a statement from M. Connelly, Chief Laurent stated that the most important thing in Town is our children when they are at school.

DRAFT: SUBJECT TO CHANGE

More than 15% of all school shootings happen in junior high or below. C. Hussey commented that it may be more important to have a SRO due to broken families in Town. K. Anderson, responding to a question from S. McKenzie, stated that in most towns the SRO remains in the Police Department budget because they are considered town employees and in the retirement system; school districts provide a portion of the funding as revenue to the town. J. Penacho stated residents needed to know if the School Board approved or disapproved of an SRO.

- Article 5 – Repairs to Existing Fire Station: D. Miller requested that the article be further clarified so there are no questions “what happens when they build a new one”.
- Article 6 – Firefighter Safety Gear: A second set of gear for firefighters while decontaminating their primary gear after possible exposure to carcinogens.
- Article 7 – New Position: Grounds Maintenance Laborer: The Town budget has a part-time position for \$8,100; the intent is to replace the part-time person with the full-time person. If this position doesn’t pass, the money is still available for the part-time person in the budget. Paul Hayden, Property Maintenance Supervisor, stated the person would be doing everything he does. K. Anderson added a second person would be available to help move and lift things year round rather than 12 weeks during the year on a part-time basis. Insurance was based on a family plan, not knowing who would be hired. S. McKenzie noted that it was almost the same amount as the salary.
- Article 8 – LED Lighting Conversion: This item was originally in the Town budget and was moved to a warrant article at the request of the Budget Committee. An Eversource rebate of \$7,430 is anticipated; the payback period is approximately three years.
- Article 9 - Conservation Commission Funds: This article will be used to maintain Town trails and conservation lands as well as conducting natural and water resource research. The Conservation Commission spent approximately \$8,000 of the original \$15,000 over the last three years. This article would re-appropriate \$10,000 to continue work on the trail.
- Article 10 – Capital Reserve Fund for Police Station: This article will establish a Capital Reserve Fund for the replacement of the Police Station roof, heating system, generator, septic or other structural needs. The building will need a new roof in approximately five years. This article is not intended for routine maintenance.
- Article 11 – Ambulance Billing Expense: The Town has hired a company to handle the ambulance billing for a percentage of the revenue. Ambulance revenue is deposited into a special revenue fund and the expense for billing comes from that fund. This is revenue neutral and paid by people using the ambulance.
- Article 12 – Police Equipment Capital Reserve Fund: This is the savings for bullet proof vests that need to be replaced every five years. The account balance is \$2,108.
- Article 13 – Road Improvement Capital Reserve Fund: \$50,000 will be added to the CRF for future road improvements. Some of the fund will be used to complete Great Bay Drive West; funds will continue to be set aside for Bayside Road.

Non-money warrant articles were not discussed. There was a request to show the tax impact of money warrant articles on the ballot. K. Anderson explained it must be adopted by Town Meeting vote; the Selectmen have approved the warrant article to be on the 2019 ballot. If passed, the tax impact will be included on the 2020 ballot. It’s important to understand that the tax impacts are estimates only. The Voters Guide will be available at Deliberative Session.

The Budget Committee took a five minute break.

3. School Warrant Articles

- Article 1 – Operating Budget: The total reflects the \$50,000 reduction in Tuition.
- Article 2 – Energy Project: Wording was approved by DRA. This is to enter into a lease agreement for the installation of energy saving equipment. There is no tax impact at this time. If the lease agreement is approved, a contract will be signed with the leasing company in July 2019; the first payment will be due July 2020. Payments will be included in the Operating Budget. The approximate energy savings will be \$32,000 to \$34,000 annually; the energy savings are guaranteed. D. Miller asked A. Ransom to explain the lease process. This is a lease-purchase; at the end of the term, the School would own all the equipment. There is an escape clause to the agreement. S. McKenzie asked if there was a residual value to be paid. A. Ransom responded that when the last payment is made, it will belong to the School. J. Penacho stated he would like something from DRA approving this type of lease. Typically equipment is leased, and there wasn't much equipment included in the warrant article. He had a concern about the escape clause and questioned why it was included. He felt they were circumventing a bond; A. Ransom responded they weren't circumventing bonding. J. Penacho continued they were doing structural work and not equipment purchasing. He wanted people to understand why the warrant article was proposed this way. The escape clause was included so they didn't need a 3/5 majority vote. J. Penacho wanted it to be very clear from a cost standpoint and legal standpoint why it was being done as a lease. A. Ransom noted that the municipal finance law pertaining to lease agreements was RSA 33:7-e. She explained that escape clauses are standard on long-term agreements. One of J. Penacho's issues was with a bond a 3/5 majority was required; this warrant article only required a majority vote. J. Penacho asked that the Budget Committee see the cost difference between the lease and a bond. F. Hansler toured the building, and his opinion was considerably different from what the School submitted. As a cost factor for the Town to create the payments, he suggested doing it on a gradual basis. His view of the boilers and controls differed from that of the School. On his tour he saw two boilers; three were not seen. He felt challenged with the boilers and roof on a lease, and suggested there were other options available. There was further discussion regarding the boilers and roof. The SAU attorney will review the lease agreement before it's signed. The payment will not go higher than \$114,936; the lease states "up to".
- Article 3 – Special Education Expendable Trust Fund: This warrant article is to add funding to the trust fund previously established. Unanticipated expenses; public hearing must be held to expend.
- Article 4 – School Building and Grounds Expendable Trust Fund: This will be funded through the rental income received from the property.
- Article 5 – Technology Trust Fund: This is to fund future technology needs at Greenland School. Funding is to come from the remaining unassigned fund balance as of June 30, 2019.

4. Other Business

Chair Krasko reviewed the list of members whose term expires in March. The sign up period is Wednesday, January 23 through Friday, February 01, 2019.

5. Adjournment

MOTION: D. Miller moved to adjourn at 8:26 p.m. Second – J. Penacho; all in favor. MOTION CARRIED

NEXT MEETING

Thursday, January 10, 2019 – 6:30 p.m., Public Hearing, Greenland School Multi-Purpose Room

Respectfully submitted: Charlotte Hussey, Secretary to the Boards

Approved:

