



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

MINUTES OF THE BUDGET COMMITTEE HEARING

Tuesday, December 19, 2017 – 6:30 p.m. – Town Hall Conference Room

Members Present: Chair Bob Krasko, Tibby Fogarty-Cail, James Connelly, Mark Connelly, Steve McKenzie, Don Miller, Patty Porter, Randy Bunnell – School Board Rep, Chip Hussey – Selectmen’s Rep

Members Absent: Sharon Hussey-McLaughlin, Kristen Syphers

Also Present: Sal Petralia - Superintendent; Amy Ransom – Assistant Business Administrator; Tamara Hallee – Principal, Greenland School; Greenland School Board Members; Board of Selectmen Members

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.

SCHOOL REVIEW

C. Hussey addressed the Budget Committee regarding the School budget (copy on file).

MOTION: C. Hussey moved to reduce the bottom line of the 2018 proposed operating budget of the Greenland School by \$400,000 to \$10,543,732. Second – S. McKenzie

Discussion: Chair Krasko stated he was in favor of the motion. The Budget Committee is there for the Town, not just the School, and that needs to be taken into consideration. There are many people in Town on a fixed income. The Budget Committee hasn’t seen warrant articles. The 8.93% increase in the School budget is a little too much.

T. Fogarty-Cail disagreed with the motion. Bramber Valley was still paying taxes before the homes were built. The argument for the Town requests was that towns in the area have them; she urged members to use that same line of reasoning with the School requests. In her opinion, the School was not asking for anything out of the realm of reasonableness. They were trying to put their students on a level playing field with other towns that will be attending the same high school.

S. McKenzie stated that his realm of reasonableness was quite different; there have been too many increases in the last three years. The default budget is “ballooning” as well because of the increases in the regular budget.

R. Bunnell was disappointed that the motion was made at the beginning of the meeting without a discussion of the budget. The Committee received the budget a week prior to the summary discussion on December 06. He was disappointed in the process the Budget Committee had taken to discuss the budget. R. Bunnell explained that the default budget increased primarily due to the full day Kindergarten classes that were voted in by the public. Due to increased enrollment in Kindergarten, another teacher was added. Greenland is experiencing an increase in students; the enrollment is

approaching 422. A great deal of effort and time went into preparing the budget. They are all very fiscally responsible and understand the impact on the Town and its residents. T. Hallee added three students enrolled earlier that day; enrollment will be at 425 in January.

M. Connelly stated that the budget is big and is a lot to review; there isn't a lot of time to study the budget. It was his feeling that it was every resident's responsibility to educate the children to the best of their ability. He continued that it was difficult to compare this Town to different towns that may not have the financial ability to support their schools. Greenland may not have the financial ability to support its children the way some other towns do. M. Connelly felt \$400,000 was a big chunk of money, and asked the administration how that kind of cut would affect the School. He questioned what programs the School offered that were not required, are they really necessary for a great education, and could they be scaled back.

D. Miller asked C. Hussey and S. McKenzie to consider removing the motion and second from the floor so the budget could be discussed. C. Hussey responded that he would leave the motion on the floor; the budget could still be discussed. He continued it was a 4.7% increase on the previous year's budget. As a Selectmen he couldn't look at the School or Town budgets individually; the School budget is a \$600 increase for an average home and the Town budget was \$4. An impact of over \$9 was out of line when other issues needed to be addressed.

T. Fogarty-Cail stated the Committee needed to be respectful of all the circumstances and both budgets should be looked at together. She suggested that the School and Town be looked at under the same microscope. She felt there might be a lack of information to the Budget Committee about what the School was requesting.

There was a discussion about middle school options. R. Bunnell stated that sending middle school students to Portsmouth Middle School or having a co-op school with Rye had been researched, and the situation could be the same as the high school tuition. It's still an option because Greenland School will be reaching capacity within a few years.

S. McKenzie stated that even with C. Hussey's number, the increase was over \$500,000 in the budget from last year. J. Connelly understood how the increase could impact someone on a fixed income; this increase on the tax rate would be detrimental to some. He asked if the School was over-shooting on some programs, and what cuts in the budget could be made. It was the job of the Budget Committee to find the balance; there was definitely a divide. There were additional comments made about the proposed increase and that it was overwhelming.

The purchase of Chromebooks every year was questioned. R. Bunnell stated that grants had been received for Chromebooks. J. Connelly requested that the next budget be projected back one more year so any trends could be seen. R. Bunnell also stated that the cost per student in Greenland is the lowest in the seacoast area, including Stratham. The School Board works diligently on keeping costs down and does prioritize their budget. The Technology line includes the first phase of improving the network which is six years old. There is Wi-Fi in every classroom for students to work on the Chromebooks and iPads. Chromebooks are replaced every three to five years, and iPads are replaced every four to six years. Some of the teacher's laptops need to be replaced. Replaced Chromebooks are recycled through their vendors.

It was pointed out by A. Ransom that one of the biggest impacts to the budget was the tuition to Portsmouth High School: \$370,000. The SAU has no control and is obligated to pay for the Greenland students attending PHS. C. Hussey stated for the record that his motion to decrease the budget by

\$400,000 had nothing to do with tuition. He understood that couldn't be touched; negotiated wages could also not be touched. A. Ransom noted that if the motion passed, the cut couldn't come from tuition or wages; it would be through Greenland School.

T. Fogarty-Cail pointed out that the proposed wage increase for non-union staff at the school level was 2.75%; the Town level was 3%. She felt it was a concession on the School's part. A. Ransom noted they were unaware of the Town's wage increase.

S. Petralia highlighted a portion of last year's executive summary. In 2012-2013, the increase to the gross operating budget was approximately \$33,000; 2013-2014 the increase was \$706,000; 2014-2015 the increase was \$40,000; 2015-2016 the increase was \$817,000; 2016-2017 the increase was \$368,000. The three year average for the district's gross operating budget has increased 4.69%. He disputed some of the earlier commentary about the last three years "being through the roof". The five year average was 4.73%; the ten year average was 2.97%. S. Petralia added the most enlightening comment was found on page 13 of last year's proposed budget: the reviewer should note that six out of the last ten years the budget has increased less than 1%.

S. Petralia also responded to T. Fogarty-Cail's comment regarding the 2.75% wage increase. A para-professional or food service worker earning \$14.50 per hour would receive an increase of approximately \$.295.

Speaking on behalf of the administration, S. Petralia stated that it would be premature to respond to how a \$200,000 or \$400,000 cut would affect the School. The School Board and administration would need to regroup and work collaboratively for a plan to address the Budget Committee's decision. D. Miller stated that any action taken at the meeting would be a recommendation. At the Deliberative Session there would be a recommendation by the Budget Committee and School Board. Residents can make changes to the budget during the Deliberative Session.

P. Walsh asked for clarification from the Budget Committee on what should be cut. C. Hussey responded that he wasn't qualified to make any judgements on what should be cut; he was looking at a percentage. P. Walsh reminded the Budget Committee that last year they removed 15 students from the budget and rolled forward \$180,000 from an expendable trust. There is approximately \$187,000 remaining in the Tuition Expendable Trust Fund. This year they're being hit twice and it has doubled. J. Connelly requested that the Budget Committee talk with Portsmouth about the tuition. It's been requested every year even though the Committee has no input. A. Ransom stated that the Superintendent was going to recommend to the SAU Joint Board that they form a committee. In order to change the area agreement, it has to be voted on in all the communities including Portsmouth. It will be a long process.

C. Hussey stated that the School turned back over \$200,000 this year and over \$300,000 last year. He suggested looking at those figures and moving them if necessary. P. Walsh responded that the School is running "pretty lean" this year; A. Ransom is providing the School Board with real-time data.

MOTION: C. Hussey moved to reduce the bottom line of the 2018 proposed operating budget of the Greenland School by \$400,000 to \$10,543,732. Second – S. McKenzie; three in favor, five against. MOTION DENIED

Chair Krasko agreed with M. Connelly there wasn't much time to review the School budget. D. Miller clarified that the bottom line budget included the two new teachers. He asked if the School Board would consider placing the two teachers in a warrant article in order to reduce the budget. R. Bunnell

explained that the Board voted to keep it within the operating budget because it addressed enrollment sizes. D. Miller noted if the Town voted the default budget, they wouldn't get the two teachers. R. Bunnell responded that was a risk they decided to take. A. Ransom added that if the default budget passed, the two teachers would not be approved, the technology budget would not go through and the raises for non-union staff wouldn't go through. However, if money was found within the budget, it could be done.

D. Miller questioned if a principal would be needed if a middle school structure was implemented. S. Petralia responded that with the current configuration of staffing and administrative supervision there would be no need to consider another administrative position.

The default budget was discussed at length. The increase in salaries was due to hiring additional staff. Three warrant articles to the expendable trusts were anticipated. There was an unanticipated change in Special Education this year. There are concerns Special Education funds may be insufficient next year.

M. Connelly asked about Special Education contracted services. Services are required based on the IEP. If services can't be provided, they must be contracted out. He also questioned High School Special Education legal fees. S. Petralia cautioned that a student could be identified by narrowing it down to the high school level. His final question was what programs are not required to be offered. R. Bunnell responded that he was unaware of any discretionary programs. S. Petralia stated whenever they are faced with a potential budget cut, they look to make sure the class is sacrosanct. Everything outside of the classroom is discussed. Everything that happens with the core business of education, teaching and learning, is kept intact. S. Petralia listed several programs including extracurricular activities that would be looked at first. M. Connelly responded that when the budget is presented, it is the Budget Committee's and requested an answer to which programs are not required before he voted. S. Petralia stated that based on the decision by the Budget Committee, they will regroup and prepare accordingly.

MOTION: S. McKenzie moved to reduce the proposed School operating budget by \$200,000, bringing the budget to \$10,743,732. Second – M. Connelly

Discussion

T. Fogarty-Cail urged more thought to the cut and was unsure if this was the right stage to make a random cut. She suggested the motion be to let the School Board make another pass at the budget, not let's cut \$200,000. C. Hussey stated it wasn't a random number but the average of the last ten years of the increases. They should be looking at the total bottom line of the tax bill. M. Connelly stated the School has already made a pass on the budget; they submitted it to the Budget Committee. In order for the Budget Committee to make a significant difference, he wanted to see what it would look like before he could vote. J. Connelly stated that there needed to be some give and take; a second pass was needed. M. Connelly added that there is a possibility the Town votes the default budget. He would rather decide on a number and try to avoid a default budget.

MOTION: S. McKenzie moved to reduce the proposed School operating budget by \$200,000, bringing the budget to \$10,743,732. Second – M. Connelly; five in favor, four against. MOTION CARRIED

M. Connelly noted he would not be in favor of cutting athletics. C. Hussey reviewed the purpose of the Town's Undesignated Fund Balance. T. Hallee invited Committee members to stop in for a tour of the classrooms while School was in session.

Approval of Minutes

MOTION: D. Miller moved to approve the minutes of Thursday, December 14, 2017. Second – C. Hussey; all in favor. MOTION CARRIED

Chair Krasko wished everyone a Merry Christmas and prosperous New Year.

Adjournment

MOTION: C. Hussey moved to adjourn at 8:30 p.m. Second – D. Miller; all in favor. MOTION CARRIED

NEXT MEETING

Wednesday, January 03, 2018 – 6:30 p.m., Final Review of the Town & School Budgets, Town Hall

Respectfully Submitted: Charlotte Hussey, Secretary to the Boards

Approved: Wednesday, January 03, 2018