

**TOWN OF HOPKINTON**  
**Budget Committee Meeting**  
**Wednesday, January 23, 2019**  
**\*Approved\***

**BUDGET COMMITTEE MEMBERS IN ATTENDANCE**

Janet Krzyzaniak, Don Houston, Ken Traum, Ginni Haines, Debbie Norris, Mark Zankel, Jonathan Cohen, Jim O'Brien, Candace Youngman, and Rich Houston.

**PUBLIC PRESENT**

Elizabeth Durant, Carolyn Koegler-Miller, Diane Lachance, and Ben Wilson.

**CALL TO ORDER**

Janet Krzyzaniak called the Budget Committee Meeting to order at 5:30 pm, at the Hopkinton Town Hall. Don Houston led the Pledge of Allegiance.

**APPROVAL OF JANUARY 16, 2019, DRAFT MINUTES**

Ken Traum motioned to approve the January 16, 2019, Draft Meeting Minutes. Jim O'Brien seconded the motion. Mrs. Krzyzaniak asked for any corrections or changes. There being none, a vote was taken, and all Committee members approved the January 16, 2019, minutes as written.

**PRESENTATION OF THE CONTOOCCOOK VILLAGE PRECINCT BUDGET**

Don Houston presented the financial reports for the Contoocook Village Precinct:

**Profit & Loss Budget Performance, dated December 2018:**

**Income:**

- Line 3402 - Sale of Water was a little more than they thought it would be by \$13,026.22.
- Total Income was up by \$12,378.78, because of the Sale of Water.

**Expenses:**

- Line 4130.01 Superintendent - Due to the death of Steve Clough, his salary went away, with a savings of \$23,750.00.
- Total Line 4130 Executive - was \$20,842.52 less than budgeted.
- There were no expenses for Line 4153 Legal Fees - saving \$5,000.00.
- Line 4316 Street Lights - \$24,000.00 was budgeted, expenses came in less, saving \$7,373.23. This savings is due to the use of the new efficiency bulbs.
- Total Line 4332 Water Services - is \$12,334.46 less than budgeted. Mr. Houston explained that a lot of this savings was due to Kent Barton being an extremely good mechanical, technical person and he's fine tuning things at the plant.
- Total Line 4335 Water Treatment shows a \$12,954.84 savings.
- Line 4909.15 2018 Projects, \$30,000.00 was budgeted, but due to computer replacements and pump needs, they went over budget by \$8,273.07.

**Net income:**

- \$57,538.56 will go into the Reserve Fund.

**PRESENTATION OF THE CONTOOCCOOK VILLAGE PRECINCT BUDGET, continued.**

**Actual Budget for 2019, dated January through October 2018:**

Income:

- Line 3379 Local Taxes - projected to be flat, the same as last year.
- Line 3402.00 Warrants – projected to be flat, the same as last year.
- Line 3915.01 Transfer into Operations from Reserve – Mr. Houston explained that they have a past lawsuit with Linda Kimball, and this is the last piece of the \$600,000.00 project that needs to be done. They are estimating that cost to be \$91,050.00.

Expenses:

- Line 4130.07 Assistant Operator – will increase from \$18,000.00 to \$22,000.00, for Kent Barton.
- Line 4130.95 WSO-License Assistant - \$3,600.00 will be added, for a contracted person who has the license that covers testing and legitimizes the operations.
- Line 4316 Street Lights - \$18,000.000 will be budgeted instead of \$24,000.00.
- Total Line 4909 Capital Outlay Other - \$90,000.00 will be taken out of the Trust for the Project, for the pipes.

**MS-37 Budget Summary – Village District of Contoocook Village Precinct 2019**

2019 Operation Budget Recommendation	\$233,456.00
Special Warrant Article (future repairs of systems and future \$3M new tank)	<u>\$250,000.00</u>
Total Appropriations Recommended	\$483,456.00
Less Amount of Estimated Revenue & Credits	<u>(\$209,050.00)</u>
<i>Estimated Amount of Taxes to be Raised</i>	<i>\$274,406.00*</i>
<i>*Up \$1,050.00 from last year, a \$0.01/\$1,000 increase</i>	

Mr. Traum asked what amount the precinct had in reserve at the end of 2018. Mr. Houston said they have \$564,000.00 and hope \$160,00.00 is added for next year – for upcoming major projects, like the tank replacement.

**PRESENTATION OF THE HOPKINTON VILLAGE PRECINCT BUDGET**

Candace Youngman presented the 2019 MS-737 for Hopkinton Village Precinct. She explained that, in the end, their rate is going down.

Appropriations:

Mrs. Youngman explained that most of the expenses are the same:

- Lines 4130-4139 Executive - is for the Commissioners.
- Lines 4150-4151 Financial – is for the Treasurer.
- Line 4153 Legal Expenses - is for Legal Expenses.
- Line 4194 General Government Buildings - is for the Firehouse.
- Line 4196 Insurance - is for insurance.
- Line 4197 Advertising and Regional Associations – is for association fees.
- Line 4199 Other General Government – is for winding the clock at First Congregational Church.
- Line 4316 Street Lighting – is for the lights on Main Street, paid to Eversource.
- Line 4332 Water Services – has a slight increase because they are doing some work on their water tank.

**PRESENTATION OF THE HOPKINTON VILLAGE PRECINCT BUDGET, continued**

- Lines 4711 and 4721 Long Term Bonds and Notes Principal and Interest, refer to well issues that were worked on in the past.

Special Warrant Articles:

Mrs. Youngman explained that there will be a Special Warrant Article, in the amount of \$99,000.00, to have on hold for any serious issues that might come up with the well, the water, and the system.

Revenues:

2019 Estimated Revenues and Credits are \$190,278.00.

MS-737 Budget Summary – Hopkinton Village Precinct

Operating Budget Appropriations	\$108,268.00
Special Warrant Articles	<u>\$ 99,000.00</u>
Total Appropriations	\$207,268.00
Less Amount of Estimated Revenues & Credits	<u>(\$190,278.00)</u>
<i>Estimated Amount of Taxes to be Raised</i>	<i>\$ 16,990.00*</i>
	<i>*down \$449.00 from last year, a \$0.01/\$1,000 decrease</i>

Precinct Budget

Checking Balance \$ 8,635.00

Water Budget

Existing Funds \$ 27,643.00  
Water Sales \$ 55,000.00  
Special Warrant \$ 99,000.00  
\$190,278.00

Taxes to be Raised \$ 16,990.00  
Total Appropriations \$207,268.00

Mark Zankel asked if the Precinct wants to raise \$99,000.00 for the Water Budget, wouldn't there be interest expenses, tax impact, at some point? Mrs. Youngman explained that she would get further explanation for next week. She believes the money is raised, through a Warrant, paid for by the taxpayers, and is put aside for emergency use.

**DISCUSSION – TOWN BUDGET**

Ken Traum explained that the Town is run wonderfully, it's very frugal, there are wonderful employees and staff.

Mr. Traum explained that the 2019 budget for the library is about \$1,000.00 higher than last year. He explained, insurance proceeds are covering a bulk of the costs, and there have been donations that will be helping towards upgrades and some more energy efficiency items.

He explained, if, at the Town Meeting, the town approves the Select Board's request to sell the Bates Building, the proceeds would be split 50% to the Library Trustees for building maintenance upgrades and 50% to improvements at the Town Hall to accommodate the Town Clerk/Tax Collector's Office

## **DISCUSSION – TOWN BUDGET, continued**

Office and for parking purposes; and any leftover money would go to the Library Trustees. He explained that there is a negotiation, made through the Attorney General's Office Charitable Trust, that would have to go to court.

Mr. Traum answered Jonathan Cohen's question – if the building is sold, it would be re-zoned business/commercial.

Mr. Traum answered Mrs. Krzyzaniak's question – if the building is sold, the parking lot in back would be part of that sale. He further explained that the gazebo and the parking at that location would stay with the Town, and there is property between these two locations that will need to be split.

In response to Don Houston's question, Mr. Traum explained that there was a Financial Plan for George Park in the Town's Capital Improvement Plan (CIP) that goes out several years, for planning purposes.

Mark Zankel asked Mr. Traum – With the fund balance going down impacting the tax impact, does he anticipate that being more of the steady trait going forward for the fund balance to be? *Mr. Traum explained that last year, they had basically used up the fund balance to keep the tax rate lower. This year they are looking to do the same; next year, it depends on how tightly they've budgeted. He explained that there is not a built-in reserve of excess surplus.*

Mrs. Krzyzaniak asked for the increase in the Town's Budget and the amount on the tax dollar. *Mr. Traum explained that the increase in the Town's Budget is \$180,659.00 (3.95%) – for a tax increase of \$0.29/\$1,000.*

Candace Youngman asked why there was a \$3,000.00 difference in the Grand Total on Page 21 of the Proposed Town Budget. *Mr. Traum explained that Cemeteries Sexton and Economic Development part-time position benefits were not approved and/or the position was eliminated.*

Mrs. Krzyzaniak asked Mr. Traum why the third position at the Town Clerk's Office was eliminated? Mr. Traum explained that when the office was moved to Town Hall, the position wasn't necessary; at the Bates Building the third position was needed for safety and security purposes – because a building by itself that involves cash, you don't want one person in the office.

Rich Houston said he recently had a conversation with Dan Blanchette, Director of Public Works about the projects, on the Town side, that have been deferred. He asked Mr. Blanchette what was the one thing he would have done this year that shouldn't have been put off. Mr. Blanchette mentioned the roof at the bailing shed at the Transfer Station, and the roof on the Houston barn (next to the library) is missing a lot of shingles and is starting to show the plywood. *Mr. Traum explained that the bailing shed roof was one of the last items cut, in order to get below the 4% increase in this budget and that the Houston barn is on their radar as one of the things that needs to be addressed sooner rather than later.*

## **DISCUSSION – SCHOOL BUDGET**

Don Houston presented the committee with the following:

- Estimated Tax Rates Proposed for 2019, dated 1/23/19 – This included the proposed tax rates broken down by Municipal, Local Ed, State Ed, County, and the total proposed tax impact.
- An informational sheet from the Department of Revenue that is sorted, by Town, reflect the Total Tax Rate, Hopkinton is 5<sup>th</sup> on the list; Total Education rate, Hopkinton is 2<sup>nd</sup> on the list.
- Equalized Valuation Per Pupil 2017-18 – Hopkinton School District is number 142 on the list with the 2017 equalized valuation per pupil at \$739,329.00, based on 949 students. Explaining that we are below the State Average, which is 73<sup>rd</sup> on the list. This shows that we are \$300,000.00 below the State Average.
- Cost Per Student 2017-18 – Hopkinton School District is 82<sup>nd</sup> on the list – Showing the cost per student, PreSchool-12 is \$17,265.98; the State Average is 103<sup>rd</sup> on the list at \$15,865.26.

Mark Zankel referred to the State of Education website. The cost per pupil for the 71 schools that have K-12, we are ranked 41<sup>st</sup>, which is slightly below the mid-point. He believes this shows that our cost per pupil is not high.

Don Houston explained that Diane Lachance showed him a new platform on the Department of Education website that allows the user to perform multiple comparisons, by school. The web site is [www.education.nh.gov/iportal/index](http://www.education.nh.gov/iportal/index).

Mark Zankel reflected, that when listening to the school presentation this year, the major drivers are:

- Significant increases in benefits, which the school district is trying to get a handle on and bring down through the evolution in the teachers' contracts over time.
- Special education and the commitment that the district has made to integrate students with special needs into our academic curriculum - the earlier and more effectively we make those interventions and provide that assistance, will result in both reduced costs to the school system and society at large, over time.
- Transportation partly associated with the special needs' students.

He explained, what's not clear to him is, if we, as a budget committee weren't in support of the School District's Operating Budget, what would we recommend, where would cuts be made? Would it come out of Personnel, that would affect class size? He explained that this is not a path that the community has supported in the past, because there is so much research about class size and how that relates to educational performance.

Debbie Norris asked how do we look at this Operating Budget? There is nothing we can do about the health and benefits care costs. She feels student enrollment needs to be looked at, explaining that over the years the numbers have gone up and down; the projected numbers aren't a guarantee. She explained, with 5 extra students projected for 4<sup>th</sup> grade, they're looking at adding another full-time 4<sup>th</sup> grade teacher. Any time you add another full-time staff person, you are adding to the benefits and salaries increase. She wonders, with 5 students, why not look at nesting those 5 students into the existing 4<sup>th</sup> grade classrooms, before you hire another full-time teacher. She asked - fiscally shouldn't we keep the curriculum steady and look at the needs of our facilities?

Candace Youngman explained that she has had conversations with Superintendent Steve Chamberlin about enrollment. He has shared that one way to reduce costs is to grow the class size, so we don't

## **DISCUSSION – SCHOOL BUDGET, continued**

have to hire more staff. She expressed that salaries and benefits are the driver; she feels that the health and dental programs are way too rich, and they need to be contained.

Jonathan Cohen explained that the terms of health and dental benefits are part of the union negotiations, changing them would come up with them at contract time. Class size increases is concerning to him, because a student might miss being identified for special needs early.

Mark Zankel explained that Steve Chamberlin's presentation shows that we do have a growing number of students who have special needs. He worries about the combination of more students with special needs and class size increases. That makes it hard for teachers and it takes a toll on the students and their educational experience.

Mr. O'Brien explained that hiring of a 4<sup>th</sup> grade teacher, it's not just for one year, it's planning for future projected growth.

Mark Zankel asked Mr. O'Brien about there not being a consensus on the School Board about cutting \$100,284.55 for District Wide Staffing. Mr. O'Brien explained that the majority of the School Board did not support this reduction, due to the projected increase in enrollment.

Don Houston shared his disappointment that the requested three tier cuts were not used. He explained the Instructional and Special Educational Programs (Lines 1100 and 1200), in the last 3 years have gone up \$634,000.00, \$618,000.00, and \$753,000.00, respectively. He explained that the cuts will need to be in personnel, that's where 75% of all the expenses are. We need to look at the total line where the payroll is in – the increases over the past 3 years were 6.4%, 5.9% and 5.7% - for a total of over \$2M – that's an average of \$669,000.00 a year in just those 2 lines. He expressed his concern that we can't keep going with this, it's bankrupting us, we can't afford all that we have. He pointed out the total budget with warrants increasing every year - \$900,000.00, \$1.4M, \$1.99M. He emphasized that this year's budget is up another \$1M, this is without the HESS contracts, the maintenance trust or the facilities project. He feels the school needs to use their expertise to find another way to produce our education.

Mr. O'Brien explained that the School Board offered an Operating Budget they feel is realistic, knowing that circumstances will change with enrollment. He explained that the Contingency Fund would be for things that might come up for risk management.

Debbie Norris asked about the surplus that is added back to reduce the tax amount. *Mr. O'Brien explained that in the budget, there is \$483,000 accounted for the use of surplus.*

Mr. Cohen stated that a good public-school education is a way for someone, who might not be born into an upper-class family, to be able to move and improve their situation, and might have opportunities they otherwise wouldn't get.

Ginni Haines shared information from the site given above, to support 1 student for 1 year, you would need to have taxes from a house that's valued at \$740,000.00. We need to be mindful of what we're working with and work with what we have. We have no commercial base, that's part of the reason a lot of people live here.

## **DISCUSSION – SCHOOL BUDGET, continued**

Candi Youngman explained there is a balance that we need to maintain; the school board does do a good job in educating our children. However, she does not believe, if we cut the Operating Budget down to a more manageable level, that the school board will sacrifice the quality of education. They will find another way to offer the same good education to our students. They may have to change some of their policies, they may have to look at different ways to deliver that education.

Ginni Haines explained that the school has taken on a lot more students with the addition of Pre School and Kindergarten, and the budget amounts are going to be different compared to a few years ago.

## **PUBLIC COMMENT**

Diane Lachance shared her concerns –

- We have hit a reality in this town - that reality isn't going to change a lot because we do live in a beautiful, almost commercial free town, and we all benefit from that. Within towns, it's a game of competition.
- Until Hopkinton finds some innovative ways to solve its biggest expenses, of which the school is one, we're always going to be faced with this.
- The Commissioner of Education is coming up with programs that include:
  - Social/Emotional Learning – the program provides a way to help families work on their social/emotional issues using community resources versus developing within our school systems a mental health system.
  - Learn Everywhere Program – it's a way for students to get education through people who aren't traditional teachers.
- Collective Bargaining – If you don't cut the budget, nobody will do anything about it, they are not going to voluntarily change their salaries or benefits. This town has supported the schools tremendously.
- Health Care – She doesn't understand why we couldn't consider offering health care to employees, their children, and any spouse that doesn't have health care. She'd love to see a number on what we could save if we didn't offer the full family plan.

Carolyn Koegler-Miller expressed her concern, as a voter, she is concerned about the tax rate. She is concerned with the cutting process, she wants to know what's on the table. She hopes that, prior to the Public Hearing, more details on what is being cut will be available. She thinks that's what the voters would want to know too.

Elizabeth Durant, Chair of the School Board wanted to explain that the increase in health costs was based on claims, not on plans. She said there will be additional education, with the staff, to help them better understand what their plan is and utilize it better and more efficiently.

Ms. Durant explained the Special Education increase, over the last several years, is attributable to the complexity of the students that are identified as special needs and the services they require to meet compliance, it's not necessarily an increase in the number of students.

Mark Zankel explained that he's not 100% certain about whether this is the right budget or if it's a budget he's ready to support. A couple of things he feels might be helpful:

## **BOARD DISCUSSION, continued**

- If there are people on the Budget Committee, who think we ought to propose an alternate budget, he'd love to hear what that is, and how you come to that number. That way something real would be put on the table.
- To be able to take the temperature of the Budget Committee, because if the majority of the Budget Committee feels like they are leaning towards either approving or endorsing a different budget, that would be helpful to be able to give that feedback to the School Board now.
- Having this information, now, might open dialogue about what those real impacts would be; can Steve Chamberlin find a way to lower the budget, it may be impossible given the current structure and constraints with contracts and agreements that we have.
- He wants to know what's on people's minds about the School Board budget.

Candi Youngman explained, after speaking with Mr. Chamberlin, she has confidence that he has ways he knows he can save money, he even suggested a few. He's leaving it to the voters to decide. She believes, if given a message that the voters need a tax reduction or stabilization, he will find a way to create a curriculum and adjust things accordingly.

Mrs. Youngman agreed with some of the programs that the Commissioners have come forth with. There is a good plan that he has, to incorporate community involvement that will help with the social/emotional learning for our young people that are struggling. A lot of them need mentors, a lot of them come from homes that don't have an adult supervising them, they come to school sometimes hungry, and some with situations at home that are very difficult. We need to address those things. There are a lot of children coming into the system that need more attention than normal. This plan is tested, there are many districts in the state that are already implementing this program.

Mrs. Youngman also explained that benefits are a big issue and explained that the only way people can say no to the contract, is to vote it down. If it's voted down, they would then need to go back and re-negotiate, that's what towns have been doing across the state. Look at the benefits of our teachers and support staff, the benefits are extremely rich, not just health, but also dental and some of the other extraneous benefits.

Mr. O'Brien reiterated that Steve Chamberlin provided a list of where reductions could happen. He explained, there are 3 tiers and that the School Board was asked to get to a \$900,000 reduction. These tiers have been put on the table for discussion. He explained that if Steve was asked to zero out the budget, would Steve be able to provide the same education as we are providing today – he thinks the answer would be no, he believes there would be consequences. He suggested that the Budget Committee look through the tiers and if there are questions or concerns about items, let's discuss them. He suggested that if the Budget Committee presented an alternate budget, there would have to be a rationale behind it. He explained that having philosophical conversations is valuable, but at the end of the day, if a different budget is presented by the Budget Committee, actual items would need to be identified. He offered that the School Board is elected to deal with the philosophy and the Budget Committee works on the budgets and makes recommendations for the budgets.



### **BOARD DISCUSSION, continued**

Mark Zankel suggested that at some point the School Board, working with the administration, if there are budget constraints that allow them to not operate the School District in its current status quo of operating it, where they require a change in philosophy approach, they'll do that. The Budget Committee will not dictate the philosophy, it can only dictate the dollars.

Jonathan Cohen asked, don't the tiers already explain where cuts would be made? Why would the Budget Committee suggest a cut without the reason behind asking for that cut? Based on what? Why would we do that? He explained that this approach strikes him as not taking into consideration all the effort that the School Board has made to present us with the reason that they have presented their budget to us.

Don Houston suggested that under the traditional approach the tiers would be used, but Mr. Chamberlin may need to look at it a different way. Mr. Houston explained that when some of the Budget Committee members went to the Municipal Association for some guidance, they explained that we have a budget committee – we do not have to go in and identify any particular program in a budget, it would be a general spot in the line items of the budget.

Mrs. Krzyzaniak explained that the School Board can go to the tiers when they are trying to cut. She explained that when the School Board talked about the tiers, one of the board members didn't even want to talk about tier 3, because there were a lot of people in that tier. She explained that the Budget Committee just needs to say where we think there should be a cut and how much. Mrs. Krzyzaniak explained that the School Board doesn't have to adhere to the tiers, they can make the cuts anywhere they want.

Mr. O'Brien suggested that the voters would want to know the rationale behind cuts made, especially if they are large cuts; the voters would want to know the impact of those cuts.

Rich Houston asked – What should we be looking at? We have leaky roofs, we have asbestos in the floors, we have furnaces that should have been replaced years ago, we have oil tanks that should have been pulled years ago – those things were all bypassed, so that we could hire new people. He thinks that was a mistake. He thinks we should have been looking for efficiencies within our labor force, so that we could keep up with the maintenance. Now we're in a position of having to take out a \$7M or \$9M loan, part of which will be used to catch up on maintenance. His first priority would be to not hire new positions, until we can get caught up on the maintenance.

Don Houston reiterated that the Budget Committee's charge is to recommend to the town what we think the budget should be. The Budget Committee is supposed to listen to the budgets and then come to judgement of what the manageable total tax rate is.

Candi Youngman explained that the School District must itemize their budget, because they are using tax dollars, public funds. The Budget Committee must find a level that is affordable, on all four budgets together, as a total package. We are not going to micromanage the business of the School District. In giving them a number, we don't have to sit down and produce our own budget to validate why we are saying this is how much money we are recommending. This is not what the Budget Committee is supposed to do, that's not what the RSA says.

### **BOARD DISCUSSION, continued**

Ginni Haines quoted RSA 32.1 “The purpose of the Budget Committee is to assist voters in the prudent appropriation of public funds.” “Throughout the year, the committee works toward completing its ultimate assignment: to prepare the budgets presented to voters at the March Annual Meetings”.

Mrs. Youngman strongly believes that if the Budget Committee gives the School Board a number, cuts can be made. She explained, if Steve had a reason for developing the three tiers, those were cuts that he perceived were a way he could find \$900,000.00 to cut. Why would he list those if he didn’t think that those were possible? The Budget Committee is interested in finding a bottom line number, the School Board’s interest is to provide programs. She doesn’t feel that the town can afford to give the School Board all that they are asking for.

Mr. O’Brien wanted to make it clear that Steve Chamberlin is the Superintendent. This is a School Board budget, this is not Steve’s budget. He explained that the tiers exist at the request of the School Board and that Steve, as a professional educator, came up with the recommended tiers.

Mrs. Youngman asked, if the School Board asked for those tiers, why didn’t they cut a lot of them, they only cut a small portion of them. Mr. O’Brien explained that it is a governing body of the board and this is the recommendation of the majority of that board.

Mr. Cohen explained that the School Board voted to take this Operating Budget to the Budget Committee, because they felt that it was in the best interest of the town.

Mrs. Youngman explained the Budget Committee’s job is to be concerned fiscally with the budget. The School Board’s job is to provide the programming and what goes with that programming. Our job is the fiscal responsibility to the town.

Mark Zankel explained that the School Board and Steve are very mindful around budget issues and the tax rate. They don’t have the same perspective as the Budget Committee, and they shouldn’t. He knows they are mindful of the tax rate and the budget impacts on their deliberations. It’s the Budget Committee’s job to decide what we can responsibly put forward to the town. Each of the groups have their distinct responsibilities.

Mr. Zankel said that he does think if the Budget Committee is going to propose an alternate budget to what the School Board has proposed, we need to have some rationale, which can be both based on what we think is a reasonable tax rate impact, as well as our review of the alternatives that the School Board considered, and our determination that we think that the School can handle a little more than the School Board decided. He thinks the Budget Committee has a responsibility to not necessarily get down to the tiers, but to have some rationale if there is a proposed budget that differs from the School Board’s.

Mr. Zankel referred to a discussion that took place about the Contingency Fund, and it has one piece in that fund that is funded at 100% for a teacher. He feels that is unnecessary to fund a contingency at 100%. He feels that there is a piece of the Contingency Fund that should also be on the table when talking about how to reduce the bottom line.

## **PUBLIC COMMENT**

Carolyn Koegler-Miller explained that Ginni Haines had read the RSA and she believes at that end of it, about assisting the voter as being a major charge, is what she wants. She wants to understand if there are cuts that must be made, because we are concerned about the tax rate, what is that going to mean for the quality of education being provided. She needs to know and is asking the Budget Committee to please assist her.

Diane Lachance said every year we have these tiers and we're told this is what's going to get cut. We come back the next year and we never know if that's what happened. She explained that one of the reasons for the Programmatic Budget was to try and nail down and see what happens year to year and how it affects programs.

## **BOARD DISCUSSION, continued**

Mrs. Krzyzaniak gave the Budget Committee members an assignment – To come back next week with what they think the budget should be. If you feel there should be cuts, how much should be cut, and the rationale of why? Jim O'Brien suggested looking at the information provided in the tiers and the Programmatic Budget, the function codes are included for clarification. He explained that all of the information and explanations are in these documents.

## **OTHER BUSINESS TO COME BEFORE THE BOARD**

Candi Youngman had a question about the Public Hearing announcement that was in the newspaper. It talks about how we're going to have a Public Hearing on Wednesday, February 6, 2019, to hear all the budgets. It now offers up in addition, due to legal requirements – submission to the School District for petition warrant articles, the Budget Committee may hold a public hearing to accept comments on warrant articles received by the School District, that are monetary in nature and require action by the Budget Committee. This is after the Public Hearing, if there are more petition warrant articles that are submitted to the School District, we would have another hearing on Wednesday, February 13, 2019? Is this something that has happened before? *Mrs. Krzyzaniak explained that this has never happened before. She said that she spoke with Neal Cass, and the Town hasn't had this happen either. She believes that this is how the notice is printed every year.*

Candi Youngman offered Mark Zankel some suggested changes to the 2018 Report of the Budget Committee, that he had written, for the Annual Report:

- In the first paragraph, by using the entire RSA, it would clarify what the Budget Committee's charge is.
- The Board of Selectmen should be changed to the Select Board.
- 2018 Special Considerations (1<sup>st</sup> paragraph) - she suggested that adding the value of the Programmatic Budget, is what we've been striving for, and it is important to include it in that paragraph.
- 2018 Special Considerations (2<sup>nd</sup> paragraph) – She knows the statement is true, that the proposals being developed by the School Board do address these things. This is what the School Board is doing, it's not really what we're doing. She doesn't think this sentence is necessary in our report.

Mr. Zankel acknowledged that these were all excellent recommendations. He explained that he does have some angst about the removal of the sentence regarding the school bond because it provides, to the reader, an explanation about what we're talking about.

**OTHER BUSINESS TO COME BEFORE THE BOARD, continued**

Mr. Zankel asked for recommendations from other members of the board, regarding the proposed deletion of the sentence in that paragraph about the school bond conversation, “The proposal is being developed by the School Board in order to address accreditation, safety and security, deferred maintenance, and educational issues with our school facilities.”

- Debbie Norris explained that her feeling is that he’s explaining why we have the bond. The second sentence supports why we have the bond and what it’s doing. Some of our considerations would be based on that also.
- The majority of the board members agreed the sentence should remain in the report.

Mr. Zankel asked for other feedback from the Committee.

Jonathan Cohen motioned that the sentence, “The proposal is being developed by the School Board in order to address accreditation, safety and security, deferred maintenance, and educational issues with our school facilities.”, remain in the report. The motion was seconded by Don Houston. All board members approved the motion.

Don Houston asked if the one-page summarization of the Estimated Tax Rates Proposed for 2019, that he prepared, should be available to the voters at the School and Town’s Annual Meeting? He explained that the numbers would be updated before the meetings.

*Rich Houston made a motion that the one-page summarization of the Estimated Tax Rates Proposed for 2019 should be made available to the voters at the School and Town’s Annual Meetings. Candi Youngman seconded the motion. Mark Zankel asked if we could wait to vote on this next week so that he could read it further. A vote was taken and approved, 8-2.*

**UPCOMING BUDGET COMMITTEE MEETINGS**

**January 30, 2019** – HESS Contract Information, Review and deliberation on all budgets, HESS Contract, and Bond for the facilities project.

**February 6, 2019** – Public Hearing on all Budgets in the High School Auditorium, 6:30 pm.

**February 13, 2019** – Final Budget Committee Deliberations, if needed.

Public Hearing on the School Petition Warrant Articles, if needed.

**MOTION TO ADJOURN**

Don Houston motioned to adjourn at 8:30 pm. Ken Traum seconded the motion. There was no further discussion. A vote was taken, and all Board Members approved.

Respectfully submitted,  
Tammy Clay