

Town of Rye Budget Committee  
Budget Review  
05/07/19

Attendees: Chair Jaci Grote, Peter Crawford, Mae Bradshaw, Peggy Balboni, Shawn Crapo, Ralph Hickson, Scott Marion, Kevin Brandon. Absent: Randy Crapo, Phil Winslow, Doug Abrams

Jaci called the meeting to order. Pledge of allegiance.

Jaci: Following the election we need to chose the officers. So, I would like to open with election of the Chairperson.

Scott makes the motion to nominate Jaci.

Chair Jaci: Can I have a second.

Peter Crawford expresses concern over Jaci's duties as State Rep. and that she may not have enough time to devote to both.

Shawn disagrees and thinks Peter wants to spend too much time on budget issues.

Second by Ralph.

All agreed except Peter and Jaci who abstained from voting.

Jaci: The next is Vice Chairperson. I nominate Peggy Balboni.

Scott seconds.

All in favor.

Jaci: Now I would like to nominate Peter Crawford for Clerk.

Second by Ralph.

All in favor except Peter who abstained.

Next is the approval of minutes. Three sets of minutes

Jaci: 1/23/19 minutes. Any comments or corrections?

Scott moves to approve. Second by Mae.

All in favor.

Jaci: Next is the minutes of deliberative session 02/02/19. I have no comments. These minutes were taken by Peter.

Scott moved to approve the minutes of 2/2/19. Second by Peggy Balboni. All in favor.

Jaci: Next is the minutes from 2/5/19 for the precinct. I was not there. Any comments or changes?

Motion to approve by Shawn. Second by Scott

All in favor. Jaci abstained.

### School Budget

Jaci gives the floor to SAU 50 Business Administrator Amy Ransom.

Ms. Ransom: does everyone have a copy of the financial statement that I brought with me?

As of April 17 there was a general fund balance of \$211,260. I went down through the packet and, for anything that was over \$500, I put a memo next to it.

You will see the negative balances remaining on some accounts. We did have three teachers at Rye Elementary School that had track changes under the Collective Bargaining Agreement.

Peter: Is there a way we can plan for these in advance?

Scott: it's hard to plan for that. It's a degree or a degree with 15 credit hours. It's hard for the business office to track that.

Ms. Ransom: For support staff substitutes, we had absences that we had not budgeted for. There is a \$3000 overage for support staff.

On page 2 about half way down there is a \$1030 overage for bleacher inspection. We had budgeted for the Elementary School but not the Junior High.

Mathematics: Books for the classes. We had more children in the classes than we anticipated.

We had a change in the science teacher and she was unaware of a program that should have been budgeted.

Peter: Can we skip everything under \$5000?

Ms. Ransom: Sure, I am just trying to cover everything. Next under Special Ed. contracted services, this is IEP's. There is a \$16,985 overage but we are still under budget on the overall Special Ed. budget

We are over by \$9000 in legal fees for the Middle School.

Jaci: In special education we are only \$2500 over despite all of these?

Ms. Ransom: Yes, we are still to the good on Special Education for the District as a whole.

Peter: There still could be additional needs that we have not planned for.

Kevin: Is the \$9000 for legal the final billing or just billing to date?

Amy: We have about \$7000 to come that is encumbered.

Ms. Ransom: We asked teachers to look at expenses and POs needed to get them through the end of year.

Amy: We get to psychological services which is function 2142 at \$6500 based on student IEPs. For speech (sic) therapy contracted services there is a \$8300 overage for IEPs. This was an unanticipated expense, but it has been there all year.

Shawn: One person can move to town and this can change the Special Ed. budget.

Ms. Ransom: There has been a significant amount of legal expenses. That was \$44,000 over. This is Rye's cost. There were items associated with contract negotiations, the Lister Academy and the AREA Agreement.

Scott: There was also a disagreement with the State Board of Education and some responding to citizen complaints and requests that needed legal advice.

Jaci raised the issue of whether we want to add more to this account and there was discussion about that.

Jaci: I would rather err on the side of caution and have a bit of cushion there.

Ms. Ransom: Next page, there is an overage on repairs done at Rye Elementary School of \$5834. We have a new provider and will do ongoing repairs and inspections. An additional bus was needed, causing an overage in Pupil Transportation.

Amy: The District had to pay its 20% share of a Safety and Security Grant.

Jaci: We think that we will be under budget by \$211,000 for the year.

Kevin raised the issue of replacement of the second boiler at the Junior High and there was discussion about that. Ms. Ransom will contact the current provider and see if they can give us a quote.

There was discussion about the Budget Committee waiving its agreement to require Portsmouth High School tuition appropriations not spent to be returned to taxpayers so that a new boiler might be funded. This appeared to be viewed unfavorably, at least by some present.

Shawn: There is the issue of the type -- steam vs hot water.

SAU 50 Superintendent Petralia: The principals will be coming forward at the May board meeting regarding a pretty modest list of additional expenditures.

Scott: I can't imagine that these will be more than \$50,000.

Peter: What indications do we have for the coming year in terms of New Castle students, transition to the fifth grade and Kindergarten enrollment?

Ms. Ransom: We have no way of knowing. Parents don't let us know about transfers out until they request transfer of the records. With regard to Kindergarten, to my knowledge, that enrollment should be similar to what was presented at budget time.

Jaci: When do you think you will have all your numbers done for this school year?

Ms. Ransom: After everything gets posted in June. I won't have everything until July.

Jaci: I think we should have our next review in August. Because we will know pretty much what we will need for next year.

Peter: Are we doing a town second quarter review?

Mae: Isn't that what we did last year?

It was agreed that the town and school second quarter reviews will be in August.

Jaci: Does anyone have any other questions?

Peter: I was looking at the Annual Report, page 37, at the test scores. For the eighth grade, we are right at the state average, but we are spending half again as much per pupil as the average district in the state. We are not seeing that in the results. Are more resources needed to fix the problem?

School: This is not a question for Amy. This is a School Board meeting question. The eighth graders didn't take the test seriously last year, which affected the results.

Amy Ransom said that she had given her notice to become business Administrator of SAU 15. June 30<sup>th</sup> is her last day.

Superintendent Petralia explained that they are looking for a replacement. Search is in the works. A nomination is expected in June.

### Town Budget

Jaci: Next is the 2019 Town budget first quarter review (actually first third of the year).

Peter: At one point we had a process with an executive summary with key items highlighted.

Town Finance Director Becky Bergeron: We are by and large right where we are supposed to be. A couple of things to note.

We received an insurance premium holiday that will be reflected as a credit of \$32,000. There are a number of front-loaded items.

Information Systems Management is past where we should be at this point. We have had an infrastructure issue with regard to IT at Town Hall. This is an area we might need to look at more carefully. The overall capacity is not keeping up with the demands.

Shawn: Someone needs to get Mike and the Selectmen on the same page on this.

Ms. Bergeron: The rodent-chewed wire has been replaced and we received a grant for \$6500 for this project. Our LED street light project is well underway. That was a project in the Public Works Department. The ad for the Building and Grounds maintenance person is being run. An Animal Control position as well as a building inspector administrator position should also be filled within the next 35 days.

Peter: Will the Animal Control person be part-time? I ask because I heard one of the Selectmen indicate that perhaps the position should be made full-time.

Becky explained how hard it has been looking for part-time employees. People are looking for benefits and full time. She confirmed, however, that any change to full-time would occur no earlier than the 2020 budget.

Peter noted that past practice has been to make all full-time employee adds and conversions from part-time to full-time separate warrant articles. He said that this practice should be followed in the future. With benefits, a full-time employee can cost \$100,000 annually.



Mae had a question about the pumper ladder truck. Ms. Bergeron said that it has been ordered and the down payment made. This has tended to front load the expenditures.

Shawn: Is paving under budget or what? Where are we? This winter did a number on the roads.

Becky: Yes, we will stay within budget but yes some things will be kicked down the road.

Jaci: One of the things that was mentioned was the current grade of town roads, the desired grade, and whether more money will be needed to achieve that. This is a conversation that we should have with Dennis.

Peter: About five years ago, we had a company that reviewed the roads using a scientific process. There was a computer model provided that could have been used to project future road conditions based on various expenditure level scenarios, to see whether the roads would be improving, staying the same, or degrading under these scenarios, but we never followed through with that. I would like to see that done before we do the budget for next year.

Mae asked whether the highway block grant could be applied to the roads and how this could be increased.

The discussion was that this is a standard formula for the state which would require legislation to change.

Becky however noted a special supplemental grant in 2017-2018 that provided additional funds from the state surplus.

Jaci: Capital outlay is next. We have 81% left.

Becky: That is Shoals View and the glass crusher. That has not been purchased yet.

Jaci: Do we have any projections for the CIP?

Mae: Not yet. The first submissions are not due until July.

Ms. Bergeron: There is more fire equipment for next year -- a mini pumper.

Jaci: We should think about talking about that in August too.

Discussion about keeping citizens educated about the things that we need in the town.

Peter requests an electronic copy of the budget for forwarding to Val. Questions about who wants a hard copy and an electronic copy.

Jaci: Vehicle Registration are significantly different than last year. This year it is significantly lower than what it was last year at this time. The ambulance revenue is a third of what we budgeted.

Becky: Ambulance revenue will go up because we are increasing the fees June first. The two biggest variances on the revenues are the vehicle registrations and the fact that the Webster at Rye has not yet made its payment in lieu of taxes. Everything else is minor.

Jaci: Does anyone have any other questions? Do we have any other things you can expect?

Becky: We have projects that are progressing. We are business as usual.

Motion to adjourn by Scott, seconded by Mae. All in favor.

Meeting adjourned at approximately 8:18 p.m.