

Merrimack School District Budget Committee
Minutes
November 19, 2024

Present: S. Bernier, M. Berry, D. Coakley, L. French, G. Groff, J. McCormack, M. Murphy, R. Paepke, S. Rand, A. Santoriello, B. Trant and School Board Liaison N. Halter

Excused: C. Mower

Also Present: Chief Educational Officer B. Olsen and Assistant Superintendent for Business M. Shevenell

J. McCormack called the meeting to order at 7:01 PM and led those present in the Pledge of Allegiance.

Public Participation

There was none.

Approval of Prior Meeting Minutes

D. Coakley made a MOTION to approve the minutes of October 15, 2024. Second: S. Rand. MOTION PASSED: 10 – 0 – 1. (R. Paepke abstained.)

Old Business

Committee Meeting Location

J. McCormack told the Committee that several members had visited the Matthew Thornton Meeting Room at Town Hall and called for member comments about moving Committee meetings to Town Hall.

Discussion included the following:

- Merrimack TV staff has made significant efforts to accommodate the needs of a Committee as large as the Budget Committee.
- Whether the Committee can hold all of its Tuesday meetings in the Matthew Thornton Room in January and February is not yet confirmed.
- The Matthew Thornton Room is handicapped accessible
- Meetings held in the Matthew Thornton Room are broadcast live.

M. Berry made a MOTION to plan to have Budget Committee meetings in the Matthew Thornton Room at Town Hall unless otherwise noted. Second: S. Rand.

R. Paepke made a MOTION to AMEND the motion to meet in the Matthew Thornton Room at Town Hall in December and make a motion to finalize the Committee's meeting schedule and locations at the next meeting. Second: G. Groff.

MOTION PASSED: 10 – 0 – 1 (D. Coakley abstained)

Liaison Team Decision

J. McCormack reminded the Committee that it had tabled until this meeting a decision about whether to have liaison teams this year and reopened the discussion.

Discussion included the following:

- The liaison process was explained: a team of members is assigned to each principal and department head. One member is assigned as the liaison team lead and sets up a liaison team meeting in the school or department office to discuss the proposed school or department budget and any changes approved by the School Board.
- A global budget presentation by the Administration at the beginning of the budget review process is a good idea.
- Members still want principals and department head to give presentations to the Committee.
- The Administration would like members to submit written questions to the principals and department heads.
- Are the budget presentations redundant?
- There will be a new sheet at the beginning of each budget section in the budget notebook which will summarize items that have removed from or been newly added to the budget.
- Members want to hear what the principals and departments heads have to say in their offices.
- Committee members should consider attending School Board meetings when school and department budgets are presented and discussed.
- Would joint Budget Committee and School Board meetings be more efficient.
- The Budget Committee has a different role and statutory budget responsibility than the School Board.

M. Berry made a MOTION to retain the liaison team meetings. Second: G. Groff.

MOTION PASSED: 8 – 3 – 0 (N. Halter, R. Paepke, L. French opposed.)

New Business

FY 23-24 Year End Review

M. Shevenell explained there had been a total unassigned balance of \$3,670,000 for the last fiscal year. He said \$3,240,000 was appropriation surplus and \$779,000 was revenue surplus. He said most of the appropriation surplus was due to budgeting for full staff and their associated benefits but not being able to hire full staff. He said there was an overage in the contracted services line because the District had to contract for services when it couldn't hire staff to perform those services.

M. Shevenell also reported that the School Board increased the amount of the retained surplus to \$850,000. He said these funds are available for emergency use during the current fiscal year after the School Board holds a public hearing. He said that last year the District used the retained surplus funds to purchase the Wit and Wisdom program for all the elementary schools. M. Shevenell gave a brief overview of the Food Service Fund. He said Food Service is a self-sufficient fund which doesn't cost the District any money and retains its surplus to use to fund

future food service capital improvements some of which he said he expected would be part of the upcoming proposed budget.

M. Shevenell also explained what the Default Budget contains and how it is developed. He told the Committee the Capital Improvement Plan (C.I.P) is still under review and still needs to be reviewed by the Planning and Building Committee (P.B.C). He said the P.B.C. will make a recommendation to the School Board which will approve the C.I.P. He stated there will likely be a roof in the C.I.P for each of the next 5 years. He said a roof and a couple of other items on the C.I.P could be articles on next year's warrant. He also mentioned a proposal for a new Central Office is still being finalized.

J. McCormack opened the floor for questions and discussion but asked members not to bring up questions about the C.I.P. or the Central Office proposal at this time.

Discussion included the following:

- Some of the surplus in last year's budget was due to renegotiating utility costs.
- Special Services
 - There is a liaison team for Special Services.
 - About 20% of our student population is served by Special Services.
 - There are about 22 Out-Of-District (O.D.P) placements.
 - The Department will provide the numbers during its budget presentation.
 - State Aid for Special Education (which used to be called Catastrophic Aid and is now called Differentiated Aid) has declined.
 - Special Education Case Managers have Master's Degrees
- State Adequacy Aid has also gone down.
- Grants the District received last year:
 - \$984,000 IDEA grant
 - \$300,000 Safe Schools grant
 - \$138,000 Title 1 grant
 - \$6,000 Farm Grant for Thorntons Ferry School
- For the budget, the District estimates it will receive about \$1.5 million dollars in grants.
- Administration will provide
 - A chart of accounts explanation
 - More detailed information about how retaining surplus balance works.
 - Total cost breakdown of Wit and Wisdom.
 - Data dump of the budget by object and unit with sub-totals.
 - Specifics about the current number of vacant positions in all schools and departments.
- The District has made the last bond payment on the Middle School. It has no bonded debt.

FY 24-25 1st Quarter Review

M. Shevenell reported that he has seen nothing out of the ordinary in the budget thus far this fiscal year. He told the Committee that some budget lines are already fully expended because the items were fully paid up front and that he would soon start encumbering funds toward the rest of the year but he said so far, everything seems to be tracking as expected.

The only member discussion was a clarification that the report presented covered July – September only.

Preparations for FY 2025-26 Budget Proposal

Members were given a Liaison Request Form to fill out and return so that Liaison Team Assignments can be made and distributed at the next meeting.

J. McCormack asked members to let her know if they wanted an SAU email address.

J. McCormack also reminded members that they needed to contact her ahead of a meeting if they were going to be absent so she could excuse their absences or if they needed to call into the meeting.

N. Halter told the Committee that the School Board is hoping to have their budget recommendation finalized by December 18th.

Next Meeting Dates

J. McCormack told the Committee that the next meeting will be on December 10th and she expected the meeting would be in the Matthew Thornton Room of the Town Hall. The plan is that Maintenance will deliver the budget books to the Matthew Thornton Room for members to pick up.

Public Participation

Brian Halter (Everest Drive) told the Committee the Administration contains experts in education and is charged with putting on the best education it can with the budget it is given. He said the District needs to propose a budget that the taxpayers can get behind and stop providing a “default education.” He said what he saw last year was a lot of time wasted haggling over small items that the Administration recommended be cut. He asked the Committee to provide a value education to the students of Merrimack taking into consideration the judgement and advice of the Administration.

Committee Comments

G. Groff said the Committee is elected to represent the public and the public came out in droves last year in support of programs that the Administration recommended be cut but did not provide a clear plan on how this change would be implemented.

N. Halter said a lot of School Districts are currently operating on a default budget.

A. Santoriello said the District ended the last fiscal year with a \$3 million dollar surplus. He said the District has retained \$800 thousand dollars of that surplus; the current budget, though the default budget was greater than last year’s operating budget and the first quarter report indicates we are in good shape, so he felt that things might be okay this year.

M. Shevenell said he felt that it is way too early in the fiscal year to forecast year end results.

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L. French said that there were several unexpected timing issues regarding the budget calendar last year and he hoped things would run more smoothly this year.

D. Coakley made a MOTION to adjourn. Second: R. Paepke

J. McCormack declared the meeting adjourned at 9:29 PM.

Respectfully submitted,

Pat Heinrich

Adjournment 9:29 PM