

**Budget Committee
Minutes
July 15, 2010**

Present: T. Beard, M. Beck, B. Boyd, R. Buckley, J. Burk, B. Cummings, S. Heinrich, G. Markwell, M. Publicover, A. Schneider
Excused: E. Coburn, C. Underhill and School Board liaison C. Ortega
Also Present: School Board Chair Jody Vaillancourt

A. Schneider called the meeting to order at 6:32 PM and led those present in the Pledge of Allegiance.

Approval of Prior Minutes

B. Boyd made a MOTION to approve the minutes of June 14, 2010 as amended. Second: B. Cummings. MOTION PASSED: 8-0-2 with M. Beck and R. Buckley abstaining.

Announcements

A. Schneider told the Committee that the Budget Committee website email distribution list has been set up and reminded everyone not to “reply all” if a member decides to answer an email submitted to a member of the public.

A. Schneider told the Committee that he had contacted the DRA specialist who handles Merrimack, Shelley Gerlardeau, to request an in-Merrimack training. He said Ms. Gerlardeau is available the week of September 7th and would prefer September 9th. A. Schneider this training meeting would last no more than 2 hours. By consensus, members agreed to meet on September 9th. A. Schneider will confirm time, date and place and let the members know the arrangements.

Budget Committee Strategies

A. Schneider told the Committee he wanted to start a discussion about Committee strategies and ideas for the upcoming year. He explained that typically, in December, the Committee gets a copy of the budget as proposed by the Administration at the same time the School Board gets it and before any actual department presentations are made to the School Board. He said after that, the committee members get information about changes made by the School Board; committee liaisons meet with department heads and then in January the Committee hears department presentations and has a work session leading up to the Public Hearing on the budget in February.

A. Schneider said he thought maybe liaisons should attend the presentation made to the School Board for each of their department assignments which meant that possibly liaisons assignments should be made before December. He also said that in some New Hampshire towns, the Budget Committee actually creates the budget and wondered if members wanted to do that. At this point, he opened the floor for Committee comments and ideas.

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M. Beck said he would like to look at how some of the budget numbers are put together rather than review the numbers that are in the budget.

A. Schneider said he wanted to be more pro-active with the School Board, be more active in the budget process, and more involved before the Committee gets budget books in December.

M. Publicover said he thought it would be risky for the Committee to craft the budget because the School Board sets policy and the budget needs to work with Administration plans. He indicated he wanted to be more informed and he wants the Committee to communicate its budgetary concerns early on. He felt this might mean the Committee needed to work on something before the start of the school year.

A. Schneider asked School Board Chair J. Vaillancourt, who was in the audience, to give the Committee a rough idea of the School Board timeline for proposing a budget.

J. Vaillancourt told the Committee that in September the School Board gives a budget message to the Administration. She said this was done as a meeting agenda item and that she would notify the Committee when it was on the agenda. She said the format and structure of the message has varied in the past: sometimes it has been written, and sometimes it has been a Board discussion; however, all the work done by the School Board during the entire past year goes into the budget message. J. Vaillancourt indicated that after receiving the budget message, the Administration works on the budget from September to December and that there are no formal proposed budget discussions until December.

T. Beard suggested that the Committee invite the Administration to attend Budget Committee meetings in October and November to give the Committee a “head-up” on the where they were heading with the proposed budget.

S. Heinrich noted that usually the Committee meets with Business Administrator M. Shevenell in October to review the prior year’s budget after the audit is complete. He wondered if the Committee wanted to do its own budget message, suggesting that Administration create a budget “no greater than some amount.”

A. Schneider asked when such a message would be created and given to Administration. S. Heinrich suggested it should be prepared as early as possible and noted that it might be different than the School Board budget message.

R. Buckley stated the Committee monitors the budget, checks it over and asks questions and asked where or how the Committee would determine a total budget amount to suggest.

B. Boyd suggested a number could be determined by looking at prior years’ budgets: proposed versus actual, the Capital Improvement Plan, the cost of living index, etc. However, he felt the discussion was supposed to be about what the Committee could do

to get involved in the budget early in the process. He thought the Committee should learn what the School Board and Administration priorities were before suggesting a projected budget number.

M. Publicover said the first thing the Committee needs to do is decide what it's going to do. He felt the Committee should suggest more than a percentage, but rather mention items the Committee is concerned about and will be looking at.

M. Publicover made a MOTION that the Committee craft a budget message to be delivered to Superintendent no later than the end of September. Second B. Cumming.

A. Schneider stated he thought the motion was premature at this time. M. Publicover and B. Cummings WITHDREW the motion and the second.

T. Beard asked the Committee what the Committee's goal was and if it wanted to craft a budget message.

R. Buckley asked if the Committee was fixing a problem or creating a new layer of bureaucracy. He said he saw the Committee's role in the process as going through the proposed budget to see if it met the needs of the School District. He asked if the Committee was trying to duplicate the work of the School Board.

A. Schneider said he want to insert the Committee into the process earlier and also get information to the Committee earlier. He said he wants to utilize the School Board process and have the Budget Committee be more "hands-on." He said he wanted the Committee to review the School Board's budget message to see if it is the right approach and the right message.

B. Boyd said the Committee's role was "advise and consent." He said the Committee served as a check and he felt the Committee needed to have the same amount of information that the School Board does, but he felt the Committee needed to act independently and make sure the Administration and the School Board do their due diligence.

T. Beard said the goal of the summer meetings was to address the issue of the Committee being more pro-actively involved in the budget process and that many members want to get more involved sooner.

B. Cummings said he thought the Committee needed to decide what it wants to be or do in the process. He stated that last year, a pretty sizable cut was made at the end of the School Board process a few days before Christmas, which resulted in Budget Committee meetings in January jammed with members of the public. He said he felt the Committee needed to get more involved with what's going on at School Board meetings. He suggested that members should go to School Board meetings and discuss the proposed budget with the School Board during Public Participation. He suggested the Committee

should decide what its objective was, create a list of concerns and then crystallize the list into things about which the Committee wants more information.

S. Heinrich stated the Committee needed to understand which items in the budget were non-discretionary. He said the Committee only has bottom line authority. He suggested that the Committee invite M. Shevenell to a meeting to discuss this topic. He said the Committee gives guidance and direction and can make its opinion known. He noted that the amount of public participation during the last budget cycle was unusual. He said he thought the current Committee process might need to be tweaked, but was not broken.

B. Boyd suggested that the night of the Committee training, the DRA trainer could give an overall budget perspective and M. Shevenell could give Merrimack specific information.

T. Beard noted that 74% of budget was “non-discretionary spending.”

J. Burk said that a lot happens at the Administrative level between September and December to build budget. She said that principals and department heads are looking at positions, supplies, and enrollment projections. She said they really don't have a budget hammered out until November and she felt that there are really limited opportunities where the Committee could get involved.

A. Schneider said he supported the idea of presenting ideas ahead of time.

M. Beck said he thought it was a good idea to get involved early: meet with departments early, learn about what's coming up, and get a better understanding of the proposed budget. However, he said he wasn't thinking of suggesting a target budget number. He said he wanted to suggest budget concepts.

G. Markwell noted that the teachers contract is up for negotiation. He said he wants the Committee to provide some recommendations about things, like compiled vacations, that should be changed. He said the Committee's role is to be a “second set of eyes.”

S. Heinrich said the only thing the Committee can vote on regarding a contract is the dollar amount. He said only the School Board has purview over contract conditions and that the Committee direction could be an unfair labor practice.

B. Boyd asked if the Committee could make recommendations on contract conditions. He viewed that as providing information to the School Board.

A. Schneider stated the Committee could request a legal opinion on the issue.

R. Buckley said that when the Committee talks about staffing, it only discusses the money needed. He suggested that, if the Committee felt fewer staff was needed, it could reduce salary lines in the budget.

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M. Publicover said that the Committee shows its opinion by its recommendation on the budget.

G. Markwell noted that the proposed operating budget has been less than the default budget for the last several years and the Committee has made few, if any changes to the budget presented to them. He and S. Heinrich shared their opinions on the value and public perception of the role of the Committee.

R. Buckley asked if there was something the Committee can do between September and December to get more involved and to be more pro-active without getting in anyone's way.

B. Cummings said he thought the key was to go to School Board meetings and to hold liaison meetings earlier in the process.

M. Beck said he thought the Committee might get some input from M. Shevenell about what he does.

A. Schneider closed the discussion and made a MOTION that the Committee craft and dictate the entire budget for the School Board to use. Second: B. Boyd.

A. Schneider said the purpose of his motion was to get the issue on the table, but that, while he believed the Committee should be more involved in the development of the budget, he did not believe the Committee should dictate to the School Board.

A roll call vote was held. MOTION FAILED unanimously.

M. Publicover made a MOTION that the Committee craft a budget message to be delivered to Superintendent no later than the end of September. Second B. Cummings.

M. Publicover said this was the motion he had put forward earlier and withdrawn. He thought that Committee member should list their budget concerns and that the Committee should whittle the concerns into a message. He said he envisioned a list of less than 50 items but not simply a percentage that the Committee wanted the budget to be. He felt it would require some work. B. Cummings said that the message should indicate what issues the Committee thought were important and what things the Committee thought should be included in the budget.

Discussion included the following:

- Intent was that the Committee message be independent from the School Board message. Members could listen to the School Board budget message and then support it, offer ideas not mentioned or be a counterpoint to the School Board message.
- The Committee does have jurisdiction to write such a message.
- The Committee would vote to approve the content of the message.

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- The message could indicate concern re specific items or general topics. The content and format will be up to the members.

S. Heinrich made a MOTION to AMEND the motion to add the words “in writing”, i.e. that the Committee craft a budget message, *in writing*, to be delivered to Superintendent no later than the end of September. Second: M. Beck. MOTION PASSED unanimously.

AMENDED MOTION PASSED: 9 – 1 – 0, with R. Buckley opposed.

Upcoming Schedule

Members suggested that they would like to meet with M. Shevenell in August to discuss discretionary spending and revenues. A. Schneider will contact him to determine what date he was available to meet with the Committee.

A. Schneider suggested that the Committee might meet the week of the September 21st and/or September 28th to work on its budget message and then in October for the FY 2009-10 year-end budget review.

A. Schneider requested that members return their liaison requests to him so that he and B. Cummings could have the liaison assignments in place by September. He said that, after the October meeting, each department liaison team could meet and suggested that each team consider attending the School Board meeting in December when that department’s budget was presented.

A. Schneider told the Committee that traditionally it has met on Tuesdays. He said that B. Boyd has a potential conflict with Tuesday meetings; however A. Schneider had spoken with other members who have conflicts on other nights. He polled members to determine meeting night choice and said he hoped to have a schedule of upcoming meeting dates available in August.

Public Participation

There was none.

B. Boyd made a MOTION to adjourn. Second: B. Cummings. MOTION PASSED unanimously.

A. Schneider adjourned the meeting at 8 PM.