

Budget Committee
Minutes
Public Hearing
February 11, 2014

Present: R. Barnes (arrived late), T. Beard, J. Burk, B. Cummings, C. Guagliumi, S. Heinrich, G. Krupp, C. Lang, L. Mooney, C. Skarda and School Board liaison G. Markwell

Excused: V. Pellegrino

Absent: A. Nelson

Also present: Superintendent M. Chiafery, Assistant Superintendent Dr. M. McLaughlin, and School Business Administrator M. Shevenell

C. Guagliumi called the meeting to order at 7:03 P.M. and led those present in the Pledge of Allegiance.

Approval of Prior Minutes

G. Krupp made a MOTION to approve the minutes of January 28, 2014 with corrections.

Second: J. Burk. MOTION PASSED 7 – 0 – 3 with G. Markwell, C. Lang and S. Heinrich abstaining.

G. Krupp made a MOTION to approve the minutes of February 4, 2014 with corrections.

Second: T. Beard. MOTION PASSED 5 – 0 – 5 with G. Markwell, C. Lang, L. Mooney, C. Skarda and S. Heinrich abstaining.

Budget Update

C. Guagliumi told the Committee that the School Board had met just before the Committee meeting to accept a bid for the high school roofing project that was lower than originally anticipated. She asked M. Shevenell to provide the Committee with additional information.

M. Shevenell told the Committee the District had received and accepted a roofing bid that was \$45,000 less than originally budgeted. He indicated that after reviewing the bid documents, he was comfortable suggesting a \$45,000 reduction in the operating budget which would result in a proposed Operating Budget of \$68,682,241.

Discussion included the following:

- This is a firm bid with a fixed price.
- District has worked with the contractor in the past.

Warrant Article Update

C. Guagliumi told the Committee that the School Board had met just before the Committee meeting to revise the wording of the gas conversion warrant article to reduce the cost. She asked M. Shevenell to provide the Committee with additional information.

M. Shevenell told the Committee that the gas company had indicated it would provide the gas connections to the Masticola complex and along Woodbury Road at no charge to the District, which results in a \$60,000 reduction in proposed costs. This means the annual lease payment to be appropriated in the warrant article has been changed to \$187,639.

C. Guagliumi told the Committee that the recommendation the Committee voted on the original article is null and void since the School Board has changed the article. As a result the Committee needs to vote a recommendation on the new warrant article.

Petitioned Warrant Article

C. Guagliumi told the Committee the District has received a petitioned warrant article to eliminate the Budget Committee and increase the size of the School Board. She indicated the article has been verified as having sufficient signatures. She also said that the District has received a legal opinion that the Committee should review the article and vote a recommendation since the article is deemed to involve funding since School Board members get a stipend.

C. Guagliumi indicated a petitioner, Tim Tenhave, was present to speak to the Committee and indicated that discussion on the warrant article might be interrupted in order to hold the Public Hearing at 7:30 P.M..

T. Tenhave told the Committee that the petitioners were looking for ways to change the way Merrimack runs its schools. He indicated he had been part of the prior petition to eliminate the School District Budget Committee. He said his concerns relate to the role and value of the Committee. He noted that the Committee can only change the bottom line of the budget, but the School Board can move money between budget lines and actually change budget lines. He said what the Committee does is basically what the voters do at Deliberative Session. He further indicated that, if the Committee does make bottom line budget adjustments, it can only recommend how the School Board spends the funds, the School Board might not do what the Committee suggests. T. Tenhave said he wondered if the Committee was filling a purpose that voters thought was important. He said the second part of the petitioned article seeks to increase the School Board to seven members. He said doing this would increase the number of people that have an impact on the budget as well as other areas of the School District. He indicated he thought having seven School Board members would be a positive change.

C. Guagliumi recessed the meeting at 7:28 P.M.

C. Guagliumi reconvened the meeting at 8:43 P.M and asked T. Tenhave if he had further comments to make before the Committee discussed the article.

T. Tenhave said he understood the Committee was going to be reviewing the article since it involved the School Board stipend, but he felt that voters were going to have a difficult time determining the meaning of a Committee recommendation.

Discussion included the following:

- M. Shevenell will send out a copy of the legal opinion regarding the Committee making a recommendation.
- If the article passes, the Committee ceases to exist immediately, though the two additional School Board members would not be elected until next year.
- The yearly School Board stipend is \$2,000.
- No additional funds are proposed in the article.
- If the article passes, fund for the additional School Board member stipends would have to come from the approved budget.
- The Budget Committee can eliminate an entire line from the Budget Form and if it does, the School Board cannot reinstate that line.
- The job of the Budget Committee is to serve as the eyes and ears of the public as well as ensure that sufficient funds are provided for the educational needs of the District.
- Possibly this should have been two articles. However, it cannot now be divided into two warrant articles.
- Eighty percent of the operating budget is basically unchangeable: tied up in contracts and regulations.
- Is the Budget Committee relevant? Shouldn't the School Board be able to determine the budget number that is proposed to the voters?
- The Committee process increases the visibility of the budget to the public.

C. Guagliumi asked members whether they would like to vote on this article now or meet next week to vote on this article.

By consensus, members agreed to vote now. Members also noted that the Committee will be meeting immediately after Deliberative Session and could reconsider its vote at that time. (R. Barnes arrived at this time.)

Committee Recommendations

J. Burk made a MOTION to recommend the petitioned warrant article. Second: C. Skarda.

S. Heinrich requested roll call votes on all warrant article recommendations.

A roll call vote was held. MOTION FAILED: 2 – 6 – 3.

Voting YES: J. Burk and C. Skarda

Voting NO: R. Barnes, B. Cummings C. Guagliumi, S. Heinrich, C. Lang, and G. Markwell

Abstaining: T. Beard, G. Krupp and L. Mooney

The article will be listed as Not Recommended: 6 – 2 – 3.

S. Heinrich made a MOTION to recommend a proposed Operating Budget of \$68,682,241. Second: B. Cummings.

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A roll call vote was held. MOTION PASSED: 11 – 0 – 0.

G. Krupp made a MOTION to recommend the Gas Conversion warrant article with a revised annual lease payment of \$187,639. Second: S. Heinrich.

A roll call vote was held. MOTION PASSED: 11 – 0 – 0.

Public Participation

There was none.

Closing Remarks

Members were reminded of the filing period dates and that the next Committee meeting would be immediately after Deliberative Session on March 5th.

S. Heinrich made a MOTION to adjourn. Second: C. Lang. MOTION PASSED unanimously.

C. Guagliumi thanked members for their efforts on behalf of the District and adjourned the meeting at 8:18 P.M.

Respectfully submitted,

Pat Heinrich