

Merrimack School District Budget Committee
Minutes
November 1, 2022

Present: S. Albuquerque, D. Coakley, C. Lang C. Mower, M. Murphy, N. Schoenfeld, E. Wilson
and School Board liaison K. Martin

Absent: L French

Also Present: Assistant Superintendent for Business Matthew Shevenell

C. Mower called the meeting to order at 7:00 PM and led those present in singing “God Bless America.”

Welcome & Introductions

C. Mower welcomed everyone and asked each member to introduce themselves and offer a brief comment about their personal school budgetary concerns.

Re-organization

Vice Chair

C. Mower called for nominations for Vice Chair of the Committee.

S. Albuquerque nominated N. Schoenfeld for Vice Chair. There were no other nominations.

A roll call vote was held. N. Schoenfeld was unanimously elected as Vice Chair of the Committee.

Chair

C. Mower called for nominations for Chair of the Committee.

C. Lang nominated C. Mower for Chair. There were no other nominations.

A roll call vote was held. C. Mower was unanimously elected Chair of the Committee.

Member Resignation

C. Mower told the Committee he had received a letter of resignation from Gillian Savitch and called for a motion to accept her resignation from the Committee.

C. Lang made a MOTION to accept Gillian Savitch’s resignation. Second: M. Murphy.
MOTION PASSED unanimously.

C. Mower thanked Gillian for her work as a member of the Committee and asked members how they wanted to proceed regarding the vacant seat.

C. Lang said she thought the Committee should fill the seat.

C. Mower agreed and said past practice has been to advertise open seats, solicit letters of interest and then meet to interview the candidates. He called for a motion to fill the vacant seat.

C. Lang made a MOTION to fill the vacant seat. Second: G. Groff. By consensus, the members agreed.

S. Albuquerque made a MOTION to hold a meeting on November 29th to interview candidates. Second: E. Wilson. MOTION PASSED unanimously.

C. Mower said the position would be posted and asked members to also put the word out to people they thought might be interested in filling the seat.

Financial Update

C. Mower introduced Assistant Superintendent Shevenell and asked him to give the financial updates.

FY 2021-2022 End of Year Review

M. Shevenell told the Committee that:

- The end of year report for FY 21-22 was basically the same as the end of year report for FY 20-21 report. The District ended FY 21-22 with a total unassigned fund balance (surplus) of \$8,176,168.00 which is almost the same amount as the unassigned balance from FY 20-21.
- The reasons for FY 21-22 unassigned fund balance were also basically the same as those for the FY 20-21 unassigned fund balance: support staff shortages and the associated benefit costs.
- He said there has been no new custodial staff hires in 18 months. In the short term, the District has hired a private service to help with cleaning the schools.
- The unassigned fund balance had two components: an appropriation surplus of \$6.4 million dollars and an unanticipated revenue surplus of \$2.6 million dollars.
- The District had budgeted a guaranteed maximum health insurance increase of 9.3% but the increase had come in at 5.2%.
- Part of the Revenue surplus includes more Medicaid and Special Education Aid than expected plus an unanticipated health trust refund.
- Some of this funding was shared with staff in the form of health insurance premium holidays.
- Passage of Warrant Article 5 in April committed part of the unassigned fund balance (\$950,000) to a one-time market adjustment to teacher's base salary scale.
- Passage of Warrant Article 7 gave the School Board authority to retain an amount, taken from year-end unassigned general funds, not to exceed 5% of the current fiscal year's net assessment; however, the School Board decided to return the entire unassigned fund balance to the town to reduce taxes.
- Running the HVAC systems 24/7 as recommended by the CDC to improve ventilation has increased utility costs.

- The District has locked in electricity rates until 2027 but the cost of distribution will be going up.
- USDA increased funding for the free lunch program which resulted in a Food Service surplus; however, Food Service is a Special Revenue fund and the District gets to retain the balance to use for future Food Service needs.

FY 2023-2024 Outlook

M. Shevenell told the Committee that predicting prices for the upcoming budget is going to be difficult. He also said that there is a plan for a joint School District/Budget Committee meeting which he hopes will result in a conversation about what each entity wants for the budget and how to work together to make that budget happen. He also noted that many of the areas of concern members mentioned during their introductions such as competency-based curriculum, extended learning opportunities, new Central Office and demolition of the “red building” are things that the School Board is also considering.

C. Mower asked if members had any questions or comments.

Discussion included:

- Out of District placements and summer special education programs
- One-on-one para-educator needs are prioritized
- Adding air conditioning in all schools
- Adding a turf field
- Using incentives to retain and/or hire staff
- Demolishing the “red building”
- New Central Office
- Madelaine Bennett Road is now a town road
- The staff “new” salary scale is still slightly behind other areas schools
- Ability to hire support staff at Step 3 instead of Step 1
- Using surplus now to meet some District goals and/or retain or put forth a warrant article for some of the surplus

FY 2023-2024 Budget Preparations

Budget Book Pick-Up

M. Shevenell said he expected the Administration’s proposed budget to be delivered to the School Board the first Monday in December so budget books for the Committee would be available for pick-up at the Superintendent’s office shortly thereafter.

C. Mower said that members would be notified by email when they could pick up their budget books.

Committee Meeting Schedule

By consensus, members decided to hold the required Public Hearing on their proposed budget on Thursday, February 16th. Members were reminded that there would also be a Committee meeting directly after Deliberative Session but that date has not been set yet.

Liaison Department Requests

Members were reminded to fill in their liaison department request forms and return them to C. Mower. Assignments will be finalized after the November 29th meeting is held.

Public Participation

There was none

Member Comments

R. Paepke asked for more information about the budget book. She said she hoped the Committee could keep the budget fairly stable because the increased costs of everything are affecting everyone: taxpayers, staff and students.

E. Wilson made a MOTION to adjourn. Second: C. Lang. MOTION PASSED unanimously.

C. Mower adjourned the meeting at 8:48 PM.

Respectfully submitted,

Pat Heinrich