

**Merrimack School Board Budget Hearing
Merrimack School District
School Administrative District Unit #26
January 9, 2018 (Tuesday)
Merrimack Town Hall – Matthew Thornton Room**

Present: Chair Barnes, Vice Chair Schneider, Board Members Guagliumi, Thompson and Schoenfeld, Superintendent Chiafery, Assistant Superintendent McLaughlin and Assistant Superintendent for Business Shevenell.

Absent: Student Representative Puzzo.

1. Call to Order

Chair Barnes called the meeting to order.

2. Pledge of Allegiance

Chair Barnes led the Pledge of Allegiance.

3. Public Participation

There was no public participation.

4. Budget Discussion

Chair Barnes asked Assistant Superintendent for Business Shevenell to provide an overview of the discretionary and non-discretionary expenditures and contractual obligations.

Assistant Superintendent for Business Shevenell explained that there are challenges to separating these out. The various contracts and federal and state rules and regulations are considered non-discretionary.

Salaries and benefits amount to about 70% of the budget, special education is around 10%, debt services is around 2%, vocational education tuition less than 2%, technology .05%, and textbooks .06%. This totals about 85% of the budget.

This information will be posted on the district website.

Board Member Guagliumi asked if the information could be presented as a circle or pie graph when posted on the website. She suggested a category called “Other” is the graph that lists those items that are less than one percent.

Board Member Thompson thanked the administration for this information. He would like to see the amount of actual dollars of the contractual increases. He noted that these increases result in a reduced budget proposal rather than growing the budget.

Assistant Superintendent for Business Shevenell will put this together.

Vice Chair Schneider noted that the default budget is usually higher than the proposed budget and that the school board works diligently to make this happen.

Superintendent Chiafery provided an overview of the three tiers of the cut list and asked Superintendent for Business Shevenell to provide the specifics.

Those specifics began with noting that the overage is \$579,000 in the proposed 2018-2019 budget.

The first item is a printing error of \$244,000 in calculating the cost of the reading texts for Thorntons Ferry Elementary School. This needs to be deducted from the budget proposal.

The second item is in regards to special education and history tutoring services. These have been reduced by \$10,000 each based on a six-year look at usage.

The art room cabinets at the high school, cafeteria tables at the James Masticola Elementary School, painting, furniture replacement accounts, additional equipment, some maintenance items, parking lot striping, and white boards are all tier one suggested cuts.

Vice Chair Schneider asked if the furniture cuts are too severe.

Superintendent Chiafery responded that the maintenance department has been superb in repairing things. The administration did not want to jeopardize programs or personnel needs.

Board Member Thompson noted that the furniture prices keep rising and saw no real savings in deferring needed furniture replacements.

Board Member Guagliumi agreed and expressed concern that continual deferments lead to safety issues. She is not inclined to agree to the furniture cuts.

Chair Barnes asked for clarification on the parking lot striping cuts and was told that these cuts do not refer to the Thorntons Ferry Elementary School project.

Chair Barnes would be willing to defer for drapes for the windows at the high school that are to be replaced.

Chair Barnes noted that there is very little room for cuts.

Board Member Schoenfeld asked for details on the need for the split air conditioners.

Assistant Superintendent for Business Shevenell explained that they are used in the special education classrooms for students with breathing difficulties. Portable units are used temporarily and are not ideal.

Vice Chair Schneider noted that the cut list showed a methodology was used when putting the list together.

Superintendent Chiafery noted that the tier two and tier three cut lists involve big ticket items.

Vice Chair Schneider stated that he would prefer to have a discussion on warrant articles before addressing the cut lists.

Board Member Barnes stated that the next meeting would be the time to have this discussion.

Assistant Superintendent for Business Shevenell detailed the tier two and tier three proposed cuts.

These cuts come to about \$50,000. Tier two cuts include the sink basins at the James Masticola Elementary School, additional equipment, co-curricular transportation, and technology infrastructure.

The tier three cuts include the high school outside bleachers, white boards, and Central Office repairs.

Vice Chair Schneider expressed concern over the bleachers landing on the cut list.

Assistant Superintendent for Business Shevenell responded that this is a tier three item because it is hoped that the cuts won't go this deep.

Chair Barnes asked that all of the information just presented go on the website for the community's perusal.

5. Proposed Warrant Articles

Assistant Superintendent for Business Shevenell spoke on the proposed warrant articles.

Article Five is a proposal to replenish the soon to be depleted Capital Reserve Fund. Funds totaling \$25,000 were used to resolve the bat issue at the James Masticola Upper Elementary School. This is a request to transfer up to \$150,000 of any 2017-2018 budget surplus to the School District Repair Capital Reserve Fund.

Vice Chair Schneider asked if this is to re-seed the fund or to pay for additional costs related to the bat removal project and was told it is to re-seed the account.

Article Six is a proposal to raise and appropriate \$214,826 to grind up, return to its natural state and then re-pave the circle in front of the Thorntons Ferry Elementary School and also pave the parking lot.

Board Member Thompson asked for a presentation with pictures to be put online.

Vice Chair Schneider stressed the dire need for this project to be done.

Article Seven is a proposal to purchase One Brentwood Drive, the land and building directly across from the existing Special Services blue house at a cost of \$275,000. This is a potential site for office space and seen as a huge opportunity by board members. The board welcomes constructive feedback from the community.

Article Eight is to raise and appropriate the sum of \$878,450 to implement a full-day public kindergarten at the three elementary schools in Merrimack. Staffing costs total \$808,901 and would carry over into future school budgets if this article passes.

Chair Barnes asked if the additional money that would come from the state is included in this figure and was told no.

Superintendent Chiafery commented that she needs to notify the state about the change to full-day kindergarten by January 31st or after the vote in March. The district will receive an additional \$1,100 per student.

Board Member Guagliumi asked if the warrant article be written to show this to the voters and was told it would go into the voter's guide.

Discussion ensued over the final cost annually to move to full-day kindergarten.

Article Nine is to allow the school district to retain 2.5% of the net assessed budget. These funds would be available for annual emergencies and returned annually to the town. They would not accumulate. Discussion ensued over how this differs from a Capital Reserve Fund. Several members expressed a preference for focusing on warrant article five over warrant article nine.

Superintendent Chiafery asked if members wanted all but warrant article nine to be presented to legal counsel for review and was told yes.

Chair Barnes will spoke on warrant article ten. It is a placeholder for the operating budget.

Any questions should be emailed to the superintendent's office before the next meeting.

Superintendent Chiafery asked if she could put the bleachers at the Smith Gym back on the Capital Improvement Plan.

Vice Chair Schneider moved (seconded by Board Member Guagliumi) to take the Capital Improvement plan item in the amount of \$155,000 for bleachers for the Smith Gym and authorize the superintendent to move it to the Capital Improvement Plan for 2019-2020 budget hearing.

The motion passed 5-0-0.

6. Public Participation on Agenda Items

There was no public participation.

7. Motion to Adjourn

Board Member Guagliumi moved (seconded by Board Member Schoenfeld) to adjourn the meeting.

The motion passed 5-0-0.