

**OFFICE OF THE SUPERINTENDENT OF SCHOOLS
106 Hancock Rd.
Peterborough, New Hampshire**

CONTOOCOOK VALLEY SCHOOL DISTRICT

BUDGET & PROPERTY

Tuesday, May 22, 2018

**SAU Office
6:00 PM**

Agenda

Committee Members:

- Jim Fredrickson, Chair
- Rich Cahoon
- Richard Dunning
- Niki McGettigan
- Stephan Morrissey
- Pierce Rigrod

- 1. Call to Order**
- 2. Approval of Minutes – April 24, 2018**
- 3. Budget**
- 4. Fuel**
- 5. Other**

**OFFICE OF THE SUPERINTENDENT OF SCHOOLS
106 Hancock Rd.
Peterborough, New Hampshire**

CONTOOCOOK VALLEY SCHOOL DISTRICT

BUDGET & PROPERTY

Tuesday, April 24, 2018

**SAU Office
5:30 PM**

Minutes

Committee Members:

- Jim Fredrickson, Chair
- Richard Dunning
- Rich Cahoon
- Niki McGettigan
- Stephan Morrissey
- Pierce Rigrod

Committee Members Present: Jim Fredrickson, Dick Dunning, Rich Cahoon, Niki McGettigan, Stephan Morrissey, Pierce Rigrod (6:00)

Others Present: Myron Steere, Mindy Ryan, Tim Grossi, John Jordan, Bob Edwards

1. Call to Order

Jim Fredrickson called the meeting to order at 5:30 p.m.

2. Approval of Minutes – March 27, 2018

Dick Dunning moved to approve the minutes of March 27, 2018. Stephan Morrissey second. Unanimous.

3. Revised 2018-19 budget (inclusion of new contract and HS renovation)

Mindy Ryan shared the approved budget total of \$43,368,228.73. Add in the Factfinder Report of \$1,685,912.00 bringing the total budget to \$45,054,140.73 as an operating budget.

This is the budget by object. The DRA wants the budget by object.

Next year's budget will likely open in May.

The bond would be in fund line 25; what is shared tonight is line 21. It was confirmed that the district is pursuing a bond and not a loan. Documentation on the bond will come to the Board at the May 1st meeting.

Bob Edwards said that when looking at net proceeds, is it greater than or equal to the project cost. Mindy said that it is equal to or greater than.

Mindy Ryan shared Trust Fund balance information (attached). Jim Fredrickson and Stephan Morrissey asked for a list of items that were voted so projected balances can be reported. One example was the anticipation that the Health Maintenance Fund will need to be tapped to cover the difference between what was budgeted and what the GMR came in as. A Public Hearing would be needed at some point in time. Rich Cahoon suggested July but Mindy said that we could wait to see how the budget looks as the year progresses.

4. Initial planning for 2019-20

What is the first step? Rich Cahoon said that it has to start at the full board.

Next year's default budget can be figured out soon. That should be calculated as soon as possible so the proposed budget can be worked.

Default is defined as prior year's budget – one time expenditures plus legal obligations. It would be an estimate until we know what we spent this year.

Dick Dunning spoke about zero based budgeting; that can be done. What happens when the cuts come? Who determines where those cuts are made? Zero based could result in a significantly lower or higher budget.

The district will be going into budget season with a \$47 million baseline budget.

What guidance will administration be given when building the next budget?

Stephan Morrissey said that the first option is to have a strong default in place while building a conservative budget.

Jim Fredrickson said that Budget & Property Committee ought to make the recommendation to the full board. Rich said that a responsible budget should be built and figure out the actual default. Figure out how we would cut what would be needed so the public would know what would be cut.

A list of major contracts that are coming due was asked. When does the Food Service contract come up? The transportation contract? Points in time to allow for bidding need determination.

Rich said that we should look at what we pay vendors. An example might be pest control. Rather than it being multiple contracts; one for each affected school, it really is one contract.

5. CVHS Science project (summary of April 10 Building Committee Meeting)

Bob Edwards provided notes from the first Building Committee organizational meeting.

At that meeting, draft designs were reviewed. Considerations were made for changes. The target completion date for this project is August 28th. Further discussion on the proposed bathroom was asked. Since meeting, Mascenic labs were toured. Suggestions to improve efficiencies were shared at the tour. May 1st is the next scheduled meeting to discuss action items and general and specific discussion. A review and vote on revised design plans will take place. Final plans should result out of the May 1st meeting.

Mr. Edwards said that after revised plans come forward, design and date changes as a result of a proposed bathroom will come forward and impact the decision.

Hutter will put the plans out to bid. Firm bid dates will result with a date specific to open them.

The earliest start date needs determination so demolition can begin.

Furniture will be coordinated with the construction schedule.

Discussion on a Clerk of the Works will take place. If hired, responsibilities need determination and cost of the service. It may require a bid.

Rich Cahoon spoke about the scope of the project; this committee and the board voted on the design.

The goal of the Building Committee and Clerk is to build to the design. We have a change order policy as well. Change orders totaling \$5K or more or 10% (Policy FEH) should follow policy.

Jim Fredrickson said that the Building Committee owns the project.

Dick Dunning said that Craig Hicks has been approached as Clerk of the Works. More discussion to follow.

Stephan Morrissey cautioned that we are already tight on the schedule. He shared concern with going over cost because we drag out the process.

6. Food Service Contract Review

Mindy Ryan said that the Food Service contract is in the third renewal year; we are allowed four. The language is the same as previous years.

Pierce Rigrod noted that there is a \$75K fee as a subsidy. Is this fee reasonable for the size of the contract? The Food Service Committee will meet on Thursday.

7. B&P Committee requests/information requirements going forward

Jim Fredrickson asked if there is any information that committee members would like to see, similar to the trust fund balance sheet, moving forward.

Managing the expectation that a large unexpended budget balance will occur is needed. There will be a smaller surplus this year by design.

Selectmen's Advisory Committee (SAC) had been asking that we not budget to maximum exposure in the past. We did that so there should be the expectation that there won't be much left at the end of the year.

Rich Cahoon said that when next year's budget is formulated it would be helpful to have a repository of all of the budget information in one place.

Jim Fredrickson said that there are different sets of budget numbers from year to year. He has been working on a spreadsheet that will show the variance from year to year. Prior actual year's figures are important.

Rich cited an example where a line item remained at \$1,200 from year to the next for each elementary school but not spent. That is not zero based budgeting.

8. Other

None.

Stephan Morrissey moved to adjourn at 6:36 p.m. Pierce Rigrod second. Unanimous.

Respectfully submitted,

Brenda Marschok