

TOWN OF HOPKINTON
Budget Committee Meeting Minutes
Wednesday, May 9, 2018
Approved

COMMITTEE MEMBERS IN ATTENDANCE

Janet Krzyzaniak, Don Houston, Ken Traum, Richard Houston, Deborah Norris, Jonathan Cohen Ginni Haines, Mark Zankel, John Wuellenweber, and Matt Belanger.

PUBLIC ATTENDEE

Diane Lachance and Candice Youngman

CALL TO ORDER

Janet Krzyzaniak called the meeting to order at 5:30 p.m., at the Town Hall. Mark Zankel led the Pledge of Allegiance.

APPROVAL OF APRIL 18, 2018, DRAFT MINUTES

Ken Traum moved to approve the April 18, 2018, Draft Minutes. Jonathan Cohen seconded the motion. Mrs. Krzyzaniak asked for any errors, corrections, or omissions. Don Houston asked that on Page 5, in the first line of the paragraph, that "in town" be corrected to "in the state".

A vote was taken to approve the April 18, 2018, minutes, as amended. Mark Zankel abstained, as he was not at the meeting. Matt Belanger had not arrived until after the vote was taken. All other Board Members approved.

FINANCIALS

TOWN

Ken Traum presented the Town's Revenue and Expense Summaries through April 30, 2018. He explained that, recognizing that the Town is on a calendar year budget, the Town is one third of the way through the budget year. He explained that overall, the Budget is looking good.

On the Revenue side, the State submits most of their payments to the Towns in late December, therefore, it may appear to be "off", due to that timing. Also, the Warner/Webster Transfer Station payments come in slowly over the course of the year.

On the expense side, where costs look like they're running high, it's also due to timing.

HOPKINTON VILLAGE PRECINCT

John Wuellenweber explained that it was early in the budget year and that he had nothing new to present.

CONTOOCCOOK VILLAGE PRECINCT

Don Houston stated that he had nothing to present.

Mrs. Krzyzaniak recognized Steve Clough's death. Mr. Houston explained that there was an outside person who took care of the financial information.

Mr. Traum asked how the Mr. Clough's responsibilities are being shifted.

Mr. Houston explained that an outside firm from Henniker, NH, who is very familiar with the water precinct services, and who has a license to oversee the main operation, has been hired. The day-to-day operations are being handled by an employee of the Town, who had already been an understudy of Mr. Clough. The Town is handling the sewer service part.

PROGRAMMATIC BUDGETS – Board discussion

Mrs. Krzyzaniak explained that this item was on the agenda because Mr. Zankel suggested the need for a Programmatic Budget at the Public Hearing, held in February 2018. She asked Mr. Zankel to speak. Mr. Belanger had not arrived yet, and she recognized that he wanted to be included in the conversation.

Mr. Zankel explained that his comments at the Public Hearing were in response to what he was hearing from several people from the public and the Budget Committee, throughout the budget process; that it would be helpful to have a programmatic budget for the school system. Most people do not understand the school budget as presented. It is too big and complicated.

He presented a sample of a programmatic budget from the ConVal School District – he explained that this example represents answers to some of the questions being asked about, "Where is the investment going?" This example is broken down with three schools (elementary, middle, and high), district, and total columns.

Mr. Houston explained that, with this example, "Core Academics" needs to be refined into smaller segments, because it consumes a large portion of the budget that includes a lot of core classes.

Mr. Belanger arrived at 5:45 pm.

Mr. Cohen asked Mr. Zankel, when looking at RSA 32, do we have the statutory ability to tell the school what budget format to use? Mr. Zankel explained he wasn't sure, and that this would be a request, not a demand, to help the community understand the budget.

Mr. Belanger explained that the School Board has viewed it as a request.

Mrs. Norris shared her concern about micromanaging the line items and the bottom lines. She is also concerned that the presentations need to be made clearer to residents and the Budget Committee. She shared her concern that programmatic budgets tend to work better with facilities that have a more static (stable) budget; the school budget is constantly changing every year. She does agree that the presented budget needs to have more clarity.

PROGRAMMATIC BUDGETS continued

Mr. Belanger explained that there are more detailed budgets provided throughout the budget process; these budgets include a lot of detail by budget line.

Mr. Zankel agreed, but also explained that this is an enormous amount of detail that may be available, but it is hard to digest 25-30 pages of breakdown. Having a summary, in specific areas, would be easier to understand.

Mr. Cohen is concerned that, with the example programmatic budget from ConVal, the largest portion of the budget goes to salaries and benefits, and that what it includes isn't clear enough.

Mrs. Norris asked, what is our goal? We want more clarity, where will that go from with a programmatic budget? Do we want to know information about individual classes? What do we hope, as a Budget Committee, to use with that kind of information? How detailed does it need to be?

Mr. Zankel explained that his interest is to have more people in the community understanding the school budget, so that at the Town Meeting, they have the budget details and tax impact information necessary to make informed decisions.

Discussion continued regarding the cost to produce this type of report of information, and/or if this information was already accessible with the software being used. Can we break down how much, in a section, subject/class it costs per student? The public wants to know if we are spending too much or not enough in a section.

Mrs. Krzyzaniak explained that her intention for having this item on the agenda was so that discussions could take place between the School Board and the Budget Committee. She wants information shared and communicated between the two committees, so that both understand what information is needed and why it is needed.

Mr. Belanger agrees that increasing transparency and clarification regarding the budget is needed, when it comes to the final vote. He explained that with the many meetings held between the School Board and the Budget Committee, all the detailed information is shared. He further explained that if the community attended these meetings and asked questions at these meetings, they would have a better understanding of the school budget. Is there a better way to communicate this information to the community?

Don Houston explained that if the Budget Committee understood the basic financial cost numbers better, the community would be able to understand these numbers also.

Mrs. Krzyzaniak shared that she feels the Budget Committee receives the School Board budget information too late in the process to understand the costs.

Mrs. Norris shared that she'd like to hear the opinion of Michelle Clark and Steve Chamberlin to help decide what would work best for all parties concerned.

PROGRAMMATIC BUDGETS continued

Mr. Zankel suggested a small, temporary, committee that included a couple of representatives from the Budget Committee, the School Board, Michelle Clark, and Steve Chamberlin – so that a consensus on what need needs to be included in the reports is agreed on.

Mr. Belanger stated that he'd be glad to bring back the request(s) to the School Board, in the form of a proposal, from the Budget Committee.

Mrs. Norris suggested that having Steve and/or Michelle attend a couple of the Budget Committee meetings, so that they can hear and respond to the questions, would be beneficial. She explained, knowing where they are in this conversation would be beneficial to the Budget Committee's understanding so that this information can be shared with the public.

PUBLIC COMMENT regarding the Programmatic Budget

Diane Lachance explained that she wanted the programmatic budget to take place 10 years ago, at that time no one else was asking for it – now they are. She chose to home school her son because in the school district they lived in, at the time, special need students were flocking to the town because of the services provided, and special needs funding took over the budget. The students on the high end of learning were overlooked. She found a programmatic budget on the Alvirne High School, Hudson, NH, web site as a pdf, under the master function tab. She explained that this programmatic budget included salaries, health insurance, dental insurance, life insurance, social security, teacher retirement, transportation, supplies, books, workshops, and furniture replacement (and other expenses depending on the subject). She shared that Steve Dupree did a presentation at the library about declining population in the rural areas, and the tax impact on the schools in these rural areas, because of the population decline. Mrs. Lachance explained, that for a member of the community to stand up and change or reduce a change in the budget would require them to address a specific line item. She feels that it is the Budget Committees duty to have the responsibility to look at everything that is going on in the town, expense wise, and make their recommendations to the voters. She handed out an informational snapshot of NH RSA 32, as it appears to impact Budget Committees.

Candace Youngman asked, in the School Budget Summary report, what do the vertical lines of "services" include and "other" include? Mr. Belanger explained that these categories are State Identified categories. She explained that the pages that are supplied to support the expenses do not correlate with the data provided.

PROGRAMMATIC BUDGETS - Board discussion, following Public Comments

Budget Committee discussion took place regarding what to include in a motion or request to the School Board. Mrs. Norris would like actual discussions to take place between the two groups and not have back and forth communications, which can take much more time.

Mr. Traum suggested looking into why Hollis-Brookline's cost per student is so much lower than Hopkinton's.

PROGRAMMATIC BUDGETS - Board discussion, following Public Comments, continued

Mark Zankel motioned that the Budget Committee request that the Hopkinton School District develop a summary, by programmatic area, broken down by school, akin to the ConVal example. Within each programmatic area we would like to understand the breakdown of the following costs: Salaries, benefits, supplies, transportation, and other expenses.

We also have the following questions:

- 1) What's the feasibility and cost of producing such a budget given our existing finance system?
- 2) Are there any adjustments the School Board or School District would recommend, and why?
- 3) Can the Core Academics be broken out by academic area (math, physical science, social science, English)?
- 4) If this was produced, would it be feasible to dive deeper into a programmatic area?

John Wuellenweber seconded the motion. Discussion took place regarding the ConVal benefits being district wide and not by school. There was no other discussion. A vote was taken. All Board Members approved.

REPORTS – AP COURSES & SPECIAL EDUCATION

Mrs. Krzyzaniak shared the report she had asked for and received from Matt Belanger regarding AP Courses. A brief discussion took place regarding the column titles.

Mr. Chamberlin also responded to her request for information regarding Special Education costs. Discussion took place regarding the numbers not adding up, the thinking was that the percentage that the state paid might be incorrect. Further explanation will be asked about this.

Reports are available at the Town Office, upon request.

OTHER BUSINESS TO COME BEFORE THE BOARD

There was no other business to come before the Board.

Upcoming Budget Meetings:

Wednesday, June 13 – 5:30 pm – Hopkinton Town Hall

July and August – Decision to conduct meetings will be discussed the June Meeting.

MOTION TO ADJOURN

Ken Traum motioned to adjourn at 7:30 p.m. Debbie Norris seconded the motion. There was no further discussion. A vote was taken, and all Board Members approved 10-0.

Respectfully submitted,
Tammy Clay