

Final Approved

Hollis-Brookline Cooperative Budget Committee

10 December, 2009

Meeting called to order at 7:05 PM by Steve Pucci

Members in attendance: Steve Pucci, Chair, Doug Davidson, Dan Peterson, Lorin Rydstrom, Ray Valle

1 - Steve Pucci – Next Wednesday, 16 December, the Budget Committee will hold a concurrent meeting with the School Board. The administration will be present to present their input for a budget that complies with the BC guidance and the SB instructions for a net zero budget inclusive of all SB supported warrant articles. There will be detailed follow up in our January meeting.

2 – Public input – Jack Flanagan (Brookline Board of Selectman) made us aware of ongoing discussions about new medical benefits plan cost savings through different claims processing without decreasing benefits. He indicated that Troy Brown, Town Administrator for Hollis, is also working on the same plan and they hope to include the SAU in a coordinated effort to maximize savings. Dan Peterson noted that the not to exceed increase will be 17.7% for the new FY. Jack Flanagan added that Brookline was 16%. Doug Davidson stressed the savings to the Coop. Ray Valle asked Jack Flanagan if he could guess at the savings for the coop. Jack Flanagan said he couldn't but at minimum we would save on the increase, if not also on the premium.

3 – Steve Pucci – Discussed next week's concurrent meeting. Steve Pucci reviewed what we know:

A. June 30 actual for FY 2008-9

B. October 31 (Q1) view of the 2009-10 budget

C. What was proposed in the administration's 1<sup>st</sup> budget submission for 2010-11

Steve Pucci and Greg McHale have created trend data by line item across the entire budget, which they will compare with, and proposals to see where deviations occur. Doug Davidson questioned why the SB allows non-compliance by the administration in not presenting a proposed budget consistent with the SB budget number requirement. Discussion ensued on the process of budgeting and the legal requirements to comply with SB and BC. Ray Valle suggested that BC funnel all questions through Steve Pucci and that the chair of the SB and BC coordinate in advance the concurrent meeting to expedite time and increase efficiency. Steve Pucci agreed on the need to coordinate so as not to waste administrative time and to give the BC sufficient time before the District Meeting. Doug Davidson stressed that the energy questions must be raised. Steve Pucci asked what specific questions need be raised and suggested:

- A. Unreserved fund balance, including the need to understand recurring and non-recurring events.
- B. Energy.
- C. There was \$200K in encumbrances in the 2008-9 FY. What is their status?

Ray Valle asked why we needed to ask those questions and why not just focus on the net budget number, which is achievable without impacting educational programs. Steve Pucci said that as Chair he needed to be able to inform the community at the District Meeting and give greater guidance to the SB and administration. He noted that last year several members of the SB deeply appreciated the Budget Committee's efforts to analyze areas where significant business savings could be found and that that helped reduce the proposed increase in the budget. Ray Valle asked if we should also examine those areas where the SB agreed that additional savings could be found but did not yet have, but were waiting for, a number they were comfortable with applying to specific line items to see what savings they actually found. Steve Pucci said that we could check in the proposed budget as well as the current actual budget. Dan Peterson said that the proposed budget the administration submitted does not include any negotiated increases. Ray Valle asked if it included the increases that would occur if there were no agreements. Dan Peterson said there would be an increase of \$31K in medical if all else was equal and there was no agreement and added that that was only for the professional staff. Steve Pucci asked if it included the salary increases. Dan Peterson noted that there would then be no step increases but track increases could happen. Steve Pucci asked what the salary increase between 2008-9 and 2009-10 was. Dan Peterson said he thought it was around \$20K but would get the numbers as they were provided at the last District Meeting and e-mail them to the BC. Steve Pucci said 18,919k 2009-10 numbers just became available and he needed to divide them up across specific line items for comparison with 2008-9 and Q1 of 2009-10 plus encumbrances and do the same for the Q2 numbers before the January meeting (6 January 2010). Steve Pucci noted that the salary in the 2008-9 budget was \$8,705K and in the 2009-10 budget is \$9,235K. This is a delta of +\$530K just for the salary line. Ray Valle asked what the 2009-10 Q1 actual is and Steve Pucci said he could not yet determine as it is not totaled in the administrations figures. Dan Peterson said that

there were lots of serious number discrepancies and issues in the administration's latest proposed budget and the December spend report and they likely are not reliable.

4 - Steve Pucci started a discussion of SPED and asked Lorin Rydstrom if he or Forrest Milkowski had heard back from Bob Kelly. Lorin Rydstrom said that they had yet to get any answers and have been put off yet again. Much discussion ensued where the BC consensus is that Bob Kelly has demonstrated a consistent and unacceptable pattern of unanswered questions year after year. Steve Pucci indicated that there were 188 actual SPED students in the October 2009 actual versus a projected 204 when the 2009-10 budget was approved and the November actual show 194 students. The 2010-11 estimate is for 211 students. The 2008-9 unreserved SPED line was +\$200K. Some of the questions for Bob Kelly for next week include:

A            Could Bob clarify the discrepancy in the number of students and the discrepancy between actual and projected numbers.

B            All the unanswered e-mail questions.

C            How is the Economic Stimulus money being used and is it for non-recurring events?

8:47 PM meeting ended due to a lack of a quorum.