



**APPROVED BY THE BOARD OCTOBER 13, 2016**

**BURLINGTON BOARD OF SCHOOL COMMISSIONERS  
FINANCE COMMITTEE MINUTES  
September 20, 2016**

Attending Board Members: Miriam Stoll, David Kirk, Mark Barlow, Liz Curry,  
Lauren Berrizbeitia, Mark Porter, Kathy Olwell,  
Stephanie Seguino, Brian Cina (Committee Chair)  
Administration: Marty Spaulding, Nathan Lavery, Yaw Obeng (via phone)  
Guests: Michelle Lavallee (LEAN presentation), Jeff Wick, Fran Brock,  
Andrew Styles

1. The Chair called the meeting to order at 7:00 PM
2. Approval of Agenda
  - A. *Motion (D. Kirk/K. Olwell) to approve agenda- unanimous*
3. Public Comment:
  - A. Comments and Questions from the Public
    - 1) Fran Brock- informing the Board that the BEA “formally rejects the working conditions,” asks the Board to rescind the imposition and return to the table.
    - 2) Jeff Wick- pointed out that the Board and BEA are “not that far apart.” Concerned about the middle of the middle, asking that it be explored further. Look at addressing challenges/differences in next budget and next contract. Please don’t strike.
4. Presentation on Increasing Efficiency: “Lean: A Quality Improvement Methodology that adds value to the Customer”
  - Michelle Lavallee is an organization change manager with the State of Vermont and a Burlington parent. She described how the State of Vermont is using LEAN process in Agency of Transportation and Agency of Human Services
  - Shared the history of LEAN as a practice used in automobile manufacturing- “smooth work with minimal waste”
  - “Put customer first”- designing the system to maximize benefit to students

- “Enable workers to contribute to their fullest potential” will improve morale and productivity

The Board will reflect on the presentation and consider additional questions. Chair Cina asked the Committee and Administration to consider recommending that LEAN be incorporated into the strategic plan.

## 5. Financial Quick Facts

Senior Director Lavery discussed some inaccurate statements made by members of the public during a prior meeting:

- The District spent about \$140,000 on legal expenses for McNeil, Leddy & Sheahan, not \$400,000 as was suggested. Also, the District does not retain staff attorneys as was suggested (although a staff member does have a law degree, her duties are not to serve as general counsel).
- The Assistant Director of Human Resources earns \$75,000 per year, not over \$100,000 as was suggested.

Talked about growing financial impact of grievances and the impact on legal expenses. Asked Administration to document and share the cost. Discussed possibility of using restorative practices in Human Resources to address concerns before they rise to grievances, which would save money and improve climate/morale.

## 6. Budget Planning

- Superintendent Obeng talked about increasing level of detail of the budget.
- Engaged in “tremendous amount of clean-up” around budget processes
- Using MUNIS this year which will put budget in a format that is more accessible to the community
- Acknowledged how the Business Office has been overworked and understaffed, and has needed time to work towards a more transparent system.
- When the District gets requests, it slows down the process.
- The District will include more detailed information in the next proposed budget based on the requests and concerns.
- A timeline will be presented at the October Full Board meeting regarding the budget process, including options for the community to give and receive information. Will include opportunities for public to ask questions and for the Board to advocate for support for the budget.
- Discussed ways to improve detail of the current budget.
- Commissioner Cina expressed concern about impact of cuts, acknowledged impact of many factors on past budgets, advocated for strategic restoration of programming/services. If it means a small tax increase beyond the past two years, then

the Board should plan to explain to the community why there is an increase and what is the value of the investment.

- Commissioner Olwell pointed out how Leland and Gray High School won an award for excellence, and they have a lot of the programs that this District has cut.
- Commissioner Stoll reminded group that we had an achievement gap with previous spending, so anything we build should be value-based budgeting. There may not be a ceiling, but there are other factors that may drive up tax rates due to impact of Act 46.
- Commissioner Barlow would like to move towards growth, but make sure it is based on a strategic long-range plan that is tied to the goals of the District.
- Superintendent Obeng reminded group that we were forced to make cuts. Will be using formulas and adding research-based initiatives to focus on where we need support for growth.

#### 7. Discussion about the Capital Plan and Bonding Options

- Marty Spaulding, Director of Property Services, shared that ITC has been working on a handout explaining the options for the capital plan. The ITC has not yet clarified how much the bond request will be. Talked about possibility of dividing the high school part from the rest of the plan. ITC will develop proposals for the plans and then bring suggested timelines to Finance for bringing a bond request forward to the voters. Currently at about \$19 million for the bond (less the high school).

#### 8. Bonding Process

- ITC will be working on plans and associated timelines to bring to Finance Committee. Finance will work on the bond request once the timelines and plans have been vetted with staff and community during month of October.
- Bonds must be obtained through the City because the District does not have the authority to do it on its' own. If the City Council does not approve the Bond being put on the ballot, the District cannot implement the improvements.

#### 9. Business Office Reports (Senior Director Nathan Lavery)

- A. Cash Flow Report - see attached to agenda
- B. Warrant Review - see attached to agenda
- C. FY 16 Variance Report - see attached to agenda- Professional Services spending needs to be monitored closely.
- D. Other Business - Auditors were in District at end of August. The District plans to have the Audit completed by the end of November.

10. Adjournment

*A. Motion (D. Kirk/K. Olwell) to adjourn at 8:53 p.m. - unanimous*

Respectfully submitted by Brian Cina