

**REGULAR MEETING
TIMBERLANE REGIONAL SCHOOL DISTRICT BUDGET COMMITTEE
MEETING MINUTES**

**2018-19 Budget Season
December 13, 2017
6:48 PM**

**SAU #55 Boardroom
30 Greenough Road
Plaistow, NH**

CALL TO ORDER 6:48 PM

Chairman Gerns called this December 13, 2017 meeting of the Timberlane Regional School District Budget Committee to order at 6:48 PM with the roll call.

ROLL CALL

Budget Committee Members Present: Mr. Alan David (arrived 6:50 PM), Mrs. Eileen Dube, Mr. Lee Dube, Mr. David Gerns, Mr. Daniel Guide (School Board Rep), Mrs. Julie Hammond, Mr. John Hughes, Mr. Michael Mascola, Mr. Shawn O'Neil, Mr. Jim Paul

Administrators Seated at the Committee Table:

Dr. Earl Metzler, Superintendent of Schools
Geoff Dowd, Business Administrator

PLEDGE OF ALLEGIANCE Mr. Hughes led the pledge of allegiance.

APPROVAL OF MINUTES – November 30, 2017 Meeting

06:50 PM

MOTION: Motion to Move Approval of Minutes to the end of agenda. Made by Chairman Gerns, seconded by Mr. Guide. Chairman Gerns called the vote which passed, (9-0-0).

Mr. Alan David arrived at 6:50 PM.

CORRESPONDENCE

The correspondence folder was distributed.

DELEGATIONS AND INDIVIDUALS [00:03:31]

Ryan Richman, TTA President, spoke to the realities of staffing cuts and their associated impacts discussed in the previous Budget Committee meeting. Impacts included educational quality, reduced programming available, loss of populations as families move out of district, and decreased housing values.

Laurie Herchenroder, TSSU president, spoke about the TSSU community as both valued staff and stakeholders in the community. She noted that currently vacant positions represent current student needs, and a lack of state funding and support in regards to town budgeting issues.

Don Woodworth, TRHS principal, spoke to the importance and impact of a strong administrative team at the district level, noting their direct effect on the forward progress in educational developments such as the writing of a fully aligned K-12 competency based curriculum.

UNFINISHED BUSINESS

Miscellaneous Mileage Reimbursements [00:14:22]

Mr. Dowd reported on student transportation reimbursement for career and technical education classes out of

district. Amount paid in 2017 was \$17,071.60, and is fully reimbursed through the state of New Hampshire.

Revenue [00:17:23]

Mr. Dowd provided a high level 2018-19 Revenue Budget report. New legislation in advocacy aid remains unknown, possible changes include new stop loss policies and income criteria to isolate applicant pools.

Mr. O'Neil analyzed the decreasing total income versus the increasing district assessment from 2016 onwards, noting a large impending charge back to the towns in the current 2017-18 year.

Discussion ensued on the timeline and practice for estimating revenue, and the federal reporting process. Mr. Dowd explained that revenue budgeting must be conservative to not allow for shortfall, and revenue monitoring and reevaluating occurs throughout the year. Dr. Metzler spoke to freezing expenditure to stabilize the delta for the tax payers, develop surplus and the School Board's use of surplus, and how unfilled positions contribute to surplus however they represent a critical shortage.

Discussion ensued on comparison and differences from year to year, and why these might have occurred. Mr. Dowd reported the 2015-16 District Assessment to be about \$48.2 million, indicating an increasing trend over 3 years. Mr. O'Neil noted the absence of a net neutral effect on the tax rate, as district assessment is increasing while revenue is decreasing. Dr. Metzler spoke to anticipating expenditure and surplus in order to forecast tax bills, and the importance of maintaining a stable surplus. Discussion ensued on the PAC generating revenue moving forward.

07:32 PM [00:43:46]

MOTION: Motion to accept the 2018-19 total income estimate of \$17,843,790, made by Mr. O'Neil, seconded by Mr. Paul.

Discussion ensued on the purpose of approving the income estimate at this time. Mr. Dowd explained that should the estimates change he would report back to the Committee for review.

[00:49:40]

VOTE: Chairman Gerns called the vote which passed unanimously (10-0-0).

Budget Draft 2 Discussion [00:49:57]

Mrs. Dube began by explaining her sorted 2018-19 draft two budget, which prioritizes expenses 1-5 based on the importance categories created by the SAU (enhanced learning, student impact (curriculum), scheduled replacement, energy efficiency, legal mandate, staff, safety). Mr. Dowd explained his reasoning for separating legal mandate costs of private tuition and transportation into both priorities one and two. Discussion ensued on the high percentage of priority one expenses, comprised mostly of staffing as a 'student impact' (\$3,716,943) and private tuition as a 'legal mandate' (\$400,000). Discussion ensued on the breakdown of staffing based on existing, unfilled, and new positions in the TTA, TSSU, and administrative units.

Mrs. Hammond explained her scenario budgets and addendums, in which she took into account various elements (salaries and benefits as fixed costs; budget presentations and priorities; CIP requests; historically underspent accounts) to develop a deeper understanding and identify efficiencies in the budget process.

Discussion ensued on the increased cost for PAC wall restoration, and Mr. Guide reported the project requires an architectural design (estimated at \$40,000).

Discussion ensued on how these scenario budgets/prioritizations and all previous work have allowed the Committee to comprehend the budget, and that these will inform the imminent work of developing a bottom line number.

8:11 PM [01:23:16]

MOTION: Motion to approve a \$70.6 million 2018-19 final proposed budget bottom line, made by Mr. O’Neil, seconded by Mr. Mascola.

Mr. Dube noted that based on community input he would support the motion, and will not vote for anything above the current operating budget. Mr. David stated he was in favor of the draft two budget number of \$69.6 million, but understands there can be compromise. He noted there was room for time efficiencies in the budget development process (facilities tours, budget presentations). Mrs. Dube noted the charge of developing a responsible budget for both the communities and also the students, and taking into consideration that costs generally do not decrease, a \$72 million budget seems to be both reasonable and responsible. Discussion ensued on the difference between the goal and reality of structuring a lower budget number at no academic consequence, and its’ immeasurable nature. Dr. Metzler spoke to the large strides taken in recent years in the designing of the district administrative team in order to support teachers and paraprofessionals.

Mr. Paul shared his ideal budget of \$71.9 million, which after reviewing the revenue side, would still allow for all positions to be held/funded but would also require some efficiencies to be found. Mr. Hughes expressed appreciation for the staff of Timberlane schools, acknowledging the large contributions they make to district families, but also spoke to the heavy tax burden that seriously impacts community members’ ability to reside in the towns. Mr. Hughes stated he will not support anything over level funded from the current budget. Mr. Mascola stated he would support \$70.6 million or possibly a little higher, which could possibly include removing some surplus, and he believes this would be successful because of the quality and creativity of the staff and Superintendent. Mrs. Hammond expressed gratitude for district staff, and based on community input would not vote above level funded. Chairman Gerns shared his support for level funding at \$71,759,415 or possibly up to \$72 million, with a rationale that some key projects (as identified by the CIP Committee, or needs that are identified throughout the year) should be funded regularly, and to maintain the staffing that has had great positive impact. Chairman Gerns noted that level funding would force the administration to reevaluate how they do business. Discussion ensued on the School Board’s current budget exploration and recommendation.

8:39 PM [01:51:02]

AMEND MOTION: Motion to amend Mr. O’Neil’s motion to a proposed budget amount of \$71,759,415. Made by Chairman Gerns, seconded by Mr. Mascola.

The board voted by	David – no	Hammond – yes
poll:	E. Dube – yes	Hughes – yes
	L. Dube – yes	Mascola – no
	Gerns – yes	O’Neil – no
	Guide – abstained	Paul – abstained

VOTE: The vote passed (5-3-2), with Mr. David, Mr. Mascola, and Mr. O’Neil against, and Mr. Guide and Mr. Paul abstaining.

8:42 PM [01:53:52]

AMEND MOTION: Motion to amend Mr. O’Neil’s amended motion to include the language, “for consideration at the Public Hearing.” Made by Mr. Dube, seconded by Mr. Guide.

The board voted by David – yes
poll: E. Dube – yes
L. Dube – yes
Gerns – yes
Guide – yes
Hammond – yes
Hughes – yes
Mascola – yes
O’Neil – yes
Paul – yes

VOTE: The vote passed unanimously (10-0-0).

FINAL AMENDED MOTION: Motion to approve a \$71,759,415 2018-19 final proposed budget bottom line, for consideration at the Public Hearing.

Discussion ensued on if this budget number will be affordable for the community, given the District Assessment.

[02:00:23]

The board voted by David – yes
poll: E. Dube – yes
L. Dube – yes
Gerns – yes
Guide – abstained
Hammond – yes
Hughes – yes
Mascola – yes
O’Neil – no
Paul – yes

VOTE: The vote passed (8-1-1), with Mr. Guide abstaining and Mr. O’Neil against.

8:50 PM [02:01:28]

MOTION: Motion to cancel the scheduled December 28, 2017 Budget Committee meeting. Made by Mr. Dube, second by Mr. Guide.

Discussion ensued on if there will be a need to hold this meeting.

VOTE: The vote passed unanimously (10-0-0).

Discussion ensued on the timeline for warrant articles as related to Public Hearing and Deliberative Session. There was differing opinion on when warrant articles should be written by, voted on by the Budget Committee, and posted for the public, in relation to the law. Dr. Metzler stated the School Board would be working on warrant article language in the December 21st meeting.

8:55 PM [02:06:54]

MOTION: Motion to approve the minutes of the November 30, 2017 joint Budget Committee/School Board meeting, made by Mr. O’Neil. The Committee took a recess at 8:55 PM which resumed at 9:07 PM. After resuming, the motion was seconded by Mr. Mascola [02:07:47]. Chairman Gerns called the vote which passed (8-0-2), with Mr. Dube and Mrs. Hammond abstaining.

NEW BUSINESS

No new business for discussion.

ADMINISTRATIVE REPORT

Mr. Dowd had no additional reports.

REPORT OF COMMITTEES

Budget Committee Members

Mr. Paul reported that strategic planning is ongoing, and the next work is for focus group development to delineate objectives of the three main goals (academic, facilities, culture and climate) discussed in staff and community facilitations with Jay Vogt.

School Board Representative

Mr. Guide had no additional report.

Other Business

Mr. Mascola began discussion by reflecting on the budget development process and identifying efficiencies (facilities tours require great Committee presence, budget presentations could be summarized, and a better approach should be outlined for actual process of future Committees). Mrs. Dube agreed that time to reflect would allow for development of process, and that this will be important in the creation and aligning of a Strategic Plan with the CIP. Chairman Gerns suggested the organizational meeting to be an opportunity to review bylaws and practice, and Mr. Guide proposed that Mr. Mascola act as a veteran Budget Committee member in this process come spring. Mr. O’Neil detailed the budget development process at the town levels which builds up from a \$0 budget, and discussion ensued on comparing practices between the school and towns, best practice for school districts in regards to School Board and structure, and possible Committee guidance as provided by the School Board Association.

Mr. Paul noted the importance of maintaining confidentiality when discussing personnel, as it begins to cross into School Board/Superintendent territory and can also be damaging to both reputation and the culture and climate. Discussion ensued on improving practice for discussing personnel and associated cost in public meetings, how the Committee can use personnel information and data to inform budget development, how declining enrollment and personnel issues may be addressed in the Strategic Plan, the organizational structure and significance of Timberlane’s administrative staff, and how the District can improve financial reporting, transparency, and continue forward progress.

Correspondence

Mr. Hughes inquired about a reporting discrepancy shared in correspondence, and Mr. Dowd clarified on the adjusted budget column as it relates to actual expenditure and revenue. Discussion ensued on encumbrance’s role and ability to impact budget across fiscal years.

ADJOURNMENT

09:48 PM [02:49:40]

MOTION: Motion to Adjourn. Made by Mrs. Dube, second by Mr. Guide. Chairman Gerns called the vote, which passed (10-0-0).

Respectfully submitted,



Katarina Curtin
Recording Clerk

Approved by the Budget Committee on January 11, 2018.
This meeting may be watched in its entirety by logging on to:
<https://vimeo.com/album/255893/video/248341247>