

**PUBLIC HEARING OF THE BUDGET
TIMBERLANE REGIONAL SCHOOL DISTRICT BUDGET COMMITTEE**

MEETING MINUTES

**2018-2019 Budget Season
January 11, 2018
7:00pm**

**Timberlane Performing Arts Center
40 Greenough Road
Plaistow, NH**

CALL TO ORDER:

Timberlane Regional School District Chair, Mr. David Gerns, called this January 11, 2018 meeting of the Budget Committee to order at 7:00pm.

ROLL CALL:

Timberlane Regional Budget Committee members present: Alan David, Eileen Due, Lee Dube (vice-chair), David Gerns (chair), Julie Hammond, John Hughes, Michael Mascola, Shawn O'Neil, Jim Paul.

Not Present: Dan Guide (SB representative)

Administrators Present: Dr. Earl Metzler, II, Superintendent of Schools and Geoffrey Dowd, BA/CFO

PLEDGE OF ALLEGIANCE:

Mr. Gerns led the Pledge of Allegiance

OPENING COMMENTS:

Chairman Gerns delivered the opening comments. Members of the Budget Committee were recognized for their work, with especial thanks to Mrs. Dube, Mr. O'Neil and Mr. Paul who were able to join the Budget Committee on short notice to fill vacancies. He also thanked Dr. Metzler, Mr. Dowd and the staff of SAU 55.

The purpose and procedure of the Public Hearing was reviewed, as were the ground rules of the meeting.

First Session of Annual Meeting (Deliberative), read by Mr. Paul.

You are hereby notified to meet at the Timberlane High School, 36 Greenough Road, Plaistow, New Hampshire, on Thursday, the 8th day of February 2018, at 7:00 p.m. This session shall consist of explanation, discussion, and debate of warrant articles number 2 through number 6. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended, and (c) no warrant article shall be amended to eliminate the subject matter of the article.

Second Session of Annual Meeting (Voting), read by Mrs. Hammond

Voting on warrant articles number 1 through number 6 will be conducted by official ballot to be held in conjunction with town meeting voting to be held on Tuesday, the 13th day of March, 2018, at the Town election polls in Atkinson, Danville, Plaistow, and Sandown, New Hampshire.

Atkinson Voting will be conducted at the Atkinson Community Center from 7am-8pm

Danville Voting will be conducted at the Danville Community Center from 8am-7pm

Plaistow Voting will be conducted at Pollard School from 7am-8pm

Sandown Voting will be conducted at the Sandown Town Hall from 8am-8pm

Article 2 – Operating Budget, read by Mr. O’Neil.

*Shall the voters of the Timberlane Regional School District raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling **\$71,759,415**? Should this article be defeated, the operating budget shall be **\$71,370,606** which is the same as last year, with certain adjustments required by previous action of the Timberlane Regional School District or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. Note: Warrant Article 2 (the operating budget) does not include appropriations proposed under any other warrant articles. (MAJORITY VOTE REQUIRED)*

Not recommended by the School Board 4-3-0

Recommended by the Budget Committee 7-1-0

Budget Process was reviewed by Mr. Lee Dube and Mrs. Eileen Dube.

Budget Overview was reviewed by Mr. Gerns

Budget Drivers as presented on the Power Point was read by Mr. Hughes.

Budget by Object Code as presented on the Power Point was read by Mr. David and Mr. Mascola. Mr. Gerns clarified that differences with parentheses indicated reductions.

PUBLIC COMMENT ON ARTICLE 2

Mr. Arthur Green, Sandown, recognized the Budget Committee for making a serious and sincere effort to come to grips with costs. He inquired if the Committee had received a list covering last

year's (2016-2017 actuals) projects. He wondered why the budget for infrastructure was underspent last year. He noted that the amount in the proposed budget for facilities improvement is less than the amount that was spent last year, and asked if there was a concern about enough money being budgeted. He suggested that the Budget Committee move money from expenses without changing the bottom line in order to ensure that the district's assets are properly protected and that capital expenses are apportioned correctly.

Mr. Rob Collins, Danville, thanked the Budget Committee for their work. He expressed concern for the cuts to the 4200 and 4600 lines, site and building improvements, and asked what the impact would be. Mr. Dowd responded that those lines were a buffer for emergency situations. Mr. Collins asked if we did not have enough money left to put into the capital reserve next year, would that make this funding even more important. Mr. Dowd responded in the affirmative and also stated that he was unsure if we would have enough money this year to fund the capital reserve according to last year's warrant article. Mr. Dowd stated that we can only pull that money from the capital side of the budget. Mr. Collins asked if the district was comfortable that there was enough money in the budget to fund Special Education legal obligations. Mr. Dowd said that at halfway through the current year the district is up already up against the budget on special education. Mr. Collins stated that the School Board cut the special education budget in the default budget which would put the district in jeopardy of having to pull funds from other areas to meet legal obligations.

Point of order from Mr. O'Neil that the operating budget was being discussed, not the default budget.

Mrs. Donna Green, Sandown, stated that the Special Education tuition line is increased in the proposed budget by approximately \$600,000 and questioned where a cut was seen.

Mr. Collins responded the he had not said there was a cut.

Mrs. Green then stated that in the 2016-2017 budget the Legal line was over-expended and asked the Budget Committee if they looked at which cases caused the expenditures. She stated that the increase for the proposed budget in this line is \$155,000 and in her opinion the line should be cut back.

Kim Farah, Danville stated the legal expenditures this year have been significantly reduced.

Rob Collins, Danville, asked when the new bus contract will come in. Mr. Dowd stated that the district has had an RFP out and a new bus contract will commence on July 1. Mr. Collins asked what the cost was to run per bus. Mr. Dowd estimated that cost to be between \$70,000 - \$80,000 per year. Mr. Collins stated that if the transportation line in the budget is not increased we could potentially be underfunded, and if that was the case money would have to be found elsewhere or the number of busses would have to be reduced.

Dr. Metzler stated that a bus had been reduced in Sandown and it created several issues such as students having later arrivals home and labor issues with staff needing to stay late for the buses. The decision was made to add the bus back to the route. He said 29 was the right number of busses needed.

Mr. Collins stated that if the budget was underfunded by \$600,000 the district would have to cut 7 busses or look elsewhere in the budget. Dr. Metzler said his recommendation would be to find the money elsewhere and not cut the number of busses.

Donna Green, Sandown, stated that she wanted that public to know that the School Board was working on addressing bus efficiencies through the services of a consultant.

MaryAnn Springer, Danville, asked for clarification on the line for Office Admin Services/SAU as there was a difference in the cover sheet and the detail. Mr. Dowd said he would have to look into it, he believed there was a combination of accounts on one sheet and not on the other. The correct number of \$116,984 included an extra SAU position.

Rob Collins, Danville, said that he had been comparing the Draft 3 budget cuts to the Draft 1 budget and asks the Budget Committee to consider all these things when they deliberate following the hearing.

Jake Sapia, Atkinson, spoke on the need to maintain the facilities and asked where in the budget were the projects for the CIP (Capital Improvement Plan). Mr. Dowd responded that most of the projects were not in the budget.

Dennis Heffernan, Plaistow, asked for more information on the status of the CIP projects.

Mr. Dowd stated that the budget has identified priorities and there are funds in the budget to address emergencies and small maintenance projects.

Mr. O'Neil asked how much money was in the Capital Reserve account and in the Retention Fund,.

Mr. Dowd stated that there was approximately \$1.3 million in capital reserve, and \$200,000 in the retention fund.

Mr. O'Neil stated that in the event of an emergency the money in the capital reserve could not be touched until March and he recommended that the district explore repurposing some funds so that it is more easily accessible to address emergencies.

Arthur Green, Sandown, questioned why there is talk of crumbling infrastructure when funds were able to be removed into the capital reserve fund for the past couple of years and not spent. He stated that the Revenue Budget shows that the assessment is up even though the budget is flat.

Jason Dumais, Plaistow asked what the High School graduation rate is. Dr. Metzler responded that it was somewhere in the high nineties. Mr. Dumais asked where the students rate with Math, Science and English. Dr. Metzler responded that his opinion is that the students are doing outstanding and have made incredible gains, that AP scores have gone up, SAT scores have shown a steady incline. Mr. Dumais asked what programs are being budgeted, and are any being cut. Dr. Metzler responded that the cuts to the budget were made to make the least impact on the students. Mr. Dumais asked about the turnover of staff and when was last time they had raises. Dr. Metzler responded with the Union CBA information and explained that the step increases were part of the contractual obligations and that the non-union staff typically receive a percentage increase. Mr. Dumais asked what the increase in line 2143.330 Professional Services was for. Dr. Metzler responded that this was due to the district being unable to recruit employees in Special Education areas and as a result having to obtain services from a service agency at a higher cost.

Jack Sapia, Atkinson asked about the CIP projects.

Dr. Metzler stated that the School Board has a plan and is executing the plan on addressing CIP issues.

Default Budget definition as presented in the Power Point was read by Shawn O'Neil.

Mr. Gerns stated that the default budget was developed by the School Board and the Budget Committee could not act on it. The presentation is informational only.

Mr. Dowd read the total bottom line of the default budget, which consisted of the prior year adopted budget, the reductions or increases, one-time appropriations and the default budget figures.

Revenue Budget as presented in the Power Point was read by Mr. Dube.

Arthur Green, Sandown, stated that he had heard that the Title I federal project funding will be significantly reduced. Mr. Dowd responded that the figures are realistic estimates based on what we have received in the past. Dr. Metzler stated that if the federal funding for Title I was reduced, the district would not hire as many tutors. Mr. Green questioned a capital reserve expense of \$250,000 in 2016-17. Mr. O'Neil explained that the voters approved putting the money into the capital reserve at the end of the year, and there was enough funds on the expense side to transfer to the revenue side.

Mr. O'Neil stated that the direct assessment is roughly \$1M more for 2018-2019, and that there will be a tax increase on the flat budget.

Further discussion ensued on the revenue budget.

Motion by Mr. O'Neil to close the Public Hearing, seconded by Mr. Dube. The vote was unanimous.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lorna Walker", with a long horizontal flourish extending to the right.

Lorna Walker
Recording Secretary

This meeting can be watched at: <https://vimeo.com/album/255893/video/250891670>
Approved by the Budget Committee March 29, 2018.