

**SUPPLEMENTAL PUBLIC HEARING OF THE BUDGET
TIMBERLANE REGIONAL SCHOOL DISTRICT BUDGET COMMITTEE
Noticed For
TIMBERLANE REGIONAL SCHOOL DISTRICT BUDGET COMMITTEE and
TIMBERLANE REGIONAL SCHOOL DISTRICT SCHOOL BOARD**

MEETING MINUTES

**2018-19 Budget Season
January 25, 2018
7:00 PM**

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

CALL TO ORDER

Timberlane Regional School District Budget Committee Chairman, Mr. David Gerns, called this January 25, 2018 meeting of the Budget Committee and School Board to order at 7:00 PM with the roll call.

ROLL CALL

Timberlane Regional School District Budget Committee members present: Mr. Alan David, Mrs. Eileen Dube, Mr. David Gerns, Mrs. Julie Hammond, Mr. John Hughes, Mr. Michael Mascola, Mr. Shawn O'Neil, Mr. Jim Paul

Not Present: Mr. Lee Dube, Mr. Dan Guide (School Board Budget Committee Representative)

Timberlane Regional School District School Board Members present: Mr. Peter Bealo (7:33pm), Mr. Brian Boyle, Mrs. Stefanie Dube, Dr. Kimberly Farah, Mrs. Donna Green, Mrs. Susan Sherman, Mr. Gregory Spero

Not Present: Mr. Dan Guide, Mr. Kelly Ward

Administrators Seated with the Committee and Board: Dr. Earl Metzler, Superintendent of Schools, and Mr. Geoff Dowd, Business Administrator

Pledge of Allegiance: Mr. Gerns led the Pledge of Allegiance.

Opening Comments: Chairman Gerns reviewed the agenda, purpose, and ground rules for the deliberative session.

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. Eileen Dube.

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 – 8 pm.

Danville Voting will be conducting at the Danville Community Center from 8 am – 7 pm.

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

Sandown Voting will be Conducted at the Sandown Town Hall from 8am – 8pm.

Article 2 – Operating Budget

Read by Mr. Hughes.

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 raised under any other warrant articles. (MAJORITY VOTE REQUIRED)

Mrs. Hammond reviewed budget development process in accordance to applicable NH Statutes, and the Committee’s Mission Statement: The Budget Committee will develop a fiscally sound annual budget that will optimally meet the needs of the District, by working with District personnel and in consultation with the School Board. Throughout the budget process, the Budget Committee will take into consideration district taxpayers as well as support for staff, rigor, evaluation and accountability initiatives the drive student achievement.

Mr. David provided an operating budget overview, with a 0% change from the 2017-18 budget to the 2018-19 proposed, at \$71,759,415. Mr. David reviewed budget drivers – major budget increases greater than \$25,000, and major budget decreases greater than \$25,000.

Mr. O’Neil presented the operating budget by object codes.

Public Comment on Proposed Operating Budget: None.

School Board Chairman Mr. Boyle read Default Budget NH RSA 40:13, IX (b).

Mr. Dowd presented the default budget of \$71,370,606 by account code, and reviewed reasons for reductions/increases or one-time appropriations by account code.

Public Comment on Default Budget: Chairman Boyle began by stating that the School Board will be meeting next week to make any necessary adjustments with new information provided to them, including any special education and transportation bids.

Laurie Hirchenroeder, TSSU President, expressed concern for academic rigor and work force reduction next year. She inquired where funds will be taken from if the default budget passes, but lines were to be underfunded. Mrs. Green clarified that these would be decisions of next years' school board. Mr. Boyle reviewed the value differences between the proposed operating, proposed default, and current year expenditure track, and explained that the Superintendent will make decisions in regard to school district day to day operations.

Mrs. Green explained the language "previous year" vs. "current year" in regard to budget development process and stated that administrators are withholding the transportation bids. Dr. Metzler clarified that the bids are currently under legal review for accurate interpretation and to avoid hidden costs. Dr. Metzler commended Mr. Dowd for his accuracy in forecasting the transportation cost in the proposed operating budget. Discussion ensued on the public information laws for the bid process (bid opening, legal team review).

Sarah Machemer of Plaistow inquired about the lack of justification provided for the removal of \$8,500 from the default budget from account code 2400-2499, Office of the Principal, Administration. Dr. Farah clarified that this is a net decrease, however within the sublines there are both decreases and increases. Dr. Farah stated this was not required to elaborate on and will take note for future budget development. Dr. Metzler stated that Mr. Dowd was unable to answer Ms. Machemer's question and expressed this to be problematic as a budget the district would have to execute.

Rob Collins of Danville inquired if the default budget has met all RSA legal requirements, as a budget built of contractual obligations less one-time expenses. Discussion ensued on School Board discretion as related to new computer equipment as a one-time expense verse a recurring expense through a School Board approved technology plan; decreased Athletics (ski, swim, and hockey) default budgeting; and Special Education budgeting differences between an increased proposed and a flat default.

Mark Sherwood of Sandown expressed concern for the School Board's process for developing and approving the default budget in regard to level of detail and time invested, as well as their lack of collaboration with the Business Administrator. Dr. Farah gave a review of the default budget development process and the meeting in which the School Board discussed and approved the draft default budget.

Rob Collins of Danville inquired if there was ever a vote of the Board of what a one-time expenditure is in regard to the statutory formula. Chairman Boyle stated that there was no vote specifically defining a one-time expenditure but noted that all Board members have had opportunities to discuss and ultimately vote on the default budget. Mr. Dowd shared some examples of one-time expenditures, however stated he was not able to discuss these with the Board in order to assist him in developing the default budget. Dr. Farah stated this was the first time she had heard of Mr. Dowd's list of one-time expenditures, and discussion ensued on the events of the default budget development meeting.

Phil Sherwood of Atkinson expressed concern for some Board member's sentiment to cut taxes, which appeared to take priority over responsible budgeting. He suggested that the default budget development process was much shorter this year due to lack of collaboration with Timberlane administration. Discussion ensued on the need for legal counsel in this year's default budget development process.

Rob Collins of Danville expressed concern for the School Board's decision to decrease \$500,000 in fund transfer lines. Mr. Dowd noted that for revenue, the food service fund and federal projects and grants fund have been fairly consistent over the years. He also noted that although grant expenditure is offset by revenue, he must appropriately budget for the expenditure during the budget season within the fund transfer lines.

Discussion ensued on the accounting divide between the capital and non-capital expenditures; the School Board's ability to spend these capital and non-capital dollars within a cumulative budget; the percentages of capital and operating budget collected from the towns as per the Articles of Agreement; and the budgeting process for the fund transfer lines in regard to surplus.

Coral Hampe of Danville asked the School Board to properly fund the departments that require it in order to retain staff.

Mr. Dowd reviewed the Revenue Budget by account code. Discussion ensued on the reasons for the reduction in revenue, and how the towns realize this through the district assessment and tax impact.

Article 3 – Capital Reserve Fund

Read by School Board Chair Mr. Boyle.

Shall the voters of the Timberlane Regional School District raise and appropriate \$250,000 to be placed in the School Building Construction, Reconstruction, Capital Improvement, and Land Purchase Capital Reserve Fund established in 1996, with such amount to be transferred from those funds in the June 30, 2018 unassigned fund balance available for transfer on July 1 of this year which were apportioned as Capital Expenses in 2017-2018 in accordance with Article 6 of the Timberlane Regional School District Articles of Agreement? No amount to be raised by taxation. (MAJORITY VOTE REQUIRED)

Public Comment: None.

Article 4 – Appoint Agents of the Capital Reserve Fund

Read by School Board Chair Mr. Boyle.

Shall the voters of the Timberlane Regional School District appoint the Timberlane Regional School Board as agents to expend from the existing School Budget Construction, Reconstruction, Capital Improvements and Land Purchase Capital Reserve Fund previously established in 1996? (MAJORITY VOTE REQUIRED)

Mr. Boyle explained the warrant's intent. The current Capital Reserve Fund balance is approximately \$1.3 million and passing this warrant would allow for the School Board to access and expend the money for purposes as outlined in the Fund. Mr. Boyle noted that he would expect specific policies to be written for the most sound and appropriate expenditure of this Fund by the School Board (ie: emergencies).

Discussion ensued on the development of this warrant under advisement with legal counsel, who noted that many other school districts have this organization in place; what constitutes an emergency situation and the current workflow for addressing such; how the Fund is currently spent only through a public vote to release

monies from the Trustees for a specific voted project; the reasoning for the wording of the warrant; and policies that may be written after the warrant passes.

Article 5 – General Acceptance of Reports

Read by School Board Chair Mr. Boyle.

Shall the voters of the Timberlane Regional School District accept reports of agents, auditors, and committees as written in the 2017 Annual Report? (MAJORITY VOTE REQUIRED)

Public Comment: None.

Article 6 – Artificial Turf by Petition of John Sapia et al.

Read by School Board Chair Mr. Boyle.

Shall the district vote to raise and appropriate the sum of \$800,000 for the purpose of increasing athletic player safety and decreasing district operating costs by professionally installing an artificial turf surface to an existing sports playing field with a projected savings that will pay back this investment within 5 years? This will be a multi-purpose field supporting a host of district sports. It shall be made available for a fee to outside parties when not in use by the district, for the purpose of generating additional revenue to further offset costs and shorten the time to maximize return on investment. Payments will be spread out over a term of eight years at a maximum interest rate not to exceed 4.75 percent and shall be installed during the budget year. (MAJORITY VOTE REQUIRED)

Discussion ensued between Jack Sapia and Attorney O’Shaughnessy if the warrant requires majority vote versus a two-thirds vote, the warrants intent and funding sources (raising and appropriating funds versus borrowing the monies), and if the warrant is a bond article.

Jack Sapia presented on the current field challenges Timberlane faces, and the proposed citizens petition and turf logistics. Reasons and benefits for installing the turf include: student safety, short and long term reduction in operating cost, ecological impact, consistent and improved field conditions, economic/ revenue opportunities, enhanced performances and extended usage, and positive financial impact to district assessment.

Discussion ensued between between Mr. Sapia and Mr. Bealo about the wording of the petition, and how the Business Administrator would abide by and properly fund the petition as written.

Phil Sherwood of Atkinson inquired about the turf composition, noting that astroturf contains some compounds such as arsenic and lead, which at higher temperatures (ie: summer) can create a dangerous environment for those exposed to the area. Mr. Sapia suggested community members review scientific studies about turf benefits as opposed to other media platforms.

Jen Silva of Atkinson inquired about turf maintenance and associated costs. Mr. Sapia explained the tools required and frequency of maintenance associated with upkeep. The tools were included in his budgeting figures. Mrs. Silva asked about the winter, and Mr. Sapia said snow removal on the turf would be determined by the district. Mr. Sapia concluded with thanking the community for their time.

Mr. Gerns noted that following this meeting will be two separate meetings of the Budget Committee and School Board. Mr. Dowd clarified on an earlier discussion about revenue projections prior to the meeting closing.

Mr. Gerns adjourned the meeting at 9:17 PM.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Katarina Curtin", with a long horizontal flourish extending to the right.

Katarina Curtin

Recording Clerk

Approved by the Budget Committee on March 29, 2018.

This meeting may be watched in its entirety by logging onto: <https://vimeo.com/252931357>