

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

**2017-18 Budget Season  
March 24, 2016  
7:23 PM**

**SAU #55  
36 Greenough Road  
Plaistow, NH**

**CALL TO ORDER [00:21:45] 7:23pm**

Chairman Dube called this March 24, 2016 Meeting of the Budget Committee meeting to order at 7:23 pm with the roll call.

**Budget Committee Members Present**

Mr. Tony Cantone, Mr. Rob Collins (TRSB Rep), Mr. Alan David, Mrs. Kate Delfino, Mr. Lee Dube, Mr. Thomas Geary, Mr. W. David Gerns, Mr. Joshua Horns, and Mr. John Hughes. Absent: None.

**Administrators Present**

Dr. Earl Metzler, Superintendent of Schools  
Mr. George Stokinger, Business Administrator  
Mr. Geoffrey Dowd, Business Operations Coordinator

**OPENING COMMENTS:**

Chairman Dube thanked everyone on the board and wished to set some ground rules for the meetings. Meetings will start on time, and he wishes to run an efficient meeting. Meeting dates are specified in the By-Laws and are scheduled. If a member will be absent, please notify Chairman Dube or Mr. Stokinger.

Chairman Dube would like to stay focused, to stay focused on current issues and not what has happened in the past or otherwise get sidetracked. He would like to set a responsible budget and stay focused on that. He would like the Committee to be respectful to one another. Robert's Rules are used. Members are asked to raise their hands and be recognized. He is looking forward to a good budget season.

**APPROVAL OF MINUTES: [23:45]**

A brief discussion ensued relative to changes to the Minutes.

Mr. Horns made a Motion.

**MOTION: Motion to Approve the Minutes from the February 4, 2016 Meeting made by Mr. Horns. Second by Mrs. Delfino.**

DISCUSSION: None.

**Chairman Dube called the Motion Approve the Minutes from the February 4, 2016 Meeting which passed (5-0-4), with Mr. Hughes, Mr. Gerns, Mr. Collins, and Mr. David abstaining.**

**CORRESPONDENCE:**

There was no correspondence.

**PUBLIC COMMENT: [00:26:10]**

The Chair recognized Mr. Green of Sandown. Mr. Green thanked members for their work. He noted the spring season is a time to set the seasons for direction. Mr. Green stated that he has a few modest suggestions. Three

weeks ago, the Annual Report showed 3,773 students. The NESDEC forecast is 3,443 students for the budget season which the Committee will be budgeting. He asked the Committee to seek out the attendance forecast as early as possible for the budget year served. And that Committee seek out the most reliable source.

Mr. Green stated 70% of budget is comprised of salaries and benefits. With that level of salary and benefits, it is important to know and understand staffing plans as it sits in 2016-17 as well as the year being budgeted. He encourages the Committee to seek out the best staffing plan available for the budget year they are budgeting.

This year, there are 677 full time equivalent (FTE) staff this fiscal year. When enrollment was at its peak in 2008, 697 staff served 4,600 students. The board should attach scrutiny on the staffing plan being proposed. We should serve our students and taxpayers by not taking more resources than needed.

At the end of the summer, the District will have closed its books. He encouraged the Committee to seek out actual expenditures and revenues as the year ended. Mr. Green stated expenditures were not available to the board until November 20, 2015 and revenues were not available until the last meeting in December. It's important to understand how much surplus will be going into the next year's revenues. It's important, when going line by line, to consider whether the money being asked is for is reasonable in light of those numbers.

He asked the board to seek out information on the kindergarten program, which is supposed to be self-funding. Seek out information detailed context on the Capital Improvement Plan and capital expenditures. He asked the Committee to seek out the same on technology expenditures. We want to provide the resources for a quality education.

There were no other delegations.

**ADMINISTRATIVE REPORTS:**

None to report.

**OTHER COMMITTEES:**

Mr. Gerns expressed an interest in being a representative to the CIP Committee. Chairman Dube asked Mr. Collins to assist in getting Mr. Gerns involved with CIP. Mr. Collins is not sure whether he will be on that Committee this coming year. He thinks there are two members of the Budget Committee on the CIP. Chairman Dube requested that Mr. Collins get Mr. Gerns connected with the CIP Committee.

Mrs. Delfino is unable to serve in the committees she was on last year.

Dr. Metzler expressed that it is the Chair who handles assignment and that Mr. Stokinger can provide a list of Committees.

Mr. Stokinger stated Facilities and Safety are the two major committees.

Dr. Metzler explained the Superintendent's Advisory Committees, including the newly formed Superintendent's Sandown Playing Field and Outside Classroom Site Advisory Committee. There are a number of other Advisory Committees and members are on Committees for different reasons. Typically, if a town's school has a committee, it may make sense for the respective town's Committee member to serve. Chairman Dube will obtain a list of committees and requested members let him know of their interest.

School Committee: Mr. Collins did not have anything to report from the School Committee.

**REVIEW OF ELECTION RESULTS:**

A request was made by the Chair to discuss any voting results.

Mr. Hughes brought up the failure of the Danville Sprinkler to pass. He has already spoken with the Danville Chief and perhaps this will be back on the Warrant next year. He would like to follow up on the amount put out there and would like to explore more why it did not pass. Perhaps we will see this back again with more support from the communities.

**SAU & DISTRICT OVERVIEW:**

Mr. Stokinger made a PowerPoint presentation reviewing the overall SAU structure and statistics. He explained the employees and roles, and volume of business undertaken by the SAU. 1,356 W-2's were issued to employees in January. He also explained that every SAU is a little different and covered our surrounding towns' SAU structures. Each SAU and SAU structure is different and a little complicated.

**BUDGET PROCESS OVERVIEW:**

A new Budget season has begun. Our back financial infrastructure is found in the Infinite Visions system (a/k/a Budget Sense). Infinite Visions is an enterprise system which also handles HR, Payroll, Requisitioning, A/P, G/L, and Fixed Assets. We are going to be adding a portal which will assist employees in signing up for insurance, view benefits information, and will assist in administering Affordable Care Act and related compliance. He also explained the account numbering system. Fund, Function, Object, Department, Location, Level, and Project codes were discussed. District 'Fund' accounts include the General Fund, Food Service, Federal Project and PAC Fund.

DOE Accounting standards are followed. A link is available from the Budget Committee page to the NH DOE website. That site contains statistical and financial information for viewing. There is a lot of information found there.

*TRSD Budget Process:*

Mr. Stokinger discussed the financial system, and when budgeting begins. When the budget owners and department heads return in September, we are beginning the budget for the next year with them. This budget information is reviewed and entered into our budget system. School input, District input, Administrative Review, Budget Committee Review and Board Review are all part of the process and this runs through December.

Mr. Cantone asked about the 35 hr. per week SAU employees and whether they were year round. Mr. Stokinger indicated yes, and that summer is the busiest time.

Mr. Cantone asked how the SAU costs were allocated between Timberlane and Hampstead. The allocation is found in the Annual Report. It is allocated 50% by ADM and 50% Equalized value. This works out to approximately 76% for Timberlane and approximately 24% for Hampstead. Mr. Cantone asked if the entire SAU budget allocated? Mr. Stokinger stated the entire SAU budget is allocated out.

Chairman Dube asked what budget development work Department heads are doing before September? Do the department heads see how they are doing against budget in order that they can build a forecast? Mr. Stokinger indicated information is available to department heads. If the department heads need anything, they generate a requisition, initiating the purchase and spending. The department heads are always able to view it. Chairman Dube asked if Mr. Stokinger could determine how much that information is accessed. Mr. Stokinger does not

have a way to tell how much it is being viewed, but they are aware of the budget every time they generate a requisition.

Mr. Gerns asked, when department heads begin their process in the Fall, do they look at what they're using and go from there, or do they zero-base budget. Mr. Stokinger stated that they look at the current budget, but zero based budgeting is the idea. Changes are slow in the district, but programs do evolve. So much of the district costs are fixed costs and do not change as much.

Dr. Metzler stated that it is easy for the budget years to get confused. Last year, we froze budgets to cover expenses and bring back a surplus to have a positive impact on tax rates. This is one area to be cautious on. There was a flurry of spending once the new budget year started.

Mr. Cantone would like to talk about what the budget process should look like. Chairman Dube encouraged that discussion to make the process successful. Mr. Cantone stated that currently, proposed budgets are rationalized against previous year's budgets. Often department heads are coming to the Committee rationalizing a decrease in this year's budget over last, even though proposed budget spending is still higher. He provided an example. Mr. Cantone would like to see dept. heads to be aware of where their budget is an increase over prior year spend. If there is an increase in spending, that should be recognized and rationalized.

Mr. Horns was concerned about looking more at the 'actuals' aspect of the process. Mr. Cantone provided another example. Dr. Metzler explained there were some reductions, and the numbers should be getting closer to normal trend.

Mr. Cantone would like to know why what was not spent last year, is now back in their budget. Dr. Metzler noted that now, we have been working with department heads to take that view and look at actuals.

Chairman Dube pointed out that we can always ask for more clarification from dept. heads, and when those questions been asked in the past, they have been answered. Dr. Metzler feels we're in much better position this year. Mr. Cantone noted that the department heads have gotten better over the years. Chairman Dube indicated he would be looking at staffing numbers. Mrs. Delfino agrees and that she would like to see more time spent on that area. Projections and overall direction would be great to see worked into the process. Right now, we hear from department heads, but staffing is the largest expenditure. Dr. Metzler noted that, even with last fall's budget that was passed, we still could not give precise figures on instructional staff. We may not know this until April 15 when renewals are issued. The process is something of a jigsaw puzzle through August. Budget challenges include, for example, running an A/P class, even if it is not 100% full.

Chairman Dube said that ball park numbers was good. But the staffing model is based on students, who may not even be in the district, and staffing accordingly. This was the case with a Latin language course over the last several years. We had demand, but could not find an instructor. There is generally also staffing movement within the district.

Mr. Collins stated that course selection at the high school is made in January, when the budget has already been passed by the Budget Committee and on to Public Hearings. Mrs. Delfino indicated that she understood the uncertainty, but to the extent that we're able to assign a number to FTE to the budget, and to provide detail to that in the budget, it would be helpful.

Mr. Cantone asked what the ceiling was in salaries for Dr. Metzler, where is the line drawn? Dr. Metzler stated we don't exceed the budget. The positions offered in the fall, we still may not have enough in the budget for

those positions. FTE's may not change much, but what they are doing does change.

Mr. Hughes asked when employee health plan benefits enrollments were locked in? Mr. Stokinger indicated that open enrollment was in June. Mr. Collins stated that while the employees are selecting 2016-17 year, we are budgeting 2017-18. Mr. Hughes noted that it is difficult to predict what benefit package to budget for. Mr. Cantone asked how that is managed, is it by demographics? Mr. Stokinger stated that we are a large district, so we generally stay the same.

Mr. Gerns asked how the process is managed with the insurance carriers? Mr. Stokinger indicated we are given a GMR, a guaranteed maximum 'not to exceed', and that's what we budget. This is also the case for health, property and liability insurance, etc.

Dr. Metzler indicated one of the things our auditors found was that our retirement liabilities were underfunded. The Budget Committee has done a good job managing that. Mr. Cantone asked if the GMR is a guaranteed rate per plan, which Mr. Stokinger confirmed. When the economy was bad, we had more benefits participation. Chairman Dube asked what percentage of employees participate, and Mr. Stokinger thought it was around 60%.

Dr. Metzler stated that with respect to staffing, let him know what they would like to see. There are many ways to look at it. Chairman Dube would like to see what programs Dr. Metzler would like to see and what it would take to staff that. Dr. Metzler has looked at, for example, class size in the past and projected and sometimes those projections were uncomfortable from a School Board perspective.

Mr. Geary asked about the Technology Plan. Dr. Metzler said there is a Technology Plan. With a new Technology Director to replace Mr. Holland, that new Director should have input into that plan. We have a draft, and once the new Director has input, it will go to the School Board for approval. This should be complete by the Fall. CIP will be similar. Chairman Dube stated he thought it was wise to wait to roll out the plan until the new Director has input.

Mr. Geary stated that he is on the board for the YMCA and the campaign kickoff breakfast is next Thursday, March 31, 2016 at 175 Plaistow Road at 7:30am. He invited Committee members to attend.

Mr. Stokinger also stated that he included a breakdown of the account codes in the handout, as well as other information. Mr. Cantone asked if he ran a report on function code, would it tell salary and wages for that location? Mr. Stokinger stated that there are many district costs which would not be included in such a way.

Chairman Dube asked that if, taking utilities as a point, there is any way to drill down to the school level? Mr. Stokinger stated that for budget, everything is at district level, but the expenses are recorded at the school level.

**OTHER BUSINESS:**

None.

**FUTURE DATES:**

April 14, 2016 at 7pm at SAU, 36 Greenough Rd., Plaistow, NH

Mr. Stokinger note that in the past, in a minority of years, the April meeting had been cancelled. He asked the Chair if the April 14, 2016 meeting was necessary, and if so, what would be the agenda items? Chairman Dube felt the meeting would be useful. It will be good for new and returning Committee members to see what information was made available last year. We can discuss staffing, and the Budget Committee Calendar. He

would also like to discuss the mission of the Committee, which he will develop and send out via email.

Mr. Stokinger stated the first Budget Committee meeting in the Fall would normally be September 8<sup>th</sup>. Normally, the Facilities Committee of the School Board arranges facilities tours. Usually, on that first meeting night, we start at 6pm and tour the buildings on the Plaistow campus. On the 4<sup>th</sup> Thursday, which the Budget Committee doesn't meet, although the 4<sup>th</sup> Thursday would be a normal Committee for the rest of the Fall, we would visit half the elementary schools. It is usually one other Tuesday that the Facilities Committee will schedule tours for the remaining elementary schools.

**ADJOURNMENT [01:40:13] 8:41pm**

<b>MOTION:        Motion to Adjourn made by Mr. Geary and seconded by Mr. Hughes, and accepted by general consent.</b>
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Respectfully submitted,

Geoffrey Dowd  
Recording Clerk

Approved by the Budget Committee on April 14, 2016.

This meeting may be watched in its entirety by logging onto: <https://vimeo.com/160399568>.