

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

2016-17 Budget Season
January 14, 2016 – Public Hearing
7:04 PM

Timberlane Performing Arts Center
40 Greenough Road
Plaistow, NH

Call to Order (00:00:01) 7:04pm

Committee Chairman Dennis Heffernan called this January 14, 2016 Public Budget Committee meeting to order at 7:04pm with the roll call where each member of the Budget Committee and School Board present announced themselves and the town represented, followed by the Pledge of Allegiance.

Budget Committee Members Present

Mr. Dennis Heffernan, Mrs. Kate Delfino, Mr. Lee Dube, Mr. Thomas Geary, Mrs. Julie Hammond, Mrs. Michelle O’Neil (at 7:38pm) and Mrs. Nancy Steenson as substitute School Board Rep. Absent: Ms. Cathy Gorman, Mr. Joshua Horns and Mr. Tony Cantone,

School Committee Members Present

Mr. Peter Bealo, Mrs. Donna Green, Mr. Jack Sapia, Mrs. Susan Sherman, Mr. Gregory Spero, Mrs. Nancy Steenson, and Mr. Kelly Ward.

Administrators Present

Dr. Earl Metzler, Superintendent Most District Administration
Mr. George Stokinger, Business Administrator

Opening Comments

Dr. Metzler delivered opening comments, including a thank you to members of Administration and in particular, the Budget Committee. Dr. Metzler expressed his pleasure with the Budget Committee and the School Committee working together to come up with a budget that was respectful to the taxpayers. He expressed hope this would continue in the future. He thanked Mr. and Mrs. Sherman for working in getting a Capital Improvement Plan committee together to give the district appropriate direction. This year, the District Ballot will contain intent statements in order that the Warrants are clear as to purpose. Plaistow has set an example in this respect.

Mrs. Steenson delivered Notice of the First Session of the Annual Meeting (Deliberative Session) to take place on February 4, 2016 at the Timberlane Regional High School, 30 Greenough Road, Plaistow, NH, at 7:00pm and further specified how Warrant Articles may be amended at that session. Second Session of the Annual Meeting (Voting), Voting on Warrant Articles will conducted by ballot held on Tuesday, March 8, 2016 at the town election polls in Atkinson, Danville, Plaistow and Sandown, New Hampshire. Mrs. Steenson further stated the voting location and times for each respective town.

ARTICLE 1: ELECTION OF OFFICERS (00:09:22) 7:13pm

Read by Mr. Spero.

“To choose the following school district officers:

Danville Voters	School Board Member	3-year Term
Plaistow Voters	School Board Member	3-year Term

Sandown Voters	School Board Member	3-Year Term
Atkinson Voters	Budget Committee Member	1-Year Term
Danville Voters	Budget Committee Member	3-Year Term
Plaistow Voters	Budget Committee Member	3-Year Term
Sandown Voters	Budget Committee Member	3-Year Term”

Discussion: None.

Comments: None.

ARTICLE 2: OPERATING BUDGET (00:10:18)

Read by Mr. Heffernan.

“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 **\$69,333,958**? Should this article be defeated, the operating budget shall be **\$70,108,969** 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)”

Discussion by: Mr. Heffernan who stated the budget process is a needs-based budget request of \$68,321,710. Administration increased \$3,063,056 (4.48%) and Committee and Board Adjustments decreased the budget \$2,050,808. The total budget of \$69,333,958 increased \$1,012,248 of 1.48% [over 2015-2016 Budget]. He discussed various budget factors driving the budget. Mr. Heffernan discussed the Default Budget of \$70,108,969, an increase of \$775,011 over proposed Budget. Mr. Heffernan articulated N.H. R.S.A. 40:13, IX(b) in its entirety.

Comments by:

(00:20:10) Mr. Arthur Green, Sandown asked expressed a desire to ask questions about the budget. He was wondering what the forecast enrollment was for next fall on which the budget was based. Mr. Heffernan stated he did not believe the enrollment had yet been forecast. Mr. Green indicated there is a NESDEC forecast which is down by 140 students from current year. If the Budget Committee does not know what the forecast enrollment will be, how can the budget be up \$1M if the NESDEC enrollment forecast is 140 lower? Mr. Sapia indicated that \$450K was for infrastructure alone, along with various improvements to programs. There can be no correlation necessarily between enrollments since, for example, infrastructure costs are not dependent upon enrollment. There is also not a correlation between enrollment and fixed costs.

Dr. Metzler indicated NESDEC has been historically inaccurate, with examples in the District. While enrollment is a moving target, a reduction of 2 enrolled students at an elementary school will not result in lower staffing. Staffing is addressed in March and April. Positions which are included in the budget to be reduced will be reduced. Mrs. Green suggested Dr. Metzler was pontificating. Mr. Heffernan indicated that a question was asked which we are trying to answer. Mrs. Delfino indicated an increase of \$1.6M in employee insurance and capital costs. She further stated Mr. Green is aware there is not a 1:1 correlation. Mr. Green suggested there was confusion as to what was considered for enrollment since Mr. Heffernan indicated enrollment was not

known. Mr. Heffernan clarified that he never said enrollment was not considered. Mr. Green requested information on what the FTE number would be, it is 677 now. Dr. Metzler stated those figures are not established until the needs of the district are known.

(00:34:19) Leon Artus, Atkinson was wondering what the total one-time expenditures have to be deducted from the budget? Mr. Heffernan deferred to Mr. Stokinger, Business Administrator. Mr. Artus was unwilling to accept an answer from anyone but the Budget Committee. Mr. Stokinger indicated that the one-time items are \$250,000. Mr. Artus was wondering how the default budget can be higher? Dr. Metzler indicated that the original budget was higher than Default, the Budget Committee did their job.

(00:37:46) Mrs. Green indicated the School Board is responsible for preparing the Default Budget. Mrs. Green questioned the one-time charges, including Danville Sprinkler costs, electricity increases, legal fee increases. Mr. Artus was recognized by Mrs. Green for his perception on this issue. Mr. Artus questioned why legal fees are up. Dr. Metzler directed him to Mrs. Green for the answer. Mr. Artus then asked Superintendent Metzler and the Budget Committee what the costs were from the ongoing litigation. Dr. Metzler indicated that could be addressed though a Right to Know request.

ARTICLE 3: CAPITAL RESERVE FUND (00:41:09)

Read by Mrs. Steenson, including the intent statement.

“Shall the voters of the Timberlane Regional School District raise and appropriate up to \$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, 2016 unassigned fund balance available for transfer on July 1 of this year which were apportioned as Capital Expenses in 2015-2016 in accordance with Article 6 of the Timberlane Regional School District Articles of Agreement? No amount to be raised by taxation. (MAJORITY VOTE REQUIRED)

[Intent: This article puts money aside for future capital improvements. Money is only put into this Capital Reserve Fund if it is available at the end of the fiscal year. Capital expense appropriations are calculated in accordance with the Timberlane Regional School District Articles of Agreement (Article 6) apportionment formula as follows:

“The capital expenses of the Timberlane Regional School District payable in each fiscal year shall be apportioned on the equalized valuation as most currently available as determined by the State Tax Commission”.]”

Discussion: Mrs. Steenson had no discussion.

Comments by: Mr. Green, of Sandown was wondering if the amounts indicated going into Capital Reserve were surplus from the Capital Appropriations line. Mr. Stokinger confirmed this was the case. Dr. Metzler indicated that sometimes, in order to reserve the surplus, some projects may not be completed. Mr. Green questioned whether the capital reserve contributed would result in a lower surplus, which it would. Mr. Green wondered whether it was required or discretionary, that if \$250K was available that it would have to be put into Capital Reserve. Why would this show as “no tax impact” on the tax payers? Dr. Metzler indicated this was a question for the DRA since they approve the language. Mr. Stokinger indicated that the \$250K would result in a lower surplus and return to towns.

ARTICLE 4: 3 YEAR COLLECTIVE BARGAINING AGREEMENT (00:48:40) 7:53pm

Read by Mrs. Sherman, including the Intent Statement.

“Shall the voters of the Timberlane Regional School District approve the cost items included in the collective bargaining agreement reached between the Timberlane Teachers Association and the Timberlane Regional School Board, which calls for the following increases in salaries and benefits at the current staffing levels over the amount paid in the prior fiscal year:

Fiscal Year	2016-17	2017-18	2018-19
Estimated Increase	\$611,032	\$633,573	\$724,684

3-Year Total \$1,969,289

And further to raise and appropriate the sum of \$611,032 for the 2016-17 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at the current staffing levels? (MAJORITY VOTE REQUIRED)

[Intent: This article will allow the school district to enter into a successor three-year contract with the Timberlane Teachers Association. The proposed contract ratified by the union and the school board represents a 3% increase in salaries and a \$210k cost savings in insurances for year one, a 2.3% increase in salaries in year two, and a 2.5% increase in salaries in year three.]”

Discussion: Mrs. Sherman discussed the particular step increases, sick time redemption and the sick bank maximum increase. Language addressing Affordable Care Act, Online Learning Blizzard Bag, credit and course reimbursement.

Comments: Mrs. Green questioned why the amounts showing in step increases do not tie to the amounts listed in the Warrant of 3%, 2.3% and 2.5% increase. Dr. Metzler reminded Mrs. Green she was part of the negotiating team. Mrs. Green asked about the sick time buyout and whether the increase was part of the Agreement. Dr. Metzler pointed out that since it was in the previous agreement at a lower amount, and now it’s higher, that’s why it’s showing as an increase.

ARTICLE 5: AUTHORIZATION FOR SPECIAL MEETING (00:56:45)

Read by Mrs. Sherman, including Intent Statement.

“Shall the voters of the Timberlane Regional School District, if Article 4 is defeated, authorize the Timberlane Regional School Board to call one special meeting, at its option, to address Article 4 cost items only? (Without this Article the District would have to petition Superior Court for a Special School District Meeting. This saves the District the expense of attorney fees and court costs). (MAJORITY VOTE REQUIRED)

[Intent: This article is suggested by the NH Department of Revenue Administration as a cost saving measure.]”

Discussion: There was no discussion.

Comments: There were no comments.

ARTICLE 6: DANVILLE ELEMENTARY SPRINKLER SYSTEM (00:57:45)

Read by Mrs. Steenson, including Intent Statement.

“Shall the voters of the Timberlane Regional School District raise and appropriate up to \$503,000 for the

installation of a fire suppression sprinkler system (“Fire Suppression Sprinkler System Capital Project”) in the Danville Elementary School. This amount would be combined with \$250,000 previously raised and appropriated in the 2015-2016 budget for this purpose with the balance of \$503,000 to be raised by taxation in 2016-2017. (MAJORITY VOTE REQUIRED)

Total Project Cost:	\$753,000
Amount to be expended from 2015/2016:	- \$250,000
Amount to be raised by taxation in 2016/2017:	\$503,000

[Intent: This article will allow for the installation of a fire suppression sprinkler system (FSSS) at Danville Elementary School. All of our schools have FSSS although some only have FSSS in their boiler rooms. The schools in Sandown and Danville have FSSS in their boiler rooms only. The \$503,000 requested this year will be combined with the \$250,000 previously raised and appropriated from the '15-'16 budget for a total project cost of \$753,000.]”

Discussion: By Mrs. Steenson on the subject.

Comments: **(01:00:00)** By Mr. Green, of Sandown, who questioned whether the spend amount of \$250K in the current year, would reduce the \$1.6M projected forecast or add to the \$1.6M forecast? Dr. Metzler clarified that there is no planned surplus. Dr. Metzler requested Mr. Green clarify his original question. Mr. Green indicated a \$1.6M surplus was recently forecast. Mr. Stokinger indicated the \$250K was anticipated to be spent. Mr. Green asked then if the surplus would increase if the project was not completed? Mr. Stokinger indicated that he included consideration that the \$250,000 as being spent. Revenue forecast is driven by many factors, an in early December, the revenue forecast is what it is.

(01:03:46) David Burns, of Plaistow, asked if the Warrant is improved, would there be a change in fire insurance. Mr. Stokinger stated there would be no noticeable difference. Mrs. Steenson indicated the School Board has a similar question a couple weeks ago and his question is a good question.

ARTICLE 7: MIDDLE SCHOOL RENOVATION STUDY (01:04:20)

Read by Mrs. Steenson, including Intent Statement.

“Shall the voters of the Timberlane Regional School District raise and appropriate \$30,000 to be used to study improvements to the educational experience of the students utilizing the 21 classrooms at Timberlane Regional Middle School that currently have no windows or skylights. (MAJORITY VOTE REQUIRED)

[Intent: These 21 classrooms make up one third of all the classrooms at TRMS. All of our 6th and 7th grade students spend time in these classrooms that do not provide any light from the sun or have full spectrum lighting. Studies have shown significant improvement in student achievement when attending school in classrooms with sunlight. This money would be utilized to study available options to improve the experience of the students utilizing these classrooms, such as, but not limited to, lighting and/or skylights.]”

Discussion: Mrs. Steenson presented several slides, which included a schematic of the impacted classrooms at the Middle School and discussed studies showing the statistical impact on students of having day lighting in classrooms.

Comments: There were no comments.

ARTICLE 8: GENERAL ACCEPTANCE OF REPORTS (01:07:25)

Read by Mr. Sapia.

“Shall the voters of the Timberlane Regional School District accept reports of agents, auditors, and committees as written in the 2015 Annual Report? (MAJORITY VOTE REQUIRED)”

Discussion: Mr. Sapia discussed that Annual Reports would be made available one week prior to the March vote in schools and libraries and online as well.

Comments: No comments.

ARTICLE 9: CITIZENS PETITION (01:08:00)

Read by Mrs. Steenson.

“Shall the Timberlane Regional School District require all costs associated with funding a full-time kindergarten program be completely self-funding by private tuition? (MAJORITY VOTE REQUIRED)”

Discussion: Mrs. Sherman indicated this Warrant Article was non-binding.

Comments: By Mrs. Green, who signed the petition questioned whether this was non-binding. Dr. Metzler explained what non-binding was and that on the advice of counsel, the School Board could take the Warrant Article under consideration if it is passed. If it fails, the effect would be that the District would be required to fully fund all-day Kindergarten. Mrs. Green asked for reasons why it was non-binding. Mrs. Green indicated there was adequacy aid for part time, but not for full time. She commented that Kindergarten should not compete against neighborhood daycare centers now going out of business.

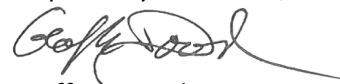
SPECIAL MEETINGS: (01:11:25)

Mr. Heffernan stated that immediately after the meeting, the School Committee would meet in the Performing Arts Center, Room 719 and the Budget Committee would meet in Room 716, for the purpose of each committee to take action on Warrant Articles.

Deliberative Session will be on Thursday, February 4, 2016 at the Timberlane Regional High School Gymnasium, 30 Greenough Road, Plaistow, NH. Voter check-in opens at 6:00pm in the High School Cafeteria.

(01:12:16) Mr. Heffernan thanked citizens for attending the meeting and closed the meeting at 8:16pm.

Respectfully submitted,



Geoffrey Dowd
Recording Clerk

Approved by the Budget Committee on February 4, 2016.

This meeting may be watched in its entirety by logging onto:

<https://vimeo.com/album/255893/video/152007763>.