

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

2016-17 Budget Season
November 24, 2015
7:00 PM

Superintendent's Office
30 Greenough Road
Plaistow, NH

Call to Order (00:00:02)

Committee Chairman Dennis Heffernan called this November 24, 2015 joint Budget Committee and School Committee meeting to order at 7:05pm with the roll call followed by the Pledge of Allegiance which was led by Mr. Peter Bealo.

Budget Committee Members Present

Mr. Dennis Heffernan, Mr. Joshua Horns, Mr. Tony Cantone, Mrs. Kate Delfino, Mr. Lee Dube, Mrs. Julie Hammond, Mrs. Michelle O'Neil. Absent: Mr. Thomas Geary (excused absence), Ms. Cathy Gorman, Mr. Rick Blair (School Committee Representative to the Budget Committee).

School Committee Members Present

Mr. Peter Bealo, Mr. Rob Collins, Mrs. Donna Green, Mr. Jack Sapia, Mrs. Susan Sherman, Mr. Gregory Spero, Mrs. Nancy Steenson.

Administrators Present

Dr. Earl Metzler, Superintendent of Schools	Mrs. Nancy Barcelos, Principal, Danville Elementary
Mr. George Stokinger, Business Administrator, SAU	Mr. Brian Shawley, Assistant Principal, Danville Elem.
Mr. Geoff Dowd, Business Operations Coordinator, SAU	Mr. Jim Hughes, Director of Facilities

(00:02:07) 7:12 Mrs. O'Neil proposed a Motion.

MOTION: Mrs. O'Neil motioned to go down on agenda to discuss the 2016-2017 budget with the School Board (#10 on the Agenda).

DISCUSSION: There was no discussion.

Chairman Heffernan called the vote which passed (7-0-0).

NEW BUSINESS (00:02:39)

Mr. Heffernan stated the purpose of the joint nature of the meeting between the Budget Committee and the School Board was to discuss some of the potential warrant items impacting the budget. There would then be discussion on specific line items.

7:10 **(00:04:19)** Mrs. Steenson stated there were generators scheduled to be installed to accompany a grant. The grant has not been approved. If we are to move forward, we'll be paying 100%. Mr. Heffernan stated they were for two buildings. Mrs. Steenson asked to see if there was interest in including these as a warrant items.

Mr. Heffernan asked for an informal poll as to what the interest would be in partially and fully funding the project with would total \$217K as budgeted, \$147,500 for the High School and \$69,500 for the PAC. Mrs. Steenson asked if we could ascertain interest in whether this should be undertaken at all and if so if it should be funded 100%. No interest was shown. Mr. Sapia stated things like this may be better placed as a Warrant

Article for the voters if the board determines to move forward. Mrs. Sherman suggested such a Capital Reserve request not be limited to High School or PAC generators in particular. Mrs. Delfino stated this should be voted on by the community. Mr. Collins stated there is money currently in Capital Reserve for such an effort and not that he was necessarily in favor of it. Mrs. Delfino stated that in lieu of the budget, this should come out of the budget. The School Board should make the decision as to whether this should be a Capital Reserve item or general Warrant Article.

MOTION: Mrs. Delfino made a Motion to remove funding for the High School and PAC generator from the Budget. Second made by Mr. Cantone.

DISCUSSION: Mr. Heffernan stated this was a total of \$217K being removed from the budget, combined between the High School and PAC. This was confirmed to Mrs. Green and Mr. Horns. Mr. Horns confirmed this would be removed from Budget Line item 4600. Mrs. Steenson she was hoping the Budget Committee would provide the discussion on these matters to give direction to the School Board. She further stated if this went on a Warrant Article, that there would be consideration on how many would be on the budget in terms of capital items. Mr. Horns stated he would like to see this as part of CIP since it is an infrastructure item to be funded year over year.

Chairman Heffernan called the vote which passed (7-0-0).

7:18pm (00:12:47) Mrs. Steenson requested whether the generator issue was on or off the table from the Budget Committee perspective. Mr. Heffernan stated it would be up to the School Committee. Mr. Bealo preferred to sanitize the project list and then decide what is a CIP or capital reserve items would be. Mrs. Sherman would prepare a list of those items. Mrs. O'Neil stated we already have a capital reserve fund for these things and adding a second capital reserve fund would complicate things.

Mrs. Steenson stated that in the TRSD Major Maintenance and Renovations Project schedule identifies projects for discussion. Mr. Heffernan stated there is \$450K proposed for Danville Elementary fire suppression. There is already \$250K as part of this year's budget. Mr. Sapia stated he is wondering if this was something that could be put off and whether this is a Warrant Article item. Mrs. Steenson agreed with Mr. Sapia. Mrs. Delfino asked how crucial this was for fire safety. Mrs. Steenson stated that there was an evacuation plan in place and the students are expected to exit the building. The fire suppression system would save the buildings. Mr. Jim Hughes stated that buildings 2 stories or more would have to have sprinklers and identified various buildings in the district which already feature sprinklers. The Facilities Dept. is interested in saving buildings to protect tax payer assets. Mr. Cantone asked whether there would be a discount in insurance. Mr. Stokinger stated there would be no reduction in insurance. Mr. Collins was wondering whether, in the event of fire, the insurance company would pay for alternative placement of the students. Mr. Stokinger was not sure. Mr. Dube stated he was in favor of including this in the budget in the interest of saving our children and buildings. Mrs. Steenson stated as a matter of safety she is in favor and inquired how many buildings did not have sprinklers. Mr. Hughes stated there were three buildings without sprinklers, Sandown North and Central, and Danville Elementary. There were sprinklers in mechanical rooms. Mrs. Steenson suggested this be part of a capital reserve plan.

Mrs. Delfino asked if the previous \$250K was added to the budget or if it was a Warrant Article item. The consensus was the \$250K was added to the budget. Mrs. O'Neil stated it is not used or encumbered, it would be surplus. Mrs. Green questioned that if this is something that went to the Warrant Article, we could begin the work and that would encumber the existing funds if we entered into a contract for the work. She would be in favor of using capital reserve funds for to go to the voters. Mr. Horns clarified that a Capital Reserve expenditure would have to be voted on by the voters. Mr. Cantone asked if the Danville fire detection system

was adequate and if the proposal upgraded the existing system. Mr. Hughes confirmed the system was fine and that some improvements would be made to the system as part of the project.

Mr. Sapia suggested the initial thought was the initial rough in of the plumbing was for the \$250K. However, if the balance is not approved by the voters, either through Warrant Article or Capital Reserve, and we did the rough in, we would have pipes doing nothing. If this was proposed as a capital reserve item, it would drain half of our reserve and there are a number of other projects existing. Mrs. O'Neil requested that we table the issue of sprinklers and go back to it if necessary. Mr. Collins requested an exact figure for the Capital Reserve fund. Mr. Stokinger stated the balance was \$863,092.

Mr. Heffernan asked if the main High School Gymnasium painting for \$23,800 should be discussed. Mrs. Steenson asked Mr. Hughes whether this should be done in conjunction with the other work on the exterior of the gym? Mr. Hughes confirmed this is his recommendation that this work be completed in conjunction with the exterior gymnasium work. The gymnasium has been band-aided for some time. Exterior counter near the roof needs to be addressed and brickwork needs to be repointed by a professional. Mr. Heffernan recognized the need and health concerns and would be in favor of seeing this work being completed out of the capital reserve fund to have the work done this year. Mr. Sapia stated his background in this brickwork and restoration work. As the building and brickwork continues to deteriorate, the problem will grow exponentially. This is an issue that if put off, will create a dangerous situation and it imperative to address. Moisture is coming in off the walls and the paint is peeling and as a result the exterior work should be completed first. Mr. Heffernan confirmed the two line items would be capital reserve items. Mr. Collins clarified that Mr. Heffernan had requested this be paid for this year out of capital reserve. Mr. Heffernan confirmed. Mr. Collins stated such Capital Reserve repairs would be voted on by the voters and could not come out of Capital Reserve without a vote by the voters.

Mrs. Delfino was 100% in favor of putting this in the budget because the gym is used by every student in the school, and this impacts every student in the High School. Mr. Cantone asked Mr. Hughes whether this posed an immediate safety issue. Mr. Hughes stated if his staff does not catch the water as it comes in, then it is possible that a safety issue could exist. The water comes in, down the walls, and under the bleachers. Mr. Horns suggested moving the \$250K from sprinklers to cover these repairs. Mr. Hughes stated he did not think it could be moved since it was designated at the Deliberative Session for Danville Elementary sprinklers. Mr. Horns suggested encumbering the existing \$250K by entering into a contract this year, and then budget \$120K in the next budget. Mrs. O'Neil suggested it would be up to the School Board to decide and we're working on the next year's budget. Mrs. Sherman stated it would be possible to move a lot of items around and the funds could be found in areas other than having the Facilities Budget taking such a big hit. Mr. Sapia stated that if a contract was entered into for the \$250K prior to the end of the school year, the work could commence and be completed early in the summer to complete prior to the start of school. If a Warrant Article moves forward to complete the Danville fire suppression, then we should not move forward with the gymnasium work. Mr. Sapia asked if the peeling beige siding was included in the proposal. Mr. Hughes confirmed the beige portion was part of the project. Mr. Heffernan if there were any other viable options for the repairs. Mr. Hughes confirmed there were no options which would save significant money. Mr. Collins asked if the beige piece was on a separate line item. Mr. Hughes confirmed this was on a separate line on the schedule.

Mrs. Green stated the \$250K was in the current budget, and if that \$250K was used in the current year, it would leave \$143K. There is an approximate \$1.9M surplus. Mr. Collins stated there is not a lot left in the capital budget vs. the operating budget. Mrs. Green stated that Mr. Collins stated at a previous meeting that the capital and operating budgets were a fantasy. Mr. Heffernan stated he would like to bring the discussion back and that it seemed the Budget Committee was in favor of leaving this in the budget. Mr. Dube stated he would

like to see the School Board see what they can do with this year's budget. Mrs. Steenson stated the School Board would like to find funding this year to resolve and she would look at this the first week of December. In support of getting the project into this year's budget, Mr. Cantone stated that leaking water continues to cause issues and you may not know until you get into it. The sooner it can get into the budget, the better.

Mr. Heffernan revisited Danville fire suppression. Mrs. Steenson asked Dr. Metzler and Mr. Stokinger if the \$250K from the fire suppression could be used for the High School repairs. Mr. Stokinger stated that he thought the money was added to the budget on a vote that it be for fire suppression. Dr. Metzler stated that if the School Board has a more pressing need, that would be up to the School Board. Mr. Horns stated the difference was that this was not a Warrant Article item and this was simply added to the budget. As it is within the budget, line item transfers could be transferred. Mrs. Delfino stated she believed the funds were added to the budget in good faith, but without full knowledge of the actual expense. The expense is much higher than anticipated. Mr. Sapia stated that with the current state of the facility, this would be an effective use of funds.

MOTION: Mr. Horns made a Motion that we remove the \$450,000 from the major maintenance budget for the Danville fire suppression. Second by Mrs. O'Neil.

Discussion: Mr. Dube is in favor of tabling until we have further School Board budget analysis. Mrs. Steenson stated the School Board probably has an idea where to go with this issue and she would not want to be hasty about a decision. Mr. Collins suggested that the brickwork was for next year's budget and he's not sure why it's being discussed in this year's budget. He further asked whether this needed to be started before July 1. Mr. Sapia stated as far as completing the work prior to the school year, they can add bricklayers, but that since this is restoration work, then the boards should be aware it may be a bigger job. Mrs. Steenson clarified that the money would stay in next year's budget pending discussion by the School Board.

Dr. Metzler stated that it was good that the board is giving direction and that it would be great for the board be able to make a recommendation on a bottom line budget number. This would permit direction on the part of administration as well as the School Board. Further discussion ensued. Mr. Collins inquired when the work could be started. Mr. Sapia stated the earliest would be May or June. Dr. Metzler clarified that he did not want major construction during student testing. Mr. Horns stated the money could be encumbered prior to the start of the work.

CALL THE QUESTION: Mr. Horns Called the Question. Second by Mrs. O'Neil.

Mr. Dowd requested a Point of Order to clarify whether Mr. Heffernan had made the underlying Motion and discussion ensued wherein it appeared clarified that Mr. Heffernan withdrew his Motion made, Mr. Horns then set forward the Motion as listed, seconded by Mrs. O'Neil.

Mrs. O'Neil was unclear on the Motion on the floor. Mr. Dowd re-read the Motion.

Mr. Collins called a Point of Order to ask whether the Motion was to Call the Question, or for the underlying Motion. The Motion is to Call the Question.

Chairman Heffernan called the vote to Call the Question which failed (4-3-0) Mr. Dube, Mrs. Hammond and Mr. Cantone against.

Discussion continued with Mr. Cantone asking if the Danville fire suppression system could be done more piecemeal. Mr. Hughes responded you would end up with pipes to nowhere. Mr. Cantone asked Mr. Hughes

how secure he was Mr. Hughes in securing the estimate and is the scope the same as the initial estimate? Mr. Hughes received it last summer and he was confident.

Mrs. Steenson stated that putting this in front of the voters would not cause us to lose any funds, like grant funds as it would if this project were subject to a grant. Mr. Cantone stated that as a safety issue, he believed this belongs on a warrant. Mr. Sapia confirmed this thought with respect to the sprinkler system. Mrs. Green stated the fire suppression was the result of 1 bid and she wanted to point that out for bid.

Mr. Collins stated he was not comfortable with this discussion where there are two other buildings in need of fire suppression as well. Mrs. Delfino questioned why Danville was more urgent than others. Mrs. Green stated that the Sandown Fire Chief would be amenable to a cistern at Sandown North which would be a source of water for the fire trucks, which would mitigate the risk. Mr. Hughes confirmed the cistern would still allow the buildings to become fully involved. Mrs. Steenson stated the Facilities Committee has simply started with one building and then moved onto the next building and the next after that. Mr. Sapia was in favor of making these items part of the CIP and chipping away at these systems in an organized manner accordingly. Mrs. Green stated she was positive the fire marshal would have previously approved a cistern for Sandown North otherwise the Sandown Fire Chief would not be recommending it. She thanked the Budget Committee for having this session. Mrs. Green acknowledged there was more the Budget Committee needed to get to and she did not want to overstay her welcome. Mrs. Green equated the project as \$700,000 in building insurance and a consideration for the fire responders as well. Mrs. Steenson asked if we could move on. Mr. Cantone stated we are talking about 2 projects costing over half a million dollars. He has not heard that we have had more than 1 proposal on either plan. He suggested a 'proposal' instead of a 'quote'. This would introduce a different approach for consideration on both projects.

Mr. Hughes elaborated that once the voters approve, he goes out to bid.

Chairman Heffernan called the vote on the Motion which was (5-2-0) with Mr. Dube and Mrs. Delfino against.

(01:15:00) Mr. Steenson discussed that the School Board would address it as it has been taken out of the budget. The initial vote was stated by Mr. Dowd as (4-2-1) with Mr. Sapia being believed to have abstained. Mr. Sapia stated he thought he voted in the affirmative, but did not intend to remove the funds from the budget. Mr. Dowd re-read the Motion. Discussion of a Motion to Reconsidered ensued.

There was a vote which appeared to be (5-2-0) with Dube and Delfino not voting in favor.

MOTION: Motion to Reconsider the Motion was made by Mr. Dube. Second by Mrs. O'Neil.

DISCUSSION: None.

Chairman Heffernan called the Motion to Reconsider the Motion which passed unanimously.

Dr. Metzler asked with Mr. Collins present, and with him being the School Board Representative alternate to the Budget Committee, shouldn't he be voting?

Mr. Collins expressed his intent to sit as Alternate School Board Representative to the Budget Committee.

Chairman Heffernan called the Motion which failed (4-4-0) with Mr. Dube, Mr Sapia, Mrs. Delfino and Mr. Collins against.

(01:20:10) Mrs. Steenson has requested the board reach a consensus on some major items for Dr. Metzler so the Board can act on that information next week. She also requested the Budget Committee develop of bottom line budget number for Dr. Metzler.

Mrs. Delfino asked about proposed Warrant Article item involving introducing natural light at the High School. Do we have an idea what the cost would be for the study? Mrs. Steenson stated that there were two ways to look at it. Do we look at what it would cost to remedy it or would it be what the study was. There was an estimate of \$30K for the study. Mr. Hughes confirmed and that if you want to move forward with plans, it would be about \$55K. Mrs. Delfino was in favor of natural light for the students, but this is a perfect CIP item and not a Warrant item.

Mr. Sapia stated the building is old and it is difficult to include skylights. Mr. Collins stated this is a School Board issue.

Mrs. Green has Warrant Article Proposal #5 for a Sandown North cistern if it's not included in the budget. The Fire Chief of Sandown is adamant for some kind of fire suppression system for that building. It is better to be included in a Warrant, since we may be compelled to get the work done by the Fire Chief. Mr. Dube is not in favor of such a proposal, he would rather see this be a Warrant Article for a full fire suppression system item for safety and not just for building safety. Mr. Sapia confirmed this cistern does not address public safety adequately.

(01:29:19) Mr. Dube asked whether the first proposed Warrant Article involving Kindergarten should include the first 6 years, not the first stated 5 years. Mrs. Green thought so. Mr. Collins began to discuss the Articles of Agreement. Mrs. Steenson stated it had been discussed among School Board members and this is not a monetary Warrant item.

Mrs. Steenson asked if the Budget Committee could give a bottom line dollar to Dr. Metzler. Mr. Horns stated he would be going through the budget lines. Mr. Heffernan stated they would be going through the budget line by line and there is much work ahead and we'll get to it tonight. Mrs. Steenson stated the School Board would probably not be able to participate in a line by line item. Mr. Cantone questioned whether the School Board creates the budget and they bring it to the Budget Committee. Mr. Horns stated he was under the impression the governing body puts the budget together and presents it to the Budget Committee. Mr. Bealo stated how the preparation of the budget is developed in the Town of Plaistow.

Mrs. Delfino would like hear whether there is a figure the School Board has in mind for a bottom line budget, whether it's a dollar or percent of what's been presented. Mrs. Steenson stated she does not believe there is a process. A request was made that since we're all in the same room, to get some direction on the budget. Mr. Collins stated the direction of the Board would be better made in the context of the School Board, but that 9 separate opinions may not represent the opinion of the Board.

Dr. Metzler stated there is a policy in place, citing policy BBN. This is a School Board budget and the School Board has delegated this responsibility to the Superintendent to prepare. The hope this year is that the checks and balances are in place between the School Board and Budget Committee with cooperation between the bodies. We are hoping for overall direction on the budget and we can have it turned it around quickly.

Mr. Cantone questioned whether the board of directors, the School Board, has deferred the budget to the SAU, and the SAU presents the budget of the Board to the Budget Committee.

Mr. Horns observed he is in his second year and there has been progress over the years. However, some snags exist, such as a request for additional special education positions which have not been approved by the School Board. It is difficult to say that we're approving budget funds for a position which does not exist.

Mr. Collins clarified that, for example, in the case of a budget program, it's not that the department head does not have the authority to purchase a program, but the School Board or department may still be deciding what that program may be. The process, as he understood it, was that if the Budget Committee had questions, the School Board could address the questions and input throughout the process.

Mr. Heffernan stated some of that occurred tonight. Mr. Horns stated that in the case of Curriculum, he asked the presenter to effect 'have additional positions been approved' and the presenter said no. Dr. Metzler stated the positions were ultimately not included in the budget. Healthcare alone brought up the budget substantially. There's nothing that's been added which has not been approved. The departments need to budget out 18 months out for a position which may be approved. Going before the School Board, the question is, has this gone to Budget Committee, and vice versa. School Board is here to let the Budget Committee know what the goals and directions are of the district are. Mr. Horns stated his comments were not a criticism.

Mrs. Green stated at the last School Board meeting, she made a motion to remove \$40K from the budget for snowplowing. She stated the Selectmen in Sandown are committed to plowing Sandown Central. Mrs. Green requested the Budget Committee strike that \$40K from the budget. A lively exchange occurred between Dr. Metzler and Mrs. Green in relation to actual communications from the Town of Sandown.

Mrs. Green stated she feels the fundamentals of the budget are not being examined, we don't know how many unfunded positions are included. The Budget Committee does not know how many positions are being funded. Mr. Heffernan stated the Budget Committee reviews the budget in detail and has heard from department heads and recognized that at the previous School Board Meeting, Mrs. Green appeared to indicate the Budget Committee was not doing their job. Mrs. Green stated the Budget Committee was not getting the information they need to do their job properly. Dr. Metzler stated that at the end of the last meeting, he asked Mr. Heffernan whether further information was required to make the process complete.

Mr. Heffernan read and email into the record dated November 10, 2015, from the Town of Sandown Town Administrator Lynne Blaisdell "The only thing that I can confirm is our year ending December 31, 2016, there will be no charge. Neither I nor the Selectmen cannot bind a future board beyond that time period. I know this does not help with you question". Mr. Heffernan stated that is why the \$40K is in the current budget for plowing.

Mrs. Sherman recognized Mrs. Greens Budget Committee comments from the previous School Board meeting. She stated that the schools are plowed all on a gentlemen's agreement and that no town can commit beyond the budget year. She would love to see every detail, but we're at a summary level. Mr. Dube commented he shared similar sentiments. Mr. Horns stated similar comments and that we operate under RSA's. The Selectman cannot bind subsequent boards. Mr. Collins stated we are budgeting 18 months out and positions for budget purposes do move around. Mr. Collins stated the Sandown issue came up because the TLC program is now there. If more district programs are moved in, will the snow plowing continue to be provided by Sandown? Plaistow, for example, does not plow the High School and Middle School.

Mr. Heffernan stated there were 2 goals for the meeting. First was to look at the Warrant Articles. Second was whether we could find common ground around the budget numbers. He feels the meeting has been productive. This was the first time tried and overall has been a success.

Mrs. Delfino feels this collaboration has been a good thing. Let's not wait until September to figure out what we should be doing differently. September is too late. She thanked the School Board for participating and hopes we can continue this.

Mr. Spero recognized there is a 21% increase in health costs. Mr. Dowd and his committee are working on the detail and perhaps this is an area to look at.

Mr. Cantone commented this is this third time going through the process and it has not been the same process once. He suggested putting in place a process to follow. Administrator's budgets were presented. In one case, five areas of increase were recognized totaling but the presenter only rationalized \$34K out of \$150K in actual spending differences. Eight departments showed \$258,844 in increase over FY 2016 budget. This same 23 line items represented \$939,000 in budget over spend.

Mrs. O'Neil acknowledged the Superintendent froze spending in 2015. We don't know what we'll spend in 2016. The surplus goes back to the taxpayers. Mr. Cantone is curious where the rationalization is. Mrs. O'Neil commented it was budgeted in 2015 and not spent at the direction of the Superintendent.

Mr. Heffernan stated he was pleased about the attendance of the School Committee. Mrs. Steenson suggested a brief recess for the School Committee members who wish to leave to do so. Mr. Horns thanked the School Board for coming.

Mr. Horns called for a Motion to Recess, but did not complete the Motion, as Mr. Stokinger requested clarification on the cuts of \$217K only out of the budget, and the \$450K remained in the Budget. Discussion ensued.

(02:10:19) Mr. Horns made a Motion to Recess for five minutes.

MOTION: Motion to Recess for five minutes was made by Mr. Horns. Second by Mrs. O'Neil.
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DISCUSSION: None.

Chairman Heffernan called the Motion to Recess which passed unanimously.

9:31pm **(02:25:15)** Mr. Heffernan called the meeting to order and recognized Mr. Sapia has taken the place of Mr. Collins as the School Board representative to the Budget Committee.

(02:25:22) Mrs. O'Neil made a Motion to go back on the Agenda to the Approval of the Minutes.

MOTION: Motion to go back on the Agenda to the Approval of the Minutes from the November 12, 2015 meeting made by Ms. O'Neil. Second by Mr. Cantone.

DISCUSSION: None.

Chairman Heffernan called the Motion to go back on the Agenda to the Approval of the Minutes from the November 12, 2015 meeting, which passed unanimously.

APPROVAL OF THE MINUTES (02:26:14)

Mrs. O'Neil made a Motion to Approve the Minutes of November 12, 2015.

**MOTION: Motion to Approve the Minutes from the November 12, 2015 meeting made by Mrs. O'Neil.
Second by Mrs. Delfino.**

DISCUSSION: Changes to the Minutes were discussed.

Chairman Heffernan called the Motion Approve the Minutes from the November 12, 2015 meeting which passed (7-0-1) with Mr. Sapia abstaining.

CORRESPONDENCE (02:28:40)

The Sandown Town Administrator sent an email communication relating to plowing which was previously read into the record.

ADMINISTRATIVE REPORT (02:31:34)

Mr. Stokinger stated no report.

REPORT OF COMMITTEES 9:37pm (02:31:45)

School Committee discussion ensued throughout the meeting.

UNFINISHED BUSINESS 9:38pm (02:32:00)

None.

NEW BUSINESS 9:38pm (02:32:15)

Mr. Stokinger began discussion on the Budget which is now at \$71,384,766 and is a compilation of all the pieces. This is up \$3M from budget. \$1.684M is for Employee Insurance, which alone is 2.5%. Other drivers include building projects with \$217K cut earlier tonight. Items reduced include Bond interest, down \$84K which goes down every year. Software/Books are down \$135K, mostly due to the math program. \$250K Capital Projects is down as these are Warrant Article items. Tuition is favorable \$282,797. Other than salaries, there's little discretion at this time. These non-discretionary items are a hint of a Default Budget. Earlier today, a rough estimate of the Default Budget is at the bottom of the schedule at estimated \$70,031,489.

Mr. Horns asked whether the \$250K for the capital reserve was properly included in the Default? Mr. Stokinger stated he was correct and the \$250K would come out.

Mr. Horns asked about FICA. Mr. Stokinger stated he was not sure which portion of the line item is retirement. FICA is up \$53K. He will check his schedules to confirm. Mr. Cantone asked Mr. Stokinger what the employee split was with respect to employee and district contribution. Mr. Stokinger stated it depends on their classification for benefits and what union the employee is in. It varies among the employee groups.

Mrs. Delfino asked is the Board looking to give Dr. Metzler a ballpark number. Mr. Heffernan stated that was the goal. Mr. Dube asked if we were looking at lines, or bottom line? Mr. Heffernan stated it was open.

Mr. Stokinger stated he changed his opinion; the \$249,999 is not currently included in the default calculation.

Dr. Metzler stated he requested Mr. Stokinger provide rough, last minute estimates on the Default Budget.

Mr. Dube stated that it was helpful to have the Default number. Mr. Dube asked for clarification on the “snow removal” and “snowplowing”. Dr. Metzler stated there may have been a difference years ago relative to removing the snow vs. plowing it. Mr. Dube noted there was \$40K listed and whether that was to cover plowing or removal? Dr. Metzler stated there is one number for all of it. Mr. Dube stated that no town can commit to future years. Mr. Dube understood the proposed \$40K addition was for snowplowing and removal at Sandown Central. Dr. Metzler confirmed this was the case and the figure was \$40K for the work required.

(02:45:02) Mr. Dube proposed a Motion.

MOTION: Motion to Remove \$40,000 from the Snowplowing Object Code 422 made by Mr. Dube. Second by Mr. Horns.

DISCUSSION: Mr. Horns noted \$11K in the budget to include snow removal everything else in the District. He has also not seen anything from the Sandown Board of Selectman indicating they will not plow. Mr. Sapia found it suspect that the Committee would receive a communication from the Town of Sandown on this issue. Mrs. Hammond is OK to leave it there pending a determination of full use of the building, and whether they will plow it. Dr. Metzler confirmed the District does not have the internal capability of handling this work and the schools must be safe. If the funds are removed, the funds will have to come from the schools in Sandown. If the town agrees to plow, he will freeze the lines at that time.

Mr. Horns noted there is no way to get assurances from Sandown on this issue. Mr. Horns also asked if emergency funds existed and if so, can they be used for this purpose.

(02:50:15) Chairman Heffernan called the vote on the Motion to Remove \$40,000 from the Snowplowing Object Code 422 which failed (4-4-0) with Mrs. Hammond, Mrs. O’Neil, Mr. Sapia and Mrs. Delfino against.

Dr. Metzler pointed out that if a super conservative budget was required, that \$40K would be considered to be removed from the budget.

Mrs. Delfino asked, in the interest of providing a bottom line number for Dr. Metzler to consider the following: After \$217K for generators is removed; \$450K for Danville Elementary may be removed in favor of a Warrant Article; and gym renovations may be taken out, perhaps by covering in the current budget or moving funds, \$370K could be removed, which would bring the budget to approximately to \$70,373,966. Taking out the employee insurance

(02:54:34) Mrs. Delfino proposed a Motion.

MOTION: Motion to Reduce the Budget to \$70,006,000 made by Mrs. Delfino. Second by Mr. Sapia.

DISCUSSION: Mrs. Delfino stated this was just to give Dr. Metzler guidance. Mrs. Hammond asked about the Capital Reserve difference of \$250K. Discussion ensued with Mrs. O’Neil on the issue. Mr. Stokinger clarified that was not part of the original budget last year, but was approved as a one time item by the voters. It was voted into the 2016 Budget, but is not included in the current Budget.

(02:59:54) Mr. Cantone proposed an Amendment to Mrs. Delfino's Motion.

MOTION: Motion to Amend the current Motion to change the figure to \$69,405,636. Second by Mr. Dube.

DISCUSSION: Mr. Cantone proposed taking the 2015 spend of \$63,409,028 and then add 3% compounding in 2016 and 2017 for a total of \$67,270,636. Then, add \$1.7M for the insurance for a total of \$68,970,636. Add \$1.116M for building projects totaling \$70,086,636. Take away \$681K the administrators did not rationalize in their submittals. The result is \$69,405,636 which is a 9.5% increase over 2015 actual spend.

Mrs. O'Neil would be in favor of Mr. Cantone's figure of \$70,086,636 before the un-rationalized \$681K. She has an issue because this was money not spent by departments at the direction of the Superintendent. Mrs. Delfino feels the figure of \$681K was rationalized to her, and if that's included back, she is comfortable with Mr. Cantone's number.

Mr. Horns is not in agreement with the rationale of Mr. Cantone. However, in terms of providing a number for the Superintendent to work with, some prioritization of projects should occur. He agrees it should be in the \$69M range but does not agree with the rationalization. There needs to be some prioritization of building projects as well.

(03:09:17) Chairman Heffernan called the vote on the Motion to Amend the figure to \$69,405,636, which failed (3-4-1) with Mr. Dube, Mr. Horns, and Mr. Cantone in favor; Mrs. O'Neil, Mr. Heffernan, Mr. Sapia and Mrs. Delfino against; Mrs. Hammond abstained.

Mrs. Hammond requested a reiteration of Mrs. Delfino's proposed amount. Mrs. Delfino went through the rationale. Essentially add the insurance increase of \$1.7M to last year's budget. The equation is to start with the current proposed budget, remove the \$217K for generators bringing the total to \$71,167,706. Remove Danville sprinklers of \$450K, bringing the budget to approximately \$70,717,000. If we fund the gym repairs this year \$292,800 would be removed from next year's budget resulting in \$70,323,967 which is a difference of \$322K between where we are and where the current budget is with insurance.

Mr. Sapia feels Mrs. Delfino's budget number is a responsible, reasonable number. Mrs. Delfino stated this is a starting point, not a final number. Mr. Heffernan hoped to provide Dr. Metzler a budget number and this is a good starting point. Mr. Horns questioned what the next meeting would be like. Is what goes to the School Board going to be the budget under this approach? Dr. Metzler stated the School Board will be presented to what the budget will look like. The Budget Committee is directing the Superintendent by the numbers, the School Board directs the work.

Mr. Dube stated the maximum that the budget will be. Dr. Metzler stated that if the number is different, the board will be in a good position to then know what is actually in the budget. Mrs. O'Neil stated that in some cases, the budget came in lower, and the Budget Committee has actually put numbers back in. Mr. Heffernan commented there have been 4 or 5 drafts of the budget. This is the first shot at the budget.

(03:20:39) Mr. Dube prepared to make a Motion, seconded by Mr. Cantone, which was subsequently withdrawn.

(03:22:39) Mr. Dube proposed an Amendment to Mrs. Delfino's Motion.

MOTION: Motion to Amend the current Motion to read "Motion to Reduce the proposed Budget to \$70,006,000 pending further review by the Budget Committee" made by Mr. Dube. Second by Mrs. O'Neil.

DISCUSSION: None.

(03:23:15) Chairman Heffernan called the vote on the Motion to Amend, which passed (6-1-1) with Mr. Horns voting against and Mrs. Hammond abstaining.

(03:24:08) Chairman Heffernan called the vote on the Motion as Amended, which passed (6-1-1) with Mr. Horns voting against and Mrs. Hammond abstaining.

Mrs. Hammond liked Mr. Cantone's concept of being able to go backwards using actual spend numbers in order to justify to the public what the budget is comprised of.

OTHER BUSINESS (03:25:50)

None.

FUTURE DATES (03:25:59)

December 10, 2015 at 7:00pm at the Superintendent's Office.

December 22, 2015 at 7:00pm at the Superintendent's Office.

January 14, 2015 is the public hearing at the PAC at 7:00pm.

Mr. Heffernan extended best wishes and safe travel to all board members over the holiday.

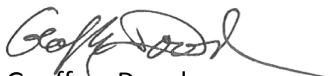
ADJOURNMENT (03:26:41)

MOTION: Motion to Adjourn made by Mr. Horns. Second by Mrs. O'Neil.

DISCUSSION: None.

Chairman Heffernan called the vote on the Motion to Adjourn, which passed unanimously.

Respectfully submitted,



Geoffrey Dowd
Recording Clerk

Approved by the Budget Committee on December 10, 2015.

This meeting may be watched in its entirety by logging onto <https://vimeo.com/146926479>.