

**WEST WINDSOR-PLAINSBORO REGIONAL SCHOOL DISTRICT
BOARD FINANCE COMMITTEE MINUTES**



<u>BOE Committee:</u> Dana Krug (Chair) Anthony Fleres Yu "Taylor" Zhong	<u>Administration:</u> David Aderhold Larry Shanok Lawrence LoCastro	<u>Guest/Public:</u>
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November 11, 2014

The meeting was called to order at 6:30 PM at the Central Office. Topics covered included:

Review Agenda Items. There was discussion of some additions to the agenda. The Transportation Department suggests the disposal of a bus as it has a high cost of repairs needed and a limited remaining life. In addition there will still be four spare busses of that size to service the district. A couple of times each year the district sells its SRECs: Solar Renewable Energy Certificates. Recently, SREC prices have had a modest bump upward and it appears a reasonable time to sell the current inventory of 128 certificates. The committee supports the proposed agenda.

2014-2015 Budget Progress. A wide ranging discussion on the early formulation of the budget was held. Earlier discussions have highlighted the likely pressure for additional budget dollars: health premiums, wages, costs associated with movement of classrooms and staff in preparation of next year, and rising special education costs (in district, out of district tuition and transportation costs).

The committee discussed assumptions for the beginning our budget process. Based upon anticipated increases the committee endorsed the assumption that the BOE would authorize the full utilization of the increases allowed by the general fund cap. At the upcoming Board retreat we will discuss the parameters of the budget with the full Board as well as additional financial drivers that would further impact the development of the budget such as increasing co-curricular activities, class sizes, and advancing the time table for 1:1 technology rollout.

Furthermore, the Finance Committee reviewed the capital projects list. Currently we anticipate holding our capital spending consistent with last year's allocation of \$2.2 million. In the long term, moving the budgeted capital outlay to the six million dollar level would be prudent as it would honor the philosophical approach of placing our facilities on a 40 year replacement cycle (with 240 million in depreciable assets). The capital outlay projection of \$2.2 million currently does not include the monies to do capital projects associated with moves at Town Center and Millstone River; the architect is still working on estimates of those. When the dollars are better known, the Finance Committee and A&F Committee will have to review the project list and consider if the district should remove other projects on the capital project list or utilize capital reserve dollars in the budget to fund these projects

Construction. The board of education earlier approved a change order to allow the administration, in conjunction with the district architect, to authorize actions to maintain the momentum of the Village addition project. A change in weather will clearly come before the masons would be able to complete their work and for all windows to be in place. Without a reasonable exterior in place, a change in weather will delay interior work. The district has been presented with a \$28,940 plan to erect a temporary enclosure of the window and door openings of the project. This will allow interior work to proceed regardless of when the masonry and windows are complete. This is a cost effective insurance policy for maintaining momentum on interior work and is being actualized under the previously approved change order.

Meeting Dates. December 15 and January 21 are the upcoming finance committee meeting dates.

The committee moved to closed session at 7:27 p.m. and returned to open session at 7:35 p.m.

The meeting adjourned at 7:37 P.M.

NEXT MEETING: Monday, December 15, 2014, 6:30 PM @ Central Office

Topic for Next Meeting

Review Agenda Items
Round Four ROD grants
Financial Advisor

Future Topics:

Impact of Recent Legislation
Policies
Transportation