

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



<u>BOE Committee:</u> Louisa Ho (Chair) Scott Powell Yu "Taylor" Zhong (arrived at 8:18 pm)	<u>Administration:</u> Larry Shanok Lawrence LoCastro	<u>Guest/Public:</u>
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**August 30, 2016**

The meeting was called to order at 7:30 PM at Central Office. Topics covered included:

Review Agenda Items: The committee reviewed the upcoming agenda items and supports the actions on the agenda.

2015-2016 Year Ending: Mr. LoCastro described the good progress being made with the annual audit. The auditors and the district will be in a good position to have a timely submission – the only significant variable lies with the State of New Jersey. Once again, the audit information relating to the teacher's pension plan has not been provided to school districts by the State.

It tentatively appears that the excess surplus figure will be about \$8.5 million. While lower than a year ago – as expected with the slow tightening of the budget categories that has been happening – it remains a significant figure and will allow a good level of tax relief in a future budget.

Year-end audit rules pertaining to capital reserve saw \$2.4 million in unexpended capital reserve project dollars return to capital reserve. This places capital reserve at about \$22.5 million as of June 30, 2016. The current budget calls for use of \$5.7 of capital reserve this year.

Summer Construction: Most projects are substantially completed as of the end of August. Two projects that may exceed their August 26<sup>th</sup> substantial completion date are the Town Center playground work and the High School North robotics room. The manufacturer of the casework for robotics will not ship until the beginning of September.

It should be noted that among the substantially completed projects are: pavement work at Grover, Village, South and Millstone River; roof work at North and Hawk; HVAC work at Grover, Dutch Neck and Town Center, and a new track surface at North. A number of well-worn rooms across the district got new flooring and a number of rooms and hallways were painted in the successful second year of the district summer painting crew.

Staffing: The district has variety of supervisory personnel, as would be expected of an organization of some 1,500 employees. A review of the number of supervisors over the past ten years shows little growth. In the central office staff there is the addition of an assistant director for human resources. While there is an addition of an assistant principal at Millstone River, there is no assistant principal at Wicoff as there was ten years ago. There is now a subject supervisor for the fine and performing arts that did not exist ten years ago. Similarly, with the increase in the intricacies associated with special services and technology, there is one more supervisor in each than ten years ago. Our desire to capture value from data led to the addition of a director for data, assessment & accountability.

The discussion noted that the district's desire to place pressure on the rate of growth in spending has led to variations over the last decade. In the 2010-11 period when the district coped with the loss of \$8 million in state aid, the number of subject supervisors had been reduced compared to today's or ten years ago number of supervisors.

One of the concepts in increasing use by the district to win the most effectiveness from our talented teaching staff is that of teacher resource specialists. The committee expressed interest in a comparison over time in the number of teacher resource specialists.

SREC's Sale: The July sale received \$263.42 for each SREC; the recent sale brought just over \$31,000.

Over the past six years, our high school solar panels have gotten the district \$331,767. Combined with the original solar rebates and the value of the electricity generated, the panels are nearing a breakeven point. With nine more years of SREC sales and about 19 more years of capability of generating electricity, the project is environmentally attractive and generates value to the district.

2017-2018 Budget Progress/Budget Process Review Committee Guidelines: The budget process review committee's long standing recommendations suggest that board members forward any changes in priorities for the upcoming budget to the committee very soon.

2017-18 Capital Projects: The current year budget includes \$3.1 million for capital outlay with one million of that for technology. The next budget may require two million for technology. What might be an appropriate level for capital outlay in the next budget? It was suggested that \$5 million is a target that makes sense. On the other hand, a \$3 million level would need no additional budget dollars.

2017-18 Capital Reserve: Capital reserve plays into the capital outlay discussion. Use more capital reserve and the district can get by using less capital outlay. The discussion included, that generally speaking, the June 30, 2016, level of capital reserve at about \$22.5 million, may be sufficiently large. On the other hand if capital reserve is used for turf fields and an addition to an elementary school, as well as other construction needs, the figure no longer seems quite as large. After all, the last look at district needs suggests that over \$40 million of projects will be requested over the coming years.

In a way, this indicates that the district has done fairly well at keeping up with its facility needs. Other local districts are facing large referendums to cope with their most essential needs.

Budget: Many aspects to the 2017-18 budget suggests to the committee that budget remains a good board retreat subject.

Transportation Lease: West Windsor Township has backed away from their August demand that the transportation department exit the Wallace Road site by the end of 2016. Formulating and implementing a plan by June 30, 2017, will have many challenges and costs.

Photocopiers: The committee discussed the advantages and disadvantages of the present tactic for copiers in the district. It is generally felt that utilizing state and national contracts get the district good value. Might an RFP, winner takes all approach add value? Over the coming months more data will be sought to guide decision making in this area.

Misc.: This is the time of year that rankings get generated. Different factors and weights rearrange the standings a bit for each such ranking, but the top districts generally remain strong, regardless of the weighting criteria. A recent one by Niche places the district 3<sup>rd</sup> in the state of New Jersey. Compared to other top districts, a relative weakness was parent/student survey results rather than academics or teacher quality. Among the top Niche districts, WWPRSD had just about the lowest per pupil cost.

The meeting adjourned at 9:28P.M.

**NEXT MEETING: Tuesday, September 20, 2016, 7:30 PM @ Central Office**

Topic for Next Meeting  
Review Agenda Items  
2017-2018 Budget  
Audit

Future Topics:  
Impact of Recent Legislation  
Policies  
Transportation  
CAFR