

**MINUTES OF BOARD RETREAT HELD  
December 17, 2015**

The Board Retreat of the West Windsor-Plainsboro Board of Education was called to order by Board Vice President Kaish at 6:22 p.m. in the in the media center at Village Elementary School. The following Board members were present:

Mr. Isaac Cheng	Ms. Michele Kaish	Mr. Scott Powell
Ms. Louisa Ho	Ms. Dana Krug	Mr. Yingchao "YZ" Zhang
Ms. Rachel Juliana		

Board Members Fleres and Zhong were absent. Present also were: Dr. David Aderhold, Superintendent of Schools; Mr. Larry Shanok, Assistant Superintendent for Finance/Board Secretary; Mr. Martin Smith, Assistant Superintendent, Curriculum & Instruction; and Mr. Gerard Dalton, Assistant Superintendent, Pupil Services/Planning.

**CONVENE**

In accordance with the State's Sunshine Law, adequate notice of this meeting was provided by mailing a notice of the time, date, location and, to the extent known, the agenda of this meeting to the PRINCETON PACKET, THE TIMES, THE TRENTONIAN, THE HOME NEWS TRIBUNE, AND WEST WINDSOR and PLAINSBORO PUBLIC LIBRARIES. Copies of the notice have also been posted in the board office and filed with Plainsboro's and West Windsor's township clerks and in each of the district schools.

**PUBLIC COMMENT**

No members of the public were present.

**BOARD PRESIDENT'S COMMENTS**

Mr. Fleres welcomed everyone to the retreat.

**SUPERINTENDENT'S COMMENTS**

Dr. Aderhold thanked everyone for participating tonight after a long week of service earlier.

**Welcome/Review Purpose and Outcomes**

The Superintendent led an introductory exercise. With the start of the new Star Wars movie, a variety of quotes were utilized to spur discussion.

Mr. Fleres arrived at 6:46 PM.

Dr. Aderhold led a discussion about deep and powerful learning. Utilizing portions of a TED Talk by William Richardson, the group explored dimensions favorable and unfavorable to such learning.

Then, Dr. Aderhold reviewed what a school budget is: with dimensions of a planning tool, provides consideration of contingencies, manages risk, and is fiscally responsible.

He noted the budget process timelines: from the work that has already taken place to the many tasks to be done as we prepare to reach the April 26, 2016, Public Hearing and Adoption of the 2016-2017 budget. He touched upon the bigger picture aspects of the budget, from salaries, benefits and capital projects to specific areas such as special services, middle school sports, and transportation.

Mr. Shanok discussed state aid and health premium history and that we must budget without any idea what the January 1, 2017, medical care premium increase will be. To further demonstrate a central budgeting dilemma, he reviewed the actual spending in key categories over the past 14 years. Actual health care spending has moved by 10% or more in 7 of the last 14 years. The last three years has seen relatively small increases in total payment despite sizeable percentage premium increases. How can this be? Two primary reasons: state imposed Chapter 78 has seen employee contributions grow by a million dollars a year recently; however, this will not be the case for the 2016-2017 budget. There has been a shift in the ratio of single and married employees with the number of married (hence fewer expensive family or employee/spouse policies). This will not likely continue for long.

Worker's Compensation is a million dollar expense and in 9 of the last 14 years it has moved up or down by double digits. The school years' utility bills have moved by double digits in 7 of the last 14 years; budget too low and at the last minute you have to cut other spending to cover an "up" year in any of these categories.

There was a review of critical aspects of the budget such as tax relief, the size of the budget increase, the magnitude of state aid and the total percentage tax levy increase each year. While the district has been consistently prudent and successful in inhibiting the rate of growth in spending, action in a specific year is dependent on the levels of tax relief and state aid. One remarkable aspect of our record of financial prudence is the fact that our debt service tax levy is at zero.

There was back and forth discussion about specific categories of expenditures, from regular and special education to co-curricular and transportation. The Dr. Aderhold, Mr. Dalton and Mr. Smith made significant contributions to the discussion, especially in matters of class size and capital outlay projects.

The Superintendent highlighted the current thinking on likely increases in a number of spending areas, noting that they easily top five million dollars.

The group took a short break. Mr. Zhong arrived at 8:35 P.M.

Everyone broke into three groupings centered on each board committee area. Board Members rotated through each of the three and discussed significant topics associated with each committee. Some lively discussion ensued in each area.

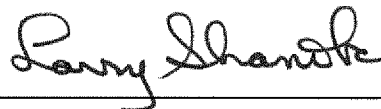
With the preceding discussions as a foundation, the Superintendent encouraged discussion about increased revenues. A 2% increase in the general fund tax levy brings in an additional three million dollars. The district has the right to use a half million dollars of banked cap. The district will not be able to compute an exact health premium adjustment until the State of New Jersey makes the new budget software available in the third week of January, but in the last budget the allowable adjustment was about a half million dollars. And of course, the district has a legal right to collect some eight million dollars in debt service tax levy that it is not collecting presently.

No one expects to raise property taxes by all of these, but what general thinking on increased revenues should the administration have in mind as it goes into greater detail with the 2016-2017 budget? Given the needs confronting the district in special services, salaries and benefits and other

areas, there was general consensus among the Board Members that the 2% increase was likely acceptable. The discussion became more complex in considering what allowable adjustments would be used. The Board of Education also recognized that it may be necessary to increase to the 2.3% area, but is reluctant to use the adjustment and raising the percentage increase to a higher level. The Superintendent noted the reluctance and the administration promised to return with more details as the budget process advances. In the next month, the personnel rollover will be completed and a better handle on increased funds for salaries will be in hand. Then we will have a better, but still early perspective on revenues and expenditures for 2016-2017.

The Superintendent and Board President thanked everyone for their participation in what has been a very busy week.

Upon motion by Ms. Ho, seconded by M. Kaish, and by unanimous voice vote of all present, the meeting adjourned at 10:40 p.m.



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Larry Shanok, Board Secretary

Prepared by:



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Kathleen M. Bertram