

**Town of Preston
Board of Education
Finance Committee Special Meeting
Thursday, December 19th, 2019
PPMS Library
6:00 pm**

1. Call to Order

Chairman Nugent called the meeting to order at 6:00 pm.

Sean Nugent (SN)
Ed Gauthier (EG)
George Carver (GC)
Andy Depta (AD) - BoF Liaison
Superintendent Seitsinger (SS)
John Spang (JS)

2. Public Comment

None provided.

3. FY21 Workshop:

- Review of Strategic Plan, Strategic Imperatives and Community Standards:
 - SS conducted a high-level walk through the BoE’s Strategic Plan (SP) emphasizing the importance of having a SP and that pages 12-17 provide an indication of the progress against our SP.
 - SS also reviewed our Strategic Imperatives (page 6 of the SP) – aka Mission Priorities – and shared that we test each budget line ensuring that they are aligned with at least one Strategic Imperative.
 - SS also spoke to our “Community Standards/Expectations” which include but are not limited to (a) managing our own buses, (b) reasonable class sizes, (c) providing a 21st century education, (d) preparing our students for success in high school and beyond, (e) providing and utilizing appropriate technology tools, (f) providing a safe educational environment, and (g) enhancing our Shared Services portfolio with the Town and neighboring Districts.
 - In addition, SS spoke to other elements which need to be factored into any budget development discussion:
 - Obligations/Mandates: This includes collective bargaining agreements, vendor contracts, NFA/Ledyard agreements, State & Federal mandates, and providing a solid SPED program.
 - Operational Musts: This includes providing & maintaining robust facilities and secure, reliable utilities (electric, fuel, heat....).
 - Key Focus Areas: SS shared that he sees the need to ensure that our Strategic Imperatives for the FY21 budget are also focused on: (a) Human Resource Management, (b) Data Management & Integration, and (c) Curriculum & Instruction.
- ZBB Learning’s/Research:
 - SN shared insights from different financial experts he spoke with who are familiar with and have used ZBB. All shared that the fact that this is a learning journey that takes time. They also shared that each user group is unique and we need to recognize that this is going to be an educational journey for us as well. All also indicated that, in the end, the district and Town will gain value from utilizing this approach. Lastly, all shared that their experience indicated that organizations employed a ‘modified-ZBB’ as some budget items are based upon add on packages (e.g. utilities, health care costs, collective bargaining agreements....).

- SS and SN both emphasized the notion that a ZBB approach to budget development does not mean or imply that the budget increase will be zero. Rather this approach “starts from zero each year with no reference to the previous years budget, and each budget item inclusion must be justified.”
- This means that we will begin by identifying what we need to educate our children and, once justified, then determine the costs associated with those needs.
- It was also emphasized that even with a ZBB approach that contractual agreements and commitments (e.g. Union Contracts, lease agreements, etc.) must be accounted for. However, a ZBB approach would provide the specifics regarding the specific numbers (headcount, supply volumes, etc.).
- It was highlighted that the district has been working with SS to improve our budgeting development and reporting but (a) creating the FC, (b) developing the 5-year high level report, (c) updating, re-aligning, and standardizing our Phoenix report that was consistent with the Town [and eliminate a duplicate report], (d) the implementation of a Strategic Plan, (e) the introduction of a robust ‘Business Proposal’ model for new funding requests, and (f) a line-by-line review of budgets.
- PPS ZBB Template/Key Data:
 - With this and the discussion on SP, Imperatives, and other elements in mind it was also noted that the budget is prepared by dividing the operations into decision units. Individual units are then aggregated to decision packages on the basis of program activities, goals, organizational units, etc.
 - The team agreed that our core element to begin this process was our student population. SN shared an early template for the team to use wherein changes were suggested. This will be our starting point for the next workshop.
 - Budget development timeline: It was noted that, last year the Town actually adopted an amended ordinance that moved the date for budget submission to the BoF from the first week in March to the first week in April. We are still awaiting, however, final confirmation of this from the BoF.

6. Public Comment

None provided.

7. Adjournment

A motion was made by EG and seconded by GC to adjourn the meeting at 7:25 pm. All in favor; motion carries.

The next FC regular meeting will be held on January 9th, 2020 beginning at 6 pm at PPMS.

Respectfully submitted,

Sean Nugent