



TOWN OF ADAMS

FINANCE COMMITTEE AND SELECT BOARD

JOINT MEETING MINUTES

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TUESDAY, August 25, 2015 – 6:30 PM
BART CHARTER SCHOOL, ONE COMMERCIAL STREET, ADAMS, MA

On the above date the *Finance Committee* held a joint workshop meeting with the *Board of Selectmen* at the *BART Charter School* at 6:30 p.m. Vice Chairman David Allen presided the *Finance Committee* meeting. Present from the *Finance Committee* were Members Brian Johnson, Joan Smigel, John Cowie, Craig Corrigan, Paul Demastrie, Sandy Kleiner, Charles Foster, and Rachel Tomkowicz.

Chairman Richard Blanchard presided the *Adams Select Board* meeting. Present from the *Adams Select Board* were Vice Chairman Jeffrey Snoonian, Members Joseph Nowak, Arthur Harrington, and John Duval.

Town Administrator, Tony Mazzucco, *McCann Superintendent* James Brosnan, *Adams-Cheshire Regional School District Superintendent* Kristen Gordon, *Adams-Cheshire Regional School District Business Manager* David Hinkell, and *BART Charter School Executive Director* Julia Bowen, and *BART Business Manager* Marti Mellor were also present.

The Select Board Meeting was called to order at 6:30 p.m. by Chairman Blanchard.

The Finance Committee Meeting was called to order at 6:30 p.m. by Vice Chairman David Allen.

OFFICIAL BUSINESS

Overview of School Finance

A PowerPoint presentation was given collaboratively by the *BART Charter School*, *Adams-Cheshire Regional School District*, and *McCann School* to give an overview of how school finance works in the different schools. The purpose of the meeting was to provide a broader understanding of school finance and how it works, both locally and in the State. The intent was have conversations on how schools are financed, dispel confusion and to answer questions.

School Finance History and Creation of "The Formula"

Superintendent Jim Brosnan explained the history of the educational reformat that took place in 1993 to make sure state and local government funded education with a shared cost. A *Chapter 70* formula was created to ensure that all districts had adequate funding, and *Charter Schools* were created. What was considered were the key driving factors including wealth, salary, and income of community populations. Categories of spending for education were identified and developed since not all students cost the same to educate. This information was put into a complicated formula to determine what the State pays and what the Community pays in education costs. *Save Harmless* indicates the school will not receive less than the Chapter 70 funds received in the previous year, which is important in Berkshire County where there is a consistent drop in population. Formulas are always behind and don't reflect the true costs of what is going on. The critical factor is the *Poverty Code* for the homeless, *ELL Students*, and *Special Ed*. These costs are not adequately reflected in the formula. 20 years ago it was accurate but these students are in far greater numbers now than in 1993. Schools need more money coming in for guidance, psychology, and small class services.



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JOINT MEETING MINUTES

Per Pupil Rates

The *Per Pupil Rates* were discussed at length, and outlined by each school system as to how they are determined. The rate takes into account the *Chapter 70 Funding* from the State, any amount above the minimum each Town is willing to spend, the total number of students, the income level of the town, and the ages and needs of the students. ACRSD students are projected at a *Per Pupil Rate* of \$13,022 for the 2015-2016 Fiscal Year, and McCann and BART are projected at \$17,566 and \$13,199 respectively. The figures are determined by enrollment at October 1st of the previous Fiscal Year, and could change as the year unfolds. The *Per Pupil Rate* is not an “apples to apples” comparison, as Charter Schools don’t have Residential or Day Therapeutic Programs that other schools have, or other items such as Retiree Healthcare.

Revenues and Expenditures per School

A break-out of the school revenues and expenditures was outlined in pie charts and an explanation was given for where each of the revenues comes from, and expenditures go to.

Capital Budgets

The way each school handles *Capital Budgets* was outlined and was very different. ACRSD reported their sources being from tax payers and state support, where McCann reported sourcing from assessments to members and BART indicated theirs was from tuition and fundraising and grant funding sources.

School Budget Processes

An outline was given for each school’s budget process comparatively. ACRSD and McCann School Committees propose their budgets, and the Towns must approve the proposed budget. The BART budget is set by a Board of Trustees, and is based on publicly debated district budgets. The State increased funding for ACRSD for FY2016 by \$35,000, and any additional budget needs must be supplied by the local district communities, where McCann has nine communities.

Fluctuation in Benefits and Health Care

Unemployment costs are calculated by a percentage of the payment the person was making when employed. Schools budget a small amount for unemployment but ACRSD reported they always spend more because it is unexpected. The *Affordable Care Act* has increased costs significantly, and was information not known ahead of time. There is a fluctuation in benefits and health care costs every year.

Transportation Reimbursement – Chapter 71 Funds

ACRSD pays for transportation through the budget and receives transportation reimbursement from the State. McCann receives transportation reimbursement from the State and the districts make up the difference in the cost. BART is a hybrid and uses buses for students who reside in ACRSD towns which are paid for by ACRSD, and other buses are paid for by BART with transportation reimbursement.

Chapter 71 Funds are for Transportation, but if the Chapter 71 funds were increased it won’t benefit Boston, where there are very small transportation costs versus the rural Berkshires. ACRSD is only reimbursed for the students living beyond 1.5 miles from the school, so doesn’t get reimbursed for most of the kids attending *C.T. Plunkett School*. The reimbursement received doesn’t meet the costs of transportation. ACRSD and BART students do not share the same buses. ACRSD must provide two buses to BART and pay the cost, and also doesn’t get reimbursed for Special Ed or Preschool buses by the State.



TOWN OF ADAMS FINANCE COMMITTEE AND SELECT BOARD JOINT MEETING MINUTES

Retirement System and Medical Benefits

A question and answer period followed in which citizens, Finance Committee Members and Select Board Members asked questions of the speakers. Covered were topics such as BART not having a retirement system but the teachers are part of the Massachusetts Teacher Retirement System, as are teachers of the other schools. Additionally, Retiree medical benefits were discussed in depth. ACRSD and McCann are part of the Berkshire Health Group, but BART has a standalone health care plan that offers individual and family plans at different split amounts.

Request to Legislation

Audience members inquired what to ask from the state senators from each district to support the schools better. Responses included 100% reimbursement for transportation as originally promised, to include special education transportation and to support the recommendations of a Chapter 70 review committee to upgrade numbers used for the base funding amounts that will automatically drive more money to state districts.

Regionalization

A brief discussion ensued regarding whether it was time to talk about regionalization. There will be a *Community Dialogue* on the topic on Thursday evening at *Hoosac Valley High School* for citizens and the Town of Lanesborough to look at as the state is pushing it.

Executive Director Bowen, Superintendent Brosnan, Superintendent Gordon, and ACRSD Business Manager Hinkell were thanked for setting up the presentation and sharing the information to educate people.

Adjournment

Motion made by Vice Chairman Allen to adjourn the Finance Committee meeting

Second by Member Cowie

Unanimous vote

Motion passed

Finance Committee Meeting adjourned at 8:04 p.m.

Respectfully Submitted by

Deborah J. Dunlap, Recording Secretary

Timothy Burdick, Chairman