

Town of Ayer

Finance Committee

Ayer Massachusetts, 01432



Location: Page-Hilltop Elementary School, Professional Development Room
Finance Committee Minutes

Thursday February 17, 2011

Present: Brian Muldoon; Chairman, Jesse Reich; Vice Chair, Scott Houde; Clerk (early departure), and Andrew Crowley, member

Absent:

One committee position open

Called to order at 7: 02pm by Brian Muldoon

- Mail
 - None
- Minutes
 - Outstanding minutes are 12/8/10, 12/16/10, 1/4/11, 1/5/11, 1/6/11, 1/11/11, 1/13/11, 1/19/11, 1/20/11, 1/26/11, 2/1/11, 2/1/11, 2/3/11, 2/9/11
 - Minutes will be approved at next meeting with full quorum
- Ayer-Shirley Regional School Committee Budget Presentation to Ayer and Shirley Finance Committees.
 - The purpose of the presentation is to smooth the transition from operating budget allocation for schools to the regional assessment. The presentation is to show how the regional budget was established and where it stands.
 - The original deficit at the February 1, 2011 TriBoard meeting was \$993,000. The budget has been scrubbed and the current deficit is at \$72,000.
 - Chapter 70 and Circuit Breaker money for the state increased \$250,000. Charter school reimbursement and SPED spending increase \$129,000 for a net of \$221,000 reduction on the bottom line.
 - Salaries were reduced \$155,000, Middle School materials were reduced \$40,000, and additional line items were reduced by \$255,000.
 - The RSC is looking for \$250,000 additional from the town's FY2011 education spending. The request is for a portion of the additional revenue the towns have from Prop 2 ½ tax growth.
 - The split for the additional \$250,000 is 2/3 1/3. Ayer's portion is \$167,000 and Shirley's is \$83,000.
 - The RSC budget is currently sitting at a deficit of \$72,000. The RSC recognizes and additional \$200,000 which is needed for Psychological Services and Office Support.
 - The RSC is hoping to find additional savings in additional retirements, regional grant money from the state, additional budget line item cuts, and service cuts.
 - The RSC is making the following assumptions with the current budget.
 - State reimbursement of \$50 per student for year one of a regional district.
 - The region will have 5 total unions but since the unions cannot legally exist until July 1, there have been no negotiations.
 - Transportation is reimbursed at 51% for students living more than 1.5 miles from the school.
 - The regionalization of the schools required IT infrastructure upgrades of \$180,000. This includes new finance software which is leased due to budget constraints.
 - The regional school committee will have a budget forum on March 1 and then vote in the school budget on March 16, 2011. The committees vote must be 45 days prior to the first town meeting,
 - BM – The vote on the 16th represents the budget that will be placed on the town meeting warrant?
 - Yes, the budget may be reduced after the 16th but cannot be increased.
 - BM – Currently the town has a \$300,000 shortfall on the budget. That is with a 3% reduction from last year. The police will lose a person, the fire will have to reduce shifts, and the building maintenance will lose a janitor.
 - Robert Pontbriand – It is imperative for the towns to work with the schools.
 - Both sides agree to a meeting with school finance personnel and town finance/administration.

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- George Frost – The budget presented was constructed from revenue based upon FY2011 amounts from the towns. The education spending in FY2011 for Ayer was \$8,177,000. The current amount set by the town is \$8,300,000. This increase is a part of the additional \$167,000. The RSC would like an additional \$42,000 on top of the \$8,300,000 which is allocated within the Ayer budget.
- Gary Luca (BOS) – The town have 2 viable school districts for FY2011. Why is there such a shortfall once regionalization occurs? There should be substantial savings with the consolidated administration.
 - The school district received \$1m less than the combined districts last year.
- The Shirley Finance Committee stated that they are still working on a level funded first pass of the budget and currently show a shortfall of \$700,000.
- The presentation ended at 7:50pm and Ayer FinCom continued in session
 - The DPW requested deficit spending for Snow Removal. The budget for FY2011 is \$155,000 and has been depleted. Deficit spending allows them to continue spending in this line item and pay bills with Free Cash in October.
 - Motion to allow the DPW to deficit spend on the Snow Removal line item for FY2011.

Motion	SH
Second	JR
B. Muldoon	Aye
J. Reich	Aye
S. Houde	Aye
A. Crowley	Aye
Vote	4 - 0

- During discussion of the deficit spend town accountant informed FinCom that the snow removal for the Page-Hilltop and High Scholl cost approximately \$88,000.
- There is a Reserve Fund Transfer request of \$673.67 in account 01158-52000 for Tax Title expenses. The expenses in the account are for attorney fees and filing fees. Some fees will be reimbursed to the town but goes directly into the general fund.
 - Motion for a transfer from the Reserve Fund to account 01158-52000 for the amount of \$673.67.

Motion	JR
Second	AC
B. Muldoon	Aye
J. Reich	Aye
S. Houde	Aye
A. Crowley	Aye
Vote	4 - 0

- Finance Committee Vacancy
 - Pauline Conley has volunteered to serve on the Finance Committee. The Board of Selectmen have endorsed Ms. Conley but deferred appointing to the Finance Committee itself.
 - Brian Muldoon asked for a motion to appoint Pauline to the Finance Committee.
 - No motion was brought forth by members.
 - Therefore the BOS will be informed that FinCom wishes to keep the post open for the time being.

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Motion to adjourn at 8:15pm

Motion	SH
Second	AC
B. Muldoon	Aye
J. Reich	Aye
S. Houde	Aye
A. Crowley	Aye
Vote	4 - 0

Brian Muldoon, Chairman _____ Date _____

Jesse Reich, Vice Chairman _____ Date _____

Scott Houde, Clerk _____ Date _____

Andrew Crowley, Member _____ Date _____