



APPROPRIATIONS COMMITTEE

MEETING MINUTES

Saturday, February 28, 2015

Selectmen's Meeting Room

Present: Chairman, Elaine Kelly
Janice Hight
Dan McInnis
Rick Nieber
Tony Poteete
Bob D'Amico

Also present: John Coderre, Town Administrator
Christine Johnson, Superintendent
Cheryl Levesque, Business Manager
Barbara Goodman, Dir. of Special Education/Student Support Services
Tom Mead, Principal
Lynn Winters, Regional School Committee
Jack Kane, K-8 School Committee
Patricia Kress, K-8 School Committee and Regional School Committee

The meeting was called to order at 9:30 a.m.

Approval of Meeting Minutes

R. Nieber moved approval of the April 28, 2014 minutes, J. Hight seconded. Motion approved unanimously.

R. Nieber moved approval of the June 30, 2014 minutes, D. McInnis seconded. Motion approved unanimously.

B. D'Amico moved approval of the Dec. 11, 2014 joint meeting minutes, D. McInnis seconded. Motion approved unanimously.

J. Hight moved approval of the January 22, 2015 joint meeting minutes, D. McInnis seconded. Motion approved with one abstention. J. Hight not present.

FY 2016 Budget Update

Mr. Coderre made a presentation to the Committee on the preliminary FY2016 Budget. He reviewed the goals and objectives of the Financial Trend Monitoring System, the budget assumptions, key budget increases and outstanding budgetary items for the FY2016 Budget.

The proposed budgets for the key departments are estimated to increase as follows:

- Northborough K-8 Schools increases \$21,206,314 to \$21,951,539 (3.5%)
- General Government (Town) increases \$18,795,791 to \$19,456,306 (3.5%)
- Assabet Valley Vocational HS assessment increases by \$29,256 to \$857,536 (3.5%) as enrollment stabilizes. The Bond Anticipation Notes (BAN) interest charges associated with the ongoing renovation project are \$15,006.
- Algonquin Operating assessment increases \$9,176,544 to \$9,492,057 (3.5%) – based on the revenue sharing model. The debt for ARHS increases by \$3,670 to \$660,904 (0.56%)

Mr. Coderre reported that the FY2016 health insurance renewals came in favorably for the sixth consecutive year allowing for a 3% increase in the Health Insurance budget, exclusive of OPEB costs. He added that he is still waiting on the remaining debt figures to come in before the General Government departmental budgets can be finalized.

State Aid Update

Mr. Coderre reported that the current budget models assume State Aid to be level funded based upon the actual \$4.9 million received during FY2015. Due to the change in administration, the Governor's Office is given an additional five weeks to return a budget. It is anticipated that even preliminary information regarding State Aid won't be released until March 4th. In addition, the Governor continues to deal with a \$768 million State budget shortfall. Despite this, the Governor has pledged to maintain primary local aid accounts.

FY2015 ARHS Budget

Superintendent Johnson distributed and reviewed a power point presentation regarding the FY16 Budget dated 2/25/2015. Tom Mead, ARHS Principal joined the Superintendent in making the presentation. Ms. Johnson reviewed the School Committee's mission statement, goals and budget process. Ms. Johnson introduced the budget discussion by stating that the ARHS budget being presented is "educationally sound and fiscally responsible."

The Superintendent outlined key FY16 budget drivers as follows:

- Contractual Obligations
- Social and emotional and special educational services
- Staffing to reduce class sizes and increase offerings
- Funding uncertainty from the State coupled with the timing of the release of the Governor's Budget

The initial ARHS budget called for a 5.58% increase and included several marginal staffing enhancements. Following additional review the Northborough School Committee Budget Summary is as follows with a reduction of \$510,474:

FY15 Operational Budget	\$ 20,086,188
FY16 Preliminary Budget	\$ 21,207,834
Recommended Reduction	\$ (510,474)
FY16 Recommended Budget	20,697,360
Percentage Increase	3.04%

The FY2016 ARHS assessments are based upon the regional agreement using 10/1/2014 enrollments and reflect an overall enrollment of 1,456 with 57.38% of students for Northborough and 42.62% from Southborough. Based upon projected state aid and minimum local contributions, Northborough's FY2016 ARHS assessment is projected to be 9,492,514, or an increase of 3.5% which fits into the current overall FY16 Town revenue sharing model. By comparison Southborough's assessment will increase by 4.28%.

The Committee members expressed their appreciation with the high level of collaboration between the Town and Schools and thanked the Superintendent for bringing in a fiscally and educationally sound FY2016 budget proposed.

K-8 Northborough Public Schools

The Superintendent distributed an information packet to the Committee and proceeded to review a power point presentation, which was distributed to the Committee in paper form. The presentation represents the operational budget subcommittee's recommendation from their February 27th meeting. This final version must still be formally approved by the K-8 School Committee but it is anticipated that the budget will be supported.

Ms. Johnson outlined the K-8 School Committee FY16 Budget goals:

- Maintain and support high quality staff and instructional programs.
- Student/teacher ratios in accordance with the Class Size Policy.
- The initiatives of School Improvement Plans with an emphasis on innovative educational and capital items.
- Meeting the needs of all learners with a classroom model of differentiated instruction and standards-based education.
- Maintenance of the District's capital assets with a special emphasis on safety and up-to-date energy efficiencies.
- Ensuring all students receive an educational program consistent with the state's curriculum frameworks and Common Core of Learning, & preparing all students for success in the MCAS.
- Meeting State Benchmarks for educational technology & the Technology Plan funding goals.
- Ensuring staff and administration receive adequate training to implement the new Educator Evaluation Regulations

The preliminary Northborough School Committee Recommended Budget is as follows:

Appropriated FY15 Budget	\$21,209,216
Budget Drivers	1,272,113
Subtotal before offset	<u>\$22,481,329</u>
Budget Offset	(404,622)
Preliminary FY2016 Budget	\$22,076,707
Preliminary increase	\$867,491
Percentage increase	4.09%

However, on February 27th the K-8 Subcommittee met to review the recommended budget in the context of the current revenue projections. The Superintendent recommended the following reductions, which the subcommittee agreed with, resulting in the following revised recommended budget:

FY15 Appropriated Budget	\$ 21,209,216
FY16 Recommended Budget	<u>\$ 21,951,539</u>
FY16 Recommended Budget	\$742,323
Percentage Increase	3.5%

The Superintendent's recommended budget is within the overall budget guidelines for the Town's revenue sharing formula. The Committee discussed various lines in the budget including Special Education Costs. The Committee observed that SPED costs continue to outpace regular educational services. Regular educational instruction increased at 2.07% but SPED increased over 10.13%. The Committee discussed the Town's legislative priorities and in particular the SPED Circuit Breaker which remains one of the top priorities.

K-8 Budget discussion concluded.

Snow and Ice

Mr. Coderre informed the Board that the FY2015 Snow & Ice Account has been fully expended. He added that the Snow & Ice Budget was increased for FY2015 based on the average of expenditures over the last five years. Despite the increase, the number of significant snow events over the past month has created a deficit in this account.

J. Hight moved the Committee vote to allow expenditures in excess of available appropriations for snow and ice removal and any other related expenses pursuant to Massachusetts General Laws, Chapter 44, Section 31D; R. Nieber seconded the motion; motion approved unanimously.

Next Meeting Date and Committee Meeting Schedule

The Committee meets next on Thursday, March 5, 2015 at 7:30 p.m.

Any other business to come before the Committee

None

Adjournment

J. Hight moved to adjourn; R. Nieber seconded; motion was unanimous.

3:00 pm – adjourned.

Respectfully submitted,

John W. Coderre, Town Administrator

Documents used during meeting:

1. April 28 Meeting Minutes
2. June 30, 2014 Meeting Minutes
3. December 11, 2014 Joint Meeting Minutes
4. January 22, 2015 Joint Meeting Minutes
5. 39 West Main Street Memo
6. Snow & Ice Memo
7. Budget Update
8. Special Education Overview Presentation
9. K-8 School Presentation
10. ARHS School Presentation

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