

Finance Committee Meeting Minutes
April 8, 2004
Town Hall
APPROVED

The meeting is brought to order at 9:15 p.m. In attendance are Steve Dungan, Charlie Kern, Tom Ryan, Patti Heron, David Walrath, Jason Robart, and Janet Wheeler.

Discussion on the Nashoba Regional School District Budget

Tom believes that the proposed NRSD budget is very reasonable. He agrees that Stow should look at the three towns as a district instead of regarding Stow schools as independent schools. Stow's assessment is an aberration since Stow was assessed an abnormally high minimum contribution in its assessment for this school year. Tom states that the 5.2% increase from last year's budget probably has not taken out debt, so the operating budget might be closer to a 6% increase. Tom is disconcerted that the district did not return back to the towns all the surplus money that was found earlier in the school year. Instead, certain administrators were given raises, positions were added, and funds were spent for purposes not proposed at town meeting. Furthermore, Tom would like to see growth figures more in line with the municipal budget. Jason states that this budget is as good as it gets. He states that Stow should not approve the budget just because the assessment has a relatively small increase, but look at the district budget as a whole. Tom states that the 15 FTE positions that are being requested for FY '05 could be removed from the budget at a savings of \$1 million. Jason states that the budget could be cut by an additional \$1 million, but it would not be educationally prudent to do so. Jason adds that past issues with the district's financial performance should not place unnecessary constraints on the districts FY '05 budget. Janet believes that the School Committee did a very credible job in moving the district forward. Patti is disconcerted that the School Committee found surpluses in a budget that town meeting was told was a bare bones budget, and then spent it afterwards. She is concerned that the district is adding 15 new positions which she believes may not be necessary. The consensus of the FinCom is to table voting a recommendation on the NRSD budget until all five voting members are present at a future meeting.

Carole Makary states that the promises made by the School Committee about spending surplus funds were based on the preliminary governor's budget. If the district benefited from the state budget, the surplus funds would be returned back to the towns, and they were. About \$400,000 was returned to the three towns. The FY '04 budget was audited by Melanson, Heath, and Co. and approved by the Financial Advisory Board. The surpluses were found by the new Assistant Superintendent where there was excess funds in salary line items and other areas when they were closer analyzed. These funds were never promised to be returned if a surplus was found. Tom supports these surpluses, and is glad that they were found, but still believes that any excess funds would be returned, and feels that he was misled.

Jason moves to adjourn the meeting, Tom seconds the motion. The motion passes unanimously. The meeting is adjourned at 9:55.

Respectfully submitted by Mitchell Samson.