

**Tantasqua Regional Junior High School
Education Budget Public Hearing FY17
Finance Committee Meeting Minutes
March 15th, 2016
Library/Cafeteria
Sturbridge, MA**

Tantasqua Education Budget Public Hearing

The following Finance Committee members were present: Chair Kathleen Neal (KN), Vice Chair Kevin Smith (KS), Laurance Morrison (LM), Clerk Joni Light (JL), James Waddick (JW), Suzanne Smiley (SS) and Leah Boutelle, recording clerk. Erin Nosek (EN), Superintendent, and Deb Boyd (DB), Associate Superintendent of Business & Finance were presenting the Burgess Education budget. The Tantasqua School Committee members and several residents were also in attendance. Sheila Noyes-Miller Chair of the Budget Subcommittee of the Tantasqua School Committee also present.

KN calls the meeting to order at 6 PM. DB walked through the budget documents available to those in attendance. She explained that a 9.4% budget increase in Holland's funds is due to them having more specialized needs and lower enrollment. She expressed that they cannot sacrifice secondary school education expenses due to this increased need of one town. Special needs increase in budget is due to out of house placements. The net school spending is approximately \$20,900,000.00, but the state sees net spending as \$20,677,000.00 because they consider the local contribution as well as state funds. Revolving funds encompass expenditures for summer sports; approximately \$20,000.00 will go towards athletic budget gate fees. The Capital Plan in its entirety will be funded out of school choice funds. Secondary education spending for FY16 was \$23,195,845.00. Technology and Capital requests are for computers and smart boards for the junior high and high school, in addition to funds needed to finish the Wi-Fi project. The entire district will have Wi-Fi as a result when the project is complete. The junior high elevator upgrade and the installation of the Pathways restroom require financial support as well as hot water heaters, flooring updates, and HVAC upgrades. Musical instruments, weight room equipment replacements, and the Technology Division van are included in the budget request for the upcoming FY17 as well. DB goes further to express that the schools offer so many extracurricular activities because it is the general philosophy to get every student to be attached to something, and the school does not charge for them. The school committee is not in agreement with charging fees; they keep them in the budget to avoid taxing and to encourage students to be involved.

SN-M opens the floor for discussion.

KS wishes to discuss the 9.4% increase in Holland's budget, and asks what would happen if Holland decides they can't support the budget.

DB states that 4 of the 5 towns need to fund the budget. She explains that due to Holland Elementary's enrollment significantly decreasing the state budget allotted for their portion of dues is not sufficient. The state budget is based on a total population, not necessarily enrollment. There are only 7 residents more than Wales (lowest population in the 5 town serviced district) as of October, 2015. The state implies that the foundation budget has decreased by \$100,000.00 for Holland and the secondary education budget has increased \$70,000.00. Wales is 20% over the foundation with only one class per

grade. Holland is aware of this; they used more School Choice dollars to attempt to lower their budget. She has heard that Holland leaders will make these numbers work.

KS asks if there is an alternative plan in place if they decide they can't make it work.

DB states that she has not had that conversation, but these numbers have been expressed, and that they will be supported.

KS asks what Holland's position is in the sequence of voting on the budget.

DB believes they are second or third. She goes on to discuss the current contract percentages for teacher support staff. There are three faculty who are negotiating this year; administrative support and custodians. Teachers negotiated last year for 2.25% increase in exchange for more teaching time. They are in the process of restructuring stipends in curriculum coordination.

LM questions if in any of the towns she sees any connection between the budget and the revisions to the 1952 regional compact. In other words, is the budget being held captive to some point to be achieved in the compact?

DB offers that in any given year they do feel that one or two towns “hold the budget” captive. Minimum required contributions are part of a wealth based formula. She implies that it is difficult to predict what the adjustments are going to be as a result of the wealth based requirements. She expresses that what's behind it if it spikes is additional chapter 70 money. The state hasn't been cutting, they've been keeping it level around \$20.00 per student. She doesn't have the ability to reduce staff. The only reasonable decrease is through attrition classes. DB advises that all the proposed changes in the regional compact are all “housekeeping” related. One amendment made was that they divide the assessment by the percentage share, but the law doesn't allow them to do that. She reaffirms that the changes are legal housekeeping. None of them are dealing with the “nuts and bolts” of the budget.

School committee budget hearing adjourned at 6:37 PM.

Finance Committee reconvened in the cafeteria.

All finance committee members in attendance for the school meeting were also present for this meeting.

KN polled the committee to see if anyone made contact with their respective liaisons. Discussion continued around education, and she asked LM if the education committees have been talking about changes in the regional agreement. She was under the impression that Bill Haggerty (BH), vice chair of the school committee, was coming to a finance committee meeting.

LM confirmed that BH would not be coming on Thursday, March 17th, 2016, to the Finance Committee meeting. He suggests that the committee talk about the compact and determine if they want to have BH make a presentation on the district changes for the agreement.

KN notifies that the Thursday meeting will just be school fund related discussion.

Moving to the line item budgets, KN and KS ask JW (appointed liaison responsible for the following line items) if they can vote on the Board of Selectman section (line items 2-5) as there is hardly any change, as well as the Town Moderator's salary (line 1).

JW makes motion that we accept town moderator's budget, KS seconds, and motion passes 6-0-0 on Town Budget Account #11141-51120 to stay at zero for FY17.

KN explains that the Board of Selectmen themselves have no salaries. KS states that in the past if there has been all zeros for five consecutive years, the need to report the line item is no longer. He advises KN to ask BB (Barbara Barry, Finance Director) if this is possible as it is historical practice. KN and JL agree that it's been longer than 5 years for this line to be at zero.

LM states that all boards have a salary line – 51100, however finance committee does not. The committee does however have a salaries and wages line, but that this makes it look as if they are breaking the law. The law bars Finance Committees from accepting salaries. He suggests that we put it back in at 51100 and place it on top of 51130. KS will check with the Town Accountant. If the law says we can't have income that account may not exist.

KN noted there are other municipal positions that by law cannot have a salary. LM will check with BB. If the line is not removed he will put a hold on it on town meeting floor and explain it.

KN makes a motion to approve the proposed Board of Selectmen Budget; JL seconds. Motion passes 6-0-0 to make no change to accounts #11221-51100, 11221-51130, 11222-52000, 11222-57000.

New Business

KS wants to skip the Town Administrator line, but wants to talk about the Finance Committee account # 11311-51130 and suggests that with the responsibility of compiling the budget book, the line should be increased to around \$6,500.00. He states that in the past, the chair (no salary) did all the work. The recording secretary taking care of line item changes and spreadsheets will be approximately 30 hours of work. He has been using BT Copy in Charlton for 12 years to compile the Finance Committee Budget Book, and they historically work within the budget given. There was a year that they made 600 books for \$3,400.00, but the numbers fluctuate. The other charges are the Finance Committee state membership fees. KN asks how KS estimates the number of books. KS works with Lorraine to consider the warrant articles and determine if they are controversial enough to attract a large audience to estimate the number of books needed.

JL asks who pays for the Budget Proposal Book that is submitted before committee review.

KN, LM and KS confirm that it is part of the Town Administrator budget. Book binding is done at town hall.

KS will check with BB on the recording secretary's hours and see if the amount proposed is enough.

KN reminds the committee that the liaison list has been changed multiple times, and to please review their department budgets.

KS points out that there are two new budget additions to the list; Economic Development and the Historical Commission.

JL wishes to divvy them out now, and volunteers for Economic Development and Facilities Coordinator. KN allows her these liaison assignments and assigns the Historical Commission to herself. She reminds the committee that they can invite department heads before the committee for budget discussions.

KN suggests that the Trails Committee should logically go to recreation, but she will take it because she has Conservation. KS asks if the oversight of trails is going back under the Conservation Committee.

KN further notes that the town might be going into debt from the implementation of new fields based upon the Recreation Committee requests. She suggests that they bring JW up to speed on this endeavor as the liaison.

KS adds that it would be good to have the committee commit to a date for their budget presentations. KN states that the Thursday meeting will deal with organization and education for liaison assignments, and will make goals and commitments.

KS further advises that the members do not need to bring in speakers for departments, boards, or committees if the liaison/member understands the budget. LM explains that those leaders don't make case; Finance Committee liaisons make the case on town meeting floor. KS further explains that it is up to the liaisons to ensure the committee members have enough information to make appropriate votes for or against a budget, and that the liaisons should have their department heads in attendance if necessary.

SS notes that insurance rates have increased. KS agrees and notes the increase at 8% specifically.

LM makes a motion to adjourn, KS seconds, motion passes, 6-0-0, at 7:18 PM.