

DRAFT FINANCE COMMITTEE MINUTES

Meeting Date: March 22, 2007

CALL TO ORDER

The Meeting was called to order at 7:00 P.M. in the Glass Room of the Bangs Center.

COMMITTEE MEMBERS IN ATTENDANCE

Alice Carlozzi (chair), Marilyn Blaustein, Paul Bobrowski, Kay Moran, Douglas Slaughter, Andrew Steinberg

STAFF IN ATTENDANCE: Jere Hochman, Superintendent of Schools

OTHERS IN ATTENDANCE: Hwei-Ling Greeney (Select Board), Elaine Brighty & Andy Churchill (School Committee), Walter Wolnik

COMMITTEE AGENDA

1. Minutes of March 8, 2007 meeting
2. Spending caps, FY08-10
3. Budget review: Elementary schools
4. Report to Town Meeting: writing assignments and progress/completion schedule
5. Member reports/Miscellaneous

COMMITTEE ACTION

Voted 6-0 with one member absent to approve the minutes of March 8, 2007 as amended.

DISCUSSION

Spending caps, FY08-10. H. Greeney said that she was concerned about the budget shortfalls that would occur in years four and five based on the budget projection for the Town prepared by Musante. She stated that this was a personal request and that she was not representing the Select Board. She had asked Musante to prepare a projection that would eliminate this shortfall. According to that projection, the gap would be eliminated if budget growth were capped at 4 ½% in year 2 and onward of the plan. Greeney noted that it would be helpful to allay fears of the voters if there were information describing how the budget gap was to be eliminated. Committee members offered some clarification: 1) Projections for years 4 and 5 are more difficult to make because of unknowns including state aid, additional revenue etc. that could be realized during the five-year period. 2) A key component of the plan is revenue enhancement if the Town wants to be fiscally sustainable. This is the responsibility of Town committees and Town Meeting to generate new revenue. 3) One of the purposes of a 3-year plan is to provide time for Town officials to identify revenue enhancements and find efficiencies that would eliminate or reduce the gaps projected in years 4 and 5. Some of these actions will take two to three years to generate revenue. Greeney applauded the FC for providing a framework, but was less comfortable with the revenue enhancement aspect of the plan and preferred a more conservative approach.

Elementary School Budget. Hochman presented the budget for the elementary schools. He stated that the assumptions used to construct the FY08 budget assumed the 3-year plan proposed by the Finance Committee, and that this plan had been endorsed by the elementary and regional school committees. Year 1 budget, a 1% increase, would require significant cuts; however a three year plan would allow the schools to move ahead and develop a plan for years two and three. With the exception of capital needs which are covered in the Joint Capital Plan, assumptions of the elementary budget were similar to those of the regional schools budget. Hochman distributed handouts with projections of enrollments at the elementary schools, class size guidelines, proposed cuts and a “Bring Back” list. The present budget reflects a reduction of three classroom teachers, with the possibility of adding back a teacher at Marks Meadows which is currently at 26 students.

A 4.7% budget increase would be required for a level services budget. The 1% budget reflects cuts of \$706,000. In addition to the 3 FTE teachers, proposed cuts include the elimination of “specials” (art/music/PE/computer) on Wednesdays which is a shortened day. This would not change the amount of time students are involved in these activities, but would reduce the FTE of teaching positions. Additionally, the strings and woodwind music programs would start one year later. Other cuts ranged from reduction of clerical and support staff, to a reduction in paraprofessional FTEs and a reduction in contracted services. School lunch prices will be increased by 25 cents for students and 50 cents for adults and will realize \$16,700 in new revenue. If an override were approved, the highest priority of a 3% budget, an additional \$385,658, would be to add back four classroom teachers (\$202,464), or three if a teacher is added to Marks Meadows with the 1% budget.

Hochman noted that the School Committee will vote on the Elementary School budget on April 10. In response to a question from Steinberg about different ways of structuring the schools, Hochman mentioned that the ongoing demographic study will include enrollment projections for the schools and will allow the schools to consider different ways of configuring the schools. Greeney asked if there were any discussions about consolidating the Town and School’s human resources, IT, and business functions as a way of cutting costs. Hochman replied that this would require specialists in each area, and may possibly need more people rather than fewer. However, there has been success in the facilities area where the Town and Schools are sharing a position.

Steinberg extended thanks on behalf of the FC to the chairs of both school committees in working together to develop a three-year plan.

Report to Town Meeting: writing assignments and progress/completion schedule. Carozzi noted that the FC report was due April 16, and April 10 was the target date to send out the preliminary report. She said that SB recommendations would be included in the report if their recommendations were made in time. In response to a question from Greeney, the Committee discussed ways of improving communication between the FC and Select Board and use of the BCG as a means of developing a more orderly budget process.

Member Reports/Miscellaneous

Blaustein announced that the Community Choices meeting was scheduled for March 29. Moran volunteered to attend the next meeting of the Library Trustees. Steinberg informed the FC that the Library Trustees were recommending that library fines should be returned to the library. Presently fines go into the Town's General Fund. This would set a precedent because other fees (e.g., Medicaid reimbursement and inspection fees) go into the General Fund.

Carlozzi announced that the MMA meeting will be held on Wednesday, April 4 from 6:00 – 7:30.

ADJOURNMENT

The meeting adjourned at 9:30 P.M.

Marilyn Blaustein
Acting Clerk