

Shutesbury Finance Committee Meeting Minutes
Tuesday, January 7, 2014, Town Hall

Members Present: Eric Stocker, Gary Hirshfield, Al Hanson, , George Arvanitis, Rus Wilson and Weezie Houle, Lori Tuominen **Visitors Present:** Becky Torres, Mike Vinsky, Mary Lou Ferrara, Fred Steinberg,

1. Meeting Called to order at 6:35pm
2. School Committee Budget presentation: Michael Di Chiara and Bob Mahler.
 - a. Previous years' school budgets were falling behind programmatically. Last year the School Committee was able to reinvest in the programs, so quality-wise the school did not lose any ground; "things were built back into the budget."
 - b. The FY 15 budget has a 7.98% increase:
 - i. 1 % is attributed to school operations,
 - ii. 3% for additional staff mandated for special educational needs
 - iii. 3% more, which Michael deferred to Superintendent Mahler to explain later.
 - iv. 1% U 28 enrollment
 - c. Shutesbury is doing a wonderful job attracting families. We've risen from 24+% of students served by the Union last year to 26+% of the students served by the Union this year.
 - d. Line 129*: Shows a \$55,000 increase for special education out of district placement costs.
 - e. Line 50*: Teacher aide salaries are up by \$21,000 for specialized in-house staff that weren't in the budget last year. This will continue next year.
 - f. Line 44*: Shows a \$32,000 increase for mandated special staff for children whose first language is not English.
 - g. Line 42*: Shows \$12,000 so the salary team can negotiate in good faith.
 - h. Line 31*: Union 28 costs increased by \$11,000 for Shutesbury. This is higher than the overall Union request for a 2.9% increase due to the increase in Shutesbury's percent of children served. The Union 28 budget is almost level funded. The big exception is \$8,000 for technology upgrades: the current software is so old, maintenance is no longer available; computers are also very old.
 - i. Superintendent Mahler stated that 1% of the 7.98% increase is for school operations, the remainder is for mandatory expenses. He invited questions and answered with the following comments:
 - j. **"Circuit breaker" funds:** After \$45,000 of special education expenses for an individual child the circuit breaker cuts in. It does not include special transportation costs. The amount of support depends on the set amount of money made available in the state, which is then divided amongst all the circuit breaker requests. Last year about 70% of costs for towns across the state over the \$45,000 thresholds were covered. Circuit breaker funds for FY 14 will show up as reimbursement to the town, not the school, in FY 15.
 - k. Something called **"Extra Relief"** goes directly to the school. The school got \$11,000 in March of 2013, which was returned to the town, as there was no real plan for it, so it seemed only right to turn it over to the town rather than create a way to spend it.
 - l. \$106,000 of the FY 15 draft budget is SPED or ESL (English as a second language) related.
 - m. Future special needs cannot be projected.
 - n. The future population seems stable at 140-150 students per year in the school.
 - o. There are currently 1 elementary charter student, and approximately 6 choice elementary students living in Shutesbury. Because of variables in funding, choice student numbers are not completely discernible.
 - p. Within Union 28, while Shutesbury's percentage increased to 26%, Leverett's elementary enrollment dropped by 20 students, due to a "bubble" of students passing through to the Region. Erving and Swift River have seen no big enrollment changes.

- q. Voters will want to know what the Union 28 costs will be if one town pulls out as a result of regionalization. There are lots of different options for adjusting the Union 28 budget. The Union 28 Joint Supervisory Committee would be the group that would decide those things.
- r. Michael DeChiara and Elaine reviewed the status of the regionalization question:
 - i. The 12 person body met Dec. 5 and unanimously approved a plan to amend the regional agreement to include Pre-K through 12, with the provision that any one of the 3 smaller towns could choose to only participate in the region in the 7th through 12th grades.
 - ii. DESE (Dept Elem & Secondary Ed) will allow us to amend the agreement for a Pre-K through 12 region for all 4 towns to vote on, and the second vote would be to opt out at the Pre-K through 6th level. As long as only one town votes to opt out then there would be a Pre-K through 12 Region. We have not yet seen the written letter from DESE.
 - iii. The concept goes to the Jan. 14 Regional School Committee meeting, where they will decide whether or not to amend the agreement, and whether or not to form a sub-committee to research this plan, and perhaps invite members of the Regional School District Planning Board to be on this Amherst Regional School Committee Agreement Amendment Subcommittee.
 - iv. Elaine: It will be extremely complicated. Becky: Depending on which town votes to leave, future Union 28 costs will be a different answer.
- s. The \$8,000 Union 28 software expenses for FY 15 is split between lines. In total, it is more like a \$2,000 cost for Shutesbury.
- t. The Finance Committee will further consider funding some of the special needs with free cash
- u. The School Committee sends whatever is left at the end of the budget year back to the town.
- v. Becky reported that estimates for repairs to the school roof have gone dramatically up and down this year with different engineers looking at it:
 - i. A company came in with an engineer, pulled back the lining and did some repairs: That engineer felt the roof was in exceptionally good shape and a new roof could be put off for 5 years. Then it started leaking.
 - ii. Engineer Tom Ewing was called back and a discussion amongst engineers relative to snow-load took place.
 - iii. The original engineer went through all of the figures and said there were no snow-load concerns.
 - iv. Shutesbury will be applying to the Massachusetts School Building Assistance (MSBA) Program. Both engineers felt that the repairs shouldn't be over \$100,000, but with the MSBA Program, the project gets turned over to their engineers and reviewed with our engineers. There is a 40 to 64 % anticipated reimbursement rate.
- w. Becky reported on the school HVAC system: On a visit for another reason, Jamrog (heating contractor) realized that the thermostat software that controlled when and where the heat levels changed was not making changes. Fortunately it was stuck on heat and not off. This was a new problem that needed to be fixed immediately as it was using an excess amount of fuel. The Finance Committee approved up to \$10,000 from reserves to make the repair. Jamrog got a quote back at \$3300 and the repair was made a few days later. The school fuel line has been quickly expended. We used at least 1000 gallons of fuel during the fall.
- x. Finance Committee Co-Chair Wilson described the arrangement of payment of the repair as a "good fit" referring to an agreement of a few years ago, of the School Committee keeping their budget trim and leaving emergencies for the Finance Committee to cover. Becky added that sometimes the School Committee can take on unexpected expenses, but that there were other big costs this year. The good-will works both ways.
- y. Superintendent Mahler said that some changes in staff offered a little savings in this year's school budget. He and the School Committee are watching the budget closely and will be in touch on an on-going basis. They are not sure that they can cover everything.
- z. Superintendent Mahler reported that improvements have been made to the school **security system**. Details are kept for people to know on an as needed basis only. Money for improvements came

from the town, grant money, and some from the school budget. He praised the School Safety Committee's work. They will be looking at more improvements for next year. Lock-down drills are routinely conducted. The Safety Committee also considered provision of space blankets and rain ponchos for leaving the building in emergencies.

- aa. The next meeting of Select Board, Finance and School Committees is March 4th.
 - bb. Part of school costs are for mandated staff, which forces cuts of un-mandated staff. Costs are almost 50/50 for SPED and regular programs at the region.
 - cc. The School Committee left and the Select Board **adjourned at 7:58 P.M.**, and the Finance Committee continued with their business meeting.
3. Approve the minutes of December 10, 2013 as amended.
 4. Expense Report: All line items are looking good for half way through the year.
 5. Revenue Report: The excise tax is up \$6,000 over last year.
 6. We will review next year's budget at the next meeting.
 7. Insurance Advisory Committee of Hampshire COG is voting on the health insurance rates for 2015 tomorrow.
 8. We can expect a DEP update soon.
 9. Library roof repair has been completed.
 10. No Committee Reports
 11. Next meeting is Tuesday, January 21st, 2014, 7pm
 12. Upcoming Finance Committee meeting dates and Department Head presentations of FY15 budget.
 - Jan 21: Police; Financial Team: Treasurer, Accountant and Assessor; George's OPEB spreadsheet
 - Feb 4: All Boards Meeting
 - Feb 18: Personnel Board, Library
 - Mar 4: School, Part 2
 - Mar 18: Fire Dept., Capital Planning, Tax Collector
 - Apr 1: Regular Mtg.
 - Apr 15: Final Budget, Warrant voting
 - Apr 29: Town Meeting presentation prep
 - May 3 Annual Town Meeting
 13. Meeting adjourned at 9:pm.

*Shutesbury School Budget