

**FINANCE COMMITTEE MINUTES**  
**APRIL 6, 2010**

The meeting was called to order at 7:30 PM in the Selectmen's Meeting Room of Town Hall. The following members were present: Ken Szajda, Jay Leary, Gordon Johnson, Jim Crews, Pam Zicko, Tom Meehan and Mark Schultz.

Pam Zicko, seconded by Mark Schultz, made a MOTION to approve the minutes of March 23, 2010, as amended. Passed 7-0-0.

Gordon Johnson, seconded by Pam Zicko, made a MOTION to approve a bill submitted by Faith Antonioli for meeting and minutes, totaling 15.75 hrs. for the month of March. Passed 7-0-0.

Pam Zicko, seconded by Jay Leary, made a MOTION to approve a transfer in the amount of \$31,947.97 from the Reserve Fund to the Police payroll expense account. Passed 6-0-1(G. Johnson abs). This is to synchronize the pay periods with the 365 days.

The Keefe Tech budget was presented by Superintendent Lynch, who handed out a very extensive copy of the budget and other pertinent data explaining the budget. Tab 3 of this binder explained the budget and how it determines the assessment to Holliston. Keefe is receiving \$313,491 for regional transportation. They are using the following revenues to offset the assessments: \$18,000 from investment income; \$185,000 E&D; and \$200,000 from Health Insurance Trust. All 5 of the towns that are part of Keefe have asked about sports fees, because each of them has instituted fees in their individual towns. Mr. Lynch said that it would be a problem at Keefe because over 55% of the students are on the free and reduced lunch program, with 65% of their athletes on the program. It wouldn't work at Keefe to charge fees. They have applied offsets from revolving accounts to reduce athletics (\$47,049) and applied offsets from building usage (\$86,000). There is a \$101,957 reduction in Chap. 70 for FY11. There is no capital debt; there hasn't been for years. The Seamen's project is beginning to be reported in 7000 lines. Mr. Lynch said that the target of the FY11 budget was a level funded assessment and a level funded budget. The assessment has a 1.06% increase and the budget is up .15%. They are asking Holliston to support \$337,852. The municipal cost in the budget is \$2,633,742. Tabs 4-7 in the handout are full of comparative data to look at. There are no raises planned for FY11 in the budget; but they are still in collective bargaining. There is no money in the budget for capital equipment or technology purchases. They have identified grant sources to maintain equipment – Perkins money and ARRA Title I money for the improvement of technology equipment in the building. Enrollment is up from 638 to 653. They also included info on AYP (the adequate yearly performance in MCAS). Tabs 12-14 presented the FY11 budget in 3 different formats. Ken Szajda commended Superintendent Lynch on an outstanding presentation and the level funded budget. Mark Schultz asked about capital, specifically technology needs. Keefe has a 5 year technology plan and with Perkins money and ARRA Title I money, year 1 of the plan is set. They also have an infrastructure plan. Tom Meehan inquired about benefits and health costs. They are trying, through education and discussion, to get employees to switch from PPO's to HMO's. The benefits are the same in both; but HMO's are less expensive. Keefe pays 75% of their employees' benefits. Pam Zicko asked about pay increases and Mr. Lynch said that the contracts don't have raises included for the first year (FY11). Gordon Johnson asked about

cuts in services and class sizes with the budget and was told that they are downsizing by about 10 teachers; but through some reorganization, there are no program cuts as yet, but they are trying to prepare for that possible reality. Jim Crews and Jay Leary also commended Keefe on the budget. They are able to maintain a “state of the art” tech program with help from grants. Keefe is also in the process of forming a new technology committee and hiring a tech consultant. Mr. Lynch said that the hardware system is where it should be, but there could be some improvement in the software area. Superintendent Lynch said that Superintendent Jackson had been very helpful to him.

Superintendent Jackson presented the school budget. He said that it had essentially level funded the past 4 years and significant cuts had been made along the way. The burden of cost for education is shifting from the taxpayers to the parents and this is no longer public education. Dr. Jackson is recommending a FY11 appropriation of \$28,772,630 which is a 7.22% increase in the appropriation from FY10 to support a 3.2% increase in spending. He then listed the budget drivers, including contractual agreements (\$1,010,161); a \$450,000 reduction in circuit breaker money (had planned for \$900,000); less ARRA money (\$300,000 in FY11); recommended new initiatives (\$220,300); \$173,000 less in federal aid to support Chap. 70; tuition to Norfolk Agricultural School which should be from the town budget not the school (\$8,685); eliminated position (-\$46,000); building utilities and gasoline (-\$83,911); and a 1 time reduction in SPED because 2 students aged-out (-\$112,190). All this leads to a total recommended increase of \$1,937,843. The FY11 recommended appropriation is \$28,772,630; the FinComm’s original guideline is \$26,029,743, leaving an initial gap of \$2,742,887. The schools have been given an additional \$603,000 with an adjusted guideline, bringing the final gap to \$2,139,104. With the addition adjustments of 1-increase tuitions for PreK and K(\$42,600); increase building usage fees (\$10,000); possible increase of athletic fees(\$40,000); charge HS aide to student parking fees(\$16,965); fuel adjustments (\$45,000) and eliminate all new initiatives (\$220,300) – the final gap becomes \$1,764,239. From there, Dr. Jackson said he focused on the Core - maintaining a safe school environment, keep offerings in core academic subjects, maintain acceptable class sizes in core academic areas and still continue to update curriculum and instruction for the 21<sup>st</sup> century. He was asked what figures were used in teacher salary cuts - \$47,000 for the first 10 teachers and \$51,000 after that. The High School is considering a \$140.00 fee per student to keep after school clubs. He then went through the following system-wide reductions: budget a 0% increase for all open Collective Bargaining Agreements; reduce teacher mentoring funding; reduce professional development funding; reduce system-wide legal expenses; reduce contracted services (SPED); eliminate Montessori Coordinator stipend; and eliminate MS/HS late bus. Dr. Jackson then went through the individual schools, with their cuts, which totaled the following reductions: 21.1 FTE teacher positions eliminated 6.0 through attrition and 15.1 through RIF; and 10 FTE paraprofessional positions, all through RIF. He went on to give a 3 year history of personnel cuts, discussed projected class sizes at each of the schools, except the high school. Ken Szajda commented that he would find it difficult to support an override that includes money for salary increases, when the majority of people have seen no increases in the last few years. Jay Leary commented on the ARRA money that disappeared and that it had been used to pay for operations, which it was not supposed to have been. It deferred an existing problem to this year. It was questioned if the final \$300,000 of ARRA money is being used to defer an issue to next year. Jim Crews said that the FinComm recognizes the seriousness of the situation. He also asked the dollar amounts assigned to the system-wide reductions listed on pg. 16 of the budget

handout: \$110,000 for 0% increase for all open Collective Bargaining Agreements; \$ 5,000 teacher mentoring; \$12,000 professional development; \$10,000 legal expenses; \$36,000 contracted services; \$6,000 elimination of Montessori coordinator; \$22,000 elimination of late bus. Gordon Johnson said that he could not support an override if no concessions are made by the Teacher's Union. He also asked about enrollment and was told that it is flat. Pam Zicko asked about their reserves – they have about \$300,000. She also asked about grants. Mark Schultz said that nobody like the budget. He asked about paraprofessionals and was told that there are 85 in the system – 12 are general education. There are 3 types of SPED aides and they are mandated by IEP's. Mark also asked about unfunded mandates. He also asked about capital needs - \$80,000 for technology at the High School, to go wireless and \$12,000 - \$14,000 for a vehicle for the maintenance dept. Jay Leary asked about "other revenues" on pg. 9 of handout (budget summary) and was told it's school choice money, tuitions, etc.

At 10:55 PM, Pam Zicko, seconded by Gordon Johnson, made a MOTION to adjourn the meeting. Passed 6-1-0. (Jay Leary the "no" vote)

Respectfully submitted,  
Faith Antonioli, Secretary

Date Approved: April 27, 2010