

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING
3/10/10

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Meeting Date: March 10, 2010

Called to Order: 6:00 PM

Finance Committee Members Present: John Hanold, Andrew Killeen, Marge Levenson, Michael Naughton and Lynn Reynolds

Montague Selectmen Present: Pat Allen, Patricia Pruitt and Mark Fairbrother

Others Present: Frank Abbondanzio (Town Administrator), Carolyn Olsen (Town Accountant), Leo Parent (Veterans' Agent), Roberta Potter (Council on Aging Director), Carl Ladd (GMRSD Superintendent), Lynn Bassett (GMRSD Director of Business and Operations), Nadine Ekstrom (Director of Special Education and Student Services), Michael Langknecht (Chair, GMRSD School Committee), and Jeff Singleton (GMRSD SC)

State Aid Announcement

Mr. Abbondanzio announced that the MMA and legislators are recommending that towns anticipate a 3-5% reduction in state aid for FY11 rather than the level funding recommended by the Governor.

Minutes

BOS Moved: To approve the minutes of March 3, 2010.

Vote: 2 In Favor 0 Opposed 1 Abstained

FC Moved: To approve the minutes of March 3, 2010.

Vote: 4 In Favor 0 Opposed 1 Abstained

Veterans' Benefits Budget Hearing

- Mr. Parent provided a brief overview of the services offered by the Veterans' District and the process veterans go through to receive benefits.
- Ordinary benefits are for things like rent and fuel.
- The majority of this budget is for medical benefits. Most people receiving these benefits are elderly.
- "Care & Registration of Graves" is an as-needed effort for a relatively-steady number of graves and this category is also used to replace US and MIA flags for the town. Mr. Parent usually orders bronze markers in the Spring to replace missing ones. He hasn't been spending this year until he knows if the town wants to continue using bronze markers. There is now an option of an aluminum marker which is about half the cost of the bronze. Samples were shown.

Motion:

BOS Moved: To authorize Mr. Parent to order aluminum grave markers.

Vote: 3 In Favor 0 Opposed 0 Abstained

- Mr. Parent was asked about trends in his case load. The Veterans' District works with other human service agencies to get veterans education, training, and job placement assistance. There are many more veterans currently receiving benefits, primarily

because of the economic climate and lack of available jobs. Once a veteran on the rolls is fully employed, the benefits from the Veterans' district end. Mr. Parent just added two veterans to his case load at an additional \$3,500 per month. If no one drops off the rolls, the current budget for FY11 may need to be increased.

- If a Veteran moves out of Montague, the benefit we pay stops.
- Town also pays up to \$2,000 toward the burial of eligible veterans.

Council on Aging Budget Hearing

- Ms. Potter noted that we receive a large part of our funding from the State's Executive Office of Elder Affairs. This is a formula grant based on the most recent federal census. Each town gets \$7 for every resident age 60 or older. All of the center's programming costs come out of this formula grant.
- The Council on Aging operates as the Gill-Montague Council on Aging and Montague is reimbursed for 20% of the director's salary.
- Though the Total Expenses don't change from FY10 to FY11 there is a noticeable shift from Electricity and Gas (substantially under-spent at the mid-year mark) to Building Repair & Maintenance. This is because there are issues with eaves and fascia boards rotting and gutters falling off. Ms. Potter is hoping that the DPW will assist with some of the work. The lease of the building specifically states that the town is responsible for these types of repairs. Mr. Abbondanzio stated that the lease expires in FY2016.
- There was a general discussion around services offered, that the Senior Center is fully booked, and that more people would be served if more programs were offered, and more programs would be offered if they had more space. The fact that the center is essentially one large room increases the difficulty in programming, because it is hard to offer more than one program at a given time.
- Mr. Killeen questioned how reductions in utility costs under the reduced budget scenario would be met. Ms. Potter noted that they will simply have to be even more careful about and energy conservation methods.
- While congregate meals are still offered at the senior center, they are no longer cooked on site (only heated) which saves a considerable amount of gas.
- Ms. Potter noted that if any funds are left in the Building Repair and Maintenance account at the end of FY11 they will be used for items such as window maintenance and other energy conservation efforts.
- Mr. Naughton asked if the reduction of the Director's hours to 17 hours a week was working. Ms. Potter noted that both she and her predecessor put in more hours than they were paid for. In the next 5-7 years the program will most likely need more hours for the Director as well as a larger space.
- Mr. Killeen asked if Ms. Potter feels her budget is adequate. Ms. Potter replied that they could always use more funding, but they make do with what they have in both funds and space. Ms. Potter also noted that no one is more frugal than seniors.

Gill-Montague Regional School District Budget Hearing

- Superintendent Ladd noted that these preliminary budget figures were just presented to the School Committee last night, but discussion and any vote is not scheduled until their March 23, 2010 meeting.
- Two handouts were presented, which are in the minutes file.
- Mr. Ladd noted that the District already had to cut \$120,000 from their July budget to meet the final Commissioners budget for FY10.
- To create the FY11 budget, they only added in known increases in current costs such as union step increases, health insurance increases, and a reduction in the circuit breaker from the state. To then get to a level funded budget they had to cut \$797,070.
- Some of the larger cuts include \$26,000 in transportation, \$30,000 in Technology, \$62,626 from Special Education Tuitions, \$25,000 in Equipment/Supplies, and \$604,803 in personnel.
- The Personnel cuts include the School Resource Officer, a SPED teacher whose position is no longer needed, a High School Math/Science teacher (due to drop in enrollment) a Health teacher (whose role will be picked up by Physical Education teachers), an as-yet undetermined Elementary School teacher, an Administrative Assistant, a custodian, and 11 Paraprofessionals. Additionally, a budget reduction of \$31,627 was achieved by transferring salaries to grants.
- The \$10,000 cut in the School Committee budget was a reduction in advertising. Last year's budget included advertising for the Superintendent's position.
- Another \$10,000 was cut from the Administration budget by allocating part of a salary to a grant.
- The reduction in SPED Tuitions is partly due to students moving, and partly due to adding in-house programs to reduce costs of sending students out of district.
- There are no Cost of Living Adjustments in the current budget because union contracts are still being negotiated. Any increased cost resulting from COLA's would need to be absorbed through additional budget cuts.
- Superintendent Ladd noted that the transfers of costs to grants will not add to the structural budget gap because the costs are only transferred to entitlement grants.
- The final result of the cuts was a level funded budget of \$16,537,788.
- The District has not yet looked at revenues, which are a significant factor in determining final assessments.
- Superintendent Ladd was asked about the elimination of the School Resource Officer. The District now has three full-time administrators at the TFHS, and he feels that this should be sufficient. To keep the SRO would require the reduction of another teacher, and Superintendent Ladd felt that eliminating the School Resource Officer was the better choice.
- Mr. Killeen noted the Herculean nature of creating a level funded budget and asked to what they attributed the ability to do this. Superintendent Ladd noted that when dealing with cutting \$800,000 you know you'll be dealing with eliminating personnel so the issue becomes how to do this while still meeting education

requirements. Superintendent Ladd credited both the School Committee and administrators with being very supportive, and noted that this budget will not be sustainable in the long run.

- Mr. Naughton remarked that the FY10 assessment sheet shows the combined Gill and Montague minimum contributions as about \$5 million, and towns paid an additional \$2.7 million. His question is: Why do we as a district need to spend so much more money than the state's foundation budget formula implies that we need to spend to educate our children, especially when we hear that some districts don't even spend up to their minimum contributions?
- Ms. Reynolds asked about the impact of cutting 11 paraprofessionals. Mr. Ladd noted that these are mostly SPED paraprofessionals, and they are looking at asking teachers to take on more responsibilities. Ms. Ekstrom noted that this was done with caution because they had to look at the evolution of their SPED population and they went strictly by the individual education plans for each student. These reductions will require a lot of work on scheduling, and while they are able to propose this at this time they won't know the final SPED population and needs until later.
- Members of both committees thanked Superintendent Ladd and the District for their huge effort in creating this budget as well as for the District's recognition of the Town's financial situation.
- Mr. Langknecht gave credit to his colleagues for recognizing the need to do things in a different way.

Oversight Group

Mr. Naughton's gave a brief update on the oversight group. They are meeting tomorrow and Mr. Singleton will be presenting some budget scenarios. Mr. Singleton has been working on a model that will project out the impact of various decisions. It also shows different options of stabilizing the district.

Special Article to Replenish Reserve Fund

FC Moved: To recommend requesting an additional \$15,000 being appropriated from Free Cash to the Reserve fund at the upcoming Special Town Meeting.
Vote: 5 In Favor 0 Opposed 0 Abstained

BOSMoved: To recommend requesting an additional \$15,000 being appropriated from Free Cash to the Reserve fund at the upcoming Special Town Meeting.
Vote: 3 In Favor 0 Opposed 0 Abstained

Mr. Naughton noted that the Finance Committee reserves the right to turn down a request for a reserve fund transfer.

Next Meeting: March 17, 2010 at 6:00 PM Public Safety Budget Hearing

Adjourned at 8:17 PM

Respectfully Submitted,

Carolyn Olsen