

Name of Committee: Town-School Partnership Committee

Meeting Date: February 23, 2016

Time: 4:00 p.m.

Meeting Location: Town Hall, Selectmen’s Conference Room

Members Present:

Neil Wishinsky, Board of Selectmen Chair	x	Mel Kleckner, Town Administrator	x
Nancy Daly, Board of Selectmen	x	Joe Connelly, Interim School Superintendent	x
Susan Wolf Ditkoff, School Committee Chair	x	Michael Sandman, Advisory Committee	*
Beth Jackson Stram, School Committee		Sean Lynn-Jones, Advisory Committee	x

Staff Present: Mary Ellen Dunn, Deputy School Superintendent; Melissa Goff, Deputy Town Administrator; Austin Faison, Assistant Town Administrator; Stephen Cirillo, Finance Director

Others Present: Fred Levitan, Pam Lodish

* Michael Sandman participated via teleconference.

Topic: Approval of minutes of 10-13-15

The minutes were approved as amended. Michael Sandman and Nancy Daly abstained.

Topic: Discussion of Town School Partnership

Mel Kleckner gave an introduction of the town school partnership. This is the second year of a three year override plan. Group Health has to be incorporated into the school budget to cover new employees.

Topic: FY17 Budget Review

Melissa Goff provided information on the override breakdown and the Town School split formula. (Appendix)

Mel explained that the Town is working from the Governor’s budget proposal. There is confidence that the town would not go below the Governor’s state aid number. The budget also incorporated a 7.5% group health increase, which the Town hopes is too high.

Sean Lynn-Jones asked about non-tax revenue and parking meter revenue. Melissa explained that non-tax revenue is incorporated into other available funds and that we hope that parking meter and other fees net \$1 million. Neil Wishinsky asked about pay by cell parking meter technology in Boston, and Mel responded that the rollout has gone well and the associated fees are being passed on to the user. Michael Sandman noted that

he believed that this was the correct path, and that there should be a five year plan to move parking meter rates to \$2 per hour.

The School Department has identified an additional \$1.5 million in costs (spread over transportation, special education, and ongoing negotiations). The Department is still working through the special education numbers and trying to push them down. The Department trying to identify cost savings, and realized that there will not be budget reserves in the school budget; in addition it will be using a zero-based budget approach for personnel.

There was a discussion of the \$1.5 million shortfall in the School Department budget. The Town budget is very tight and the School Department had the benefit of the recent override. Many of the expenses were mostly one-time costs. The situation was not unique, and the exercise has been done before through school revenue increases and program/personnel cuts. The School Department is being open and honest about the numbers and the potential impacts, and both sides have to live within the restraints of the formula. There is a need to support special education, because lack of funding would run contrary to the community desire.

Topic: Capital Projects

Mel explained that there has been movement on capital projects, with Devotion moving forward and staying on budget. Joe discussed the Coolidge House. There is a walkway situation, where a right of way and fence was needed.

Mel gave a CIP update. It included the two large school projects. Melissa and the School Department have reviewed the preliminary CIP with the Capital Subcommittee. Michael noted that funds needed to be available for required studies. Mel responded that the School Department and Town are both aware of the necessary studies and are accounting for them. Melissa walked through the current CIP, where there was funding for feasibility studies for the High School and a 9th School. Susan explained that the AC voted to not seek MSBA funding for the 9th School and to not resubmit SOI for the High School.

Topic: Other

Mel explained two other outstanding issues:

- There was a Building Department study. Most of the work is preventative maintenance. Much of the costs would be associated with work on schools.
- A labor committee meeting would be convened to discuss benefits and percentages for health insurance.

Meeting was adjourned at 5:11 p.m.

FY2017 TOWN/SCHOOL ALLOCATIONS - CHANGES			11-Feb-16		
	TOTAL	TOWN	SCHOOL		
PROPERTY TAXES	\$8,973,373	\$4,486,687	\$4,486,687		
LOCAL RECEIPTS	\$268,013	\$134,007	\$134,007		
STATE AID	\$688,971	\$344,486	\$344,486		
FREE CASH	\$295,038	\$147,519	\$147,519		
OTHER AVAILABLE FUNDS	(\$90,914)	(\$914)	(\$90,000)		
Parking Meter Receipts	\$850,000	\$425,000	\$425,000		
Walnut Hill Cemetery Fund	\$0	\$0	\$0		
Chapter 90	\$0	\$0	\$0		
Overlay Reserve Surplus	\$0	\$0	\$0		
Capital Project Surplus	(\$1,030,000)	(\$515,000)	(\$515,000)		
Sale of Town-owned Land Fund	\$0	\$0	\$0		
State Aid for Libraries	\$0	\$0	\$0		
Golf Enterprise Fund Overhead Reimbursement	\$4,307	\$4,307	\$0		
Recreation Revolving Fund Overhead Reimbursement	\$10,458	\$10,458	\$0		
Water and Sewer Enterprise Fund Overhead Reimbursement	\$74,321	\$74,321	\$0		
TOTAL REVENUE	\$10,134,481	\$5,111,784	\$5,022,698		
FIXED COSTS					
GOLF ENTERPRISE FUND OVERHEAD	\$4,307	\$4,307	\$0		
REC REVOLVING FUND OVERHEAD	\$10,458	\$10,458	\$0		
WATER & SEWER OVERHEAD	\$74,321	\$74,321	\$0		
REFUSE	(\$91,496)	(\$45,748)	(\$45,748)		
RESERVE FUND (0.75% of Prior Yr Net Rev)	\$111,404	\$55,702	\$55,702		
DEBT (non Enterprise Fund)	\$1,312,393	\$656,196	\$656,196		
CIP / SPECIAL APPROPRIATIONS / FREE CASH-SUPPORTED	(\$1,135,677)	(\$567,839)	(\$567,839)		
SPEC ED TUITION	\$360,000	\$180,000	\$180,000		
OTHER SPEC ED	\$440,000	\$110,000	\$330,000		
ENROLLMENT GROWTH	\$857,917	\$428,959	\$428,959		
NON-APPROP	(\$105,055)	(\$52,528)	(\$52,528)		
TOTAL FIXED COSTS	\$1,838,571	\$853,829	\$984,743		
ALLOCATED FIXED COSTS					
PERSONNEL BENEFITS	\$3,490,402	\$1,599,807	\$2,018,904		
UTILITIES & MISC BLDG EXP's	(\$54,460)	(\$143,306)	\$88,846		
INFO TECHNOLOGY / FINANCE APPLICATIONS	\$66,584	\$33,292	\$33,292		
PAYROLL DIVISION	\$3,508	\$1,754	\$1,754		
UNCLASSIFIED (AUDIT & GENERAL INSURANCE)	\$18,503	\$9,252	\$9,252		
GENERAL SERVICES (POSTAGE & TELEPHONES)	\$323	\$162	\$162		
TOTAL ALLOCATED FIXED COSTS	\$3,524,860	\$1,500,960	\$2,152,209		
TOTAL COST INCREASE	\$5,363,431	\$2,354,789	\$3,136,952		
NET SURPLUS BEFORE COLL BARG & STEPS	\$4,771,050	\$2,756,995	\$1,885,746		
SCHOOL ALLOCATION					
School's Share of Net Surplus			\$1,885,746		
SPED Costs			\$800,000		
Enrollment Growth			\$857,917		
School's Share of Override funds (to get to \$1.465M)			\$732,500		
School Share of non-tax revenue (\$500K)			\$500,000		
TOTAL SCHOOL INCREASE			\$4,776,163		
			5.0%		
PERSONNEL BENEFITS					
	TOWN %	SCHOOL %	TOTAL INC	TOWN	SCHOOL
PENSIONS - non-Free Cash	76.97%	23.03%	\$1,011,656	\$804,487	\$207,169
GROUP HEALTH	43.61%	56.39%	\$2,264,401	\$767,301	\$1,625,410
HEALTH REIMBURSEMENT ACCOUNT (HRA)	43.52%	56.48%	(\$70,000)	(\$31,090)	(\$38,910)
OPEB's (RETIREE HEA INS) - non-Free Cash	43.52%	56.48%	\$275,719	\$88,575	\$187,144
EMPLOYEE ASSISTANCE	40.00%	60.00%	\$0	\$0	\$0
GROUP LIFE	100.00%	0.00%	\$0	\$76,850	(\$76,850)
DISABILITY INSURANCE	100.00%	0.00%	\$0	\$0	\$0
WORKERS COMP - non-Free Cash	88.40%	11.60%	(\$100,000)	(\$182,880)	\$82,880
PUBLIC SAFETY IOD MEDICAL EXPENSES - non-Free Cash	100.00%	0.00%	\$0	\$0	\$0
UNEMPLOYMENT - non-Free Cash	50.86%	49.14%	\$0	\$18,448	(\$18,448)
MEDICAL DISAB.	100.00%	0.00%	\$0	\$0	\$0
MEDICARE PAYROLL TAX	38.72%	61.28%	\$108,625	\$58,116	\$50,509
TOTAL INCREASE			\$3,490,402	\$1,599,807	\$2,018,904
FY17 PERSONNEL BENEFITS					
	TOWN %	SCHOOL %	TOTAL	TOWN	SCHOOL
PENSIONS - non-Free Cash	76.97%	23.03%	\$19,718,677	\$15,176,585	\$4,542,092
GROUP HEALTH	43.61%	56.39%	\$29,749,122	\$12,974,572	\$16,774,550
HEALTH REIMBURSEMENT ACCOUNT (HRA)	43.52%	56.48%			
OPEB's (RETIREE HEA INS) - non-Free Cash	43.52%	56.48%	\$3,774,838	\$1,642,700	\$2,132,137
EMPLOYEE ASSISTANCE	40.00%	60.00%	\$28,000	\$11,200	\$16,800
GROUP LIFE	100.00%	0.00%	\$145,000	\$145,000	\$0
DISABILITY INSURANCE	100.00%	0.00%	\$16,000	\$16,000	\$0
WORKERS COMP - non-Free Cash	88.40%	11.60%	\$1,450,000	\$1,281,800	\$168,200
PUBLIC SAFETY IOD MEDICAL EXPENSES - non-Free Cash	100.00%	0.00%	\$250,000	\$250,000	\$0
UNEMPLOYMENT - non-Free Cash	50.86%	49.14%	\$300,000	\$152,566	\$147,434
MEDICAL DISAB.	100.00%	0.00%	\$40,000	\$40,000	\$0
MEDICARE PAYROLL TAX	38.72%	61.28%	\$2,083,625	\$806,853	\$1,276,772
TOTAL			\$57,555,261	\$32,497,276	\$25,057,986
FY16 PERSONNEL BENEFITS					
	TOWN %	SCHOOL %	TOTAL	TOWN	SCHOOL
PENSIONS - non-Free Cash	76.83%	23.17%	\$18,707,021	\$14,372,097	\$4,334,924
GROUP HEALTH	44.41%	55.59%	\$27,484,720	\$12,207,271	\$15,149,140
HEALTH REIMBURSEMENT ACCOUNT (HRA)	44.41%	55.59%	\$70,000	\$31,090	\$38,910
OPEB's (RETIREE HEA INS) - non-Free Cash	44.41%	55.59%	\$3,499,119	\$1,554,125	\$1,944,994
EMPLOYEE ASSISTANCE	40.00%	60.00%	\$28,000	\$11,200	\$16,800
GROUP LIFE	47.00%	53.00%	\$145,000	\$68,150	\$76,850
DISABILITY INSURANCE	100.00%	0.00%	\$16,000	\$16,000	\$0
WORKERS COMP - non-Free Cash	94.50%	5.50%	\$1,550,000	\$1,464,680	\$85,320
PUBLIC SAFETY IOD MEDICAL EXPENSES - non-Free Cash	100.00%	0.00%	\$250,000	\$250,000	\$0
UNEMPLOYMENT - non-Free Cash	44.71%	55.29%	\$300,000	\$134,118	\$165,882
MEDICAL DISAB.	100.00%	0.00%	\$40,000	\$40,000	\$0
MEDICARE PAYROLL TAX	37.91%	62.09%	\$1,975,000	\$748,737	\$1,226,263
TOTAL			\$54,064,860	\$30,897,468	\$23,039,082

GENERAL FRAMEWORK OF THE THREE-YEAR PLAN

In millions of \$'s

Revenue

\$7.665 Override Funds

\$2.289 Non-property tax efficiencies and revenues

\$9.954 Total Plan

Expenditures

	Year 1	Year 2	Year 3	Total
Override funds	\$6.20	\$1.465	\$0	\$7.665
Non-override funds		\$1.00	\$1.29	\$2.289
	<u>\$6.20</u>	<u>\$2.465</u>	<u>\$1.29</u>	\$9.954