

Finance Committee Meeting

March 23, 2011 7:30 PM
Veterans Memorial Building, Room 229
900 Main Street
Millis, MA 02054

In Attendance:

Chris Smith, Chairman
Craig Schultze, Vice Chairman
Jennifer Soule, Clerk
John Burns
Peter Jurmain
Rick Manburg
Richard Molloy
Jim Smith
Susan Vecchi
Charles Aspinwall, Town Administrator
Charles Vecchi, Board of Selectmen
Nathan Maltinsky, Historical Commission
Jim Lederer, Conservation Commission
Nancy Gustafson, School Superintendent
David Baker, School Committee
David Byrne, Director of Operations – School Department
Grace Magley, Director of Educational Technology – School Department
Ramzi Elassi, Transportation Director – School Department

Chris Smith called the meeting to order at 7:35 PM

Budget Review: Historical Commission:

Nathan Maltinsky:

Total Maintenance Contract/Repairs:	\$5,101.00
Total Supplies and Expenses:	<u>\$ 142.00</u>
Total FY12 Water Budget:	<u>\$5,243.00</u>

The budget provides electric, heat, phone and an alarm for the Oak Grove farm house. It also covers costs to maintain grounds around the house, including grass cutting, leaf clean-up, and tree pruning. Some of the funds are used to assist in the restoration of Niagara Fire Engine House. The Town provides electricity and heat for the Niagara Fire Engine House. Possible additional expenses in FY12 would be a new riding mover for the farm house. The current unit is eight years old and has required many new parts and is on its last leg. The heating system in the farm house is quite old and had several repairs this year. The Oak Grove farm house exterior restoration and painting project will be paid for with CPA funds. The commission paid \$6,000.00 towards unforeseen repairs to the Niagara Fire Engine House restoration last fall to cover additional foundation expenses and replacing the stairs.

The money used was from the gift fund with monies raised from various events held by the commission. The budget is supplemented annually by the rent generated from the farm house tenants. The rent is \$850.00 per month and the tenants maintain the grounds. Phase II of the Niagara Fire Engine House restoration will be started in the fall. The commission is in the process of applying for a grant from the state for the Ellice School building assessment. The commission does not plan on a Revolutionary War Reenactment this year but may consider a Civil War Reenactment in 2012.

Budget Review: Conservation Commission:

Jim Lederer:

Total Salaries:	\$10,899.20
Total Expenses:	<u>\$ 4,777.00</u>
Total FY12 Water Budget:	<u>\$15,676.20</u>

Salaries include a step increase for the Department Assistant II position and the expenses are level funded.

Budget Review: Millis Schools:

Nancy Gustafson:

The budget books will be available in the next couple of weeks.

Budget:

FY10 Budget: FY10 Base:	\$10,685,612.00
Fixed Costs:	\$ 436,204.00
FY10 Stimulus:	<u>\$ 718,540.00</u>
Total:	<u>\$11,840,356.00</u>
Reductions (4 teacher cuts) :	(\$ 530,818.00)

FY11 Budget: FY11 Funded Budget:	\$11,309,538.00
Returned Stabilization:	(\$ 108,000.00)
Jobs Stimulus	\$ 257,445.00
FY11 Base:	\$11,458,983.00

FY12 Budget Proposal:

Salaries: IDEA Stimulus (loss of)	\$ 134,585.00
All Contracts:	\$ 327,675.00

Includes a 2% contract increase and a 2% cost of living, \$70,000.00 in step raises, \$86,000.00 in lane raises, \$20,000.00 in longevity & retirement and additional special education drivers and hours.

<u>Total Salary Increase:</u>	<u>\$ 462,260.00</u>
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Expenses: Out of District Tuition: \$ 160,000.00

This is for four new students.

Transportation: \$ 49,071.00

Includes fuel/gas increase and van maintenance

Utilities: \$ 15,440.00

On-line learning: \$ 26,000.00

High school elective courses offered on-line, \$300.00 per course.

2% Expense Increase: \$ 18,738.00

Total Expenses Increase:\$ 269,249.00

FY122 Level Staffed Budget: \$12,190,492.00

Essential Educational Needs – most pressing:

.4 Spanish HS due to increase enrollment: \$ 20,000.00

.6 PE Teacher HS & CFB: \$ 30,000.00

.5 School Adjustment Counselor: \$ 30,000.00

.5 Asst. Principal CFB: \$ 30,000.00

.2 Math Specialist: \$ 15,000.00

Total Add'l Staff: \$ 125,000.00

Total Proposed Budget: \$12,315,492.00

Enrollments K - 12:

2006 1,339 +24

2007 1,363 +64

2008 1,427 +35

2009 1,462 +35

Current 1,507 +45

Average Increase: 40 students per year

FY12 Budget Percentages:

Salaries: 78%

Expenses: 4%

Energy: 4%

Maintenance: 2%

Special Education: 11%

Transportation: 1%

FY12 Salary Distribution:

Administration: 10%

Clerks/Secretaries: 4%

Maintenance: 4%

Teachers: 72%

Aides/Tutors: 4%

Coaches 2%

Transportation: 4%

Discussion:

Millis has 15.8% of students in the low income bracket which impacts the budgets with free or reduced lunches and reduced or waived bus fees, this number has increased recently. Millis' per pupil expenditure is \$10,450.00 per year which is below the state average.

The largest class size at the elementary school level is the Spanish Immersion class with 28 students. First and second grade classrooms have teacher's aides. The Spanish government provides a teacher's assistant to help with grades one through four. The average kindergarten class has 18 students. An average English class has 20 – 24 students.

Without the override, eight FTEs or the equivalent of ten positions will be cut.

The High School classes are overflowing due to enrollment growth. There are seventy choice students and the school has stopped accepting additional choice students at the High School level.

The budget presented was based on the governor's budget as the "floor" with four teachers and aides cut. Specific cuts will be outlined when all the factoring numbers are in.

Although there are three teachers retiring and the Clyde Brown principal, it will have little effect on the salary budget, they cannot hire at a lower level.

The schools have averaged a forty student increase in enrollment per year; a study will be needed to address the overcrowding.

School Warrant Articles:

(A) Bus Lease: \$77,000.00

The article is a continuation of a five year lease for six buses. This is a standard warrant article.

(B) Computer Lease: \$60,000.00

This article will replace computers in the Middle School Lab. This is a standard warrant article.

(C) Medicaid Billing: \$ 2,100.00

An outside agency is used for complex Medicaid billing. This is a standard warrant article.

(D) HS/MS Hot Water Storage Tank Coil: \$17,000.00

The coil has burned out, an emergency back up to heat the water. The tank would have to be drained and the coil replaced. The water tank is from 1960. They will ask the Board of Selectmen if Reserve Funds could be used for this item.

(E) Repair the Clyde Brown Roof: \$ 5,000.00

The roof was patched and the repair would include sheeting over the cafeteria. The repair should last five to seven years.

(H) Kitchen equipment: \$17,000.00

This article would replace the following:

(1) High School Convection Oven (purchased in 1960) \$8,000.00.

(2) A steam oven and broiler (purchased in 1997 and serves two purposes) \$7,000.00.

(3) Industrial model cheese grater and two microwave ovens \$1,285.00.

The equipment has safety valves so there is no risk of danger.

(F) English Language Arts Curriculum: \$55,000.00

This is a continuation from last year's article that was voted at Town Meeting for \$45,000.00.

The \$45,000.00 funded grades K – 4, this article would fund grades K – 12. The request is to replace paperbacks and materials. This is part of a multi-year plan to update the curriculum and instructional materials.

(G) Clyde Brown Library: \$60,000.00

The Town voted to appropriate \$5,000.00 to write the specs for this project. The lowest architectural firm that bid to conduct the study came in at \$14,000.00 and \$5,000.00 will not cover that. They are looking to hire an environmentalist engineering firm to conduct the study. Charlie will review the wording of the article to determine if it specifies the \$5,000.00 must be used to hire an architectural firm. This article would replace the eleven year old carpet and repaint the interior walls and library ceiling at the Clyde Brown School.

(I) Snow and Ice Removal: \$14,000.00

The costs will be included in the Town's overall snow and ice budget. This article will be taken off the list.

(J) Replace Pickup Truck: \$27,000.00

The truck has 30,000 miles and the replacement would have 4 wheel drive. The truck is still in use. If a new truck is approved the current truck will be either donated to the Fire Department, sold outright or used as part of a trade in.

(K) Clyde Brown Network Upgrade: \$35,000.00

This will support wireless, mobile computer labs and wireless mobile devices for students, staff and administration. They have bids from three companies ranging from \$28,000.00 to \$38,000.00.

(L) Special Education Vans: \$48,000.00

This would replace five or six vans with used Dodge Caravans. They spend \$60,000.00 a year in maintenance on the current fleet. The vans are used to pick up students in surrounding towns while transporting Millis students to their destination, the Town receives fees for this service. It is a state requirement to provide transportation to special needs students if the school is located more than two miles from the student's home. The department will eventually be looking at a lease program for the vans in order to save on repair costs.

(M) Library Upgrade: \$13,500.00

There is a ten year accreditation cycle and although they are not at risk for losing accreditation they would like to update the library's materials. Based on an estimated average cost per book of \$21.00, the needed updating would require \$84,000.00, of which \$13,500.00 is requested for FY12.

Budget Review: Finance Committee:

Total Salaries:	\$2,625.00
Total Expenses:	<u>\$6,283.00</u>
Total FY12 Water Budget:	<u>\$8,908.00</u>

Expenses are as follows:

Printing:	\$4,350.00	26.3% increase over FY11
Supplies & Expenses:	\$ 200.00	
Postage:	\$1,360.00	13.3% increase over FY11
Advertising:	\$ 200.00	
Dues & Subscriptions:	<u>\$ 173.00</u>	2.4% increase over FY11
Total:	<u>\$6,283.00</u>	

Budget Review: Reserve Fund: \$75,000.00

This money is used for emergencies.

Budget Review: Sealer, Weights and Measures:

Total Salaries:	\$3,082.00
Total Expenses:	<u>\$ 132.00</u>
Total FY12 Water Budget:	<u>\$3,214.00</u>

Warrant Article Review:

Separate stabilization fund accounts will be set up for the following items if an override passes:

(1) DPW Road Repair:	\$100,000.00
(2) Municipal Vehicle Replacement:	\$ 30,000.00
(3) Municipal Building Maintenance:	\$ 25,000.00
(4) School Curriculum:	\$ 50,000.00
(5) School Building Maintenance:	\$ 25,000.00
(6) School Vehicle Replacement:	\$ 30,000.00
(7) 10 Year Revaluation of Property:	\$ 15,000.00

It was not determined if the following items will have separate stabilization fund accounts:

(1) School Leases:	\$137,000.00
(2) Audit:	\$ 34,000.00
(3) Medicaid Billing:	\$ 2,100.00

Setting up separate accounts will ensure the funds are used for their intended purposes. It also allows the funds to be saved over several years in order to pay for large projects.

Article #46: Senior Citizen Low Income Tax Deferral and #47: Senior Citizen Property Tax Abatement: Waiting to hear back on how it will be worded on the warrant.

Article #48: Fund Firefighter Contract Settlement, #49: Fund Police Contract Settlement, #50: Fund Dispatch Contract Settlement and #51: Fund DPW AFSCME Contract Settlement: There is no movement on union contract settlements. The Town has set aside \$90,000.00 for the Firefighters retroactive pay for FY10, FY11 and FY12, \$30,000.00 per year. The State Statute states retroactive pay for union contracts can only go back two years, not three.

Article #17: Crestview Drive and Klifford Circle Improvements: The article will be funded by rent from the cell tower. Bids are due on April 28th.

Old Business/New Business:

Charlie Aspinwall will check with Town Counsel to see how the warrant can be printed to include recommendations if an override passes or if an override fails.

Upcoming Meeting Schedule

March 30, 2011 7:30 PM
Veterans Memorial Building, Room 229

April 6, 2011 7:30 PM
Veterans Memorial Building, Room 229

April 13, 2011 7:30 PM
Veterans Memorial Building, Room 229

April 20, 2011 7:30 PM
Veterans Memorial Building, Room 229

April 27, 2011 7:30 PM
Veterans Memorial Building, Room 229

May 4, 2011 7:30 PM – Public Hearing
Veterans Memorial Building, Room 229

May 9, 2011 7:30 PM – Town Meeting
Millis High School Auditorium

Minutes Approval:

Susan Vecchi made a motion to accept the March 16, 2011 meeting minutes as written, Peter Jurmain seconded. Vote: 8/0 motion carries.

Adjourn:

Craig Schultze made a motion to adjourn the meeting at 10:30 PM; Susan Vecchi seconded, Vote 9/0.

Respectfully submitted,
Deirdre Gilmore