

FINANCE COMMITTEE

MINUTES

March 2, 2009

Regular meeting of the Finance Committee was held on Monday, March 2, 2009 at 7:30 p.m. in the Finance Committee Room, #112, with the following members present: J. Muti, M. Gallivan, M. Kent, M. Barry, L. Donovan, S. Kelliher, S. Connell, T. Jalkut, P. Stasiukevicius, T. Bowen, J. Stadler Also present was Town Administrator M. Boynton, Finance Director M. Good, and Assistant Town Administrator J. Johnson

7:30 p.m. – Quorum being present, the meeting was called to order by the Chairman T. Jalkut.

Town Administrator Update

Mr. Boynton presented to the Committee FY2009 Budget Status Projections. Last weekend's storm cost was approximately \$100,000, he delayed the opening of Town Hall today till Noon in order to help with snow plowing removal and hopes there are no more snow storms, but anticipates that there the need for more salt and sanding. Present deficit in snow and ice budget is \$800,000, \$125,000 deficit in interest income and deficit in motor vehicle excise is \$250,000 not the original \$300,000 as projected.

Cell Phones – Town has 50 cell phones on the Town's account, with the average bill running about \$32.00. Police Department has 9 phones, schools have 22 phones. Committee question handling them with another type of communication equipment. Town Administrator will look at another way to handle the cell phones. Purchase of radios costs approximately \$400 to \$500 each.

J. Cole, Recreation Director is working on the data on pools and working with schools on recreation and looking to outsourcing some projects.

7:30 p.m. – School Budget Update – Present for this discussion was School Committee Chairman N. Gallivan, School Committee Member J. Desmond and Superintendent of Schools L. Lynch.

N. Gallivan extended her thanks to the Committee for the opportunity to provide them with an overview of where they are at on the FY10 School Budgets. School Department is in the preliminary stages of doing the budget. There is a large gap that they are trying to close with sustainable changes, they feel that this is not short term but changes will have a negative impact on the future of schools. They figured there numbers on information that was available in February, they are looking at a 3.5 million dollar gap. They have a 5.9% increase over last year. Revenue numbers are changing, and the detailed numbers on revenue are not available. Federal Stimulus for the schools should

be available in April. This money cannot be used for this fiscal year. They are also looking into freezing out of district costs., they can count on \$500,000 for the next two years. They are less certain on what will be forthcoming with the Legislatures, health care costs, bargaining with the unions and charter schools. They feel that this is the year to ask for legislative changes. Another possibility is talking to the teacher's union for concessions on the contract, i.e health insurance coverage and rate saver plan, possibly a one day furlough (\$125,000 savings if they don't do a professional day) and eliminate cost of living increases - \$600,000 and looking into asking the teacher's union to work one day without pay and receive money back when they retire.

Superintendent spoke to all employees, town and school having to agree to changes in the health insurance. There will be meeting on March 10, 2009 with all the union presidents, they are also looking into early retirement plans.

School Committee is looking into increase in tuition for full day kindergarten, bus fees, parking fees at high school, athletics and extra curricular and co-curricular programs, building rentals, elimination of late buses, changing services for Special Ed and privatizing food service and clinical services.

Superintendent - 150 positions will be impacted, 27 definite and 53 reduction hours, 50 privatized and 12 clinical positions. Class size would have to be increased dramatically. They are also looking at Stimulus package, looking into potential revenue generators and state legislatures for help and concessions from the union. Fees and tuition increases are being looked at. People are paying fees already, bus fees are only a small portion of the bus contract.

School Committee will be meeting the end of March with cuts. They will be meeting with the presidents of the unions and hopes that the House and Senate will get them back with how they can help. They are looking for sustainable changes. They are looking at possible grants but all the grants are going into urban and rural districts. Hope that all Federal and State issues are resolved by the middle of April. If teacher's receive a pink slip, they are eligible for unemployment. It is unknown if the State is cutting back on circuit breaker money.

T. Bowen requested a list of employees per category for the years 2007 and 2008. It will be provided.

School Committee does a review of other communities on cafeteria costs and full day kindergarten costs. This is what they base their costs on. Things have to change and people are beginning to understand this.

Capital

Schools are willing to turn back the money on the phones, they feel Nextell works better.

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Under Capital Budget , they leased 300 computers at a cost of \$150,000, this is a lease to own program.

9:10 p.m. – Meeting adjourned.

Respectfully submitted,

Clare P. Abril
Clerk