
MINUTES OF TRI-BOARD MEETING
MONDAY, OCTOBER 1, 2009
BOARD OF SELECTMEN, FINANCE COMMITTEE & SCHOOL COMMITTEE

I. Call to Order/Roll Call

Board of Selectman Chair Alex Vispoli called the Tri-Board meeting to order at 7:08 P.M. Present from the Board of Selectmen: Chairman Vispoli and members Ted Teichert, Mary Lyman, Jerry Stabile, and Brian Major.

Finance Committee Chair Joanne Marden opened the meeting for the Finance Committee with members R. Howe, M. Merritt, C. Milne, J. Stumpf, S. Stapinski, P. Kruse, and M. McDonough in attendance.

Also present: Town Manager Reginald S. Stapczynski, Assistant Town Manager Steve Bucuzzo, and Finance Director Anthony J. Torrisi.

School Committee: Chair Deb Silberstein opened the meeting for the School Committee with members Richard Collins, David Birnbach and Annie Gilbert in attendance. Also present: Superintendent Dr. Claudia Bach, Assistant Superintendent Dr. Susan Nicholson, and Business Manager David Keniston.

III. Opening Ceremonies

Richard Collins led the meeting in a moment of silence followed by the Pledge of Allegiance led by South School students Danielle and Nicole Major.

IV. FY-2010 Budget/October 7, 2009 Special Town Meeting

A. Overview

Chairman Vispoli presented an overview of the sub-committee budget meetings held since the September 17th Triboard meeting stating they were productive meetings to consider sustainable options to cover the budget gap. Tonight's meeting will provide the opportunity for the Boards to make their recommendations after which they will break out into separate groups and then reconvene to present their proposals. Brian Major will facilitate the FY2010 Budget Balancing Proposal Presentation.

B. Discussion to identify areas of agreement/propose possible solutions

The subcommittee team (Team 470) statement revealed the remaining deficit as \$490M with the possibility of further 9C cuts coming from the State. The proposal presented must provide budget-balancing solutions with contingencies outlined should the meals tax pass at Town Meeting.

Options under consideration include:

1. Reducing hours of part-time employees to reduce or eliminate health insurance expenses.
2. Reduction of service delivery hours
3. Reduction / Elimination of Personnel / low priority
4. Reduction in CIP
5. Special Education
6. Reserves

IV. FY-2010 Budget/October 7, 2009 Special Town Meeting (Cont'd)

E. Discussion to Identify areas of agreement/propose possible solutions (Cont'd)

Options 1, 2, 3

Selectman Stabile said after further investigation of the first three options, they should be considered as a long term objective because under the 150E Labor Law, reduction in hours involves renegotiating contracts. These options could not be considered for FY2010. However, one topic not on the list but which should be investigated for future consideration is to offer a voluntary opt-out policy to part-time employees with a monetary incentive. This could mean over \$225,000 in savings to the Town if 25% of the employees for just one unit participated in this proposal. The FY09 insurance for 1,324 part-time employee subscribers cost the Town \$14,000 for a family policy and \$5,500 for an individual.

Option 4 Capital Improvement Program

Deb Silberstein said the School Committee addressed reducing the CIP funds for Technology in the amount of \$86,000 and using \$25,000 for a new textbook proposal. Dr. Nicholson explained the plans to move the district forward to decrease textbooks expenditures by delivering texts through technology. The research will begin in December and continue in the spring with a pilot program beginning next summer. Start-up technology funds will be needed to have this proposal ready to implement by September 2010. Deb Silberstein said the remaining \$55,000 in Technology CIP funds could be used for the possible leasing of laptops for High Plain Elementary and Wood Hill Middle Schools with a portion of the funds used for infrastructure expenses. The School Committee will have further discussions prior to a final decision on the use of these funds.

Finance Committee member Richard Howe said the Finance Committee has had a long standing practice that leasing should not be included in the CIP-pay-as-you go program but in the operating budget. Deb Silberstein said the Committee recognizes that and although the Committee has not had that discussion yet, they would like to consider the option to move the money from the CIP to the operating budget if necessary. The remaining \$55,000 has not yet been earmarked specifically for leasing.

Option 5 Special Education Contingency

The Boards discussed the uncertainty of Special Education costs, the many variables to consider, as well as the need to agree on how to cover the risks of overruns minimizing the use of reserves. The School Committee agreed to allocate \$275,000 of Special Education funds to the budget deficit with Out-of-District expenses backstopped by the Town and after the School Department has applied available stimulus funds, circuit breaker funds, savings from Special Education transportation, to offset the deficit before using free cash to cover Out-of-District Special Education expenses. The Boards agreed to use the model submitted by Dr. Bach and Dr. Fink as a standard model.

Option 6 Reserves

The Finance Committee believes the Town's reserve fund is more important now given the risks under consideration, and offers less internal flexibility given the areas of reduction for both the Town and School. Therefore, the Finance Committee is not comfortable reducing the reserve fund below the \$200,000 level. Deb Silberstein disagrees with the zero contribution from this

IV. **FY-2010 Budget/October 7, 2009 Special Town Meeting (Cont'd)**

reserves fund based on concerns about its use as expressed at a prior meeting. Selectmen Stabile and Finance Committee member Jon Stumpf agreed to use \$19,000 from reserves for the remaining balance left to close the budget gap.

At 8:00 P.M. Chairman Vispoli motioned for a temporary adjournment while the three boards went into a break-out session to discuss the decisions put forward for the proposed deficit proposal cuts. The motion was seconded by Selectman Stabile and unanimously approved. The meeting reconvened at 8:22 P.M.

The proposed budget-balancing plan to be agreed to by the three boards includes:

Town reductions	\$496,000
School reductions	\$430,000
Health Insurance	\$110,000
Capital Improvement Program	\$ 86,000
Special Ed Contingency	\$275,000
Reserve	<u>\$ 19,000</u>
	\$490,000

The Finance Committee voted 8-0 to recommend approval of the proposed budget-balancing plan as presented.

The School Committee voted 4-0 to recommend approval of the proposed budget-balancing plan as presented.

The Board of Selectmen voted 5-0 to support the proposed budget-balancing plan as presented.

Finance Chair Joanne Marden reviewed the changes to the Finance Committee Report in light of the approved budget-balancing plan. Reserves will now show \$181,000; Health Insurance will be \$110,000 less (page 2), Warrant Article 6-CIP will be reduced by \$86,000 and the total school reduction of \$705,000 will change the school budget for FY2010 to \$59,728,158.

Meals Tax

The Boards discussed ideas on where to apply revenue from the meals tax option should it pass at the October 7th Town Meeting. With the unforeseen reductions that may occur, Richard Howe feels strongly that revenue from the meals tax serve as a buffer for the budget. If there are no 9C cuts, no further reductions, no emergency funds needed, then the meals tax revenue should flow into free cash; otherwise it is to be used for any additional reductions. Deb Silberstein said it should be used to prevent any mid-year cuts.

School Committee Budget

Selectman Lyman motioned to approve the new FY2010 School Committee Budget of \$59,728,158. The motion was seconded by Selectman Major and unanimously approved.

Finance Committee member Richard Howe motioned to approve the new FY2010 School Committee Budget of \$59,728,158. The motion was seconded by Mary Donoghue and voted 5-2-1 to approve.

IV. FY-2010 Budget/October 7, 2009 Special Town Meeting (Cont'd)

School Committee Budget (Cont'd)

School Committee member Dennis Forgue motioned to recommend approval of \$59,728,158 as the FY10 School Committee budget. The motion was seconded by Richard Collins and voted 4-0 to approve.

V. Next Steps

The Chairs of the three Boards will draft a press release to communicate a unified message to the community and have amended Finance Committee Report pages made available to distribute at Town Meeting. Town Moderator Sheila Doherty stated how important it is for voters to understand the changes to the budget, the cooperation of the three boards, and the anticipated potential 9C cuts that may come from the State later this year.

Chairman Vispoli thanked members of the three Boards, the Town Manager and his staff, and the Superintendent and her staff for working together to solve the budget deficit and for providing the structure to move forward.

VI. Adjournment

Selectman Lyman motioned for the Board of Selectmen to adjourn the Triboard Meeting. The motion was seconded by Selectman Major and unanimously approved.

School Committee member Dennis Forgue motioned for the School Committee to adjourn the Triboard Meeting. The motion was seconded by Annie Gilbert and unanimously approved.

Finance Committee member Jon Stumpf motioned for the Finance Committee to adjourn the Triboard Meeting. The motion was seconded by Richard Howe and unanimously approved.

The meeting adjourned at 8:48 P.M.

Respectfully submitted,

Dee DeLorenzo
Recorder