



Town of Medway

FINANCE COMMITTEE

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February 10, 2016 – 7:00 PM
Sanford Hall, Town Hall
155 Village Street

Present: Frank Rossi, Chair; Chris Lagan, Vice Chair; Rohith Ashok; Ellen Hillery; Meghan Hoffman (7:17 PM); Jeff O'Neill; Michael Schrader, and Jim Sullivan.

Absent: Todd Alessandri, Clerk.

Others Present: Armand Pires, Superintendent of Schools; Gabrielle Abrams, Assistant Superintendent; Don Aicardi, Director of Finance and Operations; Diane Borgatti, Chair, School Committee; John Foresto, Selectman; Bridget Graziano, Conservation Agent.

Chairman Rossi called the meeting to order at 7:04 PM.

ETR – Veterans' Services, \$43,000:

The committee reviewed a Request for Transfer from the Reserve Fund, dated January 21, 2016.

Present: Sarah Bateman, Acting Director of Veterans' Services for the District; John Foresto, Chair, Board of Selectman.

Selectman Foresto reported that Veterans Agent John Givner is out on medical leave so Ms. Bateman is filling in for him as much as possible. Ms. Bateman reported that there is continued increase in caseload as well as unexpected unique one-time expenses such as hearing aids or cataract surgery. Chairman Rossi asked why the Veterans Services budget has not been increased to avoid continual requests for additional funds. Mr. Foresto responded that this is just the way the budget worked out. He added that it has been increased to \$115,000 for FY17. Mr. Lagan pointed out that there is only \$100,000 in the reserve fund, just a collapsed roof or a blizzard away from using half of it in a single event. Discussion followed.

Ms. Bateman stated that veterans' benefits average \$9,000 – 10,000 per month. Mr. Foresto stated the matter would have to go to Town Meeting. The veterans will not get what they need, and the bulk of the benefits are going to elderly veterans or their surviving spouses. Many of the surviving spouses are in income-eligible public housing so have little additional resources of their own. Ms. Bateman added that Medicare does not cover cataract surgery. Additionally, veterans from the Vietnam Era are

starting to get into the “fixed income” years so the number of caseloads will continue to rise as their financial needs increase due to decreased resources.

Committee members expressed dismay that this account is continually underfunded. Ms. Bateman theorized that the need may still fall short of these resources.

Mr. O’Neill moved that the committee approve the transfer of \$43,000.00 from the Finance Committee Reserve Fund, as requested; Ms. Hoffman seconded. No discussion. VOTE: 6-1-0 Lagan oppose.

ETR – Conservation Commission, \$3,600:

The committee reviewed a Request for Transfer from the Reserve Fund, dated January 12, 2016.

Present: Bridget Graziano, Conservation Agent.

Ms. Graziano explained that she has submitted paperwork to take maternity leave and needs someone to cover her duties May 1 through June 30. The amount requested will be to fund salary for 15 hours per week for her temporary replacement. The former Medway Conservation Agent has agreed to do this. Ms. Graziano added that she anticipates that long-time Conservation Commission members will provide additional help.

Mr. Schrader asked why this temporary salary could not come out of the budgeted departmental salary line item. Ms. Graziano responded that her salary will still go to her while on maternity leave, so there is nothing left for the fill-in person.

Mr. O’Neill moved that the committee approve the transfer of \$3,600.00 from the Finance Committee Reserve Fund, as requested; Mr. Ashok seconded. No discussion. VOTE: 7-0-0.

FY2017 School Budget Discussion:

The committee reviewed the following information: PowerPoint presentation entitled “Medway Public Schools Preliminary Budget Presentation”, dated February 10, 2016.

Present: Medway Public Schools --Dr. Armand Pires, Superintendent of Schools; Don Aicardi, Director of Finance & Operations; Gabrielle Adams, Assistant Superintendent; and Diane Borgatti, Chair, School Committee.

Dr. Pires announced that they made some adjustments to the original document shared on January 28, asking committee members to please keep in mind that it is still a preliminary budget. We try to make an honest assessment of what the needs actually are rather than trying to fit into the recommended target that the Board of Selectmen has set forth as early as December.

Dr. Pires began by reviewing the Medway Public Schools Financial Overview and Timeline followed by FY17 Budget Development Strategies. In the interest of transparency, the Town received the preliminary budget when the School Committee did.

It was noted that circuit breaker funds are held in abeyance until we need it; we do not spend it as it comes in. Dr. Pires continued his review, going over the shifting needs of a high-performing district, projected class sizes including an increase in first grade. Some kindergarten students attend private kindergarten and then come to public school for first grade, increasing the first grade student population. Brief discussion followed on students going out of district.

Discussion followed on the impact of finances focused on teaching methodology and professional development, while things like water heaters may not get enough attention until something breaks down.

Utilizing a slide in the presentation, Dr. Pires pointed out that over 50% of teachers have been in the system ten years or less. If they stay, their salaries will continue to rise through the ranks, impacting future budget processes. While we can replace retiring teachers with new teachers at lower rates, that benefit lasts only a few years. It was emphasized that health insurance costs are not part of the school budget as that is a Town expense. Debt service is not factored in either.

Mr. O'Neill stated that the Finance Committee appreciated knowing how this budget is prepared, and the things that are not included. This sharing of information has not always been the case in the past.

The presentation then focused on level service and various expenses such as natural gas and electricity costs that have been contracted for two years and one year, respectively. Mr. Aicardi noted that they have been advised not to assume savings from solar panels as more data needs to be gathered.

Dr. Pires moved on to review salary increases, external revenue sources that will support the operating budget, circuit breaker funds, items not included in the budget, strategic planning and strategic plan goals. Mr. Aicardi pointed out that the relationship between school choice and circuit breaker is changing from what it used to be, thus affecting their planning processes.

Regarding a Director of Wellness, Mr. O'Neill theorized that this would eventually evolve into a team approach as it would prove to be too much for a single person. Dr. Pires did not disagree, noting that, for now, the plan is to streamline duties so that efforts are focused. Discussion followed on what these particular duties might entail. This individual would focus on student needs and levels of anxiety which often inhibit the ability to learn competently and related emotional issues.

It was clarified that the 1.8% request will not include many of the items on the improvement and innovation List. Mr. Lagan thanked Dr. Pires for trying to bring the Town and schools closer together in a united effort to create the best budget possible. Dr. Pires noted that the schools have more of a philosophical approach to education, and do not always adhere to the model that has been presented in past years. A list of potential initiatives will be developed for presentation to the School Committee in the April-May timeframe so that, if things look good as the school year goes along, some items could be accomplished without waiting until the next fiscal year.

Budget/Annual Town Meeting Calendar

After brief discussion, the committee decided to hold the public hearing on April 6 in order to receive input from the public on the financial articles presented at 2016 Annual Town Meeting and Special Town Meeting.

Upcoming Meeting:

The next regular meeting of the Finance Committee will be on Wednesday, March 9.

At 9:05 PM Ms. Hoffman moved to adjourn; Mr. Schrader seconded. No discussion. VOTE: 7-0-0.

Respectfully submitted,
Jeanette Galliardt
Night Board Secretary