

MINUTES
OF THE
FINANCE COMMITTEE
MEETING
TUESDAY, MARCH 15, 2011
7:00 P.M.

TOWN CLERK
TOWN OF SANDWICH

MAR 20 2011

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RECEIVED & RECORDED

OAK CREST COVE
34 QUAKER MEETING HOUSE ROAD, FORESTDALE

Present: Bill Diederling, Paul Sylvia, Glenn Pare', Tom Hickey, Linda Bliss, Paul Kilty, Ellen Yaffe

Absent: Courtney Bridge and John Vibberts

Also Present: Town Manager George Dunham; Selectmen Linell Grundman, Jim Pierce and Ralph Vitacco; Superintendent of Schools Dr. Mary Ellen Johnson, Business Manager Michelle Austin and members of the School Committee; Frank Pannorfi and SCT (Sandwich Community TV).

ITEM #1
CALL TO ORDER

Meeting called to order at 7:00 p.m.

ITEM #2
REVIEW AND APPROVAL OF MINUTES

Minutes of March 8, 2011-

***MOTION WAS MADE BY MR. PARE' TO APPROVE THE MINUTES OF MARCH 8, 2011 AS PRESENTED. SECONDED BY MS. YAFFE. VOTE – UNANIMOUS**

ITEM #3

TOWN MANAGER'S REPORT Overview of Projected Revenues and Expenses – FY'12 – GHD's Guesstimate #1 (GHD Guesstimate #1 Draft – 3/15/2011); GHD's Guesstimate For a Balanced F'12 Budget, February 14, 2011(GHD Draft – 2/17/11);GHD's Guesstimate #2 For a Balanced Budget, February 17, 2011 (GHD DRAFT - 2/17/11; FY'12 Capital Budget Summary – Approved by CIPC February 14, 2011 (Final – 3/15/2011); Ambulance Fund / Other Transfers (Final 3/15/2011); Reconciliation.

Information from Upper Cape Cod Regional Vocational Technical School should be coming in the mail soon. The assessment is approximately \$13,000 less than what we had planned but we did hope it would be even less.

The DPW, Police and Fire will be in to next week's meeting.

The Snow & Ice deficit is just under \$105,000 which includes the bills that will be paid this week.

Courtesy of the Marina (no taxpayer money) the Town Manager

Capital Budget

Brief discussion.

***MOTION WAS MADE BY MR. PARE' TO ACCEPT THE CAPITAL BUDGET \$125,000 AND AN EXTRA \$20,000 FOR MAINTENANCE AND HOPE THAT FUTURE BOARDS TAKE THE SAME ACTION. MOTION WAS NOT SECONDED**

-Mr. Diederling -- doesn't think we can make a vote and commit future Boards.

-Mr. Pare' – that is why it is worded...and hope that future boards take the same action.

-Ms. Yaffe – we can vote it in principal as to the scope of the work and the methodology of paying for it because we cannot commit any funds except for this year...FY'12.

-Mr. Pare' re-phrased the motion...



***MOTION WAS MADE BY MR. PARE' TO ACCEPT THE CAPITAL BUDGET AS PRESENTED AS PART OF THE OPERTING BUDGET IN PRINICIPAL AND HOPEFUL THAT TIS COMMITTEE AND OTHER BOARDS WILL TAKE SIMILAR ACTION IN THE FUTURE. SECONDED BY MR. KILTY.**

For clarification, Mr. Dierdering noted that there will be a separate vote on Capital Exclusion/Debt Exclusion coming in a few weeks.

VOTE - UNANIMOUS

Mr. Dierdering noted that the last meeting Mr. Dunham had a couple of different scenarios on the budget and asked if there were any decisions made by the Board of Selectmen last week. Mr. Dunham – no.

It was noted that the Finance Committee would be voting the budget at the March 29 meeting.

ITEM #4

SCHOOL DEPARTMENT FY'12 BUDGET

-Mr. Dierdering noted that this discussion is a continuation of last week's meeting.

-Dr. Mary Ellen Johnson handed out and gave an overview of – Operating Budget, Health Insurance & Staff Effects based on LRP Projections & Deficit Assumptions (GHD Draft – 10/15/2009) hi-lighting School Dept. w/Current 3.0% Assumptions, Revised School Dept. Budget, General Government with Current 3.0% Assumptions, Revised General Government Budget...all information hi-lighted for FY'12; The Big Picture – hi-lighting information on Foundation Formula/foundation budget and Concepts and Terminology/Foundation Enrollment; Salary Comparisons; Expense Comparisons; Sandwich Public Schools – Charter School Tuition; Employees that took Health Insurance FY'08, FY'09 and FY'10.

Brief explanation of Foundation Budget and Net School Spending. Note was made that there is a difference in some of the numbers because the budget number and the actuals are sometimes different.

-Mr. Kilty, asking for an explanation of the salaries and expenses comparison, noted that some of the numbers for certain years do not match.

There was a brief discussion.

-Dr. Johnson noted that the School Dept. had a major reduction in Chapter 70 money in FY'10.

-Ms. Austin spoke about Net School Spending and noted a list of items that the school department uses of town services. Noted that most school district go over their net school spending.

-Mr. Dierdering - concerned that the amount of the minimum required keeps growing. We have reduced the amount that we increase the budget every year for the last several years. Enrollment is in decline. Our budget has not decreased in proportion. The cost of health insurance is jumping. Out of district (tuition) is skuing the net school spending. We may save some money on teachers that our new and their salaries are not as high but then there are retiree benefits. As more people reach 65 years old that insurance cost will be reduced. The health insurance plans we have cost the town 75% and the employee pays 25%. Some people can opt to have the more expensive insurance. Unemployment may go down a bit. We pay a percentage of town employees that are in kind services. We could work at reducing some of these costs.

-Mr. Dierdering handed out and gave a brief overview of information from the state on Chapter 70 funding.

-Mr. Pare', referencing Mr. Dierdering's hand out, noted that the Town's average is less than 1/2 of what the State average is. We are getting considerably less than the rest of the State.

-Mr. Sylvia noted that school funding grants are not included in Net School Spending.

-Mr. Dierdering – no, that don't include educational grants, etc. These grants are specific to recouping Chapter 70 cuts.

-Ms. Austin noted that they would not show up in the general school budget.

-Ms. Linehan, School Committee member – we need to look at why students are choosing to leave Sandwich. Why are they leaving and how can we bring them back.

-Mr. Dunham noted that the Dept. of Education runs seminars which the Town Accountant and School Business Manager have attended because the process is so complicated.

-Dr. Johnson handed out and gave a brief overview of information on Sandwich Public Schools – Charter School Tuition.

-Ms. Linehan thinks that many towns are spending over the foundation budget. We live it every day and we are the ones who should decide how much we should be spending. We should not be spending the minimum required.

-Mr. Dunham offered information regarding the Operating Budget, Health Insurance & Staff Effect Based LRP Projections & Deficit Assumptions (GHD Draft – 10/15/2009) which Dr. Johnson handed out earlier in this meeting.

-Dr. Johnson offered some information from the Dept. of Education and noted that we will have actual numbers in April.

-Mr. Diederling - charter school tuition is a budget buster. If this trend continues, it is a real budget buster.

-Dr. Johnson – students leave between the 8th and 9th grades. It is important to offer high quality education.

-Ms. Killion, School Committee member – parents opt for consistency. We have to look at things like that if we want to keep our students in Sandwich.

-Mr. Dunham - this is charter schools...and then there is school sending.

-Dr. Johnson noted that school choice does change year to year. You have to market your schools.

-Mr. Diederling – we did plan on a continuing discussion of the FTE's and school body count.

-Dr. Johnson asked for more time. In the next few weeks we will have a five year snap shot.

-Mr. Diederling – we are just looking for a verbal narrative explanation. Last week there was a 2 page handout from the Schools. Mr. Diederling has done a similar comparison. Mr. Pare' has call it dueling spread sheets. This data is accurate.

Brief discussion.

-Mr. Diederling noted that he objects to cherry picking numbers...that is the point of this.

-Ms. Austin noted that there is no cherry picking on her part. If there is any it is on the State's part

ITEM #5

OTHER

None.

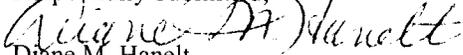
ITEM 6

ADJOURNMENT

8:17 p.m.

***MOTION TO ADJOURN WAS MADE BY MS. BLISS. SECONDED BY MR. KILTY. VOTE – UNANIMOUS.**

Respectfully Submitted,


Diane M. Hanelt
Secretary

Approved: 3/22/11 as Amended

Supporting Documents:

From Town Manager –

-Projected Revenues and Expenses – FY'12 – GHD's Guesstimate #1 (GHD's Guesstimate #1 Draft – 3/15/2011)

-GHD's Guesstimate For a Balanced FY'12 Budget, February 14, 2011 (GHD Draft – 2/17/11)

-GHD's Guestimate #2 For a Balanced FY'12 Budget, February 17, 2011 (GHD Draft – 2/17/11)

-FY'12 Capital Budget Summary / Approved by the CIPC Feb. 14, 2011 (Final- 3/15/2011)

-Ambulance Fund / Other Transfers (Final – 3/15/2011)

-Reconciliation

From Superintendent/School Committee-

-Operating Budget, Health Insurance & Staff Effects Based on LRP Projections & Deficit Assumptions/relevant to FY'12 (GHD Draft – 10/15/2009)

-Projected Revenues and Expenses – FY'12 – (GHD Guesstimate #1 Draft – 2/17/2011 hi-lighting (under Operating Budgets: School Budget/Local and General Gov't.

-Projected Revenues and Expenses – FY'12 – GHD's Guesstimate #2 (GHD Guesstimate #2 Draft – 2/17/2011 hi-lighting (under Operating Budgets: School Budget/Local and General Gov't. Budget.

-The Big Picture – hi-lighting foundation budget and foundation enrollment.

- Salary Comparisons
- Expense Comparisons
- Sandwich Public Schools – Charter School Tuition
- Employees that took Health Insurance FY'08, FY'09 and FY'10