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**MINUTES
OF THE
FINANCE COMMITTEE
TUESDAY, FEBRUARY 9, 2016
7:00 P.M.
TOWN HALL MEETING ROOM
130 MAIN STREET, SANDWICH, MA**

Present: Linell Grundman, Bob Guerin, Mike Dwyer, Rich Reilly, Mark Snyder, Jim Lehane, Gene Parini and Tom Whitham

Absent: Matt Terry

Also Present: Town Manager George Dunham, Superintendent of Schools Dr. Richard Canfield, School Director of Finance Director Michelle Austin, Chairman and members of the School Committee; Finance Director Mimi Spahr, Selectmen Vice-Chair Susan James, SHS Principal Dr. Ellin Booras, Jim Pierce and SCT.

ITEM #1
CALL TO ORDER & PLEDGE OF ALLEGIANCE

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

Pledge of Allegiance.

ITEM #2
PUBLIC FORUM

None

ITEM #3
REVIEW AND APPROVAL OF MINUTES

No minutes presented

ITEM#4
CORRESPONDENCE STATEMENTS AND ANNOUNCEMENTS

Mr. Witham, regarding the timing of the meetings, suggested that at 9 p.m. the Finance Committee take a vote...if two-thirds of the Committee agrees, continue through a discussion until that presentation is over.

Mr. Snyder – we will not take any new material after 9 p.m.

Mr. Dwyer – what was the reason for this?

Mr. Witham noted that they used to do this on his previous Finance Committee.

Ms. Grundman – we finish the business on the table and take a two-thirds vote at 9 pm to continue the meeting...or not.

Mr. Snyder noted that this is in ‘Roberts Rules of Order’.

-The Finance Committee agrees.

ITEM#5
TOWN MANAGER’S REPORT

Mr. Dunham noted that the packet is the same on the page summary...no changes at this point. We should be getting better numbers on health insurance and other items. We are trying to find a way to fund overtime and Snow & Ice...that are chronically underfunded.

Veteran’s District Budget – includes fifteen towns through the Town of Barnstable – there is a line item for it. Over the last few years we have had to do some reserve fund transfers. \$4,500 bumped this budget.

ITEM #6
SCHOOL DEPARTMENT FY’17 BUDGET PRESENTATION

Ms. Grundman -Superintendent Dr. Canfield will present the School Dept. budget. Last week we thanked Dr. Canfield for his service. This presentation we will hear in total before we go into questions.

Dr. Canfield thanked the Finance Committee for their kind words then presented the School Dept. budget noting that this is a level service budget kept at 3%. The FY'17 budget was approved by the School Committee on January 27, 2016; Budget Changes approved January 27, 2016; New Spending FY'17; FY'17 Budget Unfilled Needs; Questions from the Finance Committee to School Staff through the School Committee Chair (sent beginning January 12, 2016) to be addressed. Dr. Canfield gave an overview of the budget binder by tabs - #1 FY'17 School Committee approved budget; #2 – Enrollment information NEASC (New England Association of Schools and Colleges) report; #3 Program and Staff Use Report -Specialist Monica De La Hoya tracks FTE movement etc. Dr. Canfield offered answers to questions from the Finance Committee to the School Committee (questions included with packet of information for this meeting) –

- Dr. Canfield noted that he used the NEASC model in his previous job.
- Specific accounting of the pool costs including staffing and maintenance and energy - \$89,313
- What is the 'all in' cost of the 2.5% contract – the actual increase is about 5.96%.
- The cost center for the Wing School is tab#12 in the School Budget binder
- FY'17 allocation for maintenance and custodial supplies at Wing – tab#5 in the budget binder pages 3&4
- Request a school building usage and occupancy report by building – Oak Ridge and Forestdale Schools are fully occupied buildings
- Facilities revenues - What we take in...we put back into our buildings
- Personnel data for FY'17 is answered in the School Budget Binder Tab#3

Ms. Grundman noted that these questions are not included in what we wanted to cover tonight...but, thank you for the information.

Dr. Canfield noted that Matt Bridges, Maureen Wiklund, Carolyn Rains from the School Department are also present tonight.

Mr. Parini – under salaries...the school department budgeted \$24.1 m. Actually expended was 23.2...a savings of about \$900,000. How can you budget salaries of \$24.1 m...what about the almost \$1m savings? And then brought the budget back up to the \$24.1m for next year.

Ms. Austin – we spent the money on the move and regrouping at each of the schools.

Ms. Grundman noted that the schools, by law, operate their books differently for the schools. When the town does not spend their allotted money, it goes back into the general fund. The schools have more flexibility on how they can spend their money and thinks there are many people having an issue with this.

Dr. Canfield – this budget is as lean as it can be.

Ms. Grundman – because of the massive transition and reconfiguration in the schools we have to look at the fact that there is inconsistency in the budget.

It was noted that declining enrollment is a fact. The town has to succeed as well as the schools.

Mr. Dwyer – several questions...are there bench marks or all contractual.

Dr. Canfield – Yes.

Mr. Dwyer thanked the school department for the breakout of the pool. Will that form the basis of your third party engagement renting? Level staffing is actually cuts in staffing...as a committee, how do we sustain continuing to have an almost 6% increase with a 2 ½ % increase to the budget. How do you plan for long range sustainability?

Dr. Canfield – it is a challenge...there is no easy answer.

Mr. Dwyer – is the term of the staffing contracts three years?

Dr. Canfield – yes.

General discussion on the smaller student population and the increasing number of citizens whose families have grown and moved. It is possibly that demographics...student increases could happen again. Some of the 65 years and older people in town may down size or move out. They will leave a lot of large homes in town for families...small children to move into.

Mr. Whitham – it appears to me that we are depending more and more on fees from parents to pay for activities at school, group fees, sport fees etc. I see a dependency on grants for staffing and what happened if those disappear? Worries about we are depending on non-sustainable resources for staffing positions.

Dr. Canfield – I am not a proponent of increases in fees. Once you have fees it is very difficult to get rid of them. \$50 group pay was well received by the parent. It allows the students to participate in any number of group activities. If grant funds are paying for a position, we tell the people up front. Oak Ridge is the only place fees were increased.

Mr. Whitham – talked about a ‘wish list’. We are all making a strong effort to our **whole our budgets. Because when certain things aren’t done in a timely manner will we be paying for it in the long run?

Mr. Guerin – noted that the budget drive is interesting. As a town we recognize an increase 3%...what is the underling...underpinning? Will the contracts grow considerably more than what the budget allows? The committee is concerned with the sustainability of programs etc. Are we actually adding personnel or changing current personnel. Could we see a line item where we see the cost of curriculum so we can understand what these are for? Would like to see the same information broken down.

Ms. Grundman – direct costs...we need to know more about direct costs.

Ms. Austin offered some information.

Mr. Guerin noted that he wanted to see the cost of the whole thing. I need to see the parole and stipends.

Mr. Snyder expressed concern about the number of students leaving the school system. It is a serious issue. Said out of district costs for students have skyrocketed. He appreciated the effort with STEM Academy and the reconfiguration of the schools to attempt to hold those students. Applaud you for the effort.

Mr. Dwyer – on the matter of capital items...are there other things you need?

Dr. Canfield – a waste water treatment plant is crucial at this time.

Dr. Canfield noted that the school department lost a grounds supervisor almost as soon as he started the job. Alan Hall is the best I have ever worked with...with all the building modifications at both schools etc.

Mr. Lehane – Facilities grounds budget- Are you expecting to come before Town Meeting to request money from the cell tower account?

Mr. Reilly - CIPC February 22 is the next meeting.

Dr. Canfield offered closing comments noting that the administration has worked really hard with staff and parents to keep the students here. At the Oakridge School there are about two hundred kids in the instruments group. The Sandwich Soul Choral program ‘Knight Theatre’ very positive signs.

Ms. Grundman thanked the Dr. Canfield and the Schools for the presentation. We will be sending questions in writing. This was very thorough. We may need to invite the School Committee back.

Dr. Canfield noted that the School Committee will be very busy looking for a new superintendent.

ITEM #7
OLD BUSINESS

Ms. Grundman handed out copies of the Finance Committee statement for the 2015 Annual Town Report and asked the membership to review.

In response to a question raised, Mr. Dunham noted that yes, there were two years 2010 and 2011 that there were ‘0’ increases. Page forty-seven (Average General Government Wage Adjustment FY’95 – Present) of the history table in the general government budget and added that there is a difference in ‘steps’ between the municipal and schools.

ITEM #8
CLOSING REMARKS

ITEM #9
ADJOURNMENT

9:08 p.m. *MOTION TO ADJOURN WAS MADE BY MR. SNYDER. SECONDED BY MR. PARINI
VOTE – UNANIMOUS.

Respectfully Submitted,



Diane M. Hanelt, Secretary

Approved: 3/1/16

Supporting Documents:

- Projected Revenues and Expenses – FY'17 (GHD Draft 2/5/2016)
- FY'17 Budget Totals (GHD Draft 2/5/2016)
- FY'17 Recommended General Government Budget – Summary of Significant Budget Changes (+/- \$5,000)
- General Government Operating Budget Needs – Prioritized Summary (GHD Draft 2/5/2016)
- FY'17 Capital Budget Summary
- Sandwich Public Schools Fiscal Year 2016 Budget – Approved by the School Committee 1/27/16
 - Budget Changes, New Spending FY'17
 - FY'17 Budget Unfilled Needs
- Questions from the Finance Committee to the School Dept.
- Report of the Sandwich Finance Committee (for the 2015 Annual Town Report)
- Newspaper article re Non-Profits – Mike Dwyer