



Town of Stow FINANCE COMMITTEE

**Town Building - 380 Great Road
Stow, Massachusetts 01775-2127**

**(978) 897-4514 x 1
FAX (978) 897-4534**

Final - Minutes of the March 6, 2018 Finance Committee Meeting

Finance Committee Members Present: Rich Eckel (RE), Peter McManus (PMcM),
Julianne North (JN), Atli Thorarensen (AT), Thomas Johnson (TJ)

Others present:

Brooke Clenchy

Mark Jones

Brian Burke

Jean Vangsness

Call to Order

The meeting was called to order at 7:00 PM.

Review Minutes

No minutes were reviewed

Mail/Correspondence:

None

A/P

None

Liaison reports: none

Budget Discussions:

Brooke Clenchy, Superintendent of Nashoba Regional School District

Superintendent Clenchy discussed the NRSD budget. In December, prelim budget reviewed with TAs and the school committee (SC). In January there is an extensive workshop in which the school administration goes through the entire budget in a “budget binder”. At this time the budget undergoes a full review and analysis. Each iteration of the budget is reviewed with TAs and SC. In response to question, although school budget increased 3.9%, assessments increased 4.9% because state aid dropped .6%.

Superintendent Clenchy maintains NRSD is a great school system and that the current budget does not hurt the education program this year. This was the first year for MCAS being computer based - scores went up despite this, and she credits students and staff. Languages are the main area that are under utilized. The arts/music/theater arts programs are growing and needing additional staff.

High school building: The building is aging and renovations are needed. Superintendent is developing the Statement of Interest (SOI) for the MSBA (step 1 of the process, no cost to Stow). The school committee will approve or not approve and submit by end of April. Should get response from MSBA by December and, if we're invited to participate, will ask town for our share of feasibility cost at 2019 town meeting. Study should cost between \$800k and \$1.2m, MSBA will help pay for this (40% to 50% of certain projects) if we move forward in a project with them.

Questions from Fincom:

1. Could the needed new leach field be part of the SOI? Not sure. \$300k project, but it's possible.
2. How much does it cost to attend NRHS per student? We'd like to look at comparables. Superintendent unable to provide cost per student for high school alone. Only available on district-wide basis.
3. What are the drivers for needing a new school? Accreditation could possibly be a factor in this. Accreditation review in a year or two. Other factors for new/renovated school: Heat is inconsistent throughout, sewer backs up in certain parts of the building, floors that are trip hazards, and other safety items. There is one channel where the police line can't get through the walls.
4. Retirement: Worcester county, OPEB, health benefits
5. Health insurance: tied in with contracts. Costs not procured, instead subcommittee controls
6. E&D use: last year used some for a vehicle. How is it reported? Talk about at SC meetings. Gets certified by State. Should be \$1.4million, will use \$800k for FY19 budget. She wants to use \$200k per year for budget, leave \$1.0 or \$1.2 constant for rainy day fund to use for example if State cuts allocation to schools or to use it on unexpected capital expenditures like a leach field.
7. What happens if NRSD does not get variable assessment from towns? What is contingency plan? Statutory process: goes to SC, votes new budget which returns to town meetings for another vote. She would have to cut programs if she had to go back.
8. Status of contract negotiations: Unit A contracts (teachers) has been finished and now in process of negotiating Unit C (non teachers). 3-year contract. Teachers

salary has a matrix of steps and lanes. It's been cleaned up a lot, so differentiation between steps and lanes is not as great as it was. Easier to project costs. COLA is 2% this year and next and 1.5% third year. School committee members bargained really hard this year, went to mediation. 1.59% increase in salaries includes reduced positions.

9. OPEB funding will be \$50,000. Discussion of inter-municipal transfers. She would like it to be funded more.
10. Revolving accounts: There are 50 of these. Extended day is self supporting, food service can't be burdened with health benefits until it's done everywhere, PreK and K will be political decision on self-funding. K: may stay similar rates for afternoon K (85% do). Afternoon amount is not fully self supporting because fees are not high enough. Possibly couple hundred thousand dollars. PreK is a mental health program for challenged kids, has been represented as available to everybody. Athletics is not self-funded.

Fincom also reviewed and voted to recommend suggested changes to the Town operating budget. A list was developed to be sent to the Town Administrator. Motion: JN, Second: AT. Unanimous vote 9:20 pm.

Next Fincom meeting will be Tuesday, March 20th at 7PM.

Adjourn The meeting was adjourned at 9:26 PM. Motion: RE, Second: PMcM