

## **MINUTES OF SELECTMEN'S MEETING**

### **October 6, 2014**

Chairman Smith called the meeting to order at 7:00 PM in the School Committee Room at the North Brookfield Elementary School with Mrs. Walter and Mr. Hevy.

School Committee Members Present – Mr. Kiszka, Mr. Metcalf, Mrs. Mann, and Mrs. Styles. Not Present: Mr. Petraitis.

#### **I. BUDGET UPDATE**

The School Committee recognized the Board of Selectmen during their regularly scheduled meeting on October 6, 2014. Mr. Smith outlined the letter that the Board of Selectmen sent to Mr. Kiszka on September 25, 2014.

Mr. Smith explained to the School Committee that the Town is now facing an approximately \$370,000.00 deficit due to recent updates to the Cherry Sheet. Mr. Smith then discussed one of the driving factors that the town incurred, which was the 36 "School Choice" students that came in undetected and that the Town is responsible for. The cost is approximately \$52,000.00. This increase is from families that lived in other communities and moved into town either by purchasing new homes or renting in town, but keeping their children in the prior school district. The school was able to track approximately 30 students that we considered "Unknown" and verified their existence. One of the problems with School Choice is the town can get crippled by people moving into town and keeping their children in other districts. The town has no control over this process and it can be very difficult to track.

Mr. Smith explained that the Department of Education has estimated that the school will receive approximately \$45,351.00 in School Choice receiving tuition. This is money that will go directly to the school. Mr. Smith explained how the Selectmen are proposing to reduce the deficit, including using the \$45,351.00. The concept is to reduce the appropriation for the school by \$45,351.00, which would not affect the overall figure and to use an estimated \$132,230.00 from Free Cash, approximately \$25,000.00 in New Growth, \$17,000.00 from the ALS Contract, and the remaining balance would most likely come from the Stabilization Fund. Mr. Smith explained that this is considered additional revenue for the school, and by reducing the budget by \$45,351.00 will not hurt the bottom line. Mr. Smith reminded the School Committee that when he sat down with Dr. Provost and was presented the budget, the School Choice dollars were only figured at \$275,000.00. This should not affect the School's existing budget. We are not able to cut all department budgets because some departments are single person budgets and can't take a cut because up to 80% of their budget is salary. The Selectmen see no other way around this deficit problem at this time. We will be researching the Chapter 70 funding to explore opportunities with Spencer which may come later in the year.

Mr. Kiszka asked to reduce the budget this year by \$50,000.00 and to reduce it again in the middle of the year are we in jeopardy of going under the minimum Net School Spending figures? Superintendent Tencza stated that the reduction of the \$45,351.00 will not bring them below the minimum Net School Spending.

Mr. Metcalf stated that he appreciates the work the Selectmen have done, and stated that the Selectmen are responsible for the assets of the Town, and the School Committee is responsible for funding the School. The state has been dropping Chapter 70 funding by 2.5% each year. Earlier in the year you were looking at approximately one half million dollars to reduce the deficit. What are we going to do to manage our assets on the town side? Mr. Smith stated that our real estate property is comparable with surrounding communities. We are trying to recruit business but don't have the business of our surrounding towns. The Finance Committee is looking at some resources that could generate revenue for the Town.

Mr. Smith stated that over the last few years under Dr. Provost that the school wanted approximately \$280,000 to get new school programs going. Mr. Smith and others went to bat for the school for the new programs because of the data that was presented. Chapter 70 took a nose dive over the past 10 years. If we did nothing, where would we be in 3 years? It would have cost the town over \$1 million dollars.

Mr. Metcalf stated that the schools job is to pay its own way. They offer more than some of the surrounding towns. Are there other programs in town that can pay their own way? Mrs. Mann wanted to know Dr. Tencza's thoughts. Dr. Tencza stated that it could hurt the department because of the unknowns. If one student moving in or is in need of Special Education services that in itself could cripple the budget. Funding in the past has ranged between 4.5% to 6% over Net School Spending. We are gambling with the money because anything could happen to offset the \$45,351.00. Mrs. Mann stated the School Committee has fought tooth and nail for the current dollars that is budgeted. Mr. Smith re-iterated that the reduction would not affect the overall figure because this is considered additional monies.

The Board of Selectmen thanked the School Committee and Superintendent for their time and completed their discussion.

There being no further business, at 7:50 PM, Mrs. Walter moved, and Mr. Hevy seconded, a motion to adjourn. So voted.

Respectfully submitted,

Eric M. Hevy  
Board of Selectmen Clerk