

Town of Northbridge
Finance Committee Meeting Minutes
March 10, 2021 at 6:30PM via Zoom

Committee Members in Attendance: Plato Adams, Jim Barron, Robert Dearborn, Steve Gogolinski, David Graham and Chris Pilla

Finance Committee Member(s) not in Attendance: None

Town of Northbridge Administration in Attendance:

Amy McKinstry, Superintendent of Northbridge Public Schools, Town of Northbridge, MA

Melissa Walker, Director of Business & Finance, Northbridge Public Schools, Town of Northbridge, MA

Other Attendees:

Michael LeBrasseur, Chair, Northbridge Public Schools, Town of Northbridge, MA

Finance Committee Meeting

Per Governor Baker's Order as noted below, the zoom meeting was called to order by Plato Adams of the Finance Committee at 6:31 PM:

Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, and the Governor's March 15, 2020 Order concerning imposition on strict limitations on the number of people that may gather in one place, meetings of the Northbridge Finance Committee will be conducted via remote participation to the greatest extent possible. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access the proceedings as provided for in the Order.

The following topics were discussed by various Department Heads for the Town of Northbridge as follows:

Northbridge Public Schools Budget FY 2022

Amy McKinstry, Superintendent of Northbridge Public Schools, and Melissa Walker, Director of Business and Finance of Northbridge Public Schools presented the FY 2022 School Budget.

Focus for the FY22 Budget:

- Promote a STRONG opening of our school district this fall by ensuring that personnel, programming and practices:
- Support a successful transition of NES, Balmer and Grade 5 staff and students into the new Northbridge Elementary School
- Meet the academic and emotional needs of all NPS students where they are at the start of the 2021-2022 school year
- Focus on building trusting and collaborative relationships with students and their families to build a stronger and more inclusive NPS community
- Promote an innovative and rigorous curriculum for ALL students

ESSER II – CONTINUED COVID FUNDING

- These grant funds are intended to help school districts safely reopen schools and measure and effectively address significant learning loss
- Allocation: \$931,432
- Per DESE: Funding is contingent upon availability. All dollar amounts listed are estimated/approximate and are subject to change
- Time frame: Funding available through 9/30/2023
- These funds are not included in the FY22 operating budget

ESSER II – CONTINUED COVID FUNDING

- This grant will be the primary source of funds to acquire necessary staffing and resources during the 2021-2022 school year to ensure we are able to meet the needs of our students where they are academically, socially and emotionally when they start the new school year.
- The goals and objectives of the new Strategic Plan, which will be identified as a result of our data and assessment review and root cause analysis process, will help guide the spending of this grant.
- Student Support has already been identified by the leadership team as a clear and necessary area of focus across the district.
- Potential expenses may include: additional SpEd staffing, after school programming, social worker, interventionists, differentiated instructional resources

FY2022 Revolver Projections:

Starting Balance	2,739,406
2022 Revenue	1,517,855
2022 Expense	3,037,286 *
Ending Balance	1,219,975

*Revolvers Expense: \$3,037,286

- School Choice, Tuition Revolver, Circuit Breaker, Athletic Revolver, Transportation Revolver, Use of School
- Anticipated amount needed to fund proposed operating budget • Closes the gap between the operating budget and the appropriation/grants
- Throughout the year, if operating budget expenses come in lower than budgeted, less revolver funds are utilized. If operating budget expenses come in higher, more revolver funds could be utilized (or reductions made).

FY22 Superintendent's Recommended Budget

- \$80,967 or 0.28% increase over FY21 Approved Budget • Level Services = close to level funded
- Includes elementary school consolidation and proposed staff reorganizations

Recommended Budget Category FY 2021 FY 2022 Increase/ Decrease % Change

Salary/Other Compensation: \$20,765,572 versus \$21,293,626, a \$528,054 increase or a 2.5% increase

Supplies/Materials/Texts: \$241,692 versus \$239,650, a decrease of \$(2,042) or -0.8% .

Professional Development: \$84,209 versus \$84,267 59, a 0.1% increase.

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Recommended Budget Category FY 2021 FY 2022 Increase/ Decrease % Change - Continued

Instructional Contracted Services: \$267,408 versus \$252,923 a decrease of (\$14,485) or -5.4% .

Athletics \$271,011 versus \$274,663 an increase of \$3,652 or 1.3% .

Technology \$304,934 versus \$268,484 a decrease of (\$36,450) or -12.0%.

Utilities \$854,036 versus \$925,188 an increase of \$71,152 or 8.3%.

Custodial/Maintenance \$440,770 versus \$388,053 a decrease of (\$52,717) or -12.0%.

Transportation \$1,345,167 versus \$1,416,250 an increase of \$71,083 or 5.3% .

Out of District Tuition & Trans \$3,675,125 versus \$3,191,664 a decrease of (\$483,461) or -13.2%.

Title I \$287,026 versus 324,868 an increase of \$37,842 or 13.2%.

• Other Expenses \$314,578 versus \$272,859 a decrease of (\$41,719) or -13.3%.

TOTAL RECOMMENDED BUDGET:

\$ 28,851,528 in FY21 versus \$28,932,495 in FY022, an increase of \$80,967 or 0.28 %.

• Other expenses includes: copiers, legal, dues, and accreditation. advertising, Medicaid billing, postage, MTRS grant expenses, etc.

FY22 Expense Drivers

Salaries \$ 528,054

• Steps/Lanes/COLAs • 2 union contracts not yet negotiated for FY22 • Minimum wage increase / increase in substitute rates • Limited retiree offsets (1 at end of FY21, 1 in March FY22)

Out of District Tuition & Transportation (\$ 483,461)

- 28 students budget in FY22 vs. 31 students in FY21
- 5 less placements (3 graduating, 1 moving, 1 no longer attending)
- 2 additional placements (students moving into Northbridge)
- 2 students in residential placements aging out in FY22 (pro-rated tuition = 336K less than full year) • Transportation: 2 less runs; higher daily rates = small increase

Utilities \$71,152 (Electricity – New Elementary School)

Transportation \$71,083

- 2.6% increase in-district contract rates
- Modified allocation for agricultural school transportation – instead of evenly splitting by participating towns, allocating cost based on # of students from each town attending = increase for Northbridge

Custodial/ Maintenance (\$52,717)

- Removal of NES modular classrooms = no longer lease land

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FY22 Expense Drivers – Continued

- Anticipated decrease in trade contractor expenses due to new NES and new MS boilers

Technology (\$36,450) • Decrease in hardware budget due to new NES technology funded through project budget & purchases with COVID grants

Reorganization Summary

FTE Positions Reduced: 5.3 / FTE Positions Added: 7.1 / Total FTE's Added: 1.8

Net Savings: \$27,796

Overall Summary

- Level services operating budget for FY22 requires an \$80,967 or 0.28% increase over FY21
- Chapter 70 only increased by the minimum \$30 per student, or \$60,690 and the Town Contribution increased by \$424,391 resulting in the school department's appropriation increasing by 2% = \$485,081
- \$3 million will be spent from revolver accounts to help fund the budget, leaving a \$1.2 million available balance
- Salaries – contract obligations – main reason for budget increase – mainly offset by decrease in OOD Tuition
- Re-organization of positions – majority due to new school consolidation = net 1.8 FTE's added; \$27,796 net savings
- Net budget reduction of \$39,611 attributed to opening of new school
- ESSER II Grant funding (not included in operating budget) available to assist with safe school reopening and remediation for learning loss
- Based on current revolver projections, a lesser amount of revolver funds will be available to fund the budget in FY23 resulting in a potential revenue shortfall

Budget Overview FY 2022

Per the Town Manager, Adam Gaudette:

PRELIMINARY OPERATING BUDGET EXPENDITURES

Operating Budget	FY21 Approved	FY22 Preliminary	\$ Change	% Change	Available Funds \$868,635
BS Valley Tech	\$1,849,999	\$1,935,163	\$85,164	4.60%	\$783,471
Trade School	\$300,000	\$300,000	\$0	0%	\$783,471
FinCom Reserve	\$50,000	\$50,000	\$0	0%	\$783,471
Retirement System	\$1,973,746	\$1,978,731	\$4,985	0.25%	\$778,486
Employee Benefits/ Liability Insurance	\$7,336,951	\$7,554,441	\$217,490	2.96%	\$560,996
Debt Service	\$3,611,153	\$3,611,153	\$0	0%	\$560,996
Northbridge Schools	\$24,254,032	\$24,739,112	\$485,080	2.00%	\$75,916
General Gov Departments	\$8,747,375	\$8,823,291	\$75,916	0.87%	\$0
Total	\$48,123,256	\$48,991,891	\$868,635	1.81%	\$0

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Budget Overview FY 2022 - Continued

NOTES TO BALANCE THE BUDGET:

- Net Additional Available Funds for FY2022 = **\$868,635**
- After budgeting Fixed Costs (BVT, Trade School, Retirement, Benefits/Liability/Debt), the remaining funds available for NPS and General Gov't for FY2022 spending is **\$560,996**.
- Town Manager Budget has proposed an additional **\$485,080** (2.00%) for NPS, which is consistent with available revenue and historic trends.
- Town Manager Budget proposes an additional **\$75,916** (0.87%) for General Government over FY2022.
- Future Adjustments to Debt Service will be offset by Exclusion Revenue.
- The relatively low Retirement Assessment Increase this year along with a 4% increase for Health Insurance versus the 5% forecasted, and a relative COLA for Government staff allows for a **\$150,000 reduction in the reliance of free cash** (one-time surplus) used to apply to future operating expenses.

Revenue is projected to total \$51,869,188, an increase of \$897,825 or 1.8% over the previous fiscal year.

Charges against revenue are projected to total \$48,991,891, an increase of \$868,635 or 1.81% over the previous fiscal year.

Capital Plan

The Town Manager gave an overview / discussion of the five year capital plan as noted below:

Also, see below for additional Capital Expenditures for the next fiscal year:

- \$10,000,000 for Design and Construction of the New Fire Department Headquarters
- \$354,577 for Projects in the High School and Middle School as follows:
 - o \$199,577 for LED Project split among the High School and Middle School
 - o \$125,000 for the removal of Portable Classrooms
 - o \$30,000 for Security Cameras split among the High School and Middle School
- \$296,232 for various projects to be overseen by the DPW, with \$200,00 to be used for the Pavement Maintenance Program
- \$100,000 for Linwood Basketball Courts Upgrade – Second Round

Spring Annual Town Meeting (SATM) Warrant Articles

Per the Town Manager, the time frame for placing items on the SATM Warrant expired on Friday, March 5, 2021.

There are currently 22 Spring Annual Town Meeting (SATM) Warrant Articles.

The Finance Committee will be sponsoring the following Warrant Articles:

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Spring Annual Town Meeting (SATM) Warrant Articles – Continued

ARTICLE 3 (Finance Committee)

To see if the Town will vote to raise and appropriate and/or transfer from available funds in the Treasury and/or transfer from the Health and Insurance Stabilization Fund such sums of money, not to exceed \$49,141,891, to defray the necessary and usual expenses of the several departments of the Town for FY 2022, beginning July 1, 2021 and ending June 30, 2022 or take any other action relative thereto.

ARTICLE 22 (Finance Committee)

To see if the Town will vote to raise and appropriate, and/or to transfer from the undesignated fund balance (free cash), a sum of money to the Stabilization Fund; or take any other action relative thereto.

The amount to be raised and appropriated to the Stabilization Fund is estimated at \$100,000.

Calendar

The Spring Annual Town Meeting calendar was reviewed by the Town Manager, Adam Gaudette, with the Finance Committee. In particular, the meeting dates that various Town Departments and Other Groups (e.g. BVT, etc.) will present their budget materials were reviewed / discussed.

Next Scheduled Finance Committee Meetings

It was noted by the Town Manager that the Finance Committee will post a meeting at 6:30 on May 4, 2021, just prior to the 2021 Spring Annual Town Meeting (SATM). The SATM is scheduled to begin at 7:00PM.

During the next scheduled zoom meeting of the Finance Committee at 6:30PM, dated Wednesday, March 17, 2021, the following will be the presentation topics:

- Public Meeting / Hearing
- SATM Warrant Articles and FY 2022 Budget
- Blackstone Valley Tech (BVT) FY 2022 Budget Presentation

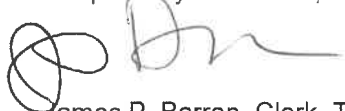
Approval of Previous Finance Committee Meeting Minutes

A motion to approve the Finance Committee Meeting Minutes of Wednesday, March 3, 2021, was made by Steve Gogolinski, seconded by Chris Pilla and unanimously approved.

Adjournment

Since no further business was to be transacted, a motion to adjourn the Finance Committee Meeting at 8:05PM was made by Jim Barron, seconded by David Graham and unanimously approved.

Respectfully Submitted,



James P. Barron, Clerk, Town of Northbridge Finance Committee