

Town of Northbridge  
Finance Committee Meeting Minutes  
March 8, 2017 at 6:00PM

**Finance Committee Attendees:**

Finance Committee Members in Attendance: Plato Adams, Jim Barron, Chris Thompson, Jill Meagher and Steve Gogolinski.

Finance Committee Member not in Attendance: Chris Pilla and Lisa Ferguson

**Town of Northbridge Administration and Other Attendees:**

Ted Kozak, Town Manager and Neil Vaidya, Town Accountant - Town of Northbridge

Neil Vaidya, Town Accountant - Town of Northbridge

Dr. Catherine Stickney, Superintendent of Schools, Town of Northbridge Public Schools

Melissa Walker, Business Manager, Town of Northbridge Public Schools.

Michael Clements, Vice Chairman - Town of Northbridge School Committee

Dr. Michael Fitzpatrick, Superintendent of Schools, Blackstone Valley Vocational Regional Schools District (BVT)

Jeff T. Koopman - BVT School Committee Member (Representing Northbridge)

**Finance Committee Meeting**

The meeting was called to order by the chairman; Plato Adams at 6:00PM.

**Prior Meeting Minutes**

A motion to approve the meeting minutes of March 1, 2017 was made by Chris Thompson, seconded by Jill Meagher and unanimously approved.

**Town of Northbridge School Department Budget**

During the October through November time frame the School Committee hosted three Budget Input Forums. The following proposed / Draft budget information was presented to the Finance Committee:

FY17 Level Services Budget	\$26,503,185
FY18 Level Services Budget	\$27,252,325
Increase to Provide Level Services	\$ 749,140 (a 2.83% YOY increase)

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**FY18 Expense Drivers:**

Salaries \$794,240

- Steps/Lanes/Contract Obligations
- No Confirmed Retirees
- Returning LOA's/Pro-Rated Salaries
- Cost Neutral: K Teacher / K Inclusion Teacher

Transportation \$ 53,530

- Contract Rate Increase
- Same Number of Buses/Level of Services

OOD Tuition & Trans (\$104,610)

- First Decrease Since 2012
- 5 Students Currently Placed Do Not Require Services
- Next Year: Graduating/Moving/Returning to Public Schools Setting
- In-House OOD Transportation Run

Custodial / Maintenance (\$ 49,500)

- One-Time Purchases made in 2017: Floor Scrubbers, Maintenance Van and Field Repairs

Utilities (\$ 17,944)

- Increase in Cost of Electricity Offset by Decrease in Cost of Gas
- Potential for Additional Savings: Net Metering Agreement Awaiting Connection, Green Communities Grant Opportunity

**Strategic Additions:**

- School Administrator identified essential needs
- 13 Critical positions proposed to be added to address key priorities
- 8 of 13 positions are restorations of positions cut between FY14 and FY16.
- Total additional costs of the 13 additions totals \$711,001.

The FY18 recommended budget totaled \$27,863,326 with projected revenue of \$26,725,007 with a projected budget gap / deficit of (\$1,138,319). The budget gap / deficit includes the requested Strategic Additions of \$711,001.

The projected budget gap / deficit without the Strategic Additions of \$711,001 totals (\$427,318).

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### Closing the GAP

- Increase the Appropriation
  - Request an Increase Above the Proposed Appropriation Increase of \$506,000
  - Potential Increase in Chapter 70 from the Legislature
- Utilize Funds From Revolvers
  - Reduce Balance Below \$1M Safety Net
  - Increase Deficit for FY19 as Less Revolver Funds Will Be Available
- Budget Reductions:
  - Elimination of Requested Strategic Additions = Up To \$711,001
  - Reductions to Level Services Budget = \$250,000 to \$550,000 Depending on \$ Funded From Revolver
- Override
  - Support Full Budget Request and Sustain for at Least 5 Years with Modest Growth
  - Support Partial Budget Request (Level Services or Some Increase to Level Services) and Sustain for at Least 5 Years with Modest Growth
  - Get Through FY18 with No Override and Close the Gap With Other Options Noted Above
  - Increase the Need for an Override in FY19

A discussion ensued on the potential for an override in an amount of approximately \$2.7 million. Based on assessed valuation of property in town of \$1,547,544,490 and the Average Family Home Value of \$284,000; the overall increase applicable to the override is roughly a \$495 annual increase to Town of Northbridge residents tax bills.

The main reasons for an override are as follows:

- Support the budget for at least five years
- Support a budget with modest growth
- Assumptions:
  - Strategic additions included in FY18
  - 3% annual increase in operating expenses (FY19 restores \$100k in capital)
  - \$500,000 annual appropriation increase
  - Revolver ending balance in FY22 is close to \$1M

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**Blackstone Valley Vocational Regional School Budget**

A budget in the amount of \$22,725,302 for 2017-2018 was proposed from \$21,956,739 for FY 2016-2017; an increase of 3.5%

Significant cost drivers, equating to 3% of the total increase, are attributed to wages, transportation and employee health insurance. has been requested over FY 17.

Per the Superintendent the cost per student for Northbridge is \$8,872 which appears to be the lowest within the thirteen towns making up the district. The total number of students was reduced overall by 5 for a total of 147 from the Town of Northbridge. This total includes the LPN students.

The total proposed FY18 Assessment for the Town of Northbridge is \$1,382,277 which equates to roughly 10.42% of the overall FY 18 Proposed Assessment of \$13,267,666. Though the average total Combined Assessments for FY2018 averages out to \$9,403.24 per student (\$1,382,277 / 147).

It was noted that Blackstone Valley Vocational Regional School District charges a minimal \$30 fee for those competing in Athletics. It was also noted the Blackstone Valley Vocational Regional School district does not charge fees for bus services.

A question was asked about the funding of the OPED Liability for the district. Per the Superintendent the account was established but with no funding and that the funding of this estimated liability will *not* be a onetime assessment to the area towns but within the operating budget.

**Future Finance Committee Meetings**

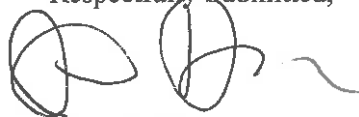
The next Finance Committee Meeting will be held on Wednesday, March 15, 2017 at 6:00PM .

A Finance Committee Public Hearing will also take place on Wednesday, March 15, 2017 .

**Adjournment**

Since no further business was to be transacted, a motion to adjourn at 7:16 PM was made by Steven Gogolinski, seconded by Jill Meagher and unanimously approved.

Respectfully Submitted,



James P. Barron

Clerk / Town of Northbridge Finance Committee