



Town of Medway

**FINANCE COMMITTEE**

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March 8, 2017 – 7:00 PM  
Sanford Hall, Town Hall  
155 Village Street

Present: Frank Rossi, Chair; Rohith Ashok, Vice Chair; Meghan Hoffman, Jeff O'Neill, Michael Schrader; Todd Alessandri, and Jim Sullivan (via teleconference).

Staff Present: Michael Boynton, Town Administrator; Armand Pires, Superintendent of Schools; Don Aicardi, Director of Finance and Operations for the Medway Public Schools; Gabby Abrams, Assistant Superintendent of Schools; Diane Borgatti, School Committee Chair; and Cindy Sullivan, School Committee Vice Chair.

Others Present: Glenn Trindade, Chairman of the Board of Selectmen.

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At 7:02 p.m. Chairman Rossi called the meeting to order. A quorum of members was present.

**Capital Improvement Planning Committee (CIPC):**

*The Finance Committee reviewed the CIPC's FY18 Rankings.*

CIPC members Kelly O'Rourke, Tracy Malcolm and Debi Rossi attended the meeting. Chairman O'Rourke provided the Finance Committee with an overview of the Committee's annual process. She said the Committee works closely with Administrator Boynton and department heads. This year the CIPC toured three of the schools, which was extremely helpful to the three new members. She explained that each member creates a ranking. The members' rankings are compiled into a master list. Chairman O'Rourke said that each member's rankings are based on the information that they have gathered during their conversations with department heads and Committee discussions. Administrator Boynton also creates a ranking based on his day to day knowledge. The CIPC reviewed its recommendations. Chairman O'Rourke pointed out several projects that the CIPC is recommending did not appear on Administrator Boynton's list. The group reviewed the Free Cash figure. There is approximately \$1.9 million available for capital

projects. This figure could be impacted by the snow and ice removal budget. Also, the salt shed needs to be filled, which costs about \$35,000. Administrator Boynton said the current snow and ice removal budget is \$425,000 annually but he would like to increase this number when additional revenue is received in the future. Administrator Boynton explained that his office reviews the retained earnings of the enterprise funds and then makes recommendations to the CIPC about what projects could be funded via the enterprise funds. The group discussed why bridge improvements were not funded. Administrator Boynton explained that these projects need to be completed in conjunction with the Town of Franklin. He added that there is no indication that these projects are critical and that the DPS reviews the Department of Transportation (DOT) reports regularly. Michael Schrader said he thinks it is very important to assess the long-term risk that might exist by pushing these projects to a future year. Administrator Boynton said the BOS has approved the CIPC budget but the Free Cash number is still not final. The CIPC made two last minute changes yesterday that still need to be reviewed by the BOS.

**Medway Public Schools-Preliminary FY18 Budget Proposal:**

*The Finance Committee reviewed the Medway Public Schools Proposed FY18 Budget and presentation.*

Dr. Pires said the budget process is extensive and starts during the summer. Dr. Pires reviewed the budget development strategies. He said this year teachers identified two areas where they need additional support, including student behavior and additional Tier 2 Support. Tier 2 Support is support for a student who is having a hard time meeting proficiency but is not at the point where they need specialized instruction (IEP). Dr. Pires said there is an increasing amount of students who are having a hard time meeting the increased expectations. Dr. Pires, upon Selectman Crowley's suggestion, charted the amount of full time employees (FTE) versus student enrollment. It showed that there is a decline in FTEs as the enrollment declines. He clarified that additional positions are needed for behavioral support not due to enrollment. They briefly reviewed projected class sizes for 2017-2018.

Mr. Aicardi reviewed some of the budget development highlights, including the school cleaning contract and bus transportation contract. He said a \$60,000 increase in the bus contract was assumed but the number is not final until the bid is accepted. He explained what level service means and discussed the factors that were part of the level service estimate. Mr. Aicardi said he estimated Circuit Breaker at 70%. He also clarified the term Vacancy Factor for the Committee. He said they are trying to better estimate increases in substitutes and employee benefits. The \$22,000 increase for substitutes is in addition to the \$45,000 increase that was requested in the fall. They are also exploring the possibility of purchasing a passenger van to transport some of the smaller athletic teams. Administrator Boynton said they did this in Walpole and it was very successful. Dr. Pires reviewed some of the improvement requests, personnel shifts, and planned efficiencies that the School Committee is considering. It is possible that athletic fees will increase in the future. With the additional requests, the revised FY18 budget request is almost 6% over FY17. Mr. Aicardi also went over the FY18 proposed reductions. The current proposed budget is \$26,128,588 which is 3% over FY17.

Medway currently has 83 School Choice students and 44 students are going out of district. Dr. Pires said overall the School Choice program has been a benefit to the Town. He said the School Committee is discussing this program and its financial impact.

Dr. Pires explained why funding is requested for an Assistant Principal position at Burke Memorial. The group also discussed the Circuit Breaker program. Mr. Aicardi said Circuit Breaker funds are decreasing and they are being more cautious about relying on these funds. He said the goal is to keep the Circuit Breaker balance healthy for unanticipated expenses.

The Committee asked several questions, including using facility fees to offset athletic fees and the reasoning for increases for high school para professionals.

Administrator Boynton commended Dr. Pires and Mr. Aicardi on their hard work and collaboration. Administrator Boynton said if revenue increases in the future the Town needs to look at stabilizing the educational budget.

**Emergency Transfer Request-ETR- Health Copay Reimbursement:**

\$5,000 is being requested for the Health Copay Reimbursement account. This account was created several years ago as part of the collective bargaining process to cover some of the high end copays. Originally \$60,000 was appropriated and several years ago another \$25,000 was appropriated. Administrator Boynton said he is hoping these funds will get them to the spring Town Meeting. There will be two articles at the Town Meeting related to this item. The current balance of the Finance Committee Reserve Fund is \$78,103.

**Meghan Hoffman moved to approve request to transfer \$5,000 to the Health Copay Reimbursement Account; Michael Schrader second; Todd Alessandri asked Administrator Boynton to confirm that the \$5,000 is enough to get to the spring Town Meeting. Administrator Boynton said he believes it is enough but he will come back to Finance Committee if it is not enough; All ayes 7-0-0.**

**FY18 Budget and Town Meeting Calendar:**

The physical budget books will be available within the week of March 22<sup>nd</sup>. The Committee agreed to add additional meetings on March 29, 2017 and April 5, 2017. They will also hold their regular meeting on April 12, 2017.

**At 9:04 p.m. Meghan Hoffman moved to adjourn; Michael Schrader second; No discussion; All ayes 7-0-0.**

Respectfully submitted,  
Michelle Reed