

Finance 2_12_15

Meeting was called to order at 5:10

Finance committee present: Vito Valentini, Kristen Sparhawk, Art Batacchi, and H. Dennis Sears

Other school committee: Fran Lartigue

Administration: David Hastings, Bruce Turner, Sandi Hubbard, Tom Simon

Community Members: Nat Yohalem, Charlie Ketchen, Wayne Burkhart, Tom Berkel, Louise Yohalem, John James, David Steindler

Meeting called to order at 5:10

The minutes approved from 1_22_15 were approved unanimously.

Presentation of current FY16 budget draft

Mr. Valentini noted that the income side of the budget being presented was complete supposition since no numbers had been released by the state. He also noted that the preliminary approval later in the evening by the full school committee was a required process in order that there might then be a public hearing on the preliminary budget. This would be scheduled after firm numbers had come from the state and before March 18th.

Mr. Hastings presented a budget with a projected increase of 3.34%. He noted that expenses over which the district has no control rose by 4.04% in this budget. Health insurance costs have risen 14% and that alone raises the entire budget 2.455% or \$366,407.

The district pays 80% of most employees' health insurance. There was some discussion that perhaps the district could start offering an incentive for staff members to go on their spouse's plan. In theory the stipend could make it worthwhile for the staff and ultimately save the district.

Mr. Yohalem asked if the current estimates of salaries and insurance assume the same number of staff. Mr. Turner said there was one less position in the budget.

Mr. Turner also disseminated student population numbers from each town. He explained that a sharp decrease in Sheffield's number of students will likely mean Sheffield's percent of contribution goes down. Egremont and Monterey where there are more students may see an increase in their percentage. It is Mr. Turner's understanding that the formulas now depend heavily on numbers of students.

Fuel and energy savings were factored in. Money was also saved by eliminating the Sandisfield bus.

Mr. Valentini stated that at the moment, all figures concerning assessments were a best guess estimate until the state had sent the final numbers.

Mr. Berkel asked how Mr. Turner assessed the risk in terms of his estimate of funding from the state. Mr. Turner stated he believes the district's revenue would not be less than he was currently projecting.

The Excess and Deficiency fund is currently at about 573,000. The district plans to apply approximately \$400,000 to the FY16 budget.

Mr. Valentini explained that the full school committee would be presented this budget later in the evening and that MGL states that is appropriate if the preliminary budget is only able to estimate the revenue. The public hearing must take place 45 days before May 2nd, the date of Monterey's town meeting.

The meeting adjourned at 5:55.