

## **Tri-board Meeting**

### **Minutes of March 24, 2010**

#### **I. Call to Order/Roll Call**

Chairman Vispoli reconvened the Board of Selectmen from Executive Session to Open Session and opened the Triboard Meeting at 7:25 P.M. Present from the Board of Selectmen: Chairman Vispoli-Y, Selectman Lyman-Y, Selectman Major-Y, Selectman Teichert-Y, and Selectman Stabile-Y. Also present: Town Manager Buzz Stapczynski, Assistant Town Manager Steve Bucuzzo, and Finance Director Anthony J. Torrissi.

School Committee Chair Dennis Forgue reconvened the School Committee from Executive Session to Open Session at 7:26 P.M. Present from the School Committee: Chairman Forgue-Y, Annie Gilbert-Y, David Birnbach-Y, Richard Collins-Y, and Paula Colby-Clements-Y. Also present: Superintendent Dr. Claudia Bach, and Interim Business Manager Bernie Tuttle.

Finance Committee Chair Joanne Marden opened the meeting for the Finance Committee with members Richard Howe, Mark Merritt, Cynthia Milne, Jon Stumpf, Peggy Kruse, Mary O'Donoghue, Paul Fortier, and Steve Stapinski in attendance.

#### **II. Opening Ceremonies**

Chairman Vispoli led the meeting in a Moment of Silence followed by the Pledge of Allegiance.

#### **III. School Department FY-2011 Budget**

Dr. Bach opened the presentation on the School Department FY-2011 Budget stating that it is a work in progress with additional budget workshops scheduled. Bernie Tuttle distributed handouts that displayed the status of the 2010 School Budget showing the initial projected deficit for Out-of-District Special Education in the amount of \$1,358,172 and the actions taken to mitigate the deficit resulting in a savings of \$731,471. The current projected deficit for Out-of-District Special Education sits at \$626,701. The estimated circuit breaker shortfall is \$1,098,265. There is still a shortfall in Special Education expenses for FY-2010. Dr. Bach pointed out that there are still expenses to be covered for the remainder of this year. Joanne Marden said the Evaluation and Therapy account for Special Education increased a lot and was not a risk discussed.

Joanne Marden said there has been some confusion about budget numbers in the budget book from the Spring FY-10 Town Meeting and numbers after the Fall Town in some departmental accounts. She also stated the biggest change from Special Town Meeting and today is the Federal Stimulus funds and how they can be used and that we need to clearly communicate to the community the reason(s) behind the deficit.

### **III. School Department FY-2011 Budget (Cont'd)**

Dr. Bach said Federal Stimulus Funds arrive in portions with the first payment arriving last fall, and a percentage of the funds can be used to cover some of the reduction in Circuit Breaker funds and Evaluation & Therapy expenses.

The FY-2011 School Budget is a level service budget with a 3.9% increase in Personnel Services (\$49,459,133) and a 17% increase in Expenses (\$2,163,240). This budget will maintain the current level of service, does not include wage increases for FY-11, but does reflect increases for the new Special Education In-district Programs.

Cost saving measures include a new In-district Programs, expanding the Energy Conservation Plan, increasing revenue from ACE and grants, and potential new revenue generation through the ideas vetted through the Strategic Plan. The creation of an intensive Special Ed Program at AHS will result in a total savings of \$143,643 with projected expenses of \$214,407; with additional savings realized each year. The School Department anticipates receiving \$944,000 in FY-11 from the ARRA Grant and will share the information on how it can be spent once the information is received.

Bernie Tuttle said the DESE may only reimburse 35% for the Circuit Breaker reimbursement for FY-11. With 750 employees servicing over 6,000 students, the School Department would like to see a more equitable distribution of revenue between the Town and School.

Additional major actions to consider would be the reduction of 9.5 FTE's at the Elementary level (\$437,000), a reduction in staff for Art, Music, PE & Media (\$96,600), elimination of the Middle School Foreign Language Department (\$396,350), and a change from the block schedule to a 5 x 7 at AHS for a savings of \$337,5000.

School Committee Chair Dennis Forgue stated the School Committee has not taken a position on the budget yet. They will be holding a series of meetings to discuss the reductions proposed with the elementary, middle, and high school administrators. Richard Howe would like to know when the revenue generating ideas would be presented. Mr. Forgue anticipates it will be before Town Meeting. Alex Vispoli said the goal is to deliver a balanced budget to Town Meeting, and if a gap still exists after the School Committee meetings they should reconvene high-level Team 470 meetings. Dennis Forgue agreed that the Team 470 meetings were an effective mechanism and would like to set up a schedule of meetings over the next few weeks. Joanne Marden said each Board has a responsibility to present their best recommendation at Town Meeting.

David Birnbach would like to look at options that would better apply the use of technology in the classroom and to shift the way instruction is delivered. Doing this, would require an initial investment but the savings could be dramatic. The members discussed longevity and measuring performance evaluation of teachers.

### **III. School Department FY-2011 Budget (Cont'd)**

Joanne Marden said we can not make the same mistakes as last year; we have a deficit to close as a result of prior decisions, have used one-time revenues to pay for on-going expenditures, and relied on the CIP to fund operating budgets. Using the same techniques will only increase our deficit problems. Hopefully, we can determine how to reduce costs and generate revenue.

Bonnie Zahorik, 2 Granli Drive feels programs that reduce expenses in the long run are a good investment and using one-time funding to cover expenses in these difficult times is warranted. John Zipeto, 14 Canterbury Street would like the Boards to consider approaching the State Legislature about the high cost of Special Education mandates and how they are hurting Regular Education, and determine how the mandates can be fully-funded, and at the very least, provide fairness and equity.

Bob Willard, 76 Tewksbury Street said salaries are an enormous part of the budget and need to be controlled. He suggests a reduction in track/step increases for employees, stating the fundamental problem is the cost of living adjustment.

Vicki Gallagher, 22 Greybirch Road said the Regular Education budget is continually being cut to cover the increased expenses for Special Education and the Boards need to look at a different budget model to jointly cover fixed costs. It does not seem that the current model is working.

Joanne Marden reported that last spring the Town did share the Special Education deficit and that is something that should be discussed. A new model for operating costs would have increased at the same pace, another model won't make the decisions for us, and we have to make the decisions.

Mary Carbone, 3 Cyr Circle feels the Town has been very generous to the schools. Many residents in the community don't have students in the schools but they pay their way. She hopes we don't go to Town Meeting with an unbalanced budget.

Dan Kowalski, 24 Enfield Drive agrees that we did this to ourselves overtime. Salary concessions have contributed to this and commitments were made we no longer can afford. Fiscally responsible companies define a job description and set a salary range appropriate for the market. He encourages the Boards to look at a similar business model.

Carl Mellon, One Johnson Road feels we are over-simplifying the problem; dissecting and cutting education is not the correct way to handle the budget problem. We need to find a way to maintain the quality of education in Andover.

**III. School Department FY-2011 Budget (Cont'd)**

Cindy Weber, 9 Gavin Circle said we are heading into a difficult few weeks. Although we have worked hard and done the right thing, it has become even more difficult; not from mismanagement by leadership but because the bottom has fallen out of the economy due to enormous unexpected revenue shortfalls. She is confident in the Board's ability to recognize education as a priority.

**IV. Adjournment**

On a motion by Selectman Major, with a second by Selectman Teichert the Board of Selectman unanimously voted to adjourn.

On a motion by School Committee member Annie Gilbert with a second by Paula Colby-Clements it was unanimously voted to adjourn.

On a motion by Finance Committee member Jon Stumpf with a second by Richard Howe, it was unanimously voted to adjourn.

The meeting adjourned at 9:21 P.M.

Respectfully submitted,

Dee DeLorenzo  
Recorder