

Call to Order

Chairman Stumpf called the meeting to order at 7:00 p.m. in the Second Floor Conference Room. The meeting was live cablecast.

Remote Participation Requirements and Procedures

Per 940 CMR 29.10(7), John Barry contacted the Chair in sufficient time prior to the meeting with the request to participate in the meeting remotely due to illness. Pursuant to 940 CMR 29.10(5), Chair so notified the members of Mr. Barry's request, gained their approval, and initiated roll call. In attendance were S. Jon Stumpf-Y, Linn Anderson-Y, John Barry, Jr.-Y, Greg Serrao-Y, Margaret (Peggy) Kruse-Y, Eugenie (Janie) Moffitt-Y, Joanne Marden-Y, Bojay Taylor-Y and Bonnie Zahorik-Y (arrived late.) Absent was Donna Walsh Finance Director.

Approval of Minutes of Meeting

March 14, 2016

Upon motion duly made by Ms. Moffitt and seconded by Ms. Anderson, it was unanimously voted to approve the above minutes. S. Jon Stumpf-Y, Linn Anderson-Y, John Barry, Jr.-Y, Greg Serrao-A, Margaret (Peggy) Kruse-Y, Eugenie (Janie) Moffitt-Y, Joanne Marden-Y, and Bojay Taylor-Y. Motion passed 7-0-1 with Mr. Serrao abstaining.

Warrant Articles

Mr. Stumpf summarized the articles on which the Committee is taking No Position: Articles P1, P2, P11C; P21 and P35 are being deleted; P42, P43, P47, P48, P49, P51 and P52.

Recommendations will be made at Town Meeting on Articles P6, P7, P10, P13,

Those articles remaining for a vote are P4, P5, P8, P16, P20, P31, P45, P53, P54, P55. New warrant article on water treatment plant. Mr. Stumpf noted that the Board of Selectmen had approved the Deyermont Ball Field Lighting for \$275K and the Finance Committee had approved for \$200K, and the Committee will readdress.

Mr. Stumpf noted that Mr. Puzanghera was not able to appear before the committee tonight, but will on March 30th. In the meanwhile, Ms. Anderson and Ms. Zahorik are the liaisons to the ITAC and summarized the following project:

The 1:1 Initiative (\$400K) is the expansion of the bring-your-own-device program to all middle schoolers and 9th and 10th graders at the high school. Schools will supply devices for those unable to supply their own. We will also supply devices for the fifth graders (to be kept in the classroom.) Joanne Najarian is the digital learning specialist and supports the teachers vis-à-vis curriculum model, but Mr. Puzanghera's staff supports the technical issues. Requests by Mr. Puzanghera for additional staff were denied in the FY17 budget. He will present a five-year strategic plan that will include purchase/lease of equipment, maintenance, professional development, internet connectivity infrastructure, software etc. Discussion ensued on the types of equipment to be purchased, etc.

The question to ask Mr. Puzanghera is what is the long-term plan to identify the appropriate funding source going forward with more installments anticipated, i.e. school budget or IT budget, etc. The concern is we are recommending approval of an appropriation that is in reality an ongoing expense. Full itemization will be presented by Mr. Puzanghera.

Chairs Weekly Meeting

1. Reinforced with Dr. Berman and Mr. Blumstein that Finance Committee had voted unanimously to appropriate the \$500K healthcare savings to fund the OPEB Trust fund and not to the school budget;
2. The Town Manager listened intently to discussion that ensued on where to find the \$500K;
3. To avoid this kind of last minute “haranguing,” he suggested that a Triboard meeting in the summer would focus on building a foundation of a financial model that would bring a balanced budget to Town Meeting;
4. A meeting was scheduled for Tuesday morning between him and Dr. Berman;
5. The Superintendent’s and School Committee’s unwillingness to find another \$500K;
6. Historical pattern of hiring additional FTE’s within the operating budget and this year there were 8 new FTE’s; @ \$65K that amounts to \$500K.

Mr. Serrao expressed concern for the rising costs in administrative aspects of the schools and a review of DESE 2014 reports revealed how we spend money:

- a) average classroom size is 13.3:1 for Andover and same average for state;
- b) per pupil cost for Andover is \$72.0 and for the state \$21.8;
- c) Andover pays 6.9% more in teacher salaries;
- d) For regular and special ed teachers Andover pays 108% more than other districts;
- e) 138% more on other teaching services (substitutes and aides);
- f) 330% more on OOD tuitions;
- g) 19% of FTE’s dedicated to special ed, whereas state percentage is 12%.

In light of the above statistics, he reiterated his concern that “something is wrong in the special ed program and that is where the money is.” Overstaffing is a significant issue.

Discussion ensued: a) in-district program enhanced to bring OOD back in; b) attracts more families into town; c) OOD spending over past ten years went from \$14M to \$23M (65% increase); d) in first quarter of 2015 there were 78 OOD students and we are projecting for FY2017 105; e) projection forecasting of OOD students faulty; f) April 1st is the cutoff date by which a district is responsible for all students in the program for next fiscal year; and g) not paying much more than state average for per pupil spending (\$14,920 vs. \$15,602).

OPEB

Mr. Stumpf reviewed the “big ticket” items: \$500 in health insurance savings; \$562K in circuit breaker reserves; and \$400K 1:1 learning initiative; unused levy capacity \$320K; and Deyermund lights \$275K.

It was agreed that the town needs to address the unfunded liability; the suggestions of funding OPEB are as follows:

\$616K Town Manager recommendation
 \$500K Healthcare savings
 \$304K Water and sewer reserves
 \$400K Unused levy capacity

Mr. Stumpf suggested that OPEB will be a standard agenda item and quantifying a number will be ongoing.

Article P50 - Contract Scoring

Mr. Stumpf said that the practical implications for the Finance Committee are unrealistic, both from a point of view of time and expertise.

Adjournment

Upon motion duly made by Ms. Kruse and seconded by Ms. Moffit, it was unanimously voted to adjourn. S. Jon Stumpf-Y, Linn Anderson-Y, John Barry, Jr.-Y, Greg Serrao-Y, Margaret (Peggy) Kruse-Y, Eugenie (Janie) Moffitt-Y, Joanne Marden-Y, Bojay Taylor-Y and Bonnie Zahorik-Y.

Meeting adjourned to the Board of Selectmen meeting at 8:15 p.m.

Respectfully submitted,

Christine Martin Barraford
Recording Secretary