

**TOWN OF BELCHERTOWN
COMBINED
BOARD OF SELECTMEN'S/ FINANCE COMMITTEE MEETING MINUTES
THURSDAY, APRIL 7, 2016
Selectmen's Meeting Room, Lawrence Memorial Hall**

Present: Ronald E. Aponte, George D. Archible, Brenda Q. Aldrich, William R. Barnett, Nicholas O'Connor; Jill Panto, Town Accountant; Gary Brougham, Town Administrator

The Finance Committee called its own meeting to order.

Chairman Aponte called the meeting of the Board of Selectmen to order at 7:00 p.m.

Finance Committee Chairman Raymer provided a basic overview of the budget situation at the present time. Of particular concern are rising health insurance costs, State aide projections quite similar to the fiscal year with modest increases in Chapter 70, limited new growth within the Town receipts and increased inflationary costs across the board.

It was suggested all additional anticipated new revenue, in addition to approximately \$191,000 of free cash and a recommended \$400,000 withdrawal from the stabilization fund would be earmarked for this FY17 budget process. At present it appears we are looking at a deficit level-service budget of approximately 1.9 million dollars.

Superintendent Coffin indicates the School Department has cut \$205,000 from level service request at this point and continues to have a \$685,000 needs budget in addition to level service. There will be cuts in the school department in maintenance, supplies and six to seven teacher's positions in addition to the possibility of the 5th grade band and jv sports. The school department is considering raising fees to offset potential cuts. The school department further inquired how to initiate or what would be the process to initiate a proposition 2 ½ override to offset level service funding.

Chairman Aponte spoke briefly on behalf of the town officials and / or the FY17 town budget. Mr. Aponte suggested there was a perception by many that the school department is utilizing threats as a potential budget strategy. Mr. Aponte further indicated the town departments were also subject to cuts in expenses and / or staff where possible. At present all expense related funding able to be cut from the budget had been identified in addition to approximately six positions that may be subject to reduced hours or potential elimination to balance the town's level service budget.

The town administrator suggested additional funding from the stabilization fund was necessary to circumvent deeper cuts. Mr. Brougham further established the past practice of budgeting 70% schools and 30% town after the deduction of fixed or non-discretionary cost is no longer practical. The school department has seen a reduction in students totaling in excess of 350 in recent years and all the while the town's residential population continues to grow placing additional demands on town services. A request for an additional \$150,000 from the stabilization was made by Mr. Brougham with a second request that the funding withdrawn from

the stabilization fund be apportioned at 60 / 40 or 50 / 50 as opposed to 70 / 30 as has been the norm.

School committee member, Michael Knapp objected to this concept indicating we were taking money away from the school department. Mr. Brougham disagreed further suggesting it was long past time to revisit the apportionment of available funding. The town departments historically give back considerable money each year; however, the school department which is budgeted the lion's share of available revenue gives back nothing. Ultimately the school department receives 70% of all of the free cash generated by the town's excellent financial management. In addition, the school department has received 70% of every dollar withdrawn from the stabilization fund and is accountable for the majority of the town's long term debt. Once again, Mr. Brougham requested a greater percentage breakout of the stabilization fund withdrawal this year and further established he will pursue a new budget strategy in the upcoming year.

Following a brief discussion the finance committee agreed to apportion the additional \$150,000 to be withdrawn from the stabilization fund on a 65 – 35% basis to offset deeper cuts in the town budget.

At the conclusion of this discussion, Ms. Raymer indicated the school and town departments should revisit their budget formulas with the additional funding provided by greater utilization of stabilization and be prepared to return with an updated budget forecast for their next meeting.

No further discussion. Motion to adjourn Selectman Aldrich. Seconded by Selectman Barnett. Motion passes 4 – 0.

Minutes submitted by Gary L. Brougham, Town Administrator


Board approved/endorsed: June 27, 2016

Board of Selectmen - Town of Belchertown


Endorsed by a majority:




Ronald E. Aponte, Chairman



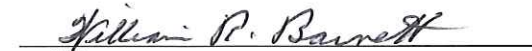
George D. Archible



Nicholas O'Connor



Brenda Q. Aldrich



William R. Barnett