

MINUTES
Warrant Committee Meeting

Warrant Committee Members	Steve Callahan, Bob Sliney, Ed Vozzella, Brent Nelson, Jeremy Marsette, Peter Michelson Participating by zoom: Mather Eldred, Jill Rafter
Guests	Remotely: In Person: Jeffrey Marsden, Superintendent of Medfield Public Schools; Mike LaFrancesca, Business Manager, Medfield Public Schools; Eoin O’Corcora, IT Director, Town/Schools Kristine Trierweiler, Town Administrator Frank Gervasio, Deputy Town Administrator Andrew Foster, Town Accountant
Meeting Location	Town Hall
Meeting Times	7:00 p.m. to
Approval of Previous Meeting Minutes	n/a
Operational Budgets (including votes taken)	Discussion of budget for School Committee and for Town IT
Warrant Articles (including votes taken)	None
List of all documents and exhibits used	Warrant Committee Planning Schedule Agenda for day’s meeting Slide Deck showing School Department Budget
Other Business	n/a
Follow-ups	
Dates for Meetings including WC	
Discussion with Financial Team	<p>The meeting began with a quick discussion of upcoming meetings of the Warrant Committee, including a preview of budgets to be discussed in upcoming meetings. Steve Callahan noted that there were upcoming meetings on 3/28, 4/3, 4/11, and potentially 4/25 (if that last meeting is needed).</p> <p>Ed Vozzella began the discussion of the school budget by thanking the administrators of the school department for their cooperation with the Warrant Committee. Ed noted that personnel costs make up</p>

the lion's share of the budget, and that the amount of salary that the town pays is set by collective bargaining agreements with teachers and staff.

Presenting the schools' budget for the School Department were the Superintendent Jeffrey Marsden, and the School Department Director of Finance and Operations, Mike LaFrancesca. The schools' budget is the largest budget in the Town of Medfield.

In introductory remarks, Mr. Marsden thanked the Warrant Committee. He noted the hard work that went into preparing the budget but noted that the Warrant Committee has asked the School Department to reduce further, and he stated that he will be addressing that request with certain proposals in an upcoming School Committee meeting. [Note: since then, the School Committee has indeed reduced its budget as requested by the Warrant Committee.]

Mr. Marsden noted that the School Dept. has assumed level funding from federal and state sources. He said that the Department will expand its preschool program, and that will yield some additional income to the department. There is some hope for increased reimbursements for special education programs, but at this time there is no guarantee of that.

Personnel costs make up the lion's share of the budget. Costs of utilities and transportation are also going up. The school department is also committed to professional development for teachers and staff. There are increased costs for technology, and the Department also expends funds on research and development.

There are three general buckets of revenues: Chapter 70 aid from the state, which accounts for approximately \$6.5 million; local contribution from the town, approximately \$33 million; and "Other", which includes grants, tuition (e.g. for preschool programs) and fees, which constitutes approximately \$4.1 million. Mr. Marsden noted that although the FY 23 budget (for the current school year) is \$39.5 million, it cost \$43.6 million to run the schools.

Mr. Marsden also noted that Medfield makes contributions to Tri-County Vocational and Norfolk County Aggie.

Increase in budgets come from a variety of sources. Most of these are personnel driven. Teachers receive pay increases for steps, lanes, longevity and percentage increases per the CBA. Mr. Marsden noted that the School Committee has negotiated a 1 year plus 3 year collective bargaining agreement with teachers, which allows the School Department to plan and calculate where budget increases are going in the next few years.

There are of course other costs which are going up this year: supplies and services, utilities technology and equipment, and transportation. The School Department tries to limit how much these go up, but there are limits to how much it can control certain of these expenses. This year utilities and transportation costs went up fairly significantly, but \$169,000 for utilities, and approximately \$257,000 for transportation.

The School Dept. also presented a slide showing its budget broken out to show the cost of central administration (administration, district services, and student services), and then the costs for each of the four schools in Medfield. Not surprisingly the highest cost was for the high school, which accounts for approximately one-fourth of the entire school budget. (Student services consist of programs such as guidance and special education. District services are, for example, the technology and athletic departments.)

Total personnel costs represent approximately \$34.7 million of the total school budget. Of this, approximately \$26 million consists of the budget for teacher salaries.

The School Department has a total projected employment of 381 FTE's for fiscal 2024. This number fluctuates over the years. For example, in fiscal 2020, there were 391 FTE's, but in fiscal 2021, there were 372.5 FTE's.

Medfield enrollment also fluctuates. The School Department estimates a total enrollment of 2537 students in fiscal 2024. This is down from a peak of 2940 in 2011, but Mr. LaFrancesca noted that the pattern has been that every 25 to 30 years there are spikes in enrollment, and then enrollment gradually declines until the next spike. Mr. Marsden said that the School Department tries to keep elementary classes in the low 20's in terms of class size. At the Middle School and High School level, class sizes vary, usually with a high of 28 students in very popular courses, to a low of 6 or 7 students.

The School Dept. also provided for the high school a detailed breakdown of budget increases just for the high school. As expected, the largest part of the increase for the high school was salary increases, driven by the CBA, along with step, lane, and longevity payments. As previously noted, utility costs also go up markedly. There are currently 61.6 FTE's for teachers, but in 2011, the peak year previously referenced, there were 65.1 FTE's (down from a high of 67 in 2017). However both Mr. Marsden and Mr. LaFrancesca noted that the demand for student services, especially in the area of guidance counselors and school psychologists, has gone up considerably both during and "post" pandemic, and that has been a driver of budget

increases as well. Mr. Marsden also noted that the high school has added new programs in areas of interest, for example in business.

If enrollment in a given course is too low, then students may take a course on-line.

The schools receive a Circuit breaker reimbursement for students attending schools outside of Medfield. The reimbursements are equal to between 70% and 75% of the total costs that exceed an annual base. This money is kept in a revolving fund, and is very useful for covering unexpected costs or expenses.

Mr. Marsden noted that in an upcoming fiscal year, he wants to discuss with the School Committee and the Selectboard the creation of a stabilization fund to hand general kinds of unexpected expenses. The Warrant Committee expressed that this seemed like a good idea.

Mr. LaFrancesca also noted that the town has been receiving funds for meals for all students, and the school has been using this money not only to pay for meals, but also to replace equipment in the Medfield kitchens, much of which was old.

The budgets for athletics and the ESSER grant remain stable, with small changes relating to departing personnel and the fact that the school is running only 1 late bus, and not two as in previous years.

Mr. Marsden concluded by thanking the Committee, and also the town, for the continued support that they give to the schools.

Ed Vozzella led a discussion of non-payroll expenses for the School Department. The three largest such expenses are for Special Education, Transportation and Technology. As of December, utility costs will rise markedly.

At this point, Mr. Eoin O'Corcora made a presentation about the technology budget for the town. The town's budget is approximately \$236,000. (This is over and above the amount expended by the schools for technology, and Mr. O'Corcora covers both town and school systems.) He noted that preventing cyberattacks is possibly the largest, and certainly the busiest and hardest problem that he faces.

In response to a question from Steve Callahan, Mr. O'Corcora said that there is some money in the capital budget (as opposed to the Technology budget) for purchase of computers. It was not spent in the last fiscal year because the cost of computers had gone up so much, but he stated that he anticipated using that money now and in coming months, since the cost of computers has started to come down.

Mr. Marsden noted as part of the discussion of technology costs, that the state had a few years ago issued a mandate that the MCAS be administered solely on computers. However, the state provided no money to accomplish this mandate, so this became a project that Medfield (and other towns) had to implement and pay for on their own. Mr. O’Corcora said that now the school has two schools take the MCAS on one day, and the other schools on another day. Even so, when the test is taken, this places a major stress on the town’s technology infrastructure.

Mr. O’Corcora said that over the past few years there have been several cyber incidents which caused considerable disruption, one on the school side, one on the town side.

Steve Callahan presented a slide showing differing socio-economic data in comparable towns, with particular emphasis on the impact of having a low commercial tax base. (It was noted that Westwood has a higher school budget, roughly \$103 million for Westwood, as opposed to roughly \$70 million for Medfield, but Westwood gets approximately 25% of its tax levy from commercial properties located within the town.)

Steve Callahan thanked Mr. Marsden, Mr. LaFrancesca, and Mr. O’Corcora for their presentation. He noted that the overall town budget was not (as of that date) in balance, but he thanked them for their continuing efforts to get to that point.

The Committee turned to the health insurance budget. Frank Gervasio and Kristine Trierweiler addressed this. This is the budget for current employees and retirees. The town pays a reasonable sum, but it also benefits from the fact that a considerable number of town employees do not sign up for coverage through the town, and instead opt for coverage through a spouse’s plan.

For the past few years, increases in this budget were not that high. However, this year health costs are likely to rise 8.7%. The town convened a meeting with the ad-hoc insurance advisory committee, and asked them to make a voluntary change to the plan, which would hold the increase down considerably, to a 2.7% increase, but this required every union to unanimously agree to this, which did not happen.

Ms. Trierweiler noted that Frank Gervasio had taken a deep dive into the health care budget, and he was able to find some savings, particularly in the retiree health care account, and so while the budget for health care will go up, he has managed to reduce the increase somewhat.

The Committee quickly reviewed other insurance accounts for the town. Several costs, such as the cost for insuring municipal buildings, has gone up over the past several years. This is because the town was listing buildings as having low valuations, but the actual cost of replacing several buildings (if there were a severe incident at one of them) would be very high. For example, the waste water treatment plant had a listed valuation of \$1 million. It now has a valuation of approximately \$15 million, closer to its replacement cost.

The town has held down certain of the increases in these costs by increasing the amount of deductibles from \$1000 to \$5000.

The budget for Human Resources has gone up only slightly, allowing for merit and COLA increases for employees.

The budget for Town Administration reflects small increases for raises for a few employees, but is basically flat.

The Town's budget for Free Cash is approximately \$4 million. This reflects in part funds from the Opioid Settlement settlement, which will hopefully be transferred to the Opioid Stabilization Trust Fund which is proposed to be created at Town Meeting. Other monies from Free Cash will go into other funds, such as the Municipal Building Stabilization Fund, Capital Stabilization Fund, General Stabilization Fund, the Affordable Housing Trust, Elementary School Feasibility Study, a vaccine revolving fund. Unused Free Cash will be approximately \$1.7 million, which represents a reserve of approximately 2.6% of the town's budget. The Town has been making a concerted effort to build back up its General Stabilization Fund, which helps with bond ratings and also provides monies when there are economic downturns. For example, these monies can be used to help prevent layoffs if there is a sudden unexpected drop in municipal revenues.

A brief discussion about proposed articles in the Town Warrant ensued. Steve Callahan assigned the various warrant articles to members of the Warrant Committee, and this arrangement was acceptable to all. Steve ran through all the proposed articles, and there was a brief discussion of them.

For those who wish to view the meeting in its entirety, the link appears below:

<https://www.youtube.com/watch?v=twUN-YCEkbw>

	Respectfully submitted, Peter Michelson
Attachments	

Respectfully Submitted:

Approved minutes to be sent to: ktierweiler@medfield.net

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