

TOWN OF GILL

M A S S A C H U S E T T S



www.gillmass.org

SELECTBOARD & FINANCE COMMITTEE MEETING MINUTES

May 17, 2017

Call to Order: The Selectboard and Finance Committee meetings were called to order at 6:25 PM.

Selectboard Members Present: John Ward, Greg Snedeker, Randy Crochier Absent: None

Selectboard Members Absent: None

Finance Committee Members Present: Timmie Smith, Fred Chase, Claire Chang, Tupper Brown, Ronnie LaChance

Finance Committee Members Absent: Jacob Rau

Others Present: Ray Purington, Mick LaClaire, Lynda Hodsdon Mayo, Tom Hodak

Review of Minutes: Randy made a motion, seconded by Greg, to approve the minutes of 5/8/17. The vote was unanimous in the affirmative.

Fred made a motion, seconded by Ronnie, to adopt the Selectboard minutes for 5/8/17 in lieu of separate Finance Committee minutes. The vote was 5 in favor, 0 opposed.

3.1 Trees & Forestry: Highway Superintendent Mick LaClaire presented an \$8,111 request for FY18, up \$456 from FY17. The \$106 increase to salaries (for call-ins for tree problems outside of regular work hours) and the \$850 increase for hired tree removal services are partially offset by a \$500 decrease for the 3-town shared bucket truck.

The bucket truck was jointly purchased in 2010 and has been shared by the towns of Northfield, Gill, and Vernon, Vermont. Vernon is no longer interested in using the truck, and Northfield is purchasing a larger truck for their own use. The bucket truck has been offered to Gill for \$3,000. If Gill does not purchase the bucket truck, then the Town will need to rent a man-lift or hire a company with a bucket truck.

Maintenance records for the bucket truck will be requested from Northfield. It was decided there are too many unknowns to include funds in the FY18 budget to purchase the bucket truck. It was pointed out that owning a bucket truck, or having access to one, is useful for inspecting the roofs of town buildings, cleaning gutters, and pressure washing buildings. There was a general discussion about the appropriateness of having the 3-man DPW doing building maintenance projects, and whether that was "scope creep."

There was a desire for more information on the condition of the Town's equipment, the condition of the Town's roads, and the amount of Highway Department staff versus the workload and needs of the department.

The discussion returned to the requested budget for FY18, and there was consensus the requested amount is ok. The bucket truck will be on the agenda for the Selectboard to discuss at the May 22nd meeting.

3.2 Highway Department: LaClaire presented an FY18 request of \$248,731, which is a decrease of \$2,650 from FY17. The line for hired services has been decreased by \$7,360, corresponding with the loan payment for the backhoe that was purchased. The FY18 request includes \$1,860 for a wage scale step increase.

The requested increases for Repairs/Trucks (up \$1,500) and Machinery Repairs/Parts (up \$1,000) was scrutinized. There was discussion that many of the major pieces of equipment have had significant repairs done in the last couple of years, and it was doubtful there needs to be an increase in the amount budgeted for repairs.

Michael Sullivan, GMRSD Superintendent, and Joanne Blier, GMRSD Business Manager, joined the meeting at 7:25 PM. It was decided to revisit the Highway Department budget (3.2) and LaClaire's other budgets at a future meeting. LaClaire, Chase, LaChance, and Hodsdon Mayo left the meeting at 7:30 PM.

The Finance Committee meeting was adjourned at 7:30 PM due to the lack of a quorum. Smith, Brown, and Chang remained in attendance at the Selectboard's meeting.

8.0 Education Budget: Sullivan presented a 4-page handout summarizing the GMRSD's FY18 budget. He stated that FY17 Medicaid reimbursements will be \$134,000 lower than budgeted, and they will be approximately \$160,000 lower in FY18. The District also has three additional SPED out-of-district placements who became the District's responsibility after January when the FY18 budget was crafted.

Hodak left the meeting at 7:45 PM.

Enrollment trends were discussed. There is a vicious circle of budget impacts associated with students leaving the District to attend School Choice and Charter Schools. This is one of several financial challenges that hit rural schools especially hard, and school districts in our region have been discussing ways to develop political strategies to achieve relief.

Sullivan announced that a combined 5th & 6th grade classroom at Gill Elementary next year will not be happening. The move had been recently announced as part of a plan to address the financial shortfall caused by Medicaid reimbursements and SPED costs. However, enough of this year's 5th grade parents changed their minds about where their children will attend 6th grade that the total enrollment for 5th and 6th grades at Gill is now projected to be too large for a combined classroom to work.

Sullivan reported the District has been trying a partnership with the Four Rivers Charter School involving professional development for science teachers, and the District is exploring opportunities to partner with the Franklin County Technical School.

There was a discussion about ways Town officials can help advocate for our schools and districts. The Selectboard wants to be able to help support the Superintendent and the schools.

Sullivan stated the District will find ways to live within the FY18 budget, but warned that developing an "affordable" budget for FY19 will be very difficult.

A May 17th letter from the Massachusetts School Building Authority (MSBA) was reviewed. The MSBA turned down the District's FY17 application to the Accelerated Repair Program for funding to replace the roof at the Gill Elementary School. The letter cited a higher than usual number of applications, and the eligibility requirements were revised due to Program budget constraints. The qualifying age for roofs, windows, and boilers was raised from 20 years to 30 years, and Gill's roof no longer qualified for this year's Program. Sullivan noted that the District is eligible to reapply for this project in FY18.

Selectboard Adjournment: The Selectboard adjourned at 8:45 PM.

Minutes respectfully submitted by Ray Purington.

Signed copy on file. Approved ___/___/___

Greg Snedeker, Selectboard Clerk

Adopted by the Finance Committee in lieu of separate Finance Committee minutes on ___/___/___.

Gill-Montague Regional School District FY18 Budget Proposal



| Gill | Enrollment Percentage | Minimum contribution | Above Minimum | Transportation Assessment | Total Operating Assessment | Operating Assessment Increase | % Increase | Debt Assessment | Total Operating & Debt Assessment |
|------|-----------------------|----------------------|---------------|---------------------------|----------------------------|-------------------------------|------------|-----------------|-----------------------------------|
| FY16 | 13.94% | 1,022,666 | 500,985 | 42,378 | 1,566,029 | 124,701 | 8.65% | 18,908 | 1,584,937 |
| FY17 | 14.16% | 979,702 | 545,032 | 50,259 | 1,574,992 | 8,963 | 0.57% | 18,030 | 1,593,022 |
| FY18 | 13.17% | 990,406 | 585,627 | 40,410 | 1,616,443 | 41,450 | 2.63% | 14,296 | 1,630,738 |

↖ Numbers to Vote ↗

| FY18 SCHOOL COMMITTEE PROPOSED | GENERAL FUND BUDGET | CHOICE/ CB BUDGET | GRANTS/ REVOLVING BUDGET | ALL FUNDS BUDGET | GENERAL FUND BUDGET | CHOICE/ CB BUDGET | GRANTS/ REVOLVING BUDGET | ALL FUNDS BUDGET | INCREASE/ (DECREASE) |
|--------------------------------|----------------------|-------------------|--------------------------|-------------------|----------------------|-------------------|--------------------------|-------------------|----------------------|
| BUDGET SUMMARY | FY17 APPROVED | | | | FY18 PROPOSED | | | | |
| ADMINISTRATION (1000) | \$ 730,027 | \$ - | \$ 20,625 | \$ 750,652 | \$ 648,044 | \$ - | \$ - | \$ 648,044 | \$(102,608) -14% |
| INSTRUCTIONAL (2000) | \$8,293,200 | \$651,563 | \$ 558,191 | \$9,502,954 | \$8,470,309 | \$707,950 | \$ 503,463 | \$9,681,722 | \$ 178,767 2% |
| STUDENT SERVICES (3000) | \$1,284,356 | \$ 10,098 | \$ 649,746 | \$1,944,200 | \$1,245,044 | \$ 11,000 | \$ 635,888 | \$1,891,933 | \$(52,268) -3% |
| OPERATIONS (4000) | \$1,529,058 | \$ - | \$ - | \$1,529,058 | \$1,612,391 | \$ - | \$ - | \$1,612,391 | \$ 83,333 5% |
| BENEFITS & INSURANCE (5000) | \$4,090,450 | \$ - | \$ 46,033 | \$4,136,483 | \$4,343,386 | \$ - | \$ 51,771 | \$4,395,157 | \$ 258,674 6% |
| TUITION (9000) | \$2,684,319 | \$220,097 | \$ 238,818 | \$3,143,235 | \$2,640,000 | \$222,494 | \$ 321,000 | \$3,183,493 | \$ 40,259 1% |
| CAPITAL DEBT (8000) | \$ 151,515 | \$ - | \$ - | \$ 151,515 | \$ 215,197 | \$ - | \$ - | \$ 215,197 | \$ 63,682 42% |
| TOTAL BUDGET | 18,762,925 | 881,758 | 1,513,414 | 21,158,097 | 19,174,370 | 941,444 | 1,512,122 | 21,627,936 | \$ 469,839 |

| REVENUE SOURCES | FY17 APPROVED | FY18 PROPOSED | Change from Prior Year |
|--|----------------------|----------------------|------------------------|
| CHAPTER 70 STATE AID | \$ 6,114,489 | \$ 6,177,674 | \$ 63,185 |
| MEDICAID REIMBURSEMENT | \$ 500,000 | \$ 530,000 | \$ 30,000 |
| INTEREST INCOME | \$ 3,300 | \$ 3,300 | \$ - |
| EXCESS AND DEFICIENCY | \$ 300,000 | \$ 190,000 | \$ (110,000) |
| ERVING TUITION | \$ 900,000 | \$ 770,000 | \$ (130,000) |
| CHARTER REIMBURSEMENT | \$ 200,000 | \$ 200,000 | \$ - |
| CHAPTER 71 TRANSP REIMB | \$ 300,000 | \$ 316,100 | \$ 16,100 |
| OPERATING ASSESSMENT = 4.65% overall | \$ 10,293,621 | \$ 10,772,099 | \$ 478,478 |
| TOTAL CAPITAL DEBT ASSESSMENT | \$ 151,515 | \$ 147,053 | \$ 63,682 |
| CAPITAL DEBT ASSESSMENT Window Project (new) | | \$ 68,145 | |
| TOTAL OPERATING AND CAPITAL BUDGET | \$ 18,762,925 | \$ 19,174,370 | \$ 411,445 |
| OPERATING FUND BUDGET % INCREASE | | | 2.2% |
| GRANTS/REVOLVING ACCOUNT BUDGET | \$ 1,513,414 | \$ 1,512,122 | \$ (1,292) |
| CIRCUIT BREAKER REVOLVING BUDGET | \$ 176,426 | \$ 177,494 | \$ 1,068 |
| SCHOOL CHOICE REVOLVING BUDGET | \$ 705,332 | \$ 763,950 | \$ 58,618 |
| TOTAL ALL FUNDS PROJECTED BUDGET | \$ 21,158,097 | \$ 21,627,936 | \$ 469,839 |
| OVERALL BUDGET % INCREASE | | | 2.2% |

Capital Projects Summary

- Gill Electrical Work request of \$40,000 to upgrade the electrical service and panels. The current service is original to the building and is out of compliance with the modern electrical code. Replacement breakers for this box are not available.

VOTE \$40,000 for Hillcrest Electrical Work

Gill

- The board of health has recommended that the Gill Kitchen Floor be refinish with an epoxy coating.

VOTE \$13,000 for Gill Kitchen Floor Epoxy Coating

Challenges to the GMRSD Budget

1. State aid typically grows by about 0.5%; \$25,000 annually. This occurs under a hold harmless Chapter 70 provision of \$25 per student.
2. Employee/retiree benefits are growing at 5.6% annually; a \$234,674 increase projected for FY18.
3. Our net loss through school choice and charter school tuitions is estimated to remain at approximately \$1.6 million next year.

| | Current | Year Ago |
|------------------|---------|----------|
| Total Enrollment | 951 | 947 |
| Gone to Charters | 68 | 69 |
| Choice-Out | 221 | 239 |
| Choice-In | 82 | 100 |

Note: Approximately 27% of the district's choice-in students are at Gill Elementary. About % of Gill school-age students attend charter schools or choice out of the district. About 54% of the students at Gill Elementary are Gill residents.

4. Town assessments have grown at the following rates:

| | Total | Gill |
|-------|-------|-------|
| FY14: | 2.00% | 2.93% |
| FY15: | 3.81% | 1.56% |
| FY16: | 3.50% | 8.65% |
| FY17: | 3.69% | 0.57% |
| FY18: | 4.65% | 2.63% |

5. Net Reductions in Staffing: FY15: 6, FY16: 10, FY17: 2, FY18: 10. Avg. of 7

Recent Budget Challenges

- Reduction in anticipated Medicaid reimbursements; \$134,000 less than budgeted in FY17, and likely to be \$160,000 less than budgeted in FY18.
- Increased out of district special education placements beyond FY18 budgeted amount of approximately \$160,000.

| GMRSD Enrollmnet Trend | | | | | | | | | | | | | | |
|------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Year | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Total Students | 1425 | 1218 | 1225 | 1179 | 1127 | 1082 | 1085 | 1081 | 1009 | 1024 | 1010 | 1000 | 947 | 951 |

Total Students



GMRSD Enrollment Trends (2016-12-8)

| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|--|-----------------|-----------------|-----------------|-----------------|------------------|---------|
| Resident students (1) | 1,252 | 1,260 | 1,282 | 1,267 | 1,236 | |
| Resident students attending private or homeschools (2) | 93 | 67 | 77 | 81 | 65 | |
| Resident students attending Franklin County Technical H.S. (2) | 90 | 82 | 75 | 71 | 65 | 66 |
| Resident students who choiced-out (3) | 170 | 196 | 195 | 223 | 239 | 221 |
| Resident students to charter schools (3) | 38 | 48 | 63 | 66 | 69 | 68 |
| Resident students enrolled in district (4) | 861 | 867 | 872 | 826 | 798 | 797 |
| District students from Erving (5) | 59 | 61 | 58 | 68 | 67 | 54 |
| School choice-in students (3) | 89 | 96 | 80 | 106 | 82 | 100 |
| Total students enrolled in district (5) | 1,009 | 1,024 | 1,010 | 1,000 | 947 | 951 |
| | FY12 (6) | FY13 (7) | FY14 (8) | FY15 (9) | FY16 (10) | |
| Cost to district of Choice-Out Students | 1,074,203 | 996,485 | 1,104,471 | 1,398,346 | \$1,502,528 | |
| Cost to district of Charter-Out Students (net reimbursement) | <u>373,148</u> | <u>437,621</u> | <u>838,929</u> | <u>727,827</u> | <u>\$858,611</u> | |
| Cost to district of Choice-Out and Charter-Out students | 1,447,351 | 1,434,106 | 1,943,400 | 2,126,173 | 2,361,139 | |
| Revenue gained by Choice-In students | 640,098 | 707,783 | 573,815 | 732,335 | \$803,098 | |
| | 807,253 | 726,323 | 1,369,585 | 1,393,838 | \$1,558,041 | |

Notes:

- (1) PreK-12 students who live in Gill or Montague. (Sum of lines 4-8)
- (2) School Attending Children Report (Jan.)
- (3) DESE enrollment reports
- (4) Calculation of Lines 11-10-9.
- (5) District Oct. 1 Enrollment Report.
- (6-10) DESE Actual amounts

Gill Elementary

| 2013-14 | | | | 2014-15 | | | | 2015-16 | | | | 2016-17 | | | | 4 year avg: | | | | | | | | | | |
|---------|----------------|--------------------|-----------|---------|-----------------------------------|--------------------|-----------------------|-------------------------------|-----------------------------------|--------------------|--------------|------------------------|----------------|-----------------------------------|------------|--------------|----------|----------------|--------------------|-----------|-----------------------------------|------------|----------------|-------------|--------------|-----------------|
| | Gill Residents | Montague Residents | Choice-In | Total | Gill Residents | Montague Residents | Choice-In | Total | Gill Residents | Montague Residents | Choice-In | Total | Gill Residents | Montague Residents | Choice-In | Total | | Gill Residents | Montague Residents | Choice-In | Total | | | | | |
| K | 14 | 4 | 3 | 21 | 9 | 3 | 4 | 16 | 16 | 3 | 0 | 19 | 6 | 6 | 4 | 16 | K | 11.25 | 4 | 2.75 | 18 | | | | | |
| 1 | 7 | 4 | 5 | 16 | 13 | 3 | 4 | 20 | 9 | 5 | 4 | 18 | 14 | 4 | 2 | 20 | 1 | 10.75 | 4 | 3.75 | 18.5 | | | | | |
| 2 | 11 | 5 | 4 | 20 | 5 | 5 | 6 | 16 | 11 | 3 | 2 | 16 | 9 | 5 | 5 | 19 | 2 | 9 | 4.5 | 4.25 | 17.75 | | | | | |
| 3 | 13 | 6 | 2 | 21 | 10 | 6 | 2 | 18 | 4 | 6 | 3 | 13 | 12 | 6 | 3 | 21 | 3 | 9.75 | 6 | 2.5 | 18.25 | | | | | |
| 4 | 7 | 9 | 4 | 20 | 14 | 6 | 2 | 22 | 10 | 5 | 2 | 17 | 6 | 7 | 3 | 16 | 4 | 9.25 | 6.75 | 2.75 | 18.75 | | | | | |
| 5 | 10 | 5 | 5 | 20 | 6 | 10 | 3 | 19 | 14 | 6 | 2 | 22 | 8 | 5 | 3 | 16 | 5 | 9.5 | 6.5 | 3.25 | 19.25 | | | | | |
| 6 | 5 | 5 | 3 | 13 | 9 | 3 | 5 | 17 | 4 | 5 | 2 | 11 | 12 | 2 | 2 | 16 | 6 | 7.5 | 3.75 | 3 | 14.25 | | | | | |
| Total | 67 | 38 | 26 | 131 | 66 | 36 | 26 | 128 | 68 | 33 | 15 | 116 | 67 | 35 | 22 | 124 | Total | 67 | 35.5 | 22.25 | 124.75 | | | | | |
| % | 51% | 29% | 20% | | 52% | 28% | 20% | | 59% | 28% | 13% | | 54% | 28% | 18% | | % | 53.9% | 28.3% | 17.7% | | | | | | |
| | | | | | Where 6th graders went for gr. 7: | 7 to GFMS | 6 to Pioneer Regional | 1 each to PVPA, 4 Rivers, GCS | Where 6th graders went for gr. 7: | 2 to GFMS. | 2 to Pioneer | 4 to Stonleigh Burnham | 3 to 4 Rivers | Where 6th graders went for gr. 7: | 6 to GFMS. | 2 to Pioneer | 1 to GCS | 1 Eaglebr. | 4 to 4 Rivers | 1 Unsure | Where 6th graders went for gr. 7: | 5 to GFMS. | 3.3 to Pioneer | .67 to GCS. | .33 Eaglebr. | 2.7 to 4 Rivers |

Note: 28% of gr. 5 students leave for gr. 6 (avg. for last 9 years)

Massachusetts School Building Authority

Deborah B. Goldberg
Chairman, State Treasurer

James A. MacDonald
Interim Chief Executive Officer

John K. McCarthy
Executive Director / Deputy CEO

May 17, 2017

Dr. Michael Sullivan, Superintendent
Gill-Montague Regional School District
35 Crocker Avenue
Turners Falls, MA 01376

Re: Gill-Montague Regional School District, Gill Elementary School

Dear Dr. Sullivan:

The Massachusetts School Building Authority (the "MSBA") would like to thank the Gill-Montague Regional School District (the "District") for expressing an interest in the MSBA's Fiscal Year 2017 Accelerated Repair Program (the "ARP").

Overall, the MSBA received 73 Statements of Interest (the "SOI") for potential project consideration in the Fiscal Year 2017 ARP. As noted in the SOI opening email that was sent to Districts on January 3, 2017, and explained in detail on the MSBA website, the ARP is for the repair and/or replacement of windows/doors, roofs, and/or boilers. Invitation into the ARP is based upon several items including the MSBA's annual statutory budget cap, due diligence of the MSBA staff, a review of the entire cohort of SOIs, initial conversations and outreach with districts, and the ability of a district to adhere to the overall terms and conditions of the ARP.

For Fiscal Year 2017 ARP SOIs, the MSBA performed an initial review of the information provided based upon the non-qualifying conditions noted below and for conformance with the ARP. The initial review resulted in 69 of the 73 schools qualifying for the ARP.

| Non-Qualifying Accelerated Repair Program Conditions* | |
|--|---|
| Roof Age | System is less than 20 years of age |
| Window Age | System is less than 20 years of age |
| Boiler Age | System is less than 20 years of age |
| Proposed Project Cost | Proposed total project cost is projected as less than \$250,000 |
| Outside Scope | District included scope beyond roof, windows, and/or boilers |
| Excess Boiler Scope | SOI itself identifies boiler construction, excluding heating fuel storage and/or delivery, beyond the physical limits of the existing boiler room(s) |
| Future Project | District plans a future construction project for MSBA participation going beyond roofs, windows, and boilers for the school |



| | |
|-----------------------|--|
| Overcrowding | District self-identified overcrowding |
| Building Usage | District identified spaces in the building used for non-educational purposes |
| School SOI History | Facility condition not identified in SOI remains unresolved from previous MSBA review |
| District-Wide Review | District is reviewing deficiencies to further identify its needs and priorities and/or consider the facility for potential consolidation |

* The conditions in bold were described in the 2017 Statement of Interest ("SOI") for Accelerated Repair Program overview.

Compared to the number of qualifying SOIs that received invitation to the ARP in previous years, the 69 qualifying schools represent a significant increase. Following the first year of the ARP in 2012, the MSBA has invited approximately 45 to 50 schools annually. Given the budget impact from the number of qualifying SOIs filed for the ARP program in 2017, the MSBA must limit the number of ARP invitations this year.

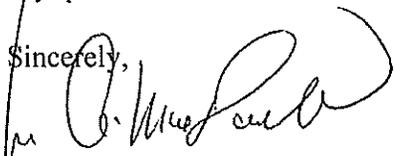
As referenced in the Statement of Interest Process Overview, if limiting the number of invitations, the MSBA should consider among other factors: the degree of the disrepair of the systems to be replaced and the frequency with which issues associated with the disrepair arise. For Fiscal Year 2017 ARP, these two factors have been evaluated relative to the age of a system, and therefore only systems of 30 years or more have been considered for invitation.

After careful consideration and due diligence conducted by MSBA staff with all of the SOIs that were submitted for consideration, it has been determined that the Gill Elementary School will not be invited into the 2017 Accelerated Repair Program based upon the roof age as stated in the SOI.

The MSBA is proud to have collaborated with the Gill-Montague Regional School District in funding the Sheffield Elementary School project, and remains committed to partnering with the District to better understand any other school facility issues.

Please feel free to contact Michael McGurl, Senior Project Manager, at (617) 720-4466 should you have any questions.

Sincerely,



James A. MacDonald
 Interim Chief Executive Officer



John K. McCarthy
 Executive Director/Deputy CEO

Cc: Legislative Delegation
 Michael Langknecht, Chair, Gill-Montague Regional School Committee