



CHELMSFORD FINANCE COMMITTEE
MINUTES

March 7, 2019

RECEIVED 2019-03-27 8:29 AM

TOWN OF CHELMSFORD PATRICIA E. DZURIS TOWN CLERK

MEETING: A meeting was held on Thursday, March 7, 2019 at 7:30 PM at Town Hall Office Building, 50 Billerica Road, Chelmsford

PRESENT: J. Clancy, E. Chambers, A. Tanini, K. Duffett, A. Langford, D. Goselin and V. Parks

ALSO PRESENT: P. Cohen, J. Sousa, D. Pigeon, J. Savoie, D. Ayer, L. MacDonald, L. Prescott, B. Herrmann, D. Braslau, M. Marshall and public

HANDOUTS: NVTS FY2019 – 2020 Budget, NVTS FY2020 Proposed Budget – Total Expense Comparison, Cost of 6 NVTS Post-Graduate Student Analysis from K. Duffett, *The Hate U Give* by Angie Thomas

The meeting was called to order at 7:36 PM.

Approval of Minutes:

February 28, 2019:

K. Duffett made a motion to accept the minutes of February 28, 2019 as written. A. Langford seconded the motion. J. Clancy, E. Chambers, K. Duffett, V. Parks and A. Langford voted in favor of the motion. D. Goselin and A. Tanini abstained. The motion carried. The minutes were approved as written. (5 in favor, 2 abstentions)

Nashoba Valley Technical School District - FY20 Budget:

D. Pigeon thanked those that attended the Nashoba breakfast including D. Goselin and many town officials. She also thanked the three liaisons to Nashoba (V. Parks, E. Chambers and D. Goselin) for coming to meet with them. She introduced the business manager, J. Savoie and two School Committee members, D. Ayer and L. MacDonald, for those who did not know them.

D. Pigeon stated that Nashoba was proud to be Chelmsford's other public high school. She said that at a meeting a member of the public had referred to Nashoba as a different kind of school and she felt it was important that everyone know that Nashoba was the town's other public high school.

D. Pigeon highlighted recent achievements of Nashoba students from Chelmsford including awards in the following programs: English, TV Media/Theatre Arts and Design and Visual Communications, Culinary Arts/Hospitality, Carpentry, TV Media Production, Heath Assisting, Engineering and Marketing. She reported that several Chelmsford businesses were also hiring students for co-op such as A Plus Auto, NEC Electrical, JP Plumbing and Town and Country

Veterinary Clinic. She added that if other area businesses wanted to be involved they would love to place students with them.

D. Pigeon reported that the overall Nashoba enrollment was down 17 students with Chelmsford being down 12 students this year. K. Duffett pointed out that Chelmsford had 6 post-graduate students in the total and asked how many post-graduate students other towns had. D. Pigeon said that she did not know, but that she could get the numbers. She noted that the overall total in post-graduate students was somewhere around 20. L. MacDonald pointed out that post-graduate students did not displace undergraduate students. K. Duffett responded that it was not a matter of displacement, but rather the issue was that the post-graduate students added to the enrollment number and Chelmsford tax payers had to pay for them. D. Pigeon stated that even though enrollment was down the percentage of special needs students was up so the needs of the students was higher. She pointed out that students with disabilities made up 38.4% of enrollment which was significantly higher than the state average of 17.7%.

D. Pigeon said that she wanted to share the good news that Nashoba had received a dental health grant and they were implementing the program now. She stated that students in the areas of carpentry, plumbing and electrical technology were doing the work required for setting up the new program. She stated that students participated in many community service projects and capital projects. She gave examples of new projects for a veterinarian's assistant area and a grooming area.

D. Pigeon stated that Nashoba should be receiving the final report from the facilities assessment next month. She said that once it was completed they would be able to do their capital planning into the future. She added that they would publish the final report and make it available when it was completed.

D. Pigeon reported that the FY2020 budget was a reasonable budget designed to meet the needs of the students. She said that the overall budget had a bottom line increase of 2.5%. She pointed out that the Business Office line item increased by 23% because they would be hiring an assistant business manager to train under J. Savoie as J. Savoie would be retiring. She stated that the School Curriculum/Dept. Heads line item was decreasing by 9.6% because of the reduction of one administrative team member. She said that the Guidance Services line item was increasing by 10.8% due to additional social worker hours. She explained that this was not a new hire, but just an increase in hours. She added that they expected this need to continue to grow. D. Pigeon stated that the Transportation Services line item was increasing by 18.9% due to the new bus contract. She stated that transportation issues were being discussed state wide as there was only one bidder. She said that the Massachusetts Association of Regional Schools was advocating for more funding for regional transportation. She explained that now was the time to look at regional transportation and bus contracts. L. MacDonald added that the problem was that they could not charge and then they weren't getting reimbursed. D. Pigeon stated that the law read that they shall be reimbursed subject to appropriation. She explained that they were trying to remove the "subject to appropriation" wording. She said that they appreciated any help from member towns with this. L. MacDonald mentioned that the budget was down two teachers. D. Pigeon explained that they had lost a tech teacher and an academic teacher and had chosen not to replace them. A. Langford asked what was behind the 28.3% increase in the

Student Security line item. D. Pigeon replied that that this was from a function code change where they had removed a line item and merged it into the Student Security line item.

K. Duffett asked if there was a slide with the offset amounts similar to what was provided last year. D. Pigeon replied that there was. She reported that they had put \$1.4 million into school choice last year and budgeted just over \$1 million for this year. She added that they could not continue at that level and the goal was to make corrections over several years. J Savoie said that they planned to get to the point where they were putting in about what they received each year for school choice, which was around \$350,000.

D. Pigeon reported that the total Nashoba Assessment for FY2020 was \$9,427,444 with Chelmsford's percentage being 29.11% or \$3,101,017. She said that she thought this was around a 2% increase from last year. P. Cohen confirmed that it was a 1.92% increase over last year. D. Ayer pointed out that there was some confusion regarding the assessment as some people did not realize that the minimum contribution was set by the state. K. Duffett commented that there were other factors such as enrollment buried into the assessment and even though Chelmsford had 29% of the students the bottom line contribution was closer to 33%. A. Langford noted that it was 32%. J. Clancy stated that Chelmsford's percentage last year was 30.18% and this year was 29.11% which was a decrease of 1.07%. K. Duffett reiterated that there were 6 post-graduate students from Chelmsford in the enrollment which was 3% of the total enrollment. She provided Nashoba with a copy of a post-graduate analysis hand-out which she had prepared. She said that she had provided an example showing the cost for the 6 post-graduate students (representing approximately 1% enrollment factor) was \$161,122.88. She explained that Chelmsford enrollment decreased by 12 students, but the total enrollment included the 6 post-graduate students. She said that excluding those students from Chelmsford enrollment percentage would move the Chelmsford percentage by 1% point from 29% to 28%. She explained that her point was to show that the post-graduate students cost the Town of Chelmsford a significant amount which will increase as the program grows. She said that she did not want them to be counted in the enrollment numbers. She added that the town is paying over \$26,000 per student and she would like Nashoba to investigate not including these students in the total. D. Pigeon replied that this topic had been discussed in the past and there was a philosophical difference. She said that it would be a big mistake to end this program. K. Duffett said that she was not suggesting that the program be ended. She said that if they charge a minimal amount above what is charged at Middlesex Community College they would not be counted. D. Pigeon stated that Nashoba is a place to train from grades 9 through 14. She urged Finance Committee members to come and meet some of the post-graduate students and see what they give back to Chelmsford. K. Duffett responded that she wanted to say unequivocally that Nashoba did an excellent job, but she added that there were financial implications to this choice and Nashoba did have a choice. She pointed out that other schools like Minuteman Tech charged. D. Pigeon pointed out that some communities in the district send 100% of eight graders for a tour of Nashoba every year. She asked if Chelmsford would do the same. She said that filling more slots with undergraduate students would cut down on post-graduate students. L. MacDonald added that when the Governor and Lieutenant Governor visited last year for the capital skills grant they commented that Nashoba offered education for all ages and post-graduate students are a piece of that. A. Langford asked if Chelmsford did not send all students for a tour of Nashoba. She replied that J. Lang has been a pleasure to work with, but there were

times in the past when Nashoba was cut-off' and students were not allowed to visit. K. Duffett responded that she had been on the School Committee at the time and there had been a visiting day, but not every single 8th grader attended. She noted that visiting had not been prohibited. A. Langford said that she was a little concerned that the students were not visiting in the seventh grade as by eight grade they have already thought about the next year. He asked if it would be worthwhile to reach out to students in seventh grade. D. Pigeon replied that it would be. She noted that the post-graduate segment existed because there were open seats. A. Langford asked if open seats were determined on a shop by shop basis. D. Pigeon replied in the affirmative. D. Pigeon commented that it was Nashoba's goal to train young people and provide businesses with workers. She said that she felt charging students was a disservice in the long-run to both the students and the town of Chelmsford. J. Clancy stated that his concern was that enrollment was down and Nashoba was filling spaces with post-graduate students which the town paid for. He said that if the trend continued Chelmsford would continue to pay more even as enrollment declined. He said that it was a financial concern and the option was there to have post-graduate students pay a small amount. D. Goselin commented that it sounded like Nashoba's position was their position and it wasn't going to change even though several members of the Chelmsford Finance Committee have expressed concerns regarding paying more than was the fair share due to the post-graduate trend. D. Pigeon reiterated that it was a philosophical difference. She added that Chelmsford was the only town which had expressed an issue with the post-graduate students. D. Goselin responded that Nashoba had the option of charging. K. Duffett added that Chelmsford had the biggest enrollment and was paying the most. She added that she was happy with the opportunity which Nashoba offered but said that it was an issue that Chelmsford was paying for post-graduate students. She said that if the tax payer was asked if they wanted to spend \$160,000 on post-graduate students or not she suspected that they would not want to. D. Pigeon responded that it depended on if they saw value for the money. A. Tanini commented that she understood that education paid back in multiples. She asked if there was any age cut-off for post-graduate students. D. Pigeon replied that technically there wasn't, but typically the age range was 18-24. She added that the target was seniors, so the usual age group would be 18-20. She noted that many were IEP's. A. Langford asked what kind of IEP's were typically in this group. D. Pigeon replied that they were generally "high need" students.

K. Duffett commented that she liked the way Nashoba was now presenting information on the web site. D. Pigeon replied that the "Board Docs" provided more access and transparency to the information. She noted that it was also a huge labor savings.

A. Langford asked with enrollment down how Nashoba looked at programs and decided what to cut. D. Pigeon replied that they looked at the enrollment figures each year and made the difficult decisions on programs. She noted that by law they could not just close a program which had enrolled students but had to phase them out. She added that they also looked at the labor market and made decisions based on future labor needs. She noted that some programs could be revived such as the machine program which had been declining. She explained that the equipment was old shop type and they had upgraded to advanced manufacturing and now the enrollment in the program was increasing. D. Pigeon said that a teacher had moved on from the carpentry program and since the enrollment in this program was down they had chosen not to refill the position. D. Ayer said that he was pleased to say that Nashoba had a stable staff and did not have high turnover. A. Langford asked if an additional social worker had been added. D. Pigeon

replied that they had just increased the hours and had not added staff. She said that the social worker hours were through a contracted service to meet the IP needs and were not done via additional staff.

D. Pigeon reported that Nashoba had met the goal of 8-10% of the overall budget for the Stabilization fund this year with the balance being a little over \$1.5 million. She reported that the current OPEB liability was \$13 million and the proposed funding this year was \$90,000. She thanked P. Cohen and the Pepperell town administrator for serving on the trustee board.

Warrant Article 5 – NVTs Roof, Windows and Door Replacement:

J. Clancy asked if the roof, windows and door replacement project was a MSBA accelerated repair project. D. Pigeon replied that it was. She explained that MSBA had approved a total facility grant of \$1.5 million in state reimbursed expenses. She said that the reimbursement rate was 55%. She stated that the remainder would be bonded and split amount the towns. She explained that Nashoba needed approval to borrow the full amount of the MSBA accelerated repair project which was \$3,704,616. She said that in order to move forward with the project two thirds of the district towns needed to approve the number. D. Pigeon stated that the roof needed to be replaced as there were three major sections which were 20 years old and had leaking issues during driving rain. She said that the large windows above the technical program garage doors which were called kawals had no insulation and needed to be replaced. She added that the rooftop heating units on the sections of roof being replaced also had to be replaced. She noted that the units themselves were not MSBA reimbursable, but the removal and reinstallation was.

D. Pigeon reported that the debt from the 2014 MSBA roof project will be paid off in FY2020 and the proposed new debt would begin in FY2021. She explained that Nashoba wanted to maintain overall debt payments as level as possible for district towns. She said that the timing of this project would cause minimal disruption as debt came off and on at the same time. She stated that the final payment of the 2014 roof project would be \$154,027 and the estimated first year payment on the new roof would be \$161,069 in FY2021. She stated that the estimated increase in debt service would be \$7,042 which would be spread over the district towns. K. Duffett asked if there had been any consideration given to using stabilization funds for this project to decrease the burden to the towns. She noted that when the stabilization fund was being set up one of the original arguments used for the need of the fund was if Nashoba should need a new roof. D. Pigeon stated that the building was 50 years old and there were still unknowns. She said that they were able to plan for the roof, but there may be a sudden need that they could not plan for which they would need to fund from the stabilization fund. J. Clancy asked if the intent was to reserve the stabilization fund in case more pressing concerns popped up. D. Pigeon replied that this was accurate. She said that if something suddenly happened at a regional school they would have to go out to all member towns for approval. She explained that the stabilization fund would allow them to deal with sudden issues without going to the member towns. J. Clancy asked how the funding and reimbursement would work on this project. J. Savoie replied that it was a bill as you go method. She said that they would reach \$50,000 and then draw funding from the MSBA fund. D. Pigeon reported that Nashoba planned to do the roofing work in July and August so as not to disrupt school. J. Clancy asked if there was any indication as to how they would bond. J. Savoie replied that last time they had bonded for a longer period and then the project came in at

half of the expected amount. She said that this time they would wait and see what came in. J. Clancy said that for the \$3.7 million total at the current enrollment rate Chelmsford's share would be about \$485,000. D. Pigeon reported that based on current enrollment and rates a 20-year bond would result in an increase in payment for Chelmsford of \$2,158, while for a 15-year bond the change would be \$12,031 and for a 10-year bond it would \$32,116. J. Savoie noted that last time Nashoba went to bond they had been in a very strong position. She said that they had depleted some of the reserves, so this time may be different. J. Clancy asked what Nashoba's current rating was. J. Savoie replied that it was AA+, but that may change based on current reserves.

D. Pigeon invited Finance Committee members to reach out to Nashoba if they had any other questions. L. MacDonald added that they would be happy to come back in if the Finance Committee members wanted them to. J. Clancy stated that the Finance Committee would be making their recommendations either the 21st or 28th of March. He added that there was public comment invited prior to the recommendations being made.

Community Preservation Fund - FY20 Budget:

L. Prescott stated that the CPF budget article was a housekeeping article where they had constantly revolving funds which they allocated monies to each year. She reported that they anticipated just over an 11% match from the state this year. L. Prescott reported that this year they would budget \$100,000 into each of the three CPF "buckets" of Open Space, Historical Preservation and Affordable Housing. She said that they would budget \$50,000 for administration and \$200,000 for budgeted reserves.

L. Prescott pointed out that the debt service from the two town halls which had been from a 10-year bond would be ending in 2021. She said that the longest bond was for Chelmsford Woods which would not end until 2029. K. Duffett asked if the turf fields bond went to 2028. L. Prescott replied that this was correct. L. Prescott reported that the total debt services for FY2020 was \$704,393. She said that with the 10% appropriation into the revolving funds and the addition of the new projects the total appropriation vote at Town Meeting would be \$1,624,393. She reported that the FY2020 CPA tax surcharge would be \$1,165,000 and the estimated state revenue match of \$195,000 brings the total projected FY2020 revenue to \$1,360,000.

Warrant Article 24 –CPF: Façade & Signage Improvement Program:

J. Clancy stated that E. Belansky would be presenting on this article. He said that the Historical Commission had not yet voted on it. L. Prescott added that there were still a lot of details to work out and they were not sure if it was eligible for CPC funds.

Warrant Article 25 –CPF: Affordable Senior Housing at 86 Richardson Road:

L. Prescott stated that Bryana Lyn was an important part of Chelmsford's affordable housing stock. She stated that Chelmsford was just over the 10% level in affordable housing. She said that D. Hedison was looking to take over the Brianna Lyn housing which was currently in terrible condition and refurbish it for affordable senior housing. She said that D. Hedison was looking for CPC funds of \$75,000 for this project. She said that the mortgage was \$710,000 and there was almost \$1.5 million in DHCD funding. J. Clancy asked if the CPF had overwhelmingly supported this article. L. Prescott replied in the affirmative.

Warrant Article 26 – CPF: Varney Playground Tennis and Pickleball Courts:

L. Prescott stated that Pickleball had started down south and was now becoming popular in the north. She explained that it was like tennis, but with half the width of the court and no need to run back and forth. She said that it was a great sport for seniors. She said that they wanted to renovate the two old tennis courts at Varney Park into one tennis court and one pickleball court. J. Clancy asked if the “ask” would be for \$95,000. L. Prescott replied that it would be. She said the total cost would be \$103,000 with the total “ask” being \$95,000 and the remainder coming from the DPW budget. J. Clancy asked why there would only be one pickleball court and one tennis court. He questioned if there was room for two pickleball courts. L. Prescott said that two pickleball courts would not fit. She said that length may fit, but not the width. She added that she did not do the plan. J. Clancy suggested reaching out and asking about the possibility of fitting two pickleball courts in order to get the best value for the funds.

Library - FY20 Budget:

B. Herrmann reported that One Book Chelmsford had two books this year. She passed out copies of *The Hate U Give* by Angie Thomas to the Finance Committee Members. She reported that her budget was a level services budget. She stated that the only changes under personnel were from step increases and COLA. She said that the library union was still in negotiations. P. Cohen indicated that there should be resolution on this for the Fall Town Meeting.

B. Herrmann stated that Chelmsford continued to maintain the state requirements for state certification which was needed to receive state aid and participate in the MVLC consortium. She explained that the requirements included maintaining a library budget that is an average of the last three years plus 2.5%, maintaining a book budget that is 13% of the total town library budget, the library must remain open for a minimum number of hours per week and the library must employ a certified library director with a master’s degree in library science. B. Herrmann reported that the amount of state aid received was between \$40,000 and \$60,000 per year which was used as a “rainy day” fund to fund many programs. She reported that in one year Chelmsford had not met the requirements but had remained certified by applying for a waiver which showed that the library had been cut proportionally to other departments in town.

B. Herrmann stated that one thing she wished to highlight was the amount of longevity that the library had in its employees. She stated that two were at the 20-year mark, two were at the 25-year mark and two were at the 35-year mark. She noted that she was at the 18-year mark. She reported that they had also had a number of retirements so had an infusion of young department heads with ideas, energy and enthusiasm.

B. Herrmann reported that under expenses the MVLC was increasing this year due to the Integrated Library System. She said that this allowed for a shared look at all resources. She added that the consortium fee now included Overdrive audiobook and eBook service. She stated that the Programs and Events line item had also increased by \$5,000 due to increased costs of authors and speakers.

B. Herrmann reported that activity at the library was trending up with nearly 1,000 visits per day. She pointed out that the library had 222 volunteers working over 6,000 hours which was an increase of nearly 30% over last year.

B. Herrmann reported that there was a revitalized Friends of the Library group which had donated \$15,000 to the Trustees' Impact Fund towards the purchase of a mobile pop-up library van. J. Clancy asked how the books sales were going. B. Herrmann replied that they were going well. She said that there was another one coming up in April for just children's and fiction books. J. Clancy commented that the book sale was a great event, especially for teachers. B. Herrmann agreed. She added that the last day of the sale teachers could come and get books for their class rooms at no charge. K. Duffett asked for more information about the pop-up van. D. Braslau replied that they had done a survey to find out what the next "big thing" was that they should tackle after they had done the carriage house and the greenway. He explained that one idea which had a lot of interest was bringing the library out to the community. He explained that the van could go to day care facilities and senior housing as well as places like Varney Park, Roberts field and Heart Pond. He explained that it wasn't a "book mobile", but rather a mobile library program. He said that it had panels that opened, and they could stock the vehicle with appropriate books for the location. He added that anyone could drive the vehicle as it did not require a special license. B. Herrmann said that they had looked at other libraries who had adapted trucks to be pop-up libraries. D. Braslau added that for \$75,000 they could almost purchase, customize and fund the vehicle. J. Clancy asked where the vehicle would be garaged. B. Herrmann replied that it could go into the carriage house. K. Duffett asked how they planned to raise the funds for the vehicle. D. Braslau replied that there was an annual fund-raising program and the first step was at www.chelmsfordlibrary.org/impact where people could make donations.

Review of Budget Hearing and Warrant Article Review Schedule:

J. Clancy stated that he would circulate an updated budget hearing schedule. He reported that next week Chelmsford Public Schools, DPW, Solid Waste, Stormwater and Facilities would be on the agenda. He said that he would see if the Zoning Board and someone from the Economic Development Commission wanted to speak at one of the next meetings regarding the zoning drive-through article.

J. Clancy asked P. Cohen if he had any information on operating budget amendments. P. Cohen replied that they have not pulled all the information together yet.

J. Clancy stated that the Street Acceptance Article could also be discussed next week with the DPW.

J. Clancy said that it may be possible to be ready for recommendations on the 21st.

K. Duffett stated that the meeting with the schools was tomorrow and she would send an electronic copy of the budget.

K. Duffett made a motion to adjourn. A. Langford seconded the motion. All voted in favor.

The meeting adjourned at 9:25 PM.

Respectfully submitted,

Pamela A. Morrison