

The Joint Meeting of the Board of Selectmen with School Committee and Finance Committee held on Tuesday, February 27, 2024, began at 6:00 p.m. in the Harris Brook Elementary School Library.

Members Present: James Gennette, Derek DeBarge, Manuel Silva, and William Rosenblum

Members Absent: William Rosenblum

First Order of Business: The Pledge of Allegiance

VISITATIONS

Mr. Gennette: Board of Selectmen call to order joint meeting February 27, 2024, at 6:47 p.m. with all members present.

Mr. Sanches: Finance Committee call to order joint meeting at 6:47 p.m. with all but 1 member present.

Mr. Laing: I think it would be fair for all members on this committee to hear the Town's side prior to suggesting more or what is deserved. We need to listen to the other voices in the Town.

Mr. Strange: Thank you for inviting us. On behalf of the Board of Selectmen we want to hit some highlights. As Jeff was saying, we've been meeting pretty consistently since October. From the Town's side it's a tough budget year. Last year the process wasn't as challenging, which is one of the reasons why the schools were able to get a 4.3% increase. We are in between our development years with the Mills. Fiscal 26 we will be in a little bit better situation. As you can see I think we're going to have to have some difficult conversations coming up. Currently, when we met yesterday we were at a \$775,000 deficit. We spent some time today working with our interim Town Accountant and we were able to do a couple things to get that number down to \$447,000 deficit. We reworked our debt exclusion numbers. We are also going to fund snow and ice budget deficit with free cash. Typically, there's a line item in the budget. Every year we overspend that amount and it gets reimbursed the following year through property taxes. For fiscal 24 we can use free cash. That helped us bring the number down from \$775,000 to \$447,000. The general fund is 81 million dollars. That excludes enterprise funds. Our total budget is 84.2 million. That represents a 4.2% increase from fiscal 24 overall, which is a 5% increase to Town budget. That includes the school insurance as well as debt service for Harris Brook. As Dr. Tiano mentioned, we're at a 3% increase for the school budget and 7.4% increase to enterprise funds, which doesn't impact the tax rate. Why are we here? A quick 101 on municipal budgeting. We have 4 sources of revenue every single year. Property taxes, new growth, local receipts and state aid. Property taxes are limited by proposition 2 ½. It means every year we can only raise and appropriate an additional 2 ½ % compared with the prior year. For fiscal 25 we are limited to raising and appropriating property taxes in the amount of 1.25 million dollars. For some perspective, our health insurance premiums went up \$700,000. The Town salaries went up \$800,000, the school salaries are going to be going up \$900,000. Prop 2 ½ is a great concept. It's 44 years old and hasn't kept up with the cost of goods sold. Everything is so expensive now, particularly with inflation being what it's been over the past couple years. If you're giving COLA's or contractual increases to employees at 2% they're basically losing money. 1.25 million is extremely limiting particularly when you're considering the schools are 75% salaries, the Town is about 65% salaries and there's not much we can do about that, short of cutting positions, which we want to avoid. Back in 2023, our new growth spiked by \$400,000 because the MMWEC solar array came online. That was the biggest solar array in the state. That bumped us up about \$400,000. Every year we budget about \$575,000 in new growth that we can tack onto that 1.25 million. In 2023 we had the Mill 8 project permit fees were \$360,000 so we've backed down the estimates for local receipts from fiscal 23. It's \$350,000 now. In 23 we also had a spike in Medicaid reimbursement. For some reason our investment income went up and we also had a spike in miscellaneous local receipts. In terms of budgeting, we look at fiscal 23 but we won't know what the fiscal 24 numbers are until the end of the year once we close out fiscal 24. The last source of revenue is state aid. We have not much control over state aid. As Dr. Tiano showed, Chapter 70 is part of that state aid package. The average increase has been 1%. The Governor's proposal is plus \$100,000 for fiscal 25. It's not much. In addition to limited revenue sources for fiscal 25 we also have our salary contractual increases, which I mentioned. On the town side we're looking at \$825,000, that represents 5.8% increase. Our health insurance is \$700,000 at a 6.8% increase. Retirement assessments at \$180,000. There are other increases but those were the primary cost centers. This slide is important. We reached out to a lot of our

neighboring communities to get an idea where they were in their budget process. Most towns are facing similar issues that Ludlow is. A lot of districts had baked in ESSR funds on the school side to their operating budgets. Ludlow is not unique in that way. Every town is a little bit different. The reason I wanted to show this is these towns have made difficult choices to get their budgets where they need to be. Belchertown doesn't offer trash service. For us that's a 1.2-million-dollar expense once you take out the \$100 fee you pay. Wilbraham does not offer trash service. Monson has a \$330 fee. South Hadley is probably going to go to \$300. Ludlow provides trash service for \$100 fee. All things considered I wouldn't like to pay a \$100 fee either but if you look at the state of municipal finance, this is a cost center that the impact could be mitigated by increasing fees. Same thing with regional dispatch. All these towns except South Hadley and Ludlow have regionalized their dispatch. Belchertown is looking to regionalize with Wilbraham and Hampden because they use free cash every year to balance their budget, which is not a good practice. They're trying to find ways to save money in their budget and regionalizing dispatch is one of those ways. For the Town of Ludlow that would save us \$800,000/year for the first few years. Lastly, our health insurance. You can see the towns that are a bit healthier at the moment their splits are a lot lower than ours. Longmeadow is 69/31. 50/50 for the PPO. Wilbraham is 68/32. East Longmeadow is 70/30 and 50/50. Those are really low compared to what we offer our employees, which is a great benefit to our employees. Not suggesting we immediately go into negotiations to lower that percentage, just wanted to show that towns have to have difficult conversations around these issues because if you look at the top 20 mill rates and tax rates in the state, 17 of them are in Western Mass because our valuations aren't nearly what they are out East so we have to get creative with how we handle our budgets. At some point the Town needs to have conversations around some of these issues so we can get ahead of the budget and we can be like Wilbraham where they have the luxury of having excess capacity like East Longmeadow and we can talk about how much can the schools get. What can we do on the Town side to increase our service offering? That's where we want to be and I don't think we're going to get there unless we have difficult situations. The options are increase revenue, reduce costs and using free cash. In terms of revenue, we're already assuming 2 1/2 % increase in property taxes so we cannot increase revenue generated from property taxes. Our new growth, we're not anticipating any big solar arrays. Mill 8 is probably not going to come online until fiscal 26. Local receipts, we could increase fees. The trash fee is certainly one of those options. When you're putting the budget together you're anticipating how much you're going to have in local receipts, which is motor vehicle excise taxes, meals tax, lodging, building permit fees, investment income, Medicaid reimbursement and all those other sources of revenue. You don't know exactly what those numbers are going to be for fiscal 25 so you look back at fiscal 24 and 23 and you estimate. We've increased our projections for fiscal 25 in a way that gets me out of my comfort zone a little bit. I think we'll be ok but I don't think we have much more room to increase that estimate. Lastly, again state aid. We don't have too much control over state aid. That comes down from the state and our increases every year are pretty modest. The option is to reduce costs to make up that \$447,000 gap. The biggest budgets are the schools, police, fire and DPW. Lastly, we do have free cash available. We could use free cash to plug that gap. This is highly discouraged by the state and rating agencies. It's not best practice to fund an operating budget. If the decision is made this year to use free cash to plug that fiscal 25 hole we really need a plan moving forward for fiscal 26 because it will compound itself. Instead of \$450,000 it will be \$650,000 of free cash next year and we'll get into the cycle where we're annually relying on free cash to fund our operating budget.

Mr. Silva: I have another engagement to go to so I'm going to say where we came from I commend Mr. Tiano. We were way off where we could afford. I'm quite confident you'll be able to find some sources where you could bridge that gap. I constantly get people telling me the School Department is going to lay off an astronomical amount of teachers, which that's not the case. We're not even close yet. If you find this money, the projection is there won't be layoffs in personnel?

Dr. Tiano: I didn't say that. We're going to look at where we can reduce ~~\$359,000~~. One of the things I'm suggesting working with our administrative team is looking at where we've lost student population and where we can make efficiencies. That's part of doing business. In terms of positions lost, last year we reduced by 20 positions. Some of that was layoffs, some was retirement but we lost 20.7 last year.

Mr. Silva: I'm pleased where we were considering a month ago everybody was like what do we do. Slowly we've been cutting away. I made a couple suggestions to Marc and he's applied them. I think we can get to where we need to be. We have a little time left. I'm pleased at the moment that things are looking better than they did. Hopefully we won't need to go to extremes to balance

this budget. The other thing I think we need to look at is the state is not financially in good shape right now. Revenues are short. I went through this where I worked before where we had to have an emergency meeting because if the state wants money they just cut it. We need to keep an eye on that. Hopefully they won't. I commend all of you for the work you've done. With that I'll exit.

Mr. Goncalves: Frank, thank you for the email after our last time getting together. That last sheet that shows your deficiency, you've got nearly 4 million dollars of alternate funding that's not showing up on that sheet.

Dr. Tiano: Correct.

Mr. Goncalves: You're telling me alternate funding doesn't take care of any of that 37-million-dollar budget. You've got another 4 million in expenses beyond the 37?

Dr. Tiano: Yes. What we're talking about right now is our general fund. This is what goes to Selectmen, to Town Meeting but to run our operation it's 39.8 and that's not extras. That's built into our operating budget and through grants that can be very specific in terms of what they go to. So, when you look at can we fund a math teacher with Title II money, no, Title II money is strictly for professional development. That comes from the Federal government. If you look at our budget sheet you can see on each line item what the total budget need is, what we're using from the general fund and what we're using for alternate funding. In the summary I have online it has one page of approximately where this money is going to. You can see the Title I funds are funding reading specialists, circuit breaker we're going to pay for X amount of tuitions. One of the things I think we've talked about before is a revolving account like school choice. Last year when we made our reductions we put into our operating budget a higher amount of school choice money than we typically do. We keep some in reserve in case we do have students that move in and we're hit with \$150,000 and \$30,000 transportation we're not coming to the town for a special town meeting for that.

Mr. Goncalves: Right, but that's part of the alternate funding. This year ending right now that was \$657,000 in the alternate funding. That has nothing to do with that number on the board.

Dr. Tiano: In the summary that's online, what we lay out for you here is our spending for alternative funding. In general, for folks that have not seen this, specifically what this is going to these are the grants and for the revolving accounts. You are going from school choice, \$873,000 in FY23, \$657,000 last year and projected spent \$729,000.

Mr. Goncalves: That's not in that other sheet in \$38 million, that's in the 39 million.

Dr. Tiano: Exactly.

Mr. Goncalves: So, you're short on that page you showed us \$400,000 but on the alternate funding you could be \$600-\$700,000 to the good. You've got \$400,000 in ESSR.

Dr. Tiano: No.

Mr. Goncalves: Somewhere we missed it because I'm looking at 1.4 million after that \$400,000 from last year. You've got almost 4.8 million dollars over 2-3 years and I'm not seeing where you spent 3.5 million dollars yet.

Dr. Tiano: We know exactly where every nickel is and we have 400K in our budget right now that we're going to lose next year. We have to spend all of ESSR 3 by September 30.

Mr. Goncalves: Kathy, do you know ballpark how much of the ESSR money including the \$400,000 for FY24 we've spent? Or how much we have left?

Ms. Demetrius: We have to spend it by September 30. We built that money into the FY24 budget.

Mr. Goncalves: \$400,000. That's the 4.9 million.

Ms. Demetrius: The rest has already been spent previous years.

Mr. Goncalves: My question is we spent 4.9 million?

Dr. Tiano: Yes.

Mr. Goncalves: Then we missed something somewhere. Your own spreadsheets you pulled up offline there's a little over a million dollars that I can't see where it was spent.

Ms. Demetrius: On my ESSR tracking spreadsheet, ESSR 3 in FY22 we spent \$1,184,000 and FY23 we spent \$1,283,000. That money is spent in previous years. I'm not sure where you're looking to see it show up.

Mr. Goncalves: I've got spreadsheets I pulled offline that show me ESSR 2 of a 1.2 million, ESSR 1 \$400,000, ESSR 3 is about \$872,000. We're dealing with ESSR 3 now.

Ms. Demetrius: We have \$400,000 built into our budget for FY24.

Mr. Goncalves: We spent the other 2.8 million?

Ms. Demetrius: My understanding with the money we have to put in our total for ESSR 3 is 3,192.

Mr. Goncalves: Some of the spreadsheets aren't picking it up. It was probably somewhere in 23 and the numbers didn't carry over to whatever spreadsheet I picked up online.

Ms. Demetrius: The spreadsheets on our website or the states?

Mr. Goncalves: These were on the accountant's.

Ms. Demetrius: Your Munis reports?

Mr. Goncalves: Yes. It's ok. We can figure it out. Maybe it's there and we're just not realizing it.

Ms. Demetrius: I double checked this report a couple different times. I am going to be working with one of my employees. Because it does have to be spent soon, we don't want to wait until September, so we are going to reconcile this again. I'm really confident in the numbers that are in this spreadsheet. I have checked it many, many times.

Dr. Tiano: It's not just the spreadsheet but we have to report back to the government and they're very particular with that.

Mr. Goncalves: There has to be a gap in one of these spreadsheets that doesn't show a little over a million dollars of expenditure and where it went.

Ms. Demetrius: Dr. Tiano brings up a really good point. Along with this spreadsheet, every month I have to do grant drawdowns. That's where I go to ed grants and say we have spent X amount of dollars and that's when they give us the draws that go to the Town and that gets entered as revenue. It's not just balancing against Munis, we're balancing against ed grants. It is possible if you're looking at the revenue from ESSR 3 that could be behind a little bit but it shouldn't be behind for FY23 it just might not be caught up for what we're doing right now.

Mr. Goncalves: The spreadsheet I pulled doesn't show any of the reimbursements.

Dr. Tiano: On the screen is the ESSR grant information 02-04 2023 and it hasn't been updated so this is the summary, I asked Kathy for a report and I shared it with the committee, this is ESSR 1 money, ESSR 2, ESSR 3, where it's been utilized. The record keeping has to be pristine otherwise we get in trouble and that's just our practice.

Mr. Goncalves: That leaves you \$800,000.

Dr. Tiano: This is a spreadsheet I pulled up as an example. I'm not using nickels to nickels. We don't have an extra 300K hanging around that we can add to our budget. It's just not possible.

Mr. Goncalves: I'm with you but you can see that what I had access to this right here is still showing me you have \$800,000 available. If you take your bottom line of ESSR 3 you've got 2.5.

Dr. Tiano: ESSR 3 could have been spent the year before as well. This is when we were doing our budget last year. Kathy was telling me we had available for FY24 300K. It turned out to be 400K. Some of these things are fluid but the accounting on this is tight.

Ms. Demetrius: We have to be concerned with making sure we spend it and what we do during FY24 is very important. The reality is when we're looking at FY25 there's no ESSR 3 funds available because the government isn't going to allow us to carry it over. It goes to September 30, 2024, and that's it. If you didn't spend it...

Dr. Tiano: You give it back.

Ms. Demetrius: For FY25 we have no ESSR funds available.

Mr. Gennette: We were in Chairman meetings with Mr. Sanches, Mr. Laing and the Town Administrator and Superintendent and this was a really good practice we had doing this. Some of the conversations were tough but we were able to explain where the Town was to the school and the school could do the same and get through some of the cloudiness and decide where all the numbers were and we could get a better footing with everything. I feel much better coming into this year than I have in the past couple years. We were just throwing around percentages 2-3 years ago and there was no substantial evidence to support the request for it so it created a lot of conflict and I think we avoided that conflict. I'm pretty proud with the way we are here. Much to the Town Administrator's point, we're looking at some tough times ahead and I don't want people to think we're trying to make the schools pay for it. We tried to get as level budget as possible and the rest of it is going to end up going to the school. We don't cut the school budget; we may decrease the request. The school gets something every year. The process was a little better this year and thank you for the information you supplied.

Mr. DeBarge: I don't have the kind of elation that Mr. Silva did. I still see negative numbers on both sides. I've been around long enough to understand that when you go through the first level budget it's usually high and you get it down second level and whittle it down. The thing I don't understand and have never understood about ESSR and how it was utilized. Let's just take the \$400,000. You put \$400,000 into your operating budget knowing that \$400,000 is going to end at a certain year. How, then, do you call it a reduction in your budget if you know it wasn't going to be there? My only assumption is that you assumed the Town's budget was going to pick that up so you put it into your operating budget. The reason I have trouble with this is I was always taught sustainable money. The positions that we're hiring in the Police Department, Fire Department and DPW and the money we're spending, the new positions we're putting in, Procurement Officer, Facilities Manager, is this something the Town side of the budget can sustain year after year? Because if we pay somebody this year, what happens next year. It needs to be sustainable income. This \$400,000, with your deficit being \$359,000, if it wasn't there you would be plus. I don't understand how you know it's not going to be there. We had 6.3 million dollars in ARPA and I understand there's different parameters but to a layperson like me it's the same thing. We knew as a Board of Selectmen we had 6.3 million dollars to spend. We knew the parameters we could use it and after the first year opened up to pretty much anything. We committed to the high school project 4.8 million dollars because it wasn't going to work out any other way and other various things. We had a 9-person request from the Police Chief at 1.1 million dollars in salary and benefits during this time that we said no to. The Fire Department has asked and we said no because we don't have sustainable money. That's my point. Why put that in there.

Dr. Tiano: Here's your question. We're going to come back to what a level service budget was for the schools. As Mr. Gennette said previously, not cutting the school budget but the inability to fund it at a way so that we could meet our level service. If you're not meeting your level service you're reducing. FY21 is \$286,000. Then it compounds. This committee, I believe it was FY23, voted to put ESSR money into the budget to reduce the reduction. They knew it was a stop gap. It was done on purpose so instead of cutting 15 positions in FY23, the reduction was 8 or 9. ESSR money was used to put in positions that we were mandated to put in due to special ed needs, ESL needs. In FY24 when it was 1.5 I was making 2 years' worth of cuts last year in reductions. Out of necessity the committee was putting in that one time money. Our hope when we talked last year

is to find that long-term piece. This is the last year we have that money in the budget. Going back to regular budgeting not deficit budgeting for next year is something I'm looking forward to.

Mr. Dias: I have something to say that I said last year. Over the past year I've heard Dr. Tiano talk about the school as a business and I think it's important we ask what the business is about. It's about educating. Without educators and teachers there is no business. The budget is the budget. If the money is not there from the Town I don't think we should increase taxes. Everybody is paying enough and that leads to other problems. The issue of educating the children is important. I looked across a couple different towns and by no means are our teachers the highest paid. Out of 4, we're lower than Belchertown on average. If there's going to be cuts we have to look closer and harder at administration. In 1984 when I graduated from school we had roughly 1,200 students, 1 principal and 1 vice principal.

Dr. Tiano: At the high school we have 1 principal and 2 vice principals.

Mr. Dias: When I was in school we had one of each with 40% more students. I thought it was pretty orderly and not a lot of disruption and kids behaved because we had rules and we followed them. Maybe we should try that. The teachers should not be where we look to cut. I think it made the paper that 7 high school teachers were going to be cut.

Dr. Tiano: I said that.

Mr. Dias: Probably not a great thing to say. I wouldn't be surprised if half the teachers started looking. Usually, it's not going to be our worst teachers, it's going to be the best teachers with the best opportunity to get a job somewhere else. I would say before we start saying we're going to make cuts on teachers we should be saying we're going to make some really hard administrative cuts. I know you can't cut too much maintenance but there's got to be something other than teachers. We can't keep doing this to teachers every year. I think this year we're going to be going into another contract negotiation. That kind of atmosphere where we're throwing out a number like 7 teachers being cut doesn't help that dynamic where we're having to negotiate contracts. In the past I've asked you about fees. A lot of them are legacy fees and things that have carried over but the association fees like MASC and associations that you engage with that's part of the budget. Association fees are great but let's cut those before we cut teachers. They're great to have and if we have extra money let's bring it back on board. Until then we have to look there before we look at teachers. There's a \$70,000 increase in the health budget. The core business is education not health services. We have a budget subcommittee meeting on the 19th and I'm sure we can dial down on a lot of these other issues. What we're doing to teachers is not right.

Dr. Tiano: I appreciate your feedback. I'm not sure that I typically refer to our school as a business.

Mr. Dias: It's the business we're engaged in.

Dr. Tiano: Right, but your comment that I talk about it as business.

Mr. Dias: Everywhere there's administration there's service of something. The service of this business is to educate.

Dr. Tiano: I agree with you. I was a teacher for 33 years and the first slide I led with was our core mission, values and objectives. I appreciate that.

Ms. Demetrius: Can I add about the \$70,000 on the health side?

Dr. Tiano: Which slide are you talking about?

Mr. Dias: It looked like a \$50,000 increase from last year.

Ms. Demetrius: I think he's looking at the total because there's minimal movement on the others. That's a movement from one account line to another. Row 60 does show an increase on the health side but if you look at line 218 you'll see it went down. I was moving a person from one account line to another so the health expenses did not go up by \$60,000.

Mr. Stratton: I think this slide is a pretty telling story. In fiscal year 21 the schools were \$286,000 below level service, fiscal year 22 1.1 million below, fiscal year 23 1.8 million below, fiscal year 24 1.6 million below, fiscal year 25 \$359,000 below. This represents cuts year after year. Cuts to services and people. We talk about things not being sustainable. This is becoming chronic. We are clearly investing in education but it's a little bit under what we need to keep things going. That's 5 consecutive years of cuts. Half a decade. That's becoming a chronic problem I see with our schools. Every year we're making some reductions. Are other departments in the town making cuts? I applaud that you said no to increases in some other departments but are other departments making cuts year after year?

Mr. Goncalves: When you're making cuts you're not getting everything you want on your wishlist. You hired 26-28 people 3 years ago.

Mr. Santos: I've been in enough of these discussions over the years. Can we use the term full time equivalencies, rather than hires and let go's and staffing.

Mr. DeBarge: I'd like to make a point to Mr. Stratton. If you look at FY 21 and all the way down you've got 2.94% and you're saying the \$286,784 was needed to level fund and you go on. So, add what that percentage is. The \$286,784, the 1.1, the 1.8 and add that percentage to that top numbers and that is an impossibility to give you from what we make. It's not cuts. It's what we have to be able to work out on both our sides. Level services, as you call it, I still don't understand that either. That 2.94 would be 4.94, that 2.65 would be 7. It would be higher & higher. I'm saying those numbers are unsustainable with what the Town makes. The 2 ½ override stops everything. It controls everything we do to our Town Administrators point. If we try to go... I think the best slide out of all of this is the community comparisons. That slide is important to see what other communities are doing to be able to give the School Department each time because we're taking more money in. Changing our trash fee from \$100 to \$250 fee would solve a lot of problems in our budget. Regional dispatch seems like the future and would save a substantial amount of money. Cutting trash completely would save a substantial amount of money. I'm not saying I'm in favor of anything I said but there are some very serious conversations that have to happen. If you expect the School Department to get those kind of numbers to reach what you call level service, we don't make that kind of money. It's not possible unless we zero every other department consistently.

Mr. Stratton: That's a good point. I fully accept that.

Dr. Tiano: If this number were lower, these numbers would be lower.

Mr. Stratton: I understand the increase the schools need is not possible from the Town; however, do other departments make cuts year after year?

Mr. Gennette: That's part of the reason you see that 4.31. As soon as the Town Administrator came in he started making cuts and consolidating and trying to fix fundamentals and there was an influx of cash that came in and the school got it.

Mr. Goncalves: That projected 25, -\$359, that's not a cut. We didn't give you the million and a half you wanted, you're getting a million one more than last year, you're just not getting everything you wanted. We're not cutting your budget; we're giving you less than what you requested. It's still a million dollars over last year. We didn't collectively give everybody together in Town Hall a million dollars. Every other department combined didn't get a million dollars.

Mr. Stratton: The amount we asked for is what's needed based on contractual increases and so forth. If that \$359 stays there, some teachers are going to need to be let go.

Mr. DeBarge: Why is it always teachers?

Dr. Tiano: This is not the place to talk about specifics or reductions.

Mr. DeBarge: It's always teachers with you guys.

Mr. Laing: We as a committee don't have to vote on this number tonight. We still have another meeting prior to when the Town Administrator needs our number.

Mr. Strange: Our board is voting April 2.

Mr. Stratton: The only other comment is that I saw for the Town the school salary is going to represent \$900,000 increase and the Town salary is \$800,000 increase, yet the schools employ about 60%. That seems a little inequitable. The teacher's salaries have been pretty advantageous to the Town in terms of the increases that we're bringing to the Town.

Mr. Gennette: The insurance and the insurance increases are paid by the Town. It's not part of your operating budget and that's over 7 million dollars. When you guys did your last contract negotiation your increases over 3 years were 1, 2 and 3% so you're seeing that balloon payment coming up on the back side instead of having 2, 2, 2, regardless of what you negotiated I don't know why you made a balloon increase in your contract negotiation. That's part of the reason you're seeing this issue. We saw big insurance increases this year.

Mr. Stratton: My statement still holds that the Town's salaries are increasing 800K this year, the school's salaries are increasing 900K and yet the schools are 2/3 the employees of the Town.

Mr. DeBarge: We don't negotiate the school's contracts; we negotiate the Towns contracts.

Mr. Dias: I think his point is the last thing we had at the last joint meeting where I mentioned 2/3 of the Town's employees are the School Department it should have a bigger impact on the overall. If 2/3 of the employees are getting 3% increase and the other 1/3 departments are getting 4%...

Mr. Laing: What Mr. Dias meant to say is 2/3 are getting 47% of the Town budget but 1/3 is getting 53%.

Mr. Dias: It seems off balance. It's not about percentages. 900 vs 800.

Mr. DeBarge: Those are negotiated contracts.

Mr. Dias: The overall budget.

Mr. DeBarge: They come down to negotiated contracts. We don't call you and say we're going to give this department this much; how much are you giving the teachers. We have a knowledge when we negotiate contracts with the departments on the Town side of their need and asks. We don't know anything you're doing. We don't know what your increases and negotiations are. That has to do with that number.

Mr. Stratton: That's a fair point, you're right.

Mr. Laing: There are para's and people that are paid at a less amount and we have more numbers in the school system so that doesn't technically equal that it should be even.

Mr. Stratton: The contracts are what influenced that and it's a difference in how you negotiate.

Mr. Laing: Their employees make more money than our employees.

Ms. Bowler: What Jeff brought up was exactly what I was going to bring up.

Mr. Laing: Before moving on, we don't have to vote on this number tonight. There's still time for questions. Dr. Tiano has brought the number to the School Committee. I complain the most about laying off full-time employees, now that we have seen the amount of kids can fit into these classrooms, even if the Selectmen said here is \$351,000 more than 3% that would not be the economical or right thing to do with the money. Unfortunately, these are things that should probably be happening year after year as everything is looked at and if there is a place to consolidate students in the classroom that does not get up over a number that, the contract is 25, is that true?

Dr. Tiano: Yes, it's 25.

Mr. Laing: It would be economically irresponsible to keep teachers just to keep teachers even though that's what we all want to do. Do we as a committee not want to vote on this number tonight? Do we want to wait until our next meeting?

Mr. Dias: Is there any opportunity to get more money from the Town? If the answer is no, I say that we vote on the budget and accept it and the rest of the hashing out as to where the cuts come from I think I've made myself pretty clear. I don't think it should come from teachers but those are discussions we can have in the background. I don't think anything is going to change from the Town. If it was, then we'd hold off.

Ms. Bowler: My understanding is we vote on the budget. We don't make the decisions where the ultimate cuts come from. Our role is the budget. If we vote today and decide on a budget, it's a number. It's out of our hands from that point on.

Mr. Dias: I think as the budget subcommittee, we have some input and Dr. Tiano works for us and not someone else so we do have some influence. If we have some impact with where the cuts should come from we can find them elsewhere and it shouldn't be from teachers.

Mr. Goncalves: Mr. Stratton, those are your new hires those 3 years where there was a big deficit.

Dr. Tiano: I did share this with you Mr. Goncalves and the rest of the committee and our committee. When you look at this position, a SIP teacher, a pre-k paraprofessional, these are positions, and I was not here at the time, but in terms of our special ed needs and programs within our district and you have a certain amount of students and you need to create a classroom, this was a need. This section coming out of Covid, in terms of special ed needs these are positions that would have been approved by the School Committee at the time. These positions in FY21 in terms of Covid, bringing students back from remote learning to be able to space our kids, again I wasn't here but in terms of providing supervision for our students, temporary para educator, contract tracing support, these positions disappeared. Our ELL para as our ELL students have increased, these were added.

Mr. Stratton: I'm sorry, I was wrong.

Mr. Goncalves: I didn't know either. That's why I asked questions at our last meeting and Frank got back to me and there was a lot of stuff that started to make sense where all the money was going.

Dr. Tiano: They're not wish lists.

Mr. Goncalves: It's not like the Town's deserting you, Covid happened, then these hires happened and we can't ask the townspeople to take on 25-26 new hires for sustainability, like we talked about. Covid is gone. We did ok beforehand. We probably have 200 less kids than we did in 2020 and things either have to start leveling out or going the other way. We can't have less kids and more teachers. I'm not going to get into 22-23 per classroom. That blows my mind. It's not making sense. Let's get over the money hump.

Ms. Bowler: You see census when they come in? Last year's census? Covid brought on a lot of additions to families. I'm curious how that looks in Ludlow. I know a lot of families that had babies. What is that looking for in the next couple years of our school district? Do you look at those numbers are a predictor for future budgets?

Mr. Strange: Are you asking what the population increase has been. I don't see how that might inform how we do the budget.

Ms. Bowler: For us it has an impact, for general Town operations, no. For the School Department it has a huge impact.

Dr. Tiano: We pull the number of births from Town Hall and try to predict our Kindergarten numbers 3 years out.

Motion made by Mr. Dias to vote and accept \$37,028,442 budget. Mr. Saloio second.

Ms. Demetrius: Can I hear the number again? I feel like it's not the number I'm seeing. I can't see the screen so I'm looking at my own computer.

Dr. Tiano: \$37,028,442.


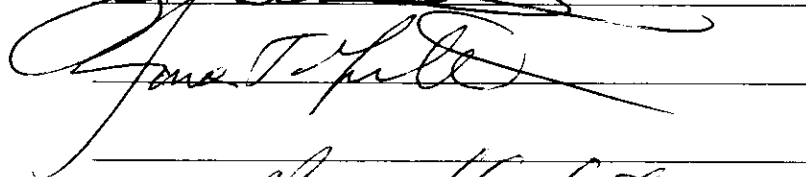
Mr. Laing: Is that the right number Kathy?

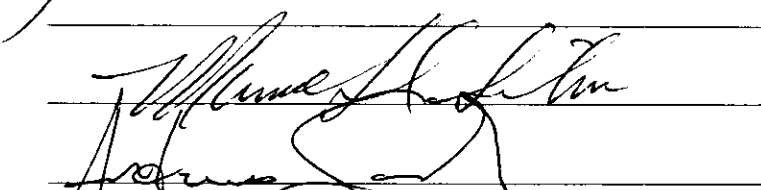
Ms. Demetrius: Ok.

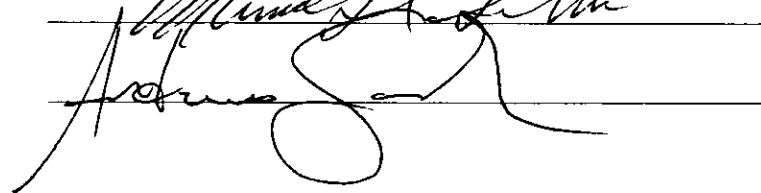
Motion passed 4-1.

Mr. Santos: I am a Town Meeting member and Town Meeting will have the final vote on the budget. I also look forward to the Finance Committee having a hearing and they will make a recommendation to Town Meeting

Motion made by Mr. Goncalves to adjourn. Mr. DeBarge second. All in favor. Motion passed 3-0.


_____ Chairman






Feb 28 19 10 1112