

Mt. Greylock Regional School District

Finance Sub Committee

- *Minutes were amended by vote 2-13-2020 to reflect desired and accepted changes presented by Dan Caplinger during minutes approval*

Date: Thursday, February 6, 2020

Location: MGRS Room A109

Start: 4:03 PM

1781 Cold Spring Road

Williamstown, MA 01267

Adjourn: 6:12PM

In Attendance :

Committee Members:

Jamie Art, Regina DiLego, Dan Caplinger

Others: Supt Kim Grady, Asst Supt/Bus Mgr Andrea Wadsworth, Rob Wnuk, Charles Fox- Williamstown Finance Committee Liaison

- I. Call meeting to order at 4:03 pm
- II. Public Comment -none
- III. Approval of minutes: Caplinger moves and Dilego seconds approval of minutes from Jan 22,2020. All in favor.
- IV. "Danny Dollar Academy" Discussion: Grady presented information regarding a program which Ty Allan Jackson would like to bring to the two elementary schools. It is similar to junior achievement in its business project orientation. Guardian Insurance is funding the first year of the program. It would be for grades 5&6 and would start in the fall of 2020. Both principals support the program. After the first year reproducibles are used for the program and there would be a cost associated with it.
- V. Discussion of District & Municipal Budget priorities and forecasts with finance committee liaisons from member towns: Charles Fox from Williamstown is present, Steve Wentworth from Lanesborough was at the meeting just prior but needed to leave. Grady, Wadsworth and Art invited Wentworth, Fox and Paula Consolini(wmstwn) to discuss priorities, stabilization fund creation and the budget in general. Neither town has a forecast yet.
- VI. With no objection, FY21 Budget Overview is moved up on the agenda in consideration of Mr Fox' time. There will be a workshop after February break. The WES budget will see the addition of para hours to fill the 90 extra minutes on Wednesdays. The art teacher will also be increased for this reason. The math interventionist will be increased to a 1.0 to meet student need, and the .5 custodian will be increased to a 1.0 to allow the day custodian to tend to paperwork and maintenance issues daily. Two paras will be leaving WES and going to MG based on student need. The LES budget has a teacher retiring with a shift in staff to cover the opening based on student enrollment. This will all for the addition of a .5 social worker and technology needs to be addressed. MG will have cost for new programming. All three schools will see the increase in salaries from the contract, and insurance will stay flat. The Finance Subcommittee will have a budget workshop on February 27th at 4. A full school committee workshop after that on the same day will hopefully be scheduled. The budget will be presented to the Lanesborough FinCom on Monday March 2nd at 6. It will be presented to the Williamstown FinCom Wednesday March 4th at 7pm. Grady will review the

preferred format with Wadsworth. Art will accompany Grady and Wadsworth. The public hearing on the budget is Thursday March 5th at 6pm.

In response to a question, Wadsworth noted that the FY20 budget is moving along fine. She is keeping a close eye on it. The auditors are finishing up and will meet with the Finance Subcommittee on February 13th to go over their findings. E&D is about to be certified. Wadsworth will bring forward the certified amount when it is done. E&D should be between 3.5-4% of the budget. The auditors are pleased with where ours appears to be. The census hasn't changed much so Wadsworth does not anticipate any huge swing in percent distribution between the towns this year. The capital payment is at 2.1% for FY21. It comes from a preset amortization schedule.

- VII. Phase 1 Requisitions; Tierney and Perkins: Work is progressing, and bills are coming in. They are already approved as part of the overall bid and do not need our approval. The team is meeting every other week. Certified payroll has been coming in – Wadsworth requested that Tierney's time be identified on it. The Facilities building shop drawings are done and in the hands of the architect for review. The building will take 2 ½ - 3 weeks to arrive from the time it is ordered. The delivery date is needed in order for a comprehensive timeline to be developed. Jamie noted that the application for payment was missing the architect signature and questioned if they are reviewing these. Grady said they should be signed as he is reviewing – perhaps the originals were signed but not the copies. She will get the copies signed and get the stamp on them for the signatures. There is a change order for screens to get more protective screens for the windows due to the proximity to the ball fields. Requisitions will not require Committee approval unless the approved contract amount is exceeded. The project is on track and all looks good at the moment.
- VIII. Discussion of and possible recommendations by the finance subcommittee to the full school committee on a) an amount of the Williams College capital gift to preserve for future uses and (b) a plan or policy for future expenditures: Wadsworth presented two spreadsheets she used to calculate the amount available at this time. The numbers were based on the June 30, 2019 balances. The full spending account balance has been expended at this time. It was used to cover the trailer rental and architect fees for both projects. The spending account money is money that gets converted to cash from the account once a year by the college. The agreement with the college states that this will be 5% per year. This is not additional money but a portion of the gift that is liquidated and placed in a spending account for use. Interest earned is added to the gift as it accrues. After much discussion, the subcommittee came to agreement that 1.5 million should be preserved to build a base of funds for future expenses. There was discussion regarding suggesting that only the spending account money be used futuristically to pay for expenses after phase 1 and 2 are completed. Art and DiLegro support this. Caplinger did not take a position at this point.
- IX. Discussion of and possible recommendations by the finance subcommittee to the full school committee on the expenditure and source of funds to bring athletic fields into compliance with Title IX and ADA regulations as well as other restoration or construction projects: Discussion of agenda item VIII led directly into discussion of agenda item IX. A deeper analysis of the spreadsheets provided by Wadsworth led to computations using numbers provided by the college in October of 2019. These numbers put the balance of the account at approximately \$6,150,000. Phase 1 has committed \$2,488,000 of these funds to be used to date. This leaves a balance of @\$3,662,000. If 1.5 million is to be preserved to generate revenue for future expenses, this would leave @\$2,162,000. It is acknowledged by all that these are rough and fluid numbers that need to be better vetted by Wadsworth, but they are the best we currently have. Art asked if it would be possible to borrow the money to do the fields and make payments from the gift for the loan. The interest on a loan would be

significantly less than the interest return on the money if kept in the gift. Wadsworth stated that the current agreement with the college would not allow for that. Caplinger stated that he sees three trains of thought regarding the gift and the fields; 1) some would say do the remedial and compliance work only and preserve the fund, 2) some people want the field that they want and want to spend what they want to get it even if it means spending all of the gift and leaving nothing for future costs, 3) some want a middle ground, which Caplinger favors. *One such middle ground would be to leave 1.5 million in the gift, have 2.16million towards fields, and raise the rest.* Art is concerned that we are not sure our specs meet what we want to have – are we meeting all of the concerns- do we have specs for a grass field to even consider (Caplinger replies no) He feels that the base bid compliance should be put out to bid and funded from the gift. The rest he is not ready to move forward on yet. He has a replacement cost concern in future years. Real costs coming from places that have these fields are a life span of ten years and costs of \$700,000 plus to replace. Is this a fair cost burden to place on the towns, and if not on the towns it would have to come from the gift. This would make the endowment only for the fields and unable to assist with the cost of anything else at the school. Is that what we truly want to dedicate the gift to futuristically? DiLego stated that she supports funding compliance from the gift and agrees with Art that this should move out to bid. She suggested that any cost of the new field should perhaps be put to the towns for a vote to borrow and fund- with both towns needing to approve the project. This would be a clear statement as to whether or not the towns support the expense and the future costs associated. There was some discussion regarding this but no one was quite sure what this would require in terms of process. Art asked for a motion. DiLego moved and Art seconded that the finance subcommittee recommend to the full school committee that the Committee preserve \$1.5 million in the Williams Gift with future expenditures to come from the spending account balance only. During discussion Caplinger stated that he could not support the motion without it being linked to the fields project. There was much conversation regarding this (during which Grady needed to leave @ 5:45 pm to attend to urgent school business). There was back and forth regarding the amount that should or should not be included in the motion and the defining of the spending account and what would be included. Caplinger felt strongly that the \$2.16 million should be stated as being for the fields and the balance necessary could be attained either through town vote or fund raising. *Art acknowledged the merits of that position.* In the end DiLego amended her motion to read: The finance subcommittee recommends to the full School Committee that it preserve \$1.5 million in the Williams Gift with the currently believed balance of \$2.16 million to be allocated from the gift towards the fields projects, *subject to possible adjustment based on any changes in the Williams Gift's invested fund balance between the last reported date and the next reporting date, anticipated to be on or around June 30, 2020,* with all future expenditures to come only from the gift Spending Account as established by Williams College, so as to maintain the gift. *All in favor – motion passes.*

X. DiLego moves to adjourn at 6:13 pm. Caplinger seconds. Caplinger aye, DiLego aye, Art aye.

*Respectfully submitted with voted amendments by
Regina DiLego*