



Franklin
MASSACHUSETTS

Finance Committee

Meeting Date: December 15, 2020

Present: Chairman Dowd, Vice Chairman Conley, Dewsnap, Wiech, Moses, Riley, Grace, Kasberg

1. Call to order: 6:30 PM by Chair Dowd

2. Public Comments:

- Citizens were invited to comment but none chose to do so.

3. Approval of Minutes:

- Minutes of 11/09/20 and 11/17/20 approved 8-0

4. School Department Budget Discussion:

- A robust discussion of all aspects of the school budget was discussed including the following areas:
 - o Definition of “steps and lanes” to determine teacher salaries
 - o How many Principals and how the salary is determined
 - o How many “unfunded mandates” and if there is a way to determine the actual costs
 - o Revolving account use and how they are funded and disbursed and the effect that the pandemic has had on them and their availability for funding future budgets
 - o How the teacher/pupil ratio does or does not affect the quality of education
 - o General discussion on class size at various levels
 - o Number of SPED students in the district vs similar districts
 - o The status of the facility study and when the recommendations will be put in place to close the three small elementary schools
 - o The general effect of COVID on the schools and the budget
 - o General status of budget at this point and future issues like health insurance
 - o Out of district tuition and Medicaid reimbursements

5: FY21 Water Treatment Plant Transfer:

- The TA request approval of the transfer of \$300,000 from the Water Enterprise “Emergency Fund” to cover the money not recovered from insurance (\$200,000) and Treasurer’s Salary penalty (\$22,696.65). The emergency fund is replenished from surplus revenue and additional unforeseen revenue. The request was agreed to by an 8-0 vote

6. Trust and Stabilization Accounts Update:

- General discussion on use of various funds (fire truck, turf fields etc.) basically a savings account for anticipated future large expenditures or known expenses like MECC. Generally funded yearly from free cash or other sources per town policy.
- The general stabilization is currently at \$6,200,000+. This only be used in catastrophic situations. The town's bond rating is favorably affected by having this fund at high levels in relation to the overall budget. This generally lowers the rate paid on needed borrowing for schools etc.
- The largest fund is OPEB currently at \$7,200,000+ with an overall current liability of about \$68,500,000.

7. Approval of 2021 Finance Committee Meeting Schedule:

- Approval as presented 8-0

8. Future Agenda Items:

- January will be Stormwater discussion
- February most likely FY 2022 budget discussion, revenue projections and general Finance Director discussion including lease/buy options
- March public safety and MECC

9. Adjourn: 8:50 PM