FY2009 Budgetary Hearings

Appropriations Committee

Chairman Brodeur, Boisselle, Mortimer, Infurna, Tramontozzi, Wright, McAteer-Margolis, Seaboyer, Medeiros, Conn
Absent: Forbes
In attendance: Patricia Cronin, NMRVS Superintendent-Director, Henry Hooton, Melrose NMRVS School Committee member; Ernest Zucco, NMRVS Business Manager; City Auditor/CFO Patrick Dello Russo

Appropriations called to order by Chairman Brodeur at 7:22 p.m.

Order No. 08-201, City of Melrose Operating Budget for Fiscal Year 2009 in the amount of $60,553,844.79.

President Conn motions to open Public Participation, 2nd by Alderman Infurna. All in favor. No one comes forward. Alderman Mortimer motions to close Public Participation, 2nd by Alderman McAteer-Margolis. All in favor.

Regional School 847,707.00 Patricia Cronin, Superintendent-Director
Henry Hooton, Melrose School Committee member
Ernest Zucco, Business Manager

Chairman Brodeur says the Mayor's original budget for this line-item is $847,707.00; he believes there is a possibility of a $25,669 cut.

Mr. Hooton distributes a synopsis of the cuts made to the budget. He says he provided a brochure on the tentative budget of the $847,707 assessment; he and the Saugus representative voted against it, which was the minimum contribution set by the state. After a newspaper article informed readers about the budget the majority of the districts said they couldn't support it in the form it was in. The School Committee met last Tuesday and the final budget was passed by removing over $455,000. Melrose is 5% of the budget; for every $100 cut, Melrose assessment decreased by $500.

President Conn says nothing that is said about this budget should detract from the Northeast School; it is a fine school. He appreciates the fact that the School Committee went back and made these cuts. In 2005 this budget increased by 120% to $285,516. In 2006 it increased by 40%, and on and on. Today's assessment is $822,000; the budget has increased six-fold since 2004. In 2004-2005 the number of students enrolled at the school increased by about double. Melrose has maintained that enrollment since that time. It would be fine if the budget doubled when enrollment doubled but the state's formula is weighted. Melrose pays in excess of $10,000 per pupil where Chelsea pays $2,400 per pupil. He says that if the state wants to subsidize that's fine but he doesn't think Melrose should have to carry the lion's share of the budget. The state should be told that the formula should be changed.

Alderman Seaboyer says the budget is based on 68 kids and asks what happens if more want to enroll. Ms. Cronin says the dollar amount is based on October numbers. For many years cities and towns didn't send as many kids to the school as today; she has seen the numbers change over the last few years. The original district agreement was that each kid from each district would cost the same amount of money. The formula changed and the state says that Melrose can afford to pay more than Chelsea. She says she looked at the net spending for schools in the community. Last year Northeast's was 105.8%; this year's projection is 106.65%. Last year Melrose's was 126.93%. She says Northeast is a bargain. The increase in cost is due to health insurance and school choice. Alderman Seaboyer asks how negotiations for health insurance will affect the bottom-line. Ms. Cronin says it won't increase. Alderman Seaboyer asks if there is a student at the Minute Man Technical School. Mr. Dello Russo says he doesn't know.

Chairman Brodeur asks if Northeast will be able to access the state's GIC health insurance; Ms. Cronin says yes.

Alderman Infurna thanks Ms. Cronin and Mr. Hooton for all of their work at the school. She says the formula is frustrating and the Aldermen can't do much about it.

Alderman McAteer-Margolis asks if there are other sources of revenue that could be applied toward Medicare reimbursement and also if they apply for reimbursement. Ms. Cronin says yes to both. Alderman McAteer-Margolis says she doesn't see it budgeted. Ms. Cronin says it's outside of the budget. At one time some money was from School Choice but those funds have decreased. Alderman McAteer-Margolis asks if there are Circuit Breaker funds for Special Ed. Ms. Cronin says the school doesn't receive any. Alderman McAteer-Margolis says the school incurs almost $1 million for Special Ed services.

Alderman Wright says the price of oil hit a record high today. A lot of students are bussed to the school; he asks what will happen to the transportation and heat line-items. Ms. Cronin says the school has a contract with the bus company and the cost won't increase. The heating line-item has increased and there is also an excess and deficiency fund.

Alderman Boisselle asks why some areas in Professional salaries are being beefed up and others are decreasing. Ms. Cronin says there is no additional staff; it's a reflection of the money used. Perkins money can only be used for three years before going into the budget; the source of revenue has decreased. Alderman Boisselle asks about the Principals line-item increasing from $350,000 to $$544,000. Ms. Cronin says there were positions that were paid by School Choice that now have to be paid in the budget.

Alderman Seaboyer says Melrose's contribution is 5.6% of the budget and Chelsea's is 16.9%. He asks if that is due to parity of the formula. Ms. Cronin says the formula isn't part of that; Chelsea has more students.

President Conn motions to reduce the bottom-line by $25,669.00, to $822,038.00 by, 2nd by Alderman Mortimer.

Chairman Brodeur addresses Mr. Dello Russo and says there are three public high

schools that serve Melrose: The Mystic Valley Charter School, the Northeast Vocational School, and Melrose High School. The Charter School doesn't show up anywhere in the budget process. Mr. Dello Russo says the assessment for the Charter School is found on page 2 on the Cherry Sheet; it is $2.5 million this year. Every quarter the state sends the City state aid and deducts this assessment from it. Local boards have no vote on the performance of the Charter School, creating a dilemma for any local board. He thinks it should be corrected going forward because money is being siphoned off from public schools. Chairman Brodeur asks if it's correct that if the Board of Aldermen under funds the Vocational School budget that those funds will be taken off the Cherry Sheet. Mr. Dello Russo says yes, and it can also delay setting the tax rate.

On the motion to amend the bottom-line, All in favor.

President Conn motions to move the new bottom-line, 2nd by Alderman Mortimer. All in favor.

Alderman Mortimer motions to adjourn, 2nd by Alderman Tramontozzi. All in favor.

Appropriations adjourns at 7:50 p.m.

Maribeth Harrington
Clerk of Committees