FY2009 Budgetary Hearings

Appropriations Committee — Chairman Brodeur, Boisselle, Mortimer, Infurna, Tramontozzi, Wright, McAteer-Margolis, Seaboyer, Medeiros, Conn
Absent: Forbes
In attendance: Memorial Building Board of Trustees Chairman James Herrington, City Auditor/CFO Patrick Dello Russo; Conservation Commission Chairman Susan Murphy; Superintendent of Schools Joe Casey, School Business Manager Greg Zammuto, School Committee Chairman Kristin Thorp, School Committee members Mayor Dolan, Wendy Golini, Christine Casatelli

Appropriations called to order by Chairman Brodeur at 7:34 p.m.

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

Memorial Building 117,272.42 Board of Trustees Chairman James Herrington
City Auditor/CFO Patrick Dello Russo

Mr. Herrington says it is an exciting time at Memorial Hall. The building will be shut down for 4 to 5 months to replace the heating system and install air conditioning. He says he can't remember a winter in the last 10 years that there hasn't been a crisis with the heating system. The air conditioning should provide another 4 months of rental income. Three years ago the mayor asked the Trustees to increase revenue to a level higher than operating costs.

Mr. Dello Russo says the FY2007 budget was just over $64,000 and the building had run a deficit in FY2005 and FY2006. The biggest change in this budget will be in Salary and Wages. The manager's salary will begin August 1 and the custodial salary begins mid-October; the items are budgeted through the fiscal year. This will allow the manager to book events and have custodial support if needed.

President Conn asks when the Administration is looking to fill the vacancy. Mr. Herrington says he met with the Administration and HR Director Marianne Long last week, and the Trustees are looking to fill the position by August 1. President Conn asks if it is a full-time position; Mr. Herrington says yes. President Conn asks if the position is funded for 12 months; Mr. Dello Russo says it is funded for 11 months in this budget. President Conn asks if there will be two custodian positions. Mr. Dello Russo says yes; the manager position is non-union. This will allow that person to have a custodian and to have an outside contractor for cleaning the bathrooms and the building. President Conn says he thought the trend in other budgets is to stop contracting out custodial

services. Mr. Dello Russo says that has worked but in this case the vendor will know weeks in advance what is expected. President Conn asks if the other position will be part-time without benefits; Mr. Dello Russo says yes. President Conn asks if there is any expectation of what the revenue will be in FY09; Mr. Dello Russo says no, but after next year a substantial increase is expected with the ability to rent it in summer months. Adding a custodial fee to weddings is being considered as well.

Alderman Seaboyer asks what the projected income is for FY09. Mr. Herrington says he expects it to be about $62,000, the same as this year, because it's a rolling effect with recurring events. Alderman Seaboyer asks how the building is advertised. Mr. Herrington says right now it is only advertised on the internet. The trustees will look for a manager with marketing skills. Alderman Seaboyer asks how much the budget will be in the red with the projected income and cost changes to the budget. Mr. Dello Russo says he is unable to answer that because he doesn't know about the events that are booked.

Alderman Mortimer says heating oil is expected to increase by 13% and asks if the FY09 line-item is a reality. Mr. Herrington says he hopes to be operating with a more efficient system. The current heating system is between 60-80 years old.

Alderman Boisselle says the building repair line-item has a 50% decrease and asks if the grant will take care of all necessary interior remodeling. Mr. Herrington says absolutely not; the amount needed for repair is staggering. Alderman Boisselle asks about the condition of the southeast corner; Mr. Herrington says attention will be paid to that. Alderman Boisselle asks about the ceilings; Mr. Herrington says parts of the ceiling will be replaced but it is inappropriate for him to say all of it will be taken care of. Alderman Boisselle says the custodial services line-item 529010 has been zeroed out and the custodial positions total $24,000; he asks if that amount will cover all events. Mr. Herrington says he believes so, and a custodial fee will be added on to some events such as weddings. Alderman Boisselle says the floor cleaning line-item is zero and asks if it represents replacing the floor; Mr. Herrington says no, the veneer is too thin to be sanded. Alderman Boisselle asks if the floors will not be cleaned; Mr. Herrington says a floor cleaner has been purchased in the past year – that won't have to be contracted out.

Alderman Medeiros asks what type of fuel the new HVAC will operate on; Mr. Herrington says oil. Alderman Medeiros asks if the air conditioning runs on oil or electricity; Mr. Herrington says he believes it's electricity. Alderman Medeiros asks if he thinks the amount funded will be adequate; Mr. Herrington says yes. Alderman Medeiros asks what marketing changes will be made; Mr. Herrington says the Trustees want to do more with the website.

Alderman McAteer-Margolis asks if there is a place in the budget where the revenue from Memorial Hall is shown; Mr. Dello Russo says the revenue goes into the General Fund. There is also a donation account, which is not found in the budget. Alderman McAteer-Margolis asks if trash disposal is a contracted service; Mr. Herrington says yes. Alderman McAteer-Margolis asks if it isn't possible to arrange disposal with the City. Mr. Herrington says there has been no discussion about it, but he thinks weekend events might make it difficult. Alderman McAteer-Margolis says the school department adds on fees for custodians and utilities and asks if it's possible to add a small fee to ticket prices to go toward restoration. Mr. Herrington says there is no reason why that can't happen except for the feedback they've received from the vendors: affordability. Alderman

McAteer-Margolis asks if he knows what the usage percentage by Melrose nonprofits versus weddings or corporate functions; Mr. Herrington says it is roughly 70/30.

President Conn motions to move the bottom-line, 2nd by Alderman Infurna. On the motion to recommend, Seaboyer opposed. Motion carries.

Conservation Commission 21,925.00 Chairman Susan Murphy

Ms. Murphy says there is one change in the budget this year which is good news for the Commission if the Aldermen approve it: funding for a part-time staff position by deleting $6,000 from Professional Services and adding another $4,000.00. The Commission has a long history of having a fully volunteer staff with the exception of a secretary doing the minutes. There's been a lack of consistency of Commissioners and there is no presence in City Hall during regular hours. In researching other communities Melrose is the only one in the area without a support staff person. The Commission's workload has increased substantially and is primarily handled by the Chairman. An attempt was made to see if the position could be incorporated into a full-time position within the City but that's not possible. This would be a 10 hour per week position.

Chairman Brodeur asks Ms. Murphy if she thinks it's possible to get someone for that money. Ms. Murphy says yes, it's conceivable.

Alderman Infurna thanks Ms. Murphy and all of the Commissioners and says most boards and commissions meet only once per month but the Conservation Commission is unique in the work that it does with site visits during the day and other analyses. She says the Board of Aldermen will support this budget.

President Conn says it seems it might make sense in the future to link up with other communities to share a full-time staff position.

Alderman McAteer-Margolis says she is amazed at the tasks Ms. Murphy is accountable for as Chairman and asks if this 10 hour per week position will alleviate some of those tasks. Ms. Murphy says the intention of the position is to have regular hours at City Hall and set time for site visits as well as attendance at Commission meetings. She says the permitting process is run improperly – she does it in her car. Alderman McAteer-Margolis says she supports this position and she likes President Conn's idea. She asks in which department the staff person will be located; Ms. Murphy says Planning.

As a former Conservation Commissioner, Alderman Boisselle says he supports this position; Alderman Boisselle motions to move the bottom-line, 2nd by Alderman Mortimer. All in favor.

Alderman Medeiros motions to open Public Participation, 2nd by Alderman Mortimer. All in favor. No one comes forward. Alderman Mortimer motions to close Public Participation, 2nd by Alderman Tramontozzi. All in favor.

Schools 23,413,788.25 Superintendent of Schools Joe Casey
School Business Manager Greg Zammuto
School Committee Chairman Kristin Thorp

School Committee members Mayor Dolan
Wendy Golini, Christine Casatelli

Superintendent Casey says he feels that the school system plays an integral role in the City of Melrose. The Boston Globe targeted Melrose as a good place to raise a family. The total revenue needed to operate this budget is over $26 million and $601,443 more than last year. The City is appropriating $23,413,788, the School is putting in $3,339,729, and a $2 million grant is anticipated. Enrollment has increased partly due to the new Middle School and fewer students are looking to leave the Melrose school system after attending Middle School. Energy costs are a hot topic and the School Department is fortunate to have Mr. Zammuto, who has worked with people in the field to get as good a projection as possible and whom has analyzed the costs throughout the year. Solar panels will be installed in the Middle School in a few weeks, light fixtures have been updated throughout the district, and National Grid has been contacted to conduct energy audits. Families always need help and the school department is offering subsidized lunches. Some families will seek out assistance and some won't, and the school department is reaching out in a confidential manner. The net result is $300,000 in Chapter 70 monies. Over the last several days the City's IT Director Jorge Pazos has gone through the grammar schools to integrate the Middle School technology into the classrooms; the High School will be built out this year. Other communities with this technology are seeing big results. Utilizing this technology is creating and replicating a workplace type world, and will enable the students to work in a global economy when they leave high school. It has been a good year in Melrose for the school system. The integrated preschool will be relocated from the Roosevelt to the Early Childhood Center, which will open at the Franklin School in the fall, saving on travel time and offering more services to the students. The building is being refurbished and an Open House will be held the first week of school. There were a number of issues raised as a result of the Special Ed audit, all of which have been addressed. The Administration is working hard and listening to the education task force to build out the autism program at the Roosevelt School. It will keep Melrose kids in the district, offer less travel time and keep them close to their friends. Also being considered is a program for older Special Ed kids by adding a Job Coach position to assist High School students in transitioning into employment upon graduation. Special Ed contracts for out-of-district fees are also being looked at. Accreditation: in order to prepare students to attend a good college Melrose academics has to be as good as Winchester's and other communities. The outside auditor evaluates courses and curriculum to compare districts and also evaluates the quality of staff. Melrose is able to avoid staff cuts being made in other communities. There are unmet needs, but the school system is going forward.

Chairman Brodeur says the Mayor assigns a certain dollar figure for this budget and the School Committee decides where the money goes. It is not the Board of Aldermen's intent to recreate that process.

Alderman Seaboyer says there is one Melrose student that goes to the Minuteman Vocational School and asks if the tuition is paid out of the school budget. Mr. Zammuto says the payment is currently in the budget and the estimated tuition is $16,000. Alderman Seaboyer asks if that includes transportation; Mr. Zammuto says no, but transportation is required. Alderman Seaboyer asks if better utility rates could be obtained by lumping the schools together. Mr. Casey says no. The Department of Education, like the IRS, likes things to be kept in certain bins; Mr. Zammuto tracks utilities of each individual school and keeps separate records for each. Mr. Zammuto

says the rate for electricity is the same as the City pays.

Alderman Medeiros says Melrose schools are in good shape, especially in technology. She asks Mr. Casey to talk more about transportation costs in regards to Special Ed and Medicaid. He says Medicaid funds can fund a number of services – subsidized lunch is one program – but it has to be tracked. Medicaid funds go to the General Fund and the City reallocates it to the School Department. Circuit Breaker money is for Special Ed. Melrose currently spends 4 times the average cost in the district. The state reimburses up to 75%; it would really help if transportation costs could be included. Alderman Medeiros asks what the 22.7% increase in athletic revenues is attributed to. Mr. Casey says Pat Ruggiero did a great job collecting fees from students' families. Mr. Zammuto says they are trying to maximize the school's funds. Alderman Medeiros asks if there are any grants coming in offline. Mr. Zammuto says he is not aware of any. Alderman Medeiros asks the enrollment number for the Early Childhood Center when it opens in September. Mr. Casey says it's approximately 190, with about 30 spots remaining. They are offering a la carte sessions – 2 days, 3 days, whatever the family wants – and opening it up to surrounding communities. Alderman Medeiros asks if he is still working with other schools to regionalize profession development. Mr. Casey says yes; he can't offer professional development to all staff with the funding he has and is working with Stoneham and Wakefield. Alderman Medeiros asks what's anticipated for 2010. Mr. Casey says the building out of programs for gifted and talented students. There's a range of students with different needs and programs to challenge them don't exist. Assessments will be done to determine the range of needs and he's hoping to see success in keeping these students in Melrose. As enrollment increases more teachers will be brought in.

Alderman McAteer-Margolis asks if the expenses for the ECC are not in the budget. Mr. Casey says a large amount is not in the budget because it is self-funded. Alderman McAteer-Margolis asks how many reading teachers there are. Mr. Zammuto says 4.2 are shared between the buildings. Alderman McAteer-Margolis asks if Special Ed outside of district tuition is $2 million; Mr. Zammuto says that is correct. Alderman McAteer-Margolis says adding Collaboratives tuition totals almost $3 million; she asks how many students that serves. Mr. Casey says about 60. Alderman McAteer-Margolis asks why the Circuit Breaker is only $850,000. Mr. Zammuto says the state doesn't look at the combined total; it looks at the individual student and dollar amount spent on that child. Mr. Casey says the amount received is based on the previous year's data.

Chairman Brodeur asks if the Circuit Breaker has been fully funded by the state; Mr. Casey says it hasn't been.

Alderman McAteer-Margolis says she is not encouraged by the class sizes and would like to see them under 20 in K through 2. She says there is no control over the charter school budget and feels there should be. Mr. Casey says there is a push for charter school legislation and cities and towns are asking for full day kindergarten. Alderman McAteer-Margolis urges the School Department to consider a reduction in athletic fees and use some of the revolving account cushion next year.

Alderman Wright asks if the schools have property insurance; Mr Zammuto says it is covered by the City's policy. Alderman Wright asks if the future of the Beebe School includes continuing education. Mr. Casey says the building is currently rented out to the

Melrose YMCA and it may be used as a swing school if Melrose is chosen by the SBA for renovating the Winthrop School. Alderman Wright says the two newest elementary schools have higher energy usage in the past two fiscal years than the older buildings. Mr. Casey says there is more wiring installed in those buildings resulting in increased costs. Alderman Wright asks if there will be a High School Lacrosse program in the future. Mr. Casey says if the program proves itself it will be added.

Chairman Brodeur says charter schools are supposed to be laboratories and asks if there is any formal process where charter schools and district schools share information. Mr. Casey says the charter schools post data on the DOE website, and that Melrose's Curriculum Director Pat Muxie is reaching out. Chairman Brodeur says the retention of faculty, staff, elementary school principals and the number of students in Melrose has been challenging. When kids leave Melrose to avoid paying kindergarten tuition it's tough to get them back in. He asks how the Administration is doing on student retention and asks if the new Middle School is keeping kids in the public school system. Mr. Casey says the number of students looking at private schools in grades 8 and 9 is dropping off. Chairman Brodeur says Melrose public schools don't have a dedicated PR staff. Mr. Casey says he meets every week with the newspapers and he asks different administrators what's happening in the school year. Chairman Brodeur asks about the retention of principals. Mr. Casey says many districts have seen people move. He also anticipates additional staff will retire.

Alderman McAteer-Margolis motions to move the bottom-line, 2nd by Alderman Boisselle. All in favor.

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

Appropriations adjourns at 9:39 p.m.

Maribeth Harrington
Clerk of Committees