

FINCOM
Meeting Minutes - January 25, 2014

Members Present: Alice, Alan, Don, Laura, Steve, Bob, Bruce, Rudy, Heidi

Not Present:

Others: Tim, Lorraine

Location: Town Hall Meeting Room

Alice opened the meeting at 9:04 AM

Minutes Approved as amended

1/22 5-0

No Public Commentary

School Budget Review: Joe, SusanMary

- SPED Budget concerns update:
 - Started the year with \$530K projected deficit
 - State tuition rate increase so now a \$540K deficit
 - \$118K Circuit Breaker Reimbursement from prior period
 - \$61K additional Circuit Breaker this year
 - \$200K in uncommitted salary available
 - \$379K in offsets = \$164K remaining deficit projected to be needed from contingency reserve fund
 - Based on amount, may qualify for SPED relief from state and will find out in April - may be enough to offset deficit
 - Anticipate a large increase in Circuit Breaker funds for FY15
 - SPED exposure should be lower next year
 - Anticipate a Circuit Breaker fund buffer for FY16
 - Circuit Breaker funds must be used within 2 years of receipt
- Action Memo Review:
 - Tracks school budget changes
 - 15 Personnel salary adjustments
 - 12 Non-Salary actions
 - Draft #2 had a reduction of \$91,167
 - Draft #3 had an increase of \$47,445
 - Draft #4 had an increase of \$141,122 (COLA was built in)
 - Draft #4 is a \$11,979,155 Budget which is a .71% increase over current year - \$84,664 increase)
- Cost Center Review:
 - Central Office salaries down by \$2,914
 - Superintendent salary down to \$150K from \$165K
 - Building rental funds offsets clerk salary line item - decreased to \$5K from \$10K in FY15 driven by revenue decreases

- Ordinary Accounts
 - Decrease in general legal fees \$4K
 - Increase in Professional Development \$22K
 - Facilities review:
 - 9 Custodial Salaries COLA drives \$7.7K increase
 - Food service offset down \$10K to \$5K
 - Community Ed offset reduced from \$75K to \$65K
 - Supplies/Maintenance decreased by 13.47% due to Zero based Budgeting
 - HES Review:
 - Salaries for teachers down \$75K
 - Replacements coming in at lower salary
 - retirements
 - reduction in K teacher staff by 1
 - Non-Salary up \$17K
 - Small Capital equipment \$15,700 - used Shaw Trust money last year for this
 - Bromfield Review:
 - Salaries up 3%
 - Teacher COLA/STEP impact is 2.25%
 - Offsets:
 - School choice revenues down 7.8%
 - Devens enrollment up 7.4%
 - Shifting slots from school choice to Devens students
 - 12 leaving - total of 6 slots for School Choice
 - Non-Salary
 - \$38K increase in textbooks
 - Zero based budgeting holding other costs down
 - Athletics Review:
 - User fees are not covering current costs
 - Transportation fees increased based on the FY144 actual numbers
 - Decision time: Increase fees or increase operating budget line item?
 - SPED Review:
 - Salaries decreased 1.9%
 - More learning assessments on Devens students - Mass Development pays SPED costs which offsets
 - Non-Salary down 8%
 - Shift in private tuitions to Collaborative Programs
 - Technology Review:
 - Salary increase largely due to COLA
 - Non-Salary increase is hardware cost driven - moving from 8-year cycle to 5-year cycle on replacement hardware
 - Devens technology offset of \$60K for technology
 - Other Discussions:
 - Importance of Devens offsets:
 - \$802K salaries

- \$60K technology
- renegotiation in 2015 on contract and will go out to bid - our relationship is strong
- Currently 77 kids grandfathered to Harvard
 - Goal of school choice slots is to have a net zero impact on expenses
 - School choice tuitions set by state at \$5k
 - Average tuition cost in state is \$13K
 - Harvard tuition cost is \$14K
- Fincom question Review:
 - Handout of written response from Joe
 - Handout on "FY14 Outside Fund Report"
 - Above level service needs are to be prioritized at the next school committee meeting

Town Administrator Report:

- Handout "State Budget by Category"
 - Local aid down in FY14 current to FY15 Governor budget
 - Chapter 70 increase FY14 current to FY15 Governor budget
- Handout "Small Warrant (Money) Articles"
 - 3 moved from CPIC requests to warrants
 - BOS will finalize warrants on 2/25

Finance Director Report:

- Handout "Recap 1/15/14"

No Liaison reports

No other

Adjourn at 11:50 AM

Next Meeting 1/29 Town Hall 7:00 PM