

Budget and Finance Subcommittee  
Wednesday, January 24, 2018  
Room 301 Admin Building  
30 Common Street, Watertown, MA 02472

- I. Meeting was called to order at 6:05 pm
- II. Roll was called.  
Members of the subcommittee: Kendra Foley, chair, Lindsay Mosca, John Portz (arrived at 6:15 pm),  
School Officials in attendance: Mary DeLai, Dr. Deanne Galdston  
Other attendees: School Committee members: Eileen Hsu-Balzer, Amy Donohue, Mark Sideris, Town Councilor Vincent Piccirilli, Tom Tracy, members of the public.
- III. Discussion and Action Items  
FY19 Roll Up Budget

Mary gave an overview of budget process and where they are at so far (please see the presentation for details). Kendra asked if lines in the roll up budget are negotiable to support new initiatives and not fund some in roll up - Mary answered yes.

Mary explained that ESSA legislation asks school districts to report expenditures and strongly advocates that schools report at the building level as much as possible. She is working on making those changes to the budget. This is why the "district curriculum" line is 1.296 million less because that money is being correctly budgeted to the building budgets. A big part of that number is the curriculum coordinators salaries based on percentage of time spent in each building. Salaries were reallocated based on teaching loads and buildings they work in. K-12 coordinators were left as district. Mary also explained some of the different categories and what is covered in those lines.

Other notable increases were in Regular Day and Athletics. This is due to more allocating money to different categories, not spending increases. The Athletics change is partly in shifting the AD salary to this category, as it wasn't previously.

Kendra asked about what percentages are strictly salary step increases (cola (cost of living adjustments), steps, longevity, etc). Mary will have for Feb meeting. There was a discussion about the 2% cost-of-living increases listed in the presentation for represented employees vs 2.5% for non-represented employees. Dede said they will be more specific about what the steps, COLA, longevity payments, etc for represented vs non-represented looks like to be clear about what kind

of benefits people are getting. They will separate the “other adjustments” so that the 2.5% is not confusing.

The expense budget was discussed at length. The increase is driven mostly by adjustments made for Minuteman Tech tuition increase (much higher enrollment than expected), as well as a reduction in offsets, specifically Circuit Breaker and IDEA tuition offsets.

Circuit Breaker: school receives funding from State (municipal relief) to offset especially high special ed costs. Any student whose special ed costs are 4x that of regular ed, state is “supposed to” reimburse at 75% of that. This past year, the rate was 65%. Funding comes in June/July for prior years expenses. State allows to carry over money and carry for 1 year. Towns try to hold it over for budget certainty and less fluctuation in budget (including unknown reimbursement rates).

Expenses is up 9.6% not because of increase in expenses, but reduction in offsets, and an attempt to conservatively preserve the FY19 circuit breaker funding. John Portz pointed out that while identifying the offsets and how things are funded is more transparent, it makes the budget more confusing, and clear information for the public is important.

Drivers not in roll up:

- Later Start time and possible transportation or programming costs
- Possible additional staffing at Hosmer to maintain guidelines on class size

Budget offsets:

Reducing dependence on Title 1 grants - we are trying to wean staff salaries off the title 1 grant section so that the district can use the grant money to fund other intervention strategies. Reducing Title 1 dependence allows the district hire tutors and get better services for the kids who really need it. Dr. Galdston explained that districts should not depend on grant funding for necessary programs and staff because you can't count on the grant being funded. Some districts in MA lost all title 1 funding this year. John requested seeing a timeline of grant funding over the years. Dede said she could show that for 2/12 meeting

Kendra and Lindsay asked if the preK program was “self-sufficient” for the general education students (special ed students in the preschool are a district expense). Mary will re-look at it and see if the tuition is appropriate and compare to other districts.

The Athletics fee structure is possibly changing (single season fee option to encourage more participation). Eileen was concerned about we haven't compared to surrounding towns and our price, and also about making sure we don't dissuade athletes from doing a third season. Mary said the proposal would include family caps, 3rd season discounts, etc. Analysis is coming (data and history) will be presented soon.

A discussion was had about the conservative numbers in the roll up for attempting to roll over as much of the FY19 circuit breaker money as possible. The FY19 projected circuit breaker was put in at 60%, which is also conservative. Mary explained things that can be done to preserve as much of that budget as possible and prevent using the breaker money.

\$373,207 is the remainder from the roll-up to a total 5% budget increase. Requests from leadership team are being analyzed, prioritized, and what is needed from new programs, staffing, etc. Kendra asked about the 5% increases regarding what is the plan for considering a a smaller roll up and for a time when 5% increases aren't available. Dede said that she's interested in analyzing the outcomes that are supposed to be produced based on adding staff and programs and that we need to be very aware that the town is being generous with building projects above and beyond the 5%. Mark Sideris said there are lots of new decisions to be made considering new and bigger spaces - and we'll have to be mindful of good information and decisions based on "asks" in the budget to support the communities investment in the new spaces.

Shifting resources and discussion have already started - some important priorities will not be covered by that \$373,000. There will be a breakdown of what is covered by the \$373K, by reallocating, and what could not be funded this year.

#### IV. Reports

- a. Later Start Times Options: Budget implications  
(see presentation for details)

Dede pointed out that all of these implications "could" go away when we right-size the schools and have districts that are closer to near their neighborhood schools. Mark suggested contacting the towns transportation planner to think about the bussing situation.

There was discussion about the middle school late bus. The sub committee was generally in agreement that eliminating the middle school late bus is not an option. Eileen pointed out that the bus to the

B&G club from Hosmer is a benefit that is only from Hosmer and that the public schools are providing transportation to a private after school program.

The different scenarios were discussed, and Mary is going to put together new scenarios based on the feedback from the meeting. John commented that we'd have to decide if 6th graders are the priority over 7/8th graders that are greater than 2 miles away. Mary will investigate the option of K-6 bussing to see if we can transport about the same number of students as now. No action was taken, and further information will be gathered before the next meeting regarding bussing.

b. Update on Building for the Future

Dede said that there was a visioning session at Cunniff today. There was lots of enthusiasm and excitement. There was a lot of divergent thinking that is refreshing and exciting. There will be a Community Forum on Monday night to discuss:

- Preschool/PreK location
- Lowell as a possible HS site
- Enrollment discussion and capacity
- Size of buildings - changing enrollment on buildings

V. Future Budget & Finance Subcommittee Meeting Dates

- a. February 12th, 6:30 p.m. – FY19 Preliminary Budget Overview
- b. March 12th, 6:30 p.m. – FY19 Superintendent's Recommended Budget, Districtwide Cost Centers
- c. March 14th, 6:30 p.m. – FY19 Superintendent's Recommended Budget, Elementary Schools
- d. March 20th, 6:30 p.m. – FY19 Superintendent's Recommended Budget, Secondary Schools

VI. Meeting Adjourned at 8:50 pm.