

FINANCE SUBCOMMITTEE

MEETING MINUTES

Attendees: Mayor Donna Holaday, School Committee Vice Chair Cheryl Sweeney, School Committee Member Audrey McCarthy, School Committeemen Bruce Menin and Nick deKanter, Susan Viccaro Supt. of Schools, Nancy Lysik, Exec. Assistant to the supt. for Finance/HR, and School Committeeman Steven Cole; sub-committee chairman

Absent: Dan Koen

Attending as a member of the public: Michael Luekens, School Committee member-elect

Meeting began at 4:22 p.m.

Old Business/Previous Action Items: Review and vote of preliminary minutes from 8/20/2013 and 10/3/2013. Discussion concerned the fact that these preliminary minutes may have been more helpful if available sooner. Cole explained that a couple reports were not available or completed sooner than the prior Monday, Nov. 4, 2013. Ms. Lysik added that the school district’s employment report was completed on that day. Reports such as this and the school enrollment report, which is completed soon after Oct. 1., help determine employment costs and how those match up with the budget. Similarly, Choice enrollment, charter school enrollment and final enrollment help validate budget estimates.

From the minutes of 8/20/2013, Item X, Administrative salary increases which were thought to be as much as \$10,000.00 higher than the amount approved by the School Committee, had not included an approved increase to an assistant principal. Amended language reflecting this will appear in the final meeting minutes.

The preliminary minutes were each approved by a 2 – 0 vote.

Responsible	Action Item/Task	Due Date

New Business:

Report

- I. FY '14 Budget Update N. Lysik
- II. FY '13 Budget cuts Supt. Viccaro & N. Lysik
- III. Cafeteria/School Lunch Program:
 - a. Review of reimbursements received
 - b. participation comparison
 - c. discussion on current program and what changes are needed N. Lysik

- I. Ms. Lysik reviewed the updated FY Budget Issues graphic. The total potential deficit was estimated at \$910,312. The bulk of this amount includes \$624 K in Special Education tuition that is the result from either unfunded placements or settlements; contracted services another \$30K; special education transportation \$53K for a total of Special Education related costs of just under \$708K. Year to date, the Special Education FY'14 Budgeted costs totaling \$2,106,261.00 Have been exceeded by \$713,574.00 totaling \$2,819,834.64 and expended as of 11/7/13. Additionally, \$53K was needed for additional busing for a total budget deficit of \$761,156.00.

Potential additional budget shortfalls include: potential Leave of Absence (LOA) costs \$59K; Food Service \$75 K, and a shortage of supplies and materials for Building and Grounds \$15K, these add to \$149 K potential deficit to bring the estimate to the previously mentioned \$910,312.00.

On the revenue side, there is a deficit of a little more than \$2K for the ABLE grant. Beyond that deficit there is some potential carryover revenue (PALS Revolving, Kindergarten Revolving and School Building Maintenance) and anticipated reimbursements for FY '14 to include Circuit Breaker and Choice that may total \$329 K. With these potential additional revenue the remaining deficit is estimated at \$581,293.00.

Ms. Lysik responded to questions regarding these figures. The next budget update will be presented to the School Committee at the meeting on 11/18/2013.

- II. FY'13 Budget Cuts – We reviewed the proposed reduction list that was supposed to address the budget shortfall in the preparation of the 2013-2014 School Budget. Supposed because after the budget process it was discovered that a number of proposed reductions could not be reduced. Example: Equipment, district wide for \$50K – this was proposed but later discovered by new school administration that these “leases” could not be cut. Similarly, there were supposed to be funds coming out of “Out of District Placement” to help fund a library aide at the high school. As has been noted many times since the summer, “Out of District Placement” line item has been in the negative for some time. A host of school supplies that were cut to address the budget shortfall are urgently needed at the Bresnahan, Molin, Nock and High School. As much as \$25K in facility supplies and facility contracted services is needed, as well. We are hopeful that with the freeze, any seasonal savings, and opportunities to exchange available goods for municipal services (such as trading paper to the highway dept. for services) will provide ways to restore these needs. Supply needs will be monitored by school administration. These become especially crucial should a flu outbreak occur or the threat of a pandemic virus, arise.
- III. Cafeteria: a. Review of Reimbursements received. We reviewed the school lunch “Reimbursable Meals / Reimbursements Report. The good news is that overall reimbursable meal counts for Sept. and Oct. 2013 are ahead of Sept. and Oct. 2012. However, they are far off the pace of 2011 – 2012 when the food service did not lose money for the year, appreciating a modest gain of \$22K.
 - b. Participation comparison. Similar, if not parallel to the overall reimbursable

meal count, participation has improved slightly, but far from the levels of '11 – '12 which was 48% for that school year. Current participation is struggling to get beyond 38%. Some initiatives such as the "Deli Bar" at the middle school has shown an improved appetite for that type of sandwich fare, and has helped overall sales, but not enough to show strong year over year improvement or compare similarly with '11 – '12.

c. Discussion on current program and what changes are needed. For the long term, this evolved around whether continuing with the food service would be more cost-effective as opposed to doing it in house. And if in house with or without the federal reimbursement, as the federal guidelines seems to be impacting participation. In the short term, keeping a focus on the indicators we are watching as well as using suggestions gained from survey data may help. The consensus is that we cannot keep losing money with our current food service experience.

Meeting adjourned 5:40 p.m.

Responsible	Action Item/Task	Due Date
Supt. Viccaro & N. Lysik & Central Office	FY '14 Budget – update	Next School Committee Meeting, 11/18/2013
N. Lysik / S. Cole	School Lunch fund balance snap-shot, late November	December 2013, or TBA

Respectfully submitted,

Steven P. Cole, chairman of finance subcommittee & recorder