

Watertown School Committee

Report of the Subcommittee on Budget and Finance

Meeting Date: February 11, 2016

Location: High School Library

Subcommittee Members in Attendance: John Portz (chair), Guido Guidotti, and Candace Miller

School Officials in Attendance: Jean Fitzgerald and Charles Kellner

Other Attendees: School Committee members Mark Sideris, Eileen Hsu-Balzer, Kendra Foley, Liz Yuseum and members of the public

The meeting was called to order at 6:05.

I. Update on FY16 Budget

Mr. Kellner provided an object code presentation of the FY16 budget (town appropriation). It included expenses, encumbrances, projection through 6/30/16, and the variance to the FY16 revised budget. The bottom line projection, at this point in time, is a positive variance of \$1,032,000. This is subject to change as the fiscal year progresses.

Discussion ensued on a number of object code lines that had the largest variances, both positive and negative. It was noted that the “professional salaries” line is negative because of some salaries being allocated to this budget from grants, the reassignment of positions between object code lines, and an increase in costs due to lane shifts (educational attainment) by teachers. It was noted that the three tuition lines showed positive variances. These lines cover primarily special education costs for out-of-district placements. The positive projection is due to various factors, including the use of circuit breaker carryforward monies covering costs this year, continuing services for students in-district, and the aforementioned reallocation of grant revenues to cover tuition and transportation rather than salaries.

In other points of discussion, it was noted that expenditures can be identified by different revenue sources in the annual End-of-the-Year Financial Report done for DESE. It also was noted that we do not yet have protocols for using the SPED Stabilization Fund established by the town last year. A request has been made to the town to collaborate on developing these guidelines.

II. Minuteman Technical and Vocational School

Watertown currently sends 63 students to Minuteman. Watertown is not a member district. Recently, questions have been raised about how changes at Minuteman, including the construction of a new building, will impact Watertown. The Superintendent met with the Town Manager on this issue and is recommending that we defer making a decision on membership at this time. There are a number of unknowns. For example, seven member school districts are considering leaving Minuteman, and it is not clear how construction costs for the new building will be allocated among users. A member of the public noted that changes in the rules regarding acceptance of students as well as the construction of a smaller school could make it more difficult for Watertown students to attend Minuteman. It was noted that there are other

vocational schools in the area, and that the school district and town will continue to monitor this situation to ensure that Watertown students have appropriate technical/vocational education options.

III. FY17 Budget Process

A draft calendar was distributed for the FY17 budget process. The schedule highlights four meetings in March – the 3rd, 14th, 21st, and 28th – as meeting dates for the subcommittee to consider various parts of the proposed FY17 budget. The public hearing on the budget and vote by the School Committee would take place in early April. The budget would likely include object code and cost center formats, similar to last year's budget document.

There was a discussion on the sequencing of the discussion of various aspects of the budget, and also a discussion on the possibility of making budget projections beyond FY17. Various challenges in making out-year projections were noted. The focus in this budget process will be on the FY17 budget.

IV. Adjournment

The meeting adjourned at 7:35.

Submitted by John Portz, Chair