

**TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Town Hall Council Chambers
May 25, 2011 - Wednesday**

Present: Ken DiFazio, Chairperson
Arthur Mathews, Council President
Michael Molisse, Councilor
Michael Smart, Councilor

Not Present: Patrick O'Connor, Vice Chairman

Also Present: Richard Swanson, Town Auditor
William McKinney, Chief Financial Officer
Matt Ferron, Interim Superintendent
Karen Berry, Weymouth School Committee
Marianne DeMello, Asst. Superintendent
Tom Slattery, Weymouth School Department

Recording Secretary: Mary Barker

Chairman Kenneth DiFazio called the Budget/Management Committee meeting to order at 6:45PM.

Review and discuss School Department Budget with Interim School Superintendent, Assistant Superintendents and Senior Staff

Deliberate the following measures:

11 025Z-School Department

Matt Ferron, Acting Superintendent, School Committee member Karen Berry and Assistant Superintendent Marianne DeMello provided a power point overview of the school budget and provided responses to the questions posed by the Town Auditor. Mrs. Berry read a statement concerning the school department request for a level service budget. Mr. Ferron reported that the discussion will revolve around the level service budget. The budget process is no different than in prior years. The School Committee voted a level service budget and voted it in February. Based on the trending at the time, the recovery budget was voted. The level service budget includes all lane changes and contractually obligated salary costs (3% Unit A, 2% to non union), and estimated utilities based on usage. A new cost to the department this year is \$50,000 in obligated tuition to Norfolk Aggie and tuition to a virtual school in Greenfield for 21 students. Savings through attrition or breakage is about \$100,000. Total increase in personnel costs are \$2,250,000. Utility increase projection is about \$70-100,000. Transportation will increase by about \$2,250,000. Additional buses were added to alleviate longer run times. Testing assessment resources will also be needed. The budget for next year is \$54,205,000 (5.2% increase). Chapter 70 is not determined, although the department has an idea of what it

will be, circuit breaker- optimistic that it may be better than in past years, federal stimulus funding (2 grants will be eliminated in the next year and another the following year.) There will be a reduction in Title One supplemental funding in the next year. Because so many costs have been moved to grants, any reductions will directly affect these costs. Letters have already gone out to staff attributed to lost funding.

Councilor Mathews asked for some clarification on the Special Education Tuition (\$550,000) he requested if the \$550,000 was included in the voted budget; it was not, although it was earmarked for Sped tuitions in the budget.

Chairman DiFazio asked how much was applied to instructional materials in the last budget. Mr. Ferron responded hardly any. Mr Ferron thanked Mr. Bois for his assistance in preparing the school department projections for next year. The level service budget, less the transportation costs, plus the municipal costs, less the charter reimbursement will be projected at \$63.6M. The requirement is \$64.565M, a deficiency of \$970,000 . The total deficiency, with the current carryover- \$2.4M, results in about \$3.4M in total deficiency. When you look at the FY12 deficiency, it does bring it over the 5% threshold for penalty by the DOR. The department does not know what that penalty will be. Chairman DiFazio noted there is the \$550,000 that can be added to the deficiency changing the bottom line.

The school department is focusing on level service. With a supplemental budget, it will push it under the threshold. Mr. Ferron will provide back up to Mr. Swanson.

Councilor Smart asked Mr. McKinney to clarify further on the 5%. The Mayor does not intend a supplemental until later in the year. Chairman DiFazio asked Mr. Ferron to provide a hard copy of the presentation to the Council.

Mr. Ferron then reviewed the Auditor's questions. The organizational chart was provided as requested. There are 6900 students projected for the next year; about the same as the last two years, and not expected to deviate from the trend over the next decade. Total proposed budget is about \$1.4M over the Mayor's proposed budget. They reviewed the spreadsheet provided by the department broken out by cost center. The changes as a result of the Commonwealth's adoption of the federal Common Core Standards are highlighted in the numbers.

Chairman DiFazio asked if the \$550,000 and any supplemental funding will be earmarked for the particular items as earmarked in the spreadsheet. Personnel for FY12 is the same, although staff have been shifted between operating budget and grants. State grants have decreased and a \$30,000 item was omitted (typo) from the original proposed budget and is now included. Grant funding is expected to continue to trend on the decrease. Federal grants increased in FY11 and were expended on teachers, instructional materials, technology and transportation needs. There was also a typo in the book that was corrected in this presentation. Mr. Ferron reviewed some of the detail in the contracted services at the high school and provided in writing to the Auditor. Custodians have been transferred to the maintenance budget for ease of use, along with the

centralized supplies. The custodial overtime is an estimate based on trends over the last several years. There is \$90,000 to fund the cost of replacement sped vehicles. This is probably better served in Capital Improvement but can be counted towards net school spending. The curriculum budget was reviewed; these are recovery budget items. There are assessment requirements that must be purchased. The department is significantly understaffed in curriculum and instruction, evaluation and supervision areas, and the department will be looking to enrich these areas and software media equipment and technology.

Improvement in the wireless technology is also a plan. Professional Development funding will be included in the recovery budget; the state is moving to the Common Core curriculum and the department will be required to make significant changes in instruction, requiring curriculum staff.

Councilor Mathews asked if there will be grant funding to implement the program. Mr. Ferron noted that may be the case. There will be two mandates put forward that will change the way the department operates; Common Core and an evaluation process. Transportation costs were discussed, including field trips and summer routes. District administration's largest single increase is the tuition to Norfolk Aggie. Most of the expense in the tutoring line is summer special needs costs. Substitute teacher costs are high, and there are significant illness costs with long-term staff. Based on historical trends, there will be required to be some significant costs if this doesn't change. He then reviewed the snow removal budget, which is an estimate. Mr. Ferron then reviewed circuit breaker anticipated reimbursement. The FY11 receipts and deposits are less than \$900,000. In FY10 it was \$1.2M. This is directly a result of inclusion programs within the district. The department budgeted for 40% reimbursement is based on historical data.

Chairman DiFazio asked for a summary of the ARA funding and how it will trend to the department. The department is taking a two year approach and they are planning for it in FY13.

Councilor DiFazio asked if there are any increases proposed in fees. Mr. Ferron responded that none are planned; as far as student costs the lunch prices are stable, as are buses, but the athletic department is in jeopardy. The department will have difficulty meeting its expenses in a department that gets its only revenue from user fees and fundraising. The department must consider the wear and tear on the turf field.

Councilor Mathews asked if the shedding of the field, noticeable this year, is covered under a warranty. Tom Slattery responded that the only use of the field is for MIAA tournaments which do not provide any revenue to the department. The conditions of the field are normal considering the grade and the age of it. In spring next year, sections are being replaced. In next year's school department Capital Improvement request, there will be a cost to replace the field. Mr. Slattery reported that the type and grade of field replacement in the request will be for the cost of a far better product.

Councilor Mathews responded that the field is used for MIAA tournaments and the youth groups in town are not allowed to use. Mr. Slattery responded that schedules preclude the use of the field at certain times of the year. They do open it up in the summer for various Parks & Recreation programs. Mr. Mathews reported that if there is a public hearing for a Capital Improvement request to replace the field there will be an outcry from Weymouth residents who would like to see it opened to youth groups instead of outside organizations that do not contribute equitable revenue for its use.

Chairman DiFazio asked if the planetarium operates at cost. Mr. Ferron noted that it is in use all the time and is well-maintained.

Chairman DiFazio noted the teachers' contract is up for renewal at the end of FY12. No other contract goes beyond FY11. As of today, there are no other future impacts past FY12. The department will be in collective bargaining for a long time. Nothing has been budgeted for any contract settlement. Chairman DiFazio noted that the town tightened its belt and asked if the department expects the same from the teachers and other bargaining units. Typically, once the teachers settle, the rest of the bargaining units tend to follow suit.

Chairman DiFazio thanked the department for their presentation and providing the information requested by the Auditor. If there are any other questions, they will be routed via email from the Auditor.

Adjournment

There was a brief discussion of schedules for the committee's upcoming meetings. The next meeting was scheduled for June 8, 2011, with the goal to deliberate before a vote of the budget on June 20, 2011.

At 8:00PM, there being no further business, a MOTION was made by Councilor Mathews to ADJOURN the meeting and was seconded by Councilor Smart. UNANIMOUSLY VOTED.

Respectfully submitted by Mary Barker as Recording Secretary

Approved by Chairman Kenneth DiFazio