

# **Watertown School Committee**

## **Report of the Subcommittee on Budget and Finance**

**Meeting Date:** March 28, 2016

**Location:** High School Library

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

**School Officials in Attendance:** Jean Fitzgerald, Charles Kellner and other staff

**Other Attendees:** School Committee members Eileen Hsu-Balzer, Kendra Foley, Liz Yusem and members of the public

The meeting was called to order at 6:00.

### **I. FY17 Budget Discussions – Overview**

A handout was presented that showed the proposed FY17 budget total compared to the current FY16 budget total. The FY17 budget request is \$44,149,696. Compared to the FY16 budget, including the \$375,000 provided for curriculum and related materials, the increase is 5.55%. Compared to the FY16 budget without the additional curriculum allocation, the increase is 6.51%.

### **II. Revised List of New Positions**

Minor changes were made in the requested new positions for FY17, including a .6 clerical support position. The new projected total is 20.25 positions at a cost of \$1,146,282. Approximately \$30,000 would be paid from revolving accounts.

### **III. Grant History**

A spreadsheet was provided that listed the major federal and state grants with the award amounts from FY14 to the present, with an anticipated award for FY17. The total for FY17 is \$1,677,168, excluding circuit breaker. This is a decline of approximately \$700,000 from FY16. The major declines are in the PEP grant, MOVA grant, and Foundation Reserve Award. The Foundation Reserve Award was received in FY16, but will be spent in FY17. Although this is a significant decline, most of the monies had been used for one-time expenditures, which makes the budget less vulnerable to a drop in grant funding.

The circuit breaker is projected to be \$1,849,601 in FY17, which is based on a 70% reimbursement rate. The SPED circuit breaker carryover is projected to be just over \$800,000.

### **IV. Revolving Accounts**

A spreadsheet was provided that listed all major revolving accounts and the revenues, expenditures, and ending balance for each from FY14 to FY16. It was noted that the balance in community education accounts, which are among the largest, has dropped from \$651,300 in 2014 to \$421,000 in 2016. A number of individual revolving accounts were discussed.

## **V. Pre-school Tuition**

The administration proposed a 3% increase in pre-school tuitions. Rates have not been raised for three years. The structure of the pre-school program was discussed and the rates were compared to neighboring communities. There are currently 64 paying participants in the pre-school. The proposed fee structure would be roughly comparable to neighboring communities. It was noted, however, that Watertown has more low-income families than in many of the comparison communities, and that we should consider ways to make the program more affordable for those families. There are no scholarships or discounts for low-income families. The subcommittee voted 3-0 to recommend the proposed fee structure to the full School Committee.

## **VI. Budget by Cost Center**

A spreadsheet was provided with the proposed budget by 12 cost centers. The total proposed budget from the town appropriation is \$44,149,696. The subcommittee voted 3-0 to recommend the proposed budget to the full School Committee.

## **VII. Budget by Object Code**

A spreadsheet was provided by object code with the FY16 revised budget, expenditures and encumbrances to-date, FY17 request, and change columns. Most of the personnel object codes had been discussed at a previous meeting. There was discussion of changes in several of the object codes. It was noted that this budget is only for the town appropriation and does not include expenditures from grants and revolving accounts. The full picture for school expenditures requires consideration of these other funding sources. Ways to consider an all-funds approach is a topic for future discussion.

## **VIII. Adjournment**

The meeting adjourned at 7:45.

Submitted by John Portz, Chair