

## **Town of Lincoln**

### **Budget Board Meeting**

**April 9, 2014**

#### **Present:**

**&#8203;Carl Brunetti&#8203;&#8203;Bob Turner&#8203;&#8203;Mike  
Babbitt&#8203;&#8203;Hagop Jawharjian  
&#8203;Bill DiBiasio&#8203;&#8203;Richard  
Foster&#8203;&#8203;Paul DiDomenico&#8203;Bill McManus  
&#8203;Maria Marcello&#8203;&#8203;Paul  
Deutsch&#8203;&#8203;Rhonda Lacombe**

**There were no members absent.&#8203;**

#### **Call to Order**

**The meeting began at 7:30 pm with the Pledge of Allegiance**

#### **Approval of Minutes**

**The minutes of April 8th were distributed for review.**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico to accept the minutes.**

**The minutes were approved by unanimous vote.**

#### **Correspondence**

**The Budget Board had sent out a copy of the budgets that they approved for recommendation at their previous meeting and received**

**a response from the Superintendent that the School Committee and School Department would like to discuss those recommendations with the Budget Board.**

### **Public Comment**

**There were no public comments or questions at the time.**

### **Business**

**FY15 Municipal Budget**

**FY15 Education Budget**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, to change order of the agenda in order to discuss the Education Budget first as representatives of the School Department and School Committee were present to discuss the recommendations of the Budget Board.**

**School Committee Member Kristine Donabedian noted that the School Committee wanted a copy of the spreadsheet that the Budget Board worked on of the different calculation possibilities for Health Care for discussion.**

**For current year claims, based on the information they have received, the Budget Board projects \$4.6 million for Health Care net of Co-Shares.**

**In past years, the number has been approximately \$4 million.**

**The \$5.1 million requested is a 29% increase over the current budget,**

**and after much discussion and analyzing the Budget Board adjusted their recommendation to \$4.52 million.**

**The Budget Board discussed that if there is a deficit in Health Care, the School Department could then go for a supplemental appropriation. It would be the first order of business to make the current budget whole at the following Financial Town Meeting so it would not require a Special Meeting.**

**The supplemental appropriation would be applied to the tax levy.**

**In response to School Committee Member Kristine Donabedian's concern that the Schools cannot legally run a deficit that way, School Business Manager Lori Miller noted that they could but they would have to put the Town Council on notice and submit to the Auditor General with a plan of how they plan to correct the deficit, which in that case would be the supplemental appropriation.**

**In past years, when they have run a deficit they have been able to cover it out of other areas in the operating budget, but the School Department was concerned that they would not be able to do that in the future because the recommended budget is so tight.**

**The Budget Board noted that the Town is only recently in the position of having surpluses and that in the past there were times when they had to take Tax Anticipation Notes and Bonds to make the budget work.**

**In response to the concerns of the School Committee that the 4% cap could adversely affect the budget going forward, the Budget Board noted that things like the Carulo Act that allow appeals to the state to exceed that exist as a safeguard for those situations.**

**The Budget Board noted that the FY 2011 budget was an increase of .2%, FY 2012 was 1.2%, FY 2013 was 2.2%, and FY 2014 was 2.6%.**

**For FY 2015 the Budget Board has so far recommended an increase of \$1.3 million or 2.7% which is the highest in 5 years.**

**School Business Manager Lori Miller discussed that of the \$900,000 in surplus revenues, much of that is going to go for charter school tuitions and that any decreases in the budget will have diminishing returns because the schools will be able to do less and less.**

**For example, they just got a bill for \$4,000 for work they had to do on the High School heating system.**

**The Superintendent noted that when the schools hire new employees, they are all at different steps and statuses because they are hired based on ability.**

**The Superintendent noted that she would like the Data Manager that the Budget Board adjusted restored because it has become a critical part of operations and she noted that all districts state-wide have Data Managers.**

**She noted that Document Copying can be adjusted because a lot of**

**those expenses are included in the lease of the machine.**

**The Superintendent requested that the NEASC position also be restored because that position was developed for NEASC but they really do more than that and it is an ongoing job that they do overseeing day to day operations.**

**The budget did not show as expended because it was moved due to the Uniform Chart of Accounts.**

**The School Department will get that detailed information to the Budget Board.**

**The Budget Board noted that this is an example of how they really do go through the entire budget in detail and not just the larger items.**

**The School Department is asking for the \$15,000 adjustment to Central Services Software to be restored because it is for the annual maintenance on their software.**

**The Budget Board noted that it has been 4 or 5 years since the new Uniform Chart of Accounts started being implemented and things are still being moved around the budget.**

**Lori Miller noted that the reason that things are constantly changing under UCOA is because the State gathers once or twice a year and makes changes to the way things are done as well.**

**The Budget Board would like then a list of where things are moved when they are changed, and Lori replied that she would do that going forward.**

**The School Committee Professional Education was adjusted by \$3,500 in the Budget Board's recommendation and School Committee Member Kristine Donabedian noted that they do use those funds for conferences and association newsletters and things like that.**

**Also, if new members of the School Committee are elected they would need Professional Development as well.**

**MaryAnn Roll noted that it is a state requirement that Professional Development be supplied for the School Committee, and the Budget Board noted that their adjustment does still leave some funding for it.**

**The Superintendent noted that another concern is the adjustment to Special Education Technical Equipment.**

**She noted that the schools cannot decrease funding in that line because the need can't be projected easily.**

**The Budget Board noted that that is an example of why the Education Budget is a bottom-line budget, because sometimes unanticipated expenses occur and it allows them to cover that, but it's not proper to fund highly for those things without knowing what they will be.**

**The Budget Board wanted to clarify that they have not "Cut" the budget, because by law they have to fund the local appropriation maintenance of effort, but they have adjusted the Town Administrator's and School Committee's proposals to come up with a recommendation of their own.**

**Also, in recent years, they have level funded the local appropriation**

**but not the budget as a whole because there was still additional state revenue coming in.**

**The School Committee also wanted to clarify that when looking at the 2013 audit there was a misunderstanding by the public that the schools were in deficit because they had spent more than allocated by the Financial Town Meeting, but they had transferred in surplus funds to cover that.**

**It was noted that the Town has funded the schools well to have had surpluses, and also that a good part of those surpluses have been used to complete capital improvement projects.**

**The Budget Board discussed that Capital Resolutions came to be because capital projects were being budgeted in the operating budget but weren't getting done because the funds were being used for other things as allowed by a bottom-line budget.**

**Also, there was a charter change that now restricts what can be added to the budget from the floor of the Financial Town Meeting to \$80,000 but before that there was a time when \$500,000 was added to the Education Budget which then unnecessarily taxed for a surplus and added to the budget going forward in the maintenance of effort.**

**The way that it works now is anyone seeking to add funds to the budget would have to file with the Town Clerk with 100 signatures at least 15 days prior to the Financial Town Meeting.**

**The Budget Board asked if the School Department would be**

**comfortable with their recommendation if they made the changes requested and discussed during this meeting.**

**The Superintendent replied that if there was \$400,000 added back in to the Budget Board's recommendation to cover those things that they were concerned about they would be comfortable with it.**

**School Committee Member Kristine Donabedian noted that while it may end up going to a surplus, every budget always needs a little bit of funding for contingencies and unanticipated expenses that come up.**

**Mike Babbitt made a motion, seconded by Bob Turner to reopen discussion of the Education Budget**

**The motion and second were withdrawn.**

**Bob Turner made a motion, seconded by Bill DiBiasio, to change the order of business to hold Public Comment.**

**The motion passed by unanimous vote.**

### **Public Comment**

**Patricia Willis, a parent of a student at Central wanted to know if there was enough in the proposed budget to allocate a third teacher for 1st Grade since the current Kindergarten classes all have 25-27 students. The Superintendent Georgia Fortunato discussed class sizes and noted that increases to the Budget would give her more funding to consider things like increased staffing to decrease class sizes.**

**The Budget Board noted that they did not decrease any staffing, nor did they increase any staffing but something like moving a 4th grade teacher that might not be as necessary based on class sizes to 1st Grade where class sizes are larger and the need is greater which could be done without any additional funding.**

**Elaine Gugel noted that she is also advocating for the School Committee's proposed budget.**

**She noted that at Lonsdale there are no music or art rooms and that there are no extra classrooms and they are all at capacity. She believes the Town should look redistricting.**

**She was also concerned about the library as well, but the Budget Board noted that those issues may be alleviated with the new technology program once it is fully implemented and hard copy books are less frequently used.**

**The Budget Board discussed that the concerned parents should work with the School Committee to come up with a solution for the class sizes and districting issues.**

**It was noted that one solution used for that kind of problem in the past was to send all 6th Graders as a whole to a separate school out of town which worked well.**

**The Budget Board noted that they do not consider for the budget anything that is not presented to them, including the addition of teachers. That proposal would have to come from the School**

**Committee.**

**School Committee Member MaryAnn Roll noted that it was not that the School Committee has not considered adding classes, but any decision like that comes with high consequences.**

**Also discussed was the Fairlawn Early Learning Center, which is being leased.**

**That lease is going to possibly be extended, but if there is interest in terminating that lease and returning it to Town use and reopening the school that would be something to be brought before the Town Council and then the School Committee.**

**The Budget Board discussed that while the students may have high class sizes right now, they are also going to be benefitting from the new technology program recently installed, the new Middle School, the new High School that will be planned, as well as a lot of other capital improvement projects that have been completed.**

**Bob Turner made a motion, seconded by Bill DiBiasio, to return to the regular order of the agenda.**

**Bob Turner made a motion, seconded by Bill DiBiasio, to recess the meeting.**

**After a 5-minute recess, Richard Foster made a motion, seconded by Hagop Jawharjian to reconvene the meeting.**

**Hagop Jawharjian made a motion, seconded by Bob Turner to reopen discussion of the Education Budget.**

**The motion passed by unanimous vote.**

## **Business**

### **FY15 Education Budget**

**The Budget Board discussed Breakage and the fact that in the proposed budget all new hires were inserted at the B1 step, but that in reality they come in at all different levels and entering them at a B4 average would better estimate that.**

**Bob Turner made a motion, seconded by Bill DiBiasio, to change that line in Breakage from \$60,350 to \$32,619 to reflect that change in level for new hires.**

**The motion passed by a vote of 10-1 with Richard Foster opposed.**

**The Budget Board discussed Health Care and an error that was made when calculating the Co-Shares.**

**Hagop Jawharjian made a motion, seconded by Bob Turner, to change the \$589,397 adjustment to Health Care that had been approved previously.**

**The Budget Board discussed that if they do not change the adjustment it should be verified that a supplemental appropriation via supplemental tax bill is an approved way to deal with an overage if that should occur.**

**They could also transfer surplus funds in to cover that if it happens.**

**The Budget Board was confident that their recommendation provides**

adequate funding with that understanding that there are ways to correct it if there is an overage.

The motion to change the adjustment to Health Care that had previously been voted on was denied by a vote of 1-10 with Hagop Jawharjian voting for the motion and all others opposed.

Therefore the original adjustment recommended by the Budget Board will remain.

Carl Brunetti made a motion, seconded by Bob Turner, that the adjustment to the 20% Co-Shares for Health Care be \$216,431.

The motion passed by a vote of 10-1 with Richard Foster opposed.

The Budget Board discussed School Committee Professional Education.

They noted that the amount spent has been consistent and there was no motion to change the adjustment that had already been approved to make the budget more accurate to the historical expenditures.

The Budget Board discussed the Data Manager position which had been adjusted for \$75,231 that the School Department requested be restored.

In discussion, the Budget Board noted that the School Department did justify the need of the position and that it is an individual position and not a category.

The motion to restore \$75,231 to the Technology budget for the position of Data Manager passed by a vote of

**10-0 with Richard Foster abstaining from the vote.**

**The Budget Board discussed Other Technical Services, and the \$15,000 adjustment that the School Department is asking be restored.**

**The line is used for maintenance on the Accounting Software.**

**Hagop Jawharjian made a motion, seconded by Rhonda Lacombe to restore the \$15,000 adjustment made for Other Technical Services.**

**The Budget Board noted that the adjustment had been made because the line had not been expended but upon further information the line was actually just moved in the budget due to the Uniform Chart of Accounts.**

**It was noted that in the future, it would be helpful for the Budget Board to have a list of those lines that have been moved due to UCOA and where they are moved to.**

**The motion to restore \$15,000 to Other Technical Services passed by unanimous vote.**

**The Budget Board discussed the High School Reform Consultant and the School Department's request that the adjustment recommended by the Budget Board be restored.**

**Hagop Jawharjian made a motion, seconded by Bob Turner, that the adjustment that was already approved should remain.**

**The motion passed by unanimous vote.**

**The Budget Board discussed the NEASC position at the High School and the \$20,000 adjustment that was made that the School**

**Department asked be restored.**

**They noted that since this line is not being spent they will assume that it was moved to another place in the budget due to the Uniform Chart of Accounts.**

**Richard Foster made a motion, seconded by Mike Babbitt, that the adjustment that was already approved should remain based on the information that the Budget Board has.**

**The motion passed by unanimous vote.**

**The Budget Board discussed Equipment, Special Education and the School Department's request that they restore the line after it was adjusted to \$2,500 based on historical expenditures.**

**There was no motion to reconsider the line and restore it to its previous funding.**

**Carl Brunetti made a motion, seconded by Bill DiBiasio, that the Total Education Budget be \$51,110,515 which is a \$1,066,726 decrease from the School Committee proposed budget and an increase of \$1,500,554 or 3.02% over the previous year's budget.**

**The motion passed by a vote of 9-2 with Richard Foster and Hagop Jawharjian opposed.**

**This makes the total local appropriation to education \$40,242,425.**

**Mike Babbitt made a motion, seconded by Rhonda Lacombe, that the Total Combined Municipal and Education Budgets be recommended at \$78,919,113 for an increase of \$2,780,401 over the previous year.**

**The motion passed by unanimous vote.**

**The Town Administrator contacted the Budget Board regarding a reduction to the proposed revenue for Video Lottery.**

**The Budget Board discussed that if the Town Council does pass an ordinance to reduce the amount of Video Lottery revenues they could then make a motion on the floor of the Financial Town Meeting to correct that by adding the \$200,000 to the tax levy.**

**If that is not done and the Town ends up short of the revenue at the end of the year, they could also take that money out of surplus.**

**There was no motion to reduce the proposed Video Lottery Revenues by \$200,000 and the line remained as already approved for recommendation.**

### **Budget Message**

**The Budget Board discussed and edited wording of their Annual Budget Message.**

**Bill DiBiasio made a motion, seconded by Richard Foster, to approve the letter as amended.**

**The motion passed by unanimous vote.**

### **Resolution IV**

**The Budget Board discussed the Tax Levy minimum and maximum range set forth in the resolution.**

**After discussion, the numbers proposed in the resolution are accurate to what the tax levy will be.**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, to accept the wording of Resolution IV without any changes.**

**The motion passed by unanimous vote.**

### **Resolution IX**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, to accept the wording of Resolution IX as amended.**

**The motion passed by unanimous vote.**

### **Resolution XII**

**Bill McManus made a motion, seconded by Paul DiDomenico, to accept the wording of Resolution XII as amended.**

**The motion passed by unanimous vote.**

**The Town Administrator has requested that the Budget Board remove the date restriction from the resolution for the Police Department addition.**

**The Budget Board discussed that as long as the funds are encumbered by the restricted date and there are no unforeseen circumstances, there would be no need to lift the restriction which is meant to ensure the work is done in a timely fashion.**

**Hagop Jawharjian made a motion, seconded by Paul DiDomenico to keep the resolution as already approved with no changes to the date restriction.**

**The motion passed by unanimous vote.**

**The Budget Board discussed the field renovation project, and whether it would be started as soon as the funds are approved in the spring/summer as was originally expected or if it would now be changed to begin in the Fall after one more season of play on the current field.**

### **Adjourn**

**Bill DiBiasio made a motion, seconded by Richard Foster, to adjourn the meeting.**

**The meeting adjourned at 10:45 pm.**