

School Committee Finance Subcommittee

Monday, April 25, 2016

8:30 AM – 10:00 AM

5th Floor Conference Room, Town Hall

Finance Subcommittee members present: Ms. Stram (Chairman), Mr. Chang, Ms. Charlupski, and Mr. Pollak.

Other School Committee members present: Ms. Ditkoff and Ms. Stone.

Staff present: Dr. Connelly, Ms. Dunn, Mr. D’Onofrio, and Ms. Coyne.

Others present: Advisory Committee member Bobbie Knable.

1) Approve Minutes of the March 28, 2016 Finance Subcommittee Meeting

On a motion of Mr. Chang and seconded by Mr. Pollak, the Finance Subcommittee voted unanimously to approve the minutes of the March 28, 2016 Finance Subcommittee meeting.

2) FY 2017 Budget

Ms. Stram and Mr. Lummis are editing the introductory narrative. We do not yet know the impact of the House Budget recommendations, but expect that it will be neutral or positive.

3) FY 2016 3rd Quarter Financial Report

Ms. Dunn presented the FY 2016 3rd Quarter Financial Report (Attachment A). The FY 2016 budget has a projected negative variance at the close of the 3rd Quarter of \$180,215. The significant driver of the shortfall is Transportation. The Transportation budget is currently over expended by \$492,267. The Regular Education Transportation budget is projected to be over expended by \$202,870 due to Devotion School transportation services. In FY 2017 the cost will be charged to the Devotion Building project. The Special Education Transportation projected deficit is down from the 1st Quarter as a result of actual utilization reductions due to missed attendance days. All collective bargaining agreements have yet to be settled. We are showing the amount budgeted for each bargaining unit; however, this amount is not necessarily what will be finalized as part of negotiations. The override budget assumed a 2% cost of living adjustment for FY 2016. One-percent was spent on a “tail” on the one-year contract agreements. The likelihood of a deficit emerging within the Salaries and Wages lines is dependent upon the special education enrollment needs during the year.

Ms. Dunn reported on the Revolving Funds. School Athletic fees were raised in FY 2014 to \$300 per sport per season in an attempt to close the gap between costs and revenues. The FY 2016 General Fund budget includes a \$50,000 Athletic Subsidy Fund, but this is not enough to cover the structural deficit. We will be completing a review of our on line payment system. The Policy Review Subcommittee will be discussing the three proposed financial policies on May 12, 2016. We are reviewing different collection applications and may issue a Request for Proposals with software specifications. We will review whether collections should be centralized or school-based with support. The Brookline Adult and Community Education Program has been very successful and continues to

make an annual contribution of \$50,000 toward facility use costs. We will be looking at what is included in overhead costs. We continue to see a deficit of roughly \$14,000 in the Summer School program, but need to look at which pieces are required by law.

Committee Comments/Questions

Is Sick Leave Bank usage incorporated into the personnel projections? (Yes.)

Do our Transportation expenses go down when fuel costs go down? (Not under the current contract.)

The School Committee should decide whether it is our policy to subsidize athletics, e.g., cover staffing costs, or make the program entirely self-supporting. Fundraising for specific sports can lead to equity issues. Donations should go to the School Committee for approval.

Discuss the status of lease agreements at the next Subcommittee meeting.

If we extend the Extended Day lease agreements beyond one year, we will be required to go out to bid.

Provide Ms. Dunn with a copy of the Rentals and Facilities Policy.

Provide adequate notice before instituting new or increased rental fees for after school programs.

Need to clarify the programmatic goals for the different elements of Information Technology.

The meeting adjourned at 10:00 AM.