

MINUTES

FINANCE SUBCOMMITTEE MEETING

Thursday January 5, 2017 6:30 PM Superintendent's Conference Room, Minuteman High School

Present: Carrie Flood, Dave Horton, Sue Sheffler, Kevin Mahoney, Michelle Shepard, Elizabeth Rozan, Jim Gammill

1. Call to Order: Open Session

The Chair called the meeting to order at 6:35 PM.

2. Warrant Review

After Michelle reviewed details related to the responses to questions on warrants that were submitted, the Subcommittee members signed them. While doing so, Carrie inquired about how many signatures are actually needed. Kevin agreed to follow-up to clarify the statutory requirements.

3. Approval of Past Minutes: 12.13.16

The following vote was taken on the past minutes:

Moved (Horton) and seconded (Sheffler)

To approve the past minutes of 12.1.16, as presented

Vote: Unanimous

4. Update on FY 18 Budget

Kevin distributed materials (FY 18 Estimated Revenue Plan, FY 18 Assessment, Summary by Function Code. V. 2.5 January 5, 2017 and a sheet showing Apportionment of Debt by Member Towns (outlining debt prior to 12.10.15, 10 towns, 9 towns). He and explained that this is the first budget under the reduced member towns. The proposed budget is a reduction of \$278,631, compared to FY 17, which represents a 1.4% decrease. He explained that there is a projected increase of \$605,336 in member assessments, which is up 5.5%, due primarily to decreases in Ch. 70 state aid and out-of-district student tuition revenue. He also explained that the numbers are not yet solid, as foundation enrollment, state aid, and other variables may need to be adjusted under the Governor's budget release. Kevin explained his thinking with regard to adjusting the timing of the Budget Hearing next year, to occur after the Governor's budget is released so that there would be more solid numbers, less risk, and fewer uncertainties. He also explained that with the requirement outlined in the Regional Agreement that the Hearing must be held 45 days before the first Annual Town Meeting, and with Lincoln leaving (and their Town Meeting scheduled for March), this brings Lexington to the first one held and will make this possible.

With regard to the function code descriptions, Carrie inquired about any feedback on the Executive Team's requests and the budget recommendations. Kevin agreed that there were some tough decisions, but the Team has been collaborative. Given the uncertainties in the Governor's budget, there are still adjustments to be made. He is mindful of the staffing plan for FY 20, as well as possible administrative

reorganization. A question was raised about the Arlington enrollment numbers, and Sue offered to investigate. It was agreed that it will take a few years for the numbers to smooth out.

The Subcommittee then took the following vote regarding the draft budget:

Moved (Sheffler) and seconded (Horton)

To recommend that the Assistant Superintendent proceed with preparing and distributing the Draft FY 18 Budget to the full School Committee

Vote: Unanimous

5. Review of Draft Policies

Kevin noted that it was recommended that the District develop policies on debt management, cash reserves, and investment. He distributed a draft Investment Policy as informational, and noted that it is not yet ready for a vote, as it takes some time to absorb, and he needs to include the IRS detail as legal reference. He anticipates taking this up at the next meeting (March 28).

6. Adjournment

There being no further business, the meeting was adjourned at 7:50 PM.

Elizabeth Rozan, Recorder