

LEXINGTON SCHOOL COMMITTEE MEETING
Tuesday, January 16, 2007
Cary Hall
1605 Massachusetts Avenue

Present: Superintendent Paul Ash, School Committee Chair Tom Diaz, School Committee Members Helen Cohen, Tom Griffiths, Olga Guttag and Ravi Sakhuja and student representative Toni Maeck. Minutes taken by Leora Tec.

The meeting was convened at 7:47 p.m.

7:30 p.m. Call to Order and Welcome (Tom Diaz): Thank you for the hard work to the superintendent and his staff.

8:00 p.m. Discussion Items:

1. Presentation of the FY08 Recommended Budget (60 minutes)

Paul Ash:

This budget was built with a lot of deliberations from department heads and principals from pre-K-12. I am presenting two budgets, based on the School Committee vote of 10/3/06: The first is a *same service budget* that funds a replication of what we do right now. This year's same service budget provides fewer services than last year's recommended budget, and doesn't restore many things that we lost from the failure of Question 1.

The Supplemental Budget is the budget that would improve the quality of the school district. It is less than question 1 last year. I am not recommending replacing what we lost last year. We thought about where some targeted dollars could make a difference. If the whole recommended budget is voted we still won't be back to last year's same service but still the numbers are large numbers.

I am presenting a vision for efficient and effective schools. It is our obligation to run an efficient school system. We need to meet educational needs of all kids and provide academic excellence for all kids. Our schools should be caring and respectful places that teach character, and strive for continuous improvement.

Dr. Ash went through his power point presentation of the same service budget and the supplemental budget. The presentation will be available shortly on the LPS website. The entire budget book will also be available on the LPS website and at all the schools. All School Committee members and audience members had copies of the power point presentation. At a later meeting the superintendent will recommend an at-risk list that will determine what will be cut from the budget in the event that the same-service budget cannot be fully funded.

Bottom Line:

Proposed FY08 Same Service Budget: \$70,027,605. This represents a 10.42% increase over the FY07 budget.

Proposed FY08 Supplemental Budget Increase: \$1,237,353. This represents an additional 1.95% increase over the FY07 budget.

Total FY08 Proposed Budget: \$71,264,958 or a 12.37% increase over the FY07 budget.

Discussion

Paul Ash:

SPED: On November 28th the School Committee voted to establish three programs for in-house SPED programs

We established a four step mechanism to fund SPED but that was for 1 year, we need a permanent mechanism.

The three new SPED programs come with new personnel who need health care benefits. The average health benefit cost per employee is \$12,300 as calculated by the Town Manager's office. The collective bargaining number (\$3,257,764) allows for step and level increases and makes provision for good-faith bargaining. The amount (\$1,064,654) for new positions reflects additions to implement the School Committee's vote to expand special education services within the system, mandated in-house special education increases, and additions driven by enrollment to preserve class sizes.

SPED tuition increases are budgeted at \$1,294,116. (\$190K of that is for a contingency fund for out-of-district placements). A sizeable piece of the increase in the budget is just the increased out of district portion of SPED costs (tuitions and transportation).

We anticipate a \$452K FY08 increase in circuit breaker money as partial compensation for the FY07 SPED increases.

Enrollment increases : The FY08 budget is built by comparing the FY07 enrollment projections with FY08 enrollment projections. Using that assumption, next year there will be an increase of 30 students in K-5. Clarke will be up from 730 to 757, but Diamond's enrollment will drop slightly. LHS will go up by 30 students.

Paul Ash: Carl Valente will recommend that the town add 1 million dollars to the stabilization fund so that any department can turn to it for an extraordinary need, for example, for special education.

I am recommending:

Enrollment-driven Teachers: 5.48 FTEs
SPED teachers: 7.4 FTEs
SPED support: 7.0 FTEs
Custodian: 1.0 FTE at Fiske

Our per pupil expenditure of \$10,543 is not as high as nearby communities like Wellesley, Watertown, Bedford, Weston, Newton, and Waltham. If we averaged what those communities spend per pupil we would not need an override. Part of the problem is state aid. If we had the money of an average of those six communities (\$12,353 to spend per pupil) we could fund both the same service *and* the supplemental budgets without an override, all of last year's two override questions could be funded and we would still have \$1,768,779 left for capital projects, fee reductions and/or tax relief.

Lexington doesn't get its fair share under Chapter 70 aid.

Under the supplemental budget I am recommending three additional elementary teachers to keep classes around the School Committee guidelines and restoring two tech positions, which is only a start of the restoration of technology department.

Members Comments:

Tom Diaz: There is a 3rd presentation to come: the at-risk list. We don't see that because we don't know the revenue side yet. There will be a budget summit on Jan 18th. Is the \$190K reserve for identified enrolled students who we already know may go out of district?

Paul Ash: No.

Tom Diaz: Carl Valente said he's recommending a million dollar increase to the town stabilization fund and part would be connected to SPED, not all of it. Is the middle school intervention specialist full time?

Paul Ash: Yes

Tom Diaz: I'm glad.

Tom Diaz: On Jan 10th we approved a lobbying proposal that would increase our aid, all citizens should lobby for it.

Tom Griffiths: What is the amount for increases in Step & Level?

Paul Ash: That is a subject for collective bargaining.

Tom Griffiths: Please elaborate on the 190K.

Paul Ash: There are 13 students that will probably go out of district. Then there are some we don't know about who may go out of district. There needs to be money for that. The \$190K is for unknown unknowns.

Tom Griffiths: Does the budget cover the known unknown category?

Paul Ash: The budget does cover them. \$190K is a reserve for unknown unknowns.

Ravi Sakhuja: How many children are graduating from SPED this year?

Mary Sullivan Kelly: I don't know.

Ravi Sakhuja: How many are in the system now? I want that number.

Ravi Sakhuja: Our utility bill is up, why? We've had an enormously warm winter this year.

Paul Ash: Bill Hartigan will present at the end of the month. The budget we built does not assume a warm winter. We have put some energy efficient systems in place, but have not yet gone through enough of this winter to have the data to plug in.

Ravi Sakhuja: I would like to have a presentation as a complement to this budget.

Paul Ash: Sure. Sometime in February.

Ravi Sakhuja: \$8300 was that the basis for last year's health benefits?

Paul Ash: \$8600

Ravi Sakhuja: So we are in deficit?

Paul Ash: I can't answer that.

Helen Cohen: The sticker number is shocking. It will take time to absorb everything. We need to study this carefully in order to deal with the details. I hope the citizens will help us lobby the state and federal governments.

Olga Gutttag: I appreciate the amount of work that has gone into the budget. I have shell shock too. If we can't get rid of a teacher when we lose 30 students why do we have to add one when we add 30 students? I'd like to see average class sizes.

Paul Ash: They are in the budget book.

Olga Gutttag: This does not include the cost of benefits for our employees.

Paul Ash: When the School Committee votes to establish positions, benefit costs will be appropriated by the town.

Olga Gutttag: The benefits will be increasing by at least 10%.

Paul Ash: It's a large figure.

Olga Gutttag: So level service is 10% + benefits increases. The cost of new positions in SPED is a million dollars. The benefits are .5 million dollars. How can benefits be half the salary? What is the exact breakdown?

Paul Ash: Sure.

Olga Gutttag: Where in the budget are we focusing on bringing the MCAS scores back to where we expect them to be? I can't reconcile level service, 3% inflation for supplies, minimal enrollment increases and a budget increase of over 10%.

Paul Ash: Thank you for listening and I look forward to working with you.

Tom Diaz: I would like to review the same parts of the budget I reviewed last time. It is getting late in the budget cycle.

Olga Gutttag: I am less concerned about expediency than about getting the budget right. We are a week behind again. We are going to talk to the other boards about when they need us to present the budget. I feel comfortable reviewing any part of the budget. I am interested in the high school and SPED but I hate to commit to any area right now until I read the entire budget.

Tom Diaz: Maybe I will talk to each of you offline.

Ravi Sakhuja: Our SPED initiative costs are \$847K?

Paul Ash: That was voted on November 28.

Paul Ash: There are 5 programs in priority 1 and 2. Priority 2 has kids with low IQ that you may lose to out of district placements. The program won't save money the first year, but will the second year. I am recommending only one teacher.

Ravi Sakhuja: I need time to understand what you did last year.

Olga Gutttag: We got rid of shop home economics etc. from LHS awhile ago. Could we do something to ensure that kids who are unhappy at LHS and need hands-on courses are encouraged to look at programs in Minuteman Tech to get those kinds of classes? This may prevent some students from ending up in SPED.

Paul Ash: Many schools have done cut hands-on programs and have regretted it. We don't have opportunities that we should have at the high school and we don't have space.

Olga Gutttag: Would you have a discussion with the principal at MMT about how to promote MMT?

Paul Ash: I can but our budget will go up.

Tom Griffiths: Cost savings are probably mythical because there are probably kids on ed plans in both. Hands-on programs are great. Do they still exist at LHS?

Tom Griffiths: We need to people the Financial Review Committee.

Motion to appoint Jennifer Craft Hewitt and Robert Boudreau to the Financial Review Committee (Griffiths, Guttag)

Discussion:

Ravi Sakhuja: Iang Jeon has shown interest in these issues.

MOTION PASSED 4-1 (Sakhuja)

Tom Griffiths: We must appoint two School Committee members to the committee as well.

Tom Diaz: I would like to ask Tom Griffiths to serve and I would like to serve. I was the one who recommended that we establish this committee.

Ravi Sakhuja: I would like to serve as well too. You two serve together on many committees.

Olga Guttag: I support Mr. Sakhuja serving with either one of you to show a breadth of viewpoints. This is also to reassure the community that as many viewpoints as possible will be represented.

Helen Cohen: What are people's levels of expertise around financial issues? You have to show up and commit.

Ravi Sakhuja: I would like to know how much time it is but if I commit I will do what is necessary.

Tom Griffiths: The scope has been modified to some extent. Perhaps Mary Ellen has an opinion about time.

Mary Ellen Dunn: Could take a year for some aspects of it.

Tom Griffiths: There is a lot of learning for the committee members. Do we have adequate procedures in place to avoid unexpected costs that span fiscal years? More difficult is to make certain we have mechanisms in place to do accurate initial and continuing budget projections.

Tom Diaz: I will put in the time if I come into it. I held executive positions in the computer industry. I was treasurer of a computer company. I have a lot of expertise to deal with the fiscal problems here that we are all eager to fix.

Olga Gutttag: This committee will be working beyond the election, it will be disruptive if you [to Tom Diaz] are on the committee and then you lose the election. It makes more sense to have two people who are not up for reelection.

Ravi Sakhuja: My background is I was CEO of a company for 17 years so I was responsible for the budget.

Helen Cohen: I support having Ravi be the other member of the committee.

The School Committee representatives to the Financial Review Committee will be Mr. Griffiths and Mr. Sakhuja

Tom Griffiths: I strongly support Tom Diaz. The level of work required is the level of work I have seen Tom put out over and over and over. He would be the better School Committee choice.

Motion to go into executive session for the purpose of collective bargaining not to return to public session (Griffiths, Gutttag): Cohen-aye; Diaz-aye; Griffiths –aye; Gutttag-aye; Sakhuja-aye.

9:00 p.m. Executive Session:

The next meeting of the School Committee is scheduled for Wednesday, January 17, 2007, at 7:00 p.m. at Clarke Middle School Auditorium, 17 Stedman Road. This meeting has been scheduled by the School Committee for the purpose of conducting a public hearing on the revised K-5 redistricting plan.