

**ADVISORY AND FINANCE COMMITTEE
MEETING MINUTES
December 17, 2014**

A meeting of the Advisory & Finance Committee was held on Wednesday, December 17, 2014. The meeting was called to order by Chairman John Moody at 7:00PM and was conducted in the Mayflower II Meeting Room at the Plymouth Town Hall, 11 Lincoln Street, Plymouth, Massachusetts.

PRESENT **Twelve members of the committee were present:**
Cornelius Bakker, Kevin Canty, Richard Gladdys, Michael Hanlon, Harry Helm, Kevin Hennessey, Ethan Kusmin, Kevin Lynch, Christopher Merrill, John Moody, Harry Salerno, Marc Sirrico

ABSENT **Three members of the committee were absent:**
Michael Hourahan, Shelagh Joyce, Charles Stevens

AGENDA ITEMS

School Budget Presentation

Dr. Gary Maestas, Superintendent of Schools, and Gary Costin, School Business Administrator, presented the FY2016 School Budget. This is their seventh year of working on the budget together and they have refined the process through the years.

They presented a level service budget with the following four compelling items above level service:

- Band uniforms and instruments (\$94,000): uniforms are 27 years old and falling apart. Many of the large non-take-home instruments are 15 years old and need to be replaced.
- Increase in substitute pay from \$65 to \$80 for certified and \$65 to \$70 for non-certified (\$100,000): Plymouth has offered the lowest rate in the area. It has been \$65 for 16 years. As the state is increasing minimum wage over the next few years, substitute pay is in line with those increases. Substitutes will now make between \$11 and \$12 per hour.
- Restoration of district-wide technology funding (\$250,000): Technology is driving what the schools do and they have to refresh their wireless systems. The state's new PARCC test, replacing MCAS in elementary and middle schools, has to be taken online so wireless systems must be updated to accommodate the new testing method.
- Biomedical science program addition at the high schools (\$20,740): This will be a great addition to the science offerings.

The schools have budgeted \$1.7 million for electricity but plan to save \$833,844 due to solar contributions, leaving a \$952,237 electricity expense.

The proposed FY2016 school budget is \$84,153,830 a 2.1% increase over last year's budget. Expenses are broken down as follows:

- 63%: \$53,183,922 certified salaries (licensed)
- 3%: \$2,340,213 clerical salaries
- 11%: \$9,308,796 other salaries (paraprofessionals, custodians)
- 19%: \$15,716,991 contracted services (buses)
- 3%: \$2,788,570 supplies & materials
- 1%: \$828,409 other expenses (professional development, training)

If insurance contributions are added, the total budget becomes \$104,345,526.

- 15%: \$15,545,683 active employee health (FY15)
- 3.9%: \$4,108,546 retired employee health (FY15)
- 0.5%: \$524,396 workers comp, disability, life
- 51%: \$53,183,922 certified salaries (licensed)
- 2%: \$2,340,213 clerical salaries
- 8.9%: \$9,308,796 other salaries (parapros, custodians)
- 15%: \$15,716,991 contracted services (buses)
- 2.7%: \$2,788,570 supplies & materials
- 1%: \$828,409 other expenses (professional development, training)

Neither of the above FY16 budgets includes any potential COLA (Cost of Living Adjustments) for staff as contract negotiations begin in early 2015. They also do not show the grants that the school receives.

Special education expenditures are estimated to be \$6,071,465 of which \$1,857,721 will be reimbursed by the state's "circuit breaker", leaving a net expense of \$4,213,744.

There are lots of challenges and requests during the budget process and unfortunately not everything can be funded. The school works hard to prioritize the requests. Plymouth and most other school districts are struggling with the burdens of unfunded mandates placed on the schools by the State. Most funds are directed at funding the mandates. The schools then have to look at how to manage the needs of the items not included in the budget.

34% of Plymouth students are on a free or reduced lunch program.

Issues that school administrators are discussing with the state:

- Various outside placement special education schools and facilities that provide education to 80 Plymouth students are increasing their fees \$20,000 to \$30,000 or more per student each year. These increases are not announced ahead of time and they do not have transparency. They should be required to show where and how the money is being spent.
- Regional districts get reimbursed by the state for busing costs. Even though Plymouth's area is larger than many of the regional districts, Plymouth does not receive reimbursement.

This is the same presentation that was given to the School Committee and will be given to the Board of Directors and to all 13 schools. The Town Manager and Board of Selectmen will present their proposed budgets at the January 13th joint budget meeting.

Questions:

- Q: If 100% of the electricity is solar generated then why is there still a \$952,237 electricity expense? (J Moody)
A: Yes the schools are 100% solar but it is still not free. We pay about 8 cents per KWhr.

- Q: Does the \$833,844 in solar contributions include both the school and town projects? (J Moody)
A: That is just the school side.
- Q: Are the utility rates locked in? (K Hennessey) Yes the commodity rate is locked but delivery charges may change.
- Nathaniel Morton Elementary School gymnasium is heated and is very hot in the winter, so hot that they have to open the doors to the outside when the children play basketball there. Are there plans to update that old inefficient heating system? (E Kusmin) NStar did an energy audit at each school to determine the cost benefit of converting to new system. Not sure what it said about that particular building but they will check with the school's Energy Manager to see if there is something that can be done.
- Is it reasonable to estimate that any COLA increase would increase the budget by another 2% or so? (J Moody) That is a reasonable estimate but it is not known how long it will take to reach a settlement or what that settlement will be.
- Does the number of children in the free lunch program have a financial implication on the schools? (K Hennessey) The food service program is completely self supporting so it does not affect the budget. Both breakfast and lunch are offered at all schools.
- Do you anticipate any changes to the Common Core curriculum with the new administration coming in? (C Merrill) Schools have invested a lot of money, time and effort in meeting the Common Core curriculum standards so it would not make sense for the new administration to change it. If they did it would serve a major dilemma.
- While the special education budget is increasing, the state funding portion is decreasing. Why is that? (E Kusmin) Plymouth is creating programs to keep more students in Plymouth schools and outsourcing fewer students. By keeping more in Plymouth, state reimbursements decrease but the town ends up saving more in the long run.
- What is the approximate cost to educate a student in Plymouth? (K Lynch) \$13,453 per student. The state average is \$14,021.
- Can anything else be done about the increasing cost of outside placement of special education students? (K Lynch) The Massachusetts Association of School Committees is lobbying for a resolution to make these institutions responsible and transparent and show where the money is spent. They are also hoping to place some sort of regulation or cap on the amount tuition can increase from year to year. Feel free to contact the State Board of Education or your legislators to support this regulation.
- Are Plymouth's schools at their capacities? (K Lynch) School age population is down right now. Special programs have been added to utilize many of the open classrooms though. There is currently a study being done to analyze open space at each school and they will share the report when it is ready.
- How will the new Makepeace/Red Brook property affect schools? (K Lynch) It could have a significant impact on South Elementary, South Middle and South High School populations. Right now there is a preschool program utilizing two classrooms at South Elementary, that program may need to be moved. There is talk with the YMCA about possibly utilizing classrooms in their new facility for kindergarten classrooms. There is potential that redistricting may have to be looked at.

- Is Plymouth responsible for busing students to the outsourced special needs programs? (K Hennessey) Yes and that is subbed out and accounts for about \$2 million of the special needs budget.
- Is anything being done to insource more of the special needs students? (R Gladdys) Yes, the schools are always looking at ways to keep more students in Plymouth but the reality is that Plymouth Schools can not meet the needs of every student.
- Do the SPED Directors utilize attorneys often? (C Bakker) There are 1,800 Plymouth students on IEPs (Individual Education Plans). Each plan is a negotiated contract and is quite complex. Relationships are built with the parents during the process. When negotiations break down it gets difficult and sometimes involve attorneys and take months to resolve.
- You mentioned the new testing that is computer based, do we have sufficient computers to handle that? (J Moody) The schools are going to utilize Chromebooks and carts and a van. There is an elaborate schedule that will move these from school to school. There will be lots of tests done with the wireless systems to make sure they all work properly.
- Is there hope that the State Budget Review Committee might have real tangible outputs that will help? (J Moody) There is certainly hope but will remain cautiously optimistic.

2016 Meeting Schedule

John Moody discussed the 2016 Advisory & Finance Committee's meeting schedule leading up to Town Meeting. Due to Easter and Passover happening the first weekend of April, the date of Town Meeting has changed to Saturday, April 11, 2015.

There was discussion again about the meeting right before Town Meeting. The A&F Rules Committee is going to look at options regarding re-voting an article just before Town Meeting.

Public Comment

None

Old/New/Other Business

None

Meeting Minutes

- November 19, 2014: **Cornelius Bakker made a motion to approve the minutes. Christopher Merrill, second. The motion carries (9-0-3). Richard Gladdys, Ethan Kusmin and Michael Hanlon, abstained.**

ADJOURNMENT

Harry Helm moved for adjournment. Kevin Canty, second. The motion for adjournment carries unanimously (12-0-0).
The meeting adjourned at 8:58PM.

Respectfully submitted,

Kere Gillette