

**MINUTES OF THE
LINCOLN SCHOOL COMMITTEE
November 28, 2006**

Present: Julie Dobrow (Chair), Sandy Hessler (Vice Chair), Laurie Manos, Sharon Antia, Al Schmertzler, Leta Allen (Boston Representative). Also present: Mickey Brandmeyer (Superintendent), Paul Naso (Assistant Superintendent), Buck Creel (Administrator for Business and Finance), Teresa Watts (Administrator of Special Education and Student Services).

Absent: Deneen Trask (Hanscom Representative), Mary Goldstein (Hanscom Representative).

I. Greetings and Call to Order

Ms. Dobrow called the meeting to order at 7 PM.

II. Chairperson's and Members' Reports

Ms. Dobrow commended Kristin Hall and the cast and crew of Romeo and Juliet are Alive and Well. She said it was a great production.

Ms. Hessler said she would not be able to attend the December meetings. She said it might be possible for her to participate by phone but she would not be able to vote. Ms. Schmertzler said he would not be present for a number of upcoming meetings.

III. Public Comments

None.

IV. Consent Agenda

A. Accept Gift from Lincoln PTA

Supporting documentation for \$300 from Lincoln School PTA for new teachers for classroom supplies

The School Committee was asked to accept the donation of \$300 to the Lincoln School for new teachers to defer the cost of supplies for their classrooms.

B. Approve Special Education Program Plan Statement

Document: Special Education Program Plan Statement, Lincoln Public Schools, Updated August 2006

Ms. Manos asked that this item be taken out of the consent agenda for discussion. The School Committee discussion took place in the new business portion of the meeting.

C. Field Trip Proposal: Lincoln School to Gettysburg and Washington D.C.

Documentation regarding Lincoln School Eighth Grade Trip

Teachers from the Lincoln School are proposing an overnight trip for grade 8 students to Washington, D.C. and Gettysburg, PA. A vote of the School Committee to approve the trip is required under School Committee policy IICA.

Ms. Dobrow moved that the School Committee vote to accept items A., Accept Gift from Lincoln PTA, and C., Field Trip Proposal, of the consent agenda. Ms. Schmertzler seconded the motion. All elected members voted in favor with Ms. Allen concurring. Mr. Brandmeyer will send a letter thanking the PTA.

V. Time Scheduled Appointments

A. FY'08 Budget Discussion

Document: Lincoln Public Schools, Budget Discussion Fiscal Year 2008, November 28, 2006

Mr. Brandmeyer said tonight's conversation would focus on: refining information regarding FY'08 budget drivers, seeking agreement to move Hanscom discussion off-line until the District receives the DDESS solicitation, developing strategy to fund increasing special education costs, and determining message points for the presentation to the Finance Committee on December 6.

Mr. Brandmeyer said the School Committee had been provided line item budgets for Lincoln and Hanscom which include all sources of revenue and associated expenses comprising a total operations budget. The School Committee was also provided with budget driver information. Mr. Brandmeyer then presented information on increases in the FY08 base budget for the Lincoln School over FY07 budget.

Mr. Brandmeyer explained the relationship between Lincoln School and central office increases and that a very high portion of the central office increases are the result of non-discretionary special education increases. With funds allocated in the proposed base budget to appropriate cost centers, the central office budget increases 21.7% and the Lincoln School budget increases by 4.9%. Of the 21.7% central office increase, increased out of district tuition costs for special education constitute a very large portion (19.2% of the increase in the base budget) and a much smaller portion is for other central office increases (2.5% of the increase in the base budget). The base budget has no new central office position in it.

Ms. Hessler asked whether there is a way to present the base budget to make clear the central office costs which are special education. Ms. Dobrow said the increase in special education costs is a huge increase over which the District has no control and that this should be presented in the clearest way possible.

Ms. Hessler asked whether the increased special education costs would continue into the future. Ms. Watts said there will likely be some decline in three years but not to where special education costs were last year.

Mr. Brandmeyer said the regular education budget increased by 3.8% and most of this increase was driven by personnel costs. The teachers' contract provides for a 2% increase but there are also step increases and other changes in compensation for teachers. Other personnel contracts, custodians and secretaries, require higher increases.

The special education budget increased by 43.7%. Most of this increase was driven by out of district tuition, personnel and transportation costs. Ms. Hessler asked whether, in addition to the out of district placements, there is an overall increase in special education needs. Ms. Watts said for FY07 staffing was cut by two tutors. This year one of these positions has been reinstated and in FY08 an additional tutor will need to be added because of needs. Mr. Brandmeyer said there are also increased personnel costs for the summer program for special needs students.

Personnel costs increased from FY07 to FY08 by \$305,500. This is an increase in personnel costs of 3.7% of the Lincoln budget to be appropriated from town funds and an increase of 5.2% in the personnel costs on the total operating budget including funds from the town as well as grants, revolving funds and the circuit breaker program. Mr. Schmertzler asked how the 2% teachers' contract increase becomes a 5.2% increase. Mr. Brandmeyer said this is because of step increases, and secretarial and custodian cost of living increases.

Mr. Brandmeyer said the Finance Committee authorized an increase of 3% of the total Lincoln operating budget which would be \$250,000. To meet the personnel budget alone for FY08 will require reduction in existing programs or approval of a preferred budget and a Proposition 2 ½ override.

Ms. Hessler asked about the \$80,000 increase for enhanced longevity. Mr. Creel said FY08 is the last year enhanced longevity will be pensionable. Mr. Creel said this will be up for \$80,000 for three years and that then the number decreases but other teachers can be expected to opt for enhanced longevity in the future even though it will no longer be pensionable.

The Lincoln School FY08 base budget would be \$9,185,132. The preferred budget would be \$9,394,948. The Finance Committee guideline would permit a 3% increase yielding a budget of \$8,604,402. With the base budget there would be a gap of \$580,730. With the preferred budget there would be a gap of \$790,546.

Ms. Hessler asked that the proposal to create a school based special education program which would reduce needs for two out of district placements be reviewed. Ms. Watts said there is the opportunity to initiate a small class of two students, which would initially save some money at the two student level and could save more later. It would be necessary to hire a teacher and buy supplies. The program would be offered at Lincoln with the option to bus students from Hanscom. Ms. Watts said this program would be every bit as good as the likely out of district placements and would have the advantages of being in the home community.

Ms. Dobrow asked whether this program would be flexible enough for students with different needs. Ms. Watts said the personnel skills would be transferable and some but not all materials would be appropriate for others. The program would be appropriate for the two students for two years. Ms. Watts said the District previously offered a similar program at Hanscom with students from Hanscom and that one Lincoln student was bused to Hanscom. This program worked well. Ms. Watts said placement in the program would be a team decision. She believes the parents of the two students identified as appropriate for this program would be supportive of this program.

Ms. Manos asked about the savings that would be realized from this program. There would be savings of \$20,000 to \$25,000 in FY08 and some reimbursement in FY09 which would not come close to covering the costs. Ms. Manos observed that this proposal is different from other proposed new initiatives because it saves money. Ms. Manos asked whether this piece could be shifted to the base budget. Mr. Brandmeyer said this could be done.

Mr. Schmertzler expressed concern that the increased funding for special education for FY08 is a large amount to put in the base budget. He is concerned that the non-special education students will suffer. He suggested that the School Committee could go to the Finance Committee and ask that special funding arrangements be made to fund this expense outside the base budget. Ms. Hessler suggested that a five-year average of the special education costs could be placed in the base budget and the School Committee could ask for relief beyond this. Mr. Brandmeyer said under the circuit breaker program once expenses reach a certain threshold a percentage of the excess over that amount is reimbursed. The circuit breaker program does not pay the entire amount. Ms. Dobrow said the School Committee could discuss with John Robinson and Robert Steinbrook of the Finance Committee whether there are creative options for funding the special education increases. Ms. Manos said an effort should be made to determine what portion of the increased costs is standard and what part is extraordinary.

Mr. Brandmeyer said the special education expenses cannot be moved to the preferred budget because they are from a mandated program. He asked the School Committee whether information about the increase in special education expenses should be shared with the Finance Committee in the December 6 presentation. Multiple School Committee members said yes. Mr. Brandmeyer said it is important to avoid pitting special needs students against regular needs students. He wants to obtain an appropriate program for all students.

Ms. Allen asked whether METCO students are involved in the increased special education costs for out of district placements. Mr. Brandmeyer said if a METCO student were to need an outside placement a team meeting would be convened in Boston and a placement would be found in the Boston schools. There is no impact from out of district placements for Boston students.

Mr. Brandmeyer asked for the School Committee's guidance on strategies for closing the gap. Ms. Dobrow suggested that the administration should look for reductions and that if reductions are made they should be made across the board, meaning they should be in the central office, the lower school, and the middle school.

Ms. Hessler suggested that it might be possible that there could be efficiencies in middle school which might yield a cut which would not be across the board. This would be a function of the small class sizes projected for grades 6,

7 and 8 for next year. Mr. Brandmeyer said for grade 8 there would be 67 students and it might be possible to go to three classes instead of four. This would involve teachers teaching more than one subject and might risk them teaching outside their expertise. Ms. Dobrow commented that this alters the team structure. Mr. Brandmeyer said the projections are for 73 students in grade 6 and 74 in grade 7 which means that if there were only three sections the class sizes would exceed the maximum under the class size policy.

Ms. Manos asked whether there would be any cost savings if the District were to move to all day kindergarten. Mr. Brandmeyer said the District already qualifies for the full day kindergarten grant from the state even though the current program is only 85% of full time. A move to full time would result in savings for transportation due to the decreased mid-day bus run, but increases for staff. Mr. Brandmeyer said he would prefer to recommend a move to full time kindergarten for educational reasons rather than for financial ones. Mr. Creel said kindergarten teachers are being carried at 0.8 FTE and with a full time program they would be increased to 1 FTE which would increase costs.

Ms. Antia asked about possible educational advantages of full day kindergarten. Mr. Brandmeyer said there is research on the advantages of increasing from 50% of full time to full time but the Lincoln School program would be increasing from 85% to 100% and there is little or no research on this. Mr. Brandmeyer said since kindergarten is optional parents would be able to opt out of all day kindergarten but it is optimal for students to attend the entire program because it is very disruptive when students come and go.

Mr. Creel spoke about variable expenses and whether there could be savings because the District has had a sustained period of lower enrollment. Mr. Creel said he took the FY07 variable expenses for the Smith and Brooks schools and divided each by the number of students in the each school. He then increased this per student number for each school by 3% for inflation and then multiplied it by the number of students. This resulted in an increase of \$1,746 for FY08 over FY07. Mr. Creel said these could be level funded or decreased but it would not do anything demonstrable to the budget. This method has also effectively already adjusted the budget for declining enrollment.

Ms. Hessler observed that transportation costs have increased while enrollment numbers have been going down. Ms. Dobrow said if one bus could be eliminated it would save \$50,000 but she wanted to know what the consequences would be in terms of time on the bus for students.

Ms. Manos suggested that there might be room to tighten the supplies budget. She said she would rather cut student planners and supplies than teachers. Mr. Brandmeyer said if the budget is decreased it will no longer be level programming. He said he knows there will have to be some cuts to reach a base budget. Ms. Hessler suggested thinking about supplies in terms of what is essential and what is nice to have. Mr. Creel said these funds are all allocated by principals on a site basis. This is money for teacher initiatives in addition to supplies. Ms. Dobrow said the gap will need to be closed. The administration should look for ways that will not reduce programs or teachers.

Ms. Hessler asked about using private funds such as booster clubs for athletic programming. Mr. Brandmeyer said it is dangerous to rely on booster clubs for core programming. Ms. Hessler also suggested that athletic participation be analyzed to see the effect of the lowered athletic fees. Ms. Manos asked whether fees could be charged for participation in middle school theater productions. Mr. Brandmeyer said this is possible but difficult since the productions are partly extracurricular but also take place during the elective block in the school day. Ms. Hessler asked about the equity of charging fees for sports but not theater and suggested that fees for theater could be worth considering.

Ms. Hessler observed that food services salaries were up approximately \$13,000. Mr. Creel said this went from a shared full time position to a single full time position held by a person with higher skills. The kitchen staff is supported through a revolving fund of lunch program receipts. Mr. Creel allocates \$5000 from each campus from

the revolving fund toward the food services director's salary.

Ms. Dobrow asked about energy cost projections and whether Mr. Creel had learned anything from other town agencies. Mr. Creel said he had learned that the Bedford town administrator was projecting a 10% increase in energy costs. He said he is working to keep level funding in energy costs.

Regarding message points for the Finance Committee, Mr. Brandmeyer said his goal is to have a level service budget increase from FY07 to FY08. This puts the budget above the Finance Committee recommendations. The presentation will explain about special education placements and mandated services which must be in the base budget that put pressure on the regular education budget. Background will be provided on enrollment projections. Mr. Brandmeyer said he will not be prepared on December 6 to bring reductions from the current base and preferred budget recommendations. The process and steps up to this point can be described. Mr. Brandmeyer said other town department may be prepared to present their base budgets next week. He said the District will be able to present their base and preferred budgets on a timeline that works for the Finance Committee but they will not be ready with base budget recommendations next week.

Mr. Schmertzler asked about the possibility of presenting smaller fewer sections to the Finance Committee with the understanding that if the classes are larger the District can ask for more funds. Mr. Brandmeyer said for kindergarten he is projecting three classes but could need four and for second grade the numbers are also close. Ms. Dobrow, Mr. Brandmeyer, and Mr. Creel will put together the presentation. All other School Committee members are welcome to attend as this is an opportunity to hear what other agencies are doing, get feedback on the School Committee budget, and put the overall town budget in context.

B. Contract Proposal for Electricity Purchasing

Mr. Creel explained that currently the District purchases electricity from NSTAR on a "basic service" (default) basis for the Lincoln Campus. The Lincoln Water Department also purchases on this basis. The current fixed rate is slated to increase in January 1, 2007. The Water Department is interested in adding their electric load to the Schools' load to obtain more attractive pricing. Energy contracts are exempt from the bidding provisions of MGL Chapter 30B. Mr. Creel has received quotes from four vendors. Each proposal is different. There are opportunities for two types of contracts. An all in price contract would include all charges such as congestion management, forward capacity, and others and the burden of uncertainty about these costs would fall on the vendor. With a pass through contract, the cost for electricity would be lower but all these additional charges would be passed onto the District permitting less certainty about these costs and more risk of increases. There are opportunities for five year contracts. Mr. Creel said he will take a model the FY06 electricity consumption and look at what the costs would be with four vendors. He said he will have contract recommendations next week.

Mr. Creel asked for School Committee members thoughts on whether to go with an all in or pass through contract. Ms. Hessler said this depends on the differential. Mr. Creel said the cost of electricity will be tied to the cost of natural gas in this region and this is weather dependent. He said the pricing trend appears to be up. Mr. Creel said he will be also looking at whether vendors will be able to live up to a five year agreement.

VI. Superintendent's Report

Mr. Brandmeyer said he, Mr. Naso and Ms. Trask met with Lieutenant Colonel Parker, the head of the Hanscom base and talked about the schools at Hanscom.

VII. Curriculum

None.

VIII. Policy

None.

IX. Facilities and Financial

A. Warrant Approval

Ms. Manos said she has examined warrants in the amount of \$616,313.03 and they appear to be in order. She moved that the School Committee vote warrants in the amount of \$616,313.03. Ms. Dobrow seconded the motion. All elected members voted in favor with Ms. Allen concurring.

X. Old Business

Ms. Allen reported that there will be recruitment opportunities at the METCO Directors' Conference which is being held on December 15 and that Mr. Brandmeyer should talk with Ms. Horner if there is interest in recruiting at this event.

XI. New Business

The Committee discussed the Special Education Program Plan Statement which was taken out of the consent agenda. Ms. Watts said this form is required by the State in years when there will be a mid-cycle review or full compliance review. The signatures of the superintendent, the director of special education, and the chair of the School Committee are required to indicate knowledge of and compliance with laws and processes. Ms. Watts said new federal regulations were finalized effective October 13, 2006 and the state interpretations are being updated now.

Ms. Dobrow moved that the School Committee approve the Special Education Program Plan Statement. Ms. Hessler seconded the motion. All elected members voted in favor with Ms. Allen concurring.

XII. Approval of Minutes

Ms. Dobrow moved that the November 16, 2006 minutes as amended be accepted. Mr. Schmertzler seconded the motion. All elected members voted in favor.

XIII. Information Enclosures

XIV. Adjournment

Ms. Dobrow moved that the open session be adjourned to executive session not to return to open session for the purpose of discussing negotiations. Ms. Hessler seconded the motion. The motion was accepted by the following roll call:

Ms. Dobrow – yes

Ms. Hessler – yes

Ms. Manos – yes

Mr. Schmertzler – yes

Ms. Antia – yes

Ms. Allen – concurs

The meeting was adjourned at 8:50 P.M.

Respectfully submitted,

Sara Rolley, School Committee Recording Secretary