

**Minutes
Lincoln Finance Committee**

**Virtual Meeting Pursuant to Governor Baker's March 12, 2020
Order Suspending Certain Provisions of the Open Meeting Law**

**January 23, 2023
7:30 pm ET**

Finance Committee Member Attendees: Andrew Payne (Chair), Paul Blanchfield (Vice-Chair), Gina Halsted, Fuat Koro, Nancy Marshall, Rich Rosenbaum, Ellen Meyer Shorb.

Others present: Colleen Wilkins (Town Finance Director), Dan Pereira (Assistant Town Administrator), Jennifer Glass (Town Select); Jim Hutchinson (Town Select); Kirsteen Patterson (LSRHS Finance Director), Audrey Kalmus (Capital Committee), Dr. Becky McFall (LPS Superintendent); Mary Ellen Normen (LPS Finance Director); Tara Mitchell (LPS School Committee), Bella Wong (LSRHS Superintendent), Susan Taylor (LPS School Committee), John MacLachlan (LPS School Committee), Gary Taylor, Andy Wang, Heather Cowap.

Introduction

The meeting (via Zoom) was called to order at 7:32pm and it was noted the meeting was being held in accordance with Governor Baker's Order Suspending Certain Provisions of the Open Meeting Law and that the meeting was being recorded. Members introduced themselves and the agenda was reviewed.

Andy Payne reviewed the FY24 Budget Process, highlighting that this meeting was the 2nd Budget Workshop for FY24 and an opportunity for the Finance Committee to hear what has changed in the draft budgets from relevant Town Departments since the December workshop.

Lincoln Sudbury Regional High School

Superintendent Bella Wong shared the same presentation that will be presented to the LS School Committee for their public hearing and eventual approval. LSRHS anticipates meeting the Lincoln and Sudbury budgetary guidance (the latter being more restrictive, 3.3%, inclusive of OPEB and insurance; the Lincoln guidance applies to discretionary elements, a subset, thus the net effect is closer to 4%.) The numbers in the budget remain unchanged from the December presentation, with a gap of \$157,320 which will be mitigated. There is a change in the capital requests: the funding request for lighting controls was not approved and the external stairwell replacement request was reduced to only cover design work.

Paul Blanchfield asked how the budget reflects projected declining enrollment. Ms. Wong confirmed that enrollment continues to decline and that the school has been using natural attrition to reduce FTE, while median class size has held steady. In a few years, the school is projecting a plateau in student population.

Capital Planning Committee

Audrey Kalmus presented a review of Cash Capital requests. Original requests were about \$1.5M. Total approved amount is \$774,081, which is \$5,211 under the guidance amount.

Mr. Payne asked how much is in the Enterprise Fund proposed to fund the ambulance. Colleen Wilkins explained that the revolving fund has \$544k, split between general fund and the revolving fund, and said

she will do an analysis of this split. The cost of ambulances has dramatically increased. The ambulance is being recommended as a Preferred budget item, funded from the enterprise fund. Mr. Blanchfield asked if there is a risk of recommending that security cameras go under ARPA. Ms. Wilkins replied, no and that we have \$340k of ARPA funds left. Mr. Rosenbaum asked about the risk of a clawback of ARPA funds. Ms. Wilkins explained that we have \$340k available, \$700 in requests, and thus will be able to use the full amount.

ARPA priority projects were reviewed. Mr. Payne noted that the ambulance is being recommended as a Preferred Item for capital funding.

Town Of Lincoln

Ms. Wilkins presented the Town Operating Budget, which calls for a budget of \$10.9M and is in line with the +2.5% budget guidance as provided by the Finance Committee. Preferred Item requests include Early Voting Staff Support (\$13K); the Mowing Contract will be paid for elsewhere; Green Energy contracts FY '24 need an additional \$60k (not including the Water Department); all are ongoing costs.

The total preferred request is \$73k.

Lincoln Public Schools

Mary Ellen Norman, LPS Finance Director, provided introductory comments, including: enrollment is down, staff has decreased sections due to a declining number of students, there is an increase in staff for special needs support and specialists. Becky McFall clarified that variations don't necessarily mean head count has changed although how they are used changed. The Governor's budget fully funds circuit breaker (\$470k to \$704k to apply to special education tuitions). Over 70% of the budget is personnel.

There are two gaps: the base budget and improvement initiatives. Improvement initiatives were \$51k; this amount will be taken from the Personnel Control Account. Preferred Items requested are: +1% COLA for contract negotiations (\$72k), one FTE and additional time for Instructional Coaching, and .6 FTE for an Adjustment Counselor/ Social Worker/ BCBA (Board Certified Behavioral Analyst) for a total of \$383k. The budget document will be finalized after the School Committee votes to approve.

Nancy Marshall asked, how do you identify students that need more academic rigor/challenges beyond parents making such a request? Dr. McFall said through screening assessments (intervention support and students that have met benchmarks and are ready for more). In addition, teachers identify needs as the year progresses. Ms. Marshall also clarified, if you bring students back in-house from out of district through LPS programs, that incurs cost savings, however, if students are retained and not outplaced because of programs at LPS, this is cost avoidance, not saving.

Fuat Koro asked why Instructional Support added an FTE while enrollment went down. Dr. McFall answered that the number of students identified for special education has increased. In addition, especially post pandemic, there are more students with greater needs. Students who are dysregulated behaviorally cannot be kept in the classroom without increased professional support.

In response to questions from Mr. Blanchfield, Dr. McFall said that the school will be analyzing existing models for Instructional Coaching but that the data is more qualitative than quantitative. John MacLachlan confirmed that there is strong support from the School Committee for these initiatives.

Mr. Payne asked how (or “if”) Instructional Coaching scales linearly if the budget scales down. Dr. McFall replied that this has been scrubbed down internally and in fact, it is not effective if scaled down. The proposal is for coaches for three age groups in order for each coach to know each group well.

Jim Hutchinson noted that there is a fixed price contract with Eversource so why do we need 2-3 years of data? Ms. Norman said that this is to confirm use and that she will take this conversation offline in order to discuss with more detail.

Mr. Hutchinson asked if the class size policy of LPS is the primary driver of cost/student. Dr. McFall answered that yes, our per pupil expenditure is high because we are a small, split district, and lack the freedom to move funds around the whole district thus there are no economies of size. The greatest driver is personnel – we would have to reduce staffing (and have been doing through attrition) or programming (we have specialists whose course loads do not match FTE to whom we give additional responsibilities rather than hire part-time and lose personnel) and/or increase class size. Most of our teachers are at the top step due to our low level of turnover which is unusual, particularly for an elementary school.

Budget Discussion

Mr. Blanchfield presented a working draft (the “mini model”, focusing on the most discretionary items) of the FY24 Town Budget based on the presentations from relevant Town Committees. The Committee discussed the draft, including the impact on Stabilization (last year we contributed \$1.1M, in FY20 we drew down, FY24 added \$1.4M, and current Stabilization Fund balance is \$3.6M), Reserve Fund, Capital Expense, etc.

Fuat Koro asked if there are any items we want to focus on. Mr. Payne noted the “cusp” item is the LPS preferred budget. Mr. Blanchfield noted this is a 5% increase in budget in the context of 2.5% guidance, but the School Committee has yet to vote that this is important; funding \$1.4M to the Stabilization Fund is more than we’ve put away in quite a few years, and the Town can afford to fund these preferred items from a financial health perspective, but there will be a property tax impact in future fiscal years to reflect whatever is supported for FY24.

Consensus was to wait to approve the budget until the February 2 meeting. Mr. Blanchfield suggested we wait for feedback on the teacher negotiations and with respect to Instructional Coaching, examples that we can share from other districts, even if that is qualitative, validated feedback. Mr. Koro offered that, beyond benchmarks, Lincoln may want to lead.

Financial Report Timeline

Mr. Payne asked that every Finance Committee member submit their section of the Finance Report to him by February 7.

Liaison Updates

There were no liaison updates.

Other Business

Mr. Blanchfield suggested the Finance Committee discuss (after Town Meeting) how to present valid data to Town citizens to counter erroneous data in public forums.

Review & Approve Past Minutes

The Committee reviewed proposed edits for the draft minutes for the December 13, 2022 meeting. Rich Rosenbaum moved to adopt the minutes as amended. Ms. Marshall seconded the motion. The motion passed unanimously by roll call vote.

Closing

There being no other business, Ms. Marshall made a motion to adjourn the meeting. Mr. Koro seconded. The motion passed unanimously by roll call vote and the meeting adjourned at 9:59 PM.

Respectfully submitted,

Ellen Meyer Shorb