

Warrant Committee Education Subcommittee
Joint Meeting with the School Committee Finance Subcommittee
May 17, 2022 4:00 PM
Remote Meeting via Zoom

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TOWN CLERK
BELMONT, MA

DATE: June 21, 2022
TIME: 9:13 AM

Meeting Minutes

Members in Attendance

Warrant Committee Education Subcommittee: Anne Helgen, Paul Rickter, Jack Weis

School Committee: Mike Crowley, Meg Moriarty, Jamal Saeh

School Department Administration: Superintendent John Phelan, Finance Director Tony DiCologero

Others: Geoff Lubien

Call to Order

The meeting was called to order at 4:00 PM.

FY 22 Q3 Budget Update

We began the meeting with a brief acknowledgement/thanks to Tony for the most recent budget materials/book that he provided to the Town Clerk. Based on a preliminary review of that material, it appears that the tables included in the book incorporated most, if not all, of the information that the Ed Subcommittee had requested at the end of last year, particularly information regarding actual FTEs.

Tony walked through his customary Excel spreadsheet. The department is currently projecting a positive General Fund variance of about \$850,000 at year end. The big drivers of that positive variance are:

- A savings of about \$690,000 in total salaries.
- A savings of about \$150,000 in substitutes, due to a combination of fewer substitutes needed, somewhat lower costs for the substitutes hired, and an unanticipated reimbursement of about \$48,000 from the state. (Tony also explained that if a teacher goes out on "paid" leave, the cost of the replacement is booked to the "substitute" line because the original teacher is still being paid. If the teacher is on "unpaid" leave, the cost of the replacement is booked to the salary line. In that way, FTE headcounts are not impacted by teacher leave.)
- A savings of about \$100,000 in fringe benefits, and a savings of about \$100,000 in the three school expense lines (elementary, middle, and high school).

Those savings are offset by a negative variance of about \$425,000 in district-wide expenses, which is driven primarily by the cost of renting tents in order to allow for greater social distancing. Tony explained that the cost of the tents was not in the FY 22 budget, and that the original expectation was that this cost would be covered by ARPA funds. However, the tents needed to be purchased before the department knew how ARPA funds could be used, so the cost was initially booked to the General Fund. Ultimately, it was determined that ARPA funds could be used for this expenditure. But, while covering that cost out of ARPA would have resulted in lower General Fund expenditures, it would have also lowered the amount of ARPA funds available for other uses, including ARPA funds going to the School Department to support

other needs. Consequently, the decision was made to continue to cover this cost out of the General Fund.

There is also a projected negative variance of about \$85,000 in Special Education expenses, primarily due to more students being on IEPs.

John and Tony noted that the projected \$850,000 positive variance could be impacted by a negotiated settlement of the teacher contract and by the closing of the EDCO Collaborative.

The discussion then turned to the revolving accounts. Noteworthy observations included:

- The positive variance in the Food Service account is driven by the free lunch program being funded by the federal government. Per John, this is a temporary situation.
- The negative accruals in “balance from operations” in the School Building Rentals account is attributable to the fact that the department has not rented the high school this past year (due to a combination of the lack of demand in the aftermath of COVID and the department wanting to become more familiar with the new building), and that the fees charged to the elementary after-school programs were kept flat.
- The negative accrual in the Busing Fees account reflects a residual impact from the lower utilization last year.
- The positive balances in the other accounts are attributable, in some cases, to a timing difference (all the fees having been collected, but not all of the costs having been incurred yet), and, in some cases, to a higher percentage of program costs being budgeted to be covered by the General Fund in FY 22.

The discussion then turned to grants. John noted that the ESSER II funds will be fully expended in FY 22. He expects about a \$200,000 balance in the ESSER III grant, which, when combined with the ARPA funds being requested of the Select Board, will cover the School Department’s projected COVID-related expenditures in FY 23.

The meeting was then opened up to members of the public for questions or comments. Bill Anderson asked a question about the timing of salary payments to teachers. John explained the options teachers have for when their salary is paid during the year and the impact that those choices have on the run rate of the total budgeted salary line items. Given the way a majority of teachers elect to be paid, salary expenditures tend to be backloaded, with more expenses incurred at the end of the year.

Adjournment

The meeting was adjourned at 5:16 PM.