

Budget Collaboration/Financial Summit 7
April 12, 2007

A joint meeting of the Board of Selectmen, School Committee and Appropriation Committee was held on Thursday April 12, 2007, at 6:30 p.m. in Cary Auditorium. Present: Chairman Krieger, Mr. Cohen, Mr. Manz, Mr. Burnell; Mr. Valente, Town Manager, Ms. Pease, Executive Clerk; all members of the School Committee, with the exception of Mr. Sakhuja; Mr. Ash, Superintendent; Ms. Dunn, Assistant Superintendent; and all members of the Appropriation Committee, with the exception of Mr. Cole and Mr. Michelson.

FY2008 State Aid Discussion

The Legislators have indicated that the additional \$640,000 in state aid for Lexington can be counted on. The Selectmen and School Committee discussed three options for the money: 1) put into Stabilization Fund for Special Ed; 2) let the Schools use the entire amount to help defray the override amount; or 3) divide the money between the schools and town 71/29. A majority of the Selectmen feel the additional State Aid should be used to defray the Schools override amount.

Mr. Diaz mentioned that a bill has been submitted that would increase Lexington's Metco amount by 10% or approximately \$140,000.

Mr. Diaz is assuming that the same process will be followed as last year regarding any special education overruns. If there are any negative changes in revenue: 1) look for surplus; 2) discuss with the summit group the availability of free cash; 3) use any late breaking state aid, like \$140,000 additional funding for Metco; 4) ask for appropriation from reserves; or 5) request funds from the stabilization fund.

Upon motion duly made and seconded, it was voted 4-0 to allocate the additional \$640,000 in state aid money to be used by the schools ostensibly to keep the override as low as possible.

The Appropriation Committee made the same motion and the vote was 5-1-1.

Selectmen's Vote of Override Question and Date of Election

The budget will be discussed at Town Meeting on April 23 and the DPW Building will be discussed on April 25. If the budget article is not finished on April 23 it would be continued on April 30. The Selectmen would have to vote the question(s) on April 30th in order to have the override on June 4.

It was proposed that the override vote be on June 5, but no later. The School Administration has to inform those holding positions on the at-risk list by June 15, so asks that the date for the override be no later than June 5.

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Consideration of Article 42 (FY2007 Shortfall) before Article 21 (Operating Budget)

The group was asked if Article 42 should be taken up prior to Article 21. The Appropriation Committee would like to have the information for Article 42 available prior to voting on Article 21, but does not believe Article 42 needs to be taken up prior to Article 21. The Appropriation Committee did ask when information and numbers would be available and what numbers they expect might change.

The School Committee passed out an information memo stating that the projected net school deficit for FY2007 is \$603,231, which is composed of increased SPED (\$522,744) and utility costs (\$280,487). The Appropriation Committee asked if any changes needed to be made to the FY2008 budget.

The Selectmen and Town Manager need to figure out how to cover the schools deficit.

Town Meeting will need to vote whether to take up Article 42 prior to Article 21, but Selectmen will not have discussed or voted on their position at the time Article 21 is considered. The group feels it is most important to get information regarding Article 42 to Town Meeting, but do not want to reverse Articles 21 and 42.

Executive Session

Upon motion duly made and seconded, it was voted by roll call 5-0 to go into executive session for a discussion of collective bargaining, with no intent to resume open session.

Upon motion duly made and seconded, it was voted to adjourn at 8:00 p.m.

A true record; Attest:

Lynne A. Pease
Executive Clerk