

December 5, 2007

Minutes
Town of Lexington Appropriation Committee
December 5, 2007

Place and Time: Town Office Building, Room 111

Members Present: Alan Levine (Chair), John Bartenstein (Secretary), Deborah Brown, Rod Cole, Pam Hoffman, Susan McLeish, Mike Kennealy

Also present - Michael Young (Budget Officer), George Burnell, Selectman, Tom Diaz (Chair – School Committee), and Tom Griffiths (member – School Committee)

The meeting was called to order at 7:38 p.m.

1. **Burlington Plan and Reserves.** Deborah Brown distributed a memo outlining the Burlington Plan – essentially, the methodology used by the Town of Burlington to address special education funding. George Burnell was invited to the meeting as he had expressed some concerns regarding the Burlington Plan. One major goal of the proposal is that responsibility for overruns should belong to the Town as a whole rather than only with the schools so that the rest of the school budget then doesn't automatically have to cover any shortfall. Transparency is a second major goal, i.e., a clear delineation of SPED out-of-district and transportation expenses from the rest of the school budget would enable a clearer consideration of each part.

The discussion covered potential under-budgeting of SPED expenses when the budget estimates only account for students known or reasonably expected to require out-of-district placement, whether the proposal will necessitate a change in management authority, what entity will have the responsibility for overruns, the issues that would be raised if overruns occur many months before Town Meeting could act, how much should be put in reserve, and where reserves should be kept. Details of how the proposal could be implemented were also discussed, including whether to move SPED out-of-district and transportation costs from the school budget to Shared Expenses or to a separate line item in the education part of the Town budget like the line item for Lexington's share of Minuteman Regional High School expenses.

There was discussion of how a SPED line item would be handled in the annual development of the budget, i.e., whether it would be allocated together with other nondiscretionary spending first and how it would impact the school/municipal revenue split. It was noted that it would be possible to treat a SPED line item as a shared expense even if it was not in that part of the Town budget.

It was stated that the issues for the Committee can be summarized by three questions:

- Should there be a separate line for SPED expenses, and, if so, where?
- Who/what is responsible if expenses come in over budget?
- Should there be a reserve structure and how should it work?

Alan Levine asked for the Committee's feel regarding a separate line item and if there is an overrun, who would be responsible until Town Meeting acts? The Committee agreed with the idea

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of a separate line item. There was also agreement that the line item should not be a shared expense. Committee members expressed the opinion that, if a lot of money is needed to cover an overrun, Town meeting involvement in the decision making would be beneficial.

Reserves to cover SPED overruns were discussed. It was suggested that the amount in the Reserve Fund should be increased to cover a portion of such overruns. If that is not adequate, then the Town would go to reserves in specific line items, then the stabilization fund. A protocol for handling overruns needs to be drafted. Alan Levine suggested that we table the conversation on overruns for another meeting.

2. **Future Meetings.** The December 18 meeting was moved to December 19 and plans were made to meet on January 3, January 9, in conjunction with a Budget Summit meeting on January 16 followed by our own meeting, and also on January 22.

3. **Minutes.** The minutes of November 13 were approved. The minutes of February 8 were approved as amended. Alan requested that those in arrears on minutes to please do what they could to get up to date.

4. **Miscellaneous.** The financial implications of police personnel issues, e.g., potential legal expenses, were briefly discussed. Alan Levine indicated that the DPW building had been demolished and the groundbreaking for the new building had occurred.

The meeting was adjourned at 10:20 p.m.

Respectfully Submitted,

Susan McLeish

Approved February 21, 2008