



LOWELL SCHOOL COMMITTEE
Henry J. Mroz Administration Office
155 Merrimack Street
Lowell, Massachusetts 01852

John J. Leahy
Mayor and Chairperson

Finance Subcommittee Meeting

Tel: (978) 674-4324
Fax: (978) 937-7609

Andre P. Descoteaux
Vice-Chairperson

Wednesday, April 8, 2020
Zoom Virtual Meeting
5:00 p.m.

Hilary Clark
Michael Dillon Jr.
Robert J. Hoey Jr.
Connie A. Martin

Subcommittee Members Present:	Chairperson Connie Martin, Andy Descoteaux and Robert Hoey
School Committee Members Present:	Mayor Leahy, Hilary Clark, Jackie Doherty and Mike Dillon
School Department Personnel Present:	Dr. Joel Boyd, Superintendent of Schools Billie Jo Turner, Chief Financial Officer

This meeting is being held remotely in accordance with the Governor of Massachusetts' March 12, 2020 order suspending certain provisions of the Open Meeting Law G.L. 30A, Section 20.

Chairperson Martin called the meeting to order at 5:00 p.m. The following agenda item was discussed:

1. Budget Update

Ms. Martin asked Superintendent Boyd to address the Subcommittee. Superintendent Boyd stated that the district is working with the projected funding amount from the Student Opportunity Act (SOA) year one (1) roll out, but now with the impact of the Coronavirus the economic conditions are unclear. He stated that the Massachusetts budget that is provided to the cities and towns will be late due to the volatile environment that we are in. He stated that the state's rainy day fund presently has \$3.4 billion dollars and the federal stimulus package is slated to provide over \$200 million dollars to Massachusetts so they're a lot of moving parts, but at this time the district will proceed conservatively. Superintendent Boyd then asked Ms. Turner to speak to the Subcommittee and to share the PowerPoint presentation.

Ms. Turner informed the Subcommittee that the anticipated balances for the current year are as follows:

- Payroll \$298,000
- Transportation \$700,000
- Substitutes \$350,000
- Out of District \$298,000

She stated that this gives the district a total of \$1,606,000, however we would need to deduct \$200,000 from that amount due to being short \$200,000 in the sick leave buy back account. She also stated that the amounts are based on assumptions and could change instantly and drastically. She stated that moving forward the district has an opportunity with this possible projected revenue to pre-purchase supplies which will alleviate delays of needed supplies on the first day of school, spend less grant money this year which will allow the district to spend more of the available local budget balance now and allow us to carry grant money forward into the next fiscal year, and to charge more to the local budget balance which results in charging less to the revolving account which then would give the district higher “rainy day” funds.

Ms. Turner then spoke about the Student Opportunity Act (SOA) and how that has changed how Chapter 70 funds are allocated to the district. She stated that in FY21, the Lowell Public Schools is slated to receive \$12.7 million, approximately \$800 per student, through the first year of the SOA roll out, but at the same time the district will experience an increase in fixed costs of \$6.5 million due to embedded step increases in collective bargaining agreements and increases to healthcare premiums, leaving a difference of \$6.2 million or approximately \$400 per student for strategic investments in the classroom.

Ms. Turner then spoke about average staff cost and provided a spreadsheet to the Committee that shows schools using average cost rather than actuals. She stated that this eliminates some schools seeming more expensive if they have older teachers. She provided a spreadsheet that included showing current year allocations to allow for a year to year comparison with next year’s allocation. She informed them that twenty-eight (28) school budgets have already been defended and provided the Subcommittee with all of the budget guidelines the schools had to follow, the net staff changes that have been added, and the next steps with a timeline.

Ms. Turner concluded by stating that due to the city expressing concerns about the impact of the Coronavirus on our funding, they have drafted the following brief back up plan:

- Maintain Status Quo which would cost \$6.5 million (\$5.4 million in step increases plus \$1.1 health insurance increase)
- Maintain Status Quo plus the increases to schools - \$8.5 million
- Review and consider all voidable contracts for cancellation
- Consider hiring freeze for vacant positions
- Last and most unlikely: Reduction in Force

Subcommittee members and Committee members asked multiple questions about the number of times the School Site Councils met as well as funding not being added to the Athletic budget.

Ms. Turner stated that she can provide the Committee with information that shows the percentage of what goes towards Athletics, Arts and Academics at Lowell High School.

Mr. Descoteaux made a motion to accept the report as a report of progress; seconded by Mr. Hoey. 3 yeas APPROVED

Mr. Hoey made a motion to adjourn at 6:21 p.m.; seconded by Mr. Descoteaux. 3 yeas APPROVED

Respectfully submitted,

Billie Jo Turner, Chief Financial Officer
for Dr. Joel Boyd, Superintendent and
Secretary, Lowell School Committee

BJT/mes