

**The Hamilton Wenham Regional
School Committee Meeting
Wednesday, January 3, 2018 7:00pm
Buker School Multi-Purpose Room**

Present:

Jeanise Bertrand
Stacey Metternick
Kerry Gertz
Joshua Liebow, Chair
Gene Lee
Michelle Bailey
David Polito

Also Present:

Michael Harvey, Superintendent
Jeffrey Sands, Assistant Superintendent for Finance and Administration
James Goudie, Student Government Representative

1. Call to Order

Joshua Liebow called the meeting to order at 7:06 pm.

2. Pledge of Allegiance

3. Citizens' Comments

Dave Molitano, Resident & Member of Wenham Finance Committee: Indicates he has concerns and questions about the School District's Budget. Notes that he is willing to ask now or during the budget discussion, as the committee wishes. Questions focus around Gale report, capital projects, and other thought processes around expenditures. By his calculations, the totals Turf Field project shows no financial benefit.

Josh Liebow and David Polito clarify that the financial relief isn't seen until phase 2 of the project.

Michael Harvey adds that the current fields are only used for a specific set of purposes, whereas the new field would provide more variety of uses as well as opening up town fields for other uses by the recreation department or community.

Members of the school committee & David Molatino discuss the phases of the project and at what point issues and benefits would be addressed and realized.

Dave Molatino asks if the committee has looked at the logic of the phases in the order they are in and whether the reductions offered by phase 1 specifically have been broken down.

Jeff Sands: The athletic director has done additional analysis, but this is not available at tonight's meeting.

Dave Molatino: Brings up the overall goal of school improvement, and mentions the total capital improvements listed is \$18.7 million dollars.

Josh Liebow clarifies that the number is over a five-year period.

Discussion regarding the capital improvement list, town's input, etc.

Jeff Sands: States that the list was first developed by the administration office three years ago, and highlights the fact that the left hand side demonstrates the categorization of each item. Jeff states that at the time this list was prepared, there were no imminent proposals regarding the Turf Field. As a result, the only focus was proposing the FY18 column that could be funded through the FY18 operating budget. The calendarization of all other items was a proposal that Jeff brought to the school committee. Since then, the subcommittee has been working with administration to progress the majority of list into FY18 and beyond.

Discussion regarding the fire suppression system and other project increases, and the fact that many of the numbers listed were listed as placeholders from all obtainable evidence or quotes offered. Since then, costs have increased, or more accurate numbers have been obtained, although they may change again.

Jeff Sands asks for specific questions.

Michelle Bailey reminds committee and community of the 3-minute comment policy. Posits that next committee meeting is a public hearing on these specific issues and thus the committee would be better equipped to answer these types of questions at next meeting.

Dave Molatino states that he will email specific question to Dr. Harvey so they will be addressed at next meeting.

4. Chair's Report

- Happy New Year and snow day tomorrow, 01/04/2018 due to impending blizzard.

5. Superintendent's Report

- MSBA will open Statement of Interest process January 5th, 2018. Process is all online. Account has been created, and Statement will be submitted through portal by Friday, April 6th, 2018.
- Invitation from Triton Regional School Committee was sent to HWRSD committee members to attend meeting with Suzanne Bump, state auditor. This meeting will have local state representative and senators in attendance. Suzanne will talk about success, state guidelines and recommendations, improving financing and organizing of regional schools, etc. Thursday, 01/25/18, 6:30 pm at Triton Regional High School. Everyone is invited and encouraged to attend.
- Preparations for Chinese students visiting HWRSD. Great experience for all.
- Upcoming meetings:

- 01/17/2018 public hearing on FY19 budget; presentation from architects about school libraries, general budget review;
- 01/24/2018 budget workshop meeting;
- 01/31/2018 budget review continued, as well as school choice hearing and committee vote;
- 02/07/2018 second meeting with FINCOM;
- 02/14/2018 conclude budget review; hold second public hearing on FY19 Budget, and committee scheduled to vote on adoption.

Jeanice Bertrand would like to suggest an alternate day to 02/14, as many might have plans.

Discussion re: 45 day limit and benefits of rescheduling 02/14 meeting.

Josh Liebow will provide a survey about availability, but warrant subcommittee meeting will still take place on 02/14.

6. Consent Agenda

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| a. Minutes | |
| ● November 21, 2017 Executive Session | EXHIBIT A |
| ● December 6, 2017 | EXHIBIT B |
| ● December 7 2017 Joint Boards Meeting | EXHIBIT C |
| b. Warrants | |
| ● December 6, 2017 | EXHIBIT D |
| ● December 20 2017 | EXHIBIT E |
| c. Field Trip - Ski Club to Gunstock and Sunday River | EXHIBIT F |

I MOVE THAT THE HAMILTON-WENHAM REGIONAL SCHOOL COMMITTEE APPROVE THE CONSENT AGENDA: MINUTES FROM 11/21 EXECUTIVE SESSION, 12/6, AND 12/7 JOINT BOARDS MEETING, AS WELL AS WARRANTS FROM 12/6, AND 12/20, AND THE FIELD TRIP REQUEST TO SUNDAY RIVER.

**MOTION by Kerry Gertz; SECONDED by Jeanice Bertrand.
Unanimously approved by 7 members present.**

7. New Business

- a. Superintendent's Recommended FY19 Budget Presentation** EXHIBIT G

Michael Harvey and Jeff Sands present FY19 Superintendent's Budget Recommendation School Committee Presentation, as shown in Exhibit G.

Michael Harvey: This kicks off the public portion of the FY19 budget process. Thank you to all for input and hard work thus far.

- b. FY19 Budget Review**

Jeff Sands: Overview of the presentation, broken down into 4 segments. First segment is an overview of the process. Second segment will detail the “level service” and what that entails. Michael Harvey will review critical priorities that administration is recommending for FY19. Jeff Sands will then go over the expenses, revenues, and ultimately the amounts proportioned to the town. Finally, will talk about multifaceted capital campaign, go over steps for next meeting, and conclude.

Jeff: Overview of budget process: this process begins in October, with the first three steps being internal administration processes. Month by month process begins in October, going to April. Internal process ends tonight, as we transition into the school committee process (January and February). We will present very detailed information beginning tonight. Another joint committee meeting will be held in February, afterwards the committee must then either accept or modify the budget to be accepted. The overall budget process has many ongoing matters (e.g healthcare, collective bargaining, special education costs, particularly out of district placements - these all have significant impact) which make the process fluid and complex. This entire process lasts about 7 months. The next 6 weeks will be led by the school committee.

Jeff Sands discusses “level service”. This means a continuation of current programs, services, and staffing. For FY19, this translates into a 3.56% increase from the FY18 budget, totaling \$1,117,099. Reviews key assumptions in salary costs, operating costs, etc.

Michelle Bailey asks about salary negotiations and whether this is considered only for teachers, or for paraprofessionals as well.

Jeff Sands clarifies that there are 3 teachers retiring this year, and they will be replaced with level 5 Masters teachers, which will show a decrease in salary expenditures. However, salary costs increase by \$760,000, or 3.8% from last budget.

Jeff Sands provides overview of the operating costs, including discussion on healthcare costs and the significant increase in costs. Updates will be provided to committee as needed. Out of district placements are also fluid and changing, and are a significant factor in operating budget.

Michelle Bailey notes that conversations with Brad Hill are necessary and relevant in this regard.

Discussion re: out-of-district placements and assumptions made for purposes of this budget (42 assumed for this purpose).

Discussion re: lack of reimbursement for transportation for out-of-district placements. Michelle Bailey notes this is also an issue worthy of discussion with Brad Hill.

Jeff Sands provides an overview of additional items on slide to include discussion and details on increases in operating costs. Jeff reviews the FY18 versus FY19 changes, with most significant being COLA and STEPS, teacher degree changes, additional grade 1 teacher, retirement pension, out-of-district tuition, special education transportation, in-district transportation, insurance premiums, healthcare costs, and all other net operating expenses. Reviews three items for savings (capital projects, staff retirement & replacement).

Jeff Sands highlights 4 items highlighted on next slide as primary drivers (out of district tuition, salaries, healthcare, special education transportation) of change in budget.

Stacey Metternick brings up the high athletic fees that may exclude many students from participating. Would like the committee to think about user fees. Discussion regarding these fees, with many members sharing concern. Jeff Sands recommends talking in more in detail on the 24th where there will be a more detailed breakdown by sport to share with committee.

Mike Harvey provides Superintendent's Recommendation on FY19 Budget:

- Investing in critical priorities. Suggesting \$339,379 investment for critical priorities. This amount is in addition to the level services operating costs. Critical priorities outlined:
 - K-5 Math resources (\$100,000);
 - 6-8 Math Resources (\$40,000);
 - Fountas and Pinnell 3 Upgrade (\$17,500);
 - RTI Screeners and Interventions (\$15,000);
 - 1.0 FTE Special Education Team Chairperson for OOD (\$71,600);
 - (2) 1.0 FTE HS Special Education Program Based Teachers (\$60,350);
 - This involves recapturing some out-of-district tuition
 - 0.5 FTE MS Special Education Reading Teacher (\$29,270)
 - Healthcare and Benefits Costs for new staff (\$43,659)
 - Compliance with AED Law effective July 1, 2018 (\$22,000)
 - Jeff Sands reads the new law going into effect on this date involving defibrillators. Plan involves procuring new AEDs and replacement of 17-18 year old AEDs. Also incorporates training staff and coaches on new devices. 21 devices totals about \$19,000 with an additional \$3,000 for training.
 - Michelle Bailey points out that if this is state law, it warrants further discussion with Brad Hill regarding reimbursement.

Discussion regarding: team chairperson, what items did not make the critical priority list. Jeff Sands states that the next meeting will provide detailed information on items that did not make the list (e.g. TA for each of the kindergarten classes, robotics and coding class in high school). Jeff Sands will provide the committee with full list of items not making the critical priority list on the meeting on the 24th.

Kerry Gertz asks about defibrillators, specifically whether they are reusable and the life expectancy. They are reusable and the life-expectancy is about 10 years. Jeff Sands talks more about compliance with new state law as well as the importance of prioritizing safety of the students and community. Discussion regarding the timeline of training and compliance with law. Jeff Sands clarifies that district would have equipment installed in August, and training would be completed before athletic programs begin.

Michael Harvey outlines primary drivers for FY19 budget: \$1.7 million with savings equals a total increase of \$1.5 million.

Jeff Sands transitions into the full overview:

Discussion re: District Totals:

- School Choice - We are assuming 53 students. We have 13 graduating, we need an incoming class of 20;
- Preschool tuition;
- Special Needs Tuitions;
- Facilities Rental;
- Circuit Breaker Offset

Net operating budget is \$1.5 million increase year after year.

Details in FY19 budget.

- Total Expenses;
- Total Funding Sources;
- Total Town Assessments.

Discussion re: Medicaid and reimbursements from Medicaid. UMASS Medical Program will administer Medicaid claims for us.

Hamilton increases 5% and Wenham increases by 8.5%. \$2,000 of Wenham's number is directly attributable to the shift in enrollment. Given the enrollment shift, we have shifted a little over \$1.1 million from one town to another.

Discussion re: alignment with town finance committees. Reducing the budget by \$250,000 doesn't trickle down to direct decrease, as the reduction would have to be about \$750,000 for that number reduction to be realized.

Josh Liebow points out that although the critical priorities may seem significant; $\frac{2}{3}$ of the original list was excluded.

c. Capital Projects & 2018 Debt Exclusion

Jeff Sands presents the Capital Improvement Plan to include background, assumption, scope, and future debt expense point of reference. Projects included in the FY19 operating budget include Winthrop sprinkler project, athletic field complex, and capital plan of safety, accessibility, and critical infrastructure projects. Remaining capital projects will need to be dispersed in future FY budgets 20-23.

Discussion and clarification that the last bullet point ("a \$8.5 million Bond with a 20-year terms at an interest rate of 4% carries annual cost of about \$702,000") is for illustrative purposes only.

Next slide details the administration's recommendations to include:

1. Funding \$129,000 in projects;
2. Propose \$1 million Winthrop Sprinkler Project debt exclusion at April 2018 ATM;
3. Propose \$3.6 million Turf Field Complex Project debt exclusion at April 2018 ATM;

4. Propose \$2.6 million debt exclusion for Safety, Accessibility, & Critical Infrastructure Projects outlined in 5-year plan April 2018 ATM;
5. Provide funding for any remaining/new projects on 5-year plan through the operating budget in FY20-FY23 at about \$350,000/year.

Discussion regarding debt exclusion, funding critical needs for the district, budget designed with low tax rates considered, etc. Discussion regarding timing of critical infrastructure versus turf field.

Discussion regarding details of Capital Improvement Plan:

Michelle asks about whether the recreation department will be actively assisting school committee in garnering community support for Turf Field project. Discussion regarding private donations, speed of moving forward, community support, committee support, etc. Discussion continues surrounding private fundraising possibilities for Turf Field, and community outreach to ensure transparency and gauging support.

d. SC Adoption of tentative FY19 Budget

I MOVE THAT THE HAMILTON-WENHAM REGIONAL SCHOOL COMMITTEE APPROVE THE TENTATIVE FY19 TOTAL GENERAL FUND EXPENDITURE BUDGET OF \$33,831,569. THIS AMOUNT INCLUDES GENERAL FUND OPERATING EXPENSES (AFTER OFFSETS) IN THE AMOUNT OF \$31,716,294 AND GENERAL FUND DEBT SERVICE EXPENSES IN THE AMOUNT OF \$2,115,275.

MOTION by Kerry Gertz; SECONDED by Jeanice Bertrand.

Michelle Bailey asks about the specific language regarding the second line in the Regional agreement: "The said budget shall be in reasonable detail, including the amounts payable under the classification of expenses as recommended by the Mass Department of Elementary and Secondary Education" Michelle Bailey notes the absence of this information.

Jeff Sands states that this will be sent tomorrow. Discussion about the language of the motion and whether it is approving the budget presented or the details outlined by the Mass Department of Elementary and Secondary Education.

Committee members analyze language in agreement.

Stacey Metternick expresses her concern about voting and presentation occurring in the same night.

Josh Liebow clarifies that the motion is to approve a tentative budget, and points out this information was made available on 12/21. This is a procedural vote based on information presented to us tonight, though the information in the presentation along with the presentation itself was posted to committee members' weeks ago.

**Approved by Gene Lee, David Polito, Kerry Gertz, Jeanice Bertrand, and Josh Liebow;
Stacey Metternick and Michelle Bailey opposing.
MOTION PASSES WITH MAJORITY VOTE.**

Jeff provides overview of next steps in the budget process. Topics for next meeting, 01/17/2018:

Critical priorities to include:

- K-5 Math
- 6-8 Math
- F&P 3 Upgrade
- RTI Screeners & Interventions
- SPED Team Chairperson
- SPED Program Teachers

Master Plan Update - School libraries:

- Presentation by Kent Kovacs, AIA, LEED AP: VP at Flansburgh Architects.

Following meeting will also include more details from tonight's presentation as well as calendar.

**e. Amendment to Northshore Education Consortium Articles of Agreement
EXHIBIT I**

Michael Harvey: Ipswich Public Schools has asked for adoption of language change in bylaws, as demonstrated in Exhibit I. No financial implications for HWRSD.

**I MOVE THAT THE HAMILTON-WENHAM REGIONAL SCHOOL COMMITTEE
APPROVE THE AMENDMENT IN THE NORTHSORE EDUCATION CONSORTIUM
ARTICLES OF AGREEMENT.**

MOTION by Kerry Gertz; SECONDED by Jeanice Bertrand.

Unanimously approved by 7 members present.

f. Donations	EXHIBIT J
● Buker Friends- 5th Grade Field Trip	\$585.00
● Cell Signaling- Digital Microscope	\$1,549.00
● Friends of the Arts - Musicians to accompany at Concerts	\$1,200.00
● Friends of the Arts- Marching snare and bass drums with carriers	\$5,094.00

**I MOVE THAT THE HAMILTON-WENHAM REGIONAL SCHOOL COMMITTEE
ACCEPT THE DONATIONS FROM BUKER FRIENDS FOR THE 5th GRADE FIELD
TRIP IN THE AMOUNT OF \$585.00, CELL SIGNALING DIGITAL MICROSCOPES
FOR \$1,549.00, FRIENDS OF THE ARTS MUSICIANS TO ACCOMPANY AT
CONCERTS FOR \$1,200.00, AND FRIENDS OF THE ARTS MARCHING SNARE AND
BASS DRUMS WITH CARRIERS FOR \$5,094.00.**

MOTION by Kerry Gertz; SECONDED by Josh Liebow.

Unanimously approved by 7 members present.

Thank you for each donation!

8. Committee Reports

- *Communications*: No updates at the moment;
- *Policy-Legislative*: To be discussed further at future meetings;
- *Capital-Finance & Regional Agreement*: Michelle Bailey states subcommittee did not meet because tonight's meeting would be addressing many of the issues to be discussed;
- *Student Rep*: James apologizes that he is not joined by others. States that students just got back from break and are looking to raise awareness about racism and privilege in the community. Students are planning the semiformal for spring, to be held on 02/10. Talia Duff reached her \$1 million goal **TODAY!**
- *Other- School Liaisons Update*: Discussion of upcoming schedule for Friends of Schools meetings.

Michelle Bailey points to Talia Duff fundraiser being an excellent example of community outreach and communication.

Stacey Metternick talks about outreach including library resources and accessibility, and information disseminated through Patch and other local media sources.

9. Other

Topics for next meeting (see above budget discussion).

10. Vote to Adjourn

I MOVE THAT THE HAMILTON-WENHAM REGIONAL SCHOOL COMMITTEE MEETING ADJOURN AT 9:50 PM.

**MOTION by Kerry Gertz; SECONDED by Jeanice Bertrand.
Unanimously approved by 7 members present.**

Respectfully submitted Mahala Lettvin