

Hamilton-Wenham Regional School District Committee

Meeting of March 21, 2012
Minutes

**CALL TO ORDER AND
PLEDGE OF ALLEGIANCE:**

A. McCloughan called the meeting to order at 8:15 p.m. at the High School cafeteria. The Committee and audience rose for the Pledge of Allegiance.

PRESENT:

Sean Condon, Bill Dery, Kym Donnellan, Roger Kuebel, Alexa McCloughan, Ann Minois, Jack O'Keefe, Dacia Rubel, and Larry Swartz

ALSO PRESENT:

Peter Gray, Superintendent (until 9:55); Dr. Celeste Bowler, Assistant Superintendent for Learning (until 9:55)

ABSENT:

No one.

OLD BUSINESS:
Vote FY13 Budget

A. McCloughan said the purpose of this meeting was to review updates to the budget, and to try to vote a budget. She said the Committee scheduled this extra meeting in order to comply with state law that requires the Committee to vote a budget by this date.

P. Gray went over the most recent revisions to the draft budget and clarified other issues about which the Committee had requested further information and explanation. These topics included adjustments to budget line items; all-day kindergarten revenue; projected funding of the Excess & Deficiency (E&D) account for FY13; updated projected costs of proposed facilities projects and other proposed uses of the end of year FY12 fund balance; and the instructional technology (IT) and central office budgets. He distributed updated budget worksheets containing updated data and recalculations, and related information. (The packet of the updated budget information is appended to these minutes.)

Discussion was interspersed with his presentation, and more discussion followed.

P. Gray said gross revenue from tuition for the all-day kindergarten program would be \$160,000 this year, and gross preschool tuition revenue would be \$60,000. He projected similar annual revenue going forward. He said the FY12 budget shows \$115,000 in revenue because the business manager used a different accounting method of presenting the kindergarten account cost and expense, reducing expenses by a corresponding amount.

He said the March 21 updated budget funds E&D 2.6% of operating budget. Increased athletic scholarship funding would be placed in a revolving account; funds for reducing user fees would impact the general fund.

P. Gray noted \$300,000 was in the budget as a placeholder for the cost of handicap accessibility upgrades at Cutler Elementary, which are still to be priced out. B. Dery reported he contacted the federal Department of Justice about whether law requires the district to do this work, and was told that the 2010 federal regulations pursuant to the Americans with Disabilities Act (ADA) require the district to provide a building that is compliant, with the same services, and not at an inconvenient distance; he said the district appears to meet these requirements, and suggested the Committee consult a lawyer who

specializes in ADA issues about whether the upgrades are mandatory. P. Gray said the district's SPED attorney spoke with the state Department of Education's Office of Civil Rights and was told that office's mandate would override the federal regulations; a letter about it was expected from that attorney on the day following this meeting. Jeanise Bertrand of Perkins St. asked why the issue had not come up before. Michelle Bailey of Remington Rd., Wenham noted that in recent years several able-bodied students sustained injuries that required them to use a wheelchair; she said all students should have access to the schools. The Committee discussed specifics of the work being contemplated; comments touched on the operational audit's recommendation that this work take place, whether to do it immediately or over a period of years, the risk of a lawsuit if the upgrades do not take place, and the extent to which Cutler is already ADA compliant.

Committee members questioned P. Gray about central office expense line items and why the central office budget rose from \$161,000 in FY2011 to \$297,000 in the FY13 proposal. P. Gray said the business manager analyzed the account and found only one FY12 expense that would not recur in FY13, an additional \$20,000 expense of the annual financial audit due to extra time required to research revolving accounts and other aspects of the budget to determine the extent of excess funds.

They also discussed the IT budget in detail. B. Dery asked for further details about inoperative or outdated equipment and justification of proposed purchases; questioned whether network improvements might solve some problems; and recommended the district consider switching to VDI technology. P. Gray read statistics about attrition of equipment from an e-mail from the Director of Instructional Technology.

A. McCloughan invited the audience to ask questions; none were forthcoming. Warren Gray of Bay Rd., Hamilton noted that copies of the budget worksheet were not provided to members of the public; copies were given to him.

The Committee discussed the Hamilton Board of Selectmen's letter dated March 21, 2012 that waives the budget vote deadline in the regional agreement, asks the Committee to delay its vote on the budget, and provide additional budget documents. (The letter is appended to these minutes.) A. McCloughan reiterated that state law also sets a deadline. She noted the selectmen request binding budgets for each school, and responded that the district can legally shift funds between budget lines as unexpected needs arise, and sometimes needs to.

B. Dery recommended the district return \$1.5 million of the fund balance to the Towns, and let Town Meeting voters decide which of the proposed uses of the fund balance to fund for FY13. R. Kuebel detailed the steps in budget approval and concluded the only way to return funds to the Towns would be to reduce the assessments. He noted that if the FY13 assessments decreased to facilitate a "giveback" they would have to rise in FY14; B. Dery agreed.

The Committee discussed whether to present the capital budget as a debt exclusion; whether a school debt exclusion would "compete" with a \$4.7 million debt exclusion warrant the Capital Management Committee may put forward at annual Town Meeting, or at a special Town Meeting later in the year; the total budget request in light of the Committee's ability to later reduce the budget, but not increase it; and whether it is legitimate for the Committee to spend money that is now in its accounts, given that it was previously appropriated for school spending. P. Gray spoke of the Committee's responsibility to provide a budget

that is educationally sound. J. O'Keefe noted that the last time the district proposed a debt exclusion, in 2009, voters did not approve it.

L. Swartz suggested approving the budget with a contingency stating that were another warrant approved that would fund projects the Committee considers important, the Committee would reduce the school budget to delete any duplicated funding. Discussion followed; Hamilton selectman Jeff Stinson participated from the audience. The discussion touched on whether the district under spent or over budgeted in past years; which line items to include in the capital maintenance budget; and how best to phrase a motion for a contingency. P. Gray recommended seeking legal advice about the latter and that if such a motion were to pass at this meeting, the Committee later revote the budget not to change the dollar value but to clarify the mechanics of the contingency.

Committee members mentioned issues they think still need attention, including further refinement of the central office budget, a firm cost estimate for ADA work at Cutler, whether to hire an accounting clerk, whether to replace all retirees, and clarification of line item summary titles in the technology budget; A. McCloughan suggested the Committee ask the IT director to provide layman's descriptions of all costs that exceed \$5,000. R. Kuebel said salaries constitute two-thirds of the budget but appear as one line item; he recommended further breakout.

P. Gray spoke of the complexity of transitioning from a single SPED budget to site-based school-specific SPED budgets, and of the line between reasonable justification of expenses and micromanagement. He said the Committee should have faith in professionals it has hired. J. O'Keefe said SPED spending has been explained extensively for years and requests for detailed information is becoming excessive; he said the Committee should not commit to provide information it may not be authorized to share, if it gets to the level of a particular school's SPED spending driven by specific individual education plans. P. Gray said differences between the individual schools' SPED spending is not an equity issue, because each school must meet the needs of its individual students.

J. Stinson asked for the high school principal to analyze high school staffing; A. McCloughan said he already committed to do so.

LARRY SWARTZ MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO REQUIRE THE SUPERINTENDENT TO REQUEST THAT THE PRINCIPAL OF HWRHS PREPARE STAFFING OPTIONS FOR THE FY14 BUDGET THAT MAXIMIZE OPERATIONAL EFFICIENCY WHILE MANDATING EDUCATIONAL EXCELLENCE, AND A REPORT OF THESE OPTIONS WILL BE PRESENTED TO THE SCHOOL COMMITTEE BY NOV. 1, 2012 WITH A STATUS UPDATE BY THE END OF THE SCHOOL YEAR. ROGER KUEBEL SECONDED THE MOTION.

Discussion followed about whether the Committee should set a deadline without consulting the principal, and whether that date was realistic. L. Swartz agreed to table the motion until the principal and Committee agree on a plan and timeline.

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO APPROVE AN OPERATING BUDGET OF \$28,347,826 AND A CAPITAL MAINTENANCE BUDGET

FOR FACILITIES OF \$899,891. DACIA RUBEL SECONDED THE MOTION. THE MOTION PASSED 8-1-0 (BILL DERY VOTED NO).

LARRY SWARTZ MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE THAT THE FUNDS (\$899,891) CONTAINED IN THE FY2013 DISTRICT CAPITAL BUDGET BE RETURNED TO THE TOWNS OF HAMILTON AND WENHAM AS AN ASSESSMENT OFFSET IF AND WHEN A CAPITAL BOND AUTHORIZATION OF AN AMOUNT SUFFICIENT TO COMPLETE THE PROJECTS CONTAINED IN THE CAPITAL BUDGET IS VOTED AFFIRMATIVELY BY THE TWO TOWNS.

The motion was not seconded. A. McCloughan recommended consulting legal counsel before voting on such a contingency. J. O'Keefe said the Committee supported the concept by consensus. Following brief deliberation about possible rephrasing, the Committee agreed to have an attorney review the text of the motion.

STATEMENTS OF GUESTS:

M. Bailey reported she received a notice on the day of this meeting regarding a screening the next evening, for parents, of a sexuality education movie that is to be shown to students. She asked whether the district's parent rights policy stipulates how much notice parents should receive of such events. She also said the film is to be shown to students on Maundy Thursday and asked whether that violates the district's policy on religious observance. A. McCloughan said the amended religious observance policy authorizes the teaching of new material on religious holidays.

ADJOURNMENT:

ROGER KUBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO ADJOURN. KYM DONNELLAN SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (9-0-0).

The meeting adjourned at 10:25 p.m.

DOCUMENTS AND EXHIBITS USED AT THIS MEETING:

Untitled, undated packet of revised budget sheets and related information (page 1 title is Hamilton-Wenham Regional School District – Superintendent's Budget – March 21, 2012) (8 pages)
E-mail dated March 21, 2012 from Alan Taupier to P. Gray re instructional technology
Letter dated March 21, 2012 from the Hamilton Board of Selectmen's school liaisons Jeff Stinson and Jeff Hubbard

Respectfully submitted,

Ann Sierks Smith, School Committee recording secretary