

Hamilton-Wenham Regional School District Committee
Meeting of May 15, 2012

Minutes

CALL TO ORDER: A. McCloughan called the meeting to order at 7 p.m. at the High School cafeteria.

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

ALSO PRESENT: Peter Gray, Superintendent; Dr. Celeste Bowler, Assistant Superintendent for Learning

ABSENT: Dacia Rubel

OLD BUSINESS: A. McCloughan said the purpose of this meeting was to reconsider the FY2013 Budget Committee's approved FY13 district budget in light of events of the week prior to this meeting, and Hamilton voters' Town Meeting decision to appropriate less than the Committee's budget requested.

L. Swartz reviewed the chronology of interchanges between three Committee members and Hamilton government officials that took place on Thurs. May 10, Fri. May 11, and Sat. May 12 prior to the May 12 Hamilton Town Meeting. The events are detailed in a document Committee members received before this meeting (which is appended to these minutes). He spoke about calls from and other conversations with the chair of the Hamilton Finance Committee and other Town officials; votes by the FinCom and Board of Selectmen on whether to support the budget approved by the School Committee, or some other sum; and input by Hamilton officials about specific cuts they wanted made from the budget, and projected revenue figures they wanted the Committee to revise up. He said he, R. Kuebel, and A. McCloughan conferred about these issues, and spent time on May 11 negotiating with the Hamilton Finance Committee chair, resulting in a proposal to be brought to the Board of Selectmen, Finance Committee, and the Annual Town Meeting in Hamilton. He said had they not done so, they expected that several Hamilton officials would urge Town Meeting to reject the district budget, in a manner that he said he expected would "basically start a war." The three members who were involved in those discussions elaborated on the give and take of the negotiations; the Hamilton FinCom chair's suggestion that the Committee separately ask the Towns for funds to pay for summer capital projects; and why they did not consider his strategy workable. A. McCloughan said the apparent intent of the latter suggestion was to allow those projects to proceed without adding the \$363,000 cost to next year's base budget.

The tentative agreement, which A. McCloughan said would not reduce the operating budget, was to reduce the assessment to the Towns by \$419,013 instead of providing a "give back" months from now,

following state certification of the FY12 E&D amount. Funds would be transferred from the Excess and Deficiency (E&D) account into the budget to make up for Hamilton's reduced assessment, and also from a revolving fund that R. Kuebel said was overlooked until now.

L. Swartz also reported that the district's auditor informed him and R. Kuebel on May 11 that any balance remaining in E&D as of July 1 would be unavailable for district use until the state certifies the FY12 E&D amount, which is anticipated in late summer or fall. L. Swartz said this came as a surprise, and noted that the Committee planned to use those funds to pay for capital projects during summer 2012.

The Committee and P. Gray discussed options for securing funds to pay for capital projects in summer 2012. P. Gray said one option is to encumber money from E&D before June 30; another, which he said the auditor suggested, is to take out a bond anticipation note on June 30 related to bonding the already-completed HVAC work at Cutler, and repay it on July 2. He said the bond would be purely for accounting purposes, would probably incur minimal cost, and would meet state regulations. Members briefly discussed the bond anticipation note application process and deadlines, and by general consent decided to initiate preparations, which P. Gray noted could be called off at any time. R. Kuebel asked P. Gray to ask the auditor to attend a future regular meeting of the Committee to explain this to members and the public so they would hear from someone other than a Committee member why the Committee should consider something that "sounds so stupid."

Committee members expressed opinions about the action by three members without the knowledge of the entire Committee. A. McCloughan said she considered calling an emergency meeting of the Committee before Town Meeting but did not because of uncertainty about others' availability. She apologized for not updating the entire Committee after Town Meeting. K. Donnellan said all members should have been notified at that time, if not earlier; she requested a policy to handle such a situation in the future. A. Minois said the Committee members had no obligation to answer a call from the FinCom chair or negotiate, and the Committee should have made a strong case for its approved budget at Town Meeting. J. O'Keefe said he was thankful that three knowledgeable Committee members were available to handle the situation. B. Dery thanked the three members for "thinking on their feet" and also for dissuading him from speaking at Town Meeting; he said communication was poor on both sides, but no big violation occurred.

Several Committee members expressed dismay that the Hamilton selectmen and FinCom waited until just before Town Meeting to express their position and push for budget reductions, and that this jeopardized high-priority capital projects.

A. McCloughan invited public comment.

Richard Boroff of Moynihan Rd., Hamilton expressed his opinion that an emergency meeting before the meeting would not have met state standards for an “emergency,” and the Committee should have “called the bluff” of the Hamilton FinCom chair. He also said some Committee members should have recalled that the E&D account would be frozen and that it was the district’s past practice to post Committee meetings for Town Meeting day.

Tess Leary of Bay Rd., Hamilton said three Committee members circumvented the rest of the Committee and should not in the future, however reasonable the goal.

ROGER KUBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO REDUCE THE FY13 ASSESSMENT TO THE TOWNS OF HAMILTON AND WENHAM BY \$419,013 FROM THE FY11 EXCESS AND DEFICIENCY AMOUNT. KYM DONNELLAN SECONDED THE MOTION. THE MOTION PASSED 7-1-0. (Ann Minois voted no.)

ROGER KUBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO RECERTIFY THE FY13 BUDGET AS FOLLOWS; TOTAL BUDGET OF \$28,164,086 THAT INCLUDES \$27,800,826 FOR THE GENERAL FUND OPERATING BUDGET, \$363,261 FOR FACILITY SUMMER CAPITAL PROJECTS AND DEBT ASSESSMENT AT \$709,168. KYM DONNELLAN SECONDED THE MOTION. THE MOTION PASSED 7-1-0. (Ann Minois voted no.)

ADJOURNMENT:

ROGER KUBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO ADJOURN. KYM DONNELLAN SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (8-0-0).

The meeting adjourned at 8:10 p.m.

**DOCUMENTS AND EXHIBITS
USED AT THIS MEETING:**

Written chronology of budget discussions on May 10-12, 2012 (X pages)

Respectfully submitted,

Ann Sierks Smith, School Committee recording secretary