



SCHOOL COMMITTEE

BUSINESS MEETING OPEN SESSION MINUTES

February 7, 2023

Meeting:	School Committee
Date:	February 7, 2023
Location:	MERMHS Library
Attendees:	Pamela Beaudoin, Superintendent Avi Urbas, Director of Finance Theresa Whitman, Chairperson Jake Foster Matt Harrington Kate Koch-Sundquist Anna Lin Mitchell Chris Reed Erica Spencer
Absent:	
Guests:	
Recorded by:	Maria Schmidt
Link to Reports and Presentations	https://www.mersd.org/domain/785

A. Call to Order – Ms. Whitman called the School Committee Business meeting to order at 6:07 p.m.

1) Public Comment –

Ken Warnock, Manchester: Mr. Warnock, a past member of the School Committee, expressed his support for the difficult work of the SC, particularly with the rising costs of insurance and utilities.

Annie Cameron, Essex: Ms. Cameron stated that after the previous public hearing she has considered the importance of messaging, given that some are looking for a reason to say no. Ms. Cameron was leery of the discussion around a three year adjustment and wondered if it is

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possible to restore some programs over time instead of all at once. She does not believe it is a good strategy to ask for a debt exclusion and a budget override at the same time. In addition, Ms. Cameron is not in favor of reinstating the late bus. In closing, Ms. Cameron stated that she wants to support the School Committee and is looking for the SC to define what they are fighting for. She also stated that she now better understands that the current vote is a high water mark that may be adjusted as other numbers come in.

Sarah Wolf, Essex: Ms. Wolf, a former School Committee Chair, expressed gratitude for the efforts of the present SC. Although she previously experienced the struggles of miscommunication, she sees that the current SC has worked hard to build bridges with the other town authorities. Ms. Wolf stated that she believes the leadership in both towns supports the schools and the services that they provide.

Jodi Harris, Essex: Ms. Harris, former School Committee and Building Committee member, questioned why the E&D for MERSD has not yet been certified. She stated that most other districts are done by the end of fall. Historically, MERSD has not certified until after the budget is presented, and Ms. Harris asked why this is the case. In addition, Ms. Harris stated that our administration costs are eight times higher than the state average. Ms. Harris emphasized the importance of shrinking the budget to match enrollment.

Guy Bradford, Board of Selectman, Essex: Mr. Bradford stressed that he is expressing personal opinion only, and that he is sharing the same views expressed at the previous night's BOS meeting. Mr. Bradford recommended that the SC adopt a budget that provides for a minimalist set of level services without negatively affecting the strength of the core curriculum. He stated that the Town of Essex will also be looking to pass an override of the town budget. In addition, Mr. Bradford recommended planning for a strategic review of the structure and design of the school curriculum with an eye to looking at efficiency. Recommendations could be introduced in the next fiscal year.

Lindsay Banks, Manchester: Ms. Banks spoke to two programmatic losses from previous budget cycles in the hopes that they will remain part of future conversations - the elementary foreign language program and library sciences positions. The loss of a librarian for the middle/high school is particularly concerning as the high school crafts a program around authentic learning. In addition, one elementary librarian splits time between two buildings. Ms. Banks highlighted the importance of digital literacy and information access, particularly in this era of social media and misinformation. Students are learning about media literacy, credible sources, and critical thinking. They need access to rich and diverse fiction and non-fiction sources so that they engage in topics and issues that prepare them for life after graduation. Ms. Banks stressed the importance of funding a library, for students and our democracy, in generating fully informed citizens.

- 2) **Student Report** – Diego Sanson: Mr. Sanson was eager to share details about the upcoming district STEAM showcase, March 30. The week features class projects, club presentations, and displays from local businesses that highlight their activities and innovations in science, technology, engineering, art, and math. Some former students will come back to MERHS to showcase what they doing in the working world and

share opportunities for students. Mr. Sanson was particularly excited about a monarch butterfly project spearheaded by middle school student Kiki Campbell. Ms. Campbell followed her passion, connected with a Harvard mentor, and is now leading a drive to redevelop the school landscaping to support monarchs. Other presenters will include the Robotics Team, Gloucester Marine Genomics, former MERSD student Marco Kaper of MGH to discuss student internship opportunities, Black Earth Compost, Medtronics, NOAA to discuss sustainable fishing and marine science, many of the science and math clubs, and HOSA. Mr. Sanson expressed the hope that members of the SC would attend.

Discussion: Mr. Foster stated that he was very impressed by the middle school green team's drive to recycle soft plastics. Ms. Whitman asked if students were engaged in the budget proceedings. Mr. Sanson replied that students tend to tune in when something is really going to hit them, as evidenced by their concern last year for the foreign language program and the condition of the turf playing fields. He stated that it is difficult for students to understand the process – that something can be here one year and then cut the next. Often students feel that there is someone behind the curtain orchestrating change. He said there is not much talk about the budget right now. However, there is positive discussion around the number of math teachers this year. Mr. Sanson stated that it really benefitted everyone, particularly when a teacher had to go out on leave, as the students were minimally impacted. Ms. Spencer asked if there is any enthusiasm for new course offerings. Mr. Sanson replied enthusiastically that the new forensics class is especially exciting. He stated that the new science program is making everyone happy and that the new physics path makes a lot of sense.

3) Chairman's Report – Ms. Whitman stated that since the last SC meeting she has responded to an email inquiry from a towns person and another from the Gloucester Daily Times. In addition, Ms. Whitman read from the School Committee Operating Protocols:

- Base our decisions on available information, vote with our convictions, avoid bias, and uphold and support the decisions of the majority of the Committee once a decision is made.
- Honor our agreed upon operating protocols and norms, and agree to take responsibility for reminding one another (through the chair) when discussions get off track, personal or redundant.

Ms. Whitman highlighted the night's work by drawing an analogy between the approval of the budget and childbirth – the incredible effort to learn everything possible, the planning for the big day, and the incredible difficulty of delivery. The many hours that the SC has labored on the current budget will result in an approved budget tonight.

4) Consent Agenda –

- Acceptance of Warrants: **AP Vouchers 1038, 1039, 1040**

- AP V 1040: Prior BAN, issued last year and due this March, to fund the Manchester Memorial School construction project
- Minutes for approval: *January 31, 2023* Moved to approval at March 7, 2023 meeting.
- Approval for high school DECA travel to Boston for the State Finals competition, March 9 - 11, 2023. Qualifying students will travel to DECA International Competition in Orlando, Florida, April 22-25, 2023.

Ms. Koch-Sundquist moved to approve the Consent Agenda for the warrants as stated and student travel, holding minutes for 1/31/23 to be approved at the next meeting; Mr. Reed seconded the motion.

The motion passed unanimously.

5) Sub-Committee Reports

- **Elementary Facilities/MSBC Sub-Committee** (Theresa Whitman/Matt Harrington) – Ms. Whitman reported that the Facilities Sub-Committee will meet in the coming week. Mr. Foster asked for an update on the final Habeeb report. Mr. Urbas replied that the report will be brought before the SC at the next meeting.
- **Finance Sub-Committee** (Anna Lin Mitchell/Theresa Whitman) – Ms. Whitman reported that the Finance Sub-Committee met with the collaboration team last Friday and that the content of their meeting would be covered during tonight’s budget discussion.
- **Policy/Communication Sub-Committee** (Erica Spencer/Jake Foster) – Mr. Foster reported that the sub-committee reviewed the Graduation Policy and is looking to change the language so that it resides in the Program of Studies. It would still be a School Committee policy, but would not then reside in two places. They found all references where graduation requirements were voted upon by the SC in the past and made sure that the modified language made sense. Consideration of a Reserve Policy is still underway. They have tentatively lined up a working agreement that follows completion of META negotiations. The Policy Sub-Committee will follow up on Civil Rights audit and look at Grievance Policies. In the future, the sub-committee is looking to address policy questions around the calendar, flag, logo, and the relationship between the School Committee and the School Council. The Wellness Policy review is still pending state finalization of health standards. This is also impacting review of the Food Service policy. Ms. Whitman stated that the Policy Sub-Committee had been tasked this year with surveying neighboring districts about their food service programs. Mr. Foster replied that the plan was being tabled for now. Mr. Foster also stated that the task of research does not have a policy connection, making it unclear why it resides with the Policy Sub-Committee. Superintendent Beaudoin said that there is currently no bandwidth to conduct site visits this spring.

- **Negotiation Team Sub-Committee** (Kate Koch-Sundquist/Chris Reed) – Mr. Reed stated that negotiations are ongoing. A meeting is scheduled for February 8, 2023.
- 6) **Superintendent’s Report** – Superintendent Beaudoin was pleased that Mr. Sanson shared details of the upcoming STEAM showcase. In addition, there is a Civics showcase and International week, both planned for later in the year. These events are an excellent opportunity for members of the SC to connect with our student population. Superintendent Beaudoin also shared that Principal Puglisi of the high school will step down at the end of the year to pursue an opportunity at Lynnfield High School. The posting is being prepared now and the search process will follow the same blueprint as the search for a new Curriculum Director. Interviews for the Curriculum Director will begin in the coming week with the top five candidates. However, the process is open-ended, and if a strong candidate presents themselves they will be included in the search. An important consideration as the district looks to hire two principals and the curriculum director is that we may need to pause forward progress on some goals as the new administration acclimates to the district and their roles.
- 7) **Continued Business** –
- **Financial Update** – Memorial School Building project: Vote to approve new Bond Anticipation Note (BAN). Avi Urbas - This is a routine continuation of short-term borrowing for the Memorial building project. We already have permanent borrowing for all monies not being reimbursed through the MSBA (\$38.5 mill). The current bonds for consideration are to tide us over until the final MSBA reimbursement for their portion. Their final numbers take some time. The district borrows for one year at a time. It is tax-exempt debt.

Ms. Whitman moved to approve the sale of \$1.3 million bond anticipation notes using the form of vote presented by bond counsel and provided to school committee in advance of the meeting. Mr. Foster seconded the motion.

Discussion: Ms. Whitman stated that in her review, this process is very standard and by the book. Mr. Urbas added that this vote is consistent with past borrowing procedures. Ms. Mitchell asked Mr. Urbas to direct the SC to how this bond is reflected on the budget. Mr. Urbas demonstrated where it is included on the Capital Budget Sheet - where the 2.5 excluded items are listed. The interest costs are under bond anticipation notes. Above this, the revenue side is covered under assessments to towns.

The motion passed unanimously.

- **Budget Workshop** – Superintendent Beaudoin presented two budget options – a Level Service budget and a Reinstate/Stabilization budget. The superintendent recommended adoption of the Reinstate/Stabilization budget because it is both respectful of the concerns of both towns and puts the district on sound financial footing. The roughly \$98k would translate into about \$60k to Manchester and \$40k to Essex. Since the last presentation of budget scenarios, there have been a couple of significant changes. The

healthcare rate renewal increase is looking closer to 6.93%, significantly less than anticipated. That yields about \$250k in potential savings. That projected savings has been moved to the budget line “negotiations longevity expanded effort” as a management reserve fund for the settlement of the contract. In addition, Endicott College has notified the district that they anticipate a shortage of students for participation in the fellows program. Consequently, we anticipate needing to add at least two TAs to the budget since the fellows (a contracted service) provide services with which we must comply. The superintendent was asked to explore increasing revenue through increased School Choice enrollment. March is the month when administration does a deep dive to see how many students can be absorbed by current staffing and where they would be placed. Preliminary analysis suggests that an additional ten admissions could be added. The school choice budget line now lists a total of thirteen new students, including an additional three to replace graduating school choice students, for next year garnering \$50k more in revenue. Superintendent Beaudoin summarized the need for a correction. This correction seeks to replace use of reserve funds as revenue, which had risen to \$520k. The district has been operating under a 3.5% growth level and is not seeking expansion or high level investment. Over the next three years, the target assessment will be held to 3.5%. The enrollment issue has been managed over time by rolling off staff as they retire. As of yet, the district has not completely restructured for the purpose of finding efficiency. By FY25 and FY26, hitting that 3.5% growth rate will create gaps of \$200k and \$400k respectively. In addition, we currently have an open META contract. However, the superintendent stressed that this is work the administration has always done and know that they can create a strategy. Superintendent Beaudoin responded to Mr. Bradford’s remark about the curriculum, stating that the administration is not looking to cut curriculum. We can look to re-align the schedule for increased efficiency in staff utilization. However, reducing for the sake of the bottom line is not desirable. The superintendent shared that the Town of Manchester believes the override can be met within their current levy capacity. The Town of Essex will need to approve an operational override. At this time, the district will pursue funding of the turf field replacement through borrowing, with reserve use as a back up. The district will seek bonds and the towns will be billed for the bond cost. The collaboration team has still to discuss the details of the type of borrowing and split of costs. The current agreement preserves the reserve fund to support our bond rating and to meet other expenses. At this time, the intent is to complete the Statement of Interest (SOI) for the large-scale build project at Essex Elementary and get a formal feasibility study under way. Three items are being recommended for reinstatement – the late bus from the middle/high school; the middle school language program for grade six; and reinsertion of a small cap budget line. The late bus will cost approximately \$20k dollars and is an equity issue that ensures access across the district for activities happening after school. This would support increased bi-elementary school activities, like the grade five musical, and could support the interest in providing Essex access to the Manchester Parks & Recreation after school program. The late bus supports all our families. The middle school foreign language program introduces students to foreign language before they commit in grade seven to a language pathway. The district is looking to staff the .2 French teacher from high school staff. However, we cannot staff the .4 Spanish position from high school staff and would need

to re-staff. The facilities small cap line should be included in a healthy budget and will better address needed maintenance across the district. The Habeeb report is lengthy and anticipates many issues over the next three years at both Essex Elementary and the Middle/High School. The current add-back will raise the small cap line to \$100K. Several notable items were left off the reinstatement request, but the district is working to meet them creatively. A restructuring of music program staffing is planned in order to create a performing arts coordinator who would have teaching and administration duties. The additional .5 FTE for payroll/accounting support in the district office is also not included. Although we are currently understaffed to meet the rising demands for data analysis and reporting, and the current person must prioritize payroll, we will be looking at other means of increasing support. Currently, the district is not pursuing reinstatement of the district health and wellness team, but that is tied to the lack of a revised curriculum from the state. Before looking to reinstate a library program at the middle/high school, the superintendent spoke to the varying perspectives on what that program should resemble. A library structure and program task force would be useful in examining options before we look to reinstate it. The elementary language program is not being pursued for reinstatement at this point. The intent is to look critically and see if there is a better way to return foreign language programming to the elementary level. Another avenue of efficiency will be a proposed alignment of the middle and high school rotation schedules. The principals will conduct a fall study to see how alignment could be achieved. If successful, it would allow sharing of staff between the schools. This may allow us to reduce an FTE at the upper level and instead create a health teacher at the elementary level. A caveat of the timeline and implementation is that newly hired administrators will require time to settle into their new positions, and things may not move as quickly as we would like. The superintendent recommended the reinstate/stabilize budget.

Ms. Whitman asked for clarifying questions from the SC. Mr. Foster pointed out that the gaps for FY25 and FY26 are roughly \$200k and \$400k, after accounting for budget reductions to remain within the 3.5% spending growth. Superintendent Beaudoin acknowledged that the district would own the reductions necessary to get down to the 3.5%. Ms. Whitman asked if the administration is comfortable with that. Superintendent Beaudoin responded in the affirmative. Mr. Urbas stated that over the past five years, the average growth rate for our district has been about 3.15%. He was also comfortable that they can meet the challenge. Ms. Mitchell asked for clarification about how the additional two TA positions are factored into the budget numbers as she still sees the proposed reduction of 4 FTE listed. Superintendent Beaudoin stated that when talking about FTE positions, we do not combine teachers and TAs together. Because of their status, teachers have different, contracted salaries, etc. The 4 FTE reduction remains in place and applies to teaching staff. Ms. Mitchell asked how the narrative around staffing is changing. Mr. Urbas said that funding for these TA positions was in the contracts category for the Fellows program. Ms. Mitchell asked if we should then see a reduction in the contracting line item. The superintendent said that the determination for reducing that line-item has not yet been made yet. Ms. Spencer asked if it is double-counting. Mr. Urbas replied that the contracting line covers many services. Those needs have continued to climb overall, so it is still premature to reduce them until we have a better understanding of what will be

needed in the coming year. It is important to remember that we cannot increase the budget at a later time to meet rising expenses. In the current year, we have had to transfer monies into the contracted services budget to meet requirements. The end of year review will provide a better estimate. Potentially, it could be an area for future reduction.

Ms. Koch-Sundquist moved to adopt the FY24 Reinstatement and Stabilize Budget. Mr. Reed seconded the motion.

Discussion: Ms. Whitman stated that the School Committee has been working through both the budget scenarios and also how the towns will respond to them. However, she stressed that financial decisions are in the hands of the each town and that the SC should consider the recommended budget at face value. Ms. Mitchell stated that she would recommend adoption of the level services budget. She stated that of the \$30mill budget 88% is paid by taxpayers, and the SC has a fiduciary responsibility to them. Ms. Mitchell said that she is advocating for the level services budget because it is financially responsible. In addition, Ms. Mitchell stated that School Committee has not had the chance to go through priorities, so they do not know what the best programs are for reinstatement. In her opinion, the SC does not currently have the tools or time to determine what they should be fighting for. Ms. Mitchell also said that salary represents 60% of the budget. She does not understand how FTE is related to enrollment and class size. Ms. Mitchell recommended completing a salary benchmark analysis instead of applying 4% increase across the board for non-META staff. Ms. Mitchell stated that they do not have enough financial budgeting reporting and that she is uncomfortable with three year predictions because they are based on enrollment but do not reflect declining enrollment. Ms. Whitman stated that, while recognizing Ms. Mitchell's input, she wants to be clear that it is a personal perspective. Ms. Whitman stated that she does believe she has the necessary information. Ms. Whitman also stated that the middle school foreign language reinstatement was warranted as it aligns with what other middle schools are providing. Ms. Koch-Sundquist noted that coming from a multi-year perspective, the level services budget represents every cut made over the last few years. Having attended negotiations, Ms. Koch-Sundquist stated that she thinks our teachers are well-paid but not over-paid. Following teacher negotiations, the district will next turn to the TA contract. Ms. Spencer stated that she appreciates Ms. Mitchell's perspective. In examining both presented budgets, she noted that they are within \$100k, and that is not a huge amount of the total. The Reinstatement/Stabilize budget allows the district to return items that were important to the townspeople, including the foreign language program. Ms. Spencer stressed the importance of examining the programmatic issues at the elementary school. She stressed that we should be a district that is striving to meet these challenges. Mr. Foster asked if drawing from the reserves might be palatable given that the towns are helping with the fields. Mr. Foster also stated that the bigger issue is the outlook for the next three to five years. He expressed concern that reinstated items increase the yearly gap and are at risk for cutting in subsequent years. Ms. Whitman worried about the sentiment that we can pull from a healthy reserve because that is exactly what the district is trying to get away from. Ms. Whitman also appreciated the ways in which the district is looking to increase efficiency. The foreign language program is not being reinstated in

the elementary school, and the alignment of the middle and high school bell schedules has the potential to substantially increase efficiency. Ms. Whitman expressed her confidence in the ability of the superintendent and business manager to manage the budget within the 3.5% target and felt comfortable given that the additional cost of the budget under consideration to the Town of Essex is \$40k. Ms. Koch-Sundquist expressed appreciation for the work done to whittle the budget to two options. She was strongly in support of the late bus reinstatement, particularly as we expand after school activities across the district. As a top performing district, we should offer the same foreign language programs as our peers, and they have a middle school program. For Ms. Koch-Sundquist, the small cap line is a no-brainer. Mr. Harrington stated that he would never reach the level of knowledge of the budget system without interning to Mr. Urbas. During the Covid pandemic, Mr. Harrington had to make decisions about shutting down school without the benefit of health care experience. Mr. Harrington believes he has to trust in leaders to share information with the SC. Mr. Harrington also stated his support for the stabilization line as best practice. Ms. Whitman asked about the basis for evaluation of the late bus, and Superintendent Beaudoin offered to remove it from the budget, perhaps finding a way to pilot it in the coming year with funding from another source. Mr. Reed stated that the late bus should be included in the current budget because it speaks to equity and is a very small percent of the budget. Mr. Reed stated that the stabilization budget is really a level service budget from two years ago. Superintendent Beaudoin stated that what has changed is that we are now asking who the late bus serves and what opportunities they are able to access that they would not otherwise. Ms. Mitchell stated that \$20k is a small amount, that her statement was more about principle, and that she believes that the SC needs more accurate financial details. She believes that indicated savings should be used to fund the reinstatement items. Ms. Koch-Sundquist stated that after the late bus is reinstated, we can broaden its use to serve even more students. Mr. Foster asked how, at any point, the budget could be lowered, perhaps with the flexibility that would come from bond-funding of the fields thereby freeing up use of reserves toward small cap expenses. Mr. Urbas clarified the philosophical nature of the use of the small cap line. Historically, it has been used for non-recurring needs on small items. There are constant repairs and maintenance needed between the buildings, and this would be the means of meeting them. Larger items, like the unreliable boiler at Essex Elementary, would be addressed with reserve funds. Ms. Mitchell spoke to how we want to define reserve usage and asked if having a reserve that represents 10% of the total budget is high. Mr. Urbas stated that those issues will be part of what the reserve policy determines. He agreed that if the reserve policy exceeded 10%, it would be important to examine how to work it down. Superintendent Beaudoin provided practical insight into the small cap. The facilities department will construct a yearly needs list and plan how to tackle it. This will include maintenance issues at the middle/high school building. Mr. Foster stated that the maintenance reinstate budget is the right move at this time. Ms. Mitchell reiterated that she supports the level services budget due to principle because she does not know enough to judge which items should be prioritized for adding back. Ms. Koch-Sundquist stated that she feels relieved to have reached common ground and sees the reinstate/stabilize budget as representing a fiscally sound ask of the towns that is mindfully paired down while providing value back to our students. Ms. Whitman stated

that she feels able to confidently stand behind this recommendation because the SC has not taken their responsibility lightly. In addition, she has felt both the support for the concerns of her Essex constituents and the dedication of the team to look for efficient and creative approaches to managing resources. She applauded the district's plans to reconcile the bell schedules to increase efficiency and to utilize OPEB funding. Ms. Whitman ended by stating that she stands for responsible stewardship for high quality education as driven by community input for the Strategic Plan.

The motion passed 6 – 1, with Ms. Mitchell opposed.

Mr. Urbas asked for clarification for the minutes, as has been done in the past, that the Reinstate/Stabilize Budget is a budget of \$30,236,064.

Mr. Reed moved to approve the Capital Budget, which stands at \$4,175,020. Ms. Spencer seconded the motion.

The motion passed unanimously.

Superintendent Beaudoin spoke to next steps, stating that our assumptions are not finalized. Health care estimates will settle out at the end of the month. In addition, work continues with the state regarding the rising costs of OOD. The superintendent stressed that most districts are facing similar override situations. This issue is rooting in state-based funding mechanisms and requires an overhaul at the state level. Ms. Mitchell asked if the finance subcommittee could receive additional data access. Ms. Whitman stated that they plan to add this issue to the summer agenda. Superintendent Beaudoin said that there are currently too many priorities and that they would like to hold this topic until June. These issue include School Choice, the Statement of Interest for the Essex building project, ongoing META negotiations, and the search for three new administrators.

- 8) School Committee Comments** – Ms. Koch-Sundquist stated that the changes approved tonight were a result of direct input from the community, including the reorganization being undertaken to create an art coordinator position. Ms. Spencer reflected upon the public comment from Ms. Banks and said that she agrees with the importance of the library position and is hopeful that the district is looking at how this need can be met through restructuring. Ms. Whitman asked the superintendent to speak to the timing of the E&D certification. Superintendent Beaudoin stated that it has been filed for this year. Mr. Urbas stated the final estimate is reflected in the current budget. He stressed that the timing for filing is driven by our small district administration size. Superintendent Beaudoin said that we are built for how things have been done in the past, not the current expectations. If we are changing, we would need to staff up. Ms. Whitman stated that May 4 is MASC Day at the State House for school committees to join together and she hopes SC members will join her there to discuss common challenges. She thanked Superintendent Beaudoin, the business manager, Mr. Urbas, and all the school principals for their work. Ms. Mitchell also expressed her gratitude for the dedication of our administrators. Superintendent

Beaudoin stated that she will follow up with the report from Ms. Harris that our administrative costs are eight times higher than the state average.

9) Adjourn

Mr. Harrington moved to adjourn the meeting; Mr. Reed seconded the motion. The motion passed unanimously.

School Committee Future Meetings

- March 7, 2023
- March 21, 2023