

**GATEWAY REGIONAL DISTRICT SCHOOL COMMITTEE****SPECIAL MEETING****WEDNESDAY, FEBRUARY 27, 2013****Gateway Library  
7:30 P.M.****I. OPENING OF MEETING**BLANDFORDMichele Crane  
Jim KronholmCHESTERBeth Brett  
Shirley WinerHUNTINGTONRon Damon  
William Hathaway  
Laurie WebbMIDDLEFIELDCharles Henshaw  
Sarah FoleyMONTGOMERYAnne Marie Buikus  
Sandra HaasRUSSELLEllen Hirtle  
Ruth KennedyWORTHINGTONSue Levreault  
Gretchen EliasonSECRETARY

Stacy Stewart

CENTRAL ADMINISTRATIONDr. David B. Hopson, Superintendent  
Stephanie Fisk, Business & FinanceADMINISTRATIVE COUNCILElizabeth Bienia, Chs, Lit, MS Assistant Principal  
Joanne Blocker, Director of Academics  
Angela Burke, Technology Director  
Megan Coburn, Chs, Lit, MS Principal  
Jason Finnie, High, Jr. High School Principal  
Wendy Long, District Grant Writer  
Celeste Malvezzi, High/Jr. High Assistant Principal  
Alice Taverna, Pupil Services DirectorSTUDENT REPRESENTATIVES

---

**7:35 p.m. VIII. OLD BUSINESS/ACTION ITEMS****A. Regional Agreement Amendments**

- Mr. Wagner thanked the committee for holding the special meeting. He would like to share his position with regard to how he feels the the amendment and process should work. Mr. Wagner introduced Gordon Quinn from Sullivan and Quinn Law Offices who will be working with them with regards to withdrawal. Discussion has gone on with one man one vote and SBA payback. SBA payback is not deb. It was not debt when school committee closed the schools. He feels that anything other than a vote to allow them to withdrawal should be separate. If the district tries to craft an amendment to payback SBA monies, Worthington will bring legal action.
- Dr. Hopson said if the goal is to get 7 towns to approve this, what is that chance that will happen if Worthington brings legal action.
- Mr. Wagner said you could put together three or four amendments, that is fine, but they have to be severed.
- Dr. Hopson said so you want the towns to vote to let Worthington out, without any ties.
- Mr. Wagner feels that, the district closed the buildings and they should allow Worthington out to support their own school.
- Mrs. Levreault said communication is a big thing. The letter from Worthington was sent out last week and she wants to make sure everyone saw it and has a chance to look at it.

***Mrs. Crane made a motion seconded by Mr. Damon to approve Amendment 1- How unpaid operating costs would be apportioned (by the regional agreement this would be the current percentage allocation, currently .08445 for FY'13).***

- Mr. Kronholm thinks this is unfair – he believes it should be a 10 year average.

***Mrs. Crane made a motion seconded by Mr. Damon to approve Amendment 1- How unpaid operating costs would be apportioned (by the regional agreement this would be the current percentage allocation, currently .08445 for FY'13).***

***Motion Carried (VOTE) Yeas 11 Nays 1 Abstain 1 Absent***

***Mr. Damon made a motion seconded by Mrs. Hirtle to approve Amendment 2 – How capital costs will be apportioned - by the percentage allocation at time debt was incurred (permenant in 04-.13134)***

- Mrs. Eliason said that is not what is called for in the current regional agreement.
- Russell Dupere said with regards to what the language says about capital and operating cost the amendment is not strictly those two options. His opinion is if they do everything the district wants and none of what Worthington wants or all of what Worthington wants and none of what Gateway wants, this won't pass. There is going to have to be a compromise if all the towns are going to approve this. You can draft special legislation but that will also require everyone to agree. The court route is not productive. The litigation route should be off the table. You need to decide what is going to work for everyone. At the end of this the commissioner needs to approve it. We are going to need a very clear plan for both Worthington and the district.
- Mrs. Kennedy asked about starting off with the severability, and then dealing with everything else.
- Russell Dupere said one man one vote historically needs to be fixed first. This is about finances at the end of the day. The towns want to see this all wrapped up. Some of the towns are going to vote against it because of one man one vote.
- Mr. Damon made the motion for option c because he wants the towns to know their options. To change the conditions years down the road, is going to be hard. He feels the fairness is with option c.
- Mrs. Levreault said there has been an issue with trust especially since we entered into an agreement and it's being changed. We need to do what the agreement says.
- Mrs. Crane asked which of the three options is what the agreement says?
- Dr. Hopson said it is under section 9 in the agreement. It would be set at the time of withdrawal. The agreement is very clear

***Mr. Damon withdrew the motion - Mr. Damon made a motion seconded by Mrs. Hirtle to approve Amendment 2 – How capital costs will be apportioned - by the percentage allocation at time debt was incurred (permenant in 04-.13134)***

- Mr. Kronholm would like to see us use the 10 year average.

***Mrs. Levreault made a motion seconded by Mrs. Eliason to approve Amendment 2 – How capital costs will be apportioned- Option B at the current percentage allocation (.08445)***

- Mrs. Winer said the regional agreement is very clear.

***Mrs. Levreault made a motion seconded by Mrs. Eliason to approve Amendment 2 – How capital costs will be apportioned- Option B at the current percentage allocation (.08445)***

***Motion Carried (VOTE) Yeas 11 Nays 2 Abstain Absent***

***Mrs. Eliason made a motion seconded by Mrs. Levreault to approve Amendment 3 – When capital costs will be due to the district – over the course to the remaining debt schedule.***

- Mrs. Levreault said they have shown Worthington is not going anywhere and they always pay. No one has ever had to drive to Worthington for assessment checks. They should trust in both sections.
- Mrs. Crane looked at these recommendations from the perspective of if Blandford were leaving the district. Her town wouldn't be able to afford to pay all at once. Option B is the payment plan.
- Dr. Hopson's recommendation is lump because it could help the district, we are at the point where will will have to do repairs such as the roof.

***Mrs. Eliason made a motion seconded by Mrs. Levreault approve Amendment 3 – When capital costs will be due to the district – over the course to the remaining debt schedule.***

***Motion Carried (VOTE) Yeas 9 Nays 3 Abstain 1 Absent***

**Amendment 4 Repayment to SBA for closed town schools (\$327,655 per year – 11 years left – and will amount decrease if Conwell is returned to full use as a public school – this is the question of capital costs associated with the Worthington school building)**

- Mrs. Winer asked where would the money go?
- Dr. Hopson we are paying MSBA because the school closed, but if it is open we might not have to pay for Worthington. The amount should be reduced.
- Mrs. Brett each town has a certain amount to pay back, what is the percentage.
- Dr. Hopson said it changes every year.
- Mrs. Levreault said it is not funded indebtedness, as we didn't get a chance to vote on it. It is a grant.

***Mrs. Eliason made a motion seconded by Mrs. Levreault to strike amendment 4 -Repayment to SBA for closed town schools (\$327,655 per year – 11 years left – and will amount decrease if Conwell is returned to full use as a public school – this is the question of capital costs associated with the Worthington school building)***

- Dr. Hopson read the letter SBA sends us every year when the money is due. He understands what Mrs. Levreault is saying.
- Russell Dupere when you sign for a project you have to repay the money if you close the school. The agreement has a section of operation and capital costs. There isn't anything in the agreement that limits amendments to only capital and operational costs.
- Mrs. Levreault said the towns voted the building project, but the towns didn't vote to close schools.
- Russell Dupere said there was a vote to build the schools and there was a vote to close schools.
- Mrs. Eliason said the reduction in revenue we were not saying was indebtedness, and are now saying it is now that district got their way is changing the game and not fair.
- Russell Dupere said you need to look at this globally. At the end of the day no one side should be better off or worse off.
- Mrs. Eliason said what we are talking about here is the SBA payback and if the school reopens and the SBA payback is waived then it wouldn't be an issue.
- Russell Dupere said yes it wouldn't be an issue if it was waived. Although, the committee doesn't even know what Worthington's plan is. What is the plan?
- Mrs. Eliason said the plan is to open a public school and pay a fee for services.
- Mrs. Crane doesn't feel there will be any yes votes from the towns if there is nothing regarding SBA payback.
- Russell Dupere suggested putting language in there if Worthington doesn't open a public school and the grant doesn't get waived.
- Ms. Fisk said if Worthington re-opens the waived amount is only a piece of the 4 million. If Worthington reopens, they are still going to have a portion because there are still two other schools that won't be reopening.
- Mrs. Eliason said the schools have been turned back to the towns and are being used as offices or sold.
- Mrs. Buikus said there are two towns that don't have buildings to be returned.
- Mrs. Eliason said she is asking to have it struck.
- Russell Dupere said if the debt was relieved it would make it appealing for other towns to leave.
- Dr. Hopson said it is interesting we are arguing about MSBA and not capital costs.
- Mrs. Eliason said it's because they voted on the capital cost.
- Mr. Damon asked how he would answer a question if the article was on town floor. They're not going to pay back the debt but they get the school. The whole thing will be shot down by the average person.
- Mr. Wagner said we don't know the answers to some things, we don't have the knowledge, and we don't really know what we are voting on. Could the district inquire with MSBA.
- Dr. Hopson said yes.
- Mrs. Winer said when you talk about the district and the rest of the towns paying Worthington's costs, it is going to cost us all more because it will be divided by 6 and not seven.
- Dr. Hopson you could vote whether you want to asses Worthington or not and then the terms.
- Ms. Fisk said with regard to SBA since we were the first to close, their direction to us, was that they were going to reduce chapter 70, it wasn't that we got our way. DESE still hasn't come up with a calculation, and she notified them a year ago and nothing has happened yet, because it is going to set precedence.
- Mrs. Foley asked are you suggesting putting in some sort of clause that says Worthington would pay until the debt to MSBA is waived.
- Russell Dupere said only changes the amount not the language.
- Mrs. Kennedy asked how could we ask the towns to vote this without answers to these questions.

- Dr. Hopson said we have to pay \$327,000. You need a number when it gets to annual town meetings. You know we owe the \$327,000 and it may go down. The question is do you make them accountable or not and what is the percentage.
- Mrs. Kennedy asked how are we going to explain this. We've only got a couple months to get this to town meetings this year.

***Mrs. Eliason made a motion seconded by Mrs. Levreault to strike amendment 4 -Repayment to SBA for closed town schools (\$327,655 per year – 11 years left – and will amount decrease if Conwell is returned to full use as a public school – this is the question of capital costs associated with the Worthington school building)***

***Motion Failed (VOTE) Yeas 2 Nays 9 Abstain 2 Absent***

***Mrs. Buikus made a motion seconded by Mr. Damon to approve Amendment 4- Repayment to SBA for closed town schools (\$327,655 per year – 11 years left – and will amount decrease if Conwell is returned to full use as a public school – this is the question of capital costs associated with the Worthington school building) at the current allocation (.08445)***

- Mrs. Eliason said that is going to leave Worthington responsible for towns in Blandford and Russell, it was a vote by school committee not the people of Worthington. That reduction in revenue is the responsibility of the school committee.
- Russell Dupere said all three towns joined the regional school district. The process was followed and the schools were closed. Are you better off if you stay with the district or leave the district. The vote you just saw will be similar to what you are going to see in the towns.
- Mrs. Levreault said again this speaks to trust when we approved the building project – they weren't worried about their schools for at least 20 years. It was said that all seven towns would have to vote to close schools.
- Russell Dupere said any committee can vote to overturn a vote by a previous committee. Worthington is probably going to have to vote for something they don't love. Or go to litigation but both parties will still have to come to an agreement.

***Mrs. Buikus made a motion seconded by Mr. Damon to approve Amendment 4- Repayment to SBA for closed town schools (\$327,655 per year – 11 years left – and will amount decrease if Conwell is returned to full use as a public school – this is the question of capital costs associated with the Worthington school building) at the current percentage allocation (.08445)***

***Motion Carried (VOTE) Yeas 9 Nays 2 Abstain 2 Absent***

#### **#5How will unfunded liabilities (e.g., retiree insurance, pensions, etc.) be addressed.**

- Mr. Kronholm asked how would this be accounted for.
- Dr. Hopson said you pay on an ongoing basis as opposed to paying up front. The new accounting says you will do the same for pensions. There is no obligation to pay for it but you just have to account for it on the books. Worthington has been in the district for years, with teachers retiring. There is no requirement to fund those. GASB says you should have paid for it ahead of time.

***Mrs. Eliason made a motion second by Mrs. Levreault to strike amendment #5-How will unfunded liabilities (e.g., retiree insurance, pensions, etc.) be addressed.***

- Mrs. Eliason said GASB 45 has been in effect since 2008 and all it did was change a page in our auditor's report. They have no power to require us to pay. It is just an estimate and you put it in your auditor's report. GASB 67 and 68 are saying the same about pensions, requiring you to report them but there is no requirement to fund them.
- Mr. Wagner said the issue is one that is not explainable. It would hold them accountable for future actions of the committee.
- Mrs. Winer said what happens when they open their school and they start funding for their own.
- Dr. Hopson the only reason this is on there because of an actuary in Blandford.
- Mr. Kronholm said if there is a teacher that has been here for 30 years and then the teacher lives for another 30 years we have to pay this money out. Since this teacher taught Worthington kids they should pay for their portion.

- Mrs. Eliason said this is about 14 million in unfunded liabilities. As a school district we are not paying for teachers' retirement currently. We are covering their health care until they are eligible for Medicaid. We are not really talking about that. We have been doing pay as you go.
- Dr. Hopson it only takes one person at a town meeting who knows what they are talking about. If Worthington leaves the district and doesn't have to pay anything, then they are not paying for anything if the mandate does come up.
- Joe Boudreau said if you were funding it right along it would be one thing, but you will continue to pay as you go. No one is expecting you to fund it. There is no way you can fund it. It is just a disclosure.
- Dr. Hopson said he doesn't expect Worthington to pay 8%. He just wants Worthington to pay if we are forced to fund unfunded liabilities.
- Mrs. Levreault said we talked about this at one of the meetings. How can towns be expected to fund it if it is not being funded now.
- Mrs. Foley said if GASB makes this a requirement we will all be going down.
- Russell Dupere said if it ever happened it would be in drips and drabs. He does have clients who have created a trust, but have not funded it.
- Ms. Fisk said there is a recommendation from the state.
- Mr. Kronholm asked what about out of pocket costs.
- Mrs. Winer said this may be one of the things we have to compromise on, and she doesn't feel ready to vote on this because she can see both sides.
- Mrs. Eliason said it is remote enough so it is hard to put a number on it so it should be struck.
- Mrs. Winer asked if there is a way we could draft it in a way to describe this: What is Worthington's responsibility if this happens. If this happens this would be the result.
- Dr. Hopson said once Worthington leaves the district, they would no longer be liable.
- Mrs. Hirtle said if it was my town and there was a big what if, I wouldn't want my town to be held responsible for it. Are we going to go to them 20 years from now and say this is what you owe.
- Mrs. Crane said it, would be irresponsible by not addressing this.
- Mrs. Foley said twenty years down the road, are the people who were in the district still going to be alive. Would the obligations be for those who were in the district at the time Worthington was?
- Russell Dupere said Worthington would be responsible for everything up to this point,

***Mrs. Eliason made a motion second by Mrs. Levreault to strike amendment #5- How will unfunded liabilities (e.g., retiree insurance, pensions, etc.) be addressed.***

***Motion Failed (VOTE) Yeas 6 Nays 6 Abstain 1 Absent***

- Mr. Wagner has some flexibility. We all need to decide the level of comfort for us to get along.
- Mr. Kronholm said if we ignore this it is a deal breaker in Blandford. This put California out of business.
- Dr. Hopson said it is going to be a hard sell in Blandford. If it is in it is a compromise we can live with. Russell has something to write up, Worthington has some information.
- Mr. Wagner asked if one man one vote is going to be an issue.
- Russell Dupere said you have one man one vote as one amendment. The Worthington withdrawal is separate.

***Mrs. Buikus made a motion for amendment #5 to put in wording if it ever obligated, at that point of time, the town is responsible. It will decrease over a period of time. – no second.***

- Mrs. Winer said is there a problem because we haven't passed one man vote.

***Mrs. Buikus made a motion seconded by Mrs. Hirtle to strike amendment # 5- How will unfunded liabilities (e.g., retiree insurance, pensions, etc.) be addressed.***

***Motion Carried (VOTE) Yeas 9 Nays 3 Abstain 1 Abstain***

- Mr. Wagner said the next meeting is March 13, if Worthington could have it by March 12.
- Russell Dupere will have something drafted up by then.

---

**XIII. ADJOURNMENT Mrs. Eliason made a motion seconded by Mrs. Crane to adjourn at 9:15 p.m.**

---

Respectfully Submitted,  
Stacy L. Stewart  
School Committee Secretary