



SCHOOL COMMITTEE

BUSINESS MEETING OPEN SESSION MINUTES February 3, 2026

Meeting:	School Committee
Date:	February 3, 2026
Location:	Essex Elementary School
Attendees:	Pamela Beaudoin, Superintendent Michelle Cresta, Director of Finance & Operations Chris Reed, Chairperson Lindsay Banks John Binieris Jake Foster Kate Koch-Sundquist, Vice-Chair Nadia Wetzler Theresa Whitman
Absent:	
Guests:	
Recorded by:	Maria Schmidt
Link to Reports and Presentations	https://www.mersd.org/domain/785

- A. **Call to Order of** – Mr. Reed called the School Committee Business meeting to order at 6:16 p.m.
- B. **Business Meeting Open Session**
 - 1) **Public Comment (Guidelines for public comment can be found in sections BEDH and BEDH-E of the School Committee policy manual)** – None
 - 2) **Student Report** – Maggie Whitman. None
 - 3) **Chairperson’s Report** – Chris Reed. None
 - 4) **Consent Agenda** – No Consent Agenda
 - 5) **Sub-Committee Reports**
 - **Elementary Facilities/MSBC Sub-Committee** (John Binieris/Theresa Whitman) – Ms. Whitman shared that the SBC had its fourth community meeting last week with several attendees, including community members, local construction workers, and

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representatives from the town partners. The SBC gave a presentation on the current status of the project and the path to each of the decisions made so far. Community discussion included estimated operational costs and review of the decision to eliminate build options housing a portion, or all, Essex students at the Memorial site. A member of the Manchester Select Board asked if operational costs were considered in the elimination of the Memorial site and if they would be factored into future estimates. The SBC devoted time to discussing utilities and the cost estimate process. Superintendent Beaudoin stated that the district examined operational costs from their standpoint and did not find significant savings from housing Essex students at Memorial. Ms. Whitman said that no new information was presented at the SBC community meeting.

- **Finance Sub-Committee** (Jake Foster/Chris Reed) –Report. Mr. Foster said that the finance subcommittee met earlier in the day and reviewed the budget-to-actual report. A town Collaboration Group meeting is scheduled for Thursday, February 5, at 12:00 pm in Essex, and the finance subcommittee reviewed the proposed agenda. The subcommittee plans to discuss the district's proposed multiyear strategy, including reserve use and changes to OPEB contributions. This strategy is designed to avoid override fatigue in the communities as the district works toward the Essex building project. Mr. Foster said the subcommittee will inquire about how this approach will position the towns this year and over the next few years.

Ms. Whitman asked if the public budget hearing is the appropriate venue for that discussion. Mr. Foster agreed that it is but said that the budget hearing has not been framed that way. Ms. Whitman suggested doing so for next budget season so that the conversation with town partners is made at the public budget hearing. Ms. Koch-Sundquist agreed but said that she thinks it is important for the district and town partners to have a dedicated space for dialogue. Ms. Whitman said that the reaction of town constituents to the position of the towns is important for SC members to hear.

Ms. Banks said that the collaboration meetings provide a forum for the three entities to have an exchange, versus just receiving information. She said this is a healthy and important part of the process. Ms. Banks expressed concern about the timeline or the budget process. She would prefer that the collaboration meeting to occur before the public hearing. Strong attendance and input at the budget hearing would better vet the proposed budget. Ms. Koch-Sundquist said that she believes she has the necessary information but is unaware of how others feel about the information.

The School Committee needs a Manchester SC member to attend the collaboration meeting, because Mr. Reed is not available. Ms. Banks volunteered to fill this role.

Superintendent Beaudoin said that the budget timeline was shortened this year but that public input would be processed before the February 10 budget vote. Ms. Banks stressed that the budget proposal has serious implications by FY2030, and she would like feedback on key concepts, like fees and school choice. Unfortunately, the SC does not get strong attendance from the budget hearings.

- **Policy/Advocacy Sub-Committee** (Lindsay Banks/Nadia Wetzler/Theresa Whitman) – Ms. Banks said that the policy/advocacy subcommittee did not meet. However, Ms. Banks said that she regrets holding the next SC newsletter for February 10, the day of the budget vote. An earlier edition would have been an opportunity to increase public engagement. Ms. Whitman shared that, in her experience, the public is quiet unless they have something to be upset about. Ms. Whitman wondered if this year will lead to more visibility on the town budgets. Ms. Banks said it is important for constituents to have access to the latest information, like the extent of reserves usage and the potential for massive cuts if all parties do not back the proposal. The newsletter, if scheduled earlier, could have pushed these aspects out for community exposure. Mr. Reed said that there is not a process for this in the current year, but it could be planned for next year. Mr. Reed stated that the current budget will not put the district on a financial cliff, and the direction could be reversed next year.
 - **Negotiation Team Sub-Committee** (Kate Koch-Sundquist/Chris Reed) – No Report
- 6) **Superintendent's Report** – Superintendent Beaudoin said that middle school principal interviews will begin on Wednesday, February 4. The district has seven interviews planned, from thirteen applicants. All candidates are very experienced. The second round will be after the February break.
 - 7) **Continued Business** – Budget to Actual Report: Michelle Cresta. Ms. Cresta reported a small typo on the first line of the report, which she will correct. The district is approximately 50% through the fiscal year and at 36.9% spending of its operating budget. Spending is similar to last year. The budget to actual is divided between the personnel and expense categories. Ms. Cresta noted that spending for teacher salaries is skewed due to the teacher paycheck schedule. Teachers receive their first paycheck in September and then a balloon payment in July to end the year. Ms. Cresta said that other expenses are in good order with the district having spent 50.3% of its budget. However, the district is closely monitoring SPED contracted services. It is expected that the line will have a deficit of about \$51K. Ms. Cresta said spending in this category can fluctuate significantly. The district anticipates absorbing any shortfall with other accounts. Ms. Cresta noted that she has attempted to encumber as many expenses manually as possible in the report. The budget to actual report also includes revolving and special funds reports. This includes School Choice, SPED, athletics student activities, building rental, preschool, AP testing, and school lunch revolving accounts. OPEB and the stabilization fund are also detailed. These accounts have balances that can roll over. Typically, the preschool fund has not been able to carry a balance. Ms. Cresta stated that she will endeavor to update OPEB quarterly, rather than yearly, going forward. As of July 1, OPEB was at \$7.2M. Ms. Cresta also plans to include grant funding in future reports. Ms. Foster noted that the finance subcommittee did review any line items with growth/change that stood out.

Questions: Ms. Koch-Sundquist asked if the contracted employee expenses are expected to level out with the addition of .4 FTE speech and language pathologist. Ms. Cresta said it will address this in part, but more services are needed each year.

C. Budget Public Hearing –

Ms. Whitman moved to open the Public Hearing for the MERSD budget for FY27. Ms. Koch-Sundquist seconded the motion.

The motion passed unanimously.

Mr. Reed requested that public comment be restricted to three minutes.

Superintendent Beaudoin stated that all budget documents are available on the district website. The superintendent said that a major change in budget projections is a new estimate for the health insurance renewal. As the months roll off, there are new projections of usage for the district. This resulted in an updated renewal increase of 14%.

Superintendent Beaudoin provided updated graphics to illustrate how the budget is constructed and emphasized that the district makes budget decisions based on student need and strives to fund program enhancements through internal efficiencies and reorganization. The budget does not include staff reductions, though there may be movement. There is an additional .4 FTE position for speech/language pathology which will reduce reliance on contract services. The district has formulated a multi-year strategy to target operational growth close to 3.5%.

Considerations in Building the School Budget

- What Students Need to Learn & Succeed**
 - ✓ Strong core curriculum and instructional materials
 - ✓ Classroom technology that supports learning
 - ✓ Appropriate class sizes and staffing
 - ✓ Training and support for teachers and staff
 - ✓ Co-curricular and extracurricular opportunities
- Costs Required to Operate Schools**
 - Staff salaries and benefits
 - Health insurance and retiree obligations (OPEB)
 - Utilities (heat, electricity, water)
 - Transportation
- Special Education Services**
 - In-district programs and supports
 - Out-of-district placements when required
 - Transportation
 - Specialized staff and service providers
- Safe & Functional School Buildings**
 - Routine custodial care and maintenance
 - Ongoing upkeep of existing schools
 - Long-term capital planning
 - Support for approved building projects

How the FY27 Budget Is Built

- Student needs are the starting point** for all budget decisions
- Required obligations are funded first**, including contractual and mandated costs
- Preventative investments are prioritized** to protect long-term stability and avoid larger future expenses
- Program enhancements are considered only when they can be supported without adding ongoing operating costs**
- Spending decisions are evaluated through their impact on teaching and learning**, including curriculum, instructional materials and technology, staffing, professional learning, and co-curricular opportunities

Ms. Cresta provided budget highlights:

- The total Proposed FY27 budget is \$33.85M
- This represents a 3.85% increase over FY26

- The general fund revenue is expected to increase 3.87%, primarily from Chapter 70 increases
- Reserve use continues, consistent with FY26, at \$600K
- The FY27 assessment is 3.85% total, with Manchester at 3.74% and Essex at 4.03%
- The FY27 Capital Budget is still in development. Permanent debt service numbers are set, but the bond renewal went out to bid on February 4, 2026. The district received two bids and is working with them. The final capital budget number will be settled by the end of the week. The capital budget is concerned with the management of facilities debts, not investments like fields or carpet replacement.

Ms. Cresta said that personnel costs continue to be the largest driver of the budget at roughly 80%. Personnel growth includes COLA and step and column movement. It equals 5.1% increase this year. Health insurance is currently at 14% growth and may trend down further. The district has ongoing increases in utilities, transportation, and facilities operations. The district has reductions in out of district SPED tuitions. In July of this year, the district received additional circuit breaker reimbursements for the previous fiscal year. This reimbursement totals about \$250K and is applied to the FY27 budget as an offset. Ms. Cresta discussed the district's proposal to reduce OPEB contributions to a flat \$300K instead of the nearly \$900K amount dictated by the current formula. Combined with investment earnings, the district expects the OPEB fund to grow with the reduced contribution at around \$1M annually. The district is proposing a 2.5% increase to athletic fees, bus fees, preschool tuition, and facilities rental.

Superintendent Beaudoin stated that, with stability in other variables, the district's multi-year strategy could sustain the district until 2030 with growth close to 3.5%. With continued, level reserves use, the district's reserve fund is expected to fall to below 3% at that point. Superintendent Beaudoin said that the district does not anticipate needing to lock in additional school choice spots or student activities fees this year, but the district is open to reviewing the topics for future years. The district is looking to the upcoming Collaboration meeting for town input on the state of the district in 2030 and the possibility of planning for a correction.

Essex Building Project Update – Superintendent Beaudoin shared that the Essex building project is in the feasibility stage. To recap, the project started with physical identification – site selection. Then it moved on to evaluate potential grade level configurations. The site and student configuration have been determined. The project is now in the preferred schematic phase. The architects are taking feedback and considering build goals for three scenarios – code upgrade; renovation with addition; and new build. The superintendent said that the SBC should establish which design to pursue by May 2026. A fully developed plan is expected in the fall, and it will go out to the public in November or December of 2026. The superintendent complimented the work of the SBC and was happy with attendance and input during community meetings.

Questions from the School Committee for public feedback: The superintendent asked for public input. If community members are opposed to these measures, the district will need to consider alternatives, including reductions:

- a. Reserves Usage – must remain flat in coming years
- b. Student Activity Fees – the district could model out potential approaches.
- c. School Choice – held flat for FY27

Next Steps:

- February 10 – School Committee Meeting FY27 Budget Adoption
- April 27 – Manchester Town Meeting
- May 4 – Essex Town Meeting

Public Comment: Public comment at public budget hearings is interactive. School Committee members may reply directly to public inquiries. Attendants also interacted with each other.

Annie Cameron, 23 Pickering Street, Essex: Ms. Cameron questioned the success rate of previous attempts to collect student activity fees at the high school. She recalled that the district was hesitant to push collections. Ms. Cameron said that fees take the public out of education. Superintendent Beaudoin clarified that, while the high school has long had class dues, the district has not previously had a blanket student activity fee. The district has successfully collected athletic fees.

Alva Ingaharro, 93 Martine Street, Essex, Board of Selectmen: Ms. Ingaharro suggested that athletics provide similar educational benefits as activities like DECA.

Superintendent Beaudoin clarified that class dues are collected before seniors can attend senior events or graduate. The superintendent said that proposed student activity fees would be for activities like robotics, the math team, or play participation. The district estimates income of approximately \$75 - \$100K and would collect online. No student would be barred from participation because of an inability to pay the fees. Superintendent Beaudoin said that it is analogous to a user tax but not a general tax. Ms. Cameron suggested tapping into local nonprofit organizations for support. The superintendent said that the concept is similar to athletics, with fees structured to cover the cost of personnel and transportation. Currently, clubs do not have such a fee. If the SC so chooses, the district will develop a student activity fee plan for review by the School Committee. The process would generate useful data regarding stipends.

Ms. Cameron asked for clarification about the total amount of reserves that were utilized in the current budget. Superintendent Beaudoin explained that reserves that enter the budget are not tracked independently. They are considered fully utilized, and it is not possible to determine which portion is “unused.” The district has calculated the burn-rate to average roughly 50%. That percentage, accounting for other contributing factors, is returned to the reserves. There is yearly variation of this rate.

Ms. Cameron recalled that borrowing for the MMES project resulted in interest income being put into the stabilization fund and asked if the same would happen with the EES project.

Ann Harrison, 13 Tuck's Point Road, Manchester, Select Board: Ms. Harrison recalled that borrowing during the high school building project was done differently. Interest rates were dropping, so borrowing was done incrementally for better rates. With the MMES project, interest rates were rising, and the district chose to borrow the total amount up front. Ms. Harrison said that putting money into the stabilization fund should not be a driver borrowing. The superintendent stated that interest went into the operational budget during borrowing for the middle/high school building project.

Ms. Cameron asked about additional savings from lower health insurance rates. The superintendent stated that the School Committee would make the determination and concurred with the notion of reducing the ask to the towns. Ms. Cresta stated that last year's last-minute budget updates, intended to reflect the most solid rates for health insurance, caused difficulty for the towns. They had already printed Town Meeting materials. Ms. Harrison said that the towns had also already made cuts to their own budgets to meet the need. Superintendent Beaudoin said that the district anticipates final numbers by the beginning of March.

Ms. Ingaharro asked if the transportation estimate is accurate given that the district is going out to bid. Ms. Cresta confirmed that it is a close estimate. The previous contract was from five years ago, and Ms. Cresta expects a significant increase. However, there are now more companies available to bid. Ms. Cresta expects to have bids in six weeks.

Jodi Harris, 21R Spring Street, Essex, Finance Committee: Ms. Harris stressed the importance of ascertaining all expenses linked to each activity and said that it is important to look for revenues to support the high costs of these programs. In addition, facilities rental is a potential source of increased revenue. Ms. Koch-Sundquist clarified that Ms. Harris is referring to looking at activity expenses in addition to the stipends. Superintendent Beaudoin said that DECA and Debate are not good examples for generating an average for club costs. In general, the expenses are about staffing. Stipends for staff are included in the budget. Athletic fees are also used to cover uniforms and transportation. If student activity fees are implemented, groups would still need to fundraise or pay out of pocket to cover the costs of travel and competitions. Ms. Koch-Sundquist stated that student activity fees are an ideological discussion for the School Committee to deliberate. The current budget scenario does not require that the decision about fees be addressed immediately, and Ms. Koch-Sundquist recommended taking time for a considered discussion of student activity fees. She commented that it is a public school, but these organizations are beyond the minimum requirements of public education. The School Committee will need to determine what would trigger passing these expenses to families. Ms. Koch-Sundquist noted that fees are not tailored to each individual sport. The superintendent said that the district would determine how many other districts have activity fees. Ms. Koch-Sundquist noted that fees could impact participation and said it would be worth tracking. Ms. Whitman said the school activity fee discussion should be pursued before the next budget cycle.

Ms. Wetzler said that bench marking is important. The district should see what surrounding districts have in place for student activity fees or if MERSD would be an outlier in instituting activity fees.

Sarah Wolf, 4 Soginese Creek Road, Essex, remote comments: Ms. Wolf agreed with reserve use at the proposed levels provided that the district and towns are in agreement about an offramp for the practice. Ms. Wolf stated that the towns should agree to use some of their own reserves, as well. Ms. Wolf worried that fees would disproportionately affect students from Essex and pointed to income discrepancies and travel disadvantages without the late bus. Ms. Wolf said that programs are underfunded and families already pay for a lot, even without a student activity fee. Ms. Wolf said that families pay yearly class dues, parking fees, and athletics fees. Ms. Wolf advocated for the school choice program, saying it enriches the experience of the district and increases diversity. She said the district should remain a school choice district.

Ms. Harris said that fee programs should have a level playing field for all extracurricular activities. The district should consider more than just stipends and factor in the full costs of transportation, proctors, judges, etc., for all activities. Ms. Harris said that athletics should also be examined anew. Ms. Harris agreed that the system would be harder on Essex families for socioeconomic and transportation reasons. Ms. Harris expressed doubts that all kids currently have the same opportunities. Ms. Koch-Sundquist said that there has been a shift to prioritize academic rigor over extracurriculars. Ms. Koch-Sundquist stressed that students should have equal access to after-school activities if they are charged a fee. Ms. Koch-Sundquist said EES students do not have the same after school options because there is not a parks & recreation department in Essex. Ms. Ingaharro said that each time another play is added another stipend is added and school costs rise. Ms. Cameron took the opportunity to thank the Spaulding Education Fund and PTOs for their support of enrichment activities.

Ruth Pereen, 15 Lufkin Street, Essex, Finance Committee: Ms. Pereen said that participants in extracurricular activities should be treated the same as those in athletics. Superintendent Beaudoin said that students from Essex are permitted to participate in Manchester Parks & Recreation programs, but travel restrictions are prohibitive for many. The superintendent said that the district is working to replicate offerings for Essex students. Superintendent Beaudoin said that the district will investigate the issue further before rolling out student activity fees. The superintendent also highlighted the difference between completely extracurricular and co-curricular groups. Groups like DECA are co-curricular because it is based in a school-day course.

Ms. Pereen commented on Ms. Koch-Sundquist's previous SC meeting inquiry about use of the chartered vans to fill in for the late bus. Ms. Cresta clarified that the vans are not available during the after-school timeline because that is when they are utilized by the athletics department for transportation. The athletic department is paying for the two vans. The drivers are coaches and staff. Ms. Cresta emphasized that she is interested in finding a late bus solution. There was considerable discussion of specific experiences with after-school programs, both school-based and through outside agencies. A stumbling block to bringing more afterschool opportunities to Essex has been low enrollment. In Essex, they have a program that encourages staff to run after

school clubs. The associated costs to the district might be absorbed by the student activities fee. The superintendent said she would like to reinstate the late bus but reminded attendees that it was eliminated during budget cuts because of low ridership.

Mr. Reed requested that town leadership be prepared to discuss reserve usage at the upcoming collaboration meeting and provide the School Committee with guidance. The superintendent said that the meeting is at noon at the Essex Town Hall.

Ms. Whitman moved to close the public budget hearing; Mr. Reed seconded the motion.

The motion passed unanimously.

D. Adjourn

Ms. Whitman moved to adjourn the School Committee business meeting; Mr. Foster seconded the motion.

The motion passed unanimously.

Meeting Adjourned at 7:44 pm

School Committee Future Meetings

- **February 10, 2026**
- **March 3, 2026**
- **March 17, 2026**
- **April 7, 2026**
- **April 27, 2026** **Monday**
- **May 4, 2026** **Monday**
- **May 19, 2026**
- **June 2, 2026**