



## SCHOOL COMMITTEE

### BUSINESS MEETING OPEN SESSION MINUTES DRAFT January 24, 2023

<b>Meeting:</b>	School Committee
<b>Date:</b>	January 24, 2023
<b>Location:</b>	Essex Elementary School
<b>Attendees:</b>	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
<b>Absent:</b>	
<b>Guests:</b>	
<b>Recorded by:</b>	Maria Schmidt
<b>Link to Reports and Presentations</b>	<a href="https://www.mersd.org/domain/785">https://www.mersd.org/domain/785</a>

**A. Call to Order** – Ms. Whitman called the School Committee Business meeting to order at 6:04 p.m.

#### **B. Business Meeting**

##### **1) Public Comment –**

There was no public comment this evening.

##### **2) Chairman's Report –**

Ms. Whitman stated that she did not attend the Student Advisory meeting because it was re-scheduled. She represented the SC as chair at the Essex Board Chair Meeting. Reflecting on the

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experience of the SC over the past few months, Ms. Whitman emphasized the forward progress of the group, though the journey has not been as they envisioned it.

Ms. Mitchell read the excerpt from the School Committee Operating Protocols, “Attend meetings on time and be well-prepared to discuss agenda items. Members who are unable to attend a meeting shall notify the Chair in a timely fashion. A quorum of four (4) members is required in order for the School Committee to meet.”

### **3) Consent Agenda –**

- Acceptance of Warrants: **AP Vouchers: V1034, V1035, V1036, V1037**
- Minutes for approval: *1/10/2023*

*Ms. Spencer moved to approve the Consent Agenda; Mr. Foster seconded the motion. The motion passed unanimously.*

### **4) Sub-Committee Reports**

- **Elementary Facilities/MSBC Sub-Committee** (Theresa Whitman/Matt Harrington) – Ms. Whitman stated that the Elementary Facilities sub-committee did not meet. The MSBC met the preceding day. Delayed plantings at Memorial Elementary will be planted in the spring. Mr. Harrington requested to be added to the MSBC email chain, and Mr. Urbas promised to see it done and stated that the previous check-in was very brief. They addressed Con. Com. requested items. Mr. Foster requested an update on the Habeeb report. Mr. Urbas stated that the final report is due to the district this week, and he expects to be able to report on it at the next SC meeting. Ms. Whitman asked for an update on the turf field bids. Mr. Urbas replied that there would be a potential bidder walk through the following day. Bids are due February 2, 2023. He expects to provide notice to the Facilities sub-committee before our next meeting.
- **Finance Sub-Committee** (Anna Lin Mitchell/Theresa Whitman) – Ms. Whitman reported that the Finance Sub-Committee did not meet in full. However, they did have a collaborative meeting during which they crunched numbers to pull together a three year outlook in an effort to provide the towns with estimates as they work to form a path forward. They discussed the pending turf field replacement and the impact of district reserves on our credit rating as we poise ourselves to tackle the Essex Elementary building project. They have requested a report of class numbers at the high school, which Superintendent Beaudoin stated will require additional time.
- **Policy/Communication Sub-Committee** (Erica Spencer/Jake Foster) – The Policy Sub-Committee will meet before the next SC meeting.
- **Negotiation Team Sub-Committee** (Kate Koch-Sundquist/Chris Reed) – Mr. Reed reported that negotiations are on-going. Ms. Mitchell asked if the sub-committee is allowed to go into detail, and Ms. Koch-Sundquist replied in the negative. Ms. Whitman asked what the soonest timeframe might be for a substantive update. Superintendent

Beaudoin replied that it is possible that they will have information to share by Wednesday, February 1.

- 5) Superintendent's Report – Mid-Year Goals Update** Superintendent Beaudoin provided a mid-year goals update. The superintendent stated that the School Committee has worked hand in hand with administration on two key projects this year – the budget and META negotiations. She stated that there are a few more conversations necessary within the SC to nail down the budget, and she is hopeful to have the major provisions of the META negotiations within the next two meetings. Following paperwork alignment, the preliminary agreement will come before the SC for agreement-in-principle. The hope is for ratification by April. Previously, the district had planned a one-year agreement, but that has not been the case. META has had significant change in its organization and it has been critical to reorganize and build trust. Even though there has been a new positional emphasis, including more things in writing and formal negotiations, as trust has built the spirit of collaboration has been more evident. Superintendent Beaudoin stressed that both META and the district are in it for the betterment of our students and the program. Superintendent Beaudoin also spoke to the work in cultural competencies that is continuing in the background. The time invested with the leadership team provides them tools to take back to their schools. The superintendent was particularly excited about the principals' use of faculty meetings as learning labs to build staff competency and described the District Improvement Plan as making early gains. To support the goal to establish and foster an authentic learning environment (SP1), the superintendent stressed the importance of the NEASC review. That application process is underway, and it is hoped that the review will begin in the fall. At that time, both principals will be working with their teams through a process of standards-based self-assessment. The review will illuminate how the elementary schools compare against the same standards used to build the secondary Vision of the Graduate and eventually reorganize themselves vertically to align with it. NEASC has expressed excitement regarding the Vision of the Graduate. They had one example of a New Hampshire school with a similar model. In addition, some of the leadership team is part of a Mass Youth Partnership group and gaining access to a social justice training program. The superintendent did not have feedback yet on this experience, but it is tied to authentic learning. In pursuit of integrating social emotional learning into all aspects of the school day (SP2), the new MTSS district team is working well together and moving forward on schedule. SP3 emphasizes inclusion, and the SPED program is currently under review for program quality and finance. We are looking for efficiencies and areas for improvement. The review is accomplished through interviews and observations within the schools.

Discussion: Ms. Mitchell asked, in regards to the DIP, why students are not included in the current program along with faculty. Ms. Mitchell mentioned Michael Eatman's work and asked how it is being incorporated into the day to day for students instead of waiting until the end of a two-year staff training period. Ms. Mitchell stated that she recently shared a presentation on Lunar New Year with students in her children's

classroom to increase awareness for other cultures. Superintendent Beaudoin stated that she has asked the principals to highlight the projects and programs that shine a spotlight on diversity at the upcoming SC presentations. Ms. Mitchell also stated that our MCAS scores, when compared to other high-performing districts, were not as strong as anticipated. She asked how this is imbedded in the goals. Superintendent Beaudoin stated that student achievement and improvement are imbedded in everything done. It is ongoing and underway. At the elementary level, the MTSS structure identifies students in need of assistance throughout the year. At the secondary level, the principals are looking at corrections that they can make. Ms. Spencer asked about follow up for high school students affected by the staffing issues in the math program during Covid. Are there plans to help them catch up and meet the demands of MCAS? The superintendent stressed that it is important to distinguish between the current review of goals established two years ago and new objectives that have arisen from day to day challenges. She stated that she would circle back with Principal Puglisi regarding the high school's unfolding plan around the math program. Ms. Mitchell asked if this is the standard template for communication regarding superintendent goals and if these goals could incorporate Key Component Indicators so that it is easier to follow and track ongoing work not reflected here. Superintendent Beaudoin stated that the SC receives a multipage, standards-based document on this at the end of the cycle with updates on how the superintendent stands in each area. This process is standard statewide. The superintendent stated that it would be unrealistic to go through each standard four times per year. The goals highlight which pieces are taking center stage currently. Ms. Whitman asked at what point parents would be updated on the work being done with Michael Eatman. Superintendent Beaudoin replied that she had hoped to have a workshop for the SC with Mr. Eatman that would have been the first step towards sharing the work with the public. The superintendent stated that she is currently unsure of that time frame given that Mr. Eatman has not yet been able to meet with the SC. Superintendent Beaudoin stressed that Mr. Eatman is not instilling a program but rather coaching district staff to be better perspective-takers, to question their own assumptions, to define collectively what equity means, and to break through barriers we have to change. He plays a key role in providing counsel on how to be open-minded and bring people to new understanding. A good example is the current work to bring together two grade five teams, to understand what it means to two towns that may have very different ideas the situation. This kind of interaction is where Mr. Eatman can provide insight and counsel to all about being receptive to different points of view and coming to common ground. Ms. Mitchell asked what the superintendent sees as the most challenging aspect of the goals to achieve. Superintendent Beaudoin replied that she is concerned about the current level of energy and focus required to address the district budget work and does not feel good about how she has had to dedicate her time in building. So far, much of the superintendent's time has been focused on spreadsheets. Budget work over the last two to three years has absorbed the leadership team and stifled them from looking forward. For this reason, a strategic priority of budget stabilization was framed.

- 6) **Continued Business** – FY23 Budget to Actual Report and Transfers (Avi Urbas): Mr. Urbas stated that typically the budget to actual report is done in the Fall. At that time, staffing issues are largely determined. However, this year some things were still too preliminary, including hourly positions and athletics. At this point, personnel expenses are tracking slightly better than expected. For other categories, like utilities, we do not have information because they vary seasonally. For operating expenses, the forecasted expenses are relatively stable. The main adjustments are coming from increased SPED contract services and realized health care savings. For out of district tuition funding, Mr. Urbas requested a transfer from savings in other budget categories to increase the budget-funded portion for payment of OOD. This will allow the district to save Circuit Breaker funds for use next year. Although we are seeing budget savings materialize for FY23, it will not be enough to eliminate the deficit at the end of the year that is being met through the use of reserve funds. Mr. Urbas stated that there will be an end-of-year transfer request in June that looks to finalize numbers, as much as possible. The November audit will finalize the budget package.

*Ms. Whitman moved to accept the operating budget transfers. Ms. Reed seconded the motion.*

Discussion: Ms. Mitchell asked why transfers are not done for projected savings. Mr. Urbas stated that the relevance is the difference between a forecast and a budgetary transfer. We are not proposing to reduce the budget, which would be a transfer of savings out of the operating budget. Doing so would give up the SC's authority to bring those monies back in to meet expenses at a later time in the current budget year. Having "returned" money to the town, we would have reset the budget ceiling. At that point we would have to go before town meeting should we fall short of funds. However, we can use a forecast so we can accomplish the same goal. Transfers are a way to reach a statutory goal so that the district cannot spend beyond a category limit without alerting the SC. Mrs. Mitchell asked if savings is transferred to the reserve fund at the end of the year, and Mr. Urbas confirmed that is the case. Ms. Mitchell stressed that it is important to keep those projected savings in mind when crafting the current budget. Mr. Urbas reiterated that this is an early time to be looking at budget to actual and that much can change before the end of the year. For example, unexpected utility costs, new OOD or contracted services, or staff leaves of absence. Ms. Mitchell emphasized the importance of transparency and asserted that the budget gap is not as large as currently stated if there is saving. Mr. Harrington asked that the current discussion stay focused on the transfers. Ms. Spencer stated that she appreciated Mr. Urbas' explanation. Mr. Harrington inquired about whether the health insurance savings was from the plan type versus utilization. Mr. Urbas replied that it is not utilization but the makeup of those on each plan. He stated that we are actually seeing a larger savings than we would like. Mr. Harrington asked how costs are estimated, and Mr. Urbas stated that the district estimates the number of retirees and the plans that will be utilized. Ms. Mitchell noted that a transfer was requested in October and now an additional transfer is being requested. She suggested addressing it since we are consistently under budget. Mr. Urbas agreed but stated that it is difficult to estimate accurately, particularly as a change in this number (which is 20% of the budget) would

have a dire impact if we estimate conservatively. Ms. Mitchell suggested that the integrity of each budget line was being changed. Ms. Whitman stated that it is a living/breathing budget and that it is understood that the process is dynamic. That is why the budget is for an entire year. Ms. Whitman asked the superintendent if she has had input from our town partners about concern with budget transfers. Superintendent Beaudoin said that has not been the case. She said that the district arrives publically and with disclosure at budget numbers. There are liabilities that do not show, for example unexpected OOD, grant positions that have to be absorbed by the budget, or the recurring negative lunch account balance. Areas with conservative estimates allow the budget to meet those needs. Ms. Spencer asked if healthier reserves would help with this issue. The superintendent stated that reserves would only be used once for unexpected expenses. The following budget year, the expenses would need to be absorbed by the operating budget. The superintendent stated that some districts carry a contingency line in the budget or hold a joint account with their towns to meet these needs.

*The motion carried 6-1. Ms. Mitchell voted no.*

**7) Adjourn to Public Hearing 7:08 pm**

Ruth Pereen, Chair, called to order the Essex BOS

Ben Buttrick, Chair, called to order the Essex Finance Committee

**C. Public Hearing**

**1) Presentation of Tentative MERSD Budget 2023-2024:** Superintendent Beaudoin stated that key variables like health insurance will not come out until April. There has been no substantive change since November thought utilities and insurance continue to be monitored. In drafting the budget, the district starts with goals and builds a program around student needs. For example, the middle school model requires a certain investment. We could maximize the cost per head with a junior high model but would have to take on a change in philosophy about what is best for this age group. The district does keep an eye on the bottom line and has worked to meet a goal of 3.5% growth. However, it is increasing difficult to meet this goal.

Terms:

Spending Growth – the percent increase year to year

Assessment Growth – the portion of the spending growth that is passed on to towns after deducting outside funding sources

Apportionment Formulae – stipulated in the regionalization agreement, this is how the assessment growth is divvied up by town

Level Services – no added programs, attempting to keep costs stable while maximizing program offerings to students.

Behind the Spreadsheet – Superintendent Beaudoin highlighted the high performance of MERSD in the state. Currently, we are ranked #4. Although we have moved around, the district remains consistently in the top 20% of the state. Even with concerns about certain

elements, like the recent MCAS scores, our staff comes through. The budget presented maintains those efforts. The district has also made significant progress in meeting the priorities of the Strategic Plan and increasing student achievement. As we look to right-size, we could consider cost-saving strategies like putting some high school courses on bi-yearly offer.

Overview: Staffing has changed over time. The general education staff has decreased with the overall student population, but special education staffing has increased. SPED staffing is determined by intervention needs and IEP plans. Further staffing cuts will be difficult without cuts to program. However, we can document savings from internal programs versus sending students out of district. The district is studying the possibility of addressing class-size through schedule and student choice. This might include offering some classes only every other year, but there are repercussions to students.

#### FY24 Scenarios:

- I. Level Services Budget – Where we were in December, currently anticipates a \$756k funding gap.
- II. Reinstatement and Stabilize Budget – reinstatement of some pieces lost to previous cuts, not through re-organization. Two programs to consider bringing back are the late bus and the middle school Spanish program. This budget also includes two small cap lines for facilities and curriculum. They would address furniture and carpeting that have deteriorated in the middle/high school building. Facilities small cap is usually less than \$100k. A curriculum small cap would be utilized to fill in what is needed as programs come under review. For example to purchase a new smart board or new program materials. In prior years, a budget line item was included for these items, but it was eliminated in a previous budget. There is also a stabilization line for a long term saving account to address long term facilities needs, funded annually at \$175k. In addition, this budget includes an increased payroll/purchasing position to meet the increased demand for reporting. This is the budget package that is being recommended by administration with the new component of moving field replacement out of reserves and into a debt exclusion for town meeting (on the recommendation of the collaboration team). The goal would be to reserve the reserves for the Essex building project and ensure the best borrowing terms possible while leaving funds on hand to address problems at Essex between now and construction.
- III. Reinstatement Capital Investment includes increased amount for the dedicated stabilization funding line.

#### Recommendation

- Reinstatement/Stabilize & Level Service hybrid
- Preserve reserve funds for EES borrowing
- Fund field replacement through debt exclusion

**2) Public Comment** – Ms. Whitman opened comment up to the SC committee first. Mr. Foster asked for clarification regarding the proposed debt exclusion as a means of

funding the turf field replacements. His understanding was that the proposal included an expectation that the district would then make use of reserves within the budget. Superintendent Beaudoin stated that was not the implication from the last collaboration meeting. Mr. Foster commented that the path to the field work would then not be through the budget. The superintendent said it was important to connect it to the FY24 budget because it is part of the complete financial package. Mr. Urbas stated that the school district will spend \$1.2 million on the fields and needs a strategy for how to meet the impending Essex expense. He said that the savings Ms. Mitchell noted is not in that realm. He said that it is becoming more pressing to have a dedicated line in the budget to meet these kinds of needs. Mr. Foster summarized that the district is introducing a strategy to build reserves in order to meet projected Essex needs or other district needs. Mr. Urbas explained that the debt from the capital budget, where this would be essentially funded, has historically come in much lower than anticipated. Field replacement funding through a debt exclusion would result in us holding that debt essentially even rather than continuing to roll-off a significant portion each year. Ms. Whitman stated that the idea for a capital exclusion was originally broached during the last public meeting, but that the current proposal is the result of the collaboration group problem solving. Town partners said it would be better to use a capital exclusion than to have the cost built into the yearly budget. Ms. Spencer voiced concern that the town would have to approve this via vote. She said that 62% of kids participate in sports and not just on Highland Field. Reports are that the fields are not safe. We would be leaving approval to a town vote and not all voters would be well-informed about the danger the fields pose. Ms. Spencer asked what the degree of confidence is for passing the capital exclusion. Ms. Whitman stated that it is an opportunity for the towns to vote in a manner that will yield them cost savings. Ms. Mitchell stated that in the collaborative meeting the idea was that the approach would be first a debt exclusion and then use of reserves if the debt exclusion did not pass. Mr. Urbas stated that field work has to happen, and that Highland will be a given. Whether the Brook Street field is replaced at the same time or a year or two in the future will depend, but Gale (consultant) says that we could perform small cap, short-term repairs to delay the cost of the full replacement at Brook Street. This might come about if both debt exclusion and the stabilization portion of the budget failed to be adopted, requiring tough cut decisions. Ms. Koch-Sundquist asked what the vote requirements are. Mr. Urbas replied the requirement is 2/3 at town meeting and 50% on the ballot. Mr. Urbas also clarified that the replacement cost for each field is at \$800k. Since MERSD is responsible for half of the Brook Street field, our total is \$1.2 million.

#### Public Comment

Ruth Pereen, Chair, Board of Selectmen, Essex: Ms. Pereen took the opportunity to thank all the SC members for their work.

Annie Cameron, Essex: Ms. Cameron asked whether the recommended Reinstatement/Stabilize budget was a debt exclusion or a debt exclusion plus an override. Ms. Cameron questioned whether Essex would pass a debt exclusion. Ms. Whitman asked if town leaders could speak to this point.



Brendhen Zubricki, Town Administrator, Essex: Mr. Zubricki stated that the correct term for the current proposal is a capital exclusion, which has a one year term. A debt exclusion is a multi-year commitment. Both require a 2/3 vote and 50% at the ballot box. He stated that he was unsure if Essex is ready for a capital exclusion as there has not been a lot of discussion yet. The original suggestion was that the district would continue to use reserves in the operating budget to reduce apportionments. The answer to that was no. The current proposition is that the two town would find a way, whether through cash or a capital exclusion, to fund the fields and the two towns would also have to pursue an override. He stated that we do not have clarity yet for that scenario from the Essex BOS or Finance Committee.

Ben Buttrick, Finance Committee, Essex: Mr. Buttrick stated that the Fin Com has done significant work modeling out an operational override. He expressed concern about the amount of the override. The towns have to use 2.5% for growth. This ask would add 85-90 cents to the mil rate for Essex, and Mr. Buttrick is concerned about the capacity of the average taxpayer to absorb that. The reinstate budget adds to that ask.

Guy Bradford, Selectman, Essex: Mr. Bradford asked for caution in talking about a budget that puts back cut programs or depleted reserve funds and said that we need to recognize what taxpayers are facing. Mr. Bradford stated that the idea was for a capital exclusion to reduce the amount of the operational override and for the district to once again employ reserve funds. Ms. Whitman stated that this was originally the proposal, but that the district was not inclined to continue with the practice. Ms. Whitman stated that the SC is responsible for approving a budget but does not determine how the towns raise funds. Mr. Bradford replied that the BOS is tasked with making sure that the budget will be approved. Ms. Koch-Sundquist spoke to the importance of the reserves, stating that the elephant in the room is the room – the state of the facilities as Essex Elementary requires that the district be prepared to meet the needs of an aging building. Mr. Buttrick stated his support for the idea of not using reserve funds for operating and acknowledged the need for a correction. He expressed support for the capital exclusion and thought Essex might be able to pay for the capital exclusion in cash but hopes for some kind of a give back in the amount of the operational ask.

Mr. Foster stated that the three year model from the last meeting has a 3.5% growth assumption built in. The forecast requires us to make reductions and possibly pull from reserves by FY25. He said it appears that anything added back into the current budget would likely face cuts next year. Mr. Urbas stated that Essex is currently looking at a multi-year override to get through a three year projection and the increased ask represented by the reinstate/stabilization budget would have to be rolled forward. Mr. Foster commented that even with that, we do not get out of the situation. Superintendent Beaudoin stated that we can artificially suppress the growth rate, but will have to reset periodically. Mr. Urbas said this characterization is accurate. Previously, we had ten and eight year gaps between corrections. This is a structural deficit for communities that invest in level-services. Mr. Foster stressed the need for the SC to examine spending with whatever time the current ask allots. Ms. Koch-Sundquist asked him to clarify what they

could target given that healthcare has increased by 10%. Mr. Foster reiterated the need to do our part. Superintendent Beaudoin stated that even should the district restructure to reduce the current budget by \$750k, that new baseline has the same rate of increase and puts us on the same trajectory. Mr. Foster stated that he does not see how to escape this cycle. The superintendent stated that we are looking at deciding how often to seek a correction. A smaller correction would be every three years; a ten-year correction will be a much bigger ask. Superintendent Beaudoin stated that there is conflict between the wants and needs of the two communities that plays out at the budget meetings and stressed that we need a system that does not require such large time and energy investments from district administration each year. The district cannot solve what is a structural problem statewide. Mr. Harrington stated that the most common refrain was about reinstating the foreign language program and that putting it back in would be responding to the community.

Annie Cameron, Essex: Ms. Cameron spoke to the politics of town meeting. She summarized that the current proposal was for a capital exclusion of \$1.2 million plus and additional article for override for \$1.7million. In context, Essex is fresh off construction of a new public safety facility. Ms. Cameron stated that Essex does not benefit from two schools the way Manchester does, for example as a voting location. Shortly, they will be asked to vote on the school building. Ms. Cameron expressed concern about the ask, how to sell it, and how to pass it. Ms. Cameron suggested getting rid of the late bus and stated that she is bothered by the stabilization line. Ms. Cameron asked what Ann Harrison looks to see in reserve.

Ann Harrison, Select Board, Manchester: Ms. Harrison replied that the goal is ten percent. She stated that there is a history of putting less and less in each stabilization fund until a reset is required.

Ms. Cameron reminded the SC that, although Essex passed a correction in 2015, there was an unsuccessful override in 2017. She stated that Essex likes to pay its bills and usually passes those bills without a problem. She stated her belief that the capital exclusion would pass. Ms. Whitman said that she is concerned that two asks in conflating things and will need to hear more from town members.

Nina McKinnon, Essex: Ms. McKinnon agreed that the late bus was unnecessary. She stated that the field funding is too confusing but stressed that the fields themselves are a safety issue. She said that the multiple asks are confusing. Ms. McKinnon advocated for creative solutions to funding. She has seen other schools use advertising in gyms and on playing fields. She stated that the current climate in both towns is that both have had an increase in home assessments and that there is rising job insecurity. She also thought reexamining programs was a good idea to reduce costs, looking for different models that have similar efficiencies.

Antonella Muniz, Essex: Ms. Muniz stated that she has been paying a lot of attention to budget talks and still finds it confusing. She asked how the presentation could be made

simpler to understand without using complicated vocabulary. She believes there is strong support for an override if it is laid out clearly and with consequences for not passing. Ms. Muniz asked if there was potential to add a school psychologist, given that Essex previously had a dedicated school psychologist and now, post-Covid, the retiring school psychologist was not replaced. They have a new adjustment counselor. Superintendent Beaudoin stated that there is no plan to bring on an additional school psychologist. The restructuring was in line with current enrollment numbers. The elementary school psychologist splits time between the two schools where her role is primarily testing. Some of the previous services in Essex were beyond the scope of the position. Ms. Muniz expressed disappointment.

Sarah Wolf, Essex: Ms. Wolf echoed gratitude for the work of all the committee members and the participation of townspeople. Ms. Wolf stated that during her seven years on the school committee voters have consistently asked for more from our schools – for safe, supportive schools and for wrap around services both before and after school. We want a variety of opportunities in high school and safe fields. The district can count on increasing health insurance and transportation costs. Ms. Wolf expressed her support for the late bus, which supports equity between our communities. In addition, Ms. Wolf stated that it is likely that the state will require the district to provide early childhood care in the future. Ms. Wolf said that she does not think the school district has a spending problem; the state has a funding problem. She proposed leaving it to the district to decide which programs are best for our kids.

Christopher Wolf, Essex: Mr. Wolf supported the sentiments of Ms. Wolf, stating, “what she said!”

Ms. Pereen stated that seeing a budget option with building back in and reinstatement felt like a curveball because they had been working on a three year plan with a number in mind. In listening to the items that are being discussed for reinstatement, Ms. Pereen asked if Spanish was been mentioned only because it was what had been cut last year. Ms. Whitman said that the timing is problematic for strategizing because the budget will not be voted upon until February 7. Until then, nothing is solid and the SC is examining options.

Mr. Buttrick stated that he does not think there is an alternate in Essex to the capital override. He said that we have not discussed the apportionment formula and how it inflates the total. Each year, the town budgets are starved to pay increasing apportionment. Mr. Buttrick stated that we may have trouble in year four, but this buys time.

Ms. Cameron asked if the district would be looking for another override for year four with the current three-year proposal. Superintendent Beaudoin replied in the affirmative, and Ms. Cameron stated it would not succeed. The superintendent stated that the collaboration team has been discussing whether it is more palatable to have a large ask every ten years or smaller overrides every three to four years. Ms. Whitman stated that

this is the beginning of long-term strategy formation and that it would be easier if the two towns came to agreement on how they wanted to approach it long-term. Ms. Cameron stated that it is important to consider what is at stake and what it gives us. She said she appreciated the educational overview and thinks we produce a good educational product. She was clear on the need to present a story to the community. Superintendent Beaudoin stated that her job is to advocate to the community about what is in the best interest of the students. She has had input on the need for the district to do more. After many years, the district is being asked to solve problems that are within the two towns, within town finance. The superintendent said that the budget presented is sound without being bloated. It does not get what everyone wants. The reinstate/stabilize budget gets us stability going forward and tries to back us out of the conversation about reconciling what the two towns want, which are different things. Superintendent Beaudoin stressed that she thought the collaboration group had advocated for the option with a capital exclusion and no reserve fund use. The superintendent stressed that the district does not have a spending problem in comparison to how other districts run. Superintendent Beaudoin asked for direction from the school committee so that she can provide options, which are easy to craft. It is the consequences that are difficult. Public input has asked for us to compete with private schools and bring back a school psychologist. The SC has to decide whether we are growing programs or looking to shrink options by cutting the budget.

Jodi Harris, Essex: Ms. Harris stated that it is not the mission of the public schools to compete with private schools. She stated that, in this economy, with a large ask and a new school to build, we are pushing it, and she is concerned that we are not looking to tweak the program. Ms. Harris said it is time to look at how the program can help with spending. Ms. Harris also stated that it is not our job to provide special education services equal to Landmark and pointed to the real pressures of people with their electricity costs, etc. Superintendent Beaudoin stated that the private school reference was in response to the requested study to address student exit to private schools.

Cathy Bilotta, Board of Selectors, Manchester: Ms. Bilotta asked when program restructuring was last done. Superintendent Beaudoin stated that a study was done when the high school principal position was coming up in 2012. Under consideration was the nature of the program for grades six through eight and whether administration could be restructured to have one principal for both the high school and middle school. At that time, it was believed that if you want a middle school philosophy, you want an individual with that experience. Program restructuring is done annually and all programs have a review cycle which includes outside input. Ms. Bilotta encouraged the school board to plan for a structural analysis on administration more frequently to uncover efficiencies. Mr. Urbas said that restructuring of the spending profile is done annually as part of the budget process and that we have had some change each year. We restructured the district administration this year and implemented shared services between schools. Ms. Bilotta stated that the continuous improvements are evident but that periodically you want to take a deeper, transformative look. She recommended planning for that in the near future.

Tina Lane, Essex: Ms. Lane asked what percentage of SPED referrals are parent versus school initiated. Superintendent Beaudoin said that she did not currently have that data but could get it. Ms. Lane asked if there were any personnel paid for with Covid funds that have since been absorbed into the budget. The superintendent said that one math specialist meets those criteria. Ms. Lane noted that the current curriculum director was employed by Culture 7 and asked if that is a prerequisite for the new applicant. The superintendent replied that it is not.

Ms. McKinnon stated that the optic to the community is that our enrollment is down but our spending is up. She asked how we could be creative. Ms. McKinnon also asked why, if we are number three in the state, kids are leaving to private school. Ms. McKinnon asked to see the big picture.

Before closing, Ms. Whitman asked for anything additional from members of the School Committee. Superintendent Beaudoin asked what the SC needs to see. Mr. Reed asked how long ago the vote occurred for the Memorial construction project. Mr. Urbas said it was in 2018. Mr. Reed stated that the conclusion of that project yielded savings over the original estimates and wondered if it would help to add savings over the last five years to the story provided to taxpayers. Ms. Koch-Sundquist asked to see how much opening up school choice could impact the budget, within the current SC recommended class sizes but as high as possible. Ms. Koch-Sundquist stated that she believes the superintendent has provided a sound, responsible budget but knows her community and believes that the reinstatement budget would be a hard sell. Ms. Whitman stated that the SC should be looking for additional feedback from constituents based on tonight's meeting. On the reinstated items, she asked what they would be specifically and if they would be reinstated in their previous state. Ms. Whitman also expressed concern for the new idea about the capital exclusion and asked about having an additional collaboration meeting before the SC vote because she felt unsure without greater endorsement from the boards. Ms. Whitman asked if the .5 FTE payroll position increase would make the position more attractive, since it was not filled as a part time position. Mr. Foster stated that of the four budget possibilities, the middle two (level services and reinstate/stabilize) were the ones to play out. He stated that it would be helpful to lay out what the budget would be for those two scenarios for FY24 and for the three year model. He also asked for the basic assumptions that drive those two options – what are we trying to accomplish. Mr. Foster also stated that the SC should come prepared to consider commitment to the addressing the spending side. Ms. Whitman stated that she does not think there is enough time to address all that Mr. Foster asked. Ms. Mitchell stated that right now it is all about the numbers and that the two towns are looking to the SC to provide a story. She said she would not be able to decide if she had to vote now. Ms. Mitchell also said that she does not know why there is a stabilization line when we are currently looking at a savings this year. She stated that projections are assuming stable enrollment and she does not believe that is a given. She said the SC may need to re-examine school choice and the standard for class size and supported Ms. Bilotta's suggestion of an administrative analysis. Ms. Mitchell said that people want to trust the SC to monitor the budget and that needs to be planned out. Currently Ms. Mitchell felt as though she is voting in a vacuum. Ms.

Spencer stated that to maintain our position as a top performing school we need to invest in our schools but we are consistently in a cycle of cutting the budget. Although she would support looking at the program for efficiencies, Ms. Spencer stressed that so much of the budget is personnel and insurance that the SC has little control over. What is in our control may be revenue, and maybe creative approaches, like corporate sponsorship, should be considered. Ms. Spencer said it may be worth starting the budget reflecting savings. She expressed concern with Essex having to vote on two items. Mr. Harrington asked if there is an equation to quantify the cost to voters. Mr. Buttrick stated that the average in Essex has been estimated at \$625. Each town would approach funding differently, so this is just for Essex. Superintendent Beaudoin said that, in looking at the scope of what has been request for next week, she is not sure what is accomplishable. She also stated that she is fearful that they are being asked to provide so much information that it will become even more confusing. Superintendent Beaudoin reiterated that the current budget modeling is consistent with that done in other districts. Ms. Whitman stated that the multiple budgets are import to account for feedback from the community. Mr. Reed concurred, stating that they have heard from townspeople who want more and asked to see what program growth would look like.

*Mr. Harrington moved to adjourn the meeting; Ms. Spencer seconded the motion. The motion passed unanimously.*

*The Essex Board of Selectmen adjourned*

*The Essex Finance Committee adjourned*

### **School Committee Future Meetings**

- February 7, 2023
- February 21, 2023