

CIP/FIN Sub Committee meeting
Superintendent's Office
January 21, 2020

Present
Stacey Metternick
Gene Lee
Michelle Horgan

Also Present
Julie Kukenberger
Tom Geary
Vinny Leone
Craig Genualdo

Gene Lee calls the meeting to order at 7:06pm

FY21 Budget refinement

Mr. Lee discusses the first agenda item, FY21 Budget refinement. Asks how we want to go through the process? Requests Julie Kukenberger to project budget related information on the screen for reference. Mr. Lee asks if anyone has any specific questions.

Michelle Horgan questions the maintenance budget increase. Tom Geary explains the process. He reallocated the District budget and pushed it to the schools. The District has been deferring maintenance for years. The reallocation of money to specific schools will help the District manage costs in the future.

Mr. Lee suggests we look at the FY21 budget, an initial 12% increase over FY20 budget. Dr. Kukenberger explains the increase is due to SpecialEd, HR costs due to lane changes, etc.. Dr. Kukenberger also states that the proposed budget also includes know unknown special ed possible outplacements. A strategy that was never implemented in past budget planning. Stacey Metternick asks how many students do we expect to exit the District? Dr. Kukenberger states we have 5 students that are graduating or aging out of the system. Continues to explain the District may have 16 possible students who could be outplaced in FY21 budget. Of the 16, District is confident four to five students can be retained. Things can change but the District needs to plan.

Mr. Lee asks Vinny Leone how in years past, the District has been able to balance the budget. Mr. Leone explains we have back filled with circuit breaker and other resources. Mr. Lee explains that we have been underspending. States the District has a revenue problem, not a spending issue.

Mr. Lee is still assuming 12% is the budget. Asks Ms. Metternick and Ms. Horgan what they think is an appropriate number for the towns to accept. Ms. Metternick thinks a 6% increase for Wenham is acceptable but the town is in a tough spot and will have an override. Asking to take 2 million out of budget to meet the needs of Wenham. Mr. Leone and Dr. Kukenberger explains that cutting the budget to 6%, as recommended by Wenham, would mean closing the Buker School. Ms. Horgan explains she met with Hamilton Fincom liaison, Christine Hargrove, and she would not give a % cut to the budget. Hamilton wants the budget cut, period.

Mr. Lee suggests we go through budget line by line and explore what we can cut. Ms. Metternick asks about the Student Services budget of an additional 5 staff members. Dr. Kukenberger explains that a BCSB and Speech pathologist hiring will save the District money over time. FTE instead of contractual hiring is a better use of resources, it is an investment. Additional staff in Student Services budget builds defensible programs and keeps students in District. Ms. Horgan asks how many years to build defensible programs. Dr. Kukenberger states after one year, District will see savings.

Mr. Lee explains the greatest cost is SPED. If towns want to see a stable budget, investment needs to be in SPED. Towns need to get over the shock of initial budget increase to build defensible programming. Ms. Metternick raises concerns that SPED may be taking resources away from GENED. Dr. Kukenberger explains we have no choice. SPED needs to be addressed now.

Ms. Metternick voices concerns about clerical contracts. Mr. Leone explains the increases negotiated in the last contract raised Districts cost by 10%. Dr. Kukenberger is working with Negotiations Sub Committee to be better prepared with renegotiations of contracts next year to save costs.

Mr. Lee asks if budgeting for 7 kindergarten TA would disqualify District from title one funding? Dr. Kukenberger states District can still get federal funding and use it for supplemental staffing. Dr. Kukenberger states District would like to consolidate ELL but will wait for future years. Conversation switches to line items. Ms. Horgan asks if we can keep stipend pay to \$90 instead of raising it to \$100. Dr. Kukenberger states the current rate is below minimum wage. Ms. Metternick asks about staffing. Can curriculum leaders be consolidated? Dr. Kukenberger states it is contractual agreements and tied in with stipends. Changes will have to happen with renegotiated contracts but will not sit well with staff. Ms. Metternick questions the increase in professional development. Dr. Kukenberger explains the increase is needed and will make the District stronger. Discussion continues ways to reduce the budget. Craig Genualdo suggests increasing user fees to 50/50. The SubCommittee agrees to increase user fees. Mr. Genualdo will research the numbers. Dr. Kukenberger requests the Sub Committee give a percentage to be cut from the budget so the Leadership Team can rework the budget. Sub Committee recommends three models for percentage cut from initial budget: 7.6-8.6%, 9.44-10.44%, 12.4-13%

Discussion shifts to purpose of joint town meeting on 1/29/20

Mr. Lee recounts the past history. District would present a budget with little details and towns would make recommendations and try to influence the District's budget. Moving forward, Mr. Lee believes joint meeting should be a strategy session for all parties to ensure budgets are passed. Towns and District should present budgets. District's budget details, as well as Capital Budget, should be kept to a minimum and stress that it is being refined. Budget goals and challenges need to be highlighted.

2. MOU

Mr. Lee talked with the District counsel and shared draft of the Town of Georgetown's MOU. Counsel questioned how we avoid conflict of interest with potential sponsors who is a vendor. It is important to id who is soliciting and important for the District to keep and arms length from soliciting. Mr. Genuardo stresses that no employee/coach can fundraise on behalf of the project. Policies are in place already to avoid conflict of interest with fundraising. Mr. Lee also explores how do we manage the use of the fields. Mr. Genuardo explains, similar to building use for youth sports, turf fields would be managed the same way. The District would provide insurance binders but scheduling is the responsibility of rec department. Mr. Genuardo also states that the community usage(walking on the track, tennis court) policy will need to be established. Mr. Lee also asks about outside entities using the fields in the summer. Mr. Geary states the District already has a policy in place. Mr. Lee suggests we have two MOUs, fundraising and field use. Counsel also suggests District goes back to Gale to update the plan to include tennis, title 9 compliance, and timeline. Counsel also stresses we have a policy with the rec department, sharing of the workload and possibly an MOU.

Mr. Lee and Counsel discussed TURF Group. They can file a 50c3 now. Any money raised by the TURF Group will be donated to the District. States the District will determine the scope and how the monies are spent, not the TURF. All in agreement. Mr. Lee will go back to Counsel to refine an MOU so Sub Committee can present it to the School Committee for approval.

9:55 pm Ms. Horgan leaves meeting.

Mr. Lee discusses Turf and recreation and the need to bring TURF to Town Meeting, they are a nimble group.

Mr. Lee and Ms. Metternick disagree whether or not MOU needs to be finished before the ATM to see if citizens want to push forward. Ms. Metternick says the Turf field will die if we don't continue momentum. Finally, Mr. Lee agrees to work on it so we can approve the MOU.

2/4 next meeting - discuss budget

2.11 discuss MOU and finalize

Gene will talk to Naomi about MOU.

Talk about budget forum, Julie asks what to include.

Adjourn at 10:16 pm

Respectfully submitted by Michelle Horgan