

Record of the Marblehead School Committee Meeting Workshop
Wednesday, January 16, 2019
Marblehead High School

Members Present: Meredith Tedford, Jennifer Schaeffner, David Harris
Sarah Gold, Meagan Taylor

Also: Maryann Perry, Superintendent
Dr. Bradford Smith, Assistant Superintendent
Ken Lord, Exec. Dir. Of Technology and Operations
Amanda Maniaci, Director of Business and Finance
Robert Bellucci, Dir. Of Student Services & Program Acct.

Members Absent:

A. Call to Order

Ms. Tedford called the meeting to order at 7:00 pm.

Ms. Tedford explained that tonight is a budget workshop. The Committee can only meet in public session and this is the only opportunity for the Committee to discuss this information so this is a working meeting of this board.

Ms. Tedford asked her Committee if they desired to have public comment before this meeting. All agreed that public comment can occur before the meeting.

B. Public Comment

Holly Willsey-Walker, 114 Atlantic Ave. Voice her disapproval of how we run our TIDES program.

Ben Berman, 43 Crestwood Road, Chair of the Finance Committee. Spoke as a concerned citizen and asked that the narrative between the Town and the School change. It isn't that the Town doesn't support the schools or cuts the school budget but rather it's simply about resolving the budget issue.

Katie Martin, 29 West Shore Drive. Thanked the Committee for allowing public comment during their workshop. Is concerned about school department's crisis lately. First the Gerry School, then the Bell garden and now a budget crisis. This shouldn't be happening. Lack of leadership management and foresight.

Sarah Fox, 46 Beach Street. Noted she supports the schools and funding for the schools. She feels the process wasn't followed. She noted that the voters were denied the opportunity to increase funds for last year. Now this wrong needs to be corrected. We need to heal as a community and as a school. There needs to be repercussions.

Jessica Schott, 2 Oak Circle. Is a Special Education Teacher herself and noted that she has a pro-active solution that would be free and that the Sped department needs a restructuring.

C. Budget

Mr. Harris noted that the Committee will discuss budget transfers.

Superintendent Perry stated that during the summer, \$300,000 was put on a freeze on 600 lines in our budget to defray the deficit in the special education lines. Dr. Perry noted that it's important to understand that these children are our children and deserve an education as much as any other child in the district. If they require residential, then they get it. These are our children. This was a year of extraordinary out-of-district placements. These are our children that we cannot provide adequate services for in district and it is our responsibility to place them where they need to be. We are not a medical facility and sometimes we need to keep them and others safe. That's the reality of what we are dealing with. We have a hard freeze. Nothing is going to be spent. Money has been transferred to special education tuition out placement. We took \$60,000 dollars from curriculum. Professional Development enables our teachers to teach. Professional Development is no longer happening and neither is the purchase of textbooks. Dr. Perry noted that she has had to deny professional development to her Special Education teachers this week. We hope the Town will approve a transfer of \$350,000 to defray those expenses but that still leaves us with a deficit of \$181,411.

We will present the Committee with \$103,000.00 worth of cuts this evening and unless the School Committee directs me to make personnel cuts, I will not do it because teachers drive the district.

Ms. Schaeffner noted that we find ourselves with a budget deficit and it is our responsibility to balance that budget. The first round of cuts/transfers was from curriculum and supplies based lines. The Town has proposed to approve a transfer of \$350,000 and if approved that would leave us with \$181,411 left to close. After we finish discussing this year's budget, we will need to begin speaking about next year's budget.

The following is a tally totaling \$103,136 from cuts/reductions in the FY19 operating budget lines into Special Ed Tuition

Reviewed in School Committee workshop meeting 1-16-19. Transfer to be voted during the School Committee 1-24-19 agenda.

Salary line reductions/cuts – District wide (\$50,412) Based on savings from employee changes, leaves, unfilled positions

1. **\$24,713** - Savings from unfilled months of HS IEP Chair (now filled)
2. **\$4,000** - Expense transfers of already expended substitute staffing funding for two special education professional staff on maternity leave into the IDEA grant. The IDEA grant cut a service contract with a special education service provider to absorb supply and substitute expenses from the operating budget to free funding for sped tuition
3. **\$9,200** - Pro-rated savings from .2 FTE cut/reduction of Elementary Special Education Chair
4. **\$7,411** - Savings from 2 months unfilled position
5. **\$5,088** - Leave lunch student supervisor position unfilled for remainder of school year

Expense line cuts/reductions Special Education Dept – District wide (\$22,724)

6. **\$9,824** - Reduced Endicott fellow count by 1 FTE
7. **\$12,900** – From The following Special Education building and district supply lines:
 - Coffin Special Ed Supplies (\$400)
 - Bell Special Ed Supplies (\$1,100)
 - Glover Special Ed Supplies (\$1,300)
 - Village Special Ed Supplies (\$2,200)
 - School Special Ed Supplies (\$2,500)
 - High School Special Ed Supplies (\$3,200)
 - K-12 District wide Special Ed Supplies (\$2,200)Expense transfers of already expended special education building based supply lines back into the IDEA grant. The IDEA grant cut a service contract with a special education service provider (totaling \$12,000) to absorb these supply expenses.

Expense line cuts/reductions district wide curriculum/assessment (\$5,000)

8. **\$5,000** - Less grade level expansion of the Galileo assessment implementation – partial shift of existing Galileo licensure into instruction grants where possible (at the cut of planned instruction grant programming)

Expense line cuts/reductions from Central Administration (\$9,000)

9. **\$5,000** - Reduction in expansion of services and central expenses over base annual contracts including interpretation services with BayState, School Spring licensing and usage, Aspen X2 and other district wide licensing runs through

this line

9B. \$4,000 - Freeze on supplies, paper, printing, postage (unless mandated hardcopy correspondence)

Expense line cuts/reductions – building based - multiple schools (\$16,000)

10. \$2,000 - Further reduction of Coffin School instructional supply/materials expense budget

11. \$1,000 - Further reduction of Village School instructional supply/materials expense budget

12. \$3,000 - Further reduction of Middle School instruction supply/materials expense budget

13. \$5,000 - Further reduction of High School instruction supply/materials expense budget

14. \$2,000 - Further reduction of Coffin School instruction supply/materials expense budget

15. \$3,000 - Further reduction of Glover School instruction supply/materials expense budget

Superintendent Perry noted that some of these latest reductions will mean that science kits consumables will not be replaced. It will also impact textbook adoption and the expansion of social emotional learning curriculum. It slows down our progression.

Ms. Taylor asked if one school’s budget is down to zero, can money from another school’s budget be transferred to the zero budget school? Ms. Maniaci said it could and that the principals are very good at helping one another if there is a need.

Ms. Tedford explained that when you have a budget and need to balance it, there will be items that will be deferred. Unfortunately, deferring has been a cyclical problem for many years. We respect that there is a limit on funding but we feel like we have reached a tipping point because we are deferring too many needs.

Ms. Schaeffner stated that we are talking about the FY19 budget and when we talk about FY20, we will need to discuss how to solve these issues because we will need the same amount plus more for out-of-district placements.

Mr. Harris noted that he served on the Town Finance Committee for many years and he feels that we need to change the narrative. This town has a AAA rating. He noted that the town and schools have worked together in that the Town has created an energy reserve and a utility reserve. Last year the school liaisons went before the Finance Committee and they created a Special Education reserve. When there was a health insurance issue the Town figured out how to resolve the problem with a group insurance program. The Town found money to support the police department’s professional development. Mr. Harris stated that he believes we can work through this deficit and through next year’s budget. He appreciates the board for coming through with \$350,000 to help us out.

Ms. Tedford stated that the challenge she is faced with is that it is different than what she hears from parents. Challenge she continues to hear that parents are feeling that they are not getting what they expect from the school system. What does a Marblehead education look like? What resources are allocated for what we look for? When we talk about having to scrub items every year we can’t expect to be the top in education. The majority of budget goes to salaries and a small portion of the budget is discretionary. Ms. Tedford noted that as Mr. Harris mentioned last year, it was his hope that the school budget could cover the expense of all day kindergarten as well as athletics and after school clubs but our budget cannot handle this. Other districts that we compare ourselves to have many positions that we don’t have but our per pupil expenditure doesn’t compare to these districts we compare ourselves to.

Ms. Taylor stated that while sitting in meeting this morning, she was very happy to see how positive the town is but she noted that Jason stated we will have a level funded budget next year and to do this exercise and only then will we see what areas will be impacted.

Ms. Schaeffner noted that the Town has asked the other boards to look for a 10% cut in their budget but that is not what he was asking us. She said FY20 will become a much larger exercise because these cuts we are making will not be

restored unless there is a change.

Ms. Tedford said the converse of that is a truly needs based budget.

Ms. Gold feels FY20 will have a greater need because our student population has changed so quickly and that will be a challenge.

Ms. Schaeffner noted that if the Committee approved the \$103,000 cuts, we will still have a shortage of \$78,275. That will mean that we will look at more potential cuts or look for additional revenue. Ms. Tedford noted that the challenge will be this last \$78,275 and may mean possibly cutting positions.

Mr. Bellucci explained that some of the expense is from students who get suspended. We are still obligated to educate them and parents often can ask for a special education evaluation and placement.

Ms. Schaeffner noted that she has been involved with special education and that she has full confidence that the district is following the law and doing their best for all the students. It's just that in addition to the added placements the services have also substantially increased in cost. Ms. Tedford noted that we have a responsibility to all our students and to meet all students' needs and she is concerned on how to get to a place where we are responsible for all students.

Ms. Tedford stated that the Committee will speak directly to the Superintendent with possible suggestions regarding the additional \$78,275 deficit. Ms. Tedford also noted that the cuts (\$103,136) presented this evening will be voted on at the next school committee meeting on January 24th. She told her Committee that she believes the Committee will need another budget sub-committee meeting before that date.

D. Minutes

Minutes from the Joint Meeting with the BCG Building Committee December 13, 2018

Ms. Schaeffner made motion to approve the minutes of the joint meeting between Marblehead School Committee and the BCG Building Committee of December 13, 2018. The motion was seconded by Mr. Harris and the Committee **VOTED** unanimously, 5-0 in favor.

E. New Business

Ms. Schaeffner spoke to the copy of the Powers and Sullivan report and the response letter from Superintendent Perry as well as a backup to the response letter. She noted that this is all information that pertains to the SC and the District. There were several findings. The response from Superintendent Perry does push back on a couple of areas. The School Committee had discussions with the Finance Committee and the Town Finance Department has spoken to the State about this. Superintendent Perry has put in a phone call to the State to have a discussion and noted she called today but has received no response and will try again tomorrow. Ms. Schaeffner noted that we currently don't know what the recommendation will be at this time. Mr. Harris noted he would like to be present when the Bureau of Accounts replies because we need a ruling on this so we can understand what exactly we're doing going forward. Ms. Schaeffner noted that the remedy will affect the school budget and school administration.

Ms. Taylor asked how she as a School Committee member would have known that invoices from one year were being paid in another year when she approves the schedule of bills. Nothing seems out of the ordinary on the schedules. Ms. Tedford said that if the line items are in the right areas, then it should mean they are being paid from the right place and that the Committee would not have known that bills were being paid from a different year. She further stated that this is an anomaly and that the Committee wouldn't know that information.

Mr. Harris stated that the Committee never voted on paying FY18 bills in FY19.

Ms. Schaeffner stated that she will ask the State Bureau of Accounts for ideas on internal controls. She said that they will get guidance on how to modify reporting and will set up a call and invite the SC to attend and report back on the remedy.

C. Adjournment

A motion to adjourn was made and seconded and the Committee **VOTED** to adjourn at 9:08 pm.

Respectfully submitted,
Sarah Gold
Marblehead School Committee

Documents:

Cuts/Transfers of \$103,000

Minutes from the Joint Meeting with the BCG Building Committee December 13, 2018

Approved 2/7/2019