

**Milton School Committee
Special Meeting
John Cronin Conference Room, Town Hall
February 10, 2009**

Committee Present: Beirne Lovely, Chair, Lynda Lee Sheridan, Vice Chair, Mary Kelly, Glenn Pavlicek and Kristan Bagley-Jones

Staff Present: Mary Gormley, Superintendent; John Phelan, Assistant Superintendent for Curriculum & Personnel; Paul Hilton, Assistant Superintendent for Business

1. The meeting was called to order at 6:10 p.m.

2. Approval of February 10, 2009 Agenda

With the Committee's approval, Mr. Lovely approved the agenda for February 10, 2009.

3. Citizen Speak (Policy BEDH-Residents may speak for up to 3 minutes)

No one was present to speak.

4. Approval of Minutes

The minutes of January 20, 2009 were approved.

Move: G. Pavlicek

Second: M. Kelly

Vote: 4-0-0 (Ms. Sheridan was not present for this vote)

5. Superintendent's Report

Blue Hills Regional School Representative, Festus Joyce

The School Committee had requested that Mr. Joyce attend a School Committee meeting to give an update on the budget process for Blue Hills Regional. Mr. Joyce stated that, similar to Milton, Blue Hills Regional has been adjusting its budget needs in response to details from the state. In January and February the focus has been on preparing a preliminary budget. Mr. Joyce reported that it has been determined that there should be some savings with the staff membership being enrolled in the GIC program. He also reported that all five union contracts are settled for the next three years. He informed the School Committee that Milton's population at Blue Hills Regional over the past several years consisted of 36 students in 2005 with an assessment of \$582,464; 35 students in 2006 with an assessment of \$573,901; 43 students in 2007 with an assessment of \$582,150; and 46 students in 2008 with an assessment of \$543,706. There are no hard numbers available yet for 2009. Because of the way the state determines the shares (among the participating 9 communities), Milton's share should go up a little. Ms. Kelly requested that Mr. Joyce email School Committee members any budget documents he has available. Mr. Lovely explained the current situation the Milton Public School system is facing with the FY09 and FY10 budgets. He stated that, given the difficult Town budget, whatever Blue Hills Regional can do to help would be appreciated. The School Committee thanked Mr. Joyce for his commitment to the Milton students attending Blue Hills Regional.

FY10 Budget

Mr. Lovely stated that there have been periodic meetings with the Town Administrator, the Chair of the Board of Selectmen and the Chair and Co-Chair of the Warrant Committee to discuss the upcoming February 23, 2009 special Town Meeting and the projected reductions to the FY09 budgets. The Warrant Committee has recommended the following reductions to FY09 budgets as a result of the cuts announced by the Commonwealth:

School Department	\$133,000
Police	37,000
Fire	26,000
DPW	23,000
Reserve Fund reduction	60,000

*Free cash will fund a portion

The School Committee was asked what would be needed to continue providing an educational program consistent with what is being provided this year; the \$1.8 million figure was given for that amount assuming a level funded starting point for 2010. Mr. Lovely explained that the assumption of a level funded starting point is now in jeopardy since projected funds for the Town as a result of state cuts are expected to fall approximately \$1.2 million short for next year. Therefore, a \$1.2 million override would be needed just to reach level funding. If the \$1.2 million does not appear and if there is no override, Mr. Lovely stated it is reasonable to assume that the schools will have to reduce its operations for next year even more than has been discussed to date. In meeting with the Warrant Committee and the Selectmen, the bottom line discussion has been what a manageable override number would be. For purposes of planning, Mr. Lovely stated that the School Committee has been asked to go back to the table to discuss what will happen if it does not get the \$1.8 million, but also has to make further reductions after taking into consideration the schools' portion of the \$1.2 million shortfall from level funding. Using the assumption (arbitrarily) that this would be approximately one-third, the School Committee has to discuss the impact of having \$2.2 million less than what is needed to carry over staff into FY10.

The School Committee has previously discussed looking at other avenues to help offset shortfalls. The possibility of drawing upon the Stabilization Fund has been discussed with the Selectmen; however, they replied that they would find it difficult to use the Stabilization Fund since this could have an adverse impact the Town's bond rating. The possibility of other organizations in the Town voluntarily participating in a PILOT program had been another option. Town Administrator Mearn has reported that he made overtures to Milton Hospital, and it is not able to participate at this time due to its building project; Curry College is facing the same financial problems we are; and Milton Academy informed the Town Administrator that it is in the middle of a transition in leadership and the interim leader is not in the position to make that commitment.

Mr. Lovely reported that he had a conversation with Margaret Gibbons and she intends to go back to the Executive Committee to see if they will consider having the teachers come back to the table to reopen negotiations; he is still waiting for that reply. Mr. Lovely also stated that Mr. Hilton's departure in June provides the opportunity to examine the structure of our business operations. Mr. Lovely met with the leadership team to discuss possible ways to look at the structure within the business office and the suggestion was made to have MASBO (Massachusetts Assoc. of School Business Officials) bring in a team to assess the business operations (for an estimated charge of \$6,000). They would assess job description, talk to key people, etc. and make recommendations.

A meeting is scheduled tomorrow night with the Warrant Committee and the Board of Selectmen and the floor will be open for discussion. One issue will be discussing an override number. The School Committee believes an override question should go to the voters; however, only the Board of Selectmen has the right to put the question on the ballot. After attending recent PTO meetings, Mr. Lovely feels that it is clear that the community expects the School Committee to make every effort to continue the school system at a level at least equivalent to this year. He was impressed with the Cunningham and Tucker PTOs since they were concerned for the system as a whole and not just the potential closing of their own schools. At these meetings, Mr. Lovely or another school representative explained that the estimated cost to keep an elementary school open is \$600,000-\$700,000. He reiterated that he would not

support an override number that will only keep an elementary school open since the High School and Middle School also have serious issues.

Mr. Lovely asked School Committee members if they had any questions they wanted to raise before tomorrow night's meeting with the Warrant Committee and the Board of Selectmen. Ms. Kelly asked if the retirement fund option had been discussed. Mr. Lovely replied that it was discussed; however, the Board that oversees the retirement fund is disinclined to change the amortization schedule. With regard to the \$1.2 million deficit, Ms. Kelly thought that amount may be lowered to \$900,000 due to some savings within group insurance. Mr. Hilton was asked to check this number with Town Administrator Mearn, and the number was confirmed to be \$1.2 million. In response to a question raised by Ms. Bagley-Jones regarding the changes to the school's portion of FY09 cuts (which started at \$204,000 went to \$70,000 and now is at \$133,000), Ms. Kelly explained that each department listed is paying more than the interim version showed. This is the result of the Town not wanting to drop the reserve fund any lower due to anticipated costs of snow/ice removal. Mr. Lovely explained that the reserve fund started at \$353,000 and that it is being recommended by the Warrant Committee that it be reduced at the February Town Meeting by \$60,000. There are additional potential draws on the reserve fund for gas for police vehicles of \$30,000; outstanding unemployment commitments of \$100,000; snow and ice additional costs of \$75,000; a June override election cost of \$20,000; an additional \$16,000 for the Fire Department; plus the \$22,000 requested by the School Committee to help offset unanticipated Circuit Breaker cuts. This would leave the reserve fund at approximately \$30,000 for the remainder of the year.

Tomorrow night's discussion will include when an override vote could be presented to voters and what amount would be acceptable to the community. Ms. Kelly stated that the School Committee has voted unanimously to support an override and now must discuss a timeframe.

Motion was made that the School Committee would encourage the Board of Selectmen to consider moving toward an override vote for the Annual Town Meeting ballot (April 28, 2009).

Move: M. Kelly

Second: K. Bagley-Jones

Mr. Pavlicek is concerned that April does not leave enough time. Ms. Kelly feels it would be worthwhile to do this in April since you would not have to pay the additional \$20,000 for a special Town election. Ms. Sheridan agreed with that suggestion. She reported that Richard Wells and Jeff Cruikshank have stepped up to chair an override committee, but she feels the specifics for an override and a date need to be established in order to properly educate the community. Ms. Bagley-Jones stated she could go either way on this motion. Her preference would be June just because of the time frame; however, she feels that people are ready to begin working aggressively for an override. Mr. Lovely agreed that April would be preferable.

Ms. Kelly voiced her concern for the amount of leadership time being spent on determining what cuts will have to be made, in addition to having to consider the potential closing of a school. Mr. Lovely agreed that the Finance Subcommittee has been pressing hard on the Administration for information. He feels it is now the School Committee's responsibility to assess the priorities the Administration has recommended and carefully reflect on what further reports are needed from them.

A vote was taken on the above motion.

Vote: 5-0-0

Ms. Kelly also made the motion that the Milton School Committee recommends to the Warrant Committee and the Board of Selectmen that they support the utilization of one-half of the existing Stabilization Fund to help offset anticipated shortfalls in the FY10 budget.

Move: M. Kelly

Second: L. Sheridan

*A friendly amendment was made that this motion includes whether or not an override is presented to the voters.

Mr. Pavlicek understands the Warrant Committee's concern with using the Stabilization Fund since it is lower than it should be; however, he feels there are no other options available. Mr. Lovely stated that he is also reluctant to hit the Stabilization Fund but would support the motion.

Vote: 5-0-0

With regard to the discussion over what an override amount should be, Mr. Lovely said the School Committee can just listen or it can take a leadership role. He asked how the School Committee would like to approach this matter. Ms. Sheridan feels the \$5 million dollar override amount mentioned previously for all Town departments is unreasonable. She stated that the School Committee has articulated that \$1.8 million is what is needed; however, she asked if it would be possible to look at a lower amount to show that we are making a good faith effort. Mr. Lovely feels the School Committee should be prepared to walk into the room tomorrow night and put a number on the table. Looking quickly at the paperwork provided by the Town, Mr. Pavlicek estimated Town-side cuts to be \$900,000. He explained that if it takes \$1.2 million just to get to level funding, plus the \$1.8 million the schools need, plus the \$900,000 for the Town, we are looking at \$3.9 million override. Mr. Lovely asked how much the schools could consider cutting from the \$1.8 million. He proposed the possibility of a \$1.1 million amount for the schools which would make the schools' portion of an override \$2.3 million (\$1.2 million plus \$1.1 million). Ms. Kelly stated that she is hesitant on weighing in on the numbers since she does not fully understand the set-aside articles for the Town. Ms. Gormley stated that if the schools were to reduce the \$1.8 million to \$1.1 million, that \$700,000 translates to approximately 14 teachers. Mr. Lovely estimates that 2/3s of the \$700,000 would be teachers and 1/3 would be non-teaching positions. Ms. Gormley stated that if the schools also have to take a portion of the Town's shortfall (approximately \$400,000 for purposes of discussion), there are no extras to cut. The leadership team has spent a great deal of time discussing how this could be done. Ms. Gormley explained that 25 positions have been cut over the last two years; there are no other positions at the elementary level to cut other than classroom teachers. Mr. Lovely stated that these numbers do not insure that we will still not have to close an elementary school. Ms. Bagley-Jones feels that, politically, the School Committee has to think of a number that includes keeping the elementary school open. Mr. Lovely explained that out of the \$1.8 million, approximately \$1.3 million is needed for step and lane increases for existing staff, and the remainder is for mandated special education costs and utilities. Even if we were to suggest a \$1.3 million number, we would still have to hope the additional \$500,000 could be raised some other way. We still could not promise to keep a school open.

Ms. Kelly stated that she could support a \$1.3 million figure. Mr. Lovely stated that he could live with the \$1.3 million, keeping in mind that these numbers are constantly changing. As Mr. Pavlicek explained, the \$1.2 million deficit described by the Town could become worse depending on the Governor's stimulus package. Ms. Sheridan stated that she could not support anything less than \$1.3 million. She also suggested the possibility of having an override vote in May in the event it is not put on the ballot in April.

Motion was made that the School Committee recommends to the Warrant Committee and the Board of Selectmen that the School Department's portion of an override be \$1.3 million. This motion is

predicated on the assumption that the \$1.2 million revenue shortfall is accurate. The School Committee reserves the right to reassess this if the \$1.2 million shortfall were to change.

Move: B. Lovely
Second: L. Sheridan

Ms. Bagley-Jones asked if the Finance Subcommittee could support such a number. Ms. Kelly replied that the goal is to have a viable amount for an override. The leadership team will determine what will be lost as a result of the \$1.3 million rather than \$1.8 million, and the Finance Subcommittee will continue to work on this also. Ms. Sheridan added that the \$1.3 million is not what the schools want or need, but it shows that they are willing to work with the community.

*Mr. Lovely made a friendly amendment to the above motion to clarify that the \$1.3 million is assuming there is a \$1.2 million gap (and that the \$1.2 million is also included in the proposed override amount), and that whatever number the Town-side is discussing is not intended to be supplemented by set-asides for contracts that remain to be negotiated.

Vote: 5-0-0

Ms. Kelly reported that the Finance Subcommittee will be meeting next Tuesday and Wednesday morning at 7:00 a.m. to discuss some of these issues. The School Committee will meet prior to the February 23, 2009 Town Meeting at 6:00 p.m. in the Superintendent's Conference Room, and the next regularly scheduled School Committee meeting is February 24, 2009.

Motion was made to enter Executive Session for the purpose of discussing contract negotiations and not to return to Open Session and to adjourn directly from Executive Session.

By a roll call voice vote, the School Committee unanimously voted to enter Executive Session and not to return to Open Session and to adjourn directly from Executive Session.

Meeting adjourned at 8:00 p.m.