

Attendees: Select Board members: Bernard Greene, Michael Sandman Advisory Committee members: Cliff Brown, Harry Friedman (Stand-in) School Committee members: Mariah Nobrega, David Pearlman Staff: Town Administrator Chas Carey, Deputy Town Administrator Melissa Goff, School Superintendent Dr. Guillory, Deputy Superintendent for Administration and Finance, Dr. Susan Gibbons, Devon Fields, Kate MacGillivray Public: Harry Friedman, Carla Benka, Carolyn Thall, Stephen Reeders, Laura Knott, Katherine Florio, Sean Lynn Jones, Susan Givens, Alec Lebovitz, Janice Kahn, John VanScoyoc, Andy Liu

Agenda:

1. Report on state aid
- Melissa Goff reviewed there are two different iterations of the budget. The Governor's budget is the current budget, \$23.6 million. She provided a brief review of additional funding of \$294k. They are waiting to see where the final budget lies. Ms. Goff added they typically stay with the Governor's budget until the Special Town Meeting in November, at that time there is a better budget picture.
2. Override implementation
- Town Administrator Carey provided an update on override ballot question 2a. This question passed, and as a result, funding is being phased in over the course of the next three years, based on the proposal set forth on both the town and the school sides. Article 7, the budget is before Town Meeting. The successful override assumption for question 2a is what's being implemented, which means an increase in spending, not to the maximum levy amount, but to the amount promised in the planning of the override. Once that budget passes and FY24 begins, then we will be able to ensure the continuity of the services mentioned in question 2 barring, serious events that may lead to a rebalancing of that due to a decision made at the Labor-Management Commission regarding the police department's contract for the previous three years. That came in just under a million dollars leaving us with a hole that completely drains our collective bargaining reserves and will force us to find funds elsewhere. Also noted was the Fire contract that is going to arbitration on Wednesday.

We currently have just under \$800k in collective bargaining reserves to cover, so the hole is \$200k and then you have a fire award coming behind it. So, it's two hundred thousand dollars, plus any overage above what we had budgeted for the fire department is going to have to come from the collective bargaining reserve and the collective bargaining reserve will be zero.

Discussion:

Mike Sandman: Basically, the town is in the same situation as the schools were when you settled with the teachers. You had a settlement that exceeded your capacity to pay, unless there was something else, in this case, an override. So that's the situation that we're in with regard to this award and the prospective fire department award.

Mariah Nobrega: The concept of a settlement agreement, whether it's on the town or the schools that exceed the capacity to pay. The logical conclusion on another side would be that you need to adjust staffing to correct for that.

3. School staffing update
- School Superintendent Dr. Guillory, introduced Dr. Susan Gibbons the new Deputy Superintendent for Administration and Finance.
4. Town/School Partnership Agreement and Revenue Split
- Town Administrator Carey reviewed in April he and the Superintendent signed an agreement, a brief memorandum that had been floating effectively recommitting this fiscal year to an analysis of the Town/School revenue split, bringing previous discussions and committing to regular meetings back to the table the questions of the current model and other models we should consider beyond the Lexington model that we use now, and what the equitable distributions should be, understanding that there has not been a reanalysis of that, or explore the limitations of that model. Notably, it does not consider the rise and fall of enrollment when taking revenue into consideration in order to come up with a more equitable model, one that obviously sustains the schools and periods of high enrollment. There are a number of externalities to consider there. We need to develop a strategy with as many metrics as we can incorporate and build it out from there, reviewing similar models. The aim is to have a new revenue allocation system in place by the FY25 budget.

To address the deficit, one way to address the situation to meet those obligations is that the collective bargaining deficit be paid above the line, and the difference between projected revenue and actual revenue, if positive be contributed to the town collective bargaining deficit. That is the proposal on the table for Town Meeting for FY24. He projects a deficit of \$1.1 million that needs to be accounted for. We are not talking about a services reduction environment. Also, to address replenishing of the collective bargaining fund.

Discussion:

Cliff Brown spoke on the Lexington model, which he understands is based on the idea of budget summits provided with a presentation made to look at various budgetary items, tax rates, retirement funds, OPEBS things of that nature. The discussions on Lexington had nothing to do with the partnership itself. He recommends this group meeting at a monthly basis at a minimum.

Melissa Goff explained the Lexington model, pre BFAC the town operated under the 50/50 split where there were deductions and assessments for certain items; post BFAC Mary Ellen and I had worked towards migrating closer to what Lexington does, which is, all of the things above the line and then maintaining the balance from the prior year allocation of town and schools for everything that remains after the shared costs like debt service, CIP etc. The formula has changed slightly

There was a discussion on the recommendation of a process. It would be staff driven with the oversight process from this committee. The staff would present concepts and ideas. It was recommended to have a process mapped out.

Carolyn Thall, AC School Subcommittee member added the question of public-school enrollment is one that's been on the back burner in an effort to work on projections. She suggested that either this group or another appropriate group be in parallel thinking about that.

Town School Partnership Meeting
May 15, 2023 | 4:00pm
Remote meeting via Zoom

It was noted that it would be helpful to review materials related to other communities at least a couple of days prior to the meeting.
Hopefully, the committee will review the broader context of all the different unions.

5. Set quarterly meeting schedule

Assistant Town Administrator of Operations Devon Fields offered a set schedule going forward. Maybe the third Monday of the month.

6. Other Business

There being no further business the Chair ended the meeting at 4:40 pm