



Acton-Boxborough Regional School District

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www.abschools.org

Acton-Boxborough Regional School Committee Meeting

February 16, 2023 Meeting at 6:00 p.m. / ~~Executive Session at 9:00 p.m.~~

Administration Building Auditorium To view only: <https://www.youtube.com/actontv1>

APPROVED MINUTES - BUDGET WORKSHOP

- Members Present: Ben Bloomenthal, Kyra Cook, Liz Fowlks, Adam Klein, Ginny Kremer, Tessa McKinley, Andrew Schwartz, Yebin Wang, Rebecca Wilson
- Members Absent: Evelyn Abayaah-Issah, Amy Krishnamurthy
- Others: Marie Altieri, Deborah Bookis, Peter Light, Beth Petr, Dave Verdolino, other administrators and board members from the towns
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1. CALL TO ORDER - Welcome and Introductions (6:00) - Kyra Cook

The ABRSC was called to order at 6:02 p.m. by Chairperson Kyra Cook.

Members of the public were invited to watch the meeting online using Acton tv's youtube channel. Kyra stated that the meeting was being recorded and would be posted on Acton TV's website at actontv.org.

2. NEW BUSINESS

- a. Recommendation to Appoint Director of Finance and Operations - **VOTE** - P. Light
- i. Sheri Matthews cover letter and resume
- Mr. Light introduced Ms. Matthews and she welcomed any questions. Adam Klein moved, Liz Fowlks seconded and it was unanimously, **VOTED**: to appoint Sheri Matthews as Director of Finance and Operations effective July 1, 2023.

3. ONGOING BUSINESS

- a. FY24 Budget Overview
- i. District Strategy, Goals and Priorities, Budgetary Impact - Peter Light
- A Preliminary Budget vote is required by the Regional Agreement. Mr. Light explained that the cost to the district to provide level services to our students for FY24 was approximately \$108.6M, an increase of approximately 5.6% over FY23. In order to manage spending within the available resources of the communities, **the Administration proposed a total FY24 Budget of \$105.8M, an increase of 2.77% over FY23.** This has resulted in necessary reductions to the proposed budget of approximately \$3M.

The District anticipates minimal increases in revenues from state aid and miscellaneous sources. With proposed NET use of reserves decreased by \$125K, and a NET reduction in staff of 15.4 FTE, the Regional Assessments to the communities are increased by 2.84% (Acton) and, due to the continued shift of enrollment from Acton to Boxborough, 5.18% (Boxborough).

The Superintendent stated that any one of the top 10 Budget Challenges outlined on slide 13 would be difficult. It was very tough having to deal with all 10 of them for next year's budget.

ii. Enrollment, Staffing, All day Kindergarten - Marie Altieri

This budget includes salaries for all employees and represents two thirds of the total ABRSD budget. The budget represents an overall reduction of 17 positions as outlined specifically in the Superintendent's budget memo. Overall, the salaries budget is up 3.1%. Overall enrollment has been relatively flat, however our number of multilingual learners has increased significantly this year. The only two positions that have been added to the budget are for English Language Educators for required services. Our community continues to benefit from a wonderfully increasing level of diversity.

This year's Kindergarten had 36 fewer students than projected. Mr. Light also noted that there is a shift in where our students are coming from. During the pandemic all students' education was disrupted, however, now we are seeing students coming from countries whose schools completely shut down during covid. This has created a whole new set of challenges.

All three collective bargaining units' contracts expire on June 30, 2023. Negotiations are in progress. Hiring has changed significantly and we have not been able to fill certain positions. We need to consider paying our substitutes more because we offer less than other districts and the shortage is an issue.

Summarizing the issues (slide 47):

- Continued increase in volume & complexity of student needs
 - Post-pandemic learning
 - Multilingual students
 - Students with IEPs
- 2-Year NET Reduction of 36.0 FTE
 - 20.6 FTE FY23 (mostly non-certified)
 - 15.4 FTE FY24 (mostly certified)

Reductions to the budget over the last two years will continue to strain the system and its ability to provide high-quality programs and services to students. These cuts may not be fully sustainable if student needs continue to increase.

iii. Questions and Comments from the Committee included:

- The cut of the curriculum coordinator represents a real loss.

- Receiving minimum aid from the state, and being at the levy limit puts the District “at the mercy of taxpayers”. This is part of the top 10 list of challenges, including the state of the economy.
- Several years of cuts are not sustainable for our students and educators. We need to expand our services to meet our needs. Consider carefully how the budget cuts impact PreK and ADK students.
- A 17.7% reduction in Central Office staff and saying it will be more efficient worried a member who felt that the things that are not urgent won’t get done. Putting as much as possible toward staff working directly with students was applauded, but losing the Director of Special Projects and Director of Finance is significant.
- Kindergarten numbers swing wildly and we budgeted pretty tightly. What happens if we get a lot more K students? The administration would have to discuss adding another Kindergarten section with the School Committee.
- High quality curriculum is being cut and this is the kind of thing that makes kids want to be in school. It will be a real loss. Educators’ jobs will be much harder.
- Members discussed how students from Acton and Boxborough who attend Minuteman High School (MHS) affect our budget. It is essentially an indirect \$40,000 cost to ABRSD. AB students enrolling at MHS has increased greatly.

A member of the public stressed that incorporating the Facilities Director into Operations may be ok, but someone with experience is needed to focus on operations. Turnbacks happen every year. The budget is what we plan to appropriate, not what we plan to spend, due to turnbacks. It would be foolish to create a budget that planned to spend every dollar in this person’s opinion.

b. Finance and Assessments Overview - *David Verdolino*

i. Director of Finance and Operations

Dave referred to the extensive information in the posted Budget Binder. He stressed that the “Known Revenue Budget Drivers for FY24” (slide 50) are important to understand:

- Limited additional State Aid (assume \$30 per student = ~\$150K)
- Reserves are declining; there is less available for use in the budget
 - ◆ We used \$1.5M of E&D to fund this year’s budget; reduced to \$1,375K in FY24
 - ◆ Need to continue to try to use less or there is no safety net (not sustainable)
- Federal grant funding for pandemic relief is ending
- Tax burden on households, complicated by inflation
 - ◆ Town of Acton is already taxing at the highest rate possible under state law
- Total NEW Revenue (without town taxes) = \$456K
- Net REDUCTION in E&D and Capital Reserves = (-\$275K)
- Net available additional funding for FY24 Budget = \$181K

The Governor's budget is expected the first week of March. At that time, Dave will reevaluate the District budget (slide 63).

ii. Questions & Comments

A member stated that while MHS is a great program, for any student who leaves ABRSD to go there, Acton gets an assessment that is higher than AB. It also makes Boxborough's assessment higher because fewer Acton students are enrolled at AB, and the District loses the \$30 from the state. This is something that a Central Office staff member could help begin to address by working to create a MHS type program here at AB, but not if Central Office is short staffed.

The meeting took a short break.

c. District Benchmarking and Comparable Communities - *Peter Light*

i. Superintendent of Schools

Most of our comparisons are based on a study that we did a few years ago. Some numbers are affected by how districts do their finances, so can be hard to compare. Resource Allocation and District Action Reports (RADAR) information is valuable (slide 66). Five year trends for AB were reviewed. It is very interesting to see all the ways the data can easily be sorted. It was suggested when comparing districts to consider how big a district is when numbers are high or low because economies of scale could be involved. Mr. Light pointed out that the amount of money we spend on professional development is an area we need to watch. At some point, it would be good to review the list of comparables that we currently use because many things have changed.

ii. Questions

- What percentage of each town's budget is utilized and have they had to do budget cuts? DESE doesn't collect that information, but some groups have tried to collect information on level service budgets for districts. This is difficult to track due to inconsistencies.
- How are other communities looking at their budgets? See budget binder page. The MASS Round Table is hosting a legislative breakfast with all superintendents and legislators to listen to each other. Mr. Light assured members that we are not alone in our budget challenges.
- Should we consider what we are trying to resolve before we decide what information to compare from other districts? Mr. Light noted that he does not compare AB to Concord Carlisle or Lincoln Sudbury (or some other districts) because their regions are very different from AB. This can lead to some really productive questions. A question to ask is "Are we spending money in similar ways to our peers? If not, why? It's a type of checks and balances.
- Acton Fincom member Steve Noone stated that he was on the Committee that spent a lot of time working on that original list. The purpose was to see if AB was overspending in any areas. One conclusion was that higher staff salaries tended to point to older staff

members. He agreed that the Concord Carlisle and Lincoln Sudbury regional districts were significantly different from AB and not comparable.

d. Operations and Capital Planning - *David Verdolino*

i. Director of Finance and Operations

FY23 has been a challenge with JD Head's departure last summer.

Capital Planning Recommendations - FY24 Budget (slide 81)

- Maintain current level of funding in operating budget
 - ◆ \$1.5M including debt service (year 4 of 10) on CIP bond
- Convene Capital Improvement Subcommittee
 - ◆ Began meeting on February 13
- Maintain flexible approach to FY24 Capital planning to incorporate Bureau Veritas recommendations

Because it was felt the district had been underspending on capital in the past, the Administration and Capital Subcommittee maintained the CIP plan to spend in FY24. Funding of anticipated priority and immediate needs were reviewed. Work at Conant that was going to be spread out over five years will now be attempted all at once for several reasons, including cost savings. Other projects may be identified in the Bureau Veritas report that should be ready in a month.

ii. Questions

- Who is in the Administration building now? Because we have created substantial programs to keep special education students at AB, more space is required in the schools. As a result, the curriculum department has moved into the Admin building. Facilities will be moving in because the modulars will be worn out soon. The Technology department will move in a year or so to make room for STEAM labs to be built out.
- Regarding electrification, is there timing to be considered? Dave felt it would be pretty far out if there is a sunset. A generous bill was passed last year about it. This could be a credit for the Boardwalk Campus work that is already done. A number of grants have been reviewed. We could go out on another bond to finance projects but we don't want to rush the process of prioritizing our projects. We want to do the highest priority projects for next year, then reconsider what is left next year.
- A member of the public thanked everyone who worked on the Boardwalk Campus so collaboratively, in addition to the "spectacular financial savings" of when the bonds were issued. He urged members to keep in mind that when reviewing future capital projects, it is important to consider whether they should be in the operating budget or debt excluded.

e. Discussion and Preliminary Budget - **VOTE** - *Kyra Cook*

Per page 7 (Section 10. A) of the Regional Agreement, "The preliminary budget shall be approved by a majority of the members of the Committee from each member town." This is not the usual weighted majority.

Adam Klein expressed gratitude to the Administration as well as both Towns' finance committees and select boards for the well thought out proposed budget and work to close the financial gap that had existed. Mr. Light agreed and added that the Administration tried to approach the process with transparency. Knowing the scope of the Towns really allowed our administrative team to do what needs to be done. He thanked the staff for their efforts and morale after the last two years.

Ben Bloomenthal moved, Tessa McKinley seconded and it was unanimously **VOTED**: that the total budget of the Acton-Boxborough Regional School District for the fiscal year July 1, 2023 through June 30, 2024 be preliminarily set at \$105,747,586, (an increase of 2.77%) and that budget would be funded by member towns to be preliminarily assessed in accordance with the Education Reform Law and the terms of the Regional Agreement and amendments thereto as follows:

- Acton \$71,669,758 (an increase of 2.84%) and
- Boxborough \$13,944,299 (an increase of 5.18%);
- Offset by use of E&D Reserve in the amount of \$1,375,000;

With the remainder accounted for by other sources of revenues and reserves to be detailed in the final budget vote.

FYI Acton and Boxborough Town Election Calendars

~~EXECUTIVE SESSION~~ (cannot be before 9:00 per the agenda) - canceled

4. **ADJOURN**

Adam Klein moved, Tessa McKinley seconded and it was unanimously

VOTED: to adjourn the ABRSC at 8:54 p.m.

Respectfully submitted,
Beth Petr

List of Documents Used: agenda, Presentation slides, Recommendation for FY24 ABRSD Budget and Assessments Memo from P. Light 2/16/23 (same as last slide), FY24 Workshop [Budget Binder](#)