

**UP-ISLAND REGIONAL SCHOOL COMMITTEE
OF MARTHA'S VINEYARD JOINT MEETING WITH
6:30PM, Thursday, January 13, 2022
By Zoom Cloud Conference**

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Present: Chair – Alex Salop, Roxanne Ackerman, Kate DeVane, Robert Lionette, Skipper Manter,
Aquinnah Select Bd.: Chair – Gary Haley, Tom Murphy, Juli Vanderhoop,
Aquinnah FinCom: Chair – Allen Rugg, Howard Goldstein,
Chilmark Select Bd.: Chair – James Malkin, Warren Doty, Bill Rossi,
Chilmark FinCom: Chair - Susan Murphy, Vicki Divoli, Eric Glasgow, Bruce Golden, Robert Hanneman, Don Leopold,
WT Select Bd: Chair – Skipper Manter, Cynthia Mitchell,
WT FinCom: Chair – Greg Orcutt, John Christensen, Cathy Minkiewicz, Clark Rattet, Doug Ruskin,
Others: Helena Foster, James Klingensmith, Jim Newman, (914) 202-5823
Supt's Shared Services Office: Matt D'Andrea, Mark Friedman, Ruda Stone, Richie Smith, Hope MacLeod,
Principals: Donna Lowell-Bettencourt, Mary Boyd, Susan Stevens,
Towns: Chilmark – Tim Carroll, Diane DeBlase, West Tisbury – Bruce Stone,
Press: MV Times – Eunki Seonwoo, Vineyard Gazette – Louisa Hufstader, MVTV – Shavannáe Anderson,
Recorder: Teresa Kruszewski, Marni Lipke,

Call to Order (Agenda Item #I)

- The Up-Island Regional School Committee (UIRSC) meeting was called to order.
- After some debate over protocol the respective Chairs called the following to order:
 - West Tisbury Finance Committee (FinCom) at 6:40PM;
 - West Tisbury Select Board at 6:40PM;
 - Chilmark Select Board at 6:40PM;
 - Chilmark Finance Committee (FinCom) at 6:41PM;
 - Aquinnah Select Board at 6:41PM;
 - Aquinnah Finance Committee (FinCom) at 6:41PM.

Public Comment – None (Agenda Item #II)

Up Island Regional School District (UIRSD) Fiscal Year 2023 (FY23) School Budget
(Agenda Item #III)

(See documents on file & Minutes: 11/2/21, & 12/7/21 p.2-4 # III A, & 12/13/21 p.1-3 #VI.)

(Recorder's Note: This discussion has been grouped for clarity and brevity.)

- UIRSC Chair Alex Salop reviewed the stalemate over using Excess and Deficiency (E & D) to reduce the UIRSD FY23 budget assessments, whether for recurring or one-time expenses, including issues of:
 - Other Post Employee Benefits (OPEB) by offset or one-time increase, and
 - whether to return part or all of E & D to the Towns' Free Cash, or use it for education as voted.
- Martha's Vineyard Public Schools (MVPS) Business Administrator Mark Friedman reported on E & D status:

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- Last year E & D was certified at \$386,550 of which \$98,799 offset a Contingency line item.
- In addition to the residual ~ \$287,000, FY21 generated about \$600,000 due to significant savings and grants from the unprecedented Covid shutdown and was thus estimated to exceed the 5% E & D cap of ~ \$695,000. The excess funds would either be returned to the Towns or spent as directed by the Department of Elementary and Secondary Education (DESE):

“Code of Massachusetts Regulations 41.06..3 A regional school committee may use all or part of the certified balance in the excess and deficiency fund as a revenue source for its proposed budget. If the certified balance exceeds five percent of the proposed budget, the regional school committee shall use the amount in excess of 5% as a revenue source for its proposed budget.”

- As at least half the E & D would remain unappropriated, he discussed a recommendation that a reduced offset be applied in FY24 and then eliminated in FY25 to smooth out this year’s spike.
- The UIRSD Budget assessment was 2.98% in FY21 and 3.68% in FY22. FY23 would be 4.96% with the proposed \$337,121.56 E & D offset or 6.71% without the offset.
- The operating budget was up 6.34% largely due to increased enrollment, a trend that might or might not continue.
- West Tisbury School increases were mostly contractual except for 2 new mandatory Special Education (SpEd) Education Support Professionals (ESPs) which were hired in FY22 but anticipated as an ongoing need in FY23. The 4.25% increase was larger than anticipated.
- The Chilmark School had to add an unanticipated and un-budgeted classroom with a new teacher and ESP in FY22 which would continue in FY23. The School also had to upgrade its technology and internet security.

The UIRSC, FinComs and Select Boards reviewed the debate on a number of issues.

- Increased enrollment in both the Chilmark and West Tisbury Schools was emphasized, noting the issues were not likely to be one-time expenses. Unfunded State mandates were also a historical factor.
- The current year presented hardship for many families who continued to struggle with the pandemic impact and inflation. E & D funds were allocated to education by vote, were endorsed by State regulation, and would be a windfall for struggling taxpayers and towns. It was responsible not to assess towns for education voted funds already in hand.
- Any use of E & D was “kicking the can down the road” and/or “smoke and mirrors”. The UIRSC should own up to the actual cost of education to the voters.
- The UIRSC changed how the \$227,000 E & D was originally proposed, from covering personnel, to covering only the OPEB Trust commitment (in FY23 totaling \$658,286). E & D had historically been put towards paying off OPEB through end-of-year commitments.
- The UIRSD had substantially exceeded the \$806,000 OPEB Actuarially Determined Employer Contribution (ADEC) or Annual Required Contribution (ARC), which included pay-down that retired the liability.
- The E & D offset did not change the operating budget, only the assessment, which would have to be made up in ensuing years, spiking the budgets even further.
- Use of E & D was fiscally irresponsible and the entire amount should be given back to the Towns.
- Any E & D returned to the Towns by the end of the fiscal year (June 30th) reverted to Free Cash, which simply shifted the authority to spend from the UIRSC to the Select Boards who would use the same funds to reduce taxpayer burdens through roads, equipment, tax-rate offset, etc.

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- Although E & D was not stable enough to be counted on as a long-term revenue source, given the current large amount of E & D, all the UIRSD and MVPS Administrators were comfortable with using E & D offsets over the next couple years to ease this cost spike.
- It was a simple matter to explain the actual budget increase and E & D offset to voters at Annual Town Meetings.
- If no budget was certified by June 30th the State mandated use of the previous year's budget.
- Further clarification would be researched on the DESE regulations.

- The Chilmark Select Board and FinCom met jointly earlier in the day. They thanked the Administration for the documents and information. UIRSC Chilmark Representative Robert Lionette attended and gave a good breakdown of the situation. Select Board Chair Jim Malkin reported they:
 - stated their commitment to conservative financing;
 - supported OPEB funding and liability pay-down to increase their bond rating;
 - promoted transparency in presenting voters with an accurate picture of education infrastructure and enrollment costs (Tri-Town Ambulance budget also spiked at 5.5%);
 - had no opinion on whether E & D should be returned to the Towns;
 - so unanimously voted in support of Mr. Lionette and Mr. Manter's position TO ENDORSE OUR SUPPORT OF OTHER POST EMPLOYEE BENEFITS BEING FUNDED BY AND FROM THE SCHOOL BUDGET.
- The Aquinnah and West Tisbury FinComs and Select Boards requested time to meet to discuss and decide on their positions.

UIRSD FY23 Budget Certification

(Agenda Item #IV)

It was agreed that a meeting be posted to certify the budget after hearing from all the Towns in writing.
There was a brief discussion on meeting times and postings.

Topics Not Reasonably Anticipated by the Chair - None

(Agenda Item #V)

Meetings/Events

- UIRSC – 6:30PM, Tuesday, January 18, 2022 by Zoom

Adjournment

With thanks to all for their attendance and attention,

• *ON MOTIONS DULY MADE AND SECONDED THE FOLLOWING UNANIMOUSLY ADJOURNED BY ROLL CALL VOTE:*

- *WEST TISBURY FINANCE COMMITTEE AT 7:47PM;*
- *WEST TISBURY SELECT BOARD AT 7:47PM;*
- *CHILMARK FINANCE COMMITTEE AT 7:47PM;*
- *CHILMARK SELECT BOARD AT 7:48PM;*
- *AQUINNAH FINANCE COMMITTEE AT 7:48PM;*
- *AQUINNAH SELECT BOARD AT 7:48PM.*

• *SKIPPER MANTER MOVED TO ADJOURN AT 7:49PM; ROXANNE ACKERMAN SECONDED; MOTION PASSED UNANIMOUSLY: 5 AYES, 0 NAYS, 0 ABSTENTIONS: SKIPPER MANTER—AYE, ROXANNE ACKERMAN—AYE, KATE DEVANE—AYE, ROBERT LIONETTE—AYE, ALEX SALOP—AYE.*

continued >

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Documents on File:

- Agenda 1/13/22
- Stone/Friedman email re: Revision: UIRSD FY23 Assessments
- UIRSD FY2023 Assessment – V# 1/13/22
- UIRSD FY2023 Assessment – V#5 12/13/21
- Up-Island Regional School District FY23 General Fund Budget – Version #5, 12-13-2021 (12 p.)
- UIRSD FY23 Budget Version #5 12/13/21 (2 p.)
- Up Island Regional School Committee December 17, 2021 Draft Minutes (4 p.)

Minutes approved 1/20/22