

Hanover School Committee Meeting Minutes
June 10, 2020
Virtual Meeting

Present: Mrs. Leah Miller, Mrs. Ruth Lynch, Mrs. Kimberly Booker, Mr. John Geary and Mrs. Libby Corbo

Also Present: Matthew Ferron, Thomas Raab, Debbie St. Ives and Keith Guyette

Call to Order: Meeting was called to order at 3:32pm by Mrs. Miller

Mrs. Miller opened the meeting by addressing the public. She noted that this meeting would be run differently than other meetings. She realizes that the audience was very large as there are a lot of questions and concerns at the moment. Mrs. Miller stated that she hoped this meeting would put people at ease, as they would answer as many questions as they could.

Public Comment: None

Approval Minutes:

None

Report of Finance Department Presented by Dr. Thomas Raab:

- FY '21 Budget Update –Mr. Ferron and Dr. Raab presented an updated FY '21 Budget presentation that broke down the cuts that have taken place since the budget was first approved by the School Committee in March. He noted that this is a very challenging time, but assured everyone listening that Administrators and School Committee members have the best interest of the school system in mind through all of it. He continued by recapping the history of the FY '21 Budget and all its iterations. Mr. Ferron noted that after he and Dr. Raab made this presentation they would have answers to several questions. Dr. Raab discussed the budget and again noted that they did not want to raise user fees and also that revenue generating services such as Full Day Kindergarten and Food Services are still unknowns for next year. He noted that all of that unknown information makes planning the budget difficult and until they know more, they have to plan for the worst. Mr. Ferron stated that he was very sorry for all of the layoff notices that went out, but they are doing everything they can to provide flexibility for the students and the schools needs. He also thanked the 90 employees who have been on furlough since April and said their sacrifices have helped them get through this fiscal year. Mr. Ferron addressed the layoff notices by stating that a total of 1.3 million dollars in salaries were affected and it included 55 staff members, including almost all non-PTS teachers. He noted that he hoped to recall many of these staff members once they learn more about state and federal aid cuts and also said that they did cut more staff than they needed to. Dr. Raab addressed the Budget gap of \$1.725 million and stated that he and Mr. Ferron have done everything in their power to reduce that gap before turning to layoffs, including an early retirement incentive and requesting to enter into contract negotiations with the unions. Mr. Ferron noted that we all need to advocate for the preservation of state and federal funding, as cuts to those funds are certain.

Mrs. Miller thanked the administration for their advocacy throughout this process.

Mr. Geary noted that Chapter 70 funding is a moving target and its our best guess that it will be reduced by 10% right now and it is very difficult to develop a budget based on a moving target.

Mrs. Corbo urged the community to reach out to their local representatives to advocate for funding.

Mrs. Miller thanked Mr. Ferron and Dr. Raab for showing the community how they achieved their budget cuts.

Mrs. Lynch stated that it is important for the community to understand that the budget process began back in January and what had been approved then is now completely different and we still have many unknowns for next year. She appreciates the patience and understanding of the community while the Administration Team works to come up with a plan and noted that all the School Committee members were available to answer any questions that might come up.

Mrs. Corbo reminded the community that the original FY '21 budget that was voted on in March is available on the Hanover Public Schools website for reference.

Mrs. Miller introduced Mr. Ted Hickey, Chair of the Advisory Committee. Mr. Hickey introduced himself and explained the role of the Advisory Committee. He thanked Mrs. Miller and the Committee for inviting him to help answer questions surrounding the Town Budget and free cash. He noted that he is impressed by the collaboration that is happening between the Town and the School Dept. and assured residents that it is not for a lack of trying in an attempt to find a better solution for all this.

Public Comment: Community members and HPS staff had the opportunity to ask questions:

- Why Furlough employees?
 - The FY '20 situation became worse than anticipated with school closing for the remainder of the year. There were revenue shortfalls that we had to make up for to end the year financially solvent.
- How will it work in September with the guidance released by DESE?
 - Mr. Ferron noted there was some confusion about the guidance released by the DESE recently. That guidance was for summer school and Summer Special Ed. Services. Guidance for September is expected to be released in the next couple of weeks.
- Will there be athletics in the fall?
 - Mr. Ferron said he hopes so, but we have to be realistic that it might look a little different.
- What will transportation look like?
 - Dr. Raab is going to poll families to get an idea of how many families would still want to utilize transportation in the fall and go from there based on need and interest.
- Before and After School Program?
 - There are currently a lot of questions surrounding this program. Mr. Ferron said it would be offered but likely with some additional guidelines or restrictions. Mrs. Kelly Lawrence is and will continue to work on their plan throughout the summer.
- The math on slide 4 is not adding up for the number of teachers that was laid off?
 - Dr. Raab noted it was likely a mistake due to the haste in which the presentation was created.

- What can Hanover parents do to help advocate for funding?
 - Mr. Ferron told the community they should reach out to their local representatives
- When will we know if teachers are choosing to take the early retirement incentive and will we be filling those positions?
 - Mr. Ferron said the incentive goes live today. He noted it will depend on the positions as we are trying to close a large gap and if we have the choice to not back-fill a position they will take it, but if it is a crucial position, they will certainly fill it.
- Can we eliminate contracts with testing companies to save money?
 - Mr. Ferron said that school still has to be school and those tests are very important resources for teachers. We have no plans at this time to do this, but we certainly did look at everything for ways to cut the budget.
 - Mrs. Miller noted that many of these contracts support goals that were set as a school district.
 - Mrs. St. Ives stated that they have moved away from those contracts if we could.
- What information or models are you using to site these budget shortfalls?
 - Mr. Ferron said we are not following any economists, but rather the state budget, as that is what is tangible to us. We are focusing right now on what matters to Hanover.
- What is the timeframe that we will know about the state and federal funding?
 - Dr. Raab said that everything is currently ongoing. The CARES Act funding has already been applied for in part and money has gone to the town for their Covid 19 mobile taskforce.
 - Mrs. Corbo noted that the CARES Act reimbursement is available through December 2020.
- Will the positions at HHS and HMS be restored?
 - Mr. Ferron said yes, absolutely. If not this year, then next year. He noted that Hanover Schools do not have a lot of extra people and we will always backfill if we need to. Mr. Ferron again stated that he does not believe that we will lose all 55 positions that were laid off and he plans to recall positions as soon as he is able, but for right now he needs the flexibility that those layoffs created.
- Can a special session of Town Meeting be held and is PPE factored into the new budget?
 - Dr. Raab stated that CARES Act funding will cover the PPE required and the School Dept. is working closely with the Board of Health to know exactly what will be needed.
 - Mr. Geary noted that a portion of that will also come from the Facilities Budget.
 - Mr. Ferron stated that he is on a phone call every morning with Department Heads to talk about issues and they will continue to work together to procure the PPE needed.
- Has the town reached out to Congress regarding an increase to funding?
 - Mr. Ferron said that they have not made a formal request
- When do you expect to have answers about the fall and when will you communicate that to everyone?
 - Mr. Ferron said that he expects guidance from the DESE next week. He noted that it will be a daunting task to sort through it all and they will likely require more guidance for the information receive. There will be lots of questions and many ways to interpret it. Once we have a plan, we will communicate clearly and frequently.
- What is the exact number of teachers that have been laid off and when we reopen in September how do we cover those positions?
 - Mr. Ferron noted that he knows that people are anxious about how we will open and that is what we are trying to figure out right now. We have to look at what September will look like and what programs can run.
- What is the cash reserve supposed to be used for or the rainy day fund?

- Mr. Hickey reminded the community that “Free Cash” is not free. It is tax money that hasn’t been spent yet and it plays many rolls in our budget. \$750,000.00 has been set aside to help balance the town budget, but more than that would be a detriment to future years. Mr. Hickey noted that they have been planning for a \$1million gap in FY ’22 that they need to keep in mind while looking ahead.
- Have all teachers been notified?
 - Mr. Ferron said yes, all have been notified and at this point they have no plans to cut any deeper.
- Mr. Geary asked Mr. Hickey when the Operating Budget would be on the AdComm Agenda?
 - Mr. Hickey stated hopefully next week, but they are waiting on more guidance from DESE before adding it to the agenda.
- What research or economist are you using?
 - Mr. Hickey stated that no one has figured this out yet but they do have a lot of people with a finance background on the committee. They are studying economic dips from the past and he noted that is important to remember that the budget situation is often much harder 2-3 years after the initial crisis.
- Why did they notify of layoffs this week when the deadline of June 15th was still over a week away?
 - Mr. Ferron stated that they do not expect the state budget to be finalized anytime soon and are currently planning for 1/12th budget at this point. We do not know anything for sure at this point and we need time to plan while we were all still together before the end of the school year.
- A comment was made to say that the community is not suggesting that the use of Free Cash be used all the time, but instead used in a crisis such as this. Did not want the statement to be misrepresented.
 - Mrs. Corbo stated that you don’t want to use Free Cash for recurring costs because you can very quickly get yourself into a hole. She commends the Advisory Committee for the Free Cash they are allocating.
 - Mr. Hickey noted that it was what the Advisory Committee recommended. Ultimately it will be decided at Town Meeting.
- Ms. Jennifer Ready, Co-President of Friends of Hanover Music and Theater made a statement of support for the School Department, noting they understand their position and thanked them for all they have done. Ms. Ready noted that the arts should not be cut, as they are crucial to kids development.
 - Mr. Ferron stated that he agreed and Mrs. Miller thanked Ms. Ready for her support.
- Mr. Matt McGarry noted that by cutting positions they were saving \$1.3 million and then asked how much would just 35 teachers be?
 - Mr. McGarry also stated that the average salary for teachers was \$80,000.00 and asked how that could be if they were coming in at the bottom.
 - Dr. Raab noted that not all teachers come in at the bottom as salary is based on experience, especially if they come from another district and bring their years of experience with them.
- Mr. McGarry asked Mr. Hickey if they were using \$1.1 million for unavoidable costs and \$1 million to balance the budget, that would leave approximately \$2.2 million in Free Cash and also asked if they foresee anything that would dip into the remaining free cash that would be more important than teachers?
 - Mr. Hickey noted that he had commented on a list of factors for free cash before and that what might come up from a capital needs perspective would certainly not be a higher priority, but it is the job of the Advisory Committee to try and keep that fund solvent. He noted that no one knows the pace at which the economy will recover and

- said it really all depends on what the risk tolerance of the town is, because Mr. Hickey noted that his was not that high as it the economy could get worse in a year.
- Mr. McGarry thanked all the volunteers such as the School Committee and Advisory Committee as he knows it is a thankless job and this has been a difficult time.
 - Mrs. Corbo noted that the MA Dept. of Revenue recommends keeping a certain percentage of Free Cash at all times and for Hanover, that percentage would be between \$2-3.5 Millions.
 - Mr. Nole Fratazio asked if a special town meeting would be possible and what that would take to set up?
 - Mr. Hickey noted that was not necessary as Town Meeting is on June 29th and the community can come to propose any amendments.
 - Mr. Fratazio stated that it would be \$225 per family in Hanover to make up the gap and he thinks that residents would be more than willing to give money for teachers and he would be advocating that the community take care of the budget deficit themselves.
 - Mr. Hickey stated that the Town has evaluated increasing the tax levy and would also solve some of the budget issues, but municipal taxes never go down and it's a big ask to add to someone's tax bill for the next 10, 20 or 30 years.

Mrs. Miller thanked the community and the teachers on this call. She acknowledged that they were unable to get to all the questions, but that a document would be created to try and answer the remaining questions.

Mrs. Booker thanked Mr. Ferron, Dr. Raab and Mrs. St. Ives for their transparency noting that she knows the community appreciates it.

Motion by Booker to adjourn at 5:17pm. The motion was seconded by Geary. The motion carried unanimously.

Respectfully Submitted by:

Caitlin Potolicchio

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Executive Assistant/ Recording Secretary

Documents Used:

FY '21 Budget Update for 6/10/20