

The Regional School District 13 Board of Education met in special session on Tuesday, February 2, 2021 at 5:00 PM remotely.

Board members present: Mrs. Booth, Mrs. Caramanello, Dr. Friedrich, Mrs. Geraci (arrived late), Mr. Hicks, Mr. Moore, Mrs. Petrella, Mr. Roraback, Dr. Taylor and Mr. Yamartino

Board members absent:

Administration present: Dr. Schuch, Superintendent of Schools and Mrs. Neubig, Director of Finance

Guests present: Mrs. Denise Schuch and Representative John-Michael Parker

Mr. Moore called the retreat to order at 5:00 PM.

Pledge of Allegiance

The Pledge of Allegiance was recited.

Public Comment

None.

Next Board Meeting - February 10, 2021 at 7:00 PM

Approval of Agenda

Mr. Hicks made a motion, seconded by Dr. Friedrich, to approve the agenda, as presented.

In favor of approving the agenda, as presented: Mrs. Booth, Mrs. Caramanello, Dr. Friedrich, Mrs. Geraci, Mr. Hicks, Mr. Moore, Mrs. Petrella, Mr. Roraback, Dr. Taylor and Mr. Yamartino. Motion carried.

Welcome and personal thoughts/comments

Dr. Schuch introduced his wife, Denise, and noted that they are thrilled to be here. They also have their dog, Peanut, with them. Mrs. Schuch explained that she grew up on Long Island and she is very glad to be back in the area. She hopes to have her two daughters visit soon.

Mr. Moore brought up the “reply all” function on emails and that it creates the opportunity for a meeting without notice. He asked everyone to be careful with that. Mr. Hicks called Tom Hennick, from the Connecticut Freedom of Information office, this afternoon and he explained that “reply all” is pretty benign in many instances, however the board should probably not do that, just to be safe. Mr. Hicks stated that if a message isn’t necessarily meant for everyone, it may be better just to send it to the individual. Mr. Hennick also volunteered to attend a board meeting to discuss Freedom of Information issues. Dr. Taylor does find it refreshing to have information provided to all of the board members and feels there is more transparency and awareness though he is aware of the FOI issues. Dr. Schuch stated that if gets an email from one board member, he likes to reply to the entire board so that everyone has both the question and the answer. He explained that if board members don’t want that to happen, a phone call may be a better option. Dr. Schuch is a proponent of transparency and believes that this method would show a clear pattern of professional behavior.

Mr. Moore summarized that it is just something to pay attention to and be cautious.

Representative John-Michael Parker: legislative updates and issues

Mr. Parker introduced himself to the board and explained that he is the State Representative of the 101st District which includes about two-thirds of Durham. He is currently the executive director of Arts for Learning Connecticut, a nonprofit that does arts-based educational interventions. He serves on the Education, Public Health and Environment Committees in the state legislature.

Mr. Parker has had a few conversations with Dr. Schuch, Mr. Moore and Mr. Hicks as well as several people in the Madison school district. He has connected with CAPSS (Connecticut Association of Public School Superintendents) and intends to connect with CUBE (Connecticut Association of Boards of Education) as well.

Mr. Parker noted that he wants to always be able to check in with the board to keep an eye on the state's impact on the local areas. The main issue is ECS funding and there are some proposals for changing that. There have also been conversations about special education funding and he is very aware of the need to broadly support teachers. Mr. Parker stressed that he is there to serve as a resource and a partner.

Mr. Roraback thanked Mr. Parker for coming and asked what representatives work for the rest of Durham and Middlefield. Mr. Parker explained that Vin Candelora is the other representative for Durham and is the Republican leader of the House. State Senators Christine Cohen and Paul Cicarella also represent Durham. He was not aware of who represents Middlefield. Mr. Roraback asked about Senator Looney's proposal to regionalize the state, basically using money from more affluent communities to help the poorer ones. Mr. Parker noted that Michael Quinn is the State Rep for Middlefield and is also new to the legislature. Mr. Parker also explained that regionalization can be done in many different ways and felt that it would look more like District 13 if it moves forward at all. He does not feel there is any practicality in thinking that somewhere like Durham or Madison would be taken over by somewhere like New Haven. The idea would be to better provide services at a more efficient, cost-effective way.

Mr. Moore asked how the dollars from the latest federal act will be distributed and Mr. Parker explained that the funds were distributed based on Title I allocations in towns, so larger communities and those with higher proportion of low-income students received more dollars. Dr. Schuch explained that they have been notified what the district's allocation would be and there are guidelines for how that money may be spent. Mrs. Neubig stated that she will share that information at the next board meeting and the state will open the application for the funds on February 22nd.

Mr. Yamartino noted that the COST (Council of Small Towns) has put together a legislative agenda for the current session and asked Mr. Parker how he feels about some of their proposals, specific to regional school districts. Mr. Parker noted that he has a strong relationship with Laura Francis, who is strongly connected to COST and CCM, and has been keeping an eye on those priorities. He has met with River COG as well. He did not have specifics in front of him tonight but would be willing to follow up on anything.

Mr. Yamartino asked specifically about the proposal from COST that finance committees actually have review power over the budgets. Mr. Parker felt that community input and oversight would help with

overall transparency, but wondered if another layer is necessary. He did not have enough information yet to have a firm opinion. Mr. Moore explained that the Finance committee has members from the board and the community as well, but has been advisory only. He felt that giving them more authority would add a layer of bureaucracy to the process which he would not appreciate.

Mr. Yamartino also asked about the proposal that would grant municipalities and/or finance committees review and approval of bargaining unit agreements. He felt that that information is privileged and people outside the education environment should not be involved. Mr. Yamartino asked Mr. Parker to keep an eye out for that.

Mr. Moore thanked Mr. Parker for coming tonight and asked if they could spend some time in the future talking about his nonprofit arts program.

Superintendent transition and goals

Dr. Schuch realizes that the superintendent would traditionally be working on a set of goals by this time of the year. Instead, he wanted to present a springboard to explain where he'd like to focus his time and energy.

Dr. Schuch's focus over the next 10 to 12 months include immediate challenges, transition work (including relationship-building and learning about the district and the communities) and strategic planning for the future, including building on the work that has been done.

Looking at the immediate challenges, Dr. Schuch emphasized COVID-19 recovery and planning, the upcoming budget and facility planning, including utilization of existing space.

Moving to the transition work, Dr. Schuch felt that the work began in late October when he began engaging with key stakeholders. He felt that that work will continue until possibly April. He explained that he has conducted many Zoom interviews that were trying to identify what people think the strengths, challenges and the future direction of the district are. He will continue to do interviews, but has also started meeting with groups. Last night, he met with officers from various parent-teacher organizations and last week he met with half a dozen seniors at the high school. He will meet with a subset of the Durham Fair Association as well and had a conversation with the president of Middlesex Community College. Dr. Schuch will also review documents and data and he will give brief updates to the board at their regular meetings. He does intend to give a full report to the board in May or June.

Dr. Schuch then went on to explain that he has extensive experience in strategic planning and has seen the success that it brings when people are committed to it. He reviewed the 4 Ws and an H, why, who, what, how and when. Dr. Schuch felt that the physical plan is not what is actually useful, but the planning is indispensable. He felt that learners need education to be continually tweaked. He related stories about Steve Jobs and his desire to create the ideal listening experience as well as Jeff Bezos who wanted to create the ideal reading experience. Dr. Schuch also talked about the founders of Starbucks who created the ideal coffee experience and impacted social settings. He would like everyone to think about the ideal learning experience.

Dr. Schuch then explained that Uber owns no vehicles, Facebook creates none of its own content and Airbnb owns no real estate, yet they all of them are changing the way people commute, communicate and

vacation. One of his biggest fears is to realize that the teaching profession has really become obsolete and what the schools have done has become obsolete. As an example, Dr. Schuch reviewed how Blockbuster was the Wal-Mart of the VHS industry and was at their peak in 2004. By 2010, they were bankrupt and out of business. Dr. Schuch added that, in 2000, Blockbuster had the opportunity to purchase an unknown company called Netflix but could not see that potential. Dr. Schuch reiterated that education in this country has not changed fundamentally, even with all of the technology.

Moving to the who, Dr. Schuch believes it should be the people who are most impacted by the plan's success or failure. They include the young learners, families, residents of the two towns, employees of the district and the Board of Education.

Looking at what the process should be, Dr. Schuch felt that they need to make sure that the process is continuous, regular, frequent and is grounded in the future direction, what they need to get there and how they are progressing.

How will this be accomplished? Dr. Schuch explained that everyone needs to understand the work that has been done thus far, including the strategic coherence plan including the three pillars, the Board of Education goals, engage, empower and thrive, the core ethical values and the Portrait of a Citizen work. He will work toward viewing all of these things as one strategic plan. It will then move on to Dr. Schuch's transition report and his focus on learner-centered education. He also feels it will be important to understand systems change and the transformation of education and consider exemplar innovative models that exist. Dr. Schuch hopes that to bring more people into this process through targeted focus groups and continuation of the data and document review. He also intends to do a SWOT (strengths, weaknesses, opportunities and threats) analysis and specifically look at things happening outside of the district.

Looking at when, Dr. Schuch hopes to have the first iteration of the plan for November/December, 2021. He does feel that would be a reasonable goal and that would then give them the ability to anchor the budget and capital priorities to that plan. Dr. Schuch also believes that once there is a solid plan, they can talk about whether or not the organizational structure makes sense. At this point in time, Dr. Schuch does not see anything fundamentally flawed but does believe there could be some restructuring that would happen going into July, 2022.

Dr. Schuch believes in the iterative design process which would mean that the plan will be constantly reviewed and the implementation and development process continues as well. He does not want the process to be viewed as static and/or being done solely for appearances or compliance. He would not want the plan viewed as a creation of the Board of Education, the Superintendent and senior administration as it is more likely to not succeed and not be effective. Dr. Schuch reiterated that it should also not be viewed as a standalone entity and needs to be connected to daily activities. Dr. Schuch reiterated that it is not the end or the final product that matters and it is in the planning.

Mr. Hicks explained that strategic planning is not new in District 13 and there had been four iterations in the 90s and 2000s. He felt that that has somehow gotten lost in the district and finds what Dr. Schuch is proposing a breath of fresh air. Mr. Moore added that he, Dr. Taylor and Mrs. Booth have all participated in focus groups related to this process and have found out a lot, especially with the engagement of the students.

Dr. Taylor asked how Dr. Schuch views the difference between the district's vision and strategic plan. Dr. Schuch explained that about 80 percent of strategic plans are deemed as failures and he believes that is due to an ill-defined vision. He also feels that a well-defined vision requires good action plans. The successful strategic plans that he has been involved in have had both. He also felt that visions should be as simple as possible. Core values and mission statements are important as well. Educators often want to jump right into the program space and Dr. Schuch shutters when he hears "one program" and would prefer it be referred to as "one system" which would provide multiple pathways for individual learners. He noted that the rest of the world is personalizing their work to individuals and if the district doesn't do that, he fears they will lose kids to online schools, private schools or charter schools.

Mr. Moore asked how much COVID would influence the direction people are thinking about for the future. Dr. Schuch felt it may hinder things by not being able to do things face-to-face, but not enough to put it on hold. The positive thing is that everyone has had to adapt and that may help people to accept that maybe remote learning is not ideal, but there may be something about the experience that has been good. He felt that they really need to ask the young people what works best for them and prepares them for what comes next. Dr. Schuch feels that most of what is done in public education is because it's always been done that way.

Mrs. Petrella added that she and her husband are both retired teachers and both feel that education has been relatively static forever and needs a good shot in the arm. She does feel that the district is ready to really move forward and even be a model for others though it will not be easy.

Mr. Yamartino stated that he has had people ask him why the towns don't provide vouchers to anyone that wants to go to a private high school to help reduce the student load on the district. He added that the district operates the Middlesex Transition Academy in a very effective manner while generating revenue. There have been discussions about allowing students from out of town to participate in the district and what tuition might be charged. He felt that 5 or 10 percent more students could be added to the high school and not overly burden the teachers. Mr. Yamartino would not want to rule out opening the district's schools to students who would want to come and pay tuition. His niece and nephew live in a town where the town decided to pay the tuition for all of its students to go to a private high school.

Dr. Schuch stated that he was open to anything, but he would not want to begin poaching students at this point. He has heard from administrators that there is a significant line of choice from eighth grade to ninth grade which could have to do with a number of things. Dr. Schuch believes if this work is done well, it will put the district on the map and help to inspire other districts. Mr. Yamartino also felt that age and grade level should not be a restriction for what classes students are assigned to.

Mr. Moore stated that the district is already recognized for its music programs and the China relationship had a very positive impact. Dr. Schuch emphasized that he would not want to abandon the good things that already exist and maybe even expand upon them, provided that those things point the district to its vision. He does feel that the music program is already being mentioned in his exploration thus far. He also believes that the China relationship is a good example of a global focus.

2021-2022 budget trends and issues

Mrs. Neubig began by stating the district has had a healthy fund balance to offset the budget in past years, however that is not the case this year. Last year, a portion of that current year's surplus was allocated to

2020-2021 budget. The district has historically only applied any surplus to the fund balance after the year end audit. The available fund balance for this year's budget is just a fraction of what it had been in the past.

Mrs. Neubig stated that a repeated application of any current year surplus does not allow for any uncertainty going forward and could create the same situation for next year. The fund balance is a revenue source to the district, and as such, with the decrease in a revenue source, the assessment on the towns will increase. Expenditures can be kept either stable or at a negative, however at this time, the final health insurance renewal numbers are not yet available. The estimate is at 19.5% renewal, however, in negotiations with the carrier, it is hopeful that may decrease a few percentage points.

Mrs. Neubig reviewed \$1.467 million in fund balance was available last year and \$616,501 in that current year surplus was also allocated to the 2020-2021 budget. Additionally, salaries were budgeted at 95% to account for attrition. Leaving \$384,282 for the 2022 budget.

The major budget drivers include the fund balance, salaries, health insurance and capital needs. Mrs. Neubig noted that salaries make up 76% of the budget. She also explained that the district is in the same insurance pool with Durham and Middlefield and everyone is feeling the increases. Statutorily, the district is held to a 1% operating budget cap saved for capital reserves, coming out to about \$370,000 a year which is a portion of the funds needed for capital. Additionally, the debt service had a significant decrease, but will rise again next year. The reason for the decrease was timing on the bonding projects that overlapped with the energy project.

Looking at some budget mitigation strategies, Mrs. Neubig would like to budget salaries at 96.5%, which is up from 95% last year. It would be aggressive to budget anything lower due to the previous utilization of the fund balance. Additionally, the district takes part in a consortium for fuel purchases and applies for grants whenever possible.

Mrs. Neubig then went on to review the history of the district's budget over the past few years. Last year represented a 1.5% increase in expenditures, but the fund balance was applied to create a net zero. Mrs. Neubig reviewed the history of the net budget.

Mr. Yamartino noted that he has pointed out the lack of fund balance many times over the past year and is very pleased that they are going to present a zero gross budget. Mrs. Neubig explained that that is due to the significant decrease in debt service. He would very much like to see the capital numbers and find out what the district actually needs to put in reserve every year, if they were allowed to.

Dr. Taylor asked why they are trying to push for a zero percent increase in the gross budget and what that will potentially mean next year when the debt service increases. He felt that the board has been delaying any increases in the budget for years, recognizing that there has been declining enrollment. He worries that they are pushing things down the road and there will be a budget in the near future that is not passable. He fears that they will then have to slash programs to meet the budgetary needs.

Mrs. Neubig explained that the departments based their budgets on their needs and the decrease in debt service an unforeseen decrease. No new proposals and no new staffing are included in the budget. ESSER II Grant funding forthcoming can be used for student learning loss.

Mr. Yamartino reviewed that the gross budget is what gets voted on, but it is the net budget that impacts the mill rate. He asked if Mrs. Neubig had any idea of what the increase would be in the net budget. Dr. Schuch explained that they are still working on the numbers and he realizes that it is always a hard sell to increase the budget when enrollment is declining. While they will be presenting a net zero gross budget, they will be willing to go back to look at cuts if the net is too high. Mrs. Neubig felt that a zero gross budget would produce a 4 to 5 percent increase in the net budget.

Dr. Friedrich asked what the debt service in the next few years would add to that 4 to 5 percent increase. Mr. Yamartino mentioned that there would hopefully be a budget surplus available to partially offset that. Dr. Friedrich felt that everyone needs to think about what the ask will be to the towns in the next few years. He would also not be in favor of draconian cuts to maintain the budget.

Mr. Moore added that the debt service will also drop off substantially in 2023 and 2024 as well. They had planned to level fund the debt service which would give them capacity to continue to add to the debt for capital needs. Dr. Taylor pointed out that that is not what is happening this year because they are allowing the debt service to fall off. They are not replacing it, but have made the budget look the same.

Mrs. Neubig showed a slide of the debt service, showing just a little of the \$6.9 million bonding being used this year. The bonding will go up approximately .8% next year if the timing remains on track.

Mr. Moore stated that the board voted on the budget last year without a public vote and explained that the governor's authority goes through April this year and he doubts that that would remain the same this year. He felt it would probably go back to a general referendum, but can't be sure of that. Mr. Moore felt that they were very conservative last year because there was no public vote. Mr. Yamartino also felt that they were responding to the Boards of Selectmen and Finance who asked for a zero net budget. He also felt that all four of those boards are aware of the fact that they used the fund balance to do that.

Dr. Schuch went on to review the subject of utilization, beginning with the fact that the board voted to reconfigure grade levels and to close John Lyman School in January, 2019. The authority to close the school was not granted by referendum and they would need to get permission from the towns to do that. There are significant capital needs at John Lyman that need to be addressed if it is not going to be closed. On January 21st, the Utilization committee asked for a budgetary analysis related to the school operations.

Dr. Schuch did not have all the final details available, but presented a comparison of expenditures related to operating John Lyman School for 10 years starting with July, 2022. They have outlined several scenarios: (1) current operating configuration, (2) planned reconfiguration that had been voted on and (3) alternate reconfiguration. He explained that scenario 2, the planned reconfiguration, would be PK-2 at Brewster, 3-5 at Memorial, 6-8 at Strong and 9-12 at Coginchaug. Scenario 3A would be PK-1 at Brewster, 2-4 at Memorial, 5-7 at Strong and 8-12 at Coginchaug. This scenario does not require any expansion at Brewster School and represents a cost savings. Dr. Schuch explained that there is a definite excess of capacity at the high school that could absorb the students in eighth grade. The 3B scenario would be the same as 3A, with the exception of putting PK at the high school. The PK at the high school or at Brewster does not impact the cost.

The analysis will compare all three scenarios over 10 years, starting in July 2022. The two major drivers of the budget are staffing and operating costs, including maintenance. Mrs. Neubig will build in a 3

percent rate of inflation. He does believe there may be additional savings because of declining enrollment, but they would be recognized under any of the scenarios.

Dr. Schuch reviewed that scenario 1 would be significantly more costly than 2 and 3. Either of the scenario 3 options would not require any expansion at Brewster and that would have a financial benefit on the capital side and a practical benefit to the school closure because it doesn't anchor it to construction at Brewster. Dr. Schuch also mentioned that in order to get state funding for this expansion, the district would have to demonstrate that they have taken advantage of all available capacity in the district and that would not be the case with declining enrollment and excess space at other buildings.

Dr. Schuch will email the information to all of the board members later this week. The ERC committee will meet before the regular board meeting on February 10th and Dr. Schuch and Mrs. Neubig will review the analysis with them.

Mrs. Neubig added that she included a debt service amount for capital improvements at John Lyman in scenario 1. That includes \$2.8 million for end-of-life systems and another \$1.3 million of future needs. Those numbers are from 2015 and have gone up over time.

Dr. Schuch explained that he is not advocating for any of the scenarios, but wanted to state what is happening. He wouldn't want a scenario to be discounted for a particular reason, such as having eighth grade at the high school. Administrators did feel that if eighth graders attended Cuginchaug and had access to programming and activities, they may be less like to leave the school as ninth graders. He was pleasantly surprised by the reactions of all of the administrators.

Mr. Yamartino thanked both Dr. Schuch and Mrs. Neubig for the effort and thoughtfulness they put into this. Mr. Yamartino added that he had personal experience with a child going to a middle school/high school where eighth graders participated in high school athletics and music as well as academic classes. He also asked if PK students would be able to use the bathroom facilities at the high school without improvements and felt that the same issue may be at Memorial with second graders. Mrs. Neubig explained that the child development class used the purple room and there is a child-sized dedicated bathroom in there with a potential for an addition of bathrooms. The bathrooms were never brought up as an issue at Memorial.

Dr. Taylor asked what they plan to have happen at the next board meeting as there are many other issues that need to be addressed before voting on anything. Mr. Moore felt that the numbers would be presented and then Utilization would go through the process and bring it back to the full board. Mr. Yamartino felt that they also need to assure that the facilities at each school are adequate. He added that they also need to understand what the schools would look like on a day-to-day basis.

Review of board goals and objectives

Mr. Moore reviewed that the board was going to update their goals and objectives last year, but stopped due to COVID. He felt it may be more appropriate to tie these into the work that Dr. Schuch is doing and added that the board has accomplished most of the goals they had set. He asked the board members to review them and decide whether they should work on them now or wait. Dr. Schuch does not feel it is good practice to have board goals that are set separate from the district's goals. He also doesn't feel that the superintendent should have separate goals. Dr. Friedrich stated that the goals were for the board and

for the superintendent. He would like to see an update on the existing goals and bring them together with the strategic plan.

Public Comment

None.

Adjournment

Dr. Friedrich made a motion, seconded by Mr. Hicks, to adjourn the regular meeting of the Board of Education.

In favor of adjourning the regular meeting of the Board of Education: Mrs. Booth, Mrs. Caramanello, Dr. Friedrich, Mrs. Geraci, Mr. Hicks, Mr. Moore, Mrs. Petrella, Mr. Roraback, Dr. Taylor and Mr. Yamartino. Motion carried.

Meeting was adjourned at 7:57 PM.

Respectfully submitted,

Debi Waz

Debi Waz
Alwaz First