

**SELECT BOARD MEETING MINUTES  
JULY 18, 2023 AT 6:00 PM  
TOWN HALL GYM – JOINT COMMITTEE MEETING (SELECT BOARD, ADVISORY & SCHOOL)**

**ATTENDANCE:**

Chair Rick Antanavica	Present
Vice Chair Dianna Provencher	Present
Second Vice Chair Allen Phillips	Not Present
Kevin Menard	Present
John Bujak	Present
Chair Donna McCance	Present
Dylan Lambert	Present
Jonathan Boisjolie	Present
Laura Cummins	Present
Chair Peter Cusolito	Present
Bill Brennan	Present
Mary Kay Hannant	Present
Sandy Wilson	Present

**1. SCHEDULED ITEMS**

- a. 6:00 pm – FY 2024 Budget/Fall Town Meeting discussion

Mr. Antanavica called the meeting to order at 6:09. He began the discussion informing the public this is the first joint meeting regarding financial matters. He stated Mr. Genereux has put together a financial report for the next few years showing the grim outlook. Mr. Antanavica asked the school department about positions and Mr. Kustigian stated he had a PowerPoint that would explain. Mr. Antanavica stated in FY24 there would be a deficit with declining revenues and expenses which would decrease the free cash number. He stated in FY25, the expenses would remain the same but they would be 1.5 million dollars short without the use of the one-time funds. HE sated the outlook is not positive and there are groups looking to do fundraisers and he reminded the boards that the town and the school are one and everybody was all in the financial situation together.

Dr. Kustigian began his presentation by thanking Mr. Antanavica and the finance committee in their efforts to work together. He provided an update on the new programs including building property and maintenance, early education and care, advanced manufacturing, certified nursing assistant and the fire academy. The fire academy would begin in the fall of 2023 and 15 children were enrolled. He stated fire science would include hands-on STEM activities, fire history and medical. The nursing program would begin the fall at the high school and 15 students were enrolled. Bay State Mary Land Hospital donated hospital beds, medical supplies and furniture for the program. Rooms have been designated as makeshift hospital rooms. Advanced manufacturing aka Innovation Pathway, which is a full year program, would begin in the fall and has already received state approval. The curriculum is 'Project Lead The Way Engineering Pathway' and listed the grants the school had received thus far to fund the program. He covered the Chapter 74 program Building Property and Maintenance which required the

hiring of a new teacher. The student enrollment for the program is 90. He discussed the donations, work spaces which would require some additional work to be suitable as classroom spaces. He said the highway department had equipment the children could utilize as part of the program. He said the safety inspection would occur in September. The early education program, which is also Chapter 74 approved, would enroll 90 children. It requires moving to allow the program sufficient space. The students would be assisting in providing care and teaching to younger children within the Leicester school district.

Ms. Hannant asked if rotations would occur to accommodate all children.

Mr. Kustigian stated they would rotate.

Ms. Hannant asked about the split between academic time.

Mr. Kustigian stated they would work it out and after school hours would have to be done to meet requirements.

Mr. Cusolito asked about additional funds from Department of Education.

Mr. Kustigian said the slideshow would later show that.

Mr. Menard asked about the property maintenance program and contractors and sub-contractors used for electrical work and stated he is a licensed contractor and would donate his time and employees to assist with the program.

Mr. Kustigian stated building upgrades were ongoing and making progress in the Borger building including ADA upgrades, bathroom work and the fire alarm. He said a temporary occupancy permit would last 3 to 5 years and he is hopeful the school department can get there by the fall. He stated the school department is working to be as fiscally conservative as possible and once the students are in Borger by the fall, the shuttle would no longer be needed which would save a substantial amount of funds.

Mr. Hannant asked about the vans, the cost and who would be driving them.

Mr. Belanger stated the vans were donated and safety checked.

Dr. Kustigian provided a staffing update including teacher resignations, paraprofessional resignations and administrative resignations for a total of 26 resignations which resulted in exit interviews and concluded the financial instability was the result of the departures. He stated when the school hires, they aim to pay less to the next person.

Ms. Hannant asked how many positions would be filled.

Dr. Kustigian said all of the teachers would be filled but as a result of a reorg, an administrative assistant was not filled and an elementary school assistant was not yet filled and the school was attempting to be creative in shifting duties. Dr. Kustigian stated the school was requesting a waiver for the special education program and the savings from that is yet to be determined but FY25 would require additional funding for children in the program.

Ms. Hannant asked about outsourcing process and costs.

Ms. Auger stated it would depend on each individual student.

Mr. Bujak asked if transportation was included in some of her numbers.

Ms. Auger stated it only included education.

Mr. Antanavica asked about teachers needed for this year and the following year.

Mr. Auger clarified the staffing needs for teachers and paraprofessionals depending on the ratio needed for each student.

Mr. Cusolito asked about identified needs.

Ms. Auger stated there are many moving parts to assessing the costs for older children.

Dr. Kustigian stated special education was always the most difficult aspect to budget for and predict.

Mr. Bujak asked if other children could be brought in from another district to help offset the costs expected for FY25.

Dr. Kustigian stated discussions have been happening with North Brookfield to pool assets to develop a plan for both communities. He stated he has received over \$535,000 in grants since 7/1/2022 for the programs and there were waiting on \$765,000 in grants. He stated the skills grant for \$150,000 was not successful. He said school choice numbers have gone up over 20 years and there wasn't really a way to know if the numbers would improve. He covered legal expenses and the decrease over the past 8 years and said they would continue utilizing the zero-based budgeting model. Dr. Kustigian stated he is committed to doing everything possible to help the town to become more financially stable.

Mr. Cusolito asked if there was a total cost associated with all five programs and an offset to funds coming in from other sources.

Dr. Kustigian stated 2 of the programs cost \$10,000 and Senator Gobi had said she would earmark funds but given she had left her position he wasn't sure where that stood and for the other programs the cost was budgeted at approximately \$70,000.

Mr. Hannant asked about Mr. Genereux cost analysis and asked if an increase to the budget would be needed in 2 years.

Dr. Kustigian said cost of living increases and inflation mean costs would not stay the same but the school would continually inspect the programs to improve efficiencies and the additional programs would lure students from other districts and increase revenues to grow.

Ms. Auger stated if Chapter 74 approval arrives, existing Leicester students enrolled in the programs would receive additional funding.

Ms. Hannant stated the expenses shouldn't be flat, they should increase.

Mr. Genereux stated the purpose of the analysis is to remove the general fund budget and explore outside sources, budget increases, free cash and balances off other expenses and points out the income issues especially in FY 25 and FY26 when income sources run dry. He stated his sheet exhibits the issues in utilizing the one-time funds.

Mr. Cusolito inquired about the HCA funds and the new legislation in how they can be used.

Mr. Genereux stated his sheet doesn't show the HCA funds as existing agreements would no longer get funded so going forward there is nothing else.

Mr. Cusolito clarified the HCA numbers and free cash are existing funds.

Ms. Hannant asked about the buckets of money from grant sources to return monies to the town.

Dr. Kustigian stated the grants could not be turned back to the towns as the usage is regulated but said because the budget was offset by not utilizing general fund monies there would be a savings to the general fund.

Ms. Auger stated with the zero-based budget, she is tracking purchase orders on expenses and is questioning staff on any overbudget lines as the goal is to turn back funds to the town.

Ms. Hannant asked about policies within the town to control spending.

Mr. Antanavica stated he told everyone to control their spending but no official policy has been created.

Mr. Genereux stated some of the larger departments wait until the end of the year to spend to ensure the most critical needs are met.

Mr. Cusolito stated the administrative budgets are often spent in June.

Mr. Antanavica asked when the board wished to have the next meeting and the expectations.

Mr. Cusolito asked about line items and monthly reports to better track spending and transfers.

Ms. Auger stated she does not like shifting fines so staff could see lines and where spending is occurring and she tracks transfers separately and she could provide reports on expenditures and encumbrances.

Mr. Cusolito asked about end of year transfer processes for the school and in the past that wasn't easily seen on reports and some of the items that can't be viewed on basic reports.

Ms. Auger said once funds were re-allocated, she would provide it to the advisory board.

Ms. Hannant asked if funds were being held for specific purposes.

Mr. Genereux stated the town receives invoices and documentation for any encumbrances and the effort is to receive everything by July 15<sup>th</sup>.

Mr. Cusolito reiterated it takes time for everything to post and for the board to receive the budget report.

Ms. Auger stated she balances monthly and works with the accounting office to balance all of her accounts.

Mr. Cusolito stated he is concerned about town meeting and the votes needed to increase the school budget.

Mr. Antanavica agreed and asked what the school's plan was if the vote failed.

Ms. Auger stated she has a running tally to nickel and dime to prepare for the worst-case scenario if the vote were to fail in October and they were very lucky to have residents in town volunteering. She stated \$1.5 million was voted on at the last meeting and the \$2.6 million is the total needed for the school.

Mr. Cusolito and Mr. Genereux discussed the ARPA funding protocol and the process in allocating funds from other sources to assist the school. Mr. Genereux stated they are working with DOR to determine the best scenario from the legal and reporting elements.

Mr. Cusolito stated with ARPA there is additional funding in the school budget.

Ms. Auger stated the funding would be a grant on their end.

Mr. Cusolito said he believed it would be a town contribution as opposed to a grant on the school side.

Ms. Auger stated that was something for the auditors to assist the school department.

Mr. Bujak clarified it was covid money.

Mr. Cusolito stated they were waging a fine line utilizing federal monies to move to the schools and he was fearful losing oversight of the use.

Mr. Genereux stated the question is already into DOR.

Mr. Cusolito stated he was hoping for answers before they got to Town Meeting to avoid problems.

Mr. Bujak thanked Dr. Kustigian for his presentation and stated he was optimistic about FY24 but said he was concerned about FY25 and said he had questions about Mr. Genereux's projection but he was still positive about town meeting.

Ms. Auger stated she would be working with the auditors to ensure they were accounting for the use of the ARPA funds accurately and thoroughly.

Mr. Bujak stated he was still concerned about the use of one-time funds and revenue sources but to be better about tracking as they go and have a Plan B and Plan C over the duration of the next 6 to 9 months and hopefully the community will unite.

Mrs. Hanannt stated one of the reasons the override failed was the public didn't see the effort in the school seeking other sources of revenue and decreasing their budget in accordance with the grants and monies received.

Mr. Cusolito reiterated he would like to see amounts for all the grant monies received moving forward.

Ms. Auger stated with the grants, she could put together a spreadsheet, amounts and usages.

Mr. Bujak stated if Covid taught the world anything, there was no way to forecast or budget in times of uncertainty. He stated the town needed to do better on a day-to-day basis of managing their funds and to better understand situations that could change.

Mr. Menard asked if the programs would cost around \$400,000 as that's what he thought he heard from the school previously and what he thought people believed.

Ms. Auger stated of the 2.6 million they had asked for is not all for the new programs and includes salaries and expenses that had previously been paid by Esser funds.

Dr. Kustigian stated the needs are children are always changing and he appreciated Mr. Bujak's sentiments.

Mr. Antanavica asked when they would like to hold the next meeting.

Dr. Kustigian asked for after August 28<sup>th</sup> following the start of school.

Mr. Genereux stated town meeting would be held in October.

Mr. Antanavica stated he would like to meet at least two weeks before town meeting.

Mr. Cusolito asked if reports and materials could be provided before the meeting.

Mr. Menard asked about school choice numbers but Dr. Kustigian stated he wouldn't yet have them by the next meeting.

The boards decided on September 12<sup>th</sup> for the next meeting which would offer time to hold another meeting before town meeting if any additional questions or issues should arise.

**Meeting adjourned at 7:42 PM.**

**ADJOURN**

