

**NEWRY WITHDRAWAL COMMITTEE
MINUTES OF MEETING
Wednesday, January 14, 2015**

Present: **Committee members:** Jim Sysko (Chair), Bonnie Largess, William Andrews, Brooks Morton
Legal consultant: Dan Stockford
Educational consultant: Dr. Mark Eastman
Community members: Steve Wight, Peggy Wight, Iris Roberts, Timothy Roberts, Alison Aloisio, Bob Lowell, Scott Berry, Tama Down, Doug Webster, Fred Burk, Loretta Powers, David Lowell, Ed Powers

Open Session Proceedings:

Meeting was called to order at 5:00 PM by Chair, Jim Sysko. Jim announced that this meeting would end by 7:00. Jim noted a typo on the agenda: under item 2, the minutes of December 17 are incorrectly referred to as Dec 4. It was also noted that the file name of the Dec 17 minutes was incorrectly labeled Dec 18.

The minutes of the December 17th meeting were reviewed. **William moved for approval of the minutes; Brooks seconded. Motion passed unanimously.**

Citizens' Comments: Jim pointed out that citizen comments may be taken at any point during this meeting, but asked the audience to not be disruptive.

Old Business:

- a) **Update on legislation before the state to change school funding rule for SAD 6 & SAD 44 from legal counsel, Dan Stockford:** Dan reported that he spoke to the attorney retained by Frye Island, and that attorney said they planned to introduce legislation which would revise the special provision that applies to the Frye Island and Newry school districts to make them more fair. The legislation would provide that SAD 6 & SAD 44 still be covered by a special cost-sharing formula, but it would be based 50% on valuation and 50% on pupil count. This legislation was introduced before the January 2nd deadline. Dan noted that there is not much for the Withdrawal Committee to do on this, but it is appropriate for the Board of Selectmen to be aware of this.

Dan also spoke about a private and special law that has been in place since 1997 for Frye Island only prohibiting them from withdrawing from their school district. Another aspect of legislation has been introduced to change this law to allow Frye Island to withdraw under the same procedures that apply to all school administrative districts or RSUs in the state.

Steve Wight commented that he had heard that a bill was being introduced stating that no town could withdraw from their school districts. Dan replied that he had not heard that, but would look into it.

New Business:

- a) **Presentation of Newry's withdrawal plan and public statement:** The public statement was distributed.

William moved to approve the public statement; Brooks seconded. Bonnie commented in regards to the third paragraph, and suggested adding something to reflect the whole picture, clarifying that this is based on valuation and that the same taxes are paid in Newry as anyone else pays in Woodstock, Bethel and Greenwood. Discussion ensued. Bonnie and William agreed that they would need to research the accurate verbiage with legal counsel for this addition. Bonnie then asked, in reference to the statement that says Newry residents will be able to choose which schools their children attend, is there a limit as to where the school is located. Dan stated that this would be up to the Newry school committee. It was decided that the word "approved" would be added to the sentence: "...choose which approved schools their children attend."

William amended his motion, moving to approve the public statement subject to the incorporation of language regarding relative mil rate burden for education in the district, and changing the sentence on the second page to clarify approved schools; Brooks re-seconded. The motion passed unanimously.

- b) **Statements from Committee Members:** Jim said that the statement really reflects the plan submitted to Dr. Murphy; it addresses the quality of education and the unfairness of the way the school district is funded. This gives Newry the chance at town Meeting to say something about how it wants to spend money on schools.

Bonnie asked if it was clear within the Withdrawal Agreement that once the town leaves the district, it no longer has any say as to where the money gets spent. It was noted that in terms of the Targeted Grants Fund, those funds are identified for a specific purpose as identified by the Town of Newry with input from the School Board.

William pointed out that Section 8 of the statement speaks of a Stabilization Fund that was created; Newry cannot control how the money from this fund is spent. This fund gives a declining amount of money each year for a period of 5 years to the district to wean it off the dependence of Newry; this allows the other towns 5 years to gradually increase the resources they provide to the district. He explained that as a result of the Stabilization Fund and the Targeted Grants Fund, the district as a whole could end up with more resources than it currently has. He emphasized that this plan does not necessarily mean that the taxes will decrease; taxes may very well stay at the same level.

Jim stated that in regards to the per-pupil cost, based on state average, Bethel is currently paying 64% of the total, Greenwood is at 90%, Woodstock 54%, and Newry is 800%. Jim noted that these numbers may not be exactly accurate, but are very close. It was clarified that the state requires 8.1 mils in order to receive state subsidy, but leaves it up to the towns to decide how they get to that number; towns vary on the percentage of valuation and pupil count they use in their formulas. For example, SAD 17's mil rate is calculated at 75% valuation and 25% pupil count.

Tama Down asked if, in regards to the mil rate, isn't it true that usually the amount sent to the schools is based on the valuation. The committee replied that there is a state valuation that is used to calculate what the town's share will be, correct, but this is true just for Newry and Frye Island.

Brooks expressed concern with Newry not having any say in regards to curriculum other than approving the schools to which a child may go. He stated that he found in discussions with local parents, they would like to keep our children's education as local as possible. It was pointed out that school districts are struggling with heavy handed state involvement; it is questionable if there is any local control at all over what we must teach, how we much teach it and how we must access it these days. In regards to whether the town could have more control over curriculum if it refused federal and state funding, it was noted that some districts have refused federal funding, but state funding may be another matter because of special education. Even school districts with no students must have a special ed. program.

Jim reminded the community members that they may ask questions about the plan at the next meeting or contact a Withdrawal Committee member; this is a very open process.

- c) **Educational Facilitator, Dr. Mark Eastman's report on Jan 8 meeting with SAD 44 Superintendent (Issues involving negotiations will be done in executive session):** Mark reported that he met with David Murphy on January 8th, and went through the agreement page by page. David noted that it was similar to what he saw going through this process with Andover. He offered no feedback at this point, and was scheduled to meet with his committee this afternoon (Jan 14). He expected to offer feedback from his committee by February break. David had questions about calculating individual debt and how it worked out student by student, and Mark explained that section of the law to him. David had noted that with Andover, they negotiated in a smaller sub-committee: SAD 44 representation consisted of a board member, their attorney, and David; the small group from Andover included their attorney and their educational consultant. The small meetings were held in Dan's office. Mark noted that the smaller group meetings seem to be more efficient.

Tama asked about how David's expectations of giving feedback by Feb break works with this committee's timeline. Mark responded that an extension will need to be requested. Once a town votes to withdraw, it has 90 days to submit a withdrawal plan – that date is Feb 3. Requests for extensions are fairly routine.

- d) **Steps ahead in withdrawal process with estimated dates for completion, Dan Stockford:** Now that the Withdrawal Committee has made a proposal to the school district, the next step is to embark on negotiations between the district and the Withdrawal Committee over a Withdrawal Agreement. Once the Withdrawal Agreement is reached, it will be submitted to the Commissioner for conditional approval. When the Commissioner receives the Withdrawal Agreement, under the statute, he has 60 days to review it and respond with any required changes or with approval. Historically, the Commissioner has acted more quickly than this 60-day timeframe. Once conditional approval is given, the town must hold a public hearing on the Withdrawal Agreement. After the public hearing, the agreement is submitted to the Commissioner for final approval. If issues arise during the public hearing, there may be changes to the agreement; although generally, that does not happen. Once final approval is given by the Commissioner, the Commissioner then directs that the Withdrawal Agreement be voted on by the voters in the town. There is a minimum time period of 35 days after the Commissioner finally approves the agreement before that vote can take place.

For a 2016 withdrawal, which is what is proposed, the latest Newry's vote could likely take place would be January of 2016 providing the same rule applies that is currently in place. This year, the department set a deadline of January 2015 as the latest that a Withdrawal Agreement could be voted on for a July 2015 withdrawal date. The goal may be to vote in November or earlier. If the vote happened in November, the committee could aim for a final Withdrawal Agreement approved by the summertime. There are specific timelines built into the statute for conditional approval and scheduling of a vote. The goal would be to try to reach agreement by June.

Tama asked who would conduct the public hearing and explain the Withdrawal Agreement to the voters so they understand it. Dan clarified that there would be two public hearings before the vote. The first would be the public hearing after conditional approval by the commissioner. The statute provides that the Chair of the RSU Board preside at that public hearing. As a matter of practice, Dan reported that in his experience the RSU board has generally been cooperative in working with the Withdrawal Committee in making sure that the Withdrawal Committee has an opportunity to present any information that it wants to present about the agreement at that public hearing. Generally, a high-level summary is prepared so people do not have to go through the 30- to 40-page document. The second public hearing would be just before the vote a public hearing would be convened by the Board of Selectmen in Newry. Both public hearings would be held in the town seeking withdrawal. The Withdrawal Committee is welcome to hold informal meetings to gather feedback.

For the districts that were newly formed under the reorganization law that Baldacci presided over, those districts have a minimum voting requirement and a 50% threshold. For Newry, there is no minimum turnout requirement, but a two-thirds vote is required. If the vote is close and the YES vote does not equal at least 45% of the total votes, then a two-year waiting period is required before voting again on this topic.

The committee entered Executive Session at 5:59pm. Executive Session ended at 6:55pm

Notable dates:

- January 28 at 5 pm: This committee will meet and will look for public feedback on the withdrawal plan.
- Feb 4 (tentative): This committee meets jointly with SAD 44's committee, if they agree.
- Dan will report back after the material is files to extend the time period beyond Feb 2nd by 60 days.

Adjournment – Meeting was adjourned at 6:56 PM.