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**IPSWICH SCHOOL COMMITTEE MEETING
NOVEMBER 20, 2008
MIDDLE/HIGH SCHOOL ENSEMBLE ROOM**

CALL TO ORDER

Mrs. J. Arsenault, Chair, called the meeting to order at 7:03 p.m. with the following members present: E. Traverso, B. Hopping, J. Loeb, H. O'Flynn, N. Sheppard and D. Ross. Richard Korb, Superintendent; Joanne Cuff, Finance Department; Cheryl Forster-Cahill and Barry Cahill, School Principals; and Matthew Roberts, Student Representative, were also present.

ANNOUNCEMENTS

Mrs. Arsenault read the following announcements:

Executive Session will be held to discuss pending litigation matters and collective bargaining strategies, after which we will adjourn.

Policy Subcommittee will meet on November 24, 4 p.m., Payne School

Schools and offices have early release on November 26 for a Thanksgiving holiday and will reopen on Monday, December 1

Budget Subcommittee has been rescheduled to December 8, 7:30 p.m., Middle/High Guidance Conference Room

School Committee will meet on December 4, 2008, at 7 p.m., in the Middle/High School Ensemble Room

CITIZENS' QUESTIONS None.

SPECIAL ACKNOWLEDGMENTS

RULE OF NECESSITY STATEMENT

Mrs. Ross moved, seconded by Mr. Traverso, to invoke the Rule of Necessity so that five members of the School Committee would not be disqualified to discuss matters pertaining to collective bargaining. **UNANIMOUS.**

I. SCHOOL COMMITTEE PRESENTATIONS

A. SUPERINTENDENT'S AWARD FOR ACADEMIC EXCELLENCE, CLASS OF 2009

One surprised senior, Colleen Josephson, was awarded the Academic Excellence Award in the Class of 2009 by Superintendent Korb who then recited her many honors, achievements, and activities while Mrs. Arsenault presented her with the award and her congratulations. Miss Josephson commented on her choices for college and her ambitions and received a round of applause.

B. MIDDLE AND HIGH SCHOOL MCAS PRESENTATION

Mrs. Forster-Cahill cited improvement in all three grades in English/Language Arts and Math on MCAS tests. She credited success with strategies which have proved very successful. Commissioner Chester will be at the Middle School on December 18 to meet with area principals on MCAS testing as it applies to AYP with 75% of middle schools, and Ms. Forster-Cahill invited School Committee members to meet at 11 a.m. with the Commissioner in

her office. There was discussion about a Special Needs reference sheet which can be made available to students during testing. Mr. Korb will make elementary teachers aware of the sheet and strategies used at the Middle School to focus on MCAS. Focus will continue this year before and after school with the math tutorial program and lunch/literary/math block in ELA instruction. There is benefit to the whole school population with the opportunity for all students to participate in the extra focus time.

Mrs. Forster-Cahill was thanked for her presentation.

Mr. Cahill mentioned the ceremony in Washington, DC for Mrs. Forster-Cahill on the occasion of her formal award as Massachusetts Middle School Principal of the Year. Then he presented his PowerPoint presentation on high school MCAS results. Passing score requirements to graduate have risen to a 240 score. To "pass", one must have 220, and an EPP (Educational Proficiency Plan) is needed for scores between 220-238. This two-page EPP (which follows the student through two years and is subject to approval by the Principal if he feels the student has made sufficient progress), has been worked out by Ipswich and is now copied by many other schools.

Mrs. Arsenault thanked Mr. Cahill for his presentation.

Mrs. Forster-Cahill commented on the upcoming China trip plans. Students did a wonderful job during the interview process to narrow down 79 applicants. The four teachers and she interviewed, then caucused and lotteried down to 18 spots, one half to go on scholarship in Grade 7 and 1, in Grade 8. Of the jazz band members, 21 of the 22 will go. There will be 8 chaperones including Dr. O'Flynn, and Mr. and Mrs. Cahill. Fund raising activities will be forthcoming.

C. FINANCIAL REPORT

Ms. Cuff, Financial Director, reviewed changes in encumbrances, staff changes, and discussion with Kitt Cox regarding the reduction by the Governor of \$25,000 in the Birth to Three program. Mr. Cox explained that he expects that the program will run through the year augmented through donations. Mr. Korb added that response from the community has been tremendous.

The EDP audit necessitating closer scrutiny to details has meant the assignment of Central Office time to take over revenues, make deposits, and keep records. When she mentioned having attended a GLEC cooperative purchasing meeting, she encouraged participation. In discussion, Mr. Traverso moved, seconded by Mr. Loeb, to support the move to work with the GLEC cooperative to participate in the bidding and purchasing process as it applies to all items in bulk purchasing. UNANIMOUS.

D. RENEWAL OF EDUCATIONAL BRANCH AGREEMENT WITH INSTITUTION FOR SAVINGS

Mr. Loeb moved, seconded by Dr. O'Flynn, to renew the Educational Branch Agreement with the Institution for Savings. UNANIMOUS.

II. SCHOOL COMMITTEE REPORTS

A. VOUCHERS/BILLS

B. SCHOOL COMMITTEE SUBCOMMITTEE REPORTS

1. ATHLETICS SUBCOMMITTEE

Mr. Loeb reported that Mr. Gallaher will appear on December 18 to do Fall All-Stars. Enrollments on the various teams are on track. Because of a change of principalship at Gloucester High, cooperative teaming has become a problem as with other towns. In order to put together a capital improvement plan, Mr. Gallagher has a list of needs for various fields. Mr. Korb will meet on December 4 for an update on the Capital Improvement Plan. Mr. Sheppard inquired about the main gym being used as a cut-through by Middle Schoolers, and Mr. Bedard answered that it will have a touchup before the basketball season and a major improvement this coming summer.

2. BUDGET SUBCOMMITTEE - None.

3. DAY CARE CENTER SUBCOMMITTEE

Mrs. Ross reported that the Director is doing a great job and parents and kids love her. She distributed the newsletter and sample projects. Financing, without EDP payback, is in the black. Fund raising will contribute towards the payback. Two more infants will come in January. Additional cribs cost over \$1,000, a long-term expense. The Committee advised that the term "Operational Guidelines" be used in setting rules of operation with the center.

4. DEMOGRAPHIC STUDY COMMITTEE - None.

5. FEOFFEEES SUBCOMMITTEE - None.

6. OPERATIONS SUBCOMMITTEE - None.

7. POLICY SUBCOMMITTEE

Mrs. Ross moved, seconded by Mr. Sheppard, to accept the following policies for second reading:

- a. Policy Regarding the Extended Learning Program, IGBBA, Proposed Rescission
 - b. Student Fund-raising Activities, IGDF-R, Proposed Revision
 - c. Bullying, JICFB, Proposed Revision
 - d. School Committee Member Authority, BBAA, Proposed Revision.
- UNANIMOUS.

8. PUBLIC SAFETY FACILITY COMMITTEE

Mr. Loeb reported that on December 10 the committee is hoping to see a new design of the Fire House building with less square footage. Money allocated for this architect did not include the study of the Winthrop School's access issues. Mr. Hopping reminded that at the October meeting he had brought requirements for busses and school

driveways to the committee. There is a debate relative to the Emergency Center at the Town Hall in part because there appeared to be space allocated in the Fire House plan for the same thing. A generator is needed in either case for emergency services. While the target is to bring the new fire station proposal to the Spring Town Meeting, it is generally agreed that it won't happen.

9. SPACE USE COMMITTEE

Mr. Korb reported that he was interviewed by Mr. Savoie, architect, regarding the transferral of Central Office to the Town Hall. A draft will be received by the end of the year. With the \$25,000 cut at Birth to Three, Mr. Korb suggested the move of that group to the Town Hall to reduce its expenses.

10. TECHNOLOGY SUBCOMMITTEE - None.

11. WIND TURBINE SUBCOMMITTEE

Mr. Korb met with Mr. Engel and Mr. Henry for a review of the Memorandum of Understanding between the School Department and the Town. Attorney Krathwohl will review, on December 4 it will come before the School Committee, and on December 10 it will be on the agenda at the joint meeting of the three Boards.

12. IPSWICH HIGH SCHOOL STUDENT REPRESENTATIVE

Matthew Roberts reported that the Senior Fashion Show raised \$10,000. The school had its first lock-down practice and, while the powder puff contest was canceled, there is hope for another event of a different nature. The musical "Carousel" was a great success.

Mrs. Ross added that from 6:30 to 8:30 p.m., Tuesday, November 25, there will be a reinstituted pep rally before the Thanksgiving game featuring Jack Welch showing a film of the famous 1991 Ipswich game.

13. OTHER

III. SUPERINTENDENT'S REPORT

The Superintendent wished everyone a happy Thanksgiving holiday while he enjoys his stay with his 93-year-old father and 86-year-old mother in Michigan.

IV. CONSENT

Mr. Hopping moved, seconded by Mrs. Ross, to accept the Consent Agenda as follows:

Acceptance of the donation of \$1,826.39 in proceeds from the Winthrop School Craft Fair held on November 1, 2008, to benefit the Winthrop School.

Approval of the Model UN Club overnight field trip to Cornell University, Ithaca, New York, April 2-5, 2009. UNANIMOUS.

Mrs. Ross wished the November 6 Minutes to reflect her feelings that all overnight field trips come to the School Committee and amended those Minutes to read on page 4, bottom paragraph, that instead of "general agreement" the words "majority agreement" be substituted and accept the Minutes. Second by Mr. Loeb. UNANIMOUS.

VII. ADJOURNMENT

Mr. Loeb moved, seconded by Mrs. Ross, to adjourn at 9 p.m. to Executive Session for the purpose of discussion of litigation and collective bargaining after which the meeting will adjourn. ROLL CALL IN FAVOR: Traverso, O'Flynn, Sheppard, Arsenault, Hopping, Loeb, Ross.

At 9:33 p.m. Executive Session began with the following attendees: Traverso, O'Flynn, Sheppard, Arsenault, Hopping, and Ross, Superintendent Korb, Finance Director J. Cuff, and Attorneys Sheehan and Allen. Mr. Loeb excused himself for the Executive Session discussion at 9 p.m.

Health Insurance for Employees

Mrs. Kilcoyne, Board of Selectmen member, presented corrected information following meetings with PEC (Public Employees Committee) who are looking to 75/25% split premium payments and for retirees, Medicare Part B at 50%. The proposal now is a 65/35% split. Without the "sweeteners", it appears the GIC insurance proposal won't be accepted by the employees/retirees.

Mrs. Arsenault and Mr. Korb both felt that MIAA (current carrier) would be offering some interesting information. The School Committee, in consensus, made no counteroffer to the proposal on the table.

Litigation

Mr. Loeb, Chair, and the working group met last Tuesday for fact-finding and due diligence. The non-negotiable price to purchase the property is \$26.5 million. The discussion of value prepared for the Feoffees is that \$26.5 million is 30% better than what an appraiser can do. The limitations to seasonal use of the property appear legally to be unenforceable.

Attorney Sheehan reported that he had told the working group that the parties cannot reach a rental agreement. There was disparity argumentation over lease figures, over the escrow amount's eventual placement, and then over residents 55 years and over being allowed to live year round, an amount that would grow as residents age—an impossible demand. Mr. Sheehan reminded the Board of the day-long meeting with tenants and their counsel and the feeling that sale of the property would break the log jam. There will no longer be any control over numbers of year-round residents with the sale of the property because of the waste water system installation.

The third option (leasing and selling being numbers 1 and 2), a court decision, means that tenants no longer have any rights and Feoffees must buy the houses. Tenants are relying on the history; Feoffees covering expenses and giving the rest to the Town. After 1998 when the Feoffees announced that they were going to fair-market value, a new renter couldn't argue that, but at a trial this will be argued a long time with a probable appeal (2 – 3 years minimum with no money to the schools).

Mr. Hopping asked and Mr. Sheehan replied that the tenants have the authority to buy for \$26.5 million and if a homeowner can't afford to buy the property, he/she will become a tenant of the Association that buys the property.

Mr. Traverso argued that the \$26.5 million which produces a 5% return (\$1,300,000 per year) is much lower than the value Mr. Sheehan claims. Mr. Sheehan replied that the bottom line is between rent (\$9,700 yields \$750,000 to the schools each year) or sale (\$1 million round number to the schools).

Mr. Sheehan said he hopes that Mr. Allen and he have made it clear why it is best to sell at this time. Once voted, the attorneys then get a Purchase and Sales (P&S) agreement and they go to the Attorney General. There is little doubt that a compelling case can be made by beneficiary and Trustees for deviation from the original terms of the Trust. The Attorney General will study the primary intent of the gift giver, who has long since passed away, and, if he approves the process, the attorneys go to Probate Court in Salem. The time frame is 3 – 6 months. There are two hurdles: (1) tenants want to take a look at the waste water system; and (2) getting an appointment with the Attorney General.

The process involves only the Trustees and the beneficiary (schools), not the Town. Mr. Korb asked Mr. Sheehan if there would be another endowment or trust. He would like to see 80% of the potential 5% annual return on the \$20 million net (or \$1 million annually) go to the schools while 20% would remain to compound with the original \$20 million investment for growth every year. Mr. Korb also asked what kind of guarantees and assurances could be written so that there would be true control by the beneficiary and not by the Town. The attorneys felt that the creation of a 9-member board, the majority of whom are publicly elected, will make it much more likely to be in the category of control by the public and more likely, as a public entity, to be exempt from income taxes. The attorneys would argue in the complaint for deviation that it would not be appropriate for tax purposes. Mr. Sheehan commented that the new entity should be accomplished before the P&S agreement.

Dr. O'Flynn moved, seconded by Mr. Sheppard, to go forward with the sale of Little Neck property authorized by the Feoffees to the tenants at the price of \$26.5 million.

Mrs. Ross asked if money went with the sale, and Mr. Sheehan said the \$750,000 in escrow does not go with the sale, that there is no sinking fund, and they cannot pay their bills. She asked the time frame and the financing and was told that it is a cash sale which would probably take place within about 30 days. There was a clear understanding that the parties negotiating had full authority and the ability and commitment to pay \$26.5 million for the land.

Mr. Sheppard asked how much the Feoffees are drawing off each year. Mr. Sheehan replied between \$50,000 and \$100,000 each year for management. After the sale, there would be no need for remuneration, and the biggest question for the 9 newly appointed trustees would be to choose the investor.

Mr. Allen commented that, while the details could be complicated, he is optimistic about the Attorney General's decision. The Probate Court will tend to approve if all parties are in agreement and the attorneys can make a strong argument. He felt it is important to downplay the IRS number. Because of the public nature, there may be a potential issue with the bidding law. Mrs. Arsenault and Mr. Loeb questioned whether the tenants are aware of potential issues and will stay with the price. Mr. Sheehan said the uniform procurement act has certainly been discussed and will come up with the Attorney General. Even with the bid process, who would want to buy it? While members discussed the need to maintain confidentiality until there is a signed P&S agreement, Mr. Hopping was concerned about the Town at large and making sure that procedures are appropriate. He said he can't support the sale tonight until he works out some of the ramifications of keeping the Town unaware of proceedings.

Mrs. Ross wondered, if the tenants walk, would it put the beneficiaries in a better light for raised rents and said she couldn't support the sale at this point.

Mr. Loeb moved to table, and Dr. O'Flynn said he would not withdraw his motion to sell. Again, there was discussion of when to go public. Mr. Hopping moved the question.

ROLL CALL VOTE ON MOTION: IN FAVOR - Traverso, O'Flynn, Loeb, Arsenault
OPPOSED - Hopping, Ross
ABSTAINING - Sheppard.

Mr. Hopping moved, seconded by Mrs. Ross, to adjourn Executive Session at 11:10 p.m.
Roll Call vote in favor: Traverso, O'Flynn, Sheppard, Arsenault, Hopping, Loeb, Ross.