

Minutes
Secondary Education Financial Planning Advisory Committee
January 28, 2021 7PM via ZOOM

Attendees: Jim Dow, Blue Hill Selectboard; Ben Wooten, Blue Hill School board; Matt Freedman, Brooksville School board; Kathy MacArthur, Castine School board; Jim Goodman, Penobscot School board; Ben Astbury, Sedgwick Selectboard; Mark Hurvitt, Superintendent Union 93; Sally Mills, GSA Trustee; Jim Crawford, GSA Trustee; Deborah Ludlow, GSA Trustee; Samantha Politte, GSA Trustee; Brendon Reay, GSA Trustee

Ben Astbury chaired the meeting.

At 7:03PM the meeting opened and the minutes from the December 28th, 2020 meeting were approved.

1. Brendon Reay began with a summary of the GSA Endowment. A few highlights:
 - a. GSA's Endowment less the real estate is approx. \$7million split evenly being two managers: Bar Harbor Bank & Trust and Putnam
 - b. The investment portfolio's target allocation is 65% Equity and 35% fixed income & cash
 - c. The GSA Board of Trustees do not pick stocks. The Managers of the portfolios have full discretion
 - d. GSA's spending rule is 5% of the value of the endowment which is calculated over a 3 year rolling average. The current spending rate is an increase from 4.2% and was done to provide additional support to the operating budget.
 - e. The approximate net investment performance of the Endowment for the last 10 years is as follows:
 - a. 1 year: 9.4% net return
 - b. 3 year: 7.6% net return
 - c. 5 year: 8.6% net return
 - d. 10 year: 7.3% net return
2. Mark H explained that the state has waived the town meeting mandate and towns will be allowed to hold town meetings by referendum ballot in 2021. Currently there is a big push to waive the 50 person limit executive order but no decision on that has been made to date. A timetable was discussed regarding the upcoming town meetings in each town.
 - a. Sedgwick: March 5th Election. They hope to hold Town Meeting late spring (It must be before June 30th)
 - b. Brooksville: The School board has included the GSA tuition request in the school budget. On March 1 the town will have an election by written ballot. No in-person town meeting.
 - c. Blue Hill: The GSA request will be by referendum. Town meeting on April 20.
 - d. Penobscot: The GSA request will be by a warrant article. Town meeting will be held on March 2nd with a 50 person limit.
 - e. Brooklin: No representative from Brooklin was present
 - f. Surry, Town Meeting April 26th. They will do a referendum vote on 4/23. Also, the town will discuss this at SCIA on 4/12.
 - g. Castine: Town meeting on May 8th - most likely in person at MMA. The school board has included the tuition request in the school budget.
3. Jeffery Roth from the Weekly Packet has requested to attend the meetings of this committee. After a brief discussion, there was a unanimous vote to allow press at the meetings. Ben Astbury will be the point person for the press. All questions or requests for comments should be directed to Ben Astbury via email.
4. Sally M gave a summary of her working group meeting. The purpose of the group is to discuss the 'Value of GSA'. At the first meeting of that group there was discussion regarding

the endowment and a comparison of staff and per student costs at GSA, Bucksport, and Ellsworth High Schools. Also discussed Bucksport and Ellsworth High Schools by law can not charge the IVF which keeps their sending town tuition rates less than GSA's. While towns are required to pay the state set MAT tuition rate per student to each high school their students attend, GSA and all town academies are allowed to charge an additional IVF charge per student to help cover the cost of maintaining their buildings. Public high schools cover this cost through taxation. This year's MAT is \$11,952 [\$11,275 tuition + \$676IVF]. Mark H noted that this has never been a big issue until now. Families and towns value school choice and did not take price into consideration when choosing a high school.

5. Deb L gave a summary of Ben A's Options Sub-committee. That group discussed how towns are dealing with the GSA request and how GSA can work more closely with the towns. They discussed GSA's board structure and potential trustees from the 7 towns.

Meeting Adjourned at 8:10PM

Next Meeting: TBD

Respectfully Submitted, S.Politte