

SAU41 GOVERNING BOARD  
OCTOBER 12, 2017  
**MEETING MINUTES**

A regular meeting of the SAU41 Governing Board was conducted on Thursday, October 12, 2017 at 6:00 p.m. at the Captain Samuel Douglass Academy, Brookline.

Chairman, Tom Solon presided:

Members of the Board Present:           Laurie Miller, Vice Chairman  
  Lauren DiGennaro, Treasurer  
  Erin Sarris, Secretary  
  Elizabeth Brown, Chairman, Hollis/Brookline COOP (arrived at 6:20 p.m.)  
  Holly Deurloo Babcock, Hollis/Brookline COOP  
  Tom Enright, Hollis School Board (arrived at 6:15 p.m.)  
  Tammy Fareed, Vice Chairman, Hollis School Board  
  Matthew Maguire, Chairman, Brookline School Board  
  Robert Mann, Chairman, Hollis School Board  
  Alison Marsano, Secretary, Brookline School Board  
  Michelle St. John, Secretary, Hollis School Board  
  Krista Whalen, Hollis/Brookline COOP

Members of the Board Absent:           Chris Adams, Hollis/Brookline COOP  
  Kenneth Haag, Brookline School Board  
  Melanie Levesque, Secretary, Hollis/Brookline COOP  
  Cindy VanCoughnett, Vice Chairman, Hollis/Brookline COOP

Also in Attendance:                     Andrew Corey, Superintendent  
  Gina Bergskaug, Assistant Superintendent  
  Kelly Seeley, Business Administrator  
  Linda Sherwood, Assistant Business Administrator

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APPOINTMENT OF PROCESS OBSERVER

*Chairman Solon appointed Tammy Fareed to serve as Process Observer.*

AGENDA ADJUSTMENTS

Superintendent Corey requested the agenda be amended to include a non-public session immediately following approval of meeting minutes and prior to discussion items, and indicated the session may result in a public deliberation/vote.

***There being no objection, the agenda was adjusted as requested.***

PUBLIC INPUT - None

APPROVAL OF MEETING MINUTES

SAU41 Governing Board – **Organizational Meeting** . . . . . May 11, 2017

**MOTION BY MEMBER MANN TO APPROVE AS PRESENTED**  
**MOTION SECONDED BY MEMBER FAREED**  
**MOTION CARRIED**  
**9-0-0**

SAU41 Governing Board - **Non-Public** . . . . . May 11, 2017

**MOTION BY MEMBER MANN TO APPROVE AS PRESENTED**  
**MOTION SECONDED BY MEMBER MILLER**  
**MOTION CARRIED**  
**9-0-0**

Chairman Solon noted, at its last meeting, the Board noted the appointment of Kenneth Haag as the Brookline School Board's representative and Cindy VanCoughnett as the COOP School District's representative to the SAU41 Governing Board Policy Committee. Since that time, the Hollis School District has appointed Laurie Miller as its representative. He also noted the Policy Committee met, and has reached the decision to continue utilizing the current procedure for the Superintendent's evaluation.

NON-PUBLIC SESSION

**MOTION BY MEMBER MANN THAT THE BOARD, BY ROLL CALL, GO INTO NON-PUBLIC SESSION PURSUANT TO RSA 91-A:3 II (c) TO DISCUSS A MATTER, WHICH IF DISCUSSED IN PUBLIC, WOULD LIKELY AFFECT ADVERSELY THE REPUTATION OF A PERSON, OTHER THAN A MEMBER OF THE BODY OR AGENCY ITSELF  
MOTION SECONDED BY MEMBER DIGENNARO**

*A Viva Voce Roll Call was taken, which resulted as follows:*

Yeah: Lauren DiGennaro, Matthew Maguire, Alison Marsano, Erin Sarris, Holly Deurloo Babcock, Tom Solon, Krista Whalen, Tammy Fareed, Robert Mann, Laurie Miller, Michelle St. John

11

Nay:

0

**MOTION CARRIED**

*The Board went into non-public session at 6:12 p.m.  
The Board came out of non-public session at 7:01 p.m.*

**MOTION BY MEMBER MANN THAT THE BOARD, BY ROLL CALL, SEAL THE MINUTES OF THE NON-PUBLIC SESSION UNTIL SUCH TIME AS THE MAJORITY OF THE BOARD VOTES THAT THE PURPOSE OF THE CONFIDENTIALITY WOULD NO LONGER BE SERVED  
MOTION SECONDED BY MEMBER MILLER**

*A Viva Voce Roll Call was taken, which resulted as follows:*

Yeah: Lauren DiGennaro, Matthew Maguire, Alison Marsano, Erin Sarris, Elizabeth Brown, Holly Deurloo Babcock, Tom Solon, Krista Whalen, Tom Enright, Tammy Fareed, Robert Mann, Laurie Miller, Michelle St. John

13

Nay:

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**MOTION CARRIED**

DISCUSSION

- Presentation of the Fiscal Year 19 (FY19) Draft Budget

Superintendent Corey noted items discussed during a recent conversation with the SAU Leadership Team:

- There is a need for further support.
- The Business Administrator presently completes 4 audits, starts 4 budgets while at the same time monitors 4 budgets, provides regular updates to 5 negotiating teams, and maintains regular communication with the budget committee while addressing the day-to-day expectations. Her two Assistant Business Administrators (ABA) and the Accounts Receivable staff monitor the ongoing day-to-day requirements of an SAU (all budgets across the different districts) of approximately \$50 million. They conduct regular audits on facilities, focus on safety, coordinate items like playground inspections, and a host of other things.

The proposed budget includes an additional full-time equivalent (FTE) staff person requested by the Business Office to address some of the items that are beginning to make it difficult for effective operations.

In many ways, that operation is surviving because of the dedication of the people currently in that office who are there at all hours of the night.

- In terms of the curriculum area, Assistant Superintendent Bergskaug has made a significant positive impact on the SAU in just over a year. She has changed the staff view around professional development, and is monitoring or implementing significant curriculum changes. At the local board levels members have heard discussions of math, science, computer science, and STEM just to name a few. She serves on, and recently presented, the facilities overview at the COOP, and does an outstanding job when the Superintendent is not in the District.

Presently the Assistant Superintendent and Superintendent share a .8 Administrative Assistant. In most instances, they are their own secretaries, and are in some respects the secretaries that work with the boards.

- The Director of Student Services is an individual who attends court involved student sessions, manages all aspects of the three districts in regard to student services, and has worked hard to put in place educational programs that meet our students' needs while providing an indirect benefit and ultimately cost avoidance.

Each of the senior management officials is regularly putting in over 60 hours. Superintendent Corey stated the two BAs are often in the office well into the evening, attend board meetings, and provide the boards with updates.

Superintendent Corey noted the [agenda](#) packets included final revenue numbers for the FY17 budget as well as an update on where the SAU budget is. Prior to the Business Administrator's arrival in the District those items were not part of board packets and regular updates were not provided.

Often times people believe that for a school district the summer is a time off. For the Business Office in the SAU that is not the case. That is the audit season, which is all encompassing for over a week's time, it is the planning time to get the buildings ready, e.g., this summer he and the BA devoted quite a significant amount of time to the energy project in Hollis. They have also assisted with the formation of a charitable foundation. He thanked Elizabeth Brown for working closely with him on that endeavor. They are also working with a local resident who will assist in the fundraising for that charitable foundation. Presently they are preparing 4 budgets, monitoring 4 budgets, and are working diligently with the transportation company to address current issues. As an SAU they presently have 5 contract negotiations ongoing; two professional staff (Brookline and COOP), 3 paraprofessional (across the SAU).

There are presently 13 staff members at the SAU; Superintendent, Assistant Superintendent, Business Administrator (BA), Director of Student Services, Assistant Director of Student Services, 2 ABAs, Network Administrator, 2 Accounts Payable positions (one currently vacant), and a Human Resources Coordinator. There are two (2) part-time Administrative Support staff, and one full-time Administrative Support person.

With regard to the facility, the Administration operates in an old farm house that was adapted for the needs. There is presently 6 hours of cleaning service provided by one of the Hollis custodians. That really is not meeting the requirements for 13 people who spend their days there. Repairs are done by Ed Hinckley, Maintenance Supervisor, HUES. He does an outstanding job, but he is also a full-time employee at HUES, and does his best to meet the needs of the SAU.

There is a capacity issue in terms of building space. There is a single available office/open space that is not being used.

The request of the Administration is that the Board review the draft budget, which does represent an increase, and assist in whatever ways possible to reduce the load on an over-burdened staff.

Superintendent Corey commented when he interviewed he used the analogy that the jet plane was on the runway and fully loaded; all we needed was a pilot and crew. The SAU now has the right pilot and the right crew, but are struggling to achieve a smooth flight. That is simply because of the expectations; simply are not enough hours in the day to accomplish what needs to be done. He stated the need for the Board's assistance to sustain the positive momentum.

He remarked as we move forward, understand that my team is working extremely hard and will continue to do everything it can to make the educational experience for our students a rewarding one.

Linda Sherwood, Assistant Business Administrator, spoke of the 5.8% increase proposed in the draft budget. She identified the key drivers as an increase of \$5,970 in the rental cost of the 4 Lund Lane facility, under personnel, an estimated 2.5% salary increase, increased salary resulting from the Network Administrator position shifting to that of Director of Technology, life insurance for support staff @ 2x salary (has been 1x salary whereas administrators have received 2x salary), permanent full-time employee in the Business Office, and slight salary increase to the accounting specialists as well as salary increase to ABA positions. The desire is to start shifting some of the duties the ABAs are currently doing to the accounting specialists to allow the ABAs to take on some of the work currently being done by the BA. Under equipment, is a request for a new copy machine for the second floor, new printer for the ABA office, and a new fire-proof filing cabinet. The proposed budget allocates 100% of the accounting software expense to the school districts. Under benefits, a 1% decrease was used for health insurance, and a 2% increase for dental insurance.

Ms. Sherwood went on to address significant changes to each of the pages of the proposed budget:

#### Superintendent

The budget proposes a 2.5% salary increase for Administrators. Contract language calls for salary increases of 2-3%, which is voted upon by the Board. The 2.5% used is a placeholder. The hourly salary increases are noted on the last page. The salary, contract-vacation benefit listed on line 2 relates to contract language that allows the SAU to pay for unused vacation days. In FY17 the SAU paid for 12 vacation days. The budgeted amount is 11 days.

When asked, Kelly Seeley stated the proposed budget anticipates all the items that the Board would likely discuss later in the meeting relative to contract language.

The question was asked of whether the .8 Administrative Assistant position mentioned during the Superintendent's remarks, could be increased to a FTE position. Chairman Solon questioned if the cost identified in the proposed budget is associated with the current configuration or anticipates an increase. Superintendent Corey responded the number proposed represents a status quo. He stated it to be difficult for him and the Assistant Superintendent to share that position as that individual also works diligently to create the Board packets and monitor what is called My Learning Plan (MLP). The SAU tracks the hours of every staff member in the District in relation to coursework, reimbursements, etc. He stated his belief the vast majority of that individual's time is spent tracking the MLP as it is a critical role for the SAU and supports all of the districts.

Chairman Solon requested that task list be reviewed prior to the next round of budget discussions, and that the Administration identify how it might propose expanding on that to meet what is viewed as critical needs.

Assistant Superintendent Bergskaug elaborated further; if teachers wish to take a course, etc. per their contract, the required paperwork is submitted in MLP. Their building Principal approves it or denies it, then it goes to her, she reads through them all, and will approve or deny, then it goes to the Administrator who takes that information, puts in the P.O., puts it in a spreadsheet used to monitor the requests as there are 6 different contracts each with a different allocated amount of money and requirements as to how much and when money can be expended. She is not doing start to finish, but is ensuring the SAU is following the contract. When the employee completes the professional development he/she submits evidence of that to the Principal, the

Principal approves or denies, and then it goes to the Administrator who ensures the employee is reimbursed. If that aspect of the process is not completed in a timely fashion, the Administrator reaches out and encourages that paperwork be submitted. The process is time consuming.

Mr. Solon questioned, and was informed the .8 position has benefits. He commented the increment to make that full-time is not too costly. Ms. Fareed commented it may be that the individual currently filling that position would not be interested in moving to a FTE. It may be more sensible to have a second part-time position.

### Governing Board

Identified are the School Board Secretary and Treasurer stipends. The School Board Secretary's stipend was budgeted at 5 meetings @ 8 hours/meeting.

### Student Services

Course reimbursement covers the cost for two additional classes needed by the Director of Student Services to complete her Applied Behavioral Analysis Certification. Each one of those classes is \$3,400. What is in the FY18 budget is 1 class, but it is unknown if the class will be taken in FY18. As a result, the cost of both classes is identified in the FY19 budget.

For contracted services, the FY16 Actual amount was the Assistant Director of Student Services' salary portion that was being paid. She is now an SAU employee, and her salary can be found in line 28. Line 39, travel, goes along with the classes for the Director of Student Services. The classes are at the University of Pennsylvania.

### Business Office

Line 45, Salary, Asst. BA (2), is where \$5,000 is proposed as an increase to the salary for those positions. Line 47, Salary, Business Office Staff (AS/HR) is where the proposed increase to the accounting specialist position appears (\$3,000). Line 48, the new FTE is identified at a cost of \$39,000 (does not include benefits, which are listed on the last page). It was noted part of that is offset this year with the transitional help in line 49 (\$16,000).

Ms. Fareed questioned if current salaries are competitive enough to retain the employees. She spoke of the amount of turnover noting part of it was related to personal issues, but questioned if, given the stresses in that building, employees are compensated well enough to retain. Superintendent Corey responded what has been seen recently with the vacant accounts receivable/accounts payable position is that, although believed to be a competitive position at approx. \$20/hour with a full benefits package, the economy being so robust and unemployment levels low, they have seen people leap-frogging very quickly from one job to the next. If comparing the SAU to the private sector what is attractive to people is our benefits package because of the healthcare plans we are able to offer, but the salary is probably below market value. If instructed, that could be reviewed and further information brought back before the Board.

Ms. Fareed requested the Administration be instructed to present the Board with an analysis of market costs for those positions. She commented the SAU has experienced several years of difficulties keeping positions filled. In her opinion, the SAU should be out-competing others, and hiring the best people possible to ensure the school districts function properly. Chairman Solon questioned if the SAU works with employment agencies that might assist with providing regional data on the positions in the SAU. Ms. Seeley stated that to be the case. Chairman Solon remarked if the work can be done it would be beneficial. He suggested, in positions where turnover would not be harmful to the SAU/districts, utilizing contracted employees to fill immediate needs.

### Network Administrator

Line 65, Salary, Network Administrator, identifies an increase. The retirement of the existing Network Administrator is anticipated along with the expectation the position will be replaced with a Director of Technology. The salary number identified is based on the average salary for that position in this region. Ms. Fareed questioned if it is the average salary, and if that would result in being less than competitive in this area. Superintendent Corey stated, if agreeable to the Board, the Administration would utilize the same strategy discussed for the last position. Chairman Solon questioned what the plan would be if the current Network Administrator wished to stay on, e.g., would the desire be to move him into a different role, to fill an expanding role, utilize the additional funding for other resources, stay status quo for another year, etc. Superintendent Corey responded he would come back to the Board for permission to take the additional resources that are in the budget, and utilize them to perhaps address some of the other items that are being discussed. Chairman Solon asked, based upon the defined role for the new position and the responsibilities that exist there, if the current role continues to exist, could the District get by without fulfilling those specific additional tasks that encompass moving from a Network Administrator to a Director of Technology. Superintendent Corey indicated it could. They have already started to offload some of the responsibilities to other individuals within the SAU. The transition piece is to get that individual's historical knowledge to his replacement.

### Technology

Line 74 is the accounting software. In FY19, those costs are proposed to be allocated to the districts.

### General

Line 83, Salary, Office Mgr./HR Assist, is the other part-time staff member at 6 hours/day. Line 90, Print Manager, is where the new ABA printer is identified (\$814). The current printer is over 10 years old, has been serviced several times in the last year, and parts are difficult to locate. The new copy machine requested for the 2<sup>nd</sup> floor is captured under Line 92 (\$7,130). That existing machine is also around 10 years old, and produces about 22,000 pages/annually.

Line 94, Telephone shows an increase of \$500. A new physical line had to be added for the alarm system.

### Maintenance

The part-time custodian cost is identified on Line 1. Ms. Fareed questioned if that line should be increased given the number of people in the building. Both Ms. Sherman and Superintendent Corey indicated 6 hours/week is not sufficient. The custodian who cleans the office does what he is capable of doing in 6 hours. Superintendent Corey remarked it is an area the Board should look at considering there are 13 people; senior management spends 50-60 hours/week in the facility. There are 2 bathrooms, which are of the configuration one would expect to find in an old farm house.

Ms. Fareed questioned if the tubs in the bathrooms could be removed making way for some other improvement. Chairman Solon commented the sense is there is support for addressing the needs, but the Board does not have the knowledge to define the needs. Superintendent Corey stated he would provide the Board with an update electronically on the items being discussed so that the information is available in advance of the next meeting, and will post it under the budgetary items so that the public is aware.

Chairman Solon commented the draft budget seems to reflect what we have been doing. There is also a message relayed that what we have been doing is not adequate. The next step would be what would be the budget to be adequate.

Ms. Sherwood noted the next meeting of the Board would be in December when the intent is to conduct the Public Hearing on the budget. She questioned the will of the Board relative to meeting prior to that time.

Chairman Solon spoke of the difficulty in scheduling another meeting of this group, and stated given the SAU budget does roll down into the individual districts it would be feasible to have perhaps mini presentations at an interim stage at a district board level. Although there could be no action taken, that would provide a preview. In addition, having this type of information disseminated in advance of the next meeting would be helpful.

He suggested feedback or specific requests be directed to the individual board representatives to the Budget Sub-committee.

Mr. Mann commented the Board has the opportunity to make necessary adjustments to the budget during the December meeting at which the Public Hearing is conducted.

Line 114, Mowing/Landscaping, is a cost associated with landscaping. The \$17 expended in FY17 was the purchase of a hose. Ms. Fareed questioned if the landscaping could be done by volunteers. Ms. Sherwood stated there is a volunteer currently doing a lot of landscaping. Ms. Seeley commented she would welcome any efforts to organize such an endeavor. Ms. Fareed remarked she is in a position to attempt to.

Line 116, Rent, identifies an increase of \$5,970, which is the next incremental increase in the process of reaching a rental rate of \$24,939 over several years.

When asked, Ms. Seeley stated the cost identified for heating oil is based on anticipated price. The cost has been pretty consistent over the past few years.

### Benefits

Line 122 is where the hourly salary increases are identified (2.5% increase used for placeholder). In FY18 the amount was less because \$5,000 was utilized from fund balance. Line 124, Health Insurance, shows an increase of \$19,362, which is associated with a 1% decrease and 3 new hires, which have been identified as two-person plans for budgeting purposes.

Line 125, Dental, the anticipation is a 2% increase although the BA believes it could be a flat amount. The actual amount should be known shortly. Chairman Solon remarked he believes it dangerous to budget 3 new hires at a two-person plan. Budgeting all 3 at two-person presents a serious risk to the budget if all 3 were to choose a family plan. He suggested that number be increased in case 1 or more were to go with more expensive plans. When asked for his opinion, Mr. Enright suggested additional consideration be given to that number. Ms. Seeley commented, in the past, the instructions were different, and she appreciates the ability to address this differently.

Understanding monies budgeted that are not utilized cannot be returned to the tax base, the desire was to allocate a bit more than was proposed, but not enough to cover the costliest scenario. Mr. Enright suggested a compromise noting with a proposed budget that represented a 5.8% increase over last year's budget, he did not feel this to be the area where additional increases should be proposed.

Ms. Sherwood continued; Line 126, Life, LTD, and ADD insurance, shows an increase of \$974, which includes the cost (\$800+) of increasing the amount of life insurance for support staff from 1x salary to 2x salary, which would mirror what the Administrators receive.

Line 131 shows a reduction (\$150), which is based on the Primex lower rates for unemployment compensation. Line 133, Contracted Services-GASB 45, shows a reduction as that cost is only incurred every other year.

The GMR used for health insurance was -1% in health and an increase of 2% in dental.

Superintendent Corey remarked the next part of the presentation covers the topic of utilizing revenue to reduce expenses. Under Deliberations, there will be a motion regarding student services, which will require funding to meet the need. The information in the presentation needs to be updated.

Given the information/feedback the Board has provided as well as those items that will be discussed further in the agenda, he suggested the Administration come back to the Board with new estimates. He reiterated he is uncertain of whether the revenue number would change if there is the need to acquire temporary services, which were not included in the current budget. He thanked Ms. Sherwood for her work on the draft budget.

Mr. Enright stated he generally does not like a .8 FTE. A part-time employee at .8 and above is entitled to receive benefits. He questioned if there is a desire in the marketplace for job-sharing. Ms. Miller spoke of the limits on office space and continuity of work. It could turn out to be that the optimized way is to go with the .8 position.

Ms. Sherwood spoke of how much she enjoys her job, and noted it is intense. She wished to convey to the Board what it is like in the Business Office commenting the BA and four ABAs that work in that area are running four different companies. She has been in her position for two years, and has seen three people come and go from the desk next to hers, the two positions in Accounts Payable/Accounts Receivable; six people have sat in that office in her two years. She spoke of the amount of time and effort required for training.

Ms. Sherwood commented on the dedication and commitment of the BA noting last year the BA took a single day of vacation time. Staff is over-burdened.

Ms. St. John commented on the inability to sustain that level of workload. She remarked as a collective board of two towns, there is the need to look at how to run this district so that we don't have a pressure cooker situation. She too spoke of the time and energy expended on training new employees.

Chairman Solon commented the question regarding the legality and logistics of having a single district with one set of board meetings, one budget, and all the other changes that would go along with it, is a discussion he would encourage be had with her district school board. He noted districts choose to join a COOP, and the issue of doing it and how it is done requires significant legal resources and guidance. He stated there to be no funds available to conduct such a review at the SAU level.

Chairman Solon remarked it is a valid question and one that has been brought up before. At this point, he has no idea what the level of support would be to do it. He stated his belief an individual district could join the COOP without the other elementary district doing so, e.g., you could have a K-12 COOP that only had one town's K-6. In that sense, they are independent. He suggested again that those discussions occur at the individual board level.

Ms. St. John remarked it sounds like we are at a crossroads; with the projected increase in enrollment, we need to think about the future of our district, and come up with a long-term plan to support it. It doesn't sound sustainable. Chairman Solon commented it is a cyclical thing too; the numbers being seen at the high point we have had before. The ten-year projections go above it, but we tend to look more at the five-year because they tend to be more concrete. He remarked the comments made are correct, and he didn't mean to attempt to dampen the conversation, he simply wished to express the forum for such discussions is in the individual district board meetings because that is where action needs to be initiated.

Ms. St. John commented at the SAU Governing Board meetings is the only time the individual boards have to come together and gauge the reactions of the other boards. Often times, on a lot of issues, one district is wondering what is happening in those other districts. It has got to be both components.

Mr. Enright questioned if a representative of the SAU attends every one of the negotiations, and was informed it is always at least one of the following: Superintendent Corey, Assistant Superintendent Bergskaug, Kelly

Seeley. Mr. Enright commented it was not always done that way, and suggested that, at a minimum, when it comes to support contracts the need does not exist for someone from the central office to be at every one of those meetings.

Chairman Solon remarked they are not universally going to all meetings, but they are going to more meetings than they had in the past. Mr. Enright remarked that is a huge drain given all the contracts that are being negotiated. He questioned if a little bit of pressure could be relieved there.

Mr. Mann commented, in the Hollis School District, it has not been a directive that the SAU have certain administrator support at all meetings. He suggested it is up to the negotiation team to decide what they need and when they need it. If they are comfortable negotiating on their own without any support in meetings, the Administration is free to follow that recommendation.

Ms. Seeley stated she has started going to the negotiation sessions, and has found it invaluable. It saves her time on the back side because she understands better what the intent of the negotiators are, can help them answer questions, and save everyone a lot of time. She would not wish to change that because she believes, in the long run, it makes her job easier.

Ms. Fareed commented the previous day the Hollis negotiating team had its first meeting with its support staff, Ms. Seeley and Assistant Superintendent Bergskaug attended, and all that occurred was the exchange and reading of the first proposals. She stated if the negotiation team is more careful about understanding what a meeting will likely entail, and if someone could be reachable during a meeting should a question come up, she would agree support could be provided in that manner.

Mr. Mann stated the Board looked at several elements of the draft budget, went through it pretty much line by line, but then he heard another story from the Administrators about workload, etc. He stated his uncertainty the draft budget reflects some of the other input heard. He is unsure future needs of the organization would be met with this budget. Chairman Solon responded the statement has been made that it does not. That was the nature of the previous request that the next cut fill those gaps.

He questioned if it would be valuable to the members of the Administration and Budget Sub-committee to have this discussion, whether they were prepared for that discussion, or if it is a discussion better deferred until either the local district reviews and/or budget hearing.

Superintendent Corey remarked a few suggestions were made that were very valuable. Getting this out at the local district level is something the SAU has never done; it has always been a number that comes down. From a citizen's point of view, this might be the least watched out of all of the meetings. He believes more individuals watch the meetings of their local boards, and having the information come across at the district boards would be communicating it in a very positive way. He agreed with the Chair and Mr. Mann that the budget does not reflect the input the Administration was provided with regard to looking towards the future. The Administration will come back to the SAU Board through district presentations. He requested members make their Budget Sub-committee representative aware of the sentiment of the Board.

Chairman Solon commented there are areas that have been identified as a problem, but the solutions have not yet been identified. At the same time, members have articulated gaps that they may want to suggest be considered. He questioned how the boards could best support their representatives to the sub-committee to allow them to advocate, represent, and follow-through on this majority sentiment that the Board would like to hear what the proposal would be to make it whole. Ms. Whalen stated she would like to see the Administration identify suggestions. Ms. DiGennaro suggested if members arrived at the next district board meeting prepared with feedback and suggestions, the board representatives could bring that information to the next meeting of the sub-committee.

Ms. Deurloo Babcock commented, as board members, we need to remind our voters, that we get considerable cost savings by having 1 Superintendent for 3 districts, 1 Assistant Superintendent for 3 districts, etc. When we talk about should we merge into a single district that would be interesting, but we are getting that cost savings so we have been reaping the benefit of that cost savings for many years, and are now hearing that we have people who really want to drive our districts forward and have a vision, we may need to spend some money and do something different. We need to remind the voters that we have 3 districts and 1 Superintendent.

Chairman Solon commented one of the other things we have experienced is that the money we have spent recently for staff has reaped multiples in cost savings. Student Services is the easiest area to point to; the staffing that we have in place now, although more expensive, has brought in 5-10 times the annual salary in savings to the district in out-of-district placements, transportation costs, and avoidance of legal bills. We are talking approaching a million dollars that has been quantified for us year over year. Similarly, the investments we have made in our Superintendents and Business Administrators have yielded, for the first time in his activity, negative GMR, reduced healthcare costs contractually, the potential for significant private contributions to our district, cost avoidance, and actual cost cutting. We get the biggest bang for the buck by investing in our SAU office. That is really where we multiply the leverage of everything else we do in our school district. Ms. Fareed commented the descriptions have to be quantified. We need to articulate what the staff does, how they do it, and what the ins and outs are.

Ms. DiGennaro suggested the Board be provided with an outline or framework for what the Superintendent would like to see take place in terms of facility and staff going out however many years it is believed would be necessary to be achievable and make those jobs sustainable. Ms. St. John agreed to understand the return on investment there is the need for the long-term plan to be in place. She commented what she struggles with, being new to the process, is where does a long-term plan fit in with the process because the process is year to year, and there isn't a lot of room for long-term planning. Ms. Fareed remarked it should have been the Strategic Plan.

Ms. DiGennaro remarked having only been in the district for four years, she would like to understand the history of the issue of becoming one district. She stated a desire to discuss that at the next district board meeting and receive information on what that entails and the roadblocks that have existed in the past. Ms. Whalen stated an appreciation for long-term plans, and suggested even in the short-term she is questioning if there is space in HPS or HUES where one part of the business office could be located, etc. There truly is no room in the current office to add another individual. She noted a 5.75% increase sounds large, but for the SAU budget it is \$86,000. Ms. DiGennaro commented that is the point that we need to drive home.

Ms. Brown remarked the move against combining districts is apportionment. There was a study commission done on withdrawing districts from previously cooperative school districts, which she serves on. The real state-wide move is to make it easier to dissolve coops not join them. She remarked if members of the Board believe it to be an important issue, and it should be easier to get married than it is to leave, she would very much like to not be the only person from SAU41 that has to go testify year after year in opposition of these bills. She stated she would send out information the next time there is an opportunity, and invited others to join her. Apportionment drives these conversations, but the legislation will make it more difficult.

Mr. Maguire spoke of the space issues noting the lack of room in that facility has been discussed for years. Any long-term plan needs to include a location for the SAU office that meets all of the needs. Ms. Fareed suggested a real estate company be sought to do a virtual tour of the building and put it online so residents can see what it is like in there. Ms. Brown agreed commenting she does not believe most people are familiar with the building.

- FY17 Final Report

Ms. Sherwood stated the year ended with a \$13,226 fund balance. In the Superintendent line the balance of \$5,262 is the result of savings in legal services, attic recycling that was not completed, and equipment repair that was not needed. The savings in the maintenance line (\$4,409) stems from savings from mowing as the Hollis School District was billed for that, and general maintenance that was not needed. The benefits line savings (\$13,096) is due to savings from the NHRS, which resulted from turnover. Cost is based on salary, and it is challenging to budget these numbers when there are people coming and going.

The negative number in Student Services (\$1,691) was largely due to additional out-of-district travel. The negative number in the Business Office (\$8,912) relates almost entirely to the temp agency used in the hiring of the accounting specialist.

Chairman Mann commented the SAU started out running with a budget of \$1,477,377, and by the end of the year the actual spending came in .99%. It is running pretty lean with all of the unknowns and ups and downs that can happen in a year. He stated his belief any financial person would say you are dangerously close to zero.

Vice Chairman Miller questioned, if the SAU were to run short on funding, could a request be made of the individual districts to cover the shortfall. Superintendent Corey stated it could not. The SAU would have to look to the unreserved fund balance (carried over from year to year at the SAU level), and make a request of the Board to allocate some of those funds. The potential for the need to utilize that fund is something that concerns him when the Board looks to that fund as a means of offsetting the expenses for the following year. The fund is typically kept between 7-10% of the budget. Ms. Seeley stated the balance to be \$149,279.

- FY18 Quarterly Report

Superintendent Corey stated as of 10-4-2017 encumbrances have been done for all major line items, and being projected as a possible year end fund balance is \$7,810. Assessments have also been encumbered.

• Goals and Objectives of the SAU and Administrative Team

Superintendent Corey noted information included with the agenda packet. He spoke of the collaboration with the Governing board in terms of evaluations for the positions within the Administrative Team. The information provided is related to goals and objectives. He stated his belief every one of the goals identified will be accomplished.

Superintendent Corey commented the Administration was really excited to have participated and listened to the presentations by the building administration as those are pieces where they were not always communicating where they were going.

Ms. Fareed commented what she liked about the list is it is a great starting place, and as you start filling it out you begin describing for the first time in the 15 years she has lived here, what the employees do in that building. She suggested the list could be built upon to reveal to the public the volume of the work. She suggested it would make it easier for the board members to ask their communities to honor the requests for increased funding and even major projects like new facilities.

Chairman Solon commented in December the Board will be kicking off the evaluation season for the Superintendent. He requested Board members review the information provided.

- Student Transportation

Chairman Solon stated there to have been a good deal of activity/discussion/noise throughout the community. A thorough update on activities was provided to the Board by the Superintendent. The sense he has received from Board members and members of the public with whom he has been in contact is that there are a couple of facts; we have a contract, and there is a perception that not all elements of the contract are being fulfilled. He suggested the Board request the Superintendent turn the matter over to legal counsel for an opinion relative to the options available to the SAU to ensure the contract is fulfilled.

Mr. Enright suggested the process could proceed with the Superintendent's review of the contract and opinion relative to whether the obligations under the contract are being satisfied. Chairman Solon stated that process has taken place. The Superintendent has identified the areas that have been compromised, e.g., gap between what is being done and what the contract requires.

Chairman Solon commented despite efforts on the part of the SAU to suggest solutions, etc. the response has been "we are doing our best". That is clearly not satisfying members of the community.

Mr. Mann stated the desire to hear from Board members from the Brookline district to learn what type of things they have heard parents are dealing with. In the Hollis district, the Board has heard from parents regarding their frustrations. It is known that parents have reached out to the Superintendent to voice concerns. The Hollis School Board conducted a public discussion of this situation at its last meeting. Because the contract is held by the SAU, there is not much an individual board can do.

Mr. Maguire stated the Brookline School Board has also heard from parents regarding issues around busing. Ms. Sarris commented it seems to her the issue is more wide spread in the Hollis School District. Ms. DiGennaro stated the issues that she has heard are related to bus protocol and policy on the bus. She has not personally heard anything about any buses being late, any traffic issues, etc. Ms. Marsano commented she has heard of issues at the middle and high school levels, e.g., not being able to go to games due to lack of busing.

Chairman Solon remarked there seems to be a problem, and it is route specific. There are routes that have not been reliably staffed, and the feedback he has received is that is happening more commonly in Hollis than in Brookline. There is a fallback, and that is as you move buses to one place you lose them someplace else. What it boils down to is the SAU has a contract that specifies that there will be transportation provided for these activities, and that is not being satisfied.

Vice Chairman Miller commented last year when the Board discussed this, it was stated as part of the contract if they were running less buses than had been contracted for, there was some stipulation where the cost would be reduced. Chairman Solon stated there is a penalty, but that does not mean it is an option for the transportation company to forego money to not provide the services required. Vice Chairman Miller stated her assumption the language addresses the inability to provide all needed buses. Chairman Solon stated that is not the case.

Vice Chairman Miller questioned if a legal review of the contract was necessary or if a member of the Board could review the contract language to determine if it is worth pursuing a legal opinion. Chairman Solon responded to ask who may have the skills to do it to work on their own time, unpaid, and on behalf of the SAU is inappropriate. He added it has been looked at, and by people with that level of expertise, and the conclusion has been that there are violations. Mr. Enright stated that information should have been shared with the entire Board. When asked if he supports the opinion it is ready to be looked at by legal counsel, Superintendent Corey stated he believes it to be the appropriate time for that. The Administration has utilized enough brainpower to get to where we are at. The other piece is it takes it away from the Administration, and puts it in the hands of someone who represents the SAU.

Ms. Sarris questioned if as a result of seeking a legal opinion, there would be no additional work on creating temporary solutions such as getting another bus company to help alleviate the issue. Superintendent Corey responded the first priority is the students so every option is on the table. He believes those efforts would run on parallel tracks. Chairman Solon stated a concern if the SAU were to start independently contracting with someone else, we would be in violation of the contract. Ms. Fareed asked for clarification the SAU is not permitted to supplement. Ms. Brown stated the contract is somewhat surprising in some of these areas. They are required under the contract to have four empty buses sitting on the lot and 1 driver at all times. If they had that extra driver, it is her hunch we wouldn't be receiving emails in the Hollis district. There are process and procedures in the contract that, based upon the facts as she understands them from Superintendent Corey, they aren't complying with at this point. The other thing the Board should know is there is a mandatory arbitration provision. That may give the SAU a good avenue to get people to the table to come up with creative solutions because some of the contract language is making it difficult for the SAU to cover on its own especially when they are responsible for providing the cover meaning they are responsible for finding that substitute bus. She stated her opinion it would be best to seek assistance from legal counsel to encourage everyone to get to the table.

Ms. Brown commented the most important thing is the districts have an obligation and a commitment to the public to be providing bus transportation, and we have done that by entering into a contract. We would not be good stewards for the district or this contract were we not requiring compliance. She stated her opinion the recommendation from the Superintendent is right on track. Mr. Mann commented the Board will be pressed for time during its next meeting, and questioned if the Superintendent has the authority to enter into arbitration. Superintendent Corey stated he could be empowered to do that or the SAU Board could empower the Chairmen of the four boards to take that step. He suggested the latter given the decision would be made by representatives of each of the districts.

**MOTION BY MEMBER FAREED THAT UPON RECEIPT OF THE ADVICE OF LEGAL COUNSEL, THE HOLLIS, BROOKLINE, COOP AND SAU BOARD CHAIRS HAVE THE AUTHORITY TO DIRECT THE SUPERINTENDENT TO ENTER INTO ARBITRATION ON BEHALF OF THEIR RESPECTIVE BOARDS  
MOTION SECONDED BY MEMBER MILLER**

#### ON THE QUESTION

Chairman Solon questioned if the motion is appropriate at the SAU level or if it was necessary to conduct a vote amongst each of the individual boards.

Superintendent Corey stated the motion would not authorize individual districts to act, it would create a sub-committee that is to address this issue. The sub-committee would be made up of the Chairs of the four districts.

**MOTION CARRIED  
9-0-0**

- Insurance Update – Preliminary Guaranteed Maximum Rate (GMR)

Superintendent Corey noted the GMR came in at -1%. What is being heard is that the trend is going to be around a 3% increase. He stated his belief the district is achieving the rates it is because of some of the things being done such as the efforts of the wellness committees at the individual districts and the guidance of Assistant Superintendent Bergskaug and Ms. Seeley. He provided the example of the SAU-wide walk/run that had 100 participants. Those type of activities help with changing the health insurance curve, which is really the only long-term change to health insurance that he believes can truly be successful, and help to build moral. Staff is asking about including children and other family members next year.

- NESDEC Enrollment Projections

Superintendent Corey spoke of the enrollment information provided with the agenda. He stated agreement with Chairman Solon regarding concern with looking out 10 years. The five-year enrollment projections cause him pause about adding staff, space needs, etc. It puts the district about the same size it was a few years back at the COOP, but at that point there were individuals on carts, etc. There will have to be discussions at the individual district levels concerning items such as art classrooms going back to a cart. Were the trend to continue it predicts an approx. 20% increase to enrollment, and the largest enrollment that has been seen within the SAU. NESDEC's data is calculated based on birth rates, which are going up, on permits, and the ability to add on an accessory dwelling unit. When times were tough, there were a lot of younger families moving back with their parents. These accessory dwellings could be very attractive for families with children.

He noted he has received requests from the Budget Committee to ask NESDEC to explain their figures as they are volatile and kind of out of the blue. He is hopeful that additional clarification will be received by the end of the month.

Chairman Solon questioned if the projections have been reviewed enough to determine if the growth projections are distributed among the full K-12 or focused in a particular age group. Superintendent Corey stated currently the SAU is experiencing its first bubble enrollments, and those are by specific grades. In those areas the SAU has seen a series, in the short-term, of peaks and valleys. The biggest thing for the district will be to stay ahead of the curve regarding class sizes, and trying to project that as much as possible.

Chairman Solon commented the NESDEC projections have a big lag; it is a seven-year rolling average. They utilize births, which for our communities have not historically matched up well with the community growth. Housing sales have typically been a better indicator than births. However, the past 5-10 years there has been a distinct difference because the demographics of the housing move-ins in Brookline have had percentagewise many more school-aged children.

- Staffing

Superintendent Corey commented, as the Board was informed, the SAU will potentially be dealing with a health issue regarding one of the SAU staff members, and the SAU is looking to the Board for a motion that will allow him to move forward should the need arise for him to fill that role on a temporary basis and authorization to expend funds to cover that cost should that scenario come to be. If temporary staffing had to be put in place, there would be the need to look to the unassigned fund balance to cover the cost.

When asked for an opinion, Superintendent Corey suggested the motion could authorize the expenditure of an amount not to exceed \$25,000 without further authorization by the Board. It was noted funds remaining in the salary line item would be utilized until depleted after which additional funding would come from the unreserved fund balance.

**MOTION BY MEMBER FAREED THAT THE BOARD AUTHORIZE THE SUPERINTENDENT TO HIRE TEMPORARY STAFF IN THE DEPARTMENT OF STUDENT SERVICES AT A COST NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS (\$25,000) WITHOUT ADDITIONAL AUTHORIZATION**  
**MOTION SECONDED BY MEMBER MILLER**  
**MOTION CARRIED**  
**9-0-0**

**MOTION BY MEMBER FAREED THAT THE BOARD AUTHORIZE THE USE OF FUNDS FROM THE UNASSIGNED FUND BALANCE TO COVER SALARY REQUIREMENTS FOR TEMPORARY STAFFING IN THE DEPARTMENT OF STUDENT SERVICES IN THE EVENT THE EXPENSE EXCEEDS THE BUDGET**

**MOTION SECONDED BY MEMBER MILLER  
MOTION CARRIED  
9-0-0**

***Member Whalen departed at 9:25***

REPORT BY PROCESS OBSERVER

Ms. Fareed spoke of the Board having wrestled with items that have needed to be addressed for years, which is why the discussion went long. She commented on being pleased that was the case.

AGENDA BUILDING

- Budget Public Hearing
- Transportation Update
- Goals Document – Update
- Superintendent Evaluation (kickoff)

NON-PUBLIC SESSION

**MOTION BY MEMBER MANN THAT THE BOARD, BY ROLL CALL, GO INTO NON-PUBLIC SESSION PURSUANT TO RSA 91-A:3 II (a) THE DISMISSAL, PROMOTION OR COMPENSATION OF ANY PUBLIC EMPLOYEE  
MOTION SECONDED BY MEMBER FAREED**

*A Viva Voce Roll Call was taken, which resulted as follows:*

Yeah: Lauren DiGennaro, Matthew Maguire, Alison Marsano, Erin Sarris, Elizabeth Brown, Holly Deurloo Babcock, Tom Solon, Tom, Enright, Tammy Fareed, Robert Mann, Laurie Miller, Michelle St. John

Nay: 12  
0

**MOTION CARRIED**

***The Board went into non-public session at 9:26 p.m.  
The Board came out of non-public session at 9:37 p.m.***

**MOTION BY MEMBER MANN TO APPROVE AN ADDITIONAL LINE IN THE SUPERINTENDENT CONTRACT TO INCLUDE A 403B MATCH UP TO FIVE THOUSAND DOLLARS (\$5,000) AND CORRECTION OF MONTHLY TRAVEL EXPENSE ALLOWANCE TO TWO HUNDRED AND FIFTY DOLLARS (\$250) PER MONTH**

**MOTION SECONDED BY MEMBER MILLER  
MOTION CARRIED  
9-0-0**

ADJOURNMENT

**MOTION BY MEMBER FAREED TO ADJOURN  
MOTION SECONDED BY MEMBER MILLER  
MOTION CARRIED  
9-0-0**

The October 12, 2017 meeting of the SAU41 Governing Board was adjourned at 9:40 p.m.

SAU41 Governing Board Chair \_\_\_\_\_

Date: \_\_\_\_\_