

SAU 41 GOVERNING BOARD
OCTOBER 11, 2018
MEETING MINUTES

A regular meeting of the SAU 41 Governing Board was conducted on Thursday, October 11, 2018 at 6:00 p.m. at the Captain Samuel Douglass Academy, Brookline.

Tammy Fareed, Chairman, presided:

Members of the Board Present: Erin Sarris, Vice Chairman
Michelle St. John, Treasurer
Holly Deurloo Babcock, Secretary
John Cross, Secretary, Hollis/Brookline COOP (arrived at 6:02 p.m.)
Rebecca Howie, Brookline School Board
Tom Enright, Hollis School Board
Kenneth Haag, Vice Chairman, Brookline School Board (arrived 6:03 p.m.)
Amy Kellner, Secretary, Hollis School Board
Melanie Levesque, Hollis/Brookline COOP
Robert Mann, Chairman, Hollis School Board
Alison Marsano, Secretary, Brookline School Board
Tom Solon, Chairman, Hollis/Brookline COOP (arrived at 6:10 p.m.)
Krista Whalen, Hollis/Brookline COOP

Members of the Board Absent: Elizabeth Brown, Hollis/Brookline COOP
Matthew Maguire, Chairman, Brookline School Board
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

APPOINTMENT OF PROCESS OBSERVER

Chairman Fareed appointed Krista Whalen to serve as process observer.

ADJUSTMENTS - None

APPROVAL OF MEETING MINUTES

SAU41 Governing Board – **Organizational Meeting** May 10, 2018

The following amendments were offered:

- Page 2, Line 27; delete “Vice” before “Chairman”
- Page 5, Line 27; replace “he” with “the” before “fees”
- Page 10, Line 1; replace “form” with “from”

**MOTION BY MEMBER ST. JOHN TO APPROVE, AS AMENDED
MOTION SECONDED BY MEMBER WHALEN**

MOTION CARRIED

9-0

Members Enright, Kellner, Levesque, Marsano, and Howie Abstained

NON-PUBLIC SESSION

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

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

Yea: Tom Enright, Michelle St. John, Erin Sarris, Holly Deurloo Babcock, Alison Marsano, Amy Kellner, Rebecca Howie, John Cross, Melanie Levesque, Tammy Fareed, Robert Mann, Ken Haag, Krista Whalen

13

Nay:

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MOTION CARRIED

The Board went into non-public session at 6:04 p.m.

The Board came out of non-public session at 7:00 p.m.

MOTION BY MEMBER MANN THAT THE BOARD 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 DEURLOO BABCOCK

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

Yea: Kenneth Haag, Rebecca Howie, Alison Marsano, Erin Sarris, John Cross, Holly Deurloo Babcock, Melanie Levesque, Tom Solon, Krista Whalen, Tammy Fareed, Robert Mann, Tom Enright, Amy Kellner, Michelle St. John

14

Nay:

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MOTION CARRIED

PUBLIC INPUT - None

DISCUSSION

- Presentation of the Fiscal Year 20 (FY20) Draft Budget

Linda Sherwood, Assistant Business Administrator, spoke of the information included in the [agenda](#) packet titled "Draft #3, 9/28/18", and the far right column titled, FY20 Default.

The adjusted/default budget is the amount of the same appropriations as contained in the operating budget authorized for the previous year, reduced, and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law, and reduced by one-time expenditures. The draft budget includes placeholders for health (10% increase) and dental insurance (5% increase). The SAU is now in receipt of the Guaranteed Maximum Rate (GMR); 8.1% for health and 2.3% for dental. The net result is a decrease of \$3,000 to the draft.

New Hampshire Retirement System - reduction in employee rate; 11.38% to 11.17% and increase in teacher rate; 17.3% to 17.8%. In prior years, the SAU budget was not impacted by teacher rates; however, beginning in FY19, the Business Administrator and Director of Student Services are at the teacher rate because of their credentials.

Salaries - draft budget includes a 3% increase for administrators (contracts specify 2-4% based on CPI; Board determines at year end) and 2.5% for support staff.

Benefits - historically utilized a formula of .5% of total admin. salaries with the Board approving a much higher percentage. This year, the budget was based on actuals.

Ms. Sherwood addressed particular line items she believed would generate specific questions:

Line 32 - Contracted Services; FY16 actual \$19,529 / FY20 proposed \$0. The Assistant Director of Student Services was previously an employee of the COOP. The FY16 actual represents the SAU portion of that individual's salary at that time.

Line 43 - Salary, Network Administrator; no longer considering retirement.

Line 70 - Temp Agency; with a fully staffed Business Office, these services are no longer necessary.

Line 87 - Rent; FY20 budget represents the final incremental increase in rental rate of the SAU facility.

The draft budget, as proposed, represents a 4.7% (accounts for changes in health and dental) increase over FY19 and a 1.9% increase over the default budget.

Projected FY19 fund balance is \$85,539 (5.1% of total FY20 budget).

Mr. Solon questioned the average percentage utilized in calculating the proposed merit pool increase and was informed it was based on actual dollars not percentage. Ms. Sherwood was uncertain of the percentage the proposed amount represents.

**MOTION BY MEMBER WHALEN TO AMEND THE BUDGET UNDER STUDENT SERVICES BY ADDING FIFTY FOUR THOUSAND TWO HUNDRED AND TWO DOLLARS (\$54,202)
MOTION SECONDED BY MEMBER MANN**

ON THE QUESTION

When asked, Superintendent Corey stated the SAU41 Budget Sub-committee has already approved the proposed budget. Another meeting is scheduled during which the Sub-committee will work with the information/direction provided by the Board.

Mr. Mann commented they do a lot of detail work, but the Governing Board has the ability to move that number up and down as it pleases. He suggested if there is concern with that figure, the Board could make additional modifications at its next meeting.

MOTION CARRIED

9-0-0

- FY18 Final Report

Unexpended appropriations for FY18 totaled \$16,353. Projected year end fund balance is \$129,509 (8.6%).

Kelly Seeley, Business Administrator noted the Board approved the transfer/use of \$27,000 from the fund balance in FY18. Of that amount, \$9,710 was expended. An additional \$10,060 is earmarked/appropriated for expected expenses but will be carried over into FY19.

- FY19 Revenue and Expense quarterly update

The FY19 beginning fund balance is \$129,509. The Board approved use of \$43,970. The projected FY19 ending balance is \$85,539.

Of the \$10,060 in expected expenses carried over from FY18, approx. \$3,500 is encumbered for Spaulding Outdoor Services; managing the overgrown weeds at the SAU building and \$6,500 for the GASB 75 report, which is a required report that now has to be done yearly.

Superintendent Corey spoke of how well the SAU performed with the four audits that were recently completed.

- Goals and Objectives of the SAU and Administrative Teams

Superintendent Corey stated the desire to speak to the SAU role with the Strategic Plan. Each School Board has or will receive a presentation from the building principals outlining the goals and objectives for the year. Those goals and objectives are determined based on the community approved Strategic Plan for SAU 41. Presently, he is looking at implementation plans to take that Strategic Plan into the next five years.

Superintendent Corey spoke of the “Whole Child” focus that looks for personalized learning, allocation of resources; human and financial, security, social emotional learning, STEM, wellness, real world learning, capital, and standards based reporting.

There are 31 items the SAU staff is focused on. Many are farmed out to the building level as they relate back to curriculum.

This year the focus is on writing K-12. There are weekly Meaningful Mondays conducted where staff is brought together from Hollis and Brookline K-6 to talk about writing, share what is happening in those classrooms and look at the standards to determine where we want to be as writers in the next 3-4 years. The same discussions occur at the COOP level (7-12). They mirror the two and come up with one curriculum area.

The SAU is starting to get into a curriculum cycle where the Assistant Superintendent, along with staff at the buildings, are identifying critical areas every year that are being addressed to keep the curriculum on a regular cycle of review so that it is a designed implementation rather than a response to a crisis.

The SAU is managing a wealth of technology. In many of the buildings eRate funds (50% of cost) have been utilized to upgrade wireless connections. Rich Raymond, Network Administrator, has been working with the administration in the budget process. In November, each of the boards will receive the budget packets and the process will begin at that level.

An area where the SAU has been very fortunate is that it remains a District that is of choice for teachers. Although not the highest paying or the one with the most attractive benefit plans, we are two communities that are passionate about education that support teacher creativity and teaching to a curriculum rather than teaching to a test.

- Insurance Update – Preliminary Guaranteed Maximum Rate (GMR)

Superintendent Corey spoke of the monthly wellness activities that are provided by the H.R. Department. The activities are intended to bend the cost curve around health insurance. The SAU received a GMR of 8.1%, which is higher than previous years. One of the things driving that is organizational turnover, e.g., teachers retire, new staff hired who are taking two-person and family plans. The final notification will be received in the February/March timeframe.

Mr. Solon noted in addition to claims experience, the rate is driven by national rates. Chairman Fareed commented the Town of Hollis announced last week their rates only went up 4%. The previous year the increase was in the double digits. It is difficult to tie it to 1 or 2 things.

- SAU Feasibility Study (informational only)

Superintendent Corey noted the agenda packet included the Feasibility Study conducted by Windy Hill Associates. An expert on barns visited, and indicated the barn was constructed slightly before or just following the Civil War. The barn has two sets of stairs; on either side when entering, which was a luxury. That and the way the timbers were cut indicate it was constructed for someone of affluence.

The structure is in good condition mostly due to the condition the roof has been maintained in. The issue that will impact us in the years to come is the foundation. The barn was intended to be utilized by livestock and the waste product and animal's heat is what kept the rock foundation from moving. When the animals are removed you see rocks start to shift in because the weight comes down and there is no heat to hold it back.

Phase I of the project would likely be a recommendation to raise the barn up, put a foundation under it, and move it 1' further north. By moving it, doorway access can be gained from the existing building.

Mr. Cross questioned if it would be worthwhile to move the barn further than a single foot. Superintendent Corey responded the architect is looking at it from a code point of view. It would provide a door into the barn from the SAU building that meets all code issues without losing any parking spaces.

The Administration is working with the architect on the design of the interior. It would become offices. The Administration will work with the Hollis School Board, as the owners of the property. Discussions will occur around the barn itself, the plans, and whether work could be done in phases.

There is a balancing act that has to be done in terms of the various needs throughout the SAU and the individual district budgets understanding the taxpayers in the two towns support their individual elementary districts as well as the COOP district.

Superintendent Corey spoke of the SAU's legal obligation to store records; personnel, student, meeting, etc. all having lengthy retention requirements. This issue has been being addressed for some time through efforts such as digitizing of records, etc. The intent would be for the new foundation in the barn to become a safe and secure environment for all records.

Ms. Deurloo Babcock questioned if consideration has been given to dismantling the barn, selling it as a whole or in pieces and replacing it with a new addition to the existing building.

Mr. Mann stated he is of the mindset of bulldozing the entire building and putting up a building and a barn. Ms. St. John commented as much as she loves that building, she wonders if the expense involved in preserving it to the extent required is one the taxpayers wish to take on. Superintendent Corey stated his belief when the cost is brought forward people will be surprised by the ability to renovate the barn in a very cost effective way.

Ms. Deurloo Babcock suggested, and Chairman Fareed agreed, when it comes time to bring a proposal forward an analysis be provided of the cost to dismantle the barn and construct an addition.

Superintendent Corey reiterated when looking at the entirety of the SAU and all of the projects underway, he is uncertain he would recommend doing anything with the barn this year. One of the things he believes the community has appreciated is that the SAU gets information out letting them know what is happening, and then formulating a plan so that we can also consider how to pay for those renovations.

Mr. Cross questioned if the project would lend itself to a phased approach. Superintendent Corey stated it does in the sense of the primary need being a modern foundation with the changing of some of the timbers that were ruined because of the animals. Once that is done, with the roof on it, you could then sit and wait for a while. That would be the biggest expense and the one that if not done over the next few years could result in the loss of the barn based on the shifting of the foundation. When asked, he stated that work would allow for the transfer of records to occur before the remainder of the project was completed.

When asked if other proposals would be entertained, Superintendent Corey stated when getting to the point of moving forward, the cost of the project would require the SAU undergo a formal bidding process.

DELIBERATIONS

- To see what action the Board will take regarding the Administration's recommendation to request proposals for student transportation

Superintendent Corey stated transportation has improved but continues to be an issue. The SAU has all students arriving to school on time and home by 4:00 p.m. For some 4:00 p.m. is later than they may have returned home a few years ago; however, across the SAU, there are many students that have arrived back home around that time every day during their educational careers, and that is the time we shoot for.

He noted difficulties with transportation is a national problem. There is simply a lack of drivers. Progress has been made although not visible as of yet. The SAU was able to regain one of its drivers (Brookline bus #5). This is a big deal because it allowed the mechanic for Hollis Transportation to return to the position of full-time mechanic and substitute driver. A new driver passed all of the tests and began employment the previous day. That individual took over Hollis Route 12, which allowed one of the owners of the bus company to come off the route and provided a second substitute driver. Two drivers, who are not doing daily routes, have committed and are working for Hollis Transportation for our athletic runs.

A custodian at the COOP District, who works a late shift for the District and has his CDL, is now working with the bus company to get that license, which will provide another substitute driver. Another driver is in training and is working diligently. It is an approx. 3 month process to go from start to finish. The goal of that driver is to end that split run in Hollis.

The Administration continues to meet with the transportation company on a regular basis. They conducted all of their mandatory safety and evacuation drills. Every effort has been made to accelerate bus driver license testing; it is just not occurring. As a State, there is one individual who coordinates all of this, and when he/she is away from the office, there is no one that can be contacted. Many of the drivers are becoming more and more familiar with their routes, which results in the gaining of minutes, which is particularly important heading into daylight savings time.

Superintendent Corey stated this to be the final year of the transportation contract and his recommendation the Board authorize the Administration to conduct a Request for Proposal (RFP). The Business Administrator would work with legal counsel to put that RFP together. The 6 area bus companies have been contacted and encouraged to bid. The last time the SAU went out to bid the result was a single bid. The bid the SAU has traditionally received from Hollis Transportation has been favorable. They have been the transportation company for SAU41 since 1979. They have encountered these problems probably 3 times in that history. As a local company with their bus barn right across the street, many of the drivers have long-standing relationships with our families. When a child's parents are not at the bus stop to greet him/her, that child stays on the bus and is returned to the school. Not all bus companies will agree to those elements in a contract. The SAU is not thrilled with how the transportation has gone. The company itself is well aware of that and has met with the Administration and legal counsel. However, they are working, on a daily basis, to overcome the obstacles.

The request of the Administration is to be authorized to undertake a formal RFP process for a transportation contract that would go into effect next July.

**MOTION BY MEMBER MANN TO APPROVE THE RECOMMENDATION OF THE
ADMINISTRATION TO CONDUCT A FORMAL REQUEST FOR PROPOSAL (RFP) PROCESS FOR
STUDENT TRANSPORTATION
MOTION SECONDED BY MEMBER LEVESQUE**

ON THE QUESTION

Ms. St. John commented given the issue is a State and national one, that the Administration be cognizant of all aspects of the proposals received, e.g., not simply look to the low bidder. She spoke of having learned of much greater issues being experienced with other transportation companies.

Superintendent Corey spoke of his appreciation for the relationship he enjoys with Hollis Transportation.

Ms. St. John spoke of the importance to consider, as part of the contract, those aspects that have appeared lacking such as better contingency planning and route efficiencies.

Ms. Marsano stated the desire to understand the number of other districts a transportation company is serving, what issues may have been experienced by other districts, etc.

Mr. Mann questioned if there are opportunities for contract language regarding incentives such as attendance, longevity, etc. Superintendent Corey stated sign-on bonuses, longevity payments, etc. have been done. One of

the issues faced is that the individual learning and testing to become a driver, is not compensated during the process. That process can take 2-3 months. There is the need to determine how to entice individuals to be willing to go through that process under that scenario.

Mr. Solon questioned if the RFP could be structured in such a way that the opportunity exists for companies to bid on part or all of the transportation needs, e.g., athletic runs. Superintendent Corey stated that wording could be added to the RFP. Traditionally, a contract that had separate aspects, e.g., athletic runs, special education runs, would not necessarily be as attractive. If a new company coming in there is a large outlay of out front costs in the purchase of new buses. Mr. Solon stated his belief it could be a situation where a transportation company has resources that are not being used outside the school day and would be interested in the athletic runs.

Chairman Fareed questioned if there would be a benefit to separating runs by Town. Superintendent Corey stated uncertainty. He reiterated a lot of times it is the economics of scale that generate the profits for the transportation company. There is also uncertainty with whether one company would be willing to come into another town to cover the run for another company. Those questions can all be asked.

MOTION CARRIED

9-0

REPORT OUT BY PROCESS OBSERVER

Ms. Whalen noted the meeting ran 55 minutes ahead of schedule.

ADJOURNMENT

MOTION BY MEMBER MARSANO TO ADJOURN

MOTION SECONDED BY MEMBER MANN

MOTION CARRIED

9-0-0

The October 11, 2018 meeting of the SAU41 Governing Board was adjourned at 8:06 p.m.

Date _____

Signed _____