

NHSAU 29 School Board Meeting
NEW HAMPSHIRE SCHOOL ADMINISTRATIVE UNIT 29
John W. Day Educational Center
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COMMITTEE: Special Meeting of the New Hampshire School Administrative Unit 29

DATE: November 23, 2009

LOCATION: Large Group Instruction Area, Keene High School, 43 Arch Street

CALLED TO ORDER: 7:02 p.m.

TIME ADJOURNED: 8:02 p.m.

BOARD MEMBERS PRESENT:

<u>TOWN:</u>	<u>PRESENT:</u>
• Chesterfield	Judy Idelkope
• Harrisville	Jack Calhoun
• Keene	Christopher Coates, Chair Kathleen O'Donnell Donald N. Parker Neil Donegan Carol A. Brown Carl Panza
• Marlborough	Michael Briggs, Vice Chair Lisa Mitchell Julie Farhm
• Marlow	Ken Dassau Stephanie Tickner
• Nelson	Kelly M. French Elisabeth Street (arrived 7:11 p.m.)
• Westmoreland	Michael J. Acerno Stuart R. Adams

OTHERS PRESENT:

- Wayne E. Woolridge, Co-Superintendent
- William B. Gurney, Co-Superintendent
- Paul R. Cooper, Director of Human Resources
- John R. Harper, Business Administrator
- Timothy L. Ruehr, Business Administrator - Towns

1. **Introductions:** Chair Coates called the meeting to order at 7:02 p.m. and introductions were made by members of the 7 boards present.
2. **Approval of Minutes:** Chair Coates asked the board for approval of the minutes of the May 18, 2009 and June 1, 2009 NHSAU 29 Board meetings.

MOTION: Mr. Michael Briggs moved to approve the minutes of May 18, 2009 and June 1, 2009 as printed and distributed. Mr. Neil Donegan seconded. A unanimous voice vote in favor was taken. The minutes of May 18, 2009 and June 1, 2009 were approved.

3. **Proposed Article 28-a Lawsuit** – *Mr. Wayne Woolridge*

Mr. Woolridge opened the discussion on the proposed Article 28-a lawsuit which is in regard to the State retirement contribution dropping (effective July 1, 2009) from 35% to 30%. Each SAU 29 district has looked into the matter, filed a protest and submitted a check based on the appropriate contribution amount. The cost for the SAU Board to join the lawsuit is \$443.34.

MOTION: Mr. Jack Calhoun moved, Mr. Michael Acerno seconded, that School Administrative Unit 29 contribute \$443.34 to be part of the litigation against the cut in the state contribution for teacher retirement from 35% to 30% in 2010 and further down to 25% in 2011.

Discussion ensued with Mr. Jack Calhoun sharing that the lawsuit is part of an ongoing initiative to muster a strike fund. Mr. Calhoun further shared that at the annual Local Government Center (LGC) conference the matter was discussed at length.

By a show of hands (one opposed), the motion carried.

4. **NHSAU 29 Financial Report** – *Mr. John Harper*

Mr. Harper reported that revenues are fully encumbered at the budget level. Salary and benefit accounts have been fully encumbered for the remainder of the fiscal year. The expenditure line represents \$139,000 available currently though it will trend downward as the year progresses.

Mr. Harper shared that the building operating capital expense account includes \$40,000 originally allocated to replace the “chiller” unit at 34 West Street. The unit was purchased from last year’s budget resulting in \$40,000 surplus in this account.

There being no questions of Mr. Harper, the board proceeded to entertain a motion to approve the financial report.

MOTION: Ms. Kelly French moved to accept the financial report as presented. Mr. Neil Donegan seconded. With a show of hands in favor, the financial report was accepted as presented.

5. Proposed NHSAU 29 Budget 2010-2011 – Mr. John Harper

Mr. Harper reminded the Board that details of the proposed 2010-2011 budget were reviewed at the October 26, 2009 SAU Advisory Committee meeting attended by the majority of members in attendance this evening.

Mr. Harper briefly reviewed the highlights of the proposed budget. The operating expenditure budget totals \$2,662,299, a decrease of \$54,510 or 2.01% for the year. The total impact of this budget that will be paid directly by the member SAU school districts is \$2,364,502, a decrease for the year of \$78,293, or 3.21%.

Personnel costs continue to constitute the majority of the budget, amounting to over 84% of the total. Changes in employee salary and benefits reflect the recommendations of the SAU Compensation Committee. Those recommendations include no cost of living adjustments, reduction of the stipend for the co-superintendents from 15% to 13%, elimination of a \$15,000 staff equity/merit pool, a \$5,000 reduction in funds available for tuition reimbursement as well as continuation of employer health insurance contributions at 88% of premiums. Those premiums are budgeted at a 21% increase – based on a guaranteed maximum price from the health insurer.

The budget reflects no new staffing positions. A director of technology position, included as a full-time position in the current year budget, is reduced to a part-time contracted position in 2010-2011. There are no increases in budget hours for any positions.

Mr. Harper noted that funding for capital improvements for 34 West Street have been eliminated from the budget in anticipation of the relocation of the Central Office to the Maple Avenue property. Included in the budget to assist in planning for the move, is the inclusion of \$10,000 for records retention and other move-related expenses.

At the recommendation of the Business Administrator, \$50,000 from the fiscal year 2008-2009 surplus has been reserved for application against member allocations required to support the 2011-2012 budget, to moderate the roller coaster effect on the following year's budget.

Mr. Calhoun asked if there was any indication whether or not reductions to building aid funded by the state would have an impact on the Central Office lease or the new middle school building.

Mr. Coates responded and Ms. O'Donnell affirmed, that Senator Molly Kelly has assured the district that as there is an approved application in place, the Keene School District will not be impacted by any reductions to building aid funding at the state level for the Central Office and Keene Middle School projects.

Ms. Idelkope asked Mr. Harper if the SAU can borrow funds if needed.

Mr. Harper replied that he did not believe so and indicated that doing so would be poor financial management. Mr. Harper will confirm with Attorney Paul Apple.

MOTION: Ms. Judy Idelkope moved, Mr. Michael Briggs seconded, to amend the revenue portion of the budget to include that the remaining \$50,000 in surplus not be applied to the 2010-2011 budget.

Discussion ensued as to the justification for the motion to amend. Ms. Idelkope stated that the administration prefers to smooth the budget to avoid a roller coaster effect. Ms. Idelkope sees no reason to hold the money back given the difficult economic environments all boards are facing. Given that allocated monies are no longer necessary for the chiller unit at 34 West Street and that the 21% guaranteed health premium increase may not be realized, it would be appropriate to return the surplus money to the member districts.

Mr. Calhoun, who is a member of the board of the Local Government Center, shared that all indications are that the 21% guaranteed health premium rates will be realized given the current economic climate.

Mr. Harper stated that the administration tries in good faith to smooth out large surpluses to avoid the roller coaster effect in the following year's budget. The general distribution would impact assessments for next year. If the surplus is applied to this year and the following year there was no surplus, the roller coaster effect would occur.

On the motion to amend, by a show of hands, 2 in favor, 15 opposed. The motion fails.

MOTION: Mr. Neil Donegan moved to accept the NHSAU 29 Budget for 2010-2011 as presented and to move forward to the public hearing on December 21, 2009. Mr. Michael Acerno seconded. With one opposed, the motion passed.

6. Lease of Property

MOTION: At 7:28 p.m., Mr. Michael Acerno moved, Mr. Neil Donegan seconded, that the NHSAU 29 School Board move into non-public session under R.S.A. 91-A:3 for the purpose of discussing Lease of Property. A unanimous roll call vote was taken. Messrs. Woolridge, Gurney, Cooper, and Harper were invited to be present.

PUBLIC SESSION- Returned at 7:38 p.m.

MOTION: Mr. Michael Acerno moved, Mr. Neil Donegan seconded, that the NHSAU 29 School Board approve the SAU/Keene School District building lease for the Maple Avenue location of the Central Office.

Discussion ensued with Mr. Donegan stating that the Keene Board has approved the lease agreement. Mr. Donegan further stated that the new and current lease for the most part is the same.

Ms. Idelkope stated that she has concerns that the Board is not reviewing a final version of the lease. The information presented does not include a property description nor does it contain details as to maintenance responsibility of the Board as it pertains to the SAU building and related property.

Mr. Donegan stated that the Central Office administration approved the design and engineering plans for the new building. The Keene Board needs to know if the towns are in agreement in order to move forward.

Discussion ensued.

Vote taken on the motion on the table. By a show of hands, 6 in favor, 9 against. The motion fails.

MOTION: Mr. Michael Acerno moved and Mr. Neil Donegan seconded that a roll call vote be taken.

A roll call vote was taken with 2 districts voting in the affirmative and 4 districts voting no. The motion to approve the SAU building lease fails.

Discussion ensued.

Mr. Woolridge stated that he is comfortable with the site at Maple Avenue and with the key points of the lease. The issue moving forward has to do with the wood chip plant. The plant cannot be designed as planned without moving forward with the SAU building. If the SAU building is not to be built, the wood chip plant will need to be redesigned.

Mr. Calhoun expressed concern that the proposed lease does not specifically delineate the physical obligation for maintaining the property. Town districts are being asked to sign on to a lease that is not outlined fully.

Ms. Brown stated that the SAU budget has been approved and is predicated on occupying the building to be located on the Maple Avenue property.

Ms. Idelkope stated that the ad hoc lease committee has not met to finalize obligations, that a property description should have been included, and that she is willing to move forward with the lease in concept with the understanding that a property description needs to be included.

MOTION: Ms. Kelly French moved, Mr. Don Parker seconded, to approve the concept of the lease pending a property description and intent to move to the Maple Avenue property.

Mr. Donegan stated that Keene is involved in the engineering process now and needs to know where the towns stand on the lease. If the majority of boards want to see the full lease in detail, the Keene Board will provide for the December SAU meeting.

Vote taken on the motion on the table, by a show of hands, with two opposed, the motion passes.

MOTION: There being no further business to come before the Board, Mr. Michael Acerno moved to adjourn the meeting. Ms. Betsy Street seconded. The meeting was adjourned at 8:02 p.m.

*Respectfully submitted,
Cathy Dieter*

APPROVED: 12/21/09