Officially Approved by the Board
School Administrative Unit #44
Joint School Board
Public Session
December 10, 2018
6:15 p.m.

Northwood:
Keith McGuigan, Vice Chair
Dave Ruth
Shane Wells - absent
Amy Hanavan
Brian Winslow

Nottingham:
Susan Levenson, Chair
Christine Dabrieo
Roslyn K. Chavda
Kelley Gordon

Strafford:
Bruce Patrick
Misty Lowe
Kerry McMahon - absent
Debbi Hinrichsen
Erica Helm

Others:
Mr. Scott Reuning, Superintendent of Schools, SAU #44
Mr. Nate Byrne, Director of Student Services, SAU #44
Mr. Robert O’Sullivan, Business Administrator, SAU #44
Ms. Amelia Trapp, Joint Board Secretary, SAU #44


Call to Order:
Ms. Levenson called the Joint Board Meeting to order at 6:17 with a quorum. She spoke on immediately opening the meeting up to the public hearing. She said there had been discussions today with Mr. Reuning, Mr. Campo, and the attorney regarding the fund balance. The board had received information from the attorney to begin the public hearing. Ms. Hinrichsen gave historical information from last two years minutes of the 2016 and 2017 board meetings showing the large raises that were given to the preschool teachers. Mr. Ruth said he would like to review the budget line by line before deciding anything. The Board would be discussing the revenue in the public hearing as well as the unassigned fund balance; these discussions were necessary in order to take any funds from the unassigned fund balance.

Public Hearing:
Ms. Dabrieo made the motion to open the session and was seconded by Mr. McGuigan. All were in favor. Roll call was taken to go into the session and 13 members were present. The Board recessed at 6:20 pm and entered the public hearing session. The public members were given copies of the budget to follow along and be able to ask any questions as well as give comments as needed. Mr. Reuning began the discussion with the revenues. Northwood’s preschool allocation is $146,104.54, Nottingham’s preschool allocation is $165,729.23, and Strafford’s preschool allocation is $106,524.10. Ms. Hinrichsen said she had historical information for the last two years regarding the preschool information. Mr. Ruth said he thought they were going through the budget line-by-line, close the public hearing and discuss any other changes to the budget in the remainder of the meeting. Mr. Reuning said the total increase is $276,102.48 or a 9% increase. Mr. Eric Almanzan, from Strafford, pointed out that
the preschool salaries were increasing rapidly in a three year period. Dr. Chavda said he had a valid question. She asked if they could give him the information needed to understand the salary increase. Ms. Hinrichsen gave historical information from last two years minutes of the 2016 and 2017 board meetings showing the large raises that were given to the preschool teachers. Mr. Ruth said he would like to review the budget line by line before deciding anything. Ms. Dabrieo said that during the first year the Joint Board understood they would not be able to make the salary raise in that time period. They had then charted it over a 3-year period to make the increase more compatible with the budget. Mr. Byrne said there is an $8,603.46 increase with two teacher salaries. Mr. Almanzan asked if the preschool teachers were being paid 20% less than the going rate and Mr. Reuning said they were. There was a growing gap between CBA teachers and non-CBA teachers, so they chose to resolve this by doing the increases over a period. Mr. Almanzan said a 20% raise increase was a lot of money and as a member of the public he would like a better answer. Mr. Ruth asked if the salary increase was mandated by the state or was just a general decision by the three districts. Mr. Reuning said it was mandated by the state and certain funds were allocated by the IDEA Grant.

Ms. Levenson asked if ChildFind or Preschool were mandated, and Mr. Reuning gave some information. Mr. McGuigan asked Mr. Reuning to expand on the requirements that preschool teachers needed to teach. Mr. Almanzan asked if there was a difference between preschool and elementary teachers. Mr. Reuning explained that the three certifications are early elementary education, special education and elementary education. Preschool has both morning and afternoon sessions without a break in between. Mr. Winslow said it was hard to compare a 7th grade class to a preschool class based on responsibilities. Ms. Lowe said that two preschool teachers had bachelors’ degrees and one other has a master’s degree. Mr. Patrick asked what the class hours were and Mr. Reuning said the morning session is 8am-11am and the afternoon session is 11:30am-2:30pm.

Mr. Reuning discussed the benefits section. Retirement rates are 7.8% for the teacher rate. Mr. Patrick asked who the finance manager was for the preschool and Mr. Reuning said it was Mr. Carlson. 15% of his salary is reflected in this budget. The benefit increase total is $146,447.01 or an 8.25% increase. The mileage is pre-set to the IRS rate.

Ms. Hinrichsen asked for clarification regarding the IDEA grant allocation. Mr. McGuigan had a question regarding the mileage and said the comparison was different. Mr. Reuning explained the change. Ms. Lowe asked if the staff development was for the preschool teachers only and Mr. Byrne said there are actually 4 staff members who could use those funds. Mr. Almanzan asked a question regarding the rental increase for the preschool. Mr. Ruth said it was based on the utilities’ cost increase. Ms. Lowe asked for the difference of the child specific or program para. Mr. Reuning gave the explanation. Mr. McGuigan asked if the OT specific cost per town was billed back to the correlating town. Ms. Hinrichsen asked if the summer program changed and Mr. Reuning said it was based on child need. The Total Preschool Expenses are $480,415.78 or a 1.97% increase. The revenues show an increase of $4,767.00.

Mr. Reuning began the discussion of the SAU budget. The Northwood allocation is $382,729.31; percentage increase is .85%. The Nottingham allocation is $511,383.25; percentage increase is 6.27%. The Strafford allocation is $398,891.87; percentage increase is 3.93%. Ms. Levenson explained the fund balance. Mr. Reuning said he had spoken to Attorney Graham regarding the possible expenditure(s). Ms. Hinrichsen said the auditor was unable to understand why the fund balance was so high. Mr. O’Sullivan said the budget is an accrual based accounting
and it is different from the allocated salaries in the budget. He said there should not be two different types of accounting in the same budget.

Ms. Hinrichsen pointed out that a change of roles should be reflected in the budget lines and the correlating notes. Mr. Almanzan asked if the roles that are being shuffled between budgets do reflect same responsibilities and Mr. Reuning said they were, though the IDEA grant reduced some of the total cost. Benefits show an increase of $4,351.14 or a 1.25% increase. Dr. Chavda gave the language change of the Superintendent line to the Business Administrator, to state, “This represents a budgeted salary increase of a potential 3% subject to review.”

Ms. Levenson asked if there were any questions on the expenditures before moving to the Tyler Technologies one-time payment line. Ms. Hinrichsen asked what the $35,000 for the computer software was in regards to. Mr. Reuning said the one-time fee is $68,402. The annual fee is $17,000 and if they were to stay with the ADS software, the annual cost would be around $14,000. Ms. Hinrichsen said they could alleviate the town’s financial burden by paying for the entire Tyler Technology fee outright this year from the fund balance. Mr. Almanzan said he believed that everyone had received his email regarding the fund balance. He said that if the new technology was not a perfect fit to the SAU, then was it the best idea at this time instead of taking an additional three years from the older software that they were already using. Ms. Levenson said the SAU had also gone out to bid for the software; two companies responded and the Board had reviewed the RFP. Dr. Chavda asked if they were able to answer his question and Mr. O’Sullivan said that it far exceeds the software they are already using. It is far more functional than the current software as well. They already own the Frontline software, so they would just be integrating. Dr. Chavda asked why there was a change in the membership dues and fees; Mr. Reuning gave the explanation. The proposed software has an increase of $18,682.00 or an increase of 109.89%. Total expenses of the SAU #44 budget are $1,309,004.43 with an increase of $52,930.43 or a 4.21% increase.

Ms. Levenson asked if any members of the public had any questions before they closed the public hearing. Ms. Tanya Rich, Strafford, had a question regarding the line of the bad debt. The amount was because of grants in the 2000s that were not being paid out accordingly. The former auditor had the board pay the amount in full. Ms. Rich also had a question regarding the fluctuating GMR and Mr. Reuning gave the explanation. Ms. Levenson asked if they had covered everything in the public hearing. Ms. Hinrichsen asked if they could give the full amount of the unassigned fund balance to give transparency to the public especially in regards to the possible decision of the technology change. Ms. Levenson said they only had numbers from the October 31, 2017 audit. The June 30, 2018 fiscal year was still being audited. The unassigned fund balance was currently $432,727.09, but it will change with the numbers from this last fiscal year. Ms. Levenson made the motion to adjourn the public hearing and was seconded by Mr. Wells. The members were in favor. The public hearing closed at 8:14 p.m.

**Budget Discussion:**

Ms. Dabrieo made a motion to accept the Proposed 2020 Preschool budget with the total of $480,415.78 with the change to the notes on the 3% salary increase. She was seconded by Mr. Winslow and all members were in favor. Ms. Hinrichsen said she was concerned with the salary increase for the preschool teachers especially when the boards are just now being given this information towards the end of the budget discussions. One teacher is receiving a proposed $4500 increase and a 2nd teacher is receiving a proposed $4400 increase.
She said that in the past two years, they had done large increases each year, up to $3,000 each. Ms. Hinrichsen referred to the historical information she had given at the beginning of the public hearing session. Mr. Winslow said there was a note that they would not continue to give a flat increase but rather to follow increases based on district averages. Ms. Dabrieo said that if they had been given the amount that had been proposed over a period, then it would not have been a yearly budgeted item to raise the teachers’ salaries. Ms. Hinrichsen said the market is very different. Mr. Winslow said their preschool teachers were dually certified and dealt with special education cases. He said they needed to respect their responsibilities and case load. Ms. Hinrichsen disagreed, saying they were not in the CBA and were not paying union dues, yet were being paid upwards of $15 an hour. Ms. Dabrieo said she disagreed with the argument of not wanting to increase the salaries, because of the past years that the teachers were being underpaid. She said it was large, however it was also appropriate. Ms. Brosnan said she felt they owed the teachers the respect they deserved, and she said she was in full agreement of raising the teacher salaries. **Mr. Patrick made a motion to amend the line 25-1200-511110-01 to reduce the salary line to $3,836.46.** He agreed with what the other members had to say about their responsibilities, but the cost was a burden on the towns and the teachers also had 20% less interactive time than other teachers in the district. That rate is only based on the district levels and the CBA. **Ms. Hinrichsen seconded the amendment.** Mr. Winslow said a kindergarten teacher could not be compared to a third-grade teacher. Ms. Gordon said they also do not have a preparation period or a lunch period either. Ms. Levenson asked if they have Friday for planning and Mr. Reuning said they use Friday for lesson planning and IEP meetings. Ms. Dabrieo said the comparison of 20% was not accurate; Elementary teachers had planning hours throughout the day whereas preschool teachers were only able to plan on Fridays. Dr. Chavda said they were trying to correct the period of unpaid salaries because of the lower rates. Ms. Helm asked if they were going to continue the discussion in the next year(s). Mr. McGuigan said they should have a policy that gives information for preschool teacher salaries instead of having the same discussions for years in a row. Members of the Board agreed. The Board said this was the third year for the salary amendment. Mr. Byrne gave an alternative suggestion based on a formula and said they could be matched to the lowest step CBA employee in the district. He said they would save around $500 for this budget. **The Board voted 5-9 of the amendment; the motion failed.** Ms. Levenson asked if the Board had any other proposed amendments to the Preschool budget. **The Board voted to approve the Proposed Preschool budget with 10 in favor and 4 opposed. The motion carried.**

**Mr. Wells made a motion to accept the proposed SAU #44 budget for $1,309,004.43. He was seconded by Ms. Lowe.** Mr. Ruth asked if there were any other changes to the budget. **Mr. McGuigan made a motion to amend $68,402.00 with the addition of the revenue line as well as the changes to the district’s allocations. He was seconded by Mr. Ruth.** Ms. Dabrieo said they should leave the $17,000 in the budget to leave the space open and Mr. Ruth said they should take $100,000 out. Mr. Patrick asked for the district appropriations with the $68,402 taken out and Mr. Reuning gave the amount. Northwood would be $362,482.32 (-4.5%); Nottingham would be $489,330.26 (-0.6%); Strafford would be $377,789.85 (-1.5%). **The Board voted on the amendment and the motion carried unanimously.**

Ms. Hinrichsen had a question about the HR increase on line 10-2520-51105-03 and asked why the amount had significantly increased. Mr. Patrick said they needed to make a motion before they received the information. Ms. Helm said it was a change to a position; Mr. O’Sullivan explained the changes. Mr. Wells asked if they could zero out the line and make it a
whole new job. Mr. O’Sullivan said they could do that for transparency and historical definition. Mr. Wells made a motion to create a new line for the HR Manager and slash the title “Assistant to the Business Administrator.” He was seconded by Mr. Winslow. The members voted to approve the change of the line, with 13 members in approval with 1 abstention. Mr. Wells made a motion to make that new line reflect the $50,000 from the old line and to decrease the current line to $0.00 and reflect updated notes to reflect the new position. Mr. Winslow seconded the motion. 11 members were in favor of the motion with 3 against and the motion carried.

Mr. Ruth made a motion to add $1.00 to line 10-2320-57370 and was seconded by Dr. Chavda. All members were in favor of the motion. The Board voted to accept the new budget of $1,309,005.43. Motion carried with 12 in favor and 2 against.

Public Comments:
Mr. Almanzan said he had wished to see advocacy regarding the unassigned fund balance the way he had seen for the teacher this evening.

Approval of Minutes:
Mr. Wells made a motion to accept the minutes from November 26, 2018 and was seconded by Ms. Helm. Ms. Dabrieo brought a grammar change to the secretary’s attention and the members approved the minutes as amended, with 10 in favor and 4 abstaining. Ms. Dabrieo made a motion to accept the correlating nonpublic minutes and was seconded by Mr. Ruth. The Board agreed to changes regarding the minutes’ documentation. 8 members approved the minutes with 6 abstentions.

New Business:
- Negotiation and Evaluation Process
  Ms. Levenson said the evaluation is due. The evaluation team has been assembled by vote from the local districts. Ms. Helm said it had been discussed that the chairs of each local district would be the evaluation team. Mr. Wells said they should put the evaluation information on the agenda for the next meeting. Ms. Dabrieo said they should put the renewal discussion on the November calendar for discussion in December and have the end goals for the evaluation be discussed in May. Ms. Levenson said they would be discussing the process at the meeting in January. Ms. Dabrieo asked what the local boards should be doing in the meantime and Ms. Levenson said they should be reviewing the tool. Mr. McGuigan asked that the self-evaluation be put into the packets to the local board. Mr. Reuning said he would do the self-evaluation over Christmas break. Ms. Levenson said the board could bring their information to the joint board to discuss.

- Letter of Intent
  Ms. Levenson gave copies to the Board to review and edit before signing. Mr. McGuigan made a motion to allow Chairwoman Levenson to sign and present the letter of intent to Mr. Reuning. Ms. Hinrichsen seconded the motion and all members were in favor.

Committee Updates:
Ms. Levenson gave the update on the audit committee. One area that comes up in the discussion was that the student activity accounts be looked at on a monthly basis due to them being a high-risk item. Policies should be renewed once every 3 years so board members are familiar with each policy. She said they are meeting every Friday. Ms. Helm said the meetings
were to help support the clarity that they were looking for in regards to the fund balance. Mr. McGuigan asked what kind of review on the student activity fees and Mr. Reuning said it made sense to include the amount in the financial packets.

Ms. Levenson said she had the amendments to the part-time bookkeeper and the preschool paraprofessional for 135 days per year, to which all the documents had been previously approved and would be signed at this meeting.

**Future Agenda Items:**
Ms. Dabrieo said they should review the items they had already discussed.

**Future Meeting Dates:**
- January 14, 2019   6:15 p.m. Joint Board Meeting: SAU Office
- February 11, 2019  6:15 p.m. Joint Board Meeting: SAU Office
- March 11, 2019     6:15 p.m. Joint Board Meeting: SAU Office

**Motion to Adjourn:**
Ms. Dabrieo made the motion to adjourn and was seconded by Ms. Helm. All members were in favor. The Joint Board Meeting on December 10, 2018 was adjourned 9:35 pm.