

1. **Call to Order-Roll Call- Pledge of Allegiance:** Kunz called the meeting to order at 6:30pm and upon call of the roll the following board members were present: Austin, Nelson, Bolduc, Anderson, Kunz, Pepin, Gibson and Rivers. Absent: Leach, Robinson, Hiller, Collins, Brennan, and Hanlon.
2. **Budget Discussion:** D'Agostino stated that the revenues decreased by \$125,000 due to the board using the fund balance to fund this year's budget. She stated that the expenditures are proposed at 1,223,045 which is a 4.70% increase from last year. She stated that the net budget is an increase of 16.23% due to the use of the unreserved fund balance in Fiscal year 2017. She stated that the current audited fund balance is \$398,000. Bolduc asked if the fund balance is with the \$125,000 out. D'Agostino stated that the \$398,000 is as of June 30<sup>th</sup> 2016 we are using the \$125,000 towards this year's budget. Bolduc stated that we need to take the \$125,000 away from the \$398,000 so it will be \$273,000. D'Agostino stated yes.

**General Expenditure Items**

- Salary Increase 3% for certified staff and support staff except for the Superintendent which has no increase included yet. Assistant Superintendent Position change.
- Retirement Rates increase in 2017-2018 for teachers to 17.36% from 15.67% of wages and other employees to 11.38% from 11.17%
- Health Insurance increase due to changes in employee health participation and an estimated increase of 5.6% over 2016-2017 rates using Schoolcare's Billing Rate which does not include the premium holiday credit.
- Dental Insurance did not increase
- Workers Compensation rates estimated 9% increase over 2016-2017.

**Salaries and Benefits**

- Salaries, FICA, Disability, Life, and Retirement increases and decreases primarily to salary, retirement and health benefit changes.

**Staff Support Services**

- Staff Support Dues increased by \$330 based on increase in professional fees based on proposed salary changes.

**Other Support Services**

- Services-Software Support decreased by \$450 based on actual expenditures over three years

**Insurance:**

- Insurance-Workers Compensation increased by \$312 based on estimated 9% Primex premium change.

**Custodial Salaries and Benefits**

- Salaries, FICA, Disability, Life increased primarily due to custodian hourly rate adjustment based on the CBA and a 7.5 hour work week

**Plant/Maintenance Services**

- Maintenance- Plant Services increased based on a proposed new annual landscaping maintenance agreement. D'Agostino stated that the Superintendent requested to have some landscaping done in the front of the SAU office. She stated that next week at the board meeting they will discuss bids that they received in order to tear up what is there and redo it and that will come out of this year's budget for approximately \$9,800. That will happen this year. Moving forward they received a quote for maintaining it on an annual basis for \$2,200. Anderson asked how many bids they received. Supt. Mosca stated that we received two bids and they were almost identical. Bolduc asked how much money we have for this year. D'Agostino stated that we don't have any money for landscaping this year. Right now there is \$3,000 in that line for regular building maintenance and we will be adding \$2,200 for the landscaping. Supt. Mosca stated that at the next meeting they will discuss taking the \$9,800 out of the current budget and then yearly it will be \$2,200.

### **Insurance Property/Liability**

- Insurance Property Liability increased based on estimated 9% Primex premium change. Kunz asked why this went up. Supt. Mosca stated that this was new this year because we switched from PLT to Primex. D'Agostino stated that this is the maximum guaranteed so it could be less.
3. **Questions:** Bolduc asked what the percentage increase was for staff in the current budget. D'Agostino stated 2%. Nelson asked if the superintendent's increase is included in the 2017 budget and asked if it is always kept out. Supt. Mosca stated that in 2017 yes it is, it is not included yet for next year as it is the decision of the board. She stated that the assistant Superintendent doesn't include a 3%, it is an increase for what is comparable for a starting Assistant Superintendent. Rivers stated that if you take the increases and decreased besides salaries the increase from FY 16-17 to FY 17-18 is \$2,941 so we are discussing these six items and we are talking about \$500 per item. Bolduc asked why you black out the health on the salary sheet. Supt. Mosca stated that by law you can't know what people take for health insurance. D'Agostino stated that the last sheet is the assessment page. She stated that when you set the tax rate they come up with the valuations and the ADM-A is the average daily membership in attendance and that is based on the end of year state reports. She stated that the formula shows how it is apportioned between Somersworth and Rollinsford. She stated that based on the budget we presented the increase to Rollinsford is \$24,911 and Somersworth \$136,441. She stated that Jeni asked her to see what it would take to almost be at 0 and in order for that to happen you would have to use approximately \$162,000 of the fund balance. Bolduc stated that would leave about \$150,000 in the fund balance and he is not sure if that is the proper thing to do. He stated that it depends on how much you want to keep in the fund balance. He stated that he would suggest that at the end of the year if you don't spend say \$50,000 he suggest we take that and apply it to the following years budget to maintain where we want the fund balance to be. He stated that along the line we will have people retiring which will take money from the fund balance. He stated that he is opposed to taking money from the fund balance and use the \$273,000 as a guideline. Kunz asked what a reasonable fund balance is. Austin stated that based on the city budget it is usually between 7-15% but this is a smaller budget. He stated that if we stayed on the high end that puts us at about \$180,000 as a

target fund balance. He stated that we know that there will be additional revenues coming in with unanticipated grants. He stated that he understands Ken's point we need to know what we want but we can also expect it to increase by some amount. Gibson stated that we are lucky nobody pays attention because as a tax payer sitting on 25% of our budget he would be upset. He stated that if we stay at the high end of 15% we can reduce the obligation of the communities. Supt. Mosca stated that Idlehurst just got a \$350,000 grant so that will be more grant revenue. Nelson stated that she would like to hear an explanation on why we are moving back to the assistant superintendent. Supt. Mosca stated that she posed nonpublic for the opportunity to go into nonpublic so we can have conversations on my decision making through this. Nelson stated that in the past we approved a 3% raise and asked if it was across the board or a 3% raise in the bucket for Jeni to distribute as she sees fit. Supt. Mosca stated that we can have that conversation in nonpublic. Bolduc asked about the insurance premium holiday. D'Agostino stated that it is every year if they have excess reserves they have to return it to the communities. Bolduc asked why we use the bigger rate. Gibson stated that one year Somersworth got hit with almost \$650,000 increase. Supt. Mosca stated that we had a rate decrease in one year and then the following year we had a 19% increase and the board had a long conversation about using the billing rate so we don't have that happen again. Austin stated that we use the billing rate in order to maintain a constant flow so you don't see the fluctuation over the years. A motion made by Nelson to exit into nonpublic. Austin stated that he doesn't see why we can't discuss the Assistant Superintendent position in public. Nelson stated that she will withdraw her motion. Supt. Mosca stated that she moved forward with putting the Assistant Superintendent back in because it is a position that is needed and there are a lot of expectations on the current person who is acting like the assistant superintendent without the title and the dollars associated with it. She stated that there are a lot of things that she is asking this person to assume and her feeling was that they tried to do without but truly this person is doing the job of an assistant superintendent and in fairness if we are asking the person to do the job they should have the title and the salary. Bolduc stated that what happens to her title now does it just go away. Supt. Mosca stated it will roll into her position along with other duties. She stated that when we went from the assistant superintendent to curriculum director we took away the night obligations but there is a lot of things this person is doing and they deserve that title and compensation. Rivers stated that is this person in place or are we hiring. Supt. Mosca stated that it is the current position. Bolduc stated that you are changing the title but you are also changing the duties, do you have a job description. Supt. Mosca stated yes, she can bring it to the next meeting. Joanne Pepin stated that if you were out is she capable of taking over while you are out. Supt. Mosca stated absolutely. Gibson stated that the problem he has is that past assistant superintendents were not assistant superintendent's they were high class curriculum coordinators and when the Superintendent wasn't available they weren't able to step up and fill in. Austin stated that it should be the expectation that they handle some evening events and represent the SAU office as the assistant superintendent. Gibson stated that what he wants to see is taking some of the load off of the superintendent otherwise he is not in favor of the position.

4. **Nonpublic:** A motion made by Nelson seconded by Gibson to exit into non-public session in accordance with Chapter 91-A: 3 II (b) Personnel. VOTE: motion passed, unanimously. A motion made by Austin seconded by Gibson to exit out of nonpublic session. Exited out of nonpublic session at 8:34pm.
5. **Adjournment:** A motion made by Pepin seconded by Austin to adjourn. The meeting adjourned at 8:35pm.

Katie Krauss  
Board Secretary

Pending Board Approval