

**Merrimack School Board Meeting
Merrimack High School Cafeteria
January 7, 2013
PUBLIC MEETING MINUTES**

PRESENT: Chairman Ortega, Vice Chairman Powell, Board Members Barnes, Markwell and Schneider, Superintendent Chiafery, Assistant Superintendent McLaughlin, Business Administrator Shevenell and Student Representative Crowley.

1. Call To Order

Chairman Ortega called the meeting to order at 7:35 p.m.

Chairman Ortega led the Pledge of Allegiance.

2. Approval of December 17, 2012 Minutes

Vice Chairman Powell moved (seconded by Board Member Barnes) to approve the minutes of the December 17, 2012 meeting.

Board Member Barnes requested the following changes to the minutes:

- Page 2 of 9, section 5, paragraph 1, second to last sentence, insert the work “parking” before “signage”.
- Page 2 of 9, section 5, second paragraph, insert the word “scheduled” before “November”. Insert as the second sentence, “This means a 4-year lag to measure adjustments at Merrimack High School”.
- Page 3 of 9, first paragraph after the numbered items, second sentence should read, “She recommended to Superintendent Chiafery....”
- Page 3 of 9, paragraph 3, correct the spelling of Board Member Barnes. The sentence should read, “Board Member Barnes spoke about her concern if teachers are “friending students”.
- Page 3 of 9, paragraph 3, the sentence should read, “The communication pages referred to by Ms. Vaillancout are....”.
- Page 4 of 9, paragraph 7, add a period at the end of the sentence.

Board Member Schneider requested the following changes to the minutes:

- Page 3 of 9, paragraph 4, second sentence, after “New Hampshire Board Association,” add SERESC (Southeastern Regional Education Service Center), to leverage their legal expertise and some of the research other people have done”.
- Page 4 of 9, paragraph 12, add the questions and answers presented by Budget Committee member Lisa Mooney regarding the Food Services budget.

Mr. Dziki provided answers to the following four questions submitted by Budget Committee Member Lisa Mooney.

Question: Why are expenses budgeted to almost double this year and next?

Answer: The middle school equipment is now past its warranty and may require repairs sometime in the future.

Question: Is the reimbursement rate for food service travel at .55/mile? If so, this figure represents about 20 miles per day. Can you elaborate on the travel required on a daily or weekly basis?

Answer: The travel reimbursement is for food service employees that have to use their own vehicles to travel between schools, drive to the bank to make a daily deposit and attend meetings or conferences related to the food service department. Individuals are required to complete a mileage expense form for reimbursement.

Question: How will the recent reprieve from the USDA with regard to meat and grain quantities in school lunches affect the proposed budget?

Answer: The reprieve will not have an impact on the proposed budget.

Question: Are steam tables a new concept at the elementary schools or are they in use today with this budget requesting the purchase of additional tables?

Answer: The steam tables will be new to the elementary schools. The elementary schools are currently using warming ovens. The steam table will keep the temperature of the food consistent.

- Page 5 of 9, remove the word “not” before “essential to make the building livable.”.

Vice Chairman Powell requested the following changes to the minutes:

- After Vice Chairman Powell led the Pledge of Allegiance, he requested a moment of silence in memory of those children and teachers in Newtown, CT.
- Page 1 of 9, under Approval of Minutes, under Vice Chairman Powell, correct the spelling to “shored up”.
- Page 8 of 9, section 13, paragraph 1, change the word “prepared” to “presented”.

The motion passed 4-0-1 with Chairman Ortega in abstention.

3. Public Participation

There was no public participation.

4. Request to conduct a Doctoral Study Regarding Asperger Syndrome at the Elementary Level (Preschool to Grade 6)

Kevin W. Stone, of Nashua, NH, made a presentation to the board regarding his request to study children with Asperger’s. Highlights of his presentation:

- Mr. Stone is a student at New England College as a second year Doctoral Student.
- His purpose will be to investigate teacher perceptions of children with Asperger’s.
- After the study he will share his findings.
- The study will consist of four teachers (grades K-6), who are not necessarily at the same school or in the same district.

- Teachers that are willing to participate will take a total of four surveys.
- Mr. Stone would be in the classroom as an observer only.
- The study will take place between January and May.
- The study will remain confidential. The names of students, the town, teachers or parents will not be public information. Consent forms will be sent home for those classes taking part in the observations. He explained that he is planning to work with Assistant Superintendent McLaughlin with the letters that go home to parents.
- In order to be on schedule, he would need to meet with administrators this month.
- He explained that the purpose of this study is to try to increase teacher awareness relative to the positive attitudes necessary to work with students with Asperger Syndrome.

Chairman Ortega stated that in the past, the board has been very receptive to this kind of study. He added that the board would deliberate at the next meeting on January 22nd and come to a decision.

Board Member Barnes stated that she would like to know how parents of children with Asperger's will be communicated with. She also questioned the study as unlike other studies this focuses on specific students in a classroom.

Mr. Stone replied that he would contact the parents. Permission slips will be needed.

Board Member Schneider stated that he was very concerned with the privacy issue of students with Asperger's.

Mr. Stone stated that that Merrimack will not be mentioned in his work, nor will the names of the students, teachers or parents.

Chairman Ortega stated that he was concerned with the perceptions of the students in the classrooms who do not have Asperger's and who were not aware of a student with Asperger's in their class.

Mr. Stone responded that he is working with Assistant Superintendent McLaughlin on the privacy issues.

Board Member Markwell asked how many districts are included in the study and how was Merrimack School District selected to participate in the study.

Mr. Stone responded that Merrimack School District was selected because of the proximity to where he lived. He noted that he contacted thirty districts in all. He has heard from Merrimack, Milford, Hollis/Brookline and Nashua. He added that all four teachers are not necessarily from the same district.

Chairman Ortega asked if all parents in the class, even those with children that do not have Asperger's would be contacted about the study.

Assistant Superintendent McLaughlin responded that he and Mr. Stone would work very closely with the principals and would share with them the concerns about confidentiality.

5. Review Major Items in the Special Education Budget for 2013-2014

Chairman Ortega stated that this was not a formal budget hearing for the department, but rather an opportunity for the board to spend additional time on more complex areas. He asked that questions by the board members refer to what is presented.

John Fabrizio, Director of Special Services, stated that he was back in the blue building and is fully operational. He stated that two questions have been proposed to him by Budget Committee members. The first question was asked by Jen Burk who asked for a breakdown of the anticipated purchases that would result in a \$4,900 increase in the budget.

Mr. Fabrizio responded that between 2007 through 2011 the line item for additional equipment was \$20,100. In 2011-2012 the amount was decreased to \$9,600 due to Federal stimulus money (ARRA Funds - American Recovery and Reinvestment Act), which allowed for the purchase of needed equipment. For 2012-2013 the decrease in ARRA funds led to an increased budget line of \$10,100. This year the proposed increase of \$4,900 is for needed equipment including a sound system for the hearing impaired, specialized tables, chairs and desks and handicapped evacuation equipment.

Gary Krupp posed the second question from the Budget Committee. He identified four accounts that had to do with paraeducator salaries. These accounts show reductions, yet the budget message document does not mention any changes to the paraprofessional staffing. He asked where the reductions were coming from.

Mr. Fabrizio explained that they have been able to maintain 153 paraeducators in the district. Over the summer and during the past few months, several paraeducators have left and have been replaced by people who have been hired at lower rates. He added that accounts fluctuate for each school, depending on the number of students who need service.

Mr. Fabrizio continued to explain that he was also coming before the board to discuss two large ticket items for the 2013-2014 budget. He stated that the budget is based on Federal regulations, under FAE (Free and Appropriate Education) laws.

Transportation Costs: Mr. Fabrizio is projecting a 10% decrease with the new transportation provider and new contract.

Out of District Placement Costs: Mr. Fabrizio explained that out-of-district placement costs have risen and the number of out-of-district students is expected to increase from 40 to 42. The increase in the budget is due to providing more services and having to transport students further away. The New Hampshire Department of Education regulates all placements, the rates and approves the out-of-district schools in state and out of state.

Mr. Fabrizio explained the levels of placement for special education students:

1. General education classrooms with no aides. This is the least restrictive.
2. General education classroom with paraeducator provided services within the classroom
3. Resource room is a regular classroom with support for students for no more than 40% of the day.
4. Self-contained placement is a resource room with support for students for more than 40% of the day
5. Day school
6. Residential placement
7. Hospital/home placement

Out-of-district placement is considered after a team has exhausted the resources available in the District. Ms. Sherry Goldberg, Out-of-District Coordinator, works with the teaching teams and the parents. They look for placements close to Merrimack, and especially in New Hampshire, but many facilities have closed because they do not have the resources to be certified. Mr. Fabrizio continued to say that they try to keep the students connected with Merrimack, no matter where they are schooled. He added that

Massachusetts and Vermont have adequate placement services, but have increased costs. A new law in New Hampshire, RSA-194:B-11, is the Charter School Funding Law which states that when a child resides in one town (Merrimack) and has to go to a Charter School in another district, it is the responsibility of the town (Merrimack) to provide funding, and services outlined in the child's IEP (Individual Education Plan) such as transportation, Occupational Therapy, Speech Therapy, Physical Therapy and the use of paraeducators.

Business Administrator Shevenell clarified that the Charter School reference in the law are Charter Schools within the state of New Hampshire.

Board Member Schneider asked if the resident school district (Merrimack) is responsible for maintaining the IEP for the students.

Mr. Fabrizio responded that the Charter School is required to come to the resident town to work with the education team in forming the IEP.

Board Member Barnes asked if there was something that could be done with the external resources that are available, such as a psychologist, with regards to testing to determine out-of-district placement.

Mr. Fabrizio responded that it depends on the school and what the team has decided as far as out-of-district placement.

Vice Chairman Powell asked how many students are affected by the new law regarding Charter Schools.

Mr. Fabrizio replied that currently there are two students that have been placed in Charter Schools.

Vice Chairman Powell asked if there has been any thought about multiple students from multiple districts sharing the cost.

Mr. Fabrizio responded funds and resources are being tracked through SERESC, perhaps resulting in the sharing of costs.

Board Member Markwell asked if a Merrimack student is placed out-of-district without an IEP would Merrimack be financial responsible for that student's IEP if the IEP was developed after placement.

Mr. Fabrizio responded that right now there are no students identified. He added that it is the responsibility of the district to mirror the services being given and to fund them.

Board Member Markwell asked how the department handles bringing the students closer to New Hampshire.

Mr. Fabrizio responded that bringing students back to New Hampshire would reduce costs and bring the students closer to their parents. It is unfortunate that places have closed in New Hampshire even though services are still needed for students within the state.

Chairman Ortega stated that there are two students who went from Merrimack to a Charter School with an IEP and more than likely there will be more cases as the law is better understood. He asked how the budget accounts for two or maybe more students.

Mr. Fabrizio explained that right now the budget reflects the cost of two students, adding that it is very difficult to project. Some students “age-out” (over 21 yrs. old). Right now the Out-of-District Coordinator keeps track of those who move out or in. That is how the budget is maintained. It is all a projection.

Chairman Ortega asked if there were increases in terms of tuition.

Mr. Fabrizio responded that many of the Charter Schools do not have many funding resources; therefore their rates are higher to maintain staff.

Chairman Ortega asked what the numbers are for in-district placement and what the relationship is to the paraeducators in the district as compared to out-of-district cost increases.

Mr. Fabrizio responded that the numbers have gone up, as have the number of students. In 2010-2011 there were 400 students; in 2011-2012 there were 405 students; in 2012-2013 there are 425 students. He added that the increase is due in part to the number of preschool students entering the district.

Board Member Schneider asked if there was a way to track the costs of sending students to Charter Schools.

Mr. Fabrizio responded that the Out-of-District Coordinator compares the costs and keeps a spreadsheet on all the costs, including physical therapy, occupational therapy and transportation.

6. Review Major Items in the Library/Media Budget for 2013-2014

Nancy Rose, acting Director of Library/Technology Services came before the board to present the Library/Media Budget for 2013-2014. She explained that the budget has grown in the software area and the CIP for technology.

Software Licensing

Ms. Rose spoke about the software account and that this year she has been working to consolidate the software line by taking the accounts from the different building and putting them together. This allowed for more equitable purchase of software. There are two notable lines. These are the High School Credit Recovery System and bringing the electronic transcript service into the high school.

Ms. Rose referred to the question by Budget Committee Member Chuck Skarda, who asked if the software licensing line of \$21,000 was due to the cost of the credit recovery system. She explained that previously the licensing was paid by ARRA funds. Initially there were 25 licenses and then 25 more were added for the Evening Academy, summer school, NECAP test preparation and SAT test preparation in Math and English.

Board Member Schneider asked if the licensing for the software, which is proposed as double from previous years, are repeatable every year or are a one-time purchase.

Ms. Rose responded that they are working on bringing in more information sources through licensing. Things have moved and shifted just to make the accounting clearer, as last year was the consolidation and this year is the addition of the credit recovery and transcription service.

Board Member Schneider asked that if there are any reciprocal agreements where the District can leverage on licensing to reduce cost since the District is responsible for special education and Charter Schools.

Ms. Rose responded that she never heard of any and that she could not imagine software companies or information companies going along with it.

CIP for Technology

Ms. Rose referred to the questions by Chuck Skarda who asked what the cost of future years in the Capital Improvement Plan is expected to be. He also asked what was in the budget packet that Business Administrator Shevenell had handed out.

Ms. Rose explained that the document for the board precedes the voice over IP for the high school and was added in, so that it is a new cost. Programs that vary the most are electrical upgrades, cabling upgrades, increasing wi-fi, networks, refreshing desk-top computers, installation of presentation systems, updating old TV's, voice over IP systems, and some contracting to support all the efforts since there is a skeleton staff for technology.

Ms. Rose referred to the question by Budget Committee Member Gary Krupp that asked about the replacement equipment account. Last year it was \$44,000 and this year it is 0.

Ms. Rose responded that that line was incorporated directly into CIP because it is infrastructure that supports classrooms.

Board Member Schneider stated that Mastricola staff is using some of their professional development funds to put their own wi-fi extensions in their school. He asked how that blends with the overall CIP process to expand wi-fi and if there is a need to do this in the other schools.

Ms. Rose responded that that she is pleased that Professional Development funds are being used to improve technology. She added that the building leaders assess what they need to move the professional development forward, then go to her and discuss what falls in with the planning that has been done to make purchases.

7. Review Major Items in the District-Wide Budget for 2013-2014

Superintendent Chiafery addressed questions regarding the Food Service Budget from Budget Committee Member Jen Burk.

How has daily participation changed from 2011-2012?

Superintendent Chiafery responded that the average daily participation dropped 10.3% district-wide for 2011-2012. The daily enrollment dropped by 4.2%. The participation drop was probably due to the district-wide price increase that was put into effect on August 30, 2012.

What was the change in free and reduced participation from 2011-2012?

Superintendent Chiafery responded that the free and reduced numbers were up by 7.7%.

What is the level of waste as seen from the food offered?

Superintendent Chiafery responded that Mr. Dziki has not noticed an increase in food waste during the first three months of 2012. At James Mastricola Elementary School the service was changed to the “offer vs. serve” method. This gives students the option of refusing an item rather than having everything served on their tray. This reduces the amount of waste as a student may choose an item that they are more likely going to eat.

What are the plans to increase the amount of food consumed?

Superintendent Chiafery responded that with the introduction of new standards this fall, the Food Services has opted to serve more fresh fruit and vegetable choices in all schools. They have tried different choices such as spinach salad, roasted carrots, butternut squash and homemade hummus with fresh celery and carrot sticks. James Mastricola Upper Elementary School has done a comments/feedback request from the students, which has produced significant data on the food service program.

What is the district doing relative to the Fuel Up to Play 60 program?

Superintendent Chiafery responded that the Fuel Up to Play 60 is an in-school nutrition and activity program launched by the National Dairy Council and the National Football League in collaboration with the USDA to help make wellness part of the game plan in schools across the country. Merrimack has people involved district-wide with the program. She added that Mr. Dziki has met with Physical Education Instructor Carrigan at Merrimack Middle School and the Dairy Council representative, Evelyn Hart, to work on setting up a program.

Business Administrator referred to two questions by Gary Krupp in the Maintenance Budget.

This year’s budget lists the costs for the office renovations and secure entry at the upper elementary school as \$328,000. When it was cut from last year’s budget it was only \$100,000. What is the difference?

Business Administrator Shevenell responded that the Building Department shifted under the auspices of the Fire Department, so that everything now has to be approved by the State Fire Marshall. This is a step that was not required in the past. Now full complements of specifications are needed. The HVAC system project cut some corners and now has to be upgraded. The rest is an estimate that was not looked into in great detail and was low. The \$328,000 reflects everything that needs to be done.

Rubbish Disposal: If only \$45,126 was expended in the 2011-2012 budget, why is \$63,000 budgeted for?

Business Administrator Shevenell responded that \$63,000 has been the budgeted amount for rubbish disposal for some time. Every year it is looked at and bid-out by four or five fairly competitive contractors. Right now the expense is around \$50,000. Back in 2005-2006 it was \$82,000. There have been many ways the rubbish disposal has been handled. He felt comfortable leaving it at \$63,000.

Business Administrator Shevenell continued to discuss the District-Wide Budget, which includes all the benefits and services needed to make the district run on a practical basis.

Health Insurance: There is an increase of 3.5% that adds \$281,000 to the operating budget. This is a GMR (guaranteed maximum rate) of 3.5%, which is good. In the past there was a GMR of 22%.

New Hampshire Retirement System (NHRS): The New Hampshire Retirement System rates are set for a two-year period. Now there is a new rating cycle, which increased the rate to around 10.77% of salary for support staff and 14.16% for teachers, which is a net increase of around 22%.

Transportation Contract for Regular and Special Education: Business Administrator Shevenell stated that Mr. Fabrizio had said that there was a decrease in the Special Education transportation cost. There was an increase in the transportation line in the budget of \$162,000 but that was based upon the estimate we had before the bid was done for the 2012-2013 budget. The district chose to go with a company that exceeded that budget, because it was made up on the other end with a savings in special education transportation.

Business Administrator Shevenell referred to the questions from Budget Committee Member Jen Burk.

In what year is the District with regards to the transportation contract? Could you please provide the contractual increase in rates for the 2013-2014 fiscal year and the upcoming fiscal year? There is a decrease noted for Special Education, but an increase for Regular Education, so is there a separate agreement specific to Special Education?

Business Administrator Shevenell explained that the transportation bids for regular education and special education went out separately and as a pair. It was decided to go with one provider for the regular education transportation. They were a little more expensive, but we were able to provide brand new busses. The increase for 2013-14 is about 3%. This contract runs until 2016-17. Every year of the contract there is a 3% increase for regular education transportation. The three-year contract for the special education transportation has a 3% increase in 2013-14, is level funded in 2014-15, a 3% increase for 2015-16, level funded in for 2016-17. He added that the district is pleased with the transportation companies.

Business Administrator Shevenell posed the questions asked by Budget Committee Member Gary Krupp:

The “2700” accounts represent the transportation expenses and in total have increased \$49,731 in this budget. Given that last year’s budget was reportedly \$180,000 more than the expected contract costs, why has this area of the budget increased?

Business Administrator Shevenell responded that if he takes the true cost of the Regular Education transportation for this year and plugs it into the budget instead of the “guestimate”, it comes up with an overall decrease in transportation costs of \$54,000. This year the cost is \$1,930,317, which was not reflected in the revisions. Next year \$1,988,226 is the amount, which is \$57,000 more, not the \$162,000 increase.

Transportation Coordinator: Is this account only more mileage reimbursement for the transportation coordinator? How much per mile is the reimbursement rate? What part of this position’s duties require them to drive?

Business Administrator Shevenell responded that the account is for mileage reimbursement at the IRS rate of return of 56 cents per mile. Mr. Desmond, the coordinator, is pro-active, visits each school, speaks with the children on the busses, and encourages them for better behavior. He investigates theft of services as well as dealing with truancy. He is being reimbursed for his travel throughout the district.

Contracted Services:

Business Administrator Shevenell explained that this item includes PowerSchool license, Internet license, BudgetSense (now called Tyler Technology) license and DS3 coming into the high school. The cost is \$12,000 for two systems. He stated that Tyler Technology is our “life line” because back-ups are offsite and include a disaster recovery plan, which is well worth the money.

Board Member Schneider stated that last year it was discussed shaving \$200,000 from the transportation budget. He asked what the difference was between the actual expenditures and the budgeted amounts.

Business Administrator Shevenell responded that special education transportation bid specified 16 vans, adding that their routes are not locked in as they are with the regular education busses. There have been special education placements that were not planned for and some added costs due to extra bus travel. He explained that they are working with companies that service surrounding communities to take advantage of ride sharing.

Board Member Schneider asked how much was over/under budget for transportation.

Business Administrator Shevenell explained that the new budget from the new carrier comes out with a decrease of \$54,795.

Board Member Barnes stated that the transportation coordinator presents a positive attitude to the students has open dialogue with them and is very approachable. He sets the tone for the beginning and end of the students’ day.

Chairman Ortega shared some figures for four major areas. He stated that the transportation coordinator drives approximately 34-35 miles each day, whether it is from school to school or to and from students’ homes. He also stated that health care costs are up 3.5% for an increase of \$280,000.00. He highlighted the Healthcare Cost Containment Committee as one effort to address costs. The New Hampshire Retirement System has gone up 23% for an increase of \$740,000, for which we are not able to make any adjustments. He asked Business Administrator Shevenell to please complete a chart of the transportation costs for the formal budget meeting.

Business Administrator Shevenell explained that he has such a chart and will make it available to the Budget Committee.

8. Proposed Modifications to the 2013-2014 Budget

Superintendent Chiafery explained that at the last board meeting on December 17, 2012, Vice Chairman Powell asked the Administration to look at the overall District Budget to see if some modifications could be made to bring down the bottom line. When the budget was presented on December 3, 2012, the overall budget was up 2.85%.

Superintendent Chiafery introduced three budget modifications which have the support of the Leadership Team. They include the roof replacement at the high school, health cost reductions and the reduction of two school psychologists.

Superintendent Chiafery explained that Business Administrator Shevenell would respond to the roof and healthcare modifications. She spoke explained that two school psychologists are presently on staff at the elementary level. The middle school and high school psychological service is done through contracted services. She stated that the Special Services Director (past and present) felt that the immediate needs of the elementary level students could be met by using contracted services. She explained that \$100,000

would need to be added to the contracted services portion of the special services budget. She stressed the need for assessments in order to meet the needs of all the students.

Business Administrator Shevenell spoke about the roof at the high school. In conferring with Maintenance Director Tom Touseau, it was determined that the roof could be put off for another year (Option 1), with some possible minor repairs throughout the year. Portions of the roof could be done with an expenditure of \$385,920, thus reducing the budget by \$638,360 (Option 2). Portions of the roof could be done with an expenditure of \$638,360, thus reducing the budget by \$385,920 (Option 3).

Business Administrator Shevenell spoke about the health care contributions. He stated that the "Contribution Holiday" is another way of saying refund. He continued to say that over the past years the Local Government Center (LGC) has built up a surplus of about \$350 million. The LGC was told that they needed to reduce the amount of the surplus because it was much too high. Over the next two years the District will get a "contribution holiday" on health insurance and one year for dental insurance.

Business Administrator Shevenell explained that as far as health insurance, it seems fair for the District to keep 89% of the return and return 11% back to those who participated in the LGC Health Plan. As far as dental, the District would keep 90% of the return and return 10% back to those who participated in the LGC Dental Plan.

Business Administrator Shevenell stated that in the end, there is a \$284,000 reduction in the health care line of operating budget, with \$60,000 going back to employees, half of which would go to retirees. In the dental plan, \$70,000 would go back to the employees.

Board Member Markwell asked what area of the high school roof project would cost \$385, 920 to fix and what areas would cost \$638,360.

Business Administrator responded that the two smaller sections would cost the least and the one larger section would cost more.

Vice Chairman Powell asked about the two psychologists who service the elementary grades. He wanted to know if they service all three elementary buildings.

Superintendent Chiafery responded that one psychologist services students at Reeds Ferry Elementary School and Thorntons Ferry Elementary School and the other services students at the entire Masticola Complex.

Board Member Barnes stated that, with the \$738,000 downshift from Concord, the only way to make the budget level funded is to go with Option 1, which is to put off the high school roofing project one year. She added that the board needs to look at the consequences of going with that option.

Chairman Ortega stated that the board has made a commitment to keep the budget level funded. There are questions for Mr. Touseau to make sure putting the roofing project off one year is feasible.

9. Consideration of the Establishment of a Separate Account for NHSBA Dues

Chairman Ortega referred to Attorney Pehl's correspondence on the establishment of a special account for the NHSBA dues on 8/23/12 which was based on a letter received for a constituent concerned with, in particular, lobbying activities of the organization and RSAs that require handling the money in a certain way.

"Assuming that the District budget included NHSBA dues, the District could open a separate deposit account and deposit the amount needed to cover the dues from the tax revenue received from the Town of Merrimack....However, a portion of any future tax revenue can be deposited directly into this new account and may then used to pay NHSA dues."

Chairman Ortega continued to explain that this rendering was given to the board in August, at the time the NHSBA dues had been paid for the current year, so this has to be considered for 2013-2014. He noted that Business Administrator Shevenell needs the authorization from the board to create these accounts.

Business Administrator Shevenell stated that he would create a different fund, not necessarily a different account to keep track of it separately.

Board Member Schneider asked if it could be done in such a way that if other membership dues for organizations are involved in lobbying they could be part of the same account. In other words, he asked if separate accounts are needed for each organization.

Chairman Ortega stated that the ruling is that the money needs to be segregated. He added that there are about six other memberships costing less than \$50,000.

Vice Chairman Powell asked if this account would have to be set up every year and cleaned out at the end of every year.

Business Administrator Shevenell replied that the account would have to be rolled over from year to year, and therefore a budget would need to be set up for it. He added that everything that was not expended would have to go back into the general account, just like the Grater Woods account, which is a revolving fund account.

Vice Chairman Powell asked about the cost for opening and closing such an account.

Business Administrator Shevenell responded that it would not have any costs. It would not be a separate account. It would be a journal entry. He added that we have separate accounts for everything. As far as the bank is concerned, there is one account for accounts payable and one account for payroll.

Vice Chairman Powell stated that he thought the attorney's rendering stated that it would be a separate account. He noted her letter which read, "*....opening and closing a separate account each year and making sure that local tax revenue is deposited directly into this account.*"

Chairman Ortega noted the letter from Attorney Pehl which stated "*This is not a mere accounting function; the non-state funds must be "physically" segregated from any state funds.*"

Business Administrator Shevenell stated that the amounts deposited come in one single check. He would have to cut a separate check from the general fund for the town's portion, but it is all co-mingled when the money goes into the account.

Chairman Ortega stated that once a year \$45,000 is received for the membership dues. Therefore it could be a once-a-year transaction.

Board Member Markwell asked if the money could be transferred electronically from one account to another.

Business Administrator Shevenell responded that the transaction has to take place at the bank, not electronically.

Vice Chairman Powell moved (seconded by Board Member Schneider) to direct the Administration to look into setting up a separate bank account so that the District is in compliance with RSA 15:5.

Board Member Barnes asked that since this fiscal year is already paid for, should the administration be directed to open a separate account at the end of the fiscal year on July 1, 2013.

Vice Chairman Powell amended the motion to read, "direct the Administration to look into setting up a separate bank account for fiscal year 2013-2014 so that the District is in compliance with RSA15:5."

Board Member Schneider stated that he did not want to make this motion every year.

Chairman Ortega stated that the motion would have to be made every year. He added that the board needed to be fiduciary responsible to be in compliance with the law.

Vice Chairman Powell added that when he made the motion to set up an account, he wanted to give the board member the options of a non-lapsing account or a lapsing account. Then the board could figure out the best way to handle it.

Chairman Ortega stated that creating a non-lapsing account would need to be approved by the voters. He questioned if it gets voted down.

Business Administrator Shevenell stated that there are certain areas where there can be certain accounts, such as revolving account, Capital Improvement account, expendable trust fund accounts, or non-expendable trust fund accounts. He was not quite sure where this account would fit in.

Superintendent Chiafery asked if it made sense to table the discussion until the January 22, 2013 board meeting with the idea that the District Treasurer and Legal Council could talk to the bank to understand the options.

Vice Chairman Powell withdrew his motion.

Chairman Ortega stated that the board will bring this forward on the 22nd of January.

Board Member Markwell asked if it would be possible to develop non-lapsing accounts, one for Federal tax revenue and one for local tax revenues so they would not have to be closed and funds could be withdrawn from the Merrimack tax account. He stated again that many banks offer electronic transfer of funds.

Business Administrator Shevenell responded that it is an interesting dilemma, since he needs money during the year to pay bills.

Board Member Barnes referred to the attorney's rendering, which states that "*any balance left in this account at the end of the fiscal year could not be spent*".

Chairman Ortega stated that the board would look at additional options on January 22nd.

10. Merrimack School Board Budget Hearings

Chairman Ortega reported the dates and times of the School Board Budget Hearings. The meetings will take place in the Merrimack High School Cafeteria, beginning at 7:00pm. The agendas are:

Wednesday, January 9, 2013

- James Mastricola Elementary School
- Reeds Ferry Elementary School
- Thorntons Ferry Elementary School
- James Mastricola Upper Elementary School
- Maintenance

Monday January 14, 2013

- Merrimack High School
- Library/Media/Technology
- Special Services
- District Wide

January 16, 2013 is a possible deliberation date.

11. Second Review of Revised Policy

Superintendent Chiafery stated that The Wellness policy is up for revision. The phrase “an educator from each school” is being added to the policy. This policy will be placed on the consent agenda for the January 22nd board meeting.

12. Response to Proposed New Hampshire School Board Association (NHSBA) Resolutions

Chairman Ortega stated that at the last board meeting the Proposed Resolutions for 2013 were given to the board members. The board members chose not to propose any new resolutions. There were three new resolutions for the board to consider.

RESOLUTION SUBMITTED BY SAU #44: Strafford School District. The Strafford School Board proposes that a resolution be adopted that would create legislation to amend the State Common Core Testing that will begin in the school year 2014-2015 to allow Special Education students to be tested at their grade level ability rather than their placement of their current school grade.

The NHSBA Board of Directors recommends this resolution.

Vice Chairman Powell moved (seconded by Board Member Markwell) to direct Board Member Barnes, representative to the NHSBA General Assembly on January 12th, to vote in favor of the resolution.

Vice Chairman Powell, speaking to the motion, stated that he felt passing this resolution was in the students’ best interest.

The motion passed 5-0-0.

RESOLUTION SUBMITTED BY SAU #55: Timberlane Regional School District. The NHSBA supports targeting 100% of any future New Hampshire state revenues derived from legalized gambling to additional funding of public education.

Vice Chairman Powell moved (seconded by Board Member Markwell) to direct the vote of the district in favor of this resolution.

It was noted that NHSBA Board of Directors did not recommend adoption.

Vice Chairman Powell spoke to the motion, stating that it was his understanding that when gambling was set up in New Hampshire, the revenues went to the schools and he thought that it should go back to the original plan. He added that he did not think passing this resolution would encourage gambling in the State.

The motion passed 5-0-0.

RESOLUTION SUBMITTED BY SAU #4: Newfound Area School District. May it be resolved that the NHSBA supports a move away from automatic employee pay/step increases in favor of pay increases based on performance.

It was noted that NHSBA recommend recommends an alternative adoption.

Board Member Barnes moved (seconded by Board Member Schneider) to accept the alternative adoption recommended by the NHSBA.

In speaking to the motion, Board Member Barnes stated that she agrees that local control is needed.

The motion passes 5-0-0.

13. Other

Correspondence:

Chairman Ortega stated that the board was in receipt of correspondence regarding the reduction of one French teaching position at the high school.

Chairman Ortega spoke about an article that was received that showed clinical evidence of the importance of math automaticity.

Comments

Superintendent Chiafery was pleased to announce that Sharon Putney, Assistant Principal at Thornton's Ferry, was named the Elementary Assistant Principal of the Year for the State of New Hampshire.

14. New Business

There was no new business.

15. Committee Reports

Tracy Bull, 5 Independence Drive, gave a report from the Town Center Committee, which met on December 17, 2012. The privately owned parcel along the Souhegan River (approximately one acre amid district property) was purchased by the Town with Conservation Commission funding (\$15,000) for the development of Trails. She added they are actively working with the National Parks Service and that an easement agreement subcommittee was formed. The next meeting is January 28th.

Ms. Bull also reported on the Safe Routes to School Travel Plan Task Force. She and Business Administrator Shevenell and Peter Flood (TCC Committee Chair) attended the scoping meeting on December 13th. They discussed the project timetable and tasks and reviewed the budget. She stated that the committee is presently awaiting notice to proceed with the bidding process between the district and NEPC for amounts outlined in the grant application. Once the bid is formalized and the contract is approved they will issue a final "Notice to Proceed" and then the grant work can formally begin under the reimbursement program. The next meeting is January 22, 2013.

Superintendent Chiafery referred to the Town Council Meeting Agenda and Memo of Understanding between the district and the Merrimack Town Council regarding the Safe Routes to School. Ms. Bull, Peter Flood, and Kyle Fox attended the meeting. The Memo of Understanding states that the District, in cooperation with the Town Center Committee, requests the assistance of the Local Public Agency (LPA), Kyle Fox, certified Public Works Department Deputy Director, to assist in administering the Safe Routes to School Travel Plan Grant in tandem with Business Administrator Shevenell, who will be certified as an LPA between now and May.

Board Member Barnes attended the Merrimack Safeguard Committee on January 3, 2013. The committee finalized the discussions to launch the website. They reviewed environmental scans of Merrimack businesses that sell alcohol, looking at the environments and how they influence youth in making the right or wrong decisions. The committee also reviewed information about the 2012 Comet Report, which supports the grant application and gets funding for the School Resource Officer at the Merrimack Middle School among other things. They also reviewed a document by Beyond Influence, which is a brochure that offers parents talking points for alcohol and drug prevention.

16. Public Comment on Agenda Items

Gary Krupp, 4 Ministerial Drive, complimented the board on the way the questions from the Budget Committee were handled during the meeting. He also suggested calling the NHSBA regarding setting up a separate bank account.

17. Manifest

The Board signed the manifest.

At 10:15 p.m. Board Member Barnes moved (seconded by Board Member Schneider) to recess to non-public session per RSA 91-A:3,II (a), (b), (c).

The motion passed 5-0-0 on a roll call vote.

At 11:10 p.m. Board Member Barnes moved (seconded by Board Member Markwell) to adjourn the meeting.

The motion passed 5-0-0.