

The Surry School District
Surry, New Hampshire
Second Annual Meeting, Thursday, March 19, 2009

School District Officers in attendance:

Moderator – Nancy Callender

Assistant Treasurer/Assistant Clerk – Becky Russo

Board of Education Members –

Timothy Peloquin

Bonny LaRocca

Carroll Lothrop

Mark Gross

Franklin Buffum (incoming member)

Wayne Brown (departing member)

SAU Superintendent – Ken Dassau

The meeting, conducted at the Surry School Building, was called to order by N. Callender at 7:00 PM. All present rose to face the American Flag and recited the Pledge of Allegiance.

R. Russo read the official ballot results of the annual school district elections held on Thursday, March 12, 2009. N. Callender confirmed that all present were voters.

Article 1. **Report of District Officers.** - *To hear the reports of the District Officers.*

Chris LaRocca - motion. Kirk Callendar - seconded.

No Discussion.

Article passed.

Article 2. **Main Budget.** *To see if the District will vote to raise and appropriate the sum of \$904,973 for the support of schools for the payment of salaries for the School District Officials and Agents, and for the payment of the Statutory Obligations of the District for the 2009 - 2010 Fiscal Year. This Article does not include appropriations voted in other Warrant Articles. The School Board and the Budget Committee recommends this appropriation.*

C. LaRocca moved. K. Callender seconded.

M. Gross explained that the \$750,000 of budget is for tuition. 80% is purely variable, depending on the number of children times the rates within each respective school. He reviewed the rates, and based the total tuition budget based on a survey of the total number of children within the school. Other costs include maintenance of the school building, administrative services, transportation, etc.

Discussion: None

N. Callendar repeated the question. **Article Passed.**

Article 3. Expendable Trust Fund (Special Education and Tuition Trust Fund)

To see if the District will vote to create an expendable trust fund under RSA 198:20-c, to be named the Special Education and Tuition Trust Fund and to raise and appropriate the sum of \$100,000 for the fund and name the school board as agents to expend this fund. The School Board and the Budget Committee recommend this appropriation.

Linda Bergevin – Motion. K. Callendar – Second.

M. Gross explained that the School Committee and the Town Budget Committee worked through the numbers with the goal of covering the uncertainties of new families moving into town with special needs children. Each child would mean, at minimum, an additional \$30,000 expense. We need to protect the town from unforeseen expenses in any given year.

N. Callendar repeated the question. **Article Passed.**

Article 4. Expendable Trust Fund (School Building Fund)

To see if the District will vote to create an expendable trust fund under RSA 198:20-c, to be named the School Building Fund for the purpose of repairing, maintaining and renovating the Surry school building and to raise and appropriate the sum of \$20,000 for the fund and to name the school board as agents to expend from this fund. The School Board and the Budget Committee recommend this appropriation.

Bruce Smith – Motion. K. Callendar – Seconded

M. Gross explained the long-term maintenance needs versus the ongoing maintenance needs of the school building.

R. Bienvenue – Unfamiliar with the term “expendable trust fund.” M. Gross stated that the School Board would be the trustees, and the funds would carry forward from year to year that were not expended.

N. Callendar repeated the question. **Article Passed.**

Article 5. Contingency Fund.

To see if the District will vote to raise and appropriate the sum of \$50,000 to establish a Contingency Fund pursuant to RSA 198:4-b to meet the cost of unanticipated expenses that may arise during the 2008 - 2009 fiscal year. The School Board and the Budget Committee recommend this appropriation.

Bruce Smith – motion. C. LaRocca – second.

M. Gross moved to amend Article 5 to read 2009-2010 instead of the typo as made in the article. Wayne Brown – Seconded. No Discussion. Amendment Passed.

M. Gross explained that this contingency fund is not for long-lasting issues, but for any unforeseen areas where we have not budgeted.

R. Fiorey asked if this fund would carry over year to year. M. Gross said that, no, it would not carry over from year to year. It’s purpose is to protect the town and school district, given that we have a new school board not familiar with the district’s needs.

M. Jarvis asked if this would come under the general budget. M. Gross explained that special warrant articles are for issues beyond the general fund for the budget.

N. Callendar repeated the question. **Article Passed.**

Article 6. SAU #38 Budget.

Shall the voters of the Surry School District adopt an SAU #38 budget of \$1,816,479 for the forthcoming fiscal year in which \$38,483 is assigned to the school budget of the Surry School District? This year's SAU #38 adjusted budget of \$1,776,609 with \$37,638 assigned to the Surry School District budget will be adopted if the article does not receive a majority vote of all of the school district voters voting in SAU #38.

David Lane – motion. K. Callendar – second.

M. Gross noted that Surry School District is a member of SAU 38. In the last meeting, Surry's school district discussed the relationship that it has with 38, and thus the district explored joining 29. SAU 38 expressed a willingness to provide the district with services, and since making those "overtures," they have been very helpful and deeply appreciated.. The primary purpose of the SAU is for special education needs.

Tom Dutton – Is this number included in the \$1,024,000 budget? M. Gross said no.

Bruce Smith – When can we tell if the other SAU towns have passed it? K. Dassau – Confident that it will pass, though must wait for votes cast by other towns. This must be a ballot vote by the town.

Tim Small – What brought along the change in attitude from SAU 38? T. Peloquin – The other towns, Hinsdale and Winchester, were upset at the process of our withdrawal. They have since softened their stance.

Secret Ballot Vote proceeded. 52 in Favor, 8 Opposed. Motion passed.

Article 7. Educational Support - Tuition

To see if the Surry School District will enter into an agreement with the Surry Village Charter School ("SVCS") where (i) the Surry School District will pay to SVCS, for each Surry resident pupil that is enrolled and in attendance full-time at SVCS, an amount equal to 50% of the applicable general student tuition rate under those certain agreements between the Surry School District and the Keene School District on account of such pupil at SVCS; (ii) SVCS shall waive any and all fees for the extended day program that would otherwise be due on behalf of any Surry resident enrolled in the SVCS full-day kindergarten program; and (iii) SVCS will give absolute admission preference to pupils resident in Surry over any and all nonresident pupils, provided such Surry resident pupils meet SVCS' admissions requirements. (This warrant is advisory only.) The School Board opposes this warrant article.

John Davis – Moved. Frank Conroy – Second.

T. Peloquin – This issue has dominated school board meetings. It has been complicated. The school board supports the SVCS, though not this Article for a number of reasons. The contract with Keene states that Surry will exclusively pay tuition to Keene. In paying tuition to SVCS, Surry would violate a contract. Secondly, this discussion also involves Article 8. Peloquin stated that the town did not want a voucher system during its last annual meeting. He stated that the argument of SVCS is that they "save the town"

money. For other families that Homeschool or send to Private Schools, they get nothing from the town. Pelouquin held that a voucher system is a bad idea as there is no other school district in the state that gives money to a charter school. The existing statute that addresses the issue of town assistance talks about the giving of services, grounds, etc., and not tax funds. Provided that Article 8 (recommended by the Board) passes, the Board does not believe that it is appropriate to subsidize this school as stated in the article. The idea of leasing can be explored, which we will talk about in the next article. The Board does not feel that it's fair to other families not using the KSD.

J. Davis – Introduced himself and his involvement in the Charter School movement. The biggest problem SVCS has, he stated, is funding. Any child that does not go to the KSD but instead goes to SVCS, the town would be saving money. He asked not to call it tuition, but educational support. The town has no control over who wants to send their children where. Charter schools are public schools, which is a difference. Davis has talked with SAU 29, and they seem to like what SVCS is doing. Suggested a teacher conference so that ideas could be exchanged. Five Surry students would go to SVCS next year. Given their current budget, they will have difficulty staying open next year.

Matora Fiorey – Introduced herself and her role in the SVCS. Says that this would be a long-term investment in Surry to keep its rural character.

L. Bergevin – In regards to the number of students, there were possibly 5 for next year. How many students come from other towns, and are we asking for educational support from their towns. M. Fiorey – No, not at this time.

Tim Small – We tuition our kids to MRHS as well as. Is that in violation of our contract?

M. Gross - No, in our contract with KSD, we stipulated that children enrolled at MRHS during the withdrawal would be allowed to finish their high school years at MRHS.

Bill Russell – Noted that SVCS has admission requirements. No public school has admission requirements. Also, noted that the amount SVCS is looking to lease the building for is so miniscule. Do the Surry SVCS students come to the school with state aid? M. Fiorey - Yes. Russell - Can the SVCS, by law, go to the other towns for aid, and have they? M. Fiorey – Again, no.

B. LaRocca – Noted that standardized test scores are high because they do not have as many Special Ed. cases. J. Davis explained that SVCS cannot take every case of special ed needs, though SVCS does have special ed students. He also noted that the town the student originates from covers his/her Special Ed costs.

Melinda Garland – Noted that she is a mother with a kindergartener starting at SVCS in the fall. These funds will establish stability for the school. Please consider that this will help keep the school within the town.

David Lane – Stated that he went to Mt. Caesar and then MRHS. When Surry started discussing withdrawing from the district, there was a lot of uproar about the unfairness of this process to the children. The SVCS jumped right in and had a school up and running within a year. They have worked hard, and have provided a school within Surry. The money given by the state is not adequate to keep the school open. If the charter school were to fail because of financial reasons, the opportunity to reopen a school is very dim.

Frank Conroy – Asked for his daughter, a minor and resident of the town, to speak.

Permission granted. She stated that she went to SVCS for the first few years of its opening before going on to Junior High. She is now a straight-A student, which received applause.

Holly Rilling – Stated that her 7 year old is going to SVCS. Her family has toured other schools and appreciates the dedication of the teachers and M. Fiorey, the school principal, to the kids. She would like to not see this as a business.

T. Peloquin – Moved to table this until the next Article is voted on. W. Brown – Seconded.

Leslie Carlson – Stated that there is no reason to table it.

M. Gross – Noted that he did not have any strong opinions when he put the warrant together and now sees the value in tabling it in order to address Article 8 first, then revisiting Article 7.

N. Callendar – Led vote on the motion. Motion passed with 31 in favor to 16 opposed to tabling Article 7 and then picking it up again after a decision on Article 8.

Article 8. Educational Support – Building Lease

To see if the Surry School District will enter into an agreement with SVCS for the use and occupancy of the Surry School on terms mutually agreeable to such parties. (This warrant is advisory only.) The School Board recommends approval of this warrant article.

L. Bergevin – Moved. Bob Bergevin – Seconded.

T. Peloquin – Stated that the town wants a school within its borders. In keeping with that, when the SVCS lease runs out at Bethel Bible Chapel, the School Board would like to offer the Surry School building, though questions remain as to price. SVCS has made several proposals, the final being \$15,000 for 2009-2010. This does not cost the town anything, except that the going rate is much more. We are saving them \$25,000 and the town gets its school. If Surry wants to go find a tenant to pay the going rate, the Board discourages this. For \$15,000, the town is losing around \$25,000, but it is not adding to the tax base a budget item that we have not accounted for (as Article 7 proposes).

J. Davis – We are offering to do all of the maintenance and pay ongoing regular expenses, which saves the town money in its own right. Proposal is for 1 year on the rent, though no one knows the actual cost. Even if both Articles pass, SVCS would still have to raise over \$100,000 to keep the school open.

C. Lothrop – Supports what the SVCS is doing as it matches her personal philosophy of education. The Board is offering them a very inexpensive rate of rent, and it is not the town's responsibility to cover the state's expenses.

B. Bergevin – Have we asked MC Squared what the cost of upkeep is of the building?

M. Gross - \$25,000 during their tenure.

M. Garland – If the \$25,000 is not in the budget for the SVCS, what about sending her child to JD's? Is this within the budget? T. Peloquin – Yes, each child is accounted for.

M. Jarvis – Stated that she would like to see kids in the Surry School Building.

Nancy Chackovich – Asked how much it would cost to bring this building up to code? J.

Davis – In the proposal, any maintenance costs to bring the building up to code would be covered by the school district. T. Peloquin – Noted that Ed Murdough, the state School building director, states that it is the occupant's responsibility to make the corrections.

There would need to be a number of officials signing off on it passing code.

Nancy Chackovich – Asked if the charter school is using this facility, could they rent it out in the evenings, or does the school district retain this right T. Peloquin – Part of the difficulty is that today’s legal hurdles are hard to come over. There are a lot of unknowns still.

D. Clark – Maintenance would come out of their budget and not the town? T. Peloquin – Yes.

K. Fisher – As the wife of Bethel Bible Church’s pastor, she noted that they are good renters.

L. Carlson – If they are willing to bring it up to code, who else would actually want to? This is an advantage to the town.

F. Conroy – Give the school a chance. It’s for one year and the town loses nothing more if it does not work out.

H. Rilling – Told the board, if you say you care, then give them support. T. Peloquin – Stated that liability is a major issue that should not be underestimated. The School Board supports the SVCS, but serving in the best interests of the town, the Board must consider the age we live in with law suits, etc. When talking about children in a school, liability issues must be addressed. Liability and physical plant issues impacted by liability risks cannot be addressed while SVCS is occupying the building with children.

Joe Boudy – Stated that the town has a “jewel.” Two groups are all in favor of the same thing, which is rare. The School Board has done an incredible job. All parties need to sit down and agree.

Bill Chackovich – Noted his many years in the insurance business, and made it clear that if the town puts itself on the line this way, the insurance costs will go up significantly. The School Board should not just walk into this without looking at it seriously.

C. LaRocca – Remember what we are addressing. The board can negotiate about this with terms agreeable to both parties. The voters present recognize where this discussion came from with Article 7.

M. Gross – Motion to move the question. L. Bergevin – Second.

Article passed.

N. Callendar reverted discussion to Article 7.

L. Bergevin – Addressing the Board, asked if they have discussed the legal ramifications with the district’s attorney regarding raising taxes to tuition kids to SVCS. M. Gross – Stated that the next step is a conversation with KSD, and they don’t know what reaction to expect. He said this proposal is problematic, though in fairness to the SVCS, the Board should talk to them.

M. Gross – Appreciated moving over 7 to discuss 8, asking rhetorically, what is the correct level of support? Article 7 addresses this. With Article 8 the town is significantly subsidizing SVCS. There’s no cap to SVCS’ request in 7, which worries him. There are 30 kids in the Surry School District’s elementary school system. 5 chose the SVCS. It’s difficult for us to determine whether or not to subsidize it further.

R. Russo – Asked, generally, how does the town know that its money would be spent well when we have no accountability or elected officials given the authority by SVCS to speak into their conduct or decision making. M. Fiorey – Expressed gratitude for the

question, and noted that the state gives oversight in many ways to SVCS' finances and academic standards.

M. Rhodes – How are we going to support two schools?

M. Garland – Home School students can take classes at KHS? T. Peloquin - Yes.

Russ Fiorey – The town should support SVCS in any way it can.

D. Lane – Voting in favor on an advisory article tells the school board how the town to approach it, and no more. The voters should cast their votes now.

L. Carlson – Noted that the town has no control over how Keene spends its money within its school district. It might only have 5 children, but anything new is iffy.

B. Chackovich – Asked, based on the legal relationship between SVCS and the Surry School District, is this article a legal question? M. Fiorey – Stated that there is a provision that, if a charter school is located within the school's town, they can make the offer to provide preferential treatment. B. LaRocca – Noted that, no, Surry School District is not a host school district, and thus SVCS has no legal relationship to it.

B. Russell – Stated that the application process does not seem right for a public school. Also, the other towns that are benefiting from Surry taxes should be approached as well.

L. Bergevin – Motion to move the question. B. LaRocca – Seconded. N. Callendar reread the question. 6 Abstentions – 26 in Favor – 28 – Against. **Article Defeated.**

Article 9. **Catchall Article.**

To transact any other business that may legally come before the meeting.

T. Dutton – How much did we approve tonight? B. Barrett - \$1,113,420.

L. Sportello – Would like to say thank you to the Board for its hard work

R. Bienvenue – The “cake” can be found in Article 8. In any major issues, the School Board should be inclined to fix these for the benefit of the town.

T. Peloquin – Would like to thank Wayne Brown for his 10 years of service to the town's school system.

T. Peloquin – Motion to adjourn. K. Calendar – Second. – Adjourned at 9:14.

A True Attest

Respectfully submitted,

Rebecca H. Russo, Assistant School District Clerk

Date: _____ :