

**Town of Newport  
Board of Selectmen**

**Minutes of the Special Meeting with the Newport School Board  
October 29, 2015, 6:00 PM  
Lou Thompson Room, Sugar River Valley Regional Technical Center  
243 North Main Street, Newport**

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**SELECTMEN PRESENT:** Gary Nichols, Chairman; Todd Fratzel, Vice Chairman; David Hoyt, William Wilmot, and Jeff Kessler

**SCHOOL BOARD MEMBERS PRESENT:** Linda Wadensten, Dan Bailey, Shannon Howe, and Ann Spencer.

**TOWN STAFF PRESENT:** Shane P. O'Keefe, Town Manager; and Paul J. Brown, Finance Director

**SCHOOL DISTRICT STAFF PRESENT:** Cindy Gallagher, Superintendent, and Terry Wiggin, Business Administrator.

**COMMUNITY MEMBERS PRESENT:** There were various members of the public in attendance, including several School District employees.

**CALL TO ORDER:** At 6:00 p.m., Chairman Nichols called the Selectboard meeting to order and Chairperson Wadensten called the School Board meeting to order, followed by the Pledge of Allegiance.

**AGENDA REVIEW:** Superintendent Gallagher reviewed the proposed agenda with those gathered. It was agreed to add a discussion of the Affordable Care Act "Cadillac tax" was added to the agenda.

**MEETING WITH THE NEWPORT SCHOOL BOARD:**

**A. *Update on the Proposed Withdrawal from SAU 43***

Ms. Howe distributed a copy of the SAU 43 Withdrawal Committee report, and explained that the draft report had been presented at a public hearing and to the Croydon School Board, and had been forwarded to the Department of Education (DOE) for review at their November or December meeting. After responding to DOE concerns, which are expected in January 2016, the Committee will place an article on the March warrant. If the question passes by a three-fifths vote, Newport will be a single-district SAU beginning July 1, 2016, assuming liability for the current staff and increasing its budget in order to do so.

The Croydon School Board has its own plan and will follow the same process.

In response to a question from Mr. Nichols, Ms. Howe suggested that one concern the DOE may require is that the withdrawal process take two years, such that the Newport School District would become a single-district SAU July 1, 2017.

Mr. Kessler noted that he does not support withdrawal.

***B. Review the Concept of Combined Finance Administration***

Mr. Nichols reported that further investigation into the feasibility of combining School District and Town finances had been put on hold until the question of withdrawal from SAU 43 has been settled. Mr. Kessler noted that the School Board would have to budget additional funds to support the SAU budget should the withdrawal take place, and suggested that discussions on combining finances should begin prior to the vote.

Mr. Nichols reported that the deadline for introducing legislative bills is September 30, so it appears to be too late to introduce 2016 legislation to allow towns and school districts to combine financial resources. Superintendent Gallagher and Mr. Nichols expressed disappointment that Newport's legislators had not introduced the necessary bill(s) following earlier discussions with them.

***C. Discuss Coordination of Town and School Capital Projects/Plans***

Dr. Gallagher noted that, lacking an auditorium, the School District is not able to showcase music, hold graduation, nor hold an assembly for all middle and high school students at the same time. While not wanting to shift resources from the planned community recreation center, she would like to begin a discussion about the feasibility of adding an auditorium and full-size gym to the middle and high schools.

Mr. Fratzel noted that the capital improvement plan should be resurrected, and that the new recreation center plan is still being developed.

Mr. Brown explained that the definition of a capital improvement project is one that costs in excess of \$50,000 with a life of over three years. The last project was the \$145,000 Tech Center roof. Dr. Gallagher suggested that, in response to the recent SREB report, the Tech Center might seek to increase the size of the welding area and second-floor engineering space above it by 2018.

How can the schools support manufacturing in Newport? While manufacturing can be part of the high school curriculum, it must be part of the Tech Center curriculum in order to attract Perkins Grant money. The curriculum is available, but the District lacks appropriate faculty. The proposed School District budget would include funding for this addition.

Dr. Gallagher will invite the Board of Selectmen to the rollout of the SREB report.

Mr. Brown explained that the operating budget is used for capital improvement projects that cost \$100,000 or less, and that funds are placed in capital reserves for those projects that cost between \$100,001 and \$250,000. He suggested that the Town and School district review all buildings and create a list of projects.

Mr. Wiggin noted that he has requested vendor information about the costs and parameters of an energy assessment, including solar and mini-turbine projects, for all school buildings.

Mr. Fratzel suggested that the Town hire an outside vendor to evaluate Town buildings, noting that Town staff does not have the time nor expertise for such a large job. Town funds would be well spent on such an evaluation in support of an accurate capital improvement plan. Mr. Brown and Mr. Wiggin were asked to begin such an evaluation by their respective boards. A shared contractor and contract for these efforts was suggested.

Currently, the Town and School District collaborate on purchasing their electric supply, gas, and fuel oil, and on the school resource and school liaison officers, field maintenance, Recreation Department sports and van, use of school buses, and use of the Opera House and Lou Thompson Room.

***D. Discuss the Fields and Maintenance Agreement***

It was noted that a 25-year lease agreement expired in 2010. Because there are too few athletic fields, questions about scheduling and control arise regularly. There was discussion about the future of the tennis courts located at the school. The Fields and Recreation Committee, comprised of the School District Athletic Director and Business Administrator, Town Manager, Recreation Director, and Buildings and Grounds Manager, and a board member from each board, will be re-convened to address these concerns. Superintendent Gallagher recommended including participation from outside groups that sponsor recreational activities, such as the softball league.

***E. Review the School Resource Officer Program***

Dr. Gallagher noted that the School Resource Officer (SRO) program should be expanded to include time for an educational component, as well as to allow Officer Paul Beaudet to spend most of his time at the middle and high schools as originally proposed. Currently, he spends half his time at the elementary schools.

Mr. Nichols suggested that she come up with a proposal for the Town to review as it creates its budget. Mr. Brown noted that federal Community-Oriented Policing Services (COPS) grant funding may be available.

Mr. Fratzel suggested that the schools be consolidated, and Mr. Kessler suggested developing scenarios such as moving grade five to the Richards School and grade six to the middle school.

Dr. Gallagher noted that the School District is interviewing elementary assistant principal candidates, and that it is not feasible to have one principal for both elementary buildings. Maintaining Towle School also forces the district to duplicate special education services, adding costs to the budget.

Dr. Gallagher has directed the administration to create three proposals to consolidate schools in order to better serve students' interests.

It was recommended that Town Manager O'Keefe, Police Chief Jim Burroughs and Superintendent Gallagher meet to discuss expansion of the SRO program.

***F. Budgeting to Move Middle School Sports from the Recreation Center to the School District***

Dr. Gallagher explained that the School District moved Middle School soccer into its budget in order to allow the rec center to create field hockey teams, and would like to move Middle School wrestling and field hockey up as well.

Students who play on middle school teams are subject to "Life of an Athlete" rules such as those related to drug use, but those who play on rec teams are not; therefore, students who are not allowed to play on Middle School teams for violating drug use rules are allowed to play on the rec teams.

While noting that if Middle School wrestling and field hockey teams are created there will no longer be opportunities for such discrepancies, Dr. Gallagher suggested that Mr. Miller, Mr. Jean, and Mr. Lovely craft policies to encourage all players to be drug-free.

***G. Affordable Care Act Cadillac Tax***

Mr. Brown reported that, unlike the School District, Town health insurance premiums would not hit the excise tax ceiling when it takes effect. He suggested that the two Town unions' contract language be amended such that employees choosing to purchase more expensive plans will be liable to pay the 40% tax on the amount in excess of the caps. The two Town unions are made up of Public Works Department (highway and water and sewer)

employees and the Police Department. The Fire Department, Buildings and Grounds, and clerical staffs are too small to support a union.

Mr. Wiggin reported that the current school district plan would hit the cap, and that the administration and two unions (teachers and support staff) would meet with insurance carriers to review available options.

Mr. Brown noted that the Town and School District employees have the same plan with the same benefit levels, but that the School, with its more than 100 employees, is rated on its own, while the Town is rated within the pool of all under-100 employee entities; therefore, the School rates are higher.

Mr. Wiggin explained that the excise tax takes effect January 1, 2018 on single-insured plans that cost \$10,000 or more and on two-person and family plans that cost \$27,500 or more. The difference between the cap and the value of the plan is taxed at a rate of 40%. He noted that the value of the plan is its cost plus the amount given as a benefit in the form of a health reimbursement account that helps to pay for deductibles.

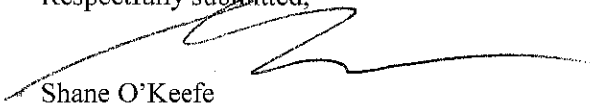
**ADJOURNMENT:**

On a motion by Selectman Fratzel, seconded by Selectman Hoyt; *the Board of Selectmen voted unanimously to adjourn at 7:47 pm.*

On a motion by Ms. Howe, seconded by Dr. Spencer; *the School Board voted unanimously to adjourn at 7:47 pm.*

**The next regular meeting of the Board of Selectmen is scheduled for Monday, November 2, 2015 at 6:30 pm.**

Respectfully submitted,



Shane O'Keefe  
Town Manager

Approved on: November 16, 2015.