

***Durham, Freeport, Pownal
Reorganization Planning Committee (RPC)
Steering Committee
Office of Superintendent of Schools, Freeport
February 7, 2008***

Tri-Chairs Present: John Gleason, Freeport; Paul Schumann, Pownal.

Advisors Present: Shannon Welsh, Elaine Tomaszewski, Joe Feeney

Facilitator Present: Bob Kautz

Tri-Chairs Not Present: Amber Snell, Durham

- The meeting began at 6 pm.
- There was discussion regarding the review of start up costs. Durham's budget process has already begun. It was asked how to add this within the budget. It was suggested that the School committee create a separate line within the budget to help make it transparent to voters. It was asked whether or not to create a separate warrant article. There was discussion that to present start up costs to the voters within a separate article it would not artificially inflate school system's presented budget. Bob would propose some clarifying questions to the DOE.
- Durham's budget will be presented to the town office on Feb 15, 2008. In order to include start up costs within the warrant, Durham will need an amount to be included before that. There was discussion regarding start up costs and how they would be distributed within each community. Some of the different allocations discussed for cost sharing were splitting start up costs evenly, using per pupil or using valuation.
- All the Finances subcommittees' information should be ready to present to the RPC in a packet for review. There has been much discussion regarding allocating debt by an amount over EPS. Some of the discussion will be how cost sharing will look and what will be done with assumed debt and property.
- It was stated that 2 members of Freeport RPC contingency will be absent at the next RPC meeting. It was also requested that the subcommittee break out be before the review so the Finance Subcommittee can discuss the information being presented.
- There have been questions and dialogue between members regarding property debt as a factor in cost sharing. Bob stated it has been requested that Jim Rier meet with Finance Subcommittee members before meeting on Wednesday. This has not been confirmed.
- It was stated that decisions should also be made on prorating interim costs for start up so towns may present this information for budget processes. It was agreed that the RPC may recommend an amount and then let RSU make any adjustments needed.
- The Commissioner has announced that she anticipated all interim legal

costs be paid for by the state, but this is not the case after review. It was announced that RPCs will be provided with an extra \$2500 for legal costs. It was explained that each school administrative unit received \$2500 for legal costs and \$2500 was given to the RPC as a whole. Legal fees for the RPC will be billed and reimbursed by the state. The RPC now receives another \$2500 for miscellaneous costs. It was suggested that the RPC save the \$2500 given for legal fees to review the plan.

- It was discussed that it be presented to the RPC that the Steering Committee be authorized to make decisions on the \$2500 and approve the expenditures. It was asked for this item to be placed on the agenda.
- It was discussed that the RPC review the Finance Subcommittees' recommendation for start up costs. It was discussed that the logic decision would be equal division.
- It was stated that Joe Feeney was preparing a start up costs worksheet and it was in the early stages. Joe was given numbers from Freeport and waiting for numbers from Durham. Bob gave the committee some examples of startup costs from areas that developing plans to the state.
- It was stated there would be moving costs from Durham, but it was not sure whether nor not it would be a local or RPC expense. The Union 30 Superintendent's office would be closed after the communities joined with their respective RSUs. It was stated there are many items that need to be accomplished for all three communities. Most of this will need to be done in-house within the three districts. It was suggested that some of the tasks could be accomplished by support staff and may require overtime work which would be added costs however, the work needed to be accomplished. It was also discussed that the cost sharing model presented to the DOE would be a formal method. It was explained that time is of the essence, but language within the plan should show that the plan could be adjusted to change the cost sharing accordingly if needed.
- Cost sharing formulas were discussed. It was explained that one of the ratios discussed was the funds used above the EPS ratio: At this point 69% was from Freeport, 12% from Pownal, and 18.5% from Durham. It was explained that using the cost sharing method for start up costs may not send the correct message of unity shared by the members of the RPC.
- One of the other cost sharing formulas discussed were 80% valuation 20% per pupil. It was explained that this formula looked fair and simple to understand. It was also explained that the formula may have major cost shifts to specific communities. It was stated that this formula can be used for operating expenses and allocating debt and the ratio over time does not skew the allocation costs. It was stated that any costs sharing should be reviewed after the beginning of the RSU. It was also stated that an amount less than \$100,000 for the start up costs would be an easier sell to the public. There was more discussion in how start up costs would be best split between the communities in a fair way.
- It was agreed educating the public regarding cost sharing would be the most important focus.

- It was explained that all three communities combining was a blend of concepts and having an equal split for transaction costs would not necessarily be saleable to all communities and there must be informed and rational explanations to voters regarding cost sharing.
- There was discussion assuming the amount for start up costs were \$75,000 a split could be 50% Freeport, 30% Durham and 20% Pownal. Other costs formulas could be decided later. If there were funds not used they would or a different formula was decided to be used the funds could be reconciled back to the respective communities. The rationale in using this formula was that a 1/3rd split for each community would not be a fair process. The volume of work, legal fees for deed transfers within the communities would be varied and this formula seemed appropriate and balanced.
- It was explained that Joe will look over the figures and present the start up costs worksheet to the Finance and Governance Subcommittees.
- It was stated that the Education Subcommittee will be ready to report to the RPC at the end of February.
- The timeline calendar was discussed. Bob gave out copies of 3 different timelines. It was explained that a calendar with deadlines would need to be set in place and should include when the plan vote will take place. Bob explained that a referendum vote any time between June and Nov 2008 would be funded by the state. It was stated the committee must keep in mind that before the referendum vote date, the communities would need to hold public meetings and meetings with town municipalities.
- Elaine raised the point that if there was to be a June vote there would need to be many items planned before the vote and would it be better if the ballot for the combination of school districts stand alone. The majority of the committee agreed that in keeping with the goals of the RPC a June 10 vote should be assumed with the November elections of RSU board members. It was also stated that there are light turnouts in non-general elections and the June election with congressional primary would have the turnout needed. It was stated that RPC needed to stay on its focus of a June vote.
- It was discussed that the Employee Subcommittee feels they will be ready to present their recommendations to the RPC soon.
- The Steering Committee agreed they would encourage Subcommittees to meet on the weeks that the RPC was not meeting. It was discussed that the school boards would need to vote on the finalized plan before the last week in March. The committee will need to provide information to give the public and anticipate questions regarding cost sharing. It was explained that it would be beneficial to have voters as prepared as possible. The presenting group would like to have a sense of what costs will be even if it is an estimate.
- It was explained that combining schools was about sustainability; to be able to sustain educational programming within the school district. This was an opportunity to make education more efficient and better for

students.

- It was stated that closer relationships have been made with each district and once the finances are settled this will be a great experience for our students and better for our communities in the future.
- Testimony will be needed from RPC members to the public. The main focus will be to raise the level of the quality of our education.
- It was stated that there needed to be discussion as to how calculate leveling costs and have a range of figures. Another piece would be the projected RSU budget. One concept was to take the three communities and combine their projected budgets for the first year budget. It was explained that with contract negotiations and other items it would be difficult to give a proposed budget.
- It was also discussed it would be compelling to have members of each contingent present to the plan to each respective community.
- Bob stated he would draft a timeline using MSAD 75/Lisbon model. It was stated that the same information at each presentation for all three towns. It was suggested that a core group do presentation and have all local RPC contingents at each respective community. It was also suggested that each member of RPC core speak.
- It was recommended that there should be 1 meeting per community. It was agreed there would be merit to have all three communities together
- It was agreed that the recommendation would be to have a meeting in each community with the same core group of speakers. It was recommended to have one of the subcommittees plan the presentation.
- Bob stated he would work on the timeline and bring it to present to the RPC.
- The meeting adjourned at 7:05pm

Respectfully Submitted: SBrewer 2/9/08