Sullivan School Board
Public Meeting Minutes
August 12th, 2026

Present: Board Members: Mike Brooks, Stephanie Milotte, Malinda Scherpa, Barb Arguin
District Superintendent: Kim Caron
District Student Services Director: Juliet Fenrich
Absent: Colleen Mathews, District Treasurer: Brad Smith
Public: None

1. **Call to Order:** Mike Brooks called the meeting to order 6:31PM.

2. **Secretary's Report –**

Public MINUTES APPROVAL FOR July 8th, 2026
Motion: Stephanie motioned to approve the public minutes from July 8th, 2026, Board's meeting.
Seconded by: **Barbara**
Discussion: None
Voice Vote: Unanimous
Motion so passes and the **July 8th, 2026** Public Minutes are approved.

Non-Public MINUTES APPROVAL FOR July 8th, 2026
Motion: Stephanie motioned to approve the non-public minutes from July 8th, 2026, Board's meeting.
Second by: **Barbara**
Discussion: None
Voice Vote: Unanimous
Motion so passes and the **July 8th, 2026, Non-**Public Minutes are approved.

3. **Treasurer's Report –** In the absence of Brad Smith, Kim Caron reviewed the manifest with the board.
   a. Manifest. The treasurer's review of the August 2026 manifest. Detail provided by the superintendent.

The **starting bank balance** is **$392,895.81**
Total Deposits: $147,316.06
- Town of Sullivan $127,342.92 (Deposited 8/4/26 Monthly Payment)
- State of NH $4,538.46 (Deposited 7/9/26 project reimbursement/grant)
- State of NH $2,308.24 (Deposited 7/9/26 project reimbursement/grant)
- State of NH $1,344.38 (Deposited 7/9/26 project reimbursement/grant)
- State of NH $11,154.28 (Deposited 8/6/26 project reimbursement/grant)
- Mascoma Checking Acct $627.78 (Interest earned 8/2/26)

Payments:
- Mount Prospect Academy $30,959.73 (April May June 2026)
- MSB School Services $737.19 (NH Medicaid Billing Services)
- Perfect Balance $250.00 (July 2026 Bookkeeping)
- Primex $1,310.00 (WC & Prof Liability Ins)
- Simplified Speech Solutions $900.00 (July 2026)
- Tucker Transportation $3,857.50 (July 2026)
- Wadleigh, Starr & Peters $427.00 (July 2026 Legal work)

TOTAL PAYMENTS: $34,583.92
Ending Bank Balance $505,627.95

Brad and Kim reviewed the manifest, and both recommend the approval of the current manifest.
*Apply Mt. Prospect payment to the 2025/2026 budget as these were services budgeted and occurred in the 2025/2026 school year.

Motion: Stephanie motioned to approve the amended manifest of **7/9/26-8/12/26**
Seconded by **Barbara**
Discussion: none
Voice Vote: Unanimous
Motion so passes and the **July/August** Manifest is approved and so accepted

**School Tuition Expendable Trust: $361,926.27K as of December 2025 meeting.
Kim/Mike are going to follow up for an updated amount.

b. **Budget Status Report.** The superintendent's review of the latest budget status report. Starting off the new fiscal year utilizing the budget status report from previous years. Adjusting the budget by reviewing the budget status report will help to not miss gaps due to the budget development process.
Superintendent suggested moving the line item for the budget of the District bookkeeper services to SAU services vs. board services.

c. Other – None

4. **Public Comment – None**

5. **Old Business –**

a. SAU Services. Discussion. The school board is following up on the possibility of Sullivan obtaining SAU services through an arrangement with SAU29.

Mike reached out to SAU29 with a follow-up, but no response yet received from the SAU29 district offices.

<u>Takeaways –</u>

- Potentially ask the school board attorney to lay out different options that are available to us depending on thoughts for next steps.
- Approach the SAU29 Superintendent with options to see if any are even a possibility for future business opportunities.
- More to follow

6. **New Business –**

a. **Open Enrollment Statute RSA 194-D**.

- As summarized by the school board attorney, the open enrollment statute "allows districts to designate their schools as open enrollment schools, through a vote of the legislative body at an annual meeting. RSA 194-D:3. Sullivan does not own or operate any schools, and therefore, does not have any schools to designate as "open enrollment." However, under RSA 194-D, Sullivan resident students may be eligible to attend any school district in NH that has adopted open enrollment, and Sullivan would be required to pay tuition to the open enrollment district. Moreover, Sullivan has exclusive tuition agreements with Nelson and Keene, meaning Sullivan resident students are required to attend Nelson and Keene schools (unless the student requires an out of district placement or elects a private or homeschool program). Therefore, a concern has been raised regarding potential resident "open enrollment" students also being billed for tuition at Nelson or Keene under our exclusive tuition agreements. In effect, Sullivan could potentially be required to pay tuition for "open enrollment" students twice, once to the open enrollment district and once to Nelson or Keene in a given year under the tuition agreements. This open enrollment scenario could present a significant financial burden to the district.

The school board attorney explained that “Sullivan could elect to put forth a warrant article limiting the number of students who are eligible to attend open enrollment schools in other districts. This limitation is a required part of the warrant article if a district is voting to create an open enrollment program, and Districts that do not operate their own school should therefore be permitted to impose the same limitations on their resident students. RSA 194-D:3. This type of warrant article can come with risks, as the percentage of students can be amended by the voters. The statute requires a percentage from 0-100 of the current pupil enrollments, so the voters could increase that number up to 100% of the students. The warrant article would read along the lines of the following: Shall the Sullivan School District vote to limit the number of students eligible to attend open enrollment programs in other districts to zero percent (0%) of the Sullivan School District’s current pupil enrollment, such that Sullivan School District students shall not be permitted to attend open enrollment schools in other districts. If a limitation passes, then students in Sullivan would not be permitted to attend open enrollment schools in other districts, under the current version of the law.”

The school board attorney advised that this update is “based on the current status of the law, and there are likely to be open enrollment bills that move through the legislature during the 2027 legislative session, so it is possible that the landscape will change next year. In addition, I have not reviewed the AREA agreement so I cannot opine on the potential impact of the AREA Agreement (and cannot do such at this juncture, since we also represent the Districts within SAU 29).”

The superintendent has the following operational and financial considerations regarding this open enrollment scenario:

- As a sending district, Sullivan would be required to pay tuition to the receiving open enrollment school for a resident pupil if Sullivan has not formally adopted an open enrollment program.
- Sullivan could potentially be required to pay tuition for “open enrollment” students twice, once to the open enrollment district and once to Nelson or Keene in a given year under the tuition agreements. - Sullivan may lose state adequacy funds since that aid follows the student and diverted to the receiving open enrollment school, similar to the charter school situation.
- Increased administrative responsibilities to monitor enrollments and special education/student services.

The superintendent is concerned that this open enrollment scenario could present a significant financial burden to the school district. Pending further action during the 2027 legislative session, the superintendent recommends a warrant limiting the percentage of resident students eligible to attend open enrollment programs to 0%.

b. HB 1300: An Act establishing a school district local tax cap question for the state general elections of 2026 and 2028 and related limitations on central office administrative expenses in school districts.

A summary of the law follows.

HB 1300 is a recently enacted state law that forces a school district local tax cap question onto the general election ballots in November 2026 and

November 2028. Signed into law on July 15, 2026, the mandate bypasses the traditional annual town meeting process, requiring every town and city ward across the state to vote on the measure. This is a voter referendum on school district tax caps during major state elections. The legislation requires a 3/5 majority vote to implement a two-year cap on property tax growth while capping central office administrative spending at 6% of the budget.

The school district local tax cap and school administrative unit fixed cap question on the ballot for towns and wards with an annual school district meeting shall read:

"Shall the [name of municipality] limit property tax growth for [name(s) of school district(s)] under RSA 32:5-i? If adopted for a two-year period: (1) the local property tax levy may not grow beyond the prior year's amount, adjusted for inflation and new construction; (2) SAU central office spending may not exceed 6 percent of total school district appropriations; and (3) bonded capital costs are excluded from both limits. These caps apply only to administrative operations of the SAU central office and do not affect classroom instruction, school-based services, or other municipal expenditures. These limits may be overridden as provided in RSA 32:5-i. Adoption requires a three-fifths (3/5) majority vote."

Please note. The school board attorney stated that the statute is worded that "suggests that the tax levy might be adopted while the SAU cap is not, however, the article that must be printed on the ballot references both the SAU cap and the tax levy. Thus, one will not pass without the other."

If approved at the November 2026 state general election, the school district local tax cap or the school administrative unit fixed cap, or both, shall apply beginning with the fiscal year 2028 school district total budget or school administrative unit budget, as applicable.

**Refer to Attachment 1 Provided to the School Board prior to the meeting to review: What This Means: HB 1300 from Reaching Higher NH www.reachinghigher.org provides an overview of the legislation. The school board is permitted, but not required, to hold a public hearing on the adoption of the cap, prior to the November general election, and it may wish to do such to ensure that voters are aware of the potential impacts if the cap is adopted.

The superintendent is concerned about the impact of this legislation on our sending district where the majority of the budget is student tuition, mandated special education costs, and contractual agreements.

c. **Special Education Update. Non-Public**. Provided by the student services director.

d. **Superintendent Evaluation. Non-Public**.

The superintendent's evaluation document for 2025-26 (Document provide as part of the Superintendent report) attached for school board review, discussion, and completion in non-public session.

e. **Review District Goals. Discussion. Covered in Non-public**

Policy AD: School Philosophy states the mission of the district. Attached for your review. The evaluation of the superintendent from the previous year stated that he should continue the policy work. In addition to remaining policy work, the school board may consider additional goals such as special education preschool work, SAU services, and district bookkeeping services.

f. Other- None

7. Superintendent's Report. Since the **July** school board meeting –

Parking Lot. The superintendent is working on the following items. To be presented at a future school board meeting.

District Bookkeeper and Financial Records. The superintendent is discussing web-based QuickBooks with the district bookkeeper to provide access to financial data by district users. More to follow.

Computer Systems, Electronic Communications, Information Management. A summary was provided in the June 2026 superintendent's report. The school board is considering the establishment of a computer-based information system to support electronic communication, information management, and operational activities of the school board. Issues include the storage and security of district information and statutory requirements. The migration to a dedicated electronic platform for district operations, the development of related policies and procedures, and financial factors require careful consideration. This is especially important due of our unique status as a small sending district, part-time SAU services, and current electronic communication and remote practices. The school board needs to address policy development, the development of an electronic filing system, consider the use of district-owned computers v personal computers to conduct business, and address the requirement for an information security officer.

Preschool. A summary was provided in the June 2026 superintendent's report. Preschool special education presents challenges for the district not found in our k-12 agreements with the Nelson and Keene School Districts. Our k-12 tuition agreements include access to the school personnel needed for special education referral, evaluation, and placement. However, there is no such provision in our contracts for federally mandated preschool services. In addition, our small size, small number of preschool referrals, and the unpredictable nature of those referrals make planning for the necessary resources problematic. More to follow.

SAU Services. A summary was provided in the June 2026 superintendent's report. The superintendent had a June 2026 conversation with SAU29 Superintendent Malay, who raised the possibility of Sullivan obtaining SAU services through an arrangement with SAU29. Initial research suggests several options, including dissolving SAU96 to join SAU29, entering into an intermunicipal agreement, or establishing a joint maintenance agreement to purchase SAU services. The school board may consider consulting the district's attorney about the process and formally approving a motion to explore an agreement with SAU29.

Open Enrollment. The school board attorney advised that "there are likely to be open enrollment bills that move through the legislature during the 2027 legislative session, so it is possible that the landscape will change next year." The superintendent is concerned that this open enrollment scenario could present a significant financial burden to the school district.

HB 1300: An Act establishing a school district local tax cap question for the state general elections of 2026 and 2028 and related limitations on central office administrative expenses in school districts. HB 1300 is a recently enacted state law that forces a school district local tax cap question onto the general election ballots in November 2026 and November 2028. Signed into law on July 15, 2026, the mandate bypasses the traditional annual town meeting process, requiring every town and city ward across the state to vote on the measure. This is a voter referendum on school district tax caps during major state elections. The legislation requires a 3/5 majority vote to implement a two-year cap on property tax growth while capping central office administrative spending at 6% of the budget. The superintendent is concerned about the impact of this legislation on our sending district where the majority of the budget is student tuition, mandated special education costs, and contractual agreements.

Non-public. The superintendent will provide the school board with confidential updates, as allowed under RSA 91.

8. **Public Comment: None**

9. **Meeting date:** School Board Monthly meeting Wednesday 9/9/26 ***at 6:30PM***

10. **Setting the Next Meeting Agenda-**

The school board was asked if they had any specific agenda items to add to the **September** meeting.

a. Special Education and Preschool
b. Policy BEDGA: Procedure for Minute Taking
c. District Operations Calendar

11. Non-Public Session RSA 91-A:3 if necessary **See Items 6c, 6d & 6e**

Non-public session requested as allowed by RSA 91-A:3

- Student Services RSA 91-A:3 II(C).
- Contracts RSA 91-A:3 II(A)

Motion to move the meeting into **Non-Public session** at **6:57PM** by **Malinda** under the Student Support Services and Contracts RSA 91-A:3
Seconded by **Mike**
Discussion: None
Voice Vote Unanimous
Motion approved Meeting moved into **Non-Public** at **6:57PM**
*********The Board discussed Special Education updates of services to Sullivan Students as well as budgeting aspects for these services. Also evaluated the superintendent and discussed superintendent services and District goals. ******

Meeting moved back to Public at **7:59PM**

12. Adjournment

Motion: **Barbara** made a motion to adjourn.
Seconded by: **Malinda**
Voice Vote: Unanimous
Motion passes and the Meeting closed at 8:05PM

Signed By: Stephanie Milotte