

1 **HOLLIS BUDGET COMMITTEE**

2
3 FEBRUARY 7, 2012

4
5 **MEETING MINUTES**

6
7 A public hearing was conducted by the Hollis Budget Committee on Tuesday, February 7, 2012 at 6:36 p.m. at the
8 Community Room, Hollis Town Hall.

9
10 Chairman Christopher Hyde presided:

11
12 Members of the Committee Present: Mike Harris, Vice Chairman
13 Tom Gehan, Secretary (6:50 p.m.)
14 Susan Benz
15 Thomas Jambard
16 Frank Whittemore (6:50 p.m.)
17 Selectman Peter Band
18 Robert Mann, Hollis School Board Representative

19
20 Members of the Committee Absent:

21
22 Also in Attendance: Robert Mann, Chairman, Hollis School Board
23 Rich Manley, Vice Chairman, Hollis School Board (9:30 p.m.)
24 Deborah Pucci, Secretary, Hollis School Board
25 William Beauregard, Hollis School Board
26 Frank Giudici, Hollis School Board
27 Susan Hodgdon, SAU41 Superintendent
28 Eric Horton, Business Administrator
29 Jeanne Saunders, Director of Student Services
30 Elizabeth Allen, Principal, HPS
31 Candice Fowler, Principal, HUES
32 Richard Raymond, Network Administrator
33

34
35 **PUBLIC HEARING**

36
37 **HOLLIS SCHOOL DISTRICT**
38 **FY13 BUDGET**
39 **WARRANT ARTICLE(S)**

40
41 Chairman Hyde informed the public the purpose of the meeting was to conduct a public hearing on the Hollis School
42 District FY13 proposed Budget and Warrant Articles.

43
44 He began his presentation by introducing members of the Budget Committee, School Board, and Administration. He
45 provided an explanation of the budget process, and depicted how guidance is determined and assumptions and bias used
46 in reaching that determination. He stated guidance for FY13 to be a decrease of 3% from the FY12 base budget
47 (operating budget less; debt service, in/outs such as food service, and one time outlays).

48
49 He stated guidance was based on the desire to provide high quality education, understanding of decreasing enrollment
50 (both historic information and near term forecast), the state of the economy and financial constraints of residents, and the
51 need to retain quality employees and critical infrastructure. He noted the Collective Bargaining Agreement (CBA), the
52 SAU budget, and costs associated with special education (non-discretionary) are outside of budget guidance for FY13.

53
54 Included in the presentation was a slide listing the 2011/2012 budget season dates, i.e., public hearings, annual meetings,
55 etc. Mr. John Anderson noted elections would be conducted at the Lawrence Barn.

56
57 Chairman Hyde provided historical tax data and identified the tax distribution for 2011; 27% to Town (up approx. 1%), 5%
58 to County (flat), and 68% to schools (down approx. 1%). A slide was provided detailing the results of a survey conducted
59 utilizing 15 homes (\$350,000 – \$400,000 range), which indicated an average tax increase of 31.3% over the past seven
60

1 years and a reduction of 3% this past year from year prior. If adjusted for local CPI, the increase over the past seven
2 years was shown to be 12.2% above inflation and a decrease last year from the prior year of 6%.

3
4 Chairman Hyde spoke to full value property tax rate and explained the State keeps track of equalizing the property values
5 throughout the state so it can fairly assess the education tax. An overview of how full value tax rate looks across the
6 various communities, Hollis' percentile fell within the lower 1/3 of the State (more lightly taxed) in 2001 to the upper 1/3 of
7 the state in 2011.

8
9 In providing additional background information, he stated the latest population number for Hollis to be 7,684 (2010),
10 number of households to be 2,655, and the household median income as \$116,168 (2010) versus a median income of
11 \$92,847 in 1999. Total valuation for the Town is approximately \$1.2 billion.

12
13 Relative to the state of the economy; unemployment rate in Hillsborough County is around 5% (November statistic) and
14 8.3% nationwide. The Consumer Price Index (CPI) for December was 3%.

15
16 With regard to bonded indebtedness, a slide was shown depicting the various levels of debt and the timeframe around
17 which debt is retired. Speaking specifically to school district debt service, he cited two bonds; Series D and Series B.
18 Both bonds will retire on August 15, 2014. The Series D bond has a balance, after this coming year, of \$209,721 and the
19 Series B a balance \$285,000. Payments on the Series D bond are \$265,000/year for the next three years, and payments
20 on the Series B bond decline (from \$109,535) for the next three years.

21
22 Chairman Hyde spoke to student enrollment during the time period of 2000 to 2011. The largest enrollment was seen in
23 2002 when it reached 884. In 2011 enrollment is 634. A slide was shown depicting student population in comparison to
24 number of FTEs (Full Time Equivalent). Another slide provided data relative to number of students versus FTEs. It was
25 noted FTEs include all school personnel, i.e., teachers, janitors, food service workers, Principals, etc. When asked, he
26 stated the comparison did not include SAU personnel.

27
28 Another slide provided a comparison between specifications for class size in Hollis versus the State of New Hampshire's
29 specification for maximum classroom size. State specifications for class sizes are 25 for grades 1 & 2 and 30 for higher
30 grades. The specifications determined by the School Board a number of years ago are; 18 students in grades K & 1, 20
31 students in grades 2 & 3, and 23 students in grades 4-6. He commented the district has remained under its own grade
32 level target in all but very rare instances.

33
34 With regard to cost per pupil, a slide was provided comparing the cost per pupil for the Hollis School District with the State
35 cost per pupil calculation, which removes items such as transportation costs, food service costs, tuition costs, etc. The
36 2009/2010 costs were identified as \$14,879 for Hollis and \$12,600 for the State. Mr. Horton provided the 2010/2011
37 figures; State average for elementary is \$13,120 and the Hollis School District is \$14,790. Ms. Pucci read a note included
38 with the data, which stated: "It is appropriate to compare two districts only when they have the same grade range." She
39 remarked when looking at the State average the comparison is against schools that have different grade ranges. In order
40 to make an apples to apples comparison the district has to be compared to a like sized and configured district.

41
42 With regard to the district's rank in the State relative to cost per student, the last report indicated Hollis as being ranked in
43 the 42nd percentile in terms of cost per student (2003). In 2009-2010 the district was up to the 79th percentile.

44
45 Speaking to the NESDEC forecast, Chairman Hyde stated NESDEC is contracted to do a variety of educational studies,
46 but also does cohort survival method forecasting, which tries to predict student enrollment by reviewing such things as
47 birth rates, in/out migration, standard patterns for students entering at varying grade levels from outside, i.e., previously
48 home schooled students, etc. NESDEC's forecast indicates an enrollment number of 634 for 2011 and a pattern of
49 trending down for the next several years after which it remains relatively flat. It was noted the numbers are only reliable
50 for a period of a few years.

51
52 A comparison of historical and projected enrollment figures suggests the district has seen the largest amount of removal
53 of children from the school district. Chairman Hyde suggested future declines would likely be in the area of 10%.

54
55 A slide was shown identifying both Town and School District infrastructure assets.

56
57 Chairman Hyde identified the Warrant Articles being placed before the voters at the annual meeting. He stated, if all
58 articles were approved, the tax impact would be \$6.048/\$1,000, which would result in an increase of about .1% or less
59 than one cent over last year. He informed the public the Municipal Budget Act has a unique provision in that the 10% rule
60 says the Town cannot exceed the budget committee approved/recommended budget by more than 10%. He noted if

1 voters were to approve all articles presented by the School Board those numbers could be increased, in some
2 combination, by up to \$1,028,709.46.

3
4 Chairman Hyde commented, unless offset by other revenue, \$100,000 in expenditure results in a tax impact of \$0.08 per
5 \$1,000 of valuation (\$28.16 for \$350,000 home), \$1,000,000 in expenditure results in a tax impact of \$0.80/\$1,000
6 (\$281.61 for \$350,000 home).

7
8 Chairman Hyde informed the board and the public of rules relating to the conduction of the public hearing. He noted the
9 PowerPoint presentation refers to "Selectmen" where it should state "School Board".

10
11 Chairman Hyde opened the floor for public input at 7:15 p.m.

12
13 ARTICLE 1

14
15 *To elect all necessary school district officers for the ensuing terms by official ballot on March 13, 2012.*

- 16 • *Election of two members of the School Board for the ensuing three years.*
- 17 • *Election of a School District Treasurer for the ensuing year.*
- 18 • *Election of a School District Clerk for the ensuing year.*
- 19 • *Election of a Moderator for the ensuing year.*

20
21 Chairman Hyde stated the Article as notification of elections.

22
23 ARTICLE 1A (by Petition)

24
25 *Shall we adopt the provisions of RSA 40:13 (known as SB 2) to allow official ballot voting on all issues before the Hollis*
26 *School District on the second Tuesday of March?*

27
28 Chairman Hyde stated there has been no recommendation on this Article by either the School Board or the Budget
29 Committee. He noted there is no tax impact related to this Article. He offered the lead petitioner the opportunity to speak
30 to the Petition. It was noted a separate public hearing would be conducted on February 22nd related to this Article.

31
32 ARTICLE 2

33
34 *To see if the school district will vote to raise and appropriate a sum of \$218,899 to fund the increase in cost items relative*
35 *to professional staff salaries and fringe benefits for the 2012-2013 school year which resulted from good faith negotiations*
36 *with the professional staff, and which represents the negotiated increase over last year's salaries and fringe benefits. This*
37 *is the first year of a two year contract.*

38
39 Chairman Hyde stated the Article is known as the Fact Finder's Report. He informed the board and public, final language
40 of the Article is not yet available from counsel. The agreement is for a period of two years. The first year of the
41 agreement would have a cost impact of \$218,889 and the second year's cost impact would be \$275,540 for a total impact
42 of \$494,538.

43
44 Estimated tax impact for the first year of the contract is \$0.18 / \$1,000 or \$17.61 for a home assessed at \$100,000 or
45 \$61.64 for a home assessed at \$350,000.

46
47 Chairman Mann informed the public in January of 2011, after several negotiating sessions and mediation, an impasse
48 was declared, between April and June of 2001 the School district and HEA engaged in fact finding activities, in July, the
49 Hollis School District's negotiating team received, considered, and ultimately rejected the Fact Finder recommendations.
50 In September that report was brought to the full board for review. At that time, the School Board voted not to support the
51 Fact Finder's Report. In October the school district entered into contract negotiations with HEA. In December, after
52 several negotiation sessions, an impasse was declared.

53
54 Cost items associated with the Fact Finder's Report for year one are a 2% adjustment to the salary schedule and a 1 step
55 increase for all employees (\$194,899). With regard to costs associated with health insurance, there would be a cap
56

1 increase; \$50/month for a two-person plan and \$100/month for a family plan (\$24,000) bringing the total cost of the first
2 year of the proposal to \$218,899.

3
4 Costs of the second year of the proposal include; a 2.5% adjustment to the salary schedule and a 1 step increase for all
5 employees and a provision for employees employed in the 2011-2012 school year to receive an additional 1 step increase
6 on February 1, 2014 (\$238,312). With regard to the health insurance cap; increase of \$50/month for a two-person plan
7 and \$100/month for a family plan (\$37,228) bringing the total cost of the second year of the proposal to \$275,540. Total
8 cost for both years of the proposal is \$449,538.

9
10 PUBLIC COMMENT

11 Ellen Lencsak, 26 Forest View Drive

12
13
14 Requested clarification of the total number associated with the Fact Finder's Report. She stated she was on the
15 negotiating team and the number she was given at the end of last week was \$494,000. She questioned the steps in the
16 first year. Chairman Mann stated the first year proposal is for a 2% adjustment plus 1 step. Mr. Beauregard stated there
17 is an additional step that occurs in February of year 1 of the proposal.

18
19 Tom Enright, Main Street, Brookline, NH

20
21 Questioned whether there were gains in language that may be of interest to taxpayers. Mr. Beauregard remarked one of
22 the items the district was seeking was modifications of the Reduction in Force (RIF) Policy from one based on seniority
23 and credentials to one that included performance as an element of consideration. The current policy calls for all teachers
24 not on a continuing contract to be first in line to be laid off should there be a RIF, then considered in order of seniority for
25 teachers that are on a continuing contract. That request was rejected by the Fact Finder.

26
27 Due to concerns and questions regarding management rights and the availability of a very simple statement (as
28 referenced in State Statute) was looked to be included. The Fact Finder recommended the management rights clause in
29 exchange for a just cause clause (discipline). The recommendation received from counsel was that was outside of the
30 scope of what would be appropriate for the district.

31
32 Chairman Mann stated his recollection the only item the Fact Finder supported was the spiking language. Mr. Beauregard
33 explained there was spiking language for retirement, i.e., a provision within the contract to eliminate or prevent any
34 retirement settlement from going into the range where a penalty would result.

35
36 Drew Mason, Baxter Road

37
38 Questioned the cap increase. Chairman Mann explained there is an established cap that protects the district from
39 ballooning healthcare costs. As part of the Fact Finder's Report, the recommendation is to increase the cap by \$50/month
40 for a two-person plan and \$100/month for a family plan.

41
42 Mr. Mason asked for clarification that represents cost to the district per employee, and was informed that was correct. It
43 was further explained the district liability is limited by the cap.

44
45 Mark Houvener, 9 Emerson Lane

46
47 Asked for clarification on whether the 2.5% increase would be across the board or an average and performance based.
48 Chairman Mann responded the increase would be across the board. It was further explained the salary schedule is based
49 on length of employment and level of education.

50
51 Mr. Houvener questioned the current RIF Policy and whether, during times when layoffs would occur, the policy is
52 designed to first lay off employees with the least amount of time with the district rather than being based on performance,
53 and was informed his perception was correct.

54
55 Joyce Pepin, 133 Farley Road

56
57 Spoke to the healthcare task force created to review healthcare expenses across the SAU, and questioned whether a
58 status update could be provided on the work of the task force.

59 Mr. Giudici stated the task force has met with the Local Government Center (LGC) and members are very encouraged by
60 the ability for the SAU to take advantage of three new plans, which had previously not been available. LGC appears

1 positive the potential for savings exists. What they have identified is those covered by the healthcare tend to go for the
2 Cadillac plan with very low or no deductibles, but high premiums; as a result there is a tendency for people to believe as
3 long as they are not paying much for it (except the large premium), they will utilize it more. What occurs is, at the end of
4 the year, even though they pay a small co-pay they have no idea of the cost of each of the instances where they utilized
5 the plan (doctor visit, etc.). He stated there are plans available that have higher co-pays, but lower premiums.

6
7 Mr. Giudici stated the next step is to meet again with LGC who will provide cost information for the three additional plans.

8
9 Bernard Mizula, 21 Fletcher Lane

10
11 Stated a desire for the School Board and Budget Committee to support the Fact Finder's report. He commented one of
12 the pillars of strong educational infrastructure is teachers. He stated his understanding these teachers collectively and
13 continuously outperform other communities, and yet it appears they are underpaid in comparison. He stated it as
14 unacceptable to underpay those who are in charge of the community's children.

15
16 Basil Mason, South Merrimack Road

17
18 Remarked, as a retired citizen in town he cannot agree with the Fact Finder's Report. He noted Bedford, NH has
19 cancelled all insurances for their school system and are working under an SB2 system. He stated their average teacher
20 salary is greater than that in Hollis, but they realize savings due to no longer providing employees with insurance
21 coverage.

22
23 He suggested people outside of the room are wondering if the Budget Committee will reduce the budget. He commented
24 the Federal Government, for two years, said Social Security would not go up, and it did not. During that time, the COOP
25 School Board was approving a 4.5% increase. He stated the elderly in Town are receiving less income while seeing their
26 expenses increase.

27
28 Boris Zolaronski, 1 Ezras Way

29
30 Stated his appreciation for the detailed report on the school budget. He provided his opinion the town must change its
31 attitude; school is not a burden on taxpayers it is the economic engine of the town. He noted the schools support many
32 jobs in town and attract the young professionals who pay the taxes. He commented the board provided an excellent
33 comparison of overall school features of Hollis as compared to the average for the State of New Hampshire; teacher ratio
34 of 11/15, and the starting salary for a teacher in Hollis in 52nd place (\$35,000). He spoke to the Superintendent's salary
35 and stated the salary paid by Hollis is less than that paid by Manchester, Bedford, and Portsmouth. He remarked those
36 who do not have children in school must understand the economy; school is their best insurance on depreciation of
37 property values.

38
39 He stated Lawrence, MA is the richest town in the commonwealth because of their school system. He spoke of the need
40 to compare the Hollis School District not to New Hampshire but to the best competing schools in Massachusetts. He
41 reiterated the salary for Hollis School District employees is ridiculously low in comparison to these towns.

42
43 Michael Patz, Twiss Lane

44
45 Asked for clarification the issue relating to contract approval is related to wording rather than associated costs.

46
47 Mr. Beaugard stated the Fact Finder's Report has a 13.25% salary increase over 2 years for employees who are on the
48 salary schedule and a 4% for those off the schedule, a 17.5% increase in district cost for family plans over the two years
49 and just under an 8% increase for those on the two-person plans. The percentages that were quoted in terms of
50 increases are not consistent with CPI over the last couple of years, they are significantly higher. He added, the
51 combination of it not being based on some sort of an objective standard and the size of the increases, for the district to
52 bring forth that kind of a proposal there was a need to have something to offer in return, which is needed by the district,
53 and the district really needs a flexible RIF policy. He stated his belief it was the inability to achieve that tradeoff that
54 resulted in the impasse.

55

1 Mr. Patz questioned the stated percentage of increases and how they relate to the figures provided. Mr. Beauregard
2 explained the 13.5%; on average with the cohort of teachers, a step is about a 3.4% increase. What was proposed is a
3 step at the beginning of the year and another step on February 1st. That is added to the 2.5% by which the entire salary
4 schedule is increasing for both years. He remarked once those funds are in the budget they are there forever, i.e., you
5 are building on that new base every year.

6
7 He stated the board supports the teachers, wants to have a contract with the teachers and wants to pay the teachers
8 more money, but that amount of increase has to be able to be brought to the public and approved.

9
10 Mr. Patz asked for clarification where it stands now, the Fact Finder's Report will be presented at town meeting for a vote.
11 Mr. Beauregard stated that to be correct, the voters will vote it up or down.

12
13 Tammy Fareed, Winding Valley Road

14
15 Questioned whether teachers have gone without an increase for the past two years. Mr. Beauregard responded the
16 board has been trying to negotiate agreements for the past two years. Ms. Fareed suggested the proposed increases
17 could be viewed as making up for the past two years of not receiving any kind of increase in salary or medical coverage.

18
19 Mr. Beauregard commented what was presented last year at this time was the automatic increases in the budget that
20 happen regardless. As an example, he explained the salary schedule is comprised of columns and rows, which represent
21 both years of service and level of education. If an employee increased his/her level of education, he/she continues to
22 move along within the salary scheduled.

23
24 Ms. Fareed stated an interest in what appears to have been the School Board's primary intent in negotiations; to get some
25 kind of measuring device into teacher performance. Mr. Beauregard clarified the intent was to include that in the RIF
26 Policy. He stated there has been disagreement over whether it is appropriate to utilize that tool. Ms. Fareed questioned
27 whether that is an appropriate issue to cause an impasse. Mr. Beauregard responded that issue was not on the table.
28 Ms. Fareed stated it was mentioned one of the Fact Finder's recommendations that caused the board to reject the report
29 was their refusal to include such language. Mr. Beauregard reiterated that language was hoped to be included in the RIF
30 Policy, which is a separate issue from the issue of whether salary increases are performance based.

31
32 Ms. Fareed questioned whether the issue is that teachers do not want to utilize the same language or that they do not
33 desire any kind of performance measuring device within the contract. Chairman Hyde responded the board cannot speak
34 to the thoughts of others.

35
36 Ms. Fareed rephrased her question; is the disagreement on this point over a specific tool or in principle regarding using a
37 performance measurement in the RIF Policy. Mr. Beauregard provided his opinion it could be both.

38
39 Dennis Fallon, 19 Pierce Lane

40
41 Remarked, if the teachers have not had a school contract for two years their healthcare premiums have been increasing
42 every year; therefore, they have in fact been taking a pay cut or seen a reduction in their take home pay for the last two
43 years. He remarked it seems to him the 2.5% increase and even the resulting tax impact seems quite reasonable.

44
45 Chairman Hyde noted the 2.5% adjustment does not equate to a 2.5% increase in pay, it is an increase to the structural
46 pay increases already on the table, so that as you traverse the salary schedule from one year to the next, which already
47 has an increase, that increase will be increased by 2.5%. He remarked it is a good bit higher than 2.5% depending on
48 where you fall on the table. When asked for clarification, Chairman Hyde stated step increases occur every year.

49
50 Mr. Fallon commended the Budget Committee for their work over the past few years. He does not believe what the
51 teachers are requesting is unreasonable. He commented he finds it interesting the School Board is stuck on the RIF
52 Policy and a merit based pay system, which can be difficult to implement in a school system.

53
54 He questioned the top step of the salary schedule. Mr. Beauregard stated the top track is a Masters +45 credits and the
55 top salary amount is \$70,036. When asked how many employees fall within that step, Mr. Beauregard responded that
56 information would have to be researched.

1 Ms. Pucci commented teachers do have quite a few options available to them with regard to medical plans. She noted
2 the possibility of selecting a lesser expensive medical plan.

3
4 Mr. Fallon questioned the amount expended on legal costs since the RIF Policy was put in place. Chairman Hyde
5 suggested he would not expect that amount to be much. He added Fact Finders are paid for by both parties. He
6 informed the public if the Fact Finder's report is not approved at the district meeting, negotiations will presumably resume.
7 At that point there will be associated legal fees.

8
9 Mr. Fallon questioned whether there was anything pending. Chairman Hyde responded once at impasse you are stalled.
10 Mr. Beauregard provided some historical data on monies expended on legal fees; \$14,878 in 2007, \$35,230 in 2008 (due
11 to negotiations), \$7,688 in 2009, \$25,000 in 2010, and \$28,000 in 2011. He noted legal expenses are not related solely to
12 negotiations as legal counsel is consulted on other school related issues. Mr. Fallon questioned whether there were any
13 legal expenses related to the RIF Policy already in place. Mr. Beauregard responded one grievance has resulted.

14 Laurie Miller, 14 Forrest View Drive

15
16
17 Questioned whether preschool was included in activity and student population numbers. Chairman Hyde stated they
18 were. Ms. Miller remarked preschool appeared half way into the slides and stated a concern some of the numbers may
19 have been skewed because of the preschool numbers. Chairman Hyde commented in making comparisons he
20 considered that population (3 and 4 year olds) prior to the existence of the preschool program through out-of-district
21 placements. Ms. Miller remarked that was only the case with special education students. Chairman Hyde agreed and
22 added there is now a tuitioned-in regular education component. Ms. Miller stated that would change the FTE versus
23 student population numbers slightly. Chairman Hyde commented if anything, over time, it is more efficient because more
24 students are being serviced with the same FTE count.

25
26 Ms. Miller questioned whether the Article spans the course of two years, and was told it does. She questioned whether or
27 not the second year could be voted upon in the first year, and was told it could not. She questioned whether voting in
28 favor of the Fact Finder's Report would be voting in favor of costs for years 1 and 2. Chairman Hyde remarked it is his
29 belief a favorable vote would be a favorable vote for the costs of both years of the contract. Ms. Miller stated that would
30 result in approving funding for a future year. It was the general consensus of the board that would be the result.

31
32 Ms. Miller questioned whether, as a taxpayer, she could make a motion to amend the article. Chairman Hyde stated this
33 particular article has to be voted either up or down (as dictated by State RSA). Ms. Miller stated her support of the article.

34
35 Chairman Mann provided information relative to the last negotiated terms prior to impasse and associated costs; in the
36 first year of the contract, a 2.25% increase for employees off the salary schedule and a 1 step increase for those on the
37 salary schedule (July 2012). A proposed a wage increase for all employees (July 2013) based on the average change of
38 the CPI-U with the caveat in no event would this increase in year 2 be less than 2.0% or more than 3.0%. With regard to
39 health insurance, an increase of \$40.00 to the monthly health insurance cap. First year costs of proposal are \$177,953.
40 Costs of year two (at 3% increase level) are \$119,409. Total cost of two-year proposal is \$297,362. That proposal was
41 rejected without a counter-proposal.

42
43 Steve Pucci, 25 Nartoff Road

44
45 Remarked there are a lot of things that are discussed during negotiations. He stated he tends to look at negotiations
46 collectively between the two groups that are negotiating; is there a continuous improvement that we are moving forward
47 with the end result. He stated his opinion he does not believe there is an issue with regard to providing a pay increase to
48 a good performing teacher. It appears the Fact Finder's Report is lacking in two areas, which would cause him to not
49 support it. He remarked one of the areas is in relation to the linkage between pay and performance. He suggested there
50 has to be some kind of linkage as he does not agree with the scenario of everyone getting an X percent increase and
51 commented in a population there are great performers and not so great performers. He remarked it ultimately drives
52 down to are we delivering the quality we are looking for.

53
54 The second piece relates to healthcare benefits. He stated there is a win/win solution, which is not being addressed; can
55 increase take home pay, lower cost to district and have better plans. He remarked a large component of this is
56 understanding what those different plans are and the education involved in differentiating between plans.

1 Ellen Lenzac
2

3 Stated the last proposal was rejected by the negotiating team mainly because it was all tied as a package to the pay for
4 performance aspect. She stated concerns had already been brought to the SAU administration, i.e., questions from
5 teachers and concerns about how it was done. They had agreed to have a review of the whole package. The negotiating
6 team did not wish to tie itself into something it was going to be reviewing and had concerns about.

7
8 Chairman Hyde questioned the progress with regard to the review. Ms. Lenzac stated a committee is currently reviewing
9 the professional development plan.

10
11 Mr. Beauregard stated he was unclear what was meant by “pay for performance” and noted that was not part of the
12 proposal the Fact Finder was commenting on.

13
14 Ms. Lenzac stated she was not speaking to the Fact Finder’s Report but rather the last proposal that was made and
15 subsequently rejected. Mr. Beauregard stated the proposal did not include an aspect of pay for performance. Ms.
16 Lenzac added another issue was the reduction in force. Chairman Mann restated there was no pay for performance
17 model put forward in negotiations.

18
19 ARTICLE 3
20

21 *Shall the Hollis School District, if Article 2 is defeated, authorize the governing body to call one special meeting, at its*
22 *option, to address Article 2 cost items only?*
23

24 Mr. Horton stated he is awaiting confirmation from counsel as to whether this article is necessary.
25

26 PUBLIC COMMENT – None
27

28 ARTICLE 4
29

30 *To see if the school district will vote to raise and appropriate a sum of \$38,525 to fund the increase in cost items relative*
31 *to support staff salaries and fringe benefits for the 2012-2013 school year which resulted from good faith negotiations with*
32 *the support staff, and which represents the negotiated increase over last year’s salaries and fringe benefits. This is the*
33 *first year of a two year contract.*

34
35 Chairman Mann informed the board and the public the Hollis School Board recommends this article.

36
37 Chairman Hyde stated the estimated tax impact for the first year of the contract to be \$0.03/\$1,000, \$3.10/\$100,000, or
38 \$10.85/\$350,000.
39

40 Chairman Mann stated first year costs of the contract as a 2.25% increase for employees off the salary schedule and a 1
41 step increase for those on the salary schedule (\$36,725). With regard to health insurance, an increase of \$50.00 to the
42 monthly health insurance cap (estimated at \$1,800) resulting in a total cost for year 1 of \$38,525. In year two of the
43 contract, a salary increase based on average % change in CPI-U with the caveat in no event would this increase in year 2
44 be less than 2.0% or more than 3.0% (\$35,555 based on 3% maximum) for a total two year contract cost of \$74,080.
45

46 Unidentified Speaker
47

48 Requested clarification of the meaning of cap. It was explained the cap is the maximum liability the district has to pay for
49 health insurance premium costs per person/per month. Chairman Mann added the current rate is \$975, which would
50 increase on July 1, 2012 to \$1,025. It was noted should the premium increase above that level the employee would be
51 responsible for the additional cost.
52

53 PUBLIC COMMENT – None
54

1 ARTICLE 5

2
3 *Shall the Hollis School District, if Article 4 is defeated, authorize the governing body to call one special meeting, at its*
4 *option, to address Article 4 cost items only?*

5
6 The Hollis School Board recommends this Article.

7
8 Chairman Mann explained should Article 4 be defeated, the ability to call a special meeting would allow negotiations to
9 resume rather than having to wait until the September/October timeframe for that to occur. Chairman Hyde stated should
10 Article 4 fail, the School Board could re-enter negotiations at any time. What Article 5 provides for, if approved, is the
11 ability for the School Board to call a special meeting without the court ordering one, at its option, to present an agreement
12 should one be able to be reached. Without Article 5, no subsequent agreement could be presented until the next annual
13 meeting.

14
15 PUBLIC COMMENT – None

16 ARTICLE 6

17
18 *To see if the school district will vote to raise and appropriate up to the sum of \$8,000 to be added to the previously*
19 *established MAINTENANCE FUND FOR ADMINISTRATIVE AND ASSOCIATED STRUCTURES at 4 Lund Lane in Hollis,*
20 *Map 56, Lot 2, from rental proceeds and unexpended maintenance funds to be received from SAU 41 available for*
21 *transfer on July 1 of this year.*

22
23 Chairman Mann stated the School Board recommends Article 6. Chairman Hyde stated the estimated tax impact to be
24 \$0.01/\$1,000, \$0.64/\$100,000, or \$2.25/\$350,000.

25
26 Chairman Hyde explained the constituent districts pay a rental fee for housing the SAU administrative offices at 4 Lund
27 Lane, which is a facility owned by the Hollis School District. The Article would allow the Hollis School District to transfer
28 rental proceeds into the maintenance fund to be utilized for maintenance and upkeep of the facility.

29
30 Chairman Mann informed the public the purpose of the fund is to carry forward rental income for 4 Lund Lane to be
31 utilized for building maintenance. He noted oversight is in the form of expenditures being proposed by the Administration
32 and approved by the School Board and Budget Committee. He provided a slide identifying projects being considered and
33 noted there is no definitive decision to complete any of the projects they are simply potential projects.

34
35 PUBLIC COMMENT

36
37 Basil Mason, South Merrimack Road

38
39 Questioned whether the amount transferred is \$8,000 per year, and was told that is the case. He questioned how the
40 district could carry over funds when Attorney Drescher stated funds considered for relocation of the SAU offices could
41 only be held for that one year or 6 months because of the terms of the members of the School Board (composition may
42 change).

43
44 Chairman Hyde stated the trust is a maintenance trust, which allows funds to be build up for the purpose of funding
45 maintenance items related to the facility. Mr. Mason remarked funds would be encumbered for multiple years. Chairman
46 Hyde stated a similar article appears before the voters each year and speaks to a one-time transfer.

47
48 Mr. Basil questioned whether those funds could lapse into the general fund, and was told they could. Chairman Hyde
49 stated if the article were to fail, the funds would lapse into the general fund. The comment was made, if there were a
50 need to repair the building, funding would have to be allocated out of the general fund.

51
52 Bernard Mizula

53
54 Stated he is pleased the budget includes line items for building maintenance and repair. He noted he is an expert in
55 occupational hygiene and environmental science and engineering. He spoke to the costs of mold mitigation incurred in
56 the last year. He remarked some of the items presented for repair/maintenance relate directly to mold and other issues.
57 He commented in maintaining the facility you are providing protection to the occupants. He spoke to the importance of
58

1 maintaining the district's infrastructure. He offered his assistance free of charge to the community should it be needed to
2 ensure residents, employees, and students are safe.

3
4 ARTICLE 7

5
6 *To see if the school district will vote to raise and appropriate up to the sum of \$290,483 to be added to the previously*
7 *established SCHOOL BUILDINGS MAINTENANCE FUND from the Hollis School District's June 30, 2012 unanticipated*
8 *revenues (unreserved fund balance surplus), available for transfer on July 1, 2012.*

9
10 It was noted the word "surplus" should be removed from the language of the Article.

11
12 Chairman Hyde informed the public a non-lapsing maintenance fund was established a number of years ago to be used
13 for major maintenance items at the two schools. The source of funding is a transfer of unreserved fund balance at year
14 end. He stated, should funds be available, approval of the warrant article would provide for the transfer of up to \$290,483
15 into the maintenance fund. He noted in order to expend monies from the fund a public hearing has to be conducted. He
16 added past practice of the Hollis School Board has been to work collaboratively with the Hollis Budget Committee on such
17 expenditures.

18 Chairman Mann stated the administration and the School Board have agreed the need exists to pave the parking lots at
19 both the Hollis Primary School (HPS) and the Hollis Upper Elementary School (HUES). He commented this particular
20 maintenance item has been deferred year after year for a number of years. The parking lots have deteriorated beyond
21 patching repair. Both sites require black reclamation down to the substrate and complete resurfacing. The current
22 condition of the parking lots has resulted in staff injuries, personal property damage, and numerous parent complaints.

23
24 Associates costs are \$190,483 for HPS and \$100,000 for HUES for a total warrant article cost of \$290,483

25
26 PUBLIC COMMENT

27
28 Steve Pucci

29
30 Questioned the anticipated amount of the unreserved fund balance. Mr. Horton responded further vetting is required
31 before a number is known. Mr. Pucci clarified the intent is to take from any unreserved fund balance, up to \$290,483, and
32 utilize it for the paving projects. Chairman Hyde stated his agreement.

33
34 John Anderson, Wheeler Road

35
36 Questioned tax impact. Chairman Hyde stated unreserved fund balance at year end, if not used for this purpose, would
37 lapse into the general fund and would ultimately be utilized to offset taxes. Therefore, although not raising new taxes to
38 fund the project, it has an impact inasmuch as funds would not be returned (\$0.23/\$1,000, \$23.37/\$100,000, or
39 \$81.80/\$350,000).

40
41 Mr. Anderson commented he has heard the intent would be to drop down the area behind HPS. He stated that cannot
42 occur due to water in the proximity. Mr. Beauregard responded the board would leave it to the consultants to handle that;
43 however, a concern has been the surface of the driveway is exactly level with the concrete pad in the area where students
44 are dropped off. He noted there is a desire to address that in some manner.

45
46 ARTICLE 8

47
48 *Shall the voters of the Hollis School District adopt a school administrative unit budget of \$1,338,732 for the forthcoming*
49 *fiscal year in which \$371,440 is assigned to the school budget of this school district? This year's adjusted budget of*
50 *\$1,357,646, with \$376,688 assigned to the school budget of this school district, will be adopted if the article does not*
51 *receive a majority vote of all the school district voters voting in this school administrative unit.*

52
53 Chairman Hyde stated the School Board has recommended this Article. The estimated tax impact is \$0.30/\$1,000,
54 \$29.89/\$100,000, \$104.60/\$350,000.

55
56 He explained he was one of the providers of the petition to put this in place. State laws only allow the budget to be
57 addressed one of two ways, the manner in which it was previously addressed, which gave no visibility other than the
58 public hearing or in this manner.

59 The SAU budget is created by the SAU Governing Board, that board is comprised of all three district boards. The board
60 holds a public hearing in the December/January timeframe and sets the budget. It also sets an adjusted budget (defined

1 as last year's budget with very minor adjustments). The SAU budget is now removed from the operating budget and is
2 presented as a separate warrant article for the purpose of visibility. The article shows the budget recommended by the
3 SAU Governing Board and the adjusted budget. It also shows district apportionment. Voters have the ability to cast an
4 up or down vote for the recommended budget. In the event the recommended budget is not approved, the budget for
5 FY13 would revert to the adjusted budget.

6
7 He noted this year the adjusted budget is actually slightly higher than the recommended budget.

8
9 He added, as residents of Hollis, voters will have the opportunity to attend two meetings; Hollis School District and COOP
10 School District. Hollis voters will be able to vote on this article twice as will be the case for Brookline voters. At each
11 district meeting a tally will be taken. All three districts will come together, sum the totals, and the majority vote will carry.

12
13 It was noted, in Hollis, the vote would be a ballot vote.

14
15 Chairman Mann added, should the article fail, the adjusted budget would result in an increase of \$5,248 for Hollis.

16
17 PUBLIC COMMENT

18
19 Steve Pucci

20
21 Stated the current situation is an unintended consequence of efforts to have the budget addressed in this fashion. He
22 remarked he sat on the sub-committee reviewing this budget and did not support it. Speaking to his rationale he referred
23 to an estimated reduction in enrollment figures. He noted there have been discussions of FTEs at each district level and a
24 lot of the conversations at March meetings over the past few years about teachers and people at the school directly in
25 front of the kids, but what has not been discussed is corporate overhead (other FTEs). He stated over the same time
26 period enrollment figures have decreased total FTEs has increased.

27
28 Speaking directly to the School Board he requested, as they are reviewing employee counts across their own district, they
29 also consider employee counts at the SAU level.

30
31 Ellen Lenszac

32
33 Asked for clarification of what the funds are being generated for. Chairman Hyde stated the article relates to the operation
34 of the SAU (salaries, benefits, utilities, etc.)

35
36 When asked, Chairman Hyde explained one of the issues that resulted from the public hearing was the potential to add a
37 part-time position, which was not accepted by the SAU Governing Board. Mr. Horton an issue discussed was researching
38 whether or not payroll functions could be outsourced. He stated he has met with ADP and, unfortunately, their solution
39 does not allow for the reduction of an FTE. He viewed the possibility as a net cost increase. The possibility continues to
40 be explored.

41
42 ARTICLE 9

43
44 *To see if the school district will vote to raise and appropriate a sum of \$9,840,825 for the support of schools, for the*
45 *payment of salaries for the school district officials and agents and for the payment of statutory obligations of the district.*
46 *This appropriation does not include appropriations voted in other warrant articles.*

47
48 Chairman Mann noted the School Board has not taken a position on this article as it wished to table any vote until the
49 conclusion of the public hearing. Chairman Hyde stated the estimated tax impact to be \$7.92/\$1,000, \$791.80/\$100,000,
50 \$2,771.29/\$350,000.

51
52 Chairman Mann noted the FY12 warrant article for the operating budget included the SAU assessment and the FY13
53 warrant article does not. He referred to a slide outlining major increases (items greater than 15% or \$3,500) totaling
54 \$164,318 and another depicting major decreases (items reduced by 10% or at least \$7,000) totaling \$857,244. He noted
55 there are both increases and reductions that fell below the threshold utilized for the slides.

56

1 Chairman Hyde spoke to cost savings realized in special education expenses, which relates directly to students
2 transferring to the COOP School District. He stated the question has come up of whether cost increases at the COOP
3 level equal the amount of decrease at the Hollis level. He referred to information provided by the Director of Student
4 Services identifying changes in costs related to special education.

5
6 Director Saunders stated the increase at the COOP to be \$290,502. Overall SAU-wide, there is an increase of \$87,850.
7 Chairman Hyde referred to a handout, which depicted several years of historical data based around the major category
8 sorts of the budget and identifying both expenditures and revenue.

9
10 Chairman Hyde stated the School Board budget meets guidance provided by the Budget Committee of a reduction of 3%.

11 PUBLIC COMMENT

12 Tammy Fareed

13
14 Stated her understanding the district would lose a nurse at HPS, and noted her displeasure. He referred to the loss as
15 completely unacceptable. She stated her belief there is almost no school on earth that has Preschool to third grade
16 without two school nurses. She added there are very few schools that have 8 kids with nut allergies in the 2nd grade
17 alone. She spoke to the role the school nurses have played as advocates for preventing accidents and overlapping
18 coverage. She spoke to the loss of a child in a school in Virginia last month due to a nut allergy and the school nurse
19 being unwilling to use another child's Epipen.

20
21 She stated her belief the school nurse was a luxury before the 4 As; autism, asthma, autoimmune, and allergies
22 skyrocketed. She spoke to the seriousness of these medical conditions. She stated if the nurse had to stop teaching
23 health classes she would be okay with that, but if someone got sick at one end of the building and someone else was
24 having a seizure in the preschool or another such situation, that would not be okay. She remarked the vulnerability of the
25 students in the building is not the same percentage as it once was.

26
27 She stated the school nurse at HPS is one of the premiums that she is perfectly happy to pay for and is aware of others
28 who would be as well.

29 Iris Realmuto, Cameron Drive

30
31 Asked for clarification of what is included within the two software lines of the budget (40% increase). Mr. Horton stated
32 funding for those items was previously captured in other line items within the budget. This year, in an attempt to
33 aggregate the computer software and expenses, those charges were brought into those specific lines. He stated them to
34 be computer rather than instructional lines. He noted one of the major cost items brought into those lines was Internet
35 costs.

36
37 Ms. Realmuto questioned whether costs were actually increasing or simply being identified differently. Mr. Horton stated it
38 to be a reallocation of the budget as a means of grouping those expenses. Ms. Realmuto questioned whether the costs
39 represented purchases or a change in software, and was informed they did not.

40
41 When asked, Mr. Horton spoke to a three-year computer replacement plan of which this would be the third year. That
42 plan included the purchase of a certain quantity of computers for HUES and HPS. After looking at the consultant's report,
43 it was identified, although upgrading of computers is needed, there is an urgent need to replace existing servers, which
44 are beyond their warranty period (no support/drain on network capability due to age). What has been determined is a
45 portion of the monies considered for computer purchase (approx. \$10,000) would be utilized to purchase new servers in
46 FY13 (originally planned for purchase in FY14).

47
48 Bob Labednick, Truell Road

49
50 Spoke to "Principals' New Item Requests" for \$143,000, and questioned what the costs were associated with. Mr. Horton
51 stated within that line is the three-year plan for computer replacement as well as additional items for support of EnoBoards
52 and items of that nature. He reiterated, for budgeting purposes, items that would be new to the budget were placed in
53 those specific lines for higher visibility.

1 He stated an understanding some of the schools would experience empty classrooms, and asked for clarification.
2 Principal Allen stated there are no empty classrooms at HPS, and in fact they had to dismantle a computer lab last year to
3 accommodate the additional preschool classroom. Principal Fowler stated there is an empty classroom at HUES, which
4 resulted from going down to 4 classrooms in 6th grade. The room is utilized, but there are no individuals residing in it.
5

6 It was stated there had been discussion of available space at the middle school.
7

8 Laurie Miller
9

10 Stated her disappointment information pertaining to the meeting did not appear on the website until 20 minutes prior to the
11 start of the meeting, and does not give a great deal of detail regarding the budget. She questioned why the different
12 revisions to the proposed budget could not be shared while the process was underway.
13

14 Chairman Hyde commented the work is being done in large part by volunteers working late hours. He remarked when
15 posting information that continuously undergoes revisions/changes causes a great deal of discussion around information
16 that is no longer relevant/accurate. He stated a preference to provide information once it has reached the point of being
17 as close to a finished product as possible.
18

19 He agreed the last minute nature of the situation is very frustrating and the desire exists to provide as much accurate
20 information as possible.

21 Ms. Miller noted the first cut, Revision A, was proposed in the December timeframe and no information was posted for
22 public review. She remarked it would have been nice to be part of the process and be able to review details. Chairman
23 Hyde stated he would take the comments as an action to try and improve the process.
24

25 Ms. Miller commented the Principals presented a bare bones budget in November. It now appears as though they are
26 eliminating a teaching position at HPS and the replacement at HPS for the teacher that transferred to HUES will occur
27 (resulting in 5 sections for each of the grades). She asked for confirmation the teacher was being replaced, which she
28 received. Principal Fowler noted neither the Budget Committee nor School Board have taken a position on that change
29 as of yet. Ms. Miller stated her support.
30

31 She questioned whether any other changes have been considered to reach the current proposed budget.
32

33 Chairman Mann stated one of the purposes of providing the presentation was to identify major changes proposed. Ms.
34 Miller commented that does not specifically identify whether positions are cut, etc. Chairman Mann noted the decreases
35 identified includes a line item indicating a reduction to nursing salary.
36

37 Ms. Miller questioned whether the reduction in classroom teachers (10%) was representative of a position cut. It was
38 stated the reduction was related to a teacher retirement and the position being filled at a lesser salary.
39

40 Chairman Hyde requested Principals Fowler and Allen provide a summary of any proposed changes/shifting of staff.
41 Principal Allen remarked at the November meeting she was asked to provide a number that would provide for meeting
42 needs, maintaining current positions, etc. Last month there was a change in the guidance formula and special education
43 costs were separated out from the formula resulting in the need to cut an additional \$80,000 from the proposed budget.
44 The only change from last month is a decision to reduce the number of nurses at HPS. Other than that, no changes have
45 been made. She noted confirmation has yet to be received on the 6th grade teaching position requested.
46

47 Ms. Miller questioned whether it was the nurses salary plus benefits, etc. that made up the total. She was informed it was
48 that plus smaller items.
49

50 Ms. Miller questioned whether the School Board intended to keep within the proposed budget the teacher identified in the
51 899 account (6th grade). Chairman Mann stated it is part of the proposed budget and noted the School Board meeting
52 was recessed before the board took action on the budget as a means of first hearing public testimony. Ms. Miller stated
53 her support of the position.
54

55 A member of the Budget Committee questioned whether or not a 2nd grade teacher was intended to be added. Principal
56 Allen responded they were asked by the Budget Committee to consider reducing the sections of 2nd grade down to 4.
57 There was discussion related to the unique needs of that grade level and the desire to retain 5 sections. When asked,
58 she stated the budget as presented proposes retaining those 5 sections.
59

60 Bernard Mizula

1 Stated he just heard about the second nursing position being cut. He provided his opinion what is occurring is a
2 dismantling of the educational system. He remarked he understands the struggles people on fixed incomes face. He
3 spoke of residents whose children graduated from this school district and moved on, and stated his happiness for those
4 who had the opportunity to do that. He remarked it is a different time now, and he finds it unacceptable that his
5 community members are telling parents of today I want to push the bar down as low as possible to make sure it still looks
6 like a school district. He spoke of the over-inflated cost he paid for his home doing so because he understood he was
7 getting into perhaps the best school system in the state, and suggested it is not going to be retain its value and he will be
8 stuck with that mortgage.

9
10 He suggested, before that starts to happen a perception will be in place, i.e., real estate agents will refer to the school
11 system differently, etc. He suggested this has already begun to occur. He stated his understanding there are no quick
12 fixes, but noted he has yet to see community get together, but rather finger pointing and rhetoric that leaves him thinking
13 there are a minority of folks that are against the children of the community, which is something he is not okay with.

14
15 With regard to the proposed cut of a nursing position, he stated both of his children suffer from asthma and one of his
16 children has a severe tree nut allergy, and the combination of those two things can be deadly. He stated it is because of
17 the two nurses at HPS and their diligence and contact that they were able to identify the cause of his child's chronic
18 stomach aches, which would not have occurred if he were without a good support staff in the nursing department at the
19 school.

20
21 He thanked board members for their time and efforts, thanked the residents who attended the meeting, and the fellow
22 parents who have facilitated his involvement.

23
24 Jennifer Cahill, 65 Hannah Drive

25
26 Stated her disagreement with the decision to cut a nursing position. She informed the board within her own family there
27 are two children with asthma, autism, and possibly 1 with a seizure disorder. She stated she personally feels better
28 sending her children to school knowing there is backup so that if one nurse is addressing a situation another will be
29 available. She spoke to nut allergies that are prevalent in the community and the need for intervention.

30
31 Holly Babcock, 113 Hayden Road

32
33 Questioned the budget process. She stated her understanding the Principals brought forward a budget that met
34 guidance, and yet the Budget Committee came back and requested additional reductions. She stated her frustration
35 requesting additional cuts goes against what they are stating as necessary to do the job they have been doing. She
36 stated the town is continually taking away, which takes away from the school system, which is not the direction the district
37 should be moving in. She stated her understanding and appreciation with reductions in enrollment the desire is to reduce
38 costs. She stated she pays property taxes in this town and she is happy to pay more. She went on to say she wants an
39 excellent school system and she wants her kids to be taken care of, and they are.

40
41 She remarked there are fabulous people in the schools who do a great job and they have been negotiating contracts and
42 made to feel like they are not valuable and they are. She stated her desire the board consider adding back into the
43 budget the position proposed to be cut.

44
45 Tom Enright

46
47 Stated he remained unclear on the reductions in the health insurance line and the information pertaining to number of
48 teachers. He requested an explanation be provided at district meeting; specifically, what has occurred with regard to
49 FTEs as well as a justification for the reduction of a school nurse.

50
51 He commented he heard a gentleman speak about retired people not supporting the budget. He stated he is retired, does
52 not have a pension, has not had children in the school district for 10 years, and believes it offensive to have someone say
53 he does not support the schools because he does. He added he has never nor will never ask for a reduction in his taxes
54 because of the school budget. He respectfully requested speakers be careful not to take a class of people and make a
55 statement they do not support schools.

56

1 He applauded the Budget Committee and School Board members for an excellent presentation and discussion. He
2 remarked he came into the meeting cold turkey and has received the necessary information.

3
4 Selectman Band
5

6 Commented there has been quite a bit of concern raised by the citizenry with regard to the proposed reduction of a
7 nursing position. He requested the administration provide the reasoning and detail behind the decision. Principal Allen
8 stated her understanding the presentation that was made to perhaps both the Budget Committee and the School Board
9 when the preschool program began was that it was required to have a second nurse. That position initially started as a .5
10 position. She was unclear what lead to that position being increased to full time the following year. She stated when the
11 preschool program started there were 407 students at HPS, and they are now down to 340.

12
13 She remarked the issue has come up every year. She stated if the administration believed in any way they were putting
14 the students in harm's way they would not be making this decision. She remarked what may occur is the responsibility of
15 teaching hand washing and good hygiene may be left up to the teachers in the preschool and kindergarten classes freeing
16 up the nurse from those duties. The nurse will not be able to teach all of the classroom lessons she has been. She noted
17 a lot of the lessons taught by the nurse are also in the science curriculum so a shift will have to occur in her role in the
18 building. She stated the message came through loud and clear the desire was not to cut any additional classroom
19 teachers.

20
21 She stated enrollment numbers were considered as well as the current health issues of the students. She added at the
22 time a second nurse was added there were a few students with significant medical issues where the nurse was required
23 for feeding, etc. Those students have since moved out of district.

24
25 Principal Fowler stated at HUES they have been maintaining one nurse. As the kids get older they become more self-
26 advocating and a little bit more self-sufficient. Not as much nursing is needed at that level. She added over time when
27 looking at the needs of the buildings and how guidance formula was restructured they needed to ask themselves what
28 positions are needed to keep the students safe, to ensure quality education, and then make decisions based on that
29 information.

30
31 Director Saunders stated, at the last meeting, the board questioned the administration whether they needed to have a
32 school nurse because of the preschool program. She contacted the Department of Education and was informed there is
33 no state requirement to have a school nurse whether in an elementary school building, middle school building, high school
34 building or preschool. As long as you have a nurse there are certain RSAs that need to be followed, but there is no
35 requirement for a nurse for the preschool program. She stated a desire to ensure the public had that information as
36 preschool had been the premise for that additional position, in addition to student needs, when it was implemented.

37
38 Principal Allen noted it is not a decision made by the Principals alone; it is a full administrative team decision. She
39 remarked if there was not a need to make additional cuts she would love to keep the additional nurse as a lot of
40 teaching/training is able to occur. The message was you have to cut somewhere and the decision had to be made; do
41 you cut a classroom section and increase class sizes, cut program(s), etc. or do you cut the nursing position. She
42 remarked the decisions are extremely difficult, but pros and cons of every possible decision have to be looked at and
43 consideration has to be given to the number of students that would be impacted.

44
45 Selectman Band
46

47 Questioned the administration; given the issues children are faced with that have been stated during public comment, did
48 they feel they could address those issues with 1 nurse. Principal Allen stated they would not have made that decision if
49 they didn't believe they had a highly capable nurse who could handle that.

50
51 Chairman Hyde spoke to the discussion of change to guidance. He explained up until about 2 years ago special
52 education costs were excluded from guidance. As special education costs consumed a much greater portion of the
53 budget it was brought in under guidance to try to bring some challenging tradeoffs to the matter. The transference of
54 several special education students into the COOP district and particularly some very high expense tuitioned students, was
55 felt to be somewhat of a windfall in terms of the budgetary costs that would be eliminated, which is why the change was
56 made to take that outside of guidance for FY13.

1 Chairman Mann noted on the day the workshop was held to consider a reduction in a position; he received a call and
2 participated in a lengthy discussion. He stated the board looks at positions not personnel. When a decision is made to
3 cut a position it comes before the board and the first question asked is always are you properly equipped to do your job,
4 not how much could we saved.
5

6 Chairman Hyde remarked the Budget Committee was informed in non-public session about issues in one of the grade
7 levels that were under consideration for teacher reduction, and it was brought out that there are a lot of challenges in that
8 group. The decision was to support keeping an extra teacher even though it would put the grade under Hollis education
9 specifications. He remarked that is another issue being weighed is the extra servicing of those needs and trying to
10 balance those with other resources. Tradeoffs have to be made. It is believed, as was stated, overall the district remains
11 well covered.
12

13 John Anderson
14

15 Stated his assumption before the meeting is closed the board will add up all of the articles to provide a total figure.
16 Chairman Hyde stated he had provided that information, but would revisit it.
17

18 Mr. Anderson questioned whether the \$290,483 unreserved fund balance gets added into the bottom line. Chairman
19 Hyde stated the article speaks to, if there is an unreserved fund balance at year end, up to that amount would be
20 transferred into the maintenance trust fund.
21

22 Mr. Anderson spoke to the Auditor's report, which spoke of student activity funds and the need to develop a procedure for
23 managing those funds. He questioned the lack of a warrant article to address that issue. Chairman Hyde noted the issue
24 was discussed at one time. Mr. Horton responded, at the elementary level discussions with the auditor suggested moving
25 non-agency accounts to fund 23 (where grants and other monies restricted for specific purposes are held). It would be a
26 decision of the board and administration to determine specific expenditures those monies could be used for. That would
27 take the control away from the building level and place it at the SAU level where it would be required for a requisition to be
28 submitted, which would have to meet established criteria.
29

30 Mr. Anderson suggested there would be no budget oversight. Chairman Hyde noted it would be audited as part of the
31 financials. It was also noted the board would have oversight. Mr. Anderson stated there are RSAs in place to address it,
32 and he had expected there would be a warrant article to that affect. He suggested the accounts be set up in a similar
33 fashion to how they are being addressed at the COOP.
34

35 Mr. Anderson noted no discussion had taken place around the water system. He questioned the status of
36 repairs/maintenance, etc. Mr. Beauregard stated there is a line item within the budget for maintenance of the water
37 system. He added there is also a contribution from the COOP district of approximately \$16,000 - \$17,000 to assist in
38 offsetting costs as they are a major user of the system. He stated the maintenance side is covered and they continue to
39 work on how to discontinue providing water to entities outside of the school district. Chairman Mann stated the district is
40 researching potential options.
41

42 Mr. Anderson commented he sees no need for all of the wells that are being drilled. He remarked he receives varying
43 responses to his questions from all three of the districts. He commented there was a concern about becoming a water
44 company, and stated under State law and the Public Utilities Commission (PUC) you would not become a public utility
45 with what you are servicing today. He remarked it is likely a discussion for a future board meeting.
46

47 Michael Patz
48

49 Asked for clarification guidance was a 3% reduction, and was informed that was the case. He questioned whether the
50 proposed budget was actually a reduction of 4.5%. Chairman Hyde stated the school district met guidance of a reduction
51 of 3%.
52

53 Mr. Horton remarked the way it was depicted on the slide, was the entire budget; however, guidance is calculated by
54 excluding items such as debt service, SAU assessment, and other components that are pulled out of the budget before
55 guidance is applied. He remarked it resulted in, after all adjustments were made and guidance was adjusted, a variance
56 of \$80,000 that needed to be made up.
57

1 Mr. Patz questioned the -4.35% identified in the handout. Mr. Horton stated that as the bottom line number, but noted one
2 of the items within that number, which is not included within guidance, is transfers. He added there are transfers that
3 move to special revenue funds, which are factored out of guidance. There was a reduction in that area due to a lower
4 estimate for expected revenues in Title I, Title IIA, and IDEA grants. That affects the total bottom line budget even though
5 not taxpayer funded items.

6
7 It was restated when the 4.35% reduction is netted out it results in the -3% guidance. Mr. Patz questioned whether there
8 is an additional savings of 1.3% and was informed there is not.

9
10 Unidentified Speaker

11
12 Remarked he attended a meeting in November where the question was asked, does the proposed budget provide the
13 administration the tools they need to educate the students and have the school system be one of the best in the state, and
14 the answer was yes. He posed the same question in relation to the changes that have occurred since that time. He
15 specifically questioned whether the Principals believe the proposed budget has in it what they need to educate the
16 students. Principal Fowler responded when asked in November what do you need they answered honestly with the
17 budget they had. If asked again, not changing anything, things are going to change a bit at HPS as moving from 2 nurses
18 to 1 does mean there will be less teaching in the classroom, not that they won't teach kids how to properly wash their
19 hands, etc., but it will be different. She stated she cannot honestly say that it will not be any different, but in response to
20 does she believe they have enough teachers in front of students to ensure learning and growth, she does. Principal Allen
21 responded with the 899 account included (additional 6th grade teacher), absolutely. She reiterated they are still waiting to
22 hear how the School Board and Budget Committee feel about that request.

23
24 He questioned whether there remains uncertainty with regard to the additional 6th grade teacher. Ms. Benz noted the
25 current proposal includes the addition of that position.

26
27 Steve Pucci

28
29 Thanked the boards for their time. He remarked he is sometimes amazed by things he hears coming out of the
30 community that give the impression something is being done to purposely destroy the classrooms or the quality. He
31 commented he knows about 75% of the board members personally and stated this never ever comes into the
32 conversations that occur.

33
34 With regard to student activity accounts, he stated the need to define the process for non-agency accounts and suggested
35 the solution is not as simple as placing the monies in the Fund 23 account.

36
37 He questioned whether the 3% reduction is a reduction in increases or an actual reduction in spending. He suggested
38 when the 3% reduction is communicated the board may also want to communicate whether spending from last year to this
39 year is going up or down. He commented the unreserved fund balance is one of the large variables and stated although
40 reducing percentage you could be increasing spending.

41
42 He commented if spending is going up and the desire, with declining enrollments, is to right size the organization, there
43 are plenty of things within the budget that have no impact whatsoever on teachers, quality, etc. He suggested, if spending
44 is increasing, the boards should look more towards keeping spending flat.

45
46 Jeff Peters, Deacon Lane

47
48 Questioned the estimated tax impact of retaining the nursing position. Principal Fowler remarked it would be a matter of
49 meeting guidance versus not meeting guidance. Mr. Peters questioned whether it could simply be decided to go over
50 guidance. Mr. Horton stated the cost to be \$71,245 fully loaded. Chairman Hyde stated that would equate to roughly
51 \$.06/\$1,000 or in the area of \$20.00/\$350,000. Mr. Peters stating education is being cut as the nurse is currently taking
52 away burden from the teachers to teach something a nurse is more trained to do.

53
54 Basil Mason

55
56 Commented what the boards don't realize is the people on the street are upset about the fact they are taking 20% of the
57 population or less and giving them 70% of the tax money across the board, i.e., \$70 of every \$100 paid in taxes is being
58 given to the school system. He remarked they didn't plan on this expense being this far out when they were working and
59 as they retire their income stops and does not increase. He stated the Town has got to realize they have to make cuts.
60 He commented the Mayor of Boston had 18 schools and was supposed to cut 6 or 8 or more and didn't stop to ask

1 whether they had a special nurse, he just said shut the door as a means of balancing the budget. He suggested that is
2 what needs to occur in Hollis.

3
4 He remarked most of the teachers are non-residents and the students are not taxpayers, their parents might be paying,
5 but the students are not paying a nickel into the tax base. He commented he was approached by a woman a while back
6 who told him when they wanted a \$21 million school for this town she would have done anything to get it. At the time he
7 met her she was working in Nashua and living in a condo. He asked her where her daughter was that she wanted the
8 good education for and she said she was in Cape Cod working as a maid in a motel. He posed the question of whether
9 he should have been worried about providing her a better education or worried about whether he can afford to pay for
10 what he gets here.

11
12 Ms. Pucci commented people tend to trivialize these expenses, i.e. it is not the cup of coffee, the dinner out or the pair of
13 jeans, it is the \$10,000 or so before you get to the cup of coffee, dinner out, etc. that is difficult for people to get. She
14 stated it is the cumulative effect of paying the bill and the increases.

15
16 Maryann Shanley, 7 Buttonwood Drive

17
18 Stated her support of the budget submitted by the Principals. She provided her opinion faith needs to be put in their
19 knowledge of the workings of their buildings and what their students need. She remarked she knows they keep in mind
20 what the taxpayers will stand for. He stated she was troubled by their being scrutinized so much. She reiterated she
21 believes they know what is best for the overwhelming majority of the workings of their buildings. She commented she
22 believes Mr. Horton is completely overworked and thanked him for all of his hard work.

23
24 Ms. Shanley remarked she is aware the Budget Committee provided guidance of a 3% reduction, and wished that were
25 not the case and that at the very least they were looking for a 0% increase, and would like to see the budget increase.
26 She commented the schools need a lot of support and noted it is the big industry in town and why people come here.

27
28 Tammy Fareed

29
30 Remarked at the November meeting Selectman Band asked the Principals point blank what do you need to keep the
31 system the way it is. The Principals responded they had just put it in front of him. Then in January it is a 3% reduction of
32 a different number. She questioned why guidance was changed. Chairman Hyde reiterated in guidance they try to
33 establish the base number that is tracking with delivering services. This year they removed from guidance the SAU
34 assessment, food service (self-funding program), etc. With the large number of high costing, out-of-district placements
35 that are transferring over to the COOP district, those expenses were viewed in a sense as a windfall. Those costs were
36 removed from the guidance formula. Ms. Fareed questioned why that action took place in January as opposed to
37 November.

38
39 Chairman Hyde responded the magnitude of the windfall was simply not realized by the Budget Committee until then.
40 Ms. Fareed questioned, if a windfall, why a greater percentage needed to be reduced. Chairman Hyde explained if
41 creating a budget where large cost drivers are no longer included, if you leave that inflated number in there to be
42 considered you would have a large number included that is not serving the population. Ms. Fareed stated special
43 education costs drop simply by removing them from the equation.

44
45 Principal Allen remarked she and Principal Fowler have had some confusion on the issue as well. She commented they
46 do not use the term windfall. She stated if you review the drivers for the district budget for the last several years, it was
47 maintenance, mold remediation, special education costs, health insurance, etc. Over that time they have had to make
48 cuts on the educational side to make up for those fixed/uncontrollable expenses. She reiterated they do not view the
49 difference in special education costs as a windfall but rather as a balancing. She added, over the years, they have made
50 cuts in supplies, textbooks, workbooks, etc. to try to compensate for increases in fuel costs, maintenance costs, etc.

51
52 Chairman Hyde stated, as a budget committee, they look at the costs to serve the community. If that distinct population is
53 not there, they want to compare apples to apples, which is what they were attempting to do. He commented the
54 conversation is a fair one to have to say over this period of time things have changed and tradeoffs have been made, and
55 after the guidance is set that is the conversation they can have.

56

1 Ms. Fareed questioned how the presentation made is an apples to apples comparison given the inclusion of special
2 education costs in guidance for the past two years. Chairman Hyde noted the inclusion only occurred in the FY12
3 guidance. A member of the Budget Committed remarked if additional students requiring services were to enter the
4 district; those costs would have to be incurred outside of guidance.
5

6 Ms. Fareed questioned why the additional \$80,000 has to be carved out of the original proposal.
7

8 An unidentified individual questioned whether it was fair to say the cost is transferring from the Hollis School District to the
9 COOP School District. It was stated, although not funded by the taxpayers at this level, it will be at the COOP level.
10 Chairman Hyde stated the cost being transferred to the COOP as \$290,502. Costs to the taxpayers funding services
11 provided to the overall population are increasing substantially. To shelter that within the budget and say use it for other
12 things without at least exposing it for that better discussion outside of it is not believed to be appropriate. The decision
13 was made to remove those costs from guidance to try to make as fair a comparison as possible. He restated it is fine to
14 have discussions around textbooks and other items that have been cut back.
15

16 Ms. Fareed re-stated the figure (non-special education costs) that is -3% is equivalent to -3% from the same figure of last
17 year. She reiterated that is not what was discussed in December, which she finds very disappointing.
18

19 She stated many people speaking from the podium and those on the boards speaking to them as taxpayers have stated
20 they have been bombarded by messages from citizens on fixed incomes complaining of cost issues increasing the
21 budget.
22

23 Mr. Gehan stated guidance did not change in the January timeframe; part of the November budget that met 3% guidance
24 was incorrect as it was on a gross basis budget, which didn't include food service, debt services, etc. Chairman Hyde
25 agreed the calculation was incorrect at the time. Mr. Gehan clarified the proposal did not meet guidance in the first round.
26

27 Ms. Fareed, speaking to Chairman Hyde, remarked she believes the -3% guidance was based on the numbers the
28 Principals provided, but that he was comfortable with it for other reasons, which is where some confusion comes in. She
29 suggested the Principals were asked what they needed and that figure was worked backwards to come up with a 3%
30 reduction. Chairman Hyde stated that was not the least bit correct.
31

32 ARTICLE 10

33
34 *To see if the school district voters will authorize the Hollis School District to access future year state and federal
35 catastrophic aid funds in the event that special education costs exceed budget limitations.*
36

37 Chairman Hyde stated this article would have no tax impact for FY13 as it proposes accessing next year's funds, which
38 would be to the benefit of the district. Director Saunders stated the estimate, at this time, to be \$32,500.
39

40 PUBLIC COMMENT - None
41

42 ARTICLE 11

43
44 *To transact any other business which may legally come before said meeting.*
45

46 PUBLIC COMMENT – None
47

48 *The public hearing was declared closed at 10:15 p.m.*
49