



BUDGET COMMITTEE
Town of Hollis
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Minutes of February 13, 2008

Meeting was held in the Community Room, Hollis Town Hall and was called to order by Chairman, Mike Harris at 7:30 PM.

Members present: Mike Harris, Chairman; Chris Hyde, Vice Chairman; Melinda Willis, Selectmen Representative; Bill Beauregard, School Board Representative; Tom Jambard, Bob Labednick, Don Ryder, Frank Whittemore.

Also present: Rich Pike, Superintendent; Dawna Duhamel, Business Administrator; Susan Benz, Jen McLoed, Jim McCann, Harry Haytayan, School Board Members

Public Hearing of the Hollis School Budget

Bill presents several handouts to all BudCom Members. The first is BudCom guidance formula with updated figures for the proposed budget.

This year the expendable trust figures were left in to calculate the guidance, next year the expendable trust figures will not be included. The expendable trust figure has been reduced since the last presentation.

The total recommended amount of \$11,184,971 is intended to include all warrant articles; operating budget, negotiated cost items for professional and support staff and the expendable trust.

The school board is proposing \$11,274,223, which is over the guidance by \$89,253. The full proposed amount is \$11,314,344, however there is \$40,121 of offsetting revenue from Brookline for reimbursement of a portion of the English as a Second Language program.

The second handout is a budget summary by Cost Category. This is separated by items that are within the BudCom’s guidance and items that are outside the BudCom’s guidance. The total operating budget is \$10,979,205, which includes the expendable trust. With the trust figures removed, this is reduced down to \$10,905,573. This is the amount used for article 2.

	Guidance for FY 2009
FY 2008 Operating Budget from MS22	\$10,359,585
+ FY 2008 Expendable Trust	96,882
+ FY 2008 Special Revenue	122,041
+ FY 2008 Food Service	302,087
FY 2008 Approved Budget	\$10,880,595
- FY 2008 Special Revenue	122,041
- FY 2008 Food Service	302,087
- FY 2008 Debts Service	402,988
- FY 2008 Special Education – Non administrative	2,013,761
FY 2009 Budget Recommended Base	\$8,039,718
FY 2009 Guidance Percent Increase	1.8%
Guidance Increase to FY 2009 Budget	144,715
FY 2009 Base + Guidance Increase	\$8,184,433
+ FY 2009 Special Revenue	130,000
+ FY 2009 Food Service	325,000
+ FY 2009 Debt Service	397,431
+ FY 2009 Expendable Trust	73,632
+ FY 2009 Special Education – Non Administrative	2,074,460
Total Recommended	\$11,184,971
Total Requesting	11,274,223
Delta – Recommended to Requesting	\$(89,253)

The proposed budget for regular education teachers is down \$56,000. As student enrollment declines, so should the number of teachers. This was done last year, yet they also need to balance this to keep in line with the ed specs. They feel that based on enrollment of preschool/kindergarten and the existing preregistrations, they will be able to reduce one 1st grade teacher position. The regular ed aides line is increasing by \$27,635 to allow for changes in the 6th grade. There is currently a “bubble” in 5th grade with 7 classes. The 6th grade class structure is different to allow for their transition into middle school. This structure will not work with 7 classes, therefore they will keep it to just 6 classes and add additional aides to assist the teachers with the larger classroom sizes of 24-25 students. This amount is also offset by the reduction of a media assistant. They have also increased the custodial

Budget Committee Minutes/February 13, 2008– Page 2 of 10
Draft

staff hours to allow for additional maintenance at the primary school.

Mike questions the reduction for district maintenance salaries. Bill explains that this amount was transferred to the line item for director of maintenance. Mike comments that this leaves a delta of \$24,000. Bill states that this savings is due to the management change. There has been a slight increase to SAU salaries and benefits. His is Hollis' share of the SAU budget. Melinda questions what percentage of the total SAU budget that Hollis pays. Bill states that this is around 31%. Mike questions the total increase to the SAU budget. Bill indicates that they have a 6.4% increase. The SAU proposed budget was much lower, however the school board has decided to include a special education study to look at the way special education is managed SAU wide. \$40,806 has been included for this, which includes funds for more staffing. Currently they only have the director and a secretary. Frank questions who will be conducting this study. Rich explains that they have received a bid from Management Resources out of Meridith, NH. This will be contracted out.

Melinda is concerned that the school warrant does not contain articles for these new positions. The town always includes articles for more staffing. Any new position should go before the voters for approval. The school is added new aides, which are just rolled into the operating budget. The town is asking for a new police office, which will be a separate article, to allow the voters to decide how their tax dollars are spent. She feels the schools should do the same. Mike agrees, yet this is for a new SAU position that the voters have no say over. Chris mentions that there is a way for the voters in each district to vote on the SAU budget. If voted down the budget is treated similar to how an SB-2 budget is handled. Mike states that their current budget structure does not allow the voters to have a say on the SAU portion.

Bill explains that there is also an increase to allow for a merit increase for non-union and administrative personnel. There are 9 employees with a 4% increase. Melinda asks if these employees receive a COLA increase each year. Rich indicates that they do not. There was a system in place years ago with a guaranteed %, plus bonus pool, yet this did not mean that all employees would get a piece of this. Bill explains that this will be going to the principals, assistant principals, director of maintenance and curriculum coordinators. They do not have step increases in their contracts. Mike comments that this looks like a lot of administrative expenses. Bill indicates that the school board is looking to have a management study done. This will look at the current administrative structure. Is this a good model? What changes should be made? They have found it hard to pull this information from other district's budgets. It is hard to compare. Mike agrees that this information is very mysterious.

Bill states that the total salaries are down \$11,302, yet this does not include the negotiated contracts. Administration has some small increases. Overall it appears that maintenance is down. This is not due to a cut in maintenance, but merely removing one time expenses from last year. Transportation is up due to a new contract and increased fuel costs. Mike questions the line item for special education billing. Dawna mentions that there is also offsetting revenue on this line item. Last year the school received \$50,000, yet there is no guarantee for each year. Bill states that this is handled through a 3rd party billing service.

There are 2 new items in administration this year. One is for a data driven decision making system, the other for a food service subsidy. There is much data available on student performance. They need the ability for the principal to do a "what if" scenario. This system will enable the principal to get reports on students. The data will show strengths and weaknesses. It will also be available for the teachers to perform analysis on a classroom level. They need someone familiar with data analysis to help with this process. Mike questions privacy issues. Rich explains that the consultant will be using raw data, with no names attached. Bill states that they can easily use student identification numbers with no names. Mike asks if anyone will really use this data. Bill feels it will be very helpful. The director of curriculum can use the student portfolios. This will also assist with parent-teacher conferences. Rich comments that currently they are data rich and information poor. This will help them to become data rich and information rich. The teachers and administration have both been asking for this. They want to use all the data that is available. Mike comments that he would love to hear them report back regarding the usefulness of this.

Melinda understands the value of wanting access to this data, yet she is not sure how these funds will obtain the goal. Bill explains that this get them someone to do number crunching. This person will generate reports for the staff. This is not a new position. It is a service at \$125.00 per hour to establish a framework to create the reports. They hope to have this line item every year. Mike questions whether the antiquated report card system will be updated with this. Bill indicates that this will not impact the current report card system, yet in the future they will ask for this. Melinda questions why this is under administration and not under salaries. Rich explains that this is a contracted service.

Harry arrives at this time.

Bill explains that the other new item is for \$8,000 for food service. This amount may be need to transfer to make the food service account balance out. Food service is no longer self funding with higher quality foods being purchased. The is not being fully funded with revenue. They will be reviewing this in the future. Mike comments that in the past there used to be a subsidy for food service, yet this was changed to make it self funding. He would like to see this continue to be self funding. Bill adds that the food service account does not include equipment replacement.

Budget Committee Minutes/February 13, 2008– Page 3 of 10
Draft

Bill explains that under programs and expendables, they have grouped all items that drive the programs. Text books, art supplies, new gym equipment and expendables are up, while equipment is down. Guidance is also down. Last year more was needed for training, but not this year. The total for this account is down. Mike comments that the text book figures seem low to him. He asks if they will have all that is needed. Bill states that up until last year they were still purchasing new text books for the language arts programs. Chris asks if they will purchase a new math program in the future. Karen Kelly, Curriculum Coordinator for Math/Science states that a new edition of “Everyday Math” has been purchased.

Tom questions the line for expendable equipment. Bill states that much of this is for computers. They have a replacement system in place for aging computers. They go from the primary lab to the secondary lab and then to the classrooms. They are able to purchase refurbished machines with software. Each student must have a computer portfolio of their work to show their proficiency with computers. This follows them through high school.

The total of all items within the BudCom’s guidance is up by \$35,832.

There are a few items that are outside the guidance; special education salaries for teachers and aides, special education programs/materials, bonds and transfers. The special education non-administrative services are up due to the english as a second language program, yet there is also offsetting revenue with reimbursement from Brookline for a portion of this position. Mike questions how the special education budget is prepared. Dawna states that it is based on the projected needs for next year. Bill indicates that they use the documented IEP’s for the student to dictate necessary staff and services required. The projections are based on the specific IEP for a specific person. Melinda asks how they budget for the un-identified person. Rich states that the special education budget is really just a snapshot it time, as there may be new IEP’s coming next month. This is a total unknown.

Chris asks if there are any contingencies built into the budget for special education. Rich comments that there is nothing extra built in. He has heard of other districts creating expendable trusts for this type of thing, as there is always a threat of a catastrophic issue that could land on the district’s doorstep unexpectedly. The projections are made from anticipated IEP’s for a specific individual. They also must consider that IEP’s are generated on a 3-year cycle and not all children have their IEP’s landing on the same time frame. Bill points out that article 9 addresses this issue.

Tom questions the increase to special education non-administrative transportation. This is up 24.6%. Rich explains that while the regular education transportation costs are based on a set contract, special education transportation costs are based on the IEP’s.

Melinda comments that the figures do not look right. The bond principal is down, yet the interest is up. This is usually the other way around. Dawna states that she used the bond schedule for those figures and it has been double checked.

Bill states that the total of all items that are outside the BudCom’s guidance is up \$62,779, yet this is offset by \$40,000 in revenue. The operating budget is increased by \$35,832 and \$62,779, which are reflected within article 2.

Questions from the Public

Linda Casazza, 236 Worcester Road – She is concerned about the elimination of the media assistant position. There are many wonderful volunteers, yet they cannot commit to filling this position. The library at the upper elementary serves many students and must be staffed with experienced personnel. She suggests keeping this position as part-time. Mike questions the staffing levels at the school. Linda states that there is the librarian and the media assistant. The assistant currently works 30 hours, with 15 hours at the primary elementary. When the librarian is teaching a class, the other children still need assistance. They cannot rely solely on volunteers.

Lyn Neilley, 38 Iron Works Lane – She agrees with Linda.

Warrant Articles

1. Elections – No BudCom action required, therefore no discussion was made on this article.
2. Operating Budget – The total shown on the handouts is \$10,979,205, which includes \$73,632 for the expendable trust. Subtracting this out leaves a total of \$10,905,573 to be raised and appropriated for this article.
3. Negotiated Cost Items for Professional Staff Increases – \$245,083. This is for the 1st year of a 2-year contract. Bill thanks the negotiating team for their efforts with both the professional and support staff contracts. He was impressed with the process. He feels both sides came away with a strong relationship. There was a solid exchange of information between the

school and the unions. It was a positive experience this year. Many hours were put into this process. He feels that both contracts are positive for both sides; the union and the district. This will provide the district with new capabilities to enhance student performance levels and to attract good staff. The 1st year has a 1% across the board increase to the salary schedule. There are 16 steps and 7 tracks (educational credits). The 2nd year has another 1% increase to this schedule and step increases of 3.6%. Employees at the top step will receive a 2.5% total increase (the 1% across the board plus an additional 1.5%) during the 1st year and will then move off the schedule. In the 2nd year they get another 2.5% increase.

The health insurance caps, which is the maximum the district will pay, has increased by \$50.00 per month in the 1st year and another \$50.00 in the 2nd year. Another change is performance based. In the past the Superintendent could withhold the step/track increases based on an employee's performance, this also included a remediation plan. The withholding will now also include the 1% across the board increase.

Stipends have been modified to also include instructional and curriculum programs. If a teacher has an innovative idea and wants to try it, with approval from administration they can now pilot a new program, \$20,000 has been included in the budget for this.

The total increases for salaries/benefits is \$225,083, plus the \$20,000 for stipends gives a total \$245,083 for this article. This is a 4.3% increase.

Melinda questions how many people are included in this union contract. Bill indicates there are 82 employees. Melinda asks if this 1% increase is in place of a COLA increase. Bill states that it is not viewed as COLA. This type of salary schedule is common for most districts. Hollis' schedule is very competitive. Chris asks what other districts this is compared with. Bill states that they have looked at Hanover, Dresden, Bow, Hopkinton, Brookline, Hollis Brookline Coop and other local districts in the Souhegan area.

Questions from the Public

Steve ??, Nartoff Road – He questions how the salary increases compare to their performance. Bill explains that they are on a 3 year probation with evaluations. They currently have a professional development plan for the teachers. A new evaluation plan will be in place for next year, which is based on the Danielson model with 4 domains of teaching. This professional development plan must have justifiable evidence to show improvement. The teachers must demonstrate that they are meeting their goals. There is the ability to withhold part of all of their increases until improvements have been made. Steve indicates that he would like to see the details of how this is implemented. Most people do not understand this process and how it can tie directly into how well the children are performing.

4. Default Article – Should article 3 fail, this would authorize the governing body to call a special meeting to address the cost items from article 3. No discussion made on this article.
5. Negotiated Cost Items for Support Staff Increases – \$90,056. This is also the 1st year of a 2-year contract. The 1st year allows for a 2.5% across the board increase to the step/track schedule, with everyone staying on their existing step. The 2nd year is a 2.75% increase to the schedule and again staying on the existing step. Melinda asks about any merit reviews and whether this would eliminate the ability to withhold step changes. Bill explains that they did discuss this during negotiations and there were concerns with implementing that type of program. This is where the union seemed to be comfortable and wished to remain. Other changes include an additional \$150.00 for a total of \$800.00 for job related course reimbursement. There is currently a \$0.25 differential for paraprofessionals with a level 1 certification. Level 2 certification will now receive a \$0.25 increase, giving them a \$0.50 differential. The Superintendent will also have the ability to move a paraprofessional with a bachelors degree up to a level 4 and one with a masters degree up to a level 5. A differential based on education can also be offered.

The reduction in force language in the contract has been changed to be more in line with the reduction in force language in the teachers contract. This is not merely based on seniority, but also on experience, level of training and evaluations. The contract now allow up to 3 in-service training days, where the administration is requiring training. Previously all training was voluntary. Health benefits have remained the same.

Of the \$90,056 for this article. \$57,896 is for salaries/benefits and course reimbursement. The remaining \$32,160 is for district needs, degree incentives and in-service training days. This is a 6.25% increase.

6. Default Article – Should article 5 fail, this would authorize the governing body to call a special meeting to address the cost items from article 5. No discussion made on this article.

Budget Committee Minutes/February 13, 2008– Page 5 of 10
Draft

7. Maintenance Fund - \$8,000 from rental proceeds and unexpended maintenance funds to add to the previously established maintenance fund for structures at 4 Lund Lane. This is funded from the SAU budget.
8. School Buildings Maintenance Fund - \$73,632 to add to the school building maintenance fund. This is funded through unanticipated revenue. This helps to fund large or unexpected maintenance items. The capital improvements/maintenance plan separates out items that will be funded through the operating budget and items that will be funded through this expendable trust. There are still 3 items of substantive nature that are not being addressed on the CIP. There is a pipe from the primary to upper elementary that needs to be replaced. There is still some asbestos in the insulation on pipes in the boiler room. This is not hazardous as long as the insulation is not touched, yet it does need to be disposed of and replaced. The primary elementary also needs a fire suppression system installed. The building is currently grandfathered, yet if any major renovations are done in the future, this will need to be upgraded. Mike would like to hear more about the scope of these projects in the future.

Operating Budget Maintenance Items		
Battery operated floor scrubber	HPS	\$ 3,290
Replace oil pump, motor, (regasket?)	HPS	1,500
Energy management system upgrade	HPS	11,010
Control systems calibrations (2 - 3 years)	HPS	3,850
Pavement re-striping	HUES	600
Battery operated floor scrubber	HUES	3,290
Total Operating Budget Maintenance Items		\$23,540
School Buildings Maintenance Expendable Trust		
Water tank inspection (every 4 years)	HUES	\$ 5,000
Duct work cleaning (every 5 years – est)	HUES	13,366
Control systems calibrations (2 - 3 years)	HUES	4,000
Steamer (food service equipment)	HUES	15,000
Cyclical preventative maintenance	HPS/HUES	11,266
Contingency for emergency repairs	HPS/HUES	25,000
Total School Buildings Maint Expendable Trust		\$76,632

Bill explains that they are not looking to raise money from taxes to fund this trust. The money will come from unanticipated revenues. They are being

very conservative in their proposed revenue and are also being proactive with these maintenance items that are large expenses. This will help to spread out the costs over several years. Mike comments that the money appropriated into the maintenance line item within the operating budget cannot be carried over from year to year, yet this fund allows these funds to be retained. Rich comments that the DRA will still be reviewing the wording of this article. The intent is to use unanticipated revenues, yet he feels this to be part of the unreserved fund balance surplus. He will get this clarified by the DRA. Harry comments that the school board’s intent is not to limit this to just the unanticipated revenue, but to also utilize the unexpended fund balance. Mike stresses that the BudCom’s intent is for this to be only funded through unanticipated revenues.

Tom questions what happened to the rest of the air duct cleaning. Last month much more was shown for this expense. Bill explains that some of this will be performed this year through the expendable trust from last year. They have enough funds to cover a portion of this. The sheet distributed at the last meeting included items that will be performed now.

Melinda questions what they anticipate to have for a balance in this fund at the end of this year. Bill indicates that the entire fund will be spent this year, leaving a balance of zero at year end. Over the next few years they will begin to see the balance growing for some large projects.

Questions from the Public

Bill Matthews, 62 Crestwood Drive – He recalls the school board voting for this to be funded up to \$73,000. Does this mean that the funding could be less than \$73,000 but not more? Bill indicates that this is correct.

Harry comments that unanticipated revenue is not really defined. He feels the correct term for this unreserved fund balance. Mike disagrees. He feels the BudCom was snookered last year with this wording. They were under the impression that this would be funded through unanticipated revenue and not through unreserved fund balance surplus. Bill Matthews points out that the MS-24 form lists what has been appropriated and any anticipated revenue. Any amount received above this would be considered unanticipated revenue and this amount would go into the unreserved fund balance.

Rich thought that if there were \$50,000 left over from appropriations, yet no excess revenue, the BudCom did not want this \$50,000 used. They only wanted to utilize excess revenue. Mike agrees with this. Last year he assumed that this was coming from revenue.

Tom asks if the school has a fund balance, or just the town. Mike explains that the unreserved fund balance is what is left over on June 30th at the end of the school year. Tom states that this is a surplus. Melinda states that for the town this is a balance that grows. Mike indicates that this is the correct term. The school board could encumber some of these funds, yet the BudCom has typically requested that the school board come to them prior to making that decision. They prefer to have

Budget Committee Minutes/February 13, 2008– Page 6 of 10
Draft

the funds used to offset taxes.

9. Catastrophic Aid Funds – Should special education costs exceed the budgeted amount, this would allow the district to access future state and federal catastrophic aid funds to cover the additional costs. No discussion made on this article.
10. By Petition – Program for Highly Able Students – This would appropriate a non-lapsing amount of \$60,000 to research and choose a program, hire staffing, provide training/materials to service the needs of highly able students.

Maura Loftus, 38 Fletcher Lane – She helped draft and circulate this petition. She presents a handout to all BudCom members. Many people signed this petition. Most have children in the school, yet many have children that have already gone through the school. She is looking to have these highly able students receive a challenging program. Children have different needs. There are many families in town that are home schooling their children, sending them to private schools or offering them supplemental education in order to provide quality education. Mike comments that the school had a program for this in the past.

Maura reads from the Philosophy of the Hollis School Board, which states “... our educational system must: make available a curriculum that helps each student to: recognize and use his or her full learning potential, establish high expectation for every student in all facets of the program.” The Hollis Elementary School Mission Statement also states “... to provide a challenging curriculum with flexibility to meet the needs of each student”. She stresses that in order to achieve these objectives, the petition requests funding for curricula specifically to meet the needs of the highly capable students. An advisory committee should be formed to determine the best program for the district and the criteria to be used to identify the students.

Maura stresses that all children have gifts, all children have academic strengths and all children deserve an enriching curriculum. Yet not all students have intellectual or academic abilities that are outside the norm. Those students that do, should have remedial or more challenging academic material to supplement the grade level curriculum. They should receive the education that the district has stated it would provide. Hollis parents financially support the schools through their taxes, yet many feel the need to send their children to private schools, pay for supplemental programs or home school in order to keep their children challenged. The district should ensure that all children receive the education they need within the public school system.

Bill states that the school board has not taken a position on this. Mike asks if the school board is not in favor of a gifted and talented program. Bill stresses that they are already coming in with a budget that is over the guidance. They cannot fund everything. Mike asks if the school board has taken a position on the concept. Bill indicates that they have not voted on this. They have not had an opportunity to discuss this with administration. He is not sure how they would implement this program. There is interest by the members. Maura states that at the last school board meeting there was unanimous support philosophically.

Rich, speaking in defense of the school board, knew the idea was coming, yet the petition was received just days ago. He personally supports any resources for increasing quality education for students. They had previously included this item in the budget, yet not at this scale. It had to be removed in order to meet the target. He realizes that the BudCom is concerned with the numbers, yet any amount put into the budget for this purpose would not be wasted. This year they had a difficult time preparing the budget and have worked very hard to reach this level. Next year will be evening more challenging. He hopes that quality education is not lost in the process. Any extra funding the BudCom supports will be supported by administration.

Mike questions whether, if this article passes, the money would be used for this purpose. Rich indicates that they would be obligated to proceed with this. He feels they have already shortchanged other programs in the budget. If there were no restraints to the budget, he would ask for more money for this program. Mike asks if this would be a priority. Rich indicates that this would be a priority to him, yet he does not wish to speak for the school board.

Harry stresses that since he has been on the school board there have been only 2 new programs instituted; Spanish and preschool. Both of these have been limited by the BudCom’s guidance, which is set by using the CPI. The CPI is arbitrary and does not correlate with education for children. This has nothing to do with cost or quality of education. He stresses that with the nature of the collective bargaining agreements, the BudCom really needs to look outside the box.

Comments from the Public

Steve ??, Nartoff Road – This is the first he has heard of this. He is amazed that this is not already included in the budget. It seems that public education is more concerned with pulling students to an average level and not

Budget Committee Minutes/February 13, 2008– Page 7 of 10
Draft

focusing on the higher levels. So much is spent on special education, yet nothing is spent on gifted and talented. This should be automatic.

Regina McAlmont, 10 Richardson Road – Property taxes are going up every year. She volunteers in the school. They are servicing children at the bottom and in the middle, yet those at the top are not being challenged. The teachers are good, yet the classroom causes them to teach to 3 levels within one room. She is happy to pay her share of taxes, yet she is not happy when her child is not being serviced.

Tom questions how they established the \$60,000 figure for this petition. Maura explains that this was just an estimate. This is enough for 1 staff person. Chris comments that he has had children in Hollis schools since 1st grade, with the last one now in 11th grade. He is at the top in math with nowhere to move up. He understands their concerns. He has problems with differentiated instruction. If they are asking for 1 person to service 2 schools, he is not sure how this will work. They may be putting the cart before the horse.

Bill states that this could be set up similar to the early intervening math position. This teacher works across the grade with students that are not identified, yet are not keeping up. There are students at the higher end and a new teacher could work with them. The new testing being done will help to identify these students. Mike recalls there used to be a separate class, which was rather small, with students that were pushed harder. There was also a combination of having pull outs and in-class instruction. The school board will need to think about how to implement this. Harry asks if the BudCom would be willing to allow a new program like this to be outside the budget guidance. Mike indicates that he would prefer this to be a separate article that the voters can approve. Harry asks about future budgets and if the BudCom would be willing to keep this type of discretionary program outside the guideline requirements, so they would not have to squeeze this into the CPI increase.

Comments from the Public

Steve ??, Nartoff Road – He stresses that the town currently has to handle special education needs that move into town, this is mandatory. The same should be true for gifted and talented.

Jim mentions how they have put \$40,000 into the budget for a special education study group. They had to put a stake in the ground to start this project. He feels the \$60,000 for this petition does the same. They need something to start with. It may be enough or it may not be. Mike agrees with the intent of this petition. He has mentioned this to the school board many times. He feels it is a travesty that the school is not pushing these students harder. It is a shame that they are being forced by the law to put all their resources into lower achieving students vs. higher achievers.

Comments from the Public

Rene Moloney, 56 Pierce Lane – Her child is losing motivation in school. He is bored in school with the lack of challenge. Each year is different, depending on the teacher and classroom makeup. She supports this petition.

Bill Matthews, 62 Crestwood Drive – This is also a philosophical issue. Should each classroom within the grade move at the same pace? Sometimes homogeneous is better. This offers a different focus for different groups of students.

Melinda feels very strongly on this topic. She does not agree with differentiated education. She agrees that if there are 7 classes, they should not be all the same. There is much that can be done about this. This is doing a disservice to a population of students in the school. There are many families that have been affected by this. She is concerned that \$60,000 is only enough for one position, which lends itself to becoming a pull-out program. She is not in support of that either. To pull out a student from english class to do a higher math program causes the student to lose out on the english instruction. She is also not sure if the language for this article is correct, but she does not like the non-lapsing idea. What is not used will not return to the general fund. She would agree to this being non-lapsing to start a study of this idea, which could then carry over to the next year to help implement the program.

Comments from the Public

Karen Kelly, Math/Science Curriculum Administrator – Years ago the school had a gifted and talented program. At the time it was K-6 in one school with 2 teachers for the program. It was more of an enrichment program rather than gifted and talented. This ended when differentiated teaching was implemented. With only 1 teacher they would be looking at offering 30 minutes of instruction, 2 times per week. This is not enough. She strongly disagrees with the comments that they are not meeting the needs of all students. She feels they are doing a good

Budget Committee Minutes/February 13, 2008– Page 8 of 10
Draft

job. She does agree they could perform a study to assess the situation. Are they looking for enrichment for kids or for the truly gifted children? Melinda states that if there is a child that is 2 years ahead in one area, those needs are not being met. Karen stresses that there have been a few students in the past with this situation, where she worked with the parents who really wanted their child to still be a child. They need to look at enrichment plans for those students that are 1 grade level ahead in some areas.

Lisa Porter, 24 Cameron Drive – She is in favor of this program. They should not take into consideration the number of students with the need. If there is 1 special education child, their needs must be met. The same should be true for the gifted and talented children, their needs should also be met.

Maura comments that she has done much research on this topic. She is not looking to reinvent the wheel. They just need to determine what model will best fit with the Hollis school district. The word “gifted” has many definitions. The study will make this determination. The \$60,000 will not fully fund this, but they need to start somewhere. Hopefully this will grow. Jim mentions that during the superintendent interviews that were recently done, most applicants felt that gifted students accounted for 5% of the student population, yet the scenario discussed tonight regarding students being 2 grades ahead would be 20% of the population. Melinda agrees that staying with their peers is very important for social aspects. Jim comments that a truly “gifted” child is an anomaly. He does not feel this is what the petition is intended for.

Susan states that with these funds a computer program could be implemented that could help some of these students. This would not be a big expense. Tom states that he is still confused with this article as it is written. Is this intended to evaluate what program would work best for Hollis or is it to implement the program? If there are 30 of these students, from all different grades, how can 1 teacher accommodate this? The article is not clear. The wording states study and implementation.

Steve ?? comments that they need some help with the wording of this paragraph. It should be changed to state exactly what they are proposing. Debbie cautions that a petitioned article must be included on the warrant exactly as it was submitted. It cannot be changed. It can be amended from the floor during the district meeting.

There being no further questions or comments from the public, the Public Hearing closed at 11:00 pm.

Warrant Article Recommendations

1. Elections – No BudCom action required.
2. Operating Budget – *Tom moves that the BudCom recommend \$10,905,573 for this Article. Seconded by Frank.*

Mike points out that the combination of all articles puts them \$89,000 over the guidance. Tom comments that this is the 3rd time the BudCom has heard this presentation. He has no problem with what was presented. Bill stresses that \$52,000 of this are district needs for the 2 contracts, administration and discretionary items (stipends and in-service days). They have looked at this budget over and over again. They have done as much as they can. They cannot reduce it any further. They did not have an approved contract until just last week. They didn't have a target for the operating budget until those contracts were approved, as they had no idea what the cost items would be. Yesterday the school board met again for another 4 hours. If any more cuts are made, this would not be a good policy decision.

Chris has not seen a paper copy of the contracts yet. Bill states that he did send out an email that summarized the agreement. Chris stresses that this was all done at the last minute and the BudCom did not have time to consider the contract or to ask questions. Bill states that he has been trying to close this for 2 months. The approvals came on Friday afternoon. Chris states that in the future they need to close well in advance of the public hearing. Bill stresses that by State law they had until February 10th. There is nothing they can do to speed this up.

Voting in Favor of the Motion – Bob, Tom, Frank, Chris, Mike, Bill. Voting in Opposition – Don, Melinda. Motion approved 6-2-0.

3. Negotiated Cost Items for Professional Staff Increases – *Don moves that the BudCom recommend this Article. Seconded by Bob.*

Chris has a problem with this. The average salary increase for the past 2 contract cycles has been a 6.5% increase. This has gone on for the past 6 years. He agrees there was a time when the teachers were underpaid, yet the teachers have since caught up. He would be happier with a more merit oriented increase. Union contracts impose difficulties on the district.

Budget Committee Minutes/February 13, 2008– Page 9 of 10
Draft

They are always geared toward protecting their members, yet it always strains the taxpayers. Where is the give and take to the negotiation? He feels this is very one-sided. The benefits packages are much higher than in the private sector, which typically only see increases of 3.3%. The 6.5% has been extraordinarily generous. This needs to be merit based and he is glad to see they are moving in that direction.

Bill explains that there are only 49% of teachers that are on steps. Jim states that in years past they had an across the board COLA increase. This time there will only be an across the board 1% increase, which will help keep the average in better control. Mike feels they have done a good job with the contract. They are heading in the right direction.

Voting in Favor of the Motion – Bob, Tom, Frank, Chris, Mike, Bill, Don, Melinda. Motion approved 8-0-0.

4. Default Article – No BudCom action required.
5. Negotiated Cost Items for Support Staff Increases – *Chris moves that the BudCom recommend this Article. Seconded by Melinda. Voting in Favor of the Motion – Bob, Tom, Frank, Chris, Mike, Bill, Don, Melinda. Motion approved 8-0-0.*
6. Default Article – No BudCom action required.
7. Maintenance Fund – *Melinda moves that the BudCom recommend this Article. Seconded by Chris. Voting in Favor of the Motion – Bob, Tom, Frank, Chris, Mike, Bill, Don, Melinda. Motion approved 8-0-0.*
8. School Buildings Maintenance Fund – *Tom moves that the BudCom recommend this Article. Seconded by Bob.*

Tom questions how this was worded last year. Mike states that this was worded as unreserved fund balance, yet he was surprised by this. Don would prefer to have this as unreserved fund balance. Chris comments that any revenue ultimately ends up there anyway. They are looking to set up some level of incentive to get extra revenue, yet without skewing the overall budget. Melinda states that revenues have always been conservatively estimated. She expects that with a budget of this size, \$74,000 could easily occur within unanticipated revenues. By having this as unreserved fund balance, it will give the school board an incentive to watch their spending.

BudCom members all agree the wording of this article should be changed to read "... June 30, 2009 unreserved fund balance, available ...". The words "Unanticipated revenues" and "surplus" should be removed.

Voting in Favor of the Motion – Bob, Tom, Frank, Chris, Mike, Bill, Don, Melinda. Motion approved 8-0-0.

9. Catastrophic Aid Funds – *Don moves that the BudCom recommend this Article. Seconded by Frank. Voting in Favor of the Motion – Bob, Tom, Frank, Chris, Mike, Bill, Don, Melinda. Motion approved 8-0-0.*
10. By Petition – Program for Highly Able Students – *Melinda moves that the BudCom recommend this Article. Seconded by Chris.*

Rich comments that he will need the DRA to review the wording for legalities. It needs to state that they are raising this money. Mike agrees. He is not sure it is legal. Melinda feels the language needs to change to create the non-lapsing fund. Bob comments that it has already been determined that this is not enough money. It will most likely be spent in the first year. Mike points out that if this were approved, the \$60,000 would become part of the operating budget and could then be used for anything, yet it would be prudent for them to use the funds for the purpose it was meant for. He agrees the wording needs to be amended from the floor.

Rich states that he will follow up on the wording issue with Maura to make sure this is done properly. Melinda would like to know if the school board supports this and what they would budget for this. Bill states that they would have done a lot of research and put enough money into the budget to implement the program. They first need an inventory of where the kids are. He does not want to touch just a few children, they need to reach many. Melinda asks how the school board will handle this if it is supported from the floor at the district meeting. Bill states that they should start with forming a committee to research how other districts have handled this. He would like to do this in a phased approach. They need to determine what can be done in the first year to start the process, rather than starting with a full blown program.

Susan states that the \$60,000 is not enough money for a full salary plus benefits for 1 person. Melinda sees that this would be enough funds to start an enrichment program, which she would hate to see. That is not the intent. She would rather see a phased in program. Rich states that there are many variations to this program. They may not need a certified teacher that would then be a part of the union. This could be a retired teacher that is used for consulting. He cautions not to jump to

Budget Committee Minutes/February 13, 2008– Page 10 of 10
Draft

the conclusion that this will automatically fund a full time teacher. Chris comments that he has seen much of the differentiated teaching that he does not like. This idea could be the springboard to force the district into looking at the whole picture of how education is being offered. Bill states that this will be the year for curriculum and special education reviews.

Mike feels this is a half-baked idea, yet he is in favor of the article hoping that it might spur the school board into making changes. Melinda comments that it will all depend on how they end up doing the program. If they change the core structure, it may not cost as much. Jim points out that this will dovetail on the studies already planned for curriculum and administration. There is more going on that they need to address as a whole.

Mike stresses that the school board really needs to take a position on this article prior to the district meeting.

Bill thanks the BudCom for their time and effort that has been given to this process. He respects their position and the differences of opinion. The comments are good.

Tom moves to adjourn. Seconded by Chris. Motion unanimously approved.

Meeting recessed at 11:50 pm.

Respectfully submitted,

Deborah Adams, Secretary