



BUDGET COMMITTEE

Town of Hollis

Seven Monument Square
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Minutes of December 18, 2008

Meeting was held in the Community Room, Hollis Town Hall and was called to order by Chairman, Chris Hyde at 6:00 PM

Members present: Chris Hyde, Chairman; Mike Harris, Vice Chairman; David Petry, Selectmen's Representative; Bill Beauregard, School Board Representative; Tom Jambard, Bob Labednick, Frank Whittemore.

Also present: Susan Hodgdon, Superintendent; Candi Fowler, Principal HUES; Elizabeth Allen, Principal HPS; Maura Loftus, Susan Benz, James McMann, School Board Members

2009-2010 School Budget – First Presentation

Bill comments that the administration has done a tremendous job preparing the proposed budget this year. There were some major increases that were unavoidable, yet they were able to make cuts to the budget elsewhere to compensate. Right now the proposed budget is \$77,538 under the BudCom guidance. They will be able to meet all of their needs with this budget.

Susan mentions that the theme has been to look for items that were reasonable to postpone until next year or to eliminate altogether. The cafeteria tables have been delayed, as they feel they can make due for another year. They have looked for ways to purchase ahead to get savings. By purchasing some items this year, a 50% savings has been realized on some items. They have reduced expendable supplies to create more savings. The administration has found ways to work smarter, such as new library software that will help with data gathering. There are currently 2 curriculum administrative positions. These positions have been eliminated by moving to a coaching model in order to save on administrative costs.

Chris questions the number of staff members currently working at the school and what they will be looking at for next year. Bill explains that he was not able to send out a spreadsheet with some of this data this week due to the power outages, yet he will do so next week. The current enrollment (as of October 1st) is 740. Last year there was 795. He comments that he is still waiting for answers from NESDEC on their calculations. They are planning on the same number of classes per grade as they have this year. Elizabeth mentions that she called a number of private 1st grade schools to gather information on enrollment and based on this data she feels their predictions for next year are right on track. Bill points out that it is difficult to forecast for 1st grade and historically they do have additional enrollments throughout the summer. He feels confident in keeping the classes level for next year.

Bill states that the teaching positions will remain the same. The administrative positions have been reduced from 6 down to 4. Mike comments that a 55 student reduction is very significant. Bill explains that last year they eliminated one 1st grade class to allow for this reduction.

Bill presents the BudCom with several handouts.

- BudCom Guidance Formula with FY10 Proposed Budget
- Budget Summary by Cost Category
- Budget Detail by Cost Category
- FY10 Budget Proposal
- Budget Adjustments
- Needs Priority Listing

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BudCom Guidance Formula

	Guidance for FY 2010	FY 2009	FY 2008
Operating Budget from MS22	\$10,775,102	\$10,359,585	\$9,657,710
+ Expendable Trust	81,632	96,882	-
+ Special Revenue	130,000	122,041	122,041
+ Food Service	335,610	302,087	283,413
Approved Budget per MS22	\$11,322,344	\$10,880,595	\$10,063,134
- Special Revenue	130,000	122,041	122,041
- Food Service	335,610	302,087	283,413
- Expendable Trust	81,632	-	-
- Debts Service	397,431	402,988	423,799
- Special Education – Non administrative	2,074,475	2,013,761	1,668,928
Recommended Budget Base	\$8,303,196	\$8,039,718	\$7,564,983
Guidance Percent Increase	1.8%	1.8%	3.9%
Guidance Increase to Budget	149,458	144,715	295,034
Budget Base + Guidance Increase	\$8,452,654	\$8,184,433	\$7,860,017
+ Other – maintenance needs	-	-	36,500
+ Special Revenue	130,000	130,000	122,041
+ Food Service	325,000	325,000	302,087
+ Expendable Trust	61,266	76,632	-
+ Debt Service	391,778	397,431	402,988
+ Special Education – Non Administrative	2,250,928	2,074,475	1,936,267
Total Recommended Budget	\$11,611,626	\$11,184,971	\$10,659,900
Total Requesting	11,534,088	11,274,223	
Amount (Over)/Under Guidance	\$77,538	\$(89,253)	

Bill points out how the proposed budget is \$77,538 under the BudCom’s guidance. This is a 1.87% requested increase. This is a big difference from a few years ago, when the 1st request was \$2,000,000 over guidance. He mentions that there are still a few items that the school board will be finalizing and voting on, yet those items will still be within the guidance.

Budget Summary by Cost Category

	FY 2009 Budget	Proposed FY 2010 Budget	\$ Change
Items within BudCom Guidance			
HEA Salaries	\$3,465,827	\$3,633,970	\$168,143
HESSA Salaries	580,226	525,079	(55,147)
Administration Salaries	920,468	811,532	(108,936)
Total Salaries	4,966,521	4,970,581	4,060
Benefits	2,067,953	2,083,977	16,024
Total – Salaries & Benefits	7,034,474	7,054,558	20,084
Administration	1,046,590	1,139,739	93,149
Program Materials & Expendables	232,742	180,819	(51,923)
Total Items w/in BudCom Guidance	\$8,313,806	\$8,375,116	\$61,310

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Items Outside BudCom Guidance			
Special Education non-admin Salaries	1,542,922	1,555,295	12,373
Special Education Programs & Materials	531,553	695,633	164,080
Total Special Education non-admin	2,074,475	2,250,928	176,453
 Bonds & Transfers	 934,063	 908,044	 (26,019)
 Total Items Outside BudCom Guidance	 \$3,008,538	 \$3,158,972	 \$150,434
 Total Requested Appropriations	 \$11,322,344	 \$11,534,088	 \$211,744

Items Within BudCom Guidance

Salaries

David asks if the salary line items include COLA. Bill explains that the changes shown to professional staff salaries are due to the negotiated settlement, while the changes shown for support staff salaries are due to changes in staffing numbers. There will be 3 fewer staff members, as well as other turnover changes. There are differing salary schedules based on experience. Chris asks for the total number of professional staff. Bill does not have those figures. Chris would like to see this for the next meeting.

Candi explains that they are eliminating the curriculum administrator positions. Currently their duties include working on curriculum for K-6, as well as working with staff on professional development. These positions will be reorganized to allow for coaching to be done within the classroom, where the expertise is needed, rather than at seminars. Task teams will be created to help coach teachers. Chris points out that this is a tradeoff. The 2 administrative salaries are eliminated, yet there will now be a cost for the coaches. Bill explains that this is being shown on the last page of the handouts, within the needs list. He stresses that there will be a cost savings for implementing this. Mike agrees that this sounds like a more cost effective approach. Bill points out that this will also allow the coaches to deliver services to the students too.

Mike questions how they plan to handle the new math program and how staff training will be funded. Bill explains that there is an operations component and a planning component to each curriculum. The administration is the core team to evaluate each program. Candi explains that many times the training costs are built into the costs of the new program. The existing math specialist will also help with training individual teachers. Mike recalls in the past, when a major change was made in curriculum, the training and implementation was quite onerous. Candi points out that there is much training available electronically and on-line, which will be a big help. Bill states that they are not budgeting for any curriculum changes at this time. There has been nothing placed in the budget for new tools or text books. Susan explains that the new coaching model will be helpful to training the trainer. By training staff ahead of any changes in curriculum, this will allow for in-house help, without having to rely on outside sources for assistance.

Bill mentions that they have also reconfigured their staff development days. This has formerly been done during the morning with a delayed opening for students. They are now holding the staff development in the afternoon on early release days. This will allow more time to be devoted to this, without having to rush because students are arriving.

Frank questions what drives the need for new curriculum. Are the students suffering by not learning what they should? Are the new programs needed? Candi explains that they base their recommendations on new research that has come out regarding the best way to teach children. They also look at test results. Elizabeth comments that it is always good practice to continually look at what updates need to be done.

Frank asks how long it typically takes to train the teachers to teach a new program. Candi explains that new teachers that are hired need to be trained. The every day math program changes each year, therefore all teachers need to keep up with the program changes. Bill explains that the coaches go across all grades, to help provide continuity to all classrooms. The math coach sees all classes and can bring practices from one group to another. Coaching will not be the primary function, as they will also be working with the children.

Chris recalls that last year an intervening math program was instituted. He asks if this is now being expanded to include coaching as well. He also asks if this is being done at both schools. Candi explains that the person handling the math support is based at the Upper Elementary. This position will offer 4 days of teaching and 1 day of coaching. Elizabeth

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points out that there are different needs at the Primary School, therefore they will be able to utilize existing special education staff to cover the intervening math need. A contracted person will be used for coaching needs. This person will only be a ½ time position, with no benefits paid. The critical need at the Primary School is coaching, as there are 7 new staff members needing this.

Bob questions why they are making the curriculum so complicated for children, rather than keeping it simple. Why do they feel a need to teach a new way for math. It all seems too complicated. Candi states that the panel has discussed the need for going back to a traditional method and pushing aside the nontraditional. They have started doing this already and will continue next year. They have been teaching both methods, as children learn in different ways. Bill comments that this change is K-12. The head of the math department at the high school is involved in these decisions as well. They want to ensure that all children have learned some algebra by 7th grade.

Mike questions what support is being offered to children that are above grade level. Elizabeth indicates that they have been looking into this. They currently have a flexible grouping module for 2 hours per week, which allows the upper level to get additional support and the lower level to also receive additional instruction. This is also being done at the Upper Elementary. Candi adds that the Upper Elementary has more expanded groupings.

Benefits

Bill points out that this is only increasing by \$16,024. The regular and special education staff benefits are up \$79,749, yet staff development is down by \$63,725, due to the elimination of the curriculum coordinator position.

Administration

Bill states that this is seeing a \$93,149 increase. Part of this is for SAU expenses, while \$20,000 is for a professional negotiator to assist with next year's contract negotiations. This item was underbudgeted in the past. The contract included a fixed price quote and did not include mediation. Maintenance is up \$58,000 for additional costs for snow plowing, electrical and fuel. David asks if the snow plowing line item includes sanding and salting. Bill indicates that it does include those items, which were previously provided by the town, yet are no longer. The increase to this line item is contingency. They will be paying by the storm, therefore if the monies are not used, it will go back to the town. He explains that they have budgeted \$3.90 per gallon for heating oil. He stresses that they cannot anticipate this cost. Chris asks if there has been any increase in electric costs. Bill points out that this is another area that is hard to forecast, as rates can go up. The recent ice storm has caused millions of dollars worth of damage, which will ultimately get passed on to the rate payers. David heard that this will get spread out over time. Candi mentions that they have installed light sensors in the bathrooms, to prevent the lights from being left on. They are doing whatever they can to help conserve electricity.

Bill points out that the food service transfer that was done last year will not be continued again this year. They have increased lunch fees to accommodate the increased expenses.

Program Materials and Expendables

This has been reduced drastically due to the reduction in population and increased efficiencies. They are also looking at different methods of purchasing to get the best prices. Mike asks if there will be any changes to programs. Elizabeth indicates that there will be no changes. They are merely trying to be more efficient and cost effective with their purchases. Candi explains that the student handbook is on-line now, which saves in printing costs. Bill mentions the new "alert now student system", which allows for phone messages to be sent to an entire distribution list, which will also help to cut back on paper copies.

Mike is concerned that the reduction shown for the library means that there will be no new books purchased. Elizabeth explains that they will be purchasing new books, based on the number of students. With a reduction in the number of students, there will also be a reduction in the number of books purchased. Mike points out how in the past the school cut back on purchasing new books, yet had to catch up on this in later years. Bill comments that he questioned this line item himself and was assured by both principals that this was an accurate figure to budget.

The total of all items Within the BudCom's guidance is up by \$61,310 or 0.7%. This is mostly attributable to salaries, benefits and fuel costs.

Items Outside BudCom Guidance

Special Education

The special education budget is based on existing IEP's and contains a contingency of \$132,000 for an anticipated need. Special education non-administrative teacher salaries has been increased by \$12,373, which is for a .2 reading specialist. David questions why they don't create a contingency line item, so whatever is not used can be returned to the town. Bill states that this happens anyway. David feels that the special education transportation seems very high. He questions how much of this increase is attributable to normal transportation increases. A 22% increase is high. Bill comments that transportation for special education is handled through the same bus service, yet it can be complicated how it is done. Mike comments that this is based on real students with real needs. This item can fluctuate from year to year.

Chris questions if the tuition increase that is shown is for only 1 projected student or for several. Elizabeth indicates that this is a placeholder for 2 students. Candi points out that they do work hard to keep every student in-district, which is usually the best solution. Frank questions the number of special education students. Chris stresses that he would like to see this breakdown for the next meeting. Elizabeth states that it is usually around 11% of the students.

Bonds and Transfers

Both of these items are down.

The total of all items Outside the BudCom's guidance is up by \$150,434 or 5.0%.

The total proposed budget is an increase of \$211,744 or 3.99%.

Budget Detail by Cost Category

Chris comments that he researched the State for information on ESL (english as a second language) and found that the State has Hollis identified with zero students receiving these services, yet there is an increase in the budget for this. Candi is not sure where he obtained this information, as they do have several students requiring these services. The amount budgeted covers ESL for the entire SAU, with revenue coming in from the other districts to help cover this position. Chris comments that he would like to have a breakdown of this information.

Susan mentions that the SAU will be converting to a new student information system, which is a database of all students. Their existing software is being phased out. The parent company is currently offering a discount to convert to their new software. The total cost is \$91,000 for the entire SAU, yet will only cost \$47,000 with the discount. They have looked at several other systems, yet most others are very expensive. This software will allow for multiple users and will be able to create customized reports. It should become very beneficial. The company has a longstanding trackrecord from other school districts in Maine. Training on the new system is included in the package price. They need a 50% downpayment, which will be covered by the Coop, as they have 60% of the students in the SAU. The remainder will be budgeted by Hollis and Brookline for next year.

Needs Priority List

Bill comments that they will not be doing the first item on the list. The administration feels they can continue with the existing program for another year. However, if the BudCom would like to increase their guidance to allow for this, they will not argue. Chris asks if the school would be ready to implement this program if these textbooks were purchased. Candi explains that there are many tools required to implement a curriculum. If the school board makes the decision for a more rigorous curriculum, the teachers will need the tools to implement the program. They need both together. They felt the curriculum piece should come first, which should be finalized by April. Chris asks if they would want to purchase these tools if the money were made available in the budget. Candi indicates that they would. The committee has been working hard to research this, including obtaining cost quotes.

Mike supports the school purchasing the text books if they already have the curriculum. He questions if they would have a decision on the new curriculum by the next meeting. Chris questions what other costs would be necessary for this curriculum change to occur; such as training/coaching. Candi explains that the cost quotes include a consultant to train, yet the person

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they are using for coaching would be sent for training to assist with the in-house training. They should be making a decision by April or May. They are currently gathering materials.

Mike comments that the training component for a curriculum change is typically expensive. Elizabeth points out that when the change was made to go to the everyday math, this was a significant change from a traditional to a non-traditional teaching method, which required more training. The change they are proposing will be reverting back to the tradition teaching method and should be much easier, requiring less training. Candi explains that there has been some increase to the budget for additional coaching costs, such as substitute teacher salaries for when a teacher is pulled out of the classroom for training.

Chris asks when they would be ready for a pilot project on the new curriculum. Candi indicates that they are working on the curriculum first, then they will work on what tools will be needed for this. She may be ready to test pilot this in the Spring.

Bill stresses that they have tried very hard to stay within the guidance. The budget has been reduced to eliminate the curriculum administrator, while the needs list shows the coaching component that is necessary. Mike asks if the expectation is to be above the State expectations. Bill explains that the State's grade level expectations are merely a baseline. The minimum standards. They would like to be above the State level.

David is concerned about the increases to special education, which only accounts for 11% of the student population, when they cannot implement a program that impacts the entire school. He stresses that they need to look at special education to find this money. Mike comments that the BudCom shares in this same frustration. Susan stresses that there are many mandates that force these increases to special education. Bill points out that they have a guidance number that must be met, while also needing to find \$85,000 within this same guidance to help fund a necessary program. Mike stresses that they cannot neglect important items. Bill states that they will be holding another budget meeting in January. The school board will discuss this further to see how this can be managed.

David comments that the school has done a good job with their proposed budget so far. He wishes there was more they could do with special education.

Bob suggests budgeting less per gallon for heating oil. This may allow more money to be budgeted for the math program. Instead of budgeting \$3.90 per gallon, they could reduce this to \$3.50 per gallon. Mike agrees. He questions why they budgeted so much for this item. Bob also questions how they purchase supplies. Candi explains that items used by the entire school, such as paper, are purchased in bulk. Other orders are combined to obtain the best pricing. The principals must sign off on all purchases. Chris mentions that there are some multi-district buyer groups being established that may offer some cost savings. Susan admits that she did attend a seminar on this idea, however the cost of joining the collaborative may be more than they yield in savings.

Tom comments that they did a good job by coming in under guidance. Frank agrees. Mike also agrees with these comments. Chris states that they have done a good job for the 1st review. He would like them to revisit the budgeted oil costs.

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

Meeting adjourned at 8:25 PM.

Respectfully submitted,

Deborah Adams, Secretary