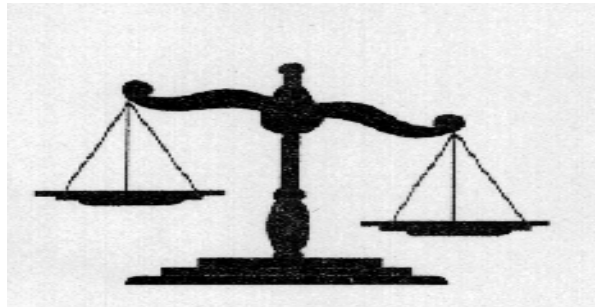


Hollis School District Annual Meeting

March 14, 2011



Hollis School Board

- Bill Beauregard, Chairperson
- Rob Mann, Vice Chairperson
- Rosemary Mezzocchi, Secretary
- Susan Benz
- Rich Manley

SAU 41 Administration

- Susan Hodgdon
Superintendent of Schools
- Dr. Betsey Cox-Buteau,
Associate Superintendent
- Mark McLaughlin
SAU Business Administrator
- Jeanne Saunders
SAU Director of Special Education
- Rich Raymond
SAU Network Administrator

Hollis School Administration

- Elizabeth Allen
Primary School Principal
- Ruth Tuttle
Assistant Principal/Spec. Ed. Coordinator
- Candice Fowler
Upper Elementary School Principal
- Amy Bottomley
Assistant Principal/ Spec. Ed. Coordinator

Agenda

- Budget Summary
- Article #2: Expendable Trust Fund - 4 Lund Lane
- Article #3: Expendable Trust Fund – School Maintenance
- Article #4: Operating Budget
- Article #5: Catastrophic Aid Funds

Budget Summary:

FY12 Operating Budget Tax Impact

<u>FY12 Estimated Tax Rate Calculation</u>	<u>Amount</u>
Estimated 2011 tax rate	\$6.02
% Change from FY10	-9.5%
2010 tax rate	\$6.66

FY12 Budget Committee Guidance

0% increase inclusive of Special Education, CIP accounts

Total Recommended Budget	11,014,859	10,796,681
Total Gross Budget request by BOE	<u>10,975,670</u>	<u>10,689,678</u>
Subtotal (Over)/Under Guidance	39,189	107,003
Less: ESL revenue offset	(44,544)	(27,000)
Less: Water System Offset: Coop & Town	-	(34,129)
Extraordinary HUES repair	365,819	-
Total (Over)/Under Guidance	(282,086)	168,132
Total warrant article request FY12	11,262,489	10,677,678

School Board's Budget Guidance

- Maintain programs
- Maintain quality
- Maintain Hollis ed. specification for class sizes
- Find operating efficiencies
- Decrease budget to reflect enrollment
- Address new needs

Enrollments: Actual and Projected

Grade	Actual Enrollments		Forecasted Enrollments			# of Sections		# Per class		Ed. Spec.
	1-Oct	2010-11	2010-11	HSD	NESDEC	2010-11	2011-12	2010-11	2011-12	
	2010-11	2010-11	2010-11	2011-12	2011-12					
Pre-K	26	26	16	25	26	2	2	13, 13	12.5	12
K	53	55	54	60	48	4	4	13 AM 14.5 PM	15	15 - 17
1	83	82	82	83	74	5	5	16.5	16.6	18
2	90	93	86	85	84	5	5	18.5	17	20
3	90	92	87	98	95	4	5	23	19.6	20
4	106	105	102	100	93	5	5	20, 21**, 21, 21 , 22	20	23
5	88	89	92	105	106	4	5	20*, 23*, 23, 23	21	23
6	131	131	129	94	87	6	4	21*, 22*, 22*, 2 2, 22, 22	23.5	23
Totals	667	673	648	650	613	35	35			

- **673 enrolled in 2009-10 as well**
 - **US 2010 Census – NH pop. grew 6.5%**
 - **20% reduction 2006 – 2012 using Principals’ forecast**
 - **24% reduction 2006 – 2012 using NESDEC forecast**
- * nut-safe rooms
**designated nut-safe

Warrant Article 2

The School Board does/does not recommend this article.

The Budget Committee does/does recommend this appropriation.

Article 2. 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 established MAINTENANCE FUND FOR ADMINISTRATIVE AND ASSOCIATED STRUCTURES at 4 Lund Lane in Hollis, Map 56, Lot 2, from rental proceeds and unexpended maintenance funds to be received from SAU 41 available for transfer on July 1 of this year. The budget committee recommend this appropriation.

Justification for Article 2

- **Purpose:** “Savings account” to carry forward SAU41 rental income on 4 Lund Lane from year to year to save for major building maintenance
- **Funding:** From SAU41 rental income
- **Oversight:** Expenditures will be proposed by the Administration and approved by School Board and Budget Committee

4 Lund Lane CIP

	A	C	D	G
		Budget	Proposed	
	Description	FY11	FY12	Totals
635	Water Damage Repairs (A)		4,500	\$ 4,500
636	Install Insulation in Basement Areas (A)		1,250	\$ 1,250
637	Fire Protection System		9,750	\$ 9,750
638	Roofing Replacement for Rolled Roofing (A)		1,250	\$ 1,250
639	Window Replacement	11,730		\$ 11,730
640	Exterior Painting & Repairs (A)		1,050	\$ 1,050
642	Carpet Replacement		6,985	\$ 6,985
643	Main Entrance safety door		4,500	\$ 4,500
644	Upgrade of electrical for computer services		4,250	\$ 4,250
646				\$ -
647	Fiscal Year Estimated Project Costs	\$ 11,730	\$ 33,535	\$ 45,265
	Estimated Fiscal Year Funding Requirement	\$ 8,000	8000	
	Estimated Trust Fund Balance - End of FY	763	(24,772)	

Warrant Article 3

The School Board does/does not recommend this article.

The Budget Committee does/does recommend this appropriation.

Article 3. To see if the school district will vote to raise and appropriate up to the sum of \$4,000 to be added to the previously established SCHOOL BUILDINGS MAINTENANCE FUND from the Hollis School District's June 30, 2011 unanticipated revenues (unreserved fund balance surplus), available for transfer on July 1, 2011. The school board recommends this appropriation. The budget committee does/does not recommend this appropriation.

Justification for Article 3

- **Purpose:** Provide a rational process to budget major maintenance for district's aging physical plant:
 - Keep schools safe and conducive to learning
 - Timely replacement of major items at end-of-life
 - Smooth major maintenance tax impact over years
- **Funding:** From unencumbered operating fund balance at year's end
- **Oversight:** Expenditures will be proposed by administration and approved by School Board and Budget Committee

School Buildings Capital Improvements Plan

	A	D	E	F	G	H
	Description	Budget FY11	Proposed FY12	FY13	FY14	Totals
616	Energy Mgt Sys. Pro controls upgrade-10k to start & 10k to complete HUES Sys	\$ 20,000				\$ 20,000
617	Repaving of Grounds - estimate \$150K - HPS		\$ 47,300	\$ 52,000	\$ 50,700	\$ 150,000
621	Roof Replacement-estimate \$63K - HPS	\$ 63,000				\$ 63,000
622	Building repairs-Magnetic door swipes & Bldg Sec Computer Syst \$16.8 - HPS	\$ 16,800				\$ 16,800
623	HUES Repairs	\$ 66,023				\$ 66,023
624	Fiscal Year Estimated Project Costs	\$ 165,823	\$ 47,300	\$ 52,000	\$ 50,700	\$ 315,823
625						
626	Estimated Fiscal Year Funding Requirement	\$ 71,000	\$ 4,000	\$ 55,000	\$ 55,000	
627						
628	Estimated Trust Fund Balance - End of FY	44,169	869	3,869	8,169	

Warrant Article 4

The School Board does/does not recommend this article.

The Budget Committee does/does recommend this appropriation.

Article 4. To see if the school district will vote to raise and appropriate a sum of **\$10,677,678** for the support of schools, for the payment of salaries for the school district officials and agents and for the payment of statutory obligations of the district. This appropriation does not include appropriations voted in other warrant articles. The school board recommends this appropriation. The budget committee does/does not recommend this appropriation.

Change in Operating Budget

		CPP	Enrollment
FY11 warrant	11,262,489	16,735	673
FY12 warrant	10,677,678	16,427	650
	\$ (584,811)		
Major Increases	430,278		
Major Decreases	(1,006,194)		
	\$ (575,916)		

Major FY 12 Budget Increases

Spec. Ed. Services	\$ 69,863							
Salaries Classroom Teachers	\$ 65,613	Salaries \$ changes based on current FY11 Salaries being paid						
Water System Maint. repairs	\$ 51,194							
Repl Equip, Computer	\$ 40,045	New Computers 45*\$550+Monitors 133*\$115						
Retirement Benefit (HEA)	\$ 35,815	Estimated 2 retirements as of 12.29.10 *.25% per terms of contract						
Repl Equip, Computer	\$ 24,375	New Computers 5*\$550, Laptops 25*\$809, Cart \$1,800						
Salaries Substitutes	\$ 20,000	reflect actual expense						
Teacher Retirement NHRS	\$ 18,441	Change in rates: Teach: 8.02% to 9.07%, supp staff: 9.16% to 11.09%						
Teacher Lane Changes	\$ 17,623	Seven teachers have filed for lane changes (ave. of \$3,489)						
Transfer to Grants Fund	\$ 14,757							
Heating/vent Services	\$ 10,250	New Digital Data heating controls approved by the board						
Fire/vandal Alarm Services	\$ 10,000	Increase water pressurized tank						
Foreign Lang -Teach Matls	\$ 7,984	Cost of rosetta stone HPS						
Spec. Ed Supplies	\$ 6,510							
Septic Systems Services	\$ 6,500	Septic maintenance required to meet code and inspection requirements						
Library salaries	\$ 6,403	Salaries \$ changes based on current FY11 Salaries being paid						
Unemployment Compensation	\$ 5,325							
Grounds Maintenance	\$ 5,300							
Heating Oil	\$ 4,980							
Library	\$ 4,664							
Employee Retirement HESSA	\$ 3,415	Change in rates: Teach: 8.02% to 9.07%, supp staff: 9.16% to 11.09%						
Nursing	\$ 1,221	inc due to supplies needed to sanitize headphones, SNAP software						
	\$ 430,278							

\$200.2k Increase in FY12 Teacher Compensation

1.98% Employer Cost Index = \$96,595 wages/benefits increase

Mandatory 4.1% increase in current contract obligations

- \$108,791 benefits (2.23%) (\$1,161,925 in FY11)
 - \$47,613 (9%) - healthcare
 - \$51,249 (13.1%) – NHRS (retirement system)
 - \$1,960 (4.5%) - Dental
 - \$2,831 (9%) - Workers Comp
 - \$5,032 (115%) - Unemployment Compensation
 - \$17,623 lane changes (\$6,800 in FY11)
 - \$18,000 stipend (\$165,800 Prof. Dev. in FY11)
 - \$20,000 substitutes (\$85,650 in FY11)
 - \$35,815 retirement payment (0 in FY11)
- \$200,229 FY12 + \$1,420,175 FY11

Major FY 12 Budget Decreases

Mold Renovation	\$ (365,819)					
Spec. Ed Salaries	\$ (143,610)	1 School psychologist, 12 para-professionals				
Transfer to Food Service	\$ (121,000)					
Tuition	\$ (91,610)					
Health Insurance	\$ (67,196)	Ins increase Ave of 9% amt goes down from 17.6% GMR in FY11				
Spec. Ed Admin Salaries	\$ (56,929)	IDEA Grant funded				
Spec. Ed Travel	\$ (53,435)					
Salaries Classroom Teachers	\$ (26,794)	Salaries \$ changes based on current FY11 Salaries being paid				
	\$ (19,757)					
Salaries-Part Time Aides	\$ (19,190)	Salaries \$ changes based on current FY11 Salaries being paid				
SAU Assessment	\$ (14,408)					
Principals' office salaries	\$ (14,063)	Salaries \$ changes based on current FY11 Salaries being paid				
Salaries, Maintenance	\$ (12,383)					
	\$ (1,006,194)					

FY12 Significant Special Ed. Budget Decreases

Salaries – 12 Paraeducators

HPS: \$48,732

HUES: \$110,314

Out of District Tuition - \$91,610

Salaries – 1 FTE School Psychologist - \$37,844

Specialized Transportation - \$53,435

TOTAL: \$341,935

FY12 Special Ed. Expenses Absorbed by the Coop

2 Paraeducators - \$30,000

Out of District Tuition - \$91,610

Specialized Transportation - \$53,435

Total Absorbed by the Coop in FY12: \$175,045

Total Absorbed from Brookline: \$95,986

Top Changes 2006 to 2012

Teacher Retirement NHRS	202,662	127%
Health Insurance	147,331	22%
Maintenance	132,149	31%
Spec. Ed. Services	106,299	74%
Professional & Curriculum Devel	84,202	102%
Spec. Ed Travel	42,443	60%
SAU Assessment	34,090	9%
Transportation	27,144	9%
Teacher lane chgs and Subs	25,307	21%
Retirement Benefit (HEA)	19,636	121%
Guidance Salaries	19,389	17%
FICA	18,781	4%
Employee Retirement HESSA	18,382	58%
Nurse Salaries	17,907	15%
Unemployment Compensation	7,882	107%
	903,603	
Curriculum Supervisor Salaries	(149,102)	-100%
Reg Ed Salaries	(57,302)	-2%
Spec. Ed. Non-admin. Expenses	(49,155)	-4%
Salaries Aides - Support staff	(39,266)	-33%
Spec. Ed Admin Salaries	(30,018)	-32%
Reg Ed Textbooks	(11,579)	-92%
Principal office Salaries	(105)	0%
	(336,525)	

Warrant Article 5

The School Board recommends this article.

Article 5. To see if the school district voters will authorize the Hollis School District to access future year state and federal catastrophic aid funds in the event that special education costs exceed budget limitations.

Warrant Article 8

Article 8. To transact any other business which may legally come before said meeting.

Evergreen Law RSA 273-A: 12

VII. For collective bargaining agreements entered into after the effective date of this section, if the impasse is not resolved at the time of the expiration of the parties' agreement, the terms of the collective bargaining agreement shall continue in force and effect, including but not limited to the continuation of any pay plan included in the agreement, until a new agreement shall be executed. Provided, however, that for the purposes of this paragraph, the terms shall not include cost of living increases and nothing in this paragraph shall require payments of cost of living increases during the time period between contracts.

Guidance from 2010 Annual Meeting for Contracts

The meeting voted down a 3-year agreement, \$52,000 year-1 for teachers

Annual Meeting Feedback:

- Evergreen is a concern
- Cost Per Pupil is a concern
- Budget Committee must have time to review proposed contract language and new cost items

Negotiation Rules Agreed to by All

Conclude negotiations and mediation by January 10th

This provides

- Two weeks to price proposals & finalize new contract language
- Delivery to BudComm by Monday, January 24th

Present at BudComm meeting Wed., January 26th

Board Negotiating Guidelines

- Use objective benchmarks
- Consider total cost of compensation
- Lower cost of benefits for both sides rather than shifting cost increases to taxpayers
- Evergreen merit-based increases, consistent with
 - NH DOE direction
 - Federal Race-to-the-Top Funding
- Existing contract says that all working conditions and current benefits obligations continue in force until a new collective bargaining agreement is reached

Benchmarks

- **Healthcare:** Kaiser Family Foundation 2010 cost of benefits report
 - Avg cost of one per. / family plan: \$5,050 / \$13,770
 - District's one per. plans are 54% - 61% higher
 - District's Family plans are 51% to 58% higher
- **Wages:** US Dept of Labor, Employer Cost index (ECI) for State and Local Government Workers 12-month avg. (Sept 09 – 10)
 - 1.98% for total compensation (wages & benefits)

Professional Staff Wage Proposals

- \$111,444 (2.3% in year 1) – HEA’s wage proposal (in addition to mandatory \$200,229 (4.1%) benefits increase)
 - 2-year contract
 - 3.4% steps – “Evergreened” for 60% of staff
 - \$1,200 COLA for the 34 (40%) of teachers off the step schedule
 - \$1,000 bonus for all Distinguished achievement
- Board’s proposal
 - Agreed to HEA’s proposal in exchange for salary schedule (steps/tracks) movement based on:
 - “Proficient” level of achievement, on average, in the 4 domains of teacher evaluation, new teachers could be basic in 1 domain
 - Meet annual milestones for professional development goals
 - Also allow track change for National Certification or research proj.
 - Reduction-in-force policy based on same criteria
 - Side bar agreement to shop for less costly benefit plans
 - Add a new high deductible plan to lower family plan costs

Support Staff Wage & Benefit Proposals

- Employer Cost Index of 1.98% = \$27,268 for Hollis Support Staff
 - \$14,732 Mandatory contractual benefits increases for Hollis staff
 - \$12,537 (.9%) left for wage increases
- HESSA's Proposal
 - 1-year agreement
 - \$25,951 (2%) wage increase
 - Accelerate vacation accrual for full-time, full-year Staff:
10 days (0-5 yrs.), 15 days (6-10 yrs.) 20 days (11+ yrs.)
 - Prepay cost of courses for certification instead of reimburse
 - New Category 3 regular education para-educator position to provide a growth path for Category 1 instructional assistants
- Board
 - 2-year agreement (negotiating every year is expensive)
 - \$19,464 (1.5%) wage increase in year-1
 - 1% to 2.5% wage increase in year-2, indexed to ECI
 - Agreed to remaining terms