

**HOLLIS BROOKLINE COOPERATIVE SCHOOL DISTRICT
BUDGET COMMITTEE
MAY 25, 2023
MEETING MINUTES**

A regular meeting of the Hollis Brookline Cooperative School District (COOP) Budget Committee was conducted on Thursday, May 25, 2023, at 6:33 p.m. at the Hollis Brookline Middle School Library.

Chairman, Darlene Mann, presided:

Members of the Budget Cmte. Present: Raul Blanche, Vice Chairman
 Matthew Maguire
 Anthony Stanizzi
 Tom Whalen
 Tom Solon, School Board Representative

Members of the Budget Cmte. Absent: David Blinn
 Brian Rater
 Beth Williams, Alternate School Board Representative

Also in Attendance: Kelly Seeley, Business Administrator

PLEDGE OF ALLEGIANCE

Chairman Mann lead in the Pledge of Allegiance.

AGENDA ADJUSTMENTS - None

APPOINTMENT OF MEETING OBSERVER

Chairman Mann appointed Matt Maguire to serve as Meeting Observer.

APPROVAL OF MINUTES

COOP Budget Committee – **Organizational Meeting** [April 27, 2023](#)

The following amendment was offered:

Page 5, Line 46; “meeting” should be plural

**MOTION BY MEMBER STANIZZI TO ACCEPT, AS AMENDED
MOTION SECONDED BY MEMBER MAGUIRE
MOTION CARRIED**

4-0-2

Members Blanche and Maguire Abstained

PUBLIC INPUT – None

GENERAL BUSINESS

- Food Service Review

Kelly Seeley, Business Administrator, provided a PowerPoint presentation (can be viewed [here](#) beginning at tape counter 2:33).

Amy Cassidy is the Director of Student Nutrition. Her salary/benefits are shared by each district (COOP 45%, HSD 30%, and BSD 25%). Food Service comes under the supervision of the Business Administrator. Employees (when fully staffed) include a Head Cook at each school, 4 food service workers at the high school and 3 at the middle school, and 9 hours/week of administrative support split among the three districts (try to utilize a worker on staff).

Chairman Mann asked for clarification of the role of the individual (non-union) providing administrative support, and was told, to some degree it is the tracking of orders, student accounts, etc., however, there is a great deal of paperwork that needs to be filled out, and the intent is to take some of that workload off of the plate of the Director.

All Hollis Brookline districts participate in the National School Lunch Program, a Federally assisted meal program that is available to public and non-profit private schools or public and non-profit private residential childcare institutions. The primary focus is to provide nutritionally balanced lunches to children each school day. The benefits of participation are cash subsidies, USDA sourced foods and access to free training, resources and program assistance. In exchange, lunches must meet Federal requirements and must offer free or reduced priced lunches to eligible children.

Asked if the district is restricted from sourcing foods locally, Ms. Seeley stated it is not, noting that a lot of produce is from local markets.

Vice Chairman Blanche commented on the situation a few years prior when the food choices offered were not too popular, and the system was losing money. Ms. Seeley stated the Director has truly turned the program around, and that issue no longer exists.

Associated expenses include salaries, food, non-food items, and equipment.

Revenue sources are local (parent paid, catering), State and Federal. Revenue in excess of expenses is added to or subtracted from the food service fund balance. Each school can hold only an average of 3 months' operating costs in the fund balance.

Both schools continue to be short-staffed (1 position at each). This is challenging on a daily basis, but when someone is sick it becomes nearly impossible to meet the demands. Substitutes are used regularly if they are available. The Hollis Brookline Middle School had all new staff this year. The staff is very dedicated and continues to step up despite being down one person and trying to cover when people are out. They are overworked and tired.

A challenge seen this year and not in previous years, because of the free lunches offered by the Federal government, is the negative student balances. Many parents are still transitioning from the free lunches to paid lunches. The COOP School District negative balance is over \$5,000 at this time.

Supply chain issues have improved. They are now periodic issues that can last 2 weeks or a month (rather than daily issues). The low-quality fresh produce seemed to be the theme for FY23.

The cost of food and paper goods continues to increase. Many prices have doubled in the last 3 years.

Chairman Mann spoke of MySchoolBucks (account system used for families to load dollars into a student's account). If a student's balance is negative, she believes we still have to offer the student the main meal but can limit the a la carte items. Ms. Seeley stated that to be accurate. Chairman Mann questioned how the district plans to recoup the dollars owed and was told there really is not a process whereby a payment plan is put in place, but the food service staff is regularly sending letters out and contacting families seeking payment. Principals also become involved in the process.

One of the biggest problems is getting families to apply for free and reduced meals. Although there are a lot of families that probably do qualify, for whatever reason, they just will not do it. A note is provided periodically to get a number of them to sign up, and that pretty much solves that problem for that family. There are some funds that are donated on an annual basis that can be used. For families who should be on free and reduced, we can use those funds until they get that set up.

Asked if there is a mechanism for transferring the balances from MySchoolBucks to more generic items like student obligation platform so that at a certain point, e.g., prior to graduation, you have to pay your obligation, Ms. Seeley stated that is in place. We have not really had this problem to this degree before. If we do end the year with a negative account that actually transfers to the general fund.

Vice Chairman Blanche commented on Administrators being involved in collecting negative balances, and asked what the process is for that to occur. Ms. Seeley commented that it is when the balance reaches a certain threshold. Asked if there is a way to differentiate families that really need it versus others, she stated that to be a hard thing to determine as in the absence of families going through the application process, it is hard for us to know if they qualify or not. There are certain families that are on our radar as ones that we know should be on it.

Vice Chairman Blanche remarked, given the amount, it almost seems as if the effort to try to collect that is more expensive than the amount owed. Ms. Seeley responded it could be, adding that this is an unusual year that we have that high of a balance. It is her belief it is the result of people just not being used to paying for lunches any longer and the fact that people are not signing up for free and reduced meals.

Asked what the average negative balance is, she commented there might be someone that owes \$500, maybe even \$700, but most of the balances are more in the \$100-\$200 range. She did not look at it that way and is uncertain.

A chart was shown depicting the effects of free meals; FY19-FY23 number of free, reduced priced, and paid breakfasts and lunches. Free meals started 3-14-20. The number of meals provided in FY21 represented a large increase and the number provided in FY22 was off the charts. The staff was even more short-handed last year. The fact that they pulled this off is truly impressive. The numbers provided are through March of 2023 (for the COOP).

Asked if the average meal cost has changed significantly from previous years, Ms. Seeley stated the prices remain the same this year as they have been since FY20.

Asked how the district was compensated when the program for free lunches/breakfasts (across the board) were available, Ms. Seeley stated the district was compensated in the same way it is now; number of full meals (send in a count and get reimbursed).

Another chart identified reimbursable meal counts and breakfast meal counts (free and paid) from FY16 through FY23.

The food service revenue and expense analysis (FY11 through FY23 estimates) highlighted the fund balance resulting from the free meals the district was reimbursed for in FY21 and FY22. In fact, the fund balance is large enough that the State has required the district to have a spend down plan, which has been done. That will go towards making some improvements in our kitchen, which have been discussed for the past several years. The only issue that exists now is the timing of receipt of equipment. It is believed those improvements will be able to be made this summer.

Asked for clarification of commodities noted on the revenue side, Ms. Seeley stated they are the USDA foods that we get, which are tracked separately. This year you will also see the anticipation of approximately \$120,000 in excess revenue that would go to the fund balance as well. She noted that sounds like we are doing really well, but that number is nearly 100% due to staff shortages.

Chairman Mann remarked, in the past, there have been requirements for when we have to change the price of the meals. She is assuming because we are ending up with underruns that we are not going to be mandated to increase. Ms. Seeley stated the district is not mandated, but she is currently looking to see if we should. We have a fairly decent support staff increase in wages next year, and she would like to consider this in terms of, if we were fully staffed, should we be increasing even a small amount.

Chairman Mann asked for clarification the district is allowed to retain 3 months' worth of expenses and anything over that triggers a spend down plan and was told that is the case.

Member Stanizzi asked if the district could offer incentives for those who have negative balances; complete an application for free and reduced and there will be debt forgiveness. Ms. Seeley noted that would have to be done on a yearly basis. She is confident that could be done but is uncertain that has not already occurred. She will follow up on that.

Asked what three months are used to determine the amount that can be retained, she stated it to be an average operating cost (believed to be from the previous year). There are 9 months to be considered when identifying an average.

Member Solon questioned how long the district has to conduct the spend down because if making it to the next year now we are at a point where we are no longer below as the average has changed dramatically from FY22 to FY23. Ms. Seeley responded it is supposed to be a short period of time. You probably could stretch it to 2 years, but because we are trying to do the kitchen upgrade in the summer, she did not test that to know what the maximum is. Chairman Mann suggested you could probably get a year or so to implement a spend down. Ms. Seeley commented she is of the impression they would permit it to take two years.

Member Solon remarked it is more a question of if they are calculating it based on an anomalous year or quarter can you wait and say we will look at what our expenses are. Ms. Seeley stated that could not be done. Asked if the district could appeal, she responded she is certain she could attempt to do such a thing.

Ms. Seeley spoke of the many accomplishments related to food service, e.g., continue to pass health inspections with high praise, continued membership in the NH Buying Group; cost savings purchasing program, and of the menus and choices that include multiple choices available to meet diverse student tastes, new salads, increased plant-based options, and breakfasts now include smoothies and yogurt parfaits.

FY24 challenges include getting to and staying fully staffed, getting high school students to take fruits and veggies (reimbursable meals), maintaining and increasing participation, and balancing the high costs of food supplies and labor without sacrificing quality.

Asked if vegetarian meals are considered reimbursable meals, Ms. Seeley was uncertain, and will pose the question.

Strategies for future success include getting back to being fully staffed, which is a critical component.

Asked when food service was last fully staffed, Ms. Seeley stated her recollection to be in FY20, prior to COVID (in the COOP district). Asked if positions that are difficult to fill are part-time, she stated all positions, even head cooks, are part-time. Asked if it is more a question of people's decisions about what they are willing to do for work and the schedule, she commented it could be that. She definitely believes COVID was the reason during that time. We could not hire anyone anywhere. Now it is just that there are a lot more choices available for people whether it is part-time or full-time. We saw exactly the same thing with the custodial staff.

Asked if it is pay scale related, she stated that might have been a factor because you could have gone to McDonalds or Target and made a lot more money than we are offering. The salaries next year for all support staff are significantly higher. She believes that to be why we are keeping the people that we have now and hopefully that will be attractive and competitive to the other school districts around. Asked if she believes the district is competitive with the private sector, she stated she does not believe we are as competitive as we probably should and would like to be, but we made a big dent.

Member Solon commented he is looking to figure out why someone would want to work in the school district; it is a part-time job that he assumes does not have benefits, we do not pay as well, etc. Have we looked at what we think it would cost to be competitive and fully staffed? Ms. Seeley stated that was looked at when identifying the wages for what we will be paying next year. We pushed that as far as we thought we could. Member Solon questioned what prevented the Administration from pushing it further and was told not being at all certain it would pass the voters. We were not certain the proposal would pass the voters because we went from an increase of around \$80,000 to \$162,000.

Vice Chairman Blanche stated his belief we are probably in a transition period and need to give it more time to be able to take a look back to see how it worked.

Member Solon remarked he is just looking at the fact that we are repeatedly over-funded by the model that is imposed on us because every few years we have a spend down plan, but we are also saying we are having an ongoing problem with staffing, and we recognize the fact that we are in a state of significant high employment rate and competitive wages. Certain jobs are not commodity opportunities. Teachers are competing with teachers, administrators are competing with administrators, etc. His guess is that these employees were competing with almost every other retail and food service general market. The model that we have to show competitiveness with is different than it is for our professional staff and another segment of our support staff. He questions if we are handcuffing ourselves to this ongoing process of creating a shortage, which in turn makes it a more difficult work situation, which adds to the difficulty of staffing. Ms. Seeley responded it is a very good question, and she believes this next year will tell us a lot, and then we will be negotiating again. Member Solon stated there to be two more years on the support contract (FY24 and FY25). Any change through normal negotiations would be in year 3.

Chairman Mann commented the support staff contract is a combination of all of the roles. You have administrative assistants, custodians, and food service all under one contract. Member Solon noted it has been done through the categories in the past. Ms. Seeley stated that was just done with this most recent negotiation where most of our food service workers were in Category 1, next year they will be in Category 2, plus there was a significant increase. These employees are getting a pretty hefty increase. That is why she believes it will tell us a lot if we can fill those positions.

Another strategy for future success is creating a forum for student and parent input to maintain/increase participation. Asked if student surveys are conducted, Ms. Seeley stated it is difficult to do that for students. There are a lot of requirements behind that.

In addition, there is the desire to continue efforts to cook more from scratch (full staffing is essential), and to offer more choices while mindful of food waste, and attention to detail.

Kitchen upgrades are planned for the summer months. Upgrades include the serving line; new equipment and transition from elementary style school servicing to high school style serving to include a more efficient grab-n-go section with an additional POS, and installation of a right-sized dishwasher.

Chairman Mann commented on balances in areas such as Fund 23 (donations). Often times the categories of donations have very specific spending parameters. Ms. Seeley acknowledged they do have specific parameters. There are a couple of possibilities, but she is uncertain the Principal would let go of some of those as they may have identified other uses. If we run into a situation where the spend down plan does not cover everything, we will be looking at things very closely.

Member Whalen questioned the times at which lunch is served and whether there is a difference in participation seen based on that.

- Financial Update

As of 5-9-23, the expense side of the ledger shows a balance (underrun) of \$1,225,687 (most related to special education with students leaving the district, changing a program or refusing services) plus the FY22 expense carryover of \$73,201 for a total of \$1,298,888.

On the revenue side, it is fairly on base with the exception of food service and the New Hampshire Retirement System reimbursement, both of which are higher than anticipated. The overage in food service will go to the food service fund balance. Before factoring in the needs for FY24, we stand at \$1,304,681 in the unreserved fund balance.

Subtracted from that are voter approved allocations to the Maintenance Trust \$300,000, Special Education Trust \$25,000, and Contingency Fund \$125,000. A figure is identified as a placeholder for the Retained Fund Balance of 2% or \$398,433 (can hold back up to 2.5%). The School Board will vote on the Retained Fund Balance amount in August. The end result is a projected fund balance of \$456,248.

In her recommendations to the School Board, she noted the voters were told the district would return \$200,000 to the tax base to offset the amount that has to be raised through taxes. As of this report, we only have \$256,248 as a final unreserved fund balance. She requested the School Board consider a few items they might want to expend those funds on. At the top of that list is the dugouts at the middle school. There is the desire to put those in for the girl's field. We do not yet have an estimate for that project. Also looked at is security enhancement at the main entrance at the middle school so that it is similar to that at the high schools where visitors have to be buzzed into the building in two manners. That cost is \$120,000. Also being considered are additional exterior cameras at the middle school. We will always be looking to add interactive flat panels. In order to have them fully supplied for both buildings we need 44 additional panels.

Chairman Mann asked if the district applied for any of the SAFE grant security updates and was told it did but did not receive any funds. They seem to be favoring those applications that went more to the access control and we requested a radio system for all 6 schools. The district recently applied for a Federal grant for the radios.

Member Solon noted the targeted amount to be returned is \$200,000. If the district were to retain the full 2.5% (an additional \$100,000 over the projection) and not move forward with the proposed expenditures, the amount that would be returned to the tax base would be approximately \$356,248.

Asked if there are estimated costs for the proposed expenditures, Ms. Seeley stated she has left it vague on the cameras (cost should be known shortly) and flat panels (individual cost is known) because that would depend on the cost of the dugout and what the School Board wants to spend.

Member Solon stated the School Board will have an idea, and it will come down to whether or not the Board feels that is the best way of funding those items. Ms. Seeley added we do have the opportunity to utilize some of the Athletic Capital Reserve Fund dollars (pay to play) for the dugout.

Member Whalen noted Hollis Recreation is about to purchase 4 additional dugouts, and suggested there may be the ability to achieve savings through economies of scale.

Vice Chairman Blanche spoke of his support of spending some funds on security measures. Member Solon noted the issue of the dugouts was brought to the Board by parents on behalf of their students. He categorized it as an oversight. He does not believe people are aware that of the 4 teams of that type boys baseball at the middle and high schools and girls softball at the high school all have dugouts, but the middle school girls do not. That was brought forth as being a concern for the health and wellbeing of the participants as well as questions of discrimination.

- School Board Update

Member Solon commented on the number of new hires that occurred at the last meeting. There were 4-5 resignations, but 12 new hires. At least 4 of them were very senior hires. We are waiting to see where that nets out as far as budgeting. That will be a big question. On the plus side, we are told that we had large candidate pools, which speaks highly of the way the district is viewed and it is not strictly based on salary and benefits. We are back in the mode of competitive, but we do not have a competitive edge in terms of pay. He is of the belief the big area is working conditions, something our administrative staff plays a big role in as does the degree to which we have functional boards that work cohesively. The Budget Committee, School Board, and respective Selectboards do not always have agreement, but there is a level of civility and cooperation that is not present in many of our neighboring communities. Many neighboring communities have experienced rebellion among the voters to some of the dysfunctionality. It is a tribute to our communities that we have preserved through some tough times.

The good news is we get the candidates, and the students benefit directly from that. He provided the example of having once again a legitimate Tech Ed teacher in the middle school; something we were missing this past year. That is a really tough role to fill. It often came from industry, but there is a requirement to be a teacher when in the public school system and getting that combination is often tough to do.

The other thing that occurred is administrative contracts being brought in line with the professional staff contracts in regard to how their health insurance is compensated. The percentages were somewhat off, and it was putting us in an awkward position. In many communities, from a competitive standpoint, administrative contracts are richer, often times with 100% paid health benefits. In our district, just because of sequencing and some historical activity, the percentage paid for administrators was not similar to the percentage paid for professional staff. Monetarily it is not a large difference, but perception it was.

Asked if the administrator contracts are multi-year, Ms. Seeley stated they are. They are typically 2-3 years. The new salary is approved every year, but the contracts are multi-year contracts.

Member Maguire questioned if the additional new hires were to fill positions that have been vacated for some time. Member Solon spoke of the amount of turnover with a large number of resignations in the past few months. What often happens is we get caught in the summer when people do not renew but have not really given us that information. Fortunately, we have received notices in sufficient time. The big deal is that we have gotten responses to the ads quickly and created a large pool to choose from.

Asked if there has been discussion of negotiating contracts with, in particular, the teachers union, and finding a way to enforce the contractual language around length of stay (teachers leaving before contract expires), Member Solon responded there have been discussions. The nature of those discussions has been non-public conversations with legal counsel. In the past, there has been fairly successful communications among districts. A larger factor in recent years is teachers who are leaving the profession. In those cases, you do not have that same recourse. It becomes a question of is there the ability and is it worthwhile to try and enforce a contract. A lot of it comes down to what is the best benefit for the students.

Member Whalen commented he was thinking more along the lines of an out clause (some penalty). Member Solon remarked that is an interesting option. He does believe it will be something that is discussed in upcoming negotiations because of recent activity.

ANNOUNCEMENTS - None

AGENDA BUILDING

The next meeting is scheduled for June 22, 2023.

Vice Chairman Blanche and Member Maguire noted they would be unable to be in attendance.

Member Solon informed the Committee that School Board Member Williams has been appointed as the Alternate Representative to the Committee.

PROCESS OBSERVER READOUT

Member Maguire stated appreciation for the information provided. The meeting was run efficiently.

ADJOURNMENT

**MOTION BY MEMBER BLANCHE TO ADJOURN
MOTION SECONDED BY MEMBER STANIZZI
MOTION CARRIED
6-0-0**

The May 25, 2023, meeting of the COOP Budget Committee was adjourned at 7:40 p.m.

Date: _____

Signed: _____