

Minutes of the School District Deliberative Session of February 1, 2020  
Community Center, Lions Avenue  
Hudson, New Hampshire 03051

1. **CALL TO ORDER BY THE MODERATOR**, the Honorable Paul Inderbitzen called the meeting to order at 9:01 a.m.

**PRESENTATION OF THE FLAGS** by Boy Scout Troop 20

**THE NATIONAL ANTHEM** sung by Alvirne High Schools B-Naturals

**PLEDGE OF ALLEGIANCE** recited by School Board Member Malcolm Price

2. **REMARKS BY THE MODERATOR**

Moderator Inderbitzen

Mr. Guessferd what purpose do you rise?

Robert Guessferd

I rise for a moment of silence. Hearts are heavy here in Hudson, New Hampshire this week as we mourn the deaths of Newport News Police Officer Katherine Thyne and Air Force Captain Ryan Phaneuf. We will now pause for a moment of silence to remember them as well as well as others who have made the ultimate sacrifice and service to their communities and country.

Moderator Inderbitzen

Thank you.

Ladies and gentlemen, this is the Deliberative Session of the Hudson School District meeting. You will act as a legislative body to determine the final form of the Warrant Articles that will be voted on March 10<sup>th</sup>. All the articles by law must be placed on the ballot. The rules we will follow today will be the Moderator's Rules which are in your handout. If you're new to the Deliberative Session, please take a look at those rules. If you have any questions during the meeting, you can ask the Moderator about those rules. You may also vote to establish your own rules and you can also overrule any of my rules. So please take a minute to review those if you haven't done so in the past. They haven't changed.

As a legislature, we will be discussing the warrant articles before us. Those discussions will be respectful of everyone's opinion. This may be a hall where basketball is played but this is not a basketball game. We do not cheer or applaud when somebody scores a point or you agree with and we don't boo or groan when someone on the other side does. Please be respectful of all comments and opinions as you would want yours to be respected. To keep personalities out of the debate, we will use terms such as "the previous speaker", or "an earlier speaker", the "School Board member", or "Budget Committee member". All questions and comments are to be asked through the Moderator. Just because a question is asked doesn't necessarily mean that someone has to answer. You can ask a question and hopefully somebody will yield but not always.

**3. NON VOTERS**

If you are a registered voter in Hudson, you were issued a yellow voter card. Please keep those cards with you for this meeting. You will not be getting another one. After the meeting, I have a box on the back table for recycling the voter cards. You can put them back. You don't have to sign them. It's not required. Only registered voters of Hudson are allowed to participate in the discussion of the warrant. However, there are some non-voters, staff members of the School District, and others who will be allowed to speak and answer questions to assist in the meeting.

We will also be taking a break probably after the first or second warrant article depending on how it is. We have the GFWC - Hudson Woman's Club in the back with refreshments. This meeting is being televised live through the Hudson Cable and will be available for viewing afterwards. At any time you can view this meeting. We appreciate the Hudson Cable Committee and the staff of the Hudson HCTV for all the work they do in keeping Hudson citizens informed.

At this time, I would like to recognize Superintendent Russell to introduce members of the School Board present today.

**4. INTRODUCTION OF THE MEMBERS OF THE SCHOOL BOARD**

Superintendent Russell

Thank you, Mr. Moderator. The School Board today we have Chairman Malcolm Price, Vice-Chair Darcy Orellana, School Board Member Diana LaMothe, School Board Member Gary Gasdia, Business Administrator Karen Burnell, and our Attorney Gordon Graham.

Moderator Inderbitzen

Thank you.

**5. INTRODUCTION OF THE MEMBERS OF THE BUDGET COMMITTEE**

Robert Guessferd, Chairman

Today we have with us Clerk Jimmy Weaver, Members Shawn Murray, Hasan Goode, Michael Fedele, Joe Fernald, Alejandro Urrutia, Richard Weissgarber, and Selectman Representative Liaison Normand Martin. Also here today is the School Board Liaison Diana LaMothe.

**6. RETURN OF THE WARRANT TO THE DISTRICT CLERK**

Moderator Inderbitzen

Thank you. The warrant has been returned to our School District Clerk Mrs. Barry and we're ready to begin the meeting.

**7. READING OF THE WARRANT ARTICLES AND ACTION OF THE MEETING**

Moderator Inderbitzen

To the inhabitants of the Hudson School District New Hampshire qualified to vote in district affairs, the first session of the annual meeting of the Deliberative Session. You are hereby notified to meet in the Community Center on said District on the 1<sup>st</sup> day of February at 9 a.m. for the first session for the Annual School District meeting for explanation, discussion and debate of the Warrant Articles 1 through 6.

Warrant Articles may be amended subject to the following limitations: a) warrant articles whose wording is prescribed by law shall not be amended, and b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion as amended, and c) no warrant article shall be amended to eliminate the subject matter of the article.

Second session of the annual meeting. You are hereby notified to meet at the Community Center in said district on Tuesday, March 10, 2020, between the hours of 7 a.m. and 8 p.m. for the second session of the annual School District meeting to vote by official ballot on the following subjects:

### **School District's Articles**

#### **Warrant Article 1 – Alvirne High School Renovation.**

Shall the Hudson School District raise and appropriate the sum of \$17,550,000 for the design, construction and equipping of additions and renovations to Alvirne High School; and further authorize the School Board to issue not more than \$17,550,000 in bonds or notes for the balance of the project costs in accordance with the Municipal Finance Act, RSA Chapter 33. No more than this bond may be issued for the project without further authorization of the voters of the Hudson School District and authorize the School Board to issue, negotiate, sell and deliver such bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof; and further raise and appropriate the additional sum of \$445,453 for the first year payment on the bond and authorize the School Board to take any other action necessary to carry out this vote or pass any other vote relative thereto? Recommended by the School Board 5 – 0. Recommended by the Budget Committee 8-1. An estimated tax impact of \$.14 and this will require a 3/5 or 60 percent vote on March 10<sup>th</sup>.

I will recognize School Board Member Gasdia to present Warrant Article 1.

#### **Gary Gasdia, School Board Member**

The high school is our identity. In good time when sports teams are winning, and concerts, and plays, and students and teachers are being recognized for their great work in our CTE programs, are going to national competitions and coming in first place, we gather and we celebrate and we rally around their success and it's a source of pride for this town. When times aren't so good like they were this week, it's where we come together as a community to gather because Alvirne is a bond for all of us. Maybe our kids went there, our grandkids went there, we went there, our parents went there, friends, neighbors but all of us have a connection directly or indirectly to someone to which Alvirne is a big part of their life.

Alvirne has serve our community well and it's our duty as citizens to make sure that it serves the future generations of Hudson just as well. This is not the first time a renovation proposal has come down but I can tell you that it is the leanest, most prudent, and most collaborative version that has ever been presented. This is not the School Board's proposal. This proposal was shaped by community sessions held as part of the strategic planning process this spring and specific community planning sessions about this renovation held this fall where the architects and Superintendent Russell went over in great detail multiple options. There were options that were more expensive. There were options that were less expensive. Overwhelmingly the citizens said the option that Mr. Russell will go over in a few minutes is the option that we want. An option that is 30 percent less expensive than last year's option. They were very clear to us in our marching orders. The citizens of Hudson do not want the Taj Mahal. They do not want marble staircases and a 1,000 seat theater to rival the greatest high school in Southern New Hampshire. What they want is that we have it functional. That we give our students what they need to the point where the

original proposal had less seats in the auditorium and they said we need more seats to support the programs that we currently have. That's why you'll see 600 seats in the theater but it was very clear. The citizens of Hudson spoke. We want to give our children what they need nothing more, nothing less.

That's what this proposal this year is about. It's about three things: safety and security, creating a vibrant learning environment, and curriculum. When we talk safety and security, it's not about a national headline grabbing incident. It's about every day safety. It's about when you go there and whether you're a parent, a student, a teacher, faculty, or a visitor you don't have to dodge cars and buses just to get to the entrance every day. You can walk safely to the door. When you get to that door, it's safe and secure and we can say with confidence that we know the only people in that school are the people that are supposed to be there. If I just want to visit the office, I don't have to wade through a sea of students in the cafeteria or walk through the halls and disturb their learning.

When we talk about a vibrant learning environment, it's about creating a better space that's modern and welcoming. It's about upgrading the infrastructure. Infrastructure that will not only help the renovated part of the school but will help the entire school. One of the questions we get every year is why don't we touch the classrooms? Why does this warrant article not include the classroom areas? The reason is because the classroom are taking care of in the operating budget. Over the past few years, we have renovated every classroom and every lab floor to ceiling. For us to now put in the warrant article that we are going to redo those is a waste of your money as taxpayers. You told us to be prudent and that would not be prudent. This renovation is only about what we need to do.

When we talk about curriculum, that auditorium is about curriculum. We wouldn't have building trades without a workshop. We wouldn't have science without a lab. For our music and drama students, we shouldn't have them not have the facilities they need so they can be prepared when they go to college to study those. The auditorium is more than just about music and drama. There are opportunities to bring in professional speakers without interrupting the classes that go on in the gym. The Biology Department is already talking about something called "speed dating" where they'll bring in multiple professionals over the course of a night. We have a teacher that does public speaking and as a requirement of that, he asks a student to do ted talks. How awesome would it be if they could do it in an auditorium and get that real life experience.

The auditorium people believe they see the entire price tag and they say we're spending that much on an auditorium. The auditorium is less than 20 percent of the cost. By building the auditorium, it allows us to do other things. It allows us to move the boys' locker room which is currently on the first floor up to the second floor which is where the gym is bringing us into ADA compliance. See right now we're grandfathered in which is code for outdated, old, inaccessible, and frankly probably unsafe. When we move that, we gain further space to improve the experience during the cafeteria which can be some of the most stressful times of the day for certain students and we're going to give them the ability to choose how they have their lunch. The high school is our identity in good times and in bad. Alvirne has served us well. It's our duty as citizens to make sure that it serves the future generation of Hudson just as well. I'll turn it over to Mr. Russell for the details.

Moderator Inderbitzen

Mr. Larry Russell, Superintendent.

Superintendent Russell

Thank you, Mr. Moderator, and thank you Mr. Gasdia. My charge today is to go over the details of the plan with you. Before I do that, I would like everyone here to consider what we do every day. Every day we gather 3,200 citizens, some of the most vulnerable citizens in this community to gather in our schools. We educate them. We feed them. We educate them after lunch and in doing so, our biggest charge throughout the full day is to make sure that they're safe and secure. As Mr. Gasdia said, this isn't about a one-time big event in preparation for the safety and security but daily safety and security. In order to do that, we're looking to have a facility and all of our facilities to meet that standard that we can have the best safety and security for our students every day.

This is the outside view of the building. These are some of the main points of why we'd like to have this done. Right now the main entrance to the building is about this area over here. It's not in this picture. We're proposing to put the main entrance right here. The main entrance will have all of the offices that you might need to visit as a community member or as a parent. So the Principal's office, the special education offices, and the counseling offices will all be in this general area and in this area too will all be the conference rooms.

The students coming in every day, the improved site will have parent lines coming in through here and staff line coming in from here and going around and then out the circle over here. Then the parents could come right down this line, drop off students on this nice wide sidewalk instead of students walking across the parking lot. Then students and staff can park in this area over here, be able to have access to our sidewalk and go into the school safely.

The SRO office or the School Resource Officer his office would be right here. It's a little bit hard to control but it would be right about there. So he would have access to the front of the building and watch people coming in but he's also have a good view of what's going on in the parking lot which is a lot of the safety and security concerns in the building.

The project also obviously involved the auditorium which is this right here where the red dot is. This is the new offices right here. This is the gymnasium area where there's renovations going on. Then over here is the cafeteria where there's renovations going on in there too. This area right here is where the new tennis courts are. This was going to be parking but now that we used this area for the tennis courts because there's additional parking and the back of the building that came through the CTE project. As Mr. Gasdia had mentioned, these are the priorities and the priorities are security, safety and improved efficiency and functionality, and enhanced curricular and co-curricular spaces.

These are the main changes from the 2019 and 2018 proposals. Fortunately last year using end of year funds, the School Board took care of some problems that were at the high school that were included in the renovation. One was the gymnasium. The gymnasium is being done from the floors, to the bleachers, to the baskets. The previous renditions of the proposal had a double gym in it. There's no need for that any more. The auditorium seat count that had changed and with a reduction in that there was a reduced cost. The parking lot that I was speaking about before over by the tennis courts, we don't need that parking lot over there anymore because there is parking behind the CTE center now. That's a reduction in the cost too. Overall there's about a 30 percent reduction in the cost from previous plans. If you think about that, the cost to do the gymnasium, the football field, and the tennis courts is a little bit under \$1 million. With that investment made by the School Board, we were able to reduce the project by 30 percent. In order to save \$8 million, we spent a little bit under \$1 million. I thought that was a wise move.

Here's the floor plan and the floor plans are in the back too. I hope you had the opportunity to go and look at them when you first came in. Number one is the improved parking lot with the traffic flow and the safety features that come along with that. Number two is the secure main entry. One thing you have to consider is that this building was last worked on in 1975 for any kind of major work or major renovation because unfortunately it had burnt down before that and was rebuilt in 1975. This doesn't fit the same modern features that most schools have today but by putting on this renovation we will be able to attain that.

You come into the main entrance and you have the SRO office right here. You have all the conference rooms that you could use up here. The Principal's office is also up here too. All the office that you would need are self-contained. You'd come into the building, go into a receptionist right here, they would send you to the room that you would need to go to, and then there's no need to walk through any part of the building. This line right here is the current building edge. So this would be an addition to the building right here and anything inside here would be a renovation.

The area number 4 is the concession stands, rest rooms for events at the auditorium and also for events for football games, basketball games, for any kind of activity that we have at the school. There's an outside window for the nights with football you can come up, get a hotdog, get a drink. If you need to use the restroom, you walk through this hallway, you come in, you use the restrooms right here. This is all secured inside here. This is as far as you can go. You cannot go into the building. You cannot go into the auditorium. You cannot go into the offices. You can just use the restroom and come right back out. So this is much more secure than what we would have presently.

Number 5 is an area that is being renovated as we speak. This area was classrooms over here art and engineering over here. Now they're going to be transformed into offices for special education and for counseling. There is some opportunity for conference rooms over here but if a visitor comes in, they can come into the main office and then a counselor may come down to the main office and just hold the conference right inside here. There's no reason for a visitor to go into the building whatsoever. Just stay inside of here.

Number 6 is the improved cafeteria. Right now the people who have visited the high school and you walk into the cafeteria, it's more of a thorough way than it is anything else right now. It's not a room. This area right here is presently where the boys' locker room is. This would become a cafeteria right here. This is the serving lines and this is what is currently Checkers Kitchen would become the kitchen for the high school. Another secure cafeteria is right here. It has walls. It has doors. In the event if we do have to have a lockdown, we can lock it down and students will be more secure inside that room as opposed to just a wide open cafeteria.

Going over to number 7, that's the auditorium. So it has 450 seats on the lower level and right next to it there's an elevator and a staircase that goes to the upstairs.

Number 8 is this area right here is the new Assistant Principal offices. The secure feature with this is that it's right next to the cafeteria. Much of the work during the day is controlling the lunches and they'll be right next to the lunch room for those secure purposes.

Number 9 is the current music room. This is right connected to the back of the auditorium right now. So currently if we have an event that's either for music or for theater and the instruments are down here, either have to take them outside and back inside and then up an elevator to the gymnasium or the gymnasium or they have to go through a series of hallways using the elevators to bring instruments up there. This is a direct entry in the back. There would be three rooms down here. There'd be practice rooms down here as part of the renovation. A large part of the renovation is hallways, storage areas, and the support systems you need in place for all the additions and the renovations.

This is the second floor of the renovation and the new building. Number one is the auditorium. Upstairs there's 150 seats upstairs and there's the control room right here. It will be of a standard that students across the State have as far as equipment and audio/visual support. This is the current building line as referenced. This is the stairway and the elevator right here. Right now if you are either a student or an adult with mobility issues if you want to come into the gym, what you have to do is walk into the front doors, go up an elevator, down a hallway, around, and then over to the gymnasium. It's a bit of a trip for somebody do go over there. Currently with the boys locker what I pointed out before if there is a student with mobility issues, that student has to go up the same elevator, around, and go to their class in the gymnasium. This causes also some concern with having security in the classroom because you're on two different floors and you have one teacher trying to watch 30 kids between those two areas. So it's more difficult to do. With the current plan right here though, you'd just come off this elevator right here you could take a quick right and go right into the balcony or you could take a left and go into the gymnasium. You're right there. This elevator is big enough to hold any kind of equipment or instrument that we would need for the purposes over here.

Area number 2 over here is a renovated lobby, bathroom area right here.

Number 3 is currently where the stage is right now. If this plan is approved, this will be the boys' locker room. The locker room will be on the same level of the building as the gym is right now. Currently it's on the first floor. This is the girls' locker room which would be renovated. It's already located here and the location would stay here. Then in the gymnasium itself it wouldn't be air conditioned but it would be dehumidified would make it much more comfortable year round.

This is a back view of the school. So this is if you were standing like on top of the bleachers looking at the school. Right here is the area where the school counseling and the special education offices are. So they're right on the other side of this wall. This is just a window to the hallway right here that's in between by the bathrooms. This window right here is for the concessions for night events on the outside. There's a nice patio out here for sitting down and just mingling with your friends at the football games. This is the entrance right here that you'd go into the building if you wanted to use the restrooms at night. This is the Principal's office and the conference rooms right here. This is the SROs office right here so you have great sight lines into the parking lot and you're right in front of the building if you needed. Currently the SRO is in the middle of the building on the first floor.

This is the total project cost. It's a \$17,550,000 project. Anybody in this room knows that \$17 million is a big ask and we certainly understand that but we also think that it's a responsible ask. These are the main features of it. I'm not going to read these to you. These are all the features that I went over before. Besides the need for a safe and secure environment, we also want to be ADA compliant and be a conscientious to all members of the community.

This is the square footage for the project. If you look at this, 78 percent of this project is renovation to the high school while 22 percent of the project is a new building/new construction. We all know that the building was built in 1975. A renovation needed to be done and a large proportion of this renovation is being done with the existing building as it is right now and there is some new construction obviously.

What's the tax impact? Based on a \$300,000 home, the tax impact will be about \$126.00 per year in the first year that there is principle and interest. In the very first year, it will be \$42.00 on that same house and then year two with principle and interest, it will be \$126.00, and then it goes down every year from there as the principle is paid off. One dynamic to look at is that in October of this year, the Hills Garrison bond will be retired. We're trying to be respectful and look long term on retiring one bond before we're asking for another one so that there isn't a huge tax burden on the community.

I also ask you to remember too that schools require significant money in every city and town in this State and across the country. We're trying to spread that tax burden out so that there isn't too much tax burden in one particular year.

Last year we created a proposal that would be really good for our students and the community. We came really close to the approval. Last year it was 59.4 percent of the vote. Trying to get to the 60 percent. The year before that I believe it was 59.8 percent had voted in approval of this. We decided to go back to the drawing board literally. This is a whole need drawing. This is with many months and many meetings of input of what the community wanted, what we wanted it to look like, what the features that we wanted it to have, the features that we didn't want it to have. We do believe that this would meet the needs of all of our students and it would be a great contribution to the activities that you would be doing in the town too and not just the schools. At this point, I yield to the Moderator.

Moderator Inderbitzen

Thank you, Mr. Russell. You may want to just stay there in case there are questions. We will open the Article 1 to questions, comments, amendments. What we'll do when we're done with the questioning and comments and everyone has had their say, I will close the article. Just because we ask for more questions doesn't mean you have to ask questions. We will close it and it will move to the ballot automatically.

Peggy Huard

Good morning Mr. Moderator. I'm Peggy Huard. I rise in support of this warrant article with some reservations and questions. My son has had the opportunity this year to finally participate in class act after spending so many years in the drama program at HMS. He finally transitioned to class act. Amazing, amazing productions with what they have. I can only imagine what kind of productions will be out of this facility.

So when I listen to you talk about this, I'm left with a few questions. What is the percentage that is going to security and why didn't we separate it? Right now you run the risk of all or nothing. If security was smaller it would have passed that one year and then the theater another year. I understand you did the meetings and you talk about the community coming out and participating and deciding on this particular plan. In those meetings though there are 16 plus voters. How many of those helped decide to put these together? Why was it decided to keep these together and what percentage of this whole plan is security?

Moderator Inderbitzen

Superintendent Russell will yield.

Superintendent Russell

A couple of questions I'll start with how the decision was arrived at. We did held multiple community events and it certainly was well advertised and it was open to the public. We go as many people as we certainly could. In addition to that too, internally we certainly had many conversations with the Music Department, with the Theater Department, with the English Department as far as using it for ted talks and things like that as far as the auditorium is concerned. So we did try to vet this out as well as we possibly could with the people that we had. An exact number for security, that's probably the largest percentage because the security goes into many elements of the new construction and the renovation.

As Mr. Gasdia said before, a little bit less than 20 percent of this project is towards the auditorium and I can confidently say that the vast majority of the 80 percent remaining would be towards safety and security.

Moderator Inderbitzen

Thank you. Additional questions.

Peggy Huard

So if I may continue. So you don't have the number of citizens who participated but would you say it's about the same number that turn out to vote about 3,000 to 4,000 less than 3,000 to 4,000?

Superintendent Russell

That did what?

Peggy Huard

That turned out to participate in the community meetings.

Superintendent Russell

No. It wasn't near that number no.

Peggy Huard

Okay so it was even less than that.

Superintendent Russell

But I can tell you that 18,000 people were invited to come.

Peggy Huard

No yes I understand that. I'm just curious because you used the word "the community decided". So we need to be clear on that. The community hasn't decided yet. So I think it would be more attractive to many citizens if they knew if or how much of the revenue that is produced from the theater how would that move? Will that go back to the taxpayers and the general? Will it offset the general fund? Will it offset the operating fund or will it go into activity funds?

Superintendent Russell

I'll defer to my Business Administrator for that.

Moderator Inderbitzen

Ms. Burnell will yield.

Karen Burnell, Business Administrator

All funds used that support the high school will go into the general fund and offset revenue.

Moderator Inderbitzen

Any additional questions or comments? Anyone else wish to ask a question or make comments?

Peggy Huard

Can I close with one more? Could you briefly tell the participants here and the citizen what is available now for the use by the theater group and the band and chorus? What do they currently use touching on the music room and the classroom theater?

Superintendent Russell

To your point they do use the music room. There's a small auditorium if you will upstairs on the third floor. I believe it's 311. They have that to use also. Currently they are stashing their sets all around the building wherever there's storage for that. As far as performance, everything happens in the gymnasium or some of it happens in the music room that's mostly for practice.

Moderator Inderbitzen

Thank you. Additional questions, comments.

Lindsay Benson

Hi my name is Lindsay Benson. I live at 13 Par Lane. I appreciate first of all how collaborative the effort has been this year to put this plan together. On that note of kind of collaboration, I've noticed this year that the Board of Selectmen as a whole has been much more supportive of the project this year which makes me feel really excited and I know a lot of hard work and communication goes into that. So I was hoping perhaps that a member of the Board of Selectmen could just share maybe their feelings about this project and what has maybe caused their change of heart and why they appreciate this year plan?

Moderator Inderbitzen

Question of members of the Board of Selectmen. Anyone here wish to yield to that?

Selectwoman Kara Roy

This project as the School Board has pointed out is pared down from the previous project which in all fairness I also supported. We've come to a point where it becomes a need as opposed to a want. It's been since 1975 that there's been any major renovation to the high school. We live in a different time now. We need to keep expanding so that we can provide our children with the best education possible. On a practical note, these kinds of projects don't get less expensive as time goes on and the need increases. It gets more expensive. So at this point I think we're at the juncture of need versus want. This is a definite need in the community.

Moderator Inderbitzen

Selectman Coutu you also wished to yield to the question.

Selectman Roger Coutu

Thank you Mr. Moderator. Roger Coutu. I'll try to keep it down. I get too passionate sometimes and people have accused me of yelling so I'll try not to. 7 Pondview Drive, Hudson, New Hampshire. In previous years I did not support the plan. I did not support the plan because I thought there was too little emphasis on security and I thought it should be a separate package. I agree with someone who said it should have been a separate package. It's all or nothing.

I've had the opportunity this year to spend some quality time in the school. Quality time with you Mr. Superintendent and with the Principal and members of the staff. The School Department has been very receptive the past two years in assisting us as a community with the food pantry drive. So it gave me an opportunity to go and spend some time in the music room. I've been to the gymnasium and auditorium in the past. I had an opportunity to take a closer look at the facility as it presently exists. On reflection, and I'm going to date myself a little, in 1959 my first year of high school we had a large auditorium. We could house the entire student body in our auditorium. I took on the task of delivering the Gettysburg address which gave me my first opportunity at public speaking. I found it overwhelming yet comforting knowing that people can stand in front of a crowd and have the opportunity to practice public speaking. That opportunity is available at Alvirne High School but on a limited basis. Several years ago there was a plan put forth to build just an auditorium if you remember. It was \$10 million. Single building – \$10 million and the voters said no.

The voters said no in the past two years – well they didn't by majority they said yes but they didn't reach the 60 percent mark in order to get it passed. They voted for the plan. I opposed the plan. I opposed the plan for many reasons and not addressing security as a separate issue was one that concerned me because I felt that these security issues should have been resolved many years ago. They've been put off. There's been some patchwork done but we needed more. I appreciate the fact that you invited Mr. Superintendent 18,000 people to participate. If only ten showed up, they were the representative body of the community. So numbers are not a factor. The opportunity was there for everybody to go. This has been pared down to a reasonable and affordable level. The adjustments you made in terms of paring the budget by using some surplus money last year which I was a little upset about but you did it and it makes sense now that we look at it. In hindsight, it makes sense. This will be a tremendous asset to our community as a whole.

You've said Mr. Superintendent and I want to emphasize it again. That the auditorium is just not just a showroom for the high school. It's an opportunity for use by our community as a whole with reasonable expectations. I don't expect that I'm going to pick up the phone and say hey I want to use the auditorium to do a food pantry drive and have a large audience there and you have something else going on. I understand so I won't get upset if I make that phone call and you say no.

Superintendent Russell

We'll accommodate you.

Selectman Coutu

Just give me a small piece of it I'll be happy. I'm urging our citizens to bite the bullet this year. I'm urging our citizens to do what is right and what will be another gem. I always brag about the 9/11 Memorial in Benson Park being a gem to our community. This, too, will be a gem to our community. This will give us as a community pride when citizens from other communities are coming to visit our school either for a play, a football game, tennis – not too many people go to the tennis matches, but we have a great tennis coach. I want to throw that in there. People are going to walk out and say "Wow" and

we're going to look back and say "Wow we did it" and this is a gem for the community. I'm urging the voters of Hudson to support it. Let's get the 60 percent. Let's get it built. Let's be done with it and in the end know that when people enter that school it will be safe, it will be secure, and that should have always been the number one priority. Thank you Mr. Moderator.

Moderator Inderbitzen

Thank you. Further discussion, questions, or comments?

Alejandro Urrutia

Alejandro Urrutia from 9 Campbello Street. So also I want to talk in favor of this. We choose to come to Hudson 26 years ago. The reason we came to Hudson was because of the School District. I want the Town of Hudson to attract young people with their families. When you make an investment on a house, you don't make that investment to be 2 or 3 years there. We came here with idea to really live here until my children go to high school and my children go to college. I believe a big piece of their location of my children the three of them successful professionals is because the school district we have.

Things have been changing and there is things that in that time we didn't face. We have new security challenges. If I'm going to move to a town, I want to see first in my children they are safe. Second, I will see what is the programs they have. That is many programs they are tied with the space. So we need to have buildings that we're going to be able to accommodate the programs then they are going to help with children to be successful.

Also I see on this an opportunity for another opportunity for the community. For example the theater. That is many things could be done on the culture and level of the town. For example there could be a many public speaking classes for adults. I can sign for one of those. That would be good. Maybe they could (inaudible) my accent so I don't know. The thing is I believe this is something that needs to be support. There are some people that was standing over there well I don't have children in the school anymore no but we need to attract younger people here to support all of us. I ask the voters to support this. Thank you.

Moderator Inderbitzen

Thank you. Further questions, comments?

Jean Holmes

Jean Holmes, 8 Flying Rock Road. First I want to say I am impressed. I've seen this process for a few years and you guys chopped a lot of out of it and still are getting an awful lot from it. So bravo to everyone who put in all the tireless effort for that. Question to the finance in particular, we had some Budget Committee members last year that weren't in favor of it that are in favor of it this year. I'd like to hear their difference of opinion from last year to this year and then also this year we have Budget Committee member that was not in favor of it and I'd like to hear their point as well.

Moderator Inderbitzen

Question of the Budget Committee if any of them wish to yield.

Richard Weissgarber, Budget Committee member

Okay so hi everybody. I'm Rich Weissgarber. I am the newest member of the Budget Committee and probably the newest member of the community in this room. My wife and I move here about three years ago. We have three sons.

So why did I vote no? I agree safety, security and the welfare of the students is first. That should always be the paramount in any town that you move to. I guess the skepticism or doubt that I have when I look at educational data related to the high school, I as a Budget Committee member want to be able to tie what we're spending on the warrant article of \$17 million 30 year bond \$40 million over 30 years to tie back to some kind of objective data that will show that what we're doing today is going to no kidding bring us up from like the 50 percentile in schools in New Hampshire, and bring up our reading and math scores, and the academic side of things. To me that's kind of number two. It's sad that we have to do the things that we're doing today with the security aspects of our schools. It kind of mirrors what we do in the government in some ways with safety and security surveillance and intrusion detection. It's kind of sad but I do agree with that and to be honest with you I would have recommended that that have been abstracted from the warrant article to be its own warrant article.

Again, I looked at the whole renovation and construction project, asked a lot of questions. I do think a lot of pieces of the construction project makes sense but there are others that they don't lead me back to the number two priority I think of the academics. Maybe I'm missing something. So that's where I need you guys to help me understand how we're going to get to better academics. Again all you have to do is go out to the web or ask questions about those percentages and to me they were kind of disturbing I guess because I just assumed that they were higher. I was surprised when I saw some of the scores in math in reading. Again the community has been great and my wife we're in the forever home kind of thing. I just want you to I guess convince me that there's a more objective tie to what we're spending today to get to those higher numbers. If anybody is willing to discuss that and show me that, I'm not 100 percent a no. I'll yield the floor.

Moderator Inderbitzen

Thank you. Anyone else on the Budget Committee wish to yield to that question.

Leo Bernard

Leo Bernard, 3 Bungalow Avenue. My question is I like the design and everything but I see the parking lot has been reduced and where are all the other students and staff going to be parking? That parking lot looks a lot smaller now. Very curious on what they're doing for parking.

Superintendent Russell

So the original plan had parking back here and because of the parking – I believe there's 110 spots in back of the CTE building that was not there before is available now. There's a lot of parking in back of the building which is back here and so we've made up the spots that we would have lost by taking away this spot for the tennis courts here. We're pretty close to the same amount of spots that we would have had otherwise. You do lose some spots because of the safety features of this plan. You have a self-contained parking area as opposed to just a wide open – I'm sure you've been to the parking lot there and during dismissal time and during arrival time, it's the Wild West out there with kids walking back and forth and there's cars all over the place going in multiple directions. You do lose some spots that way but what we gain in the back more than makes up for that I believe. In the interest of safety, this was the best plan that we thought was available for walking in the parking lot.

Leo Bernard

Thank you. I just didn't see it on the plan and I was just wonder about the parking. It's a great idea and thank you.

Moderator Inderbitzen

Thank you. Further discussion? Questions? Comments?

Mary Joy Gasdia

Mary Joy Gasdia, 4 MacCann Road. So I just wanted to say to the School Board, and the Selectmen, and the Budget Committee first of all just in the schemed of this community I personally am so impressed with what's going on in 2019 as far as these committees communicating and at least the appearance to everybody that are communicating I've seen people from the Budget Committee at public sessions as well as School Board and Selectmen. It's great as a community member and as a parent to see that involvement across the board because it gives me a lot of faith in Hudson and its residents.

I have three students in the School District so I'm very involved in the schools and care a lot about education in Hudson. I'm also a taxpayer who cares about my property value, and living in a good community, and things of that nature. So when I sit and listen to this year's renovation, I can't even fathom people being against it because after a couple of years this is so pared down. Of course I'm probably bias to the first speaker but Mr. Gasdia hit every nail on the head with what he said. That was such a phenomenal speech. I'm like in awe listening to him because really – I'm being serious and I don't always agree with him. Everybody knows that. I don't always agree but I'm sitting here listening to the most intelligent speech that I heard today. It was literally well thought.

It covered each of these points and to bring up what you just talked about, it isn't just about – I'm all about data, and I like numbers, and I would like to see our scores go up but I think you could invest \$1 million in the top math technology and the top teachers to teach it and I still don't think 100 percent that's going to increase our scores because you have to have buy in across the board. These students need to be in a building where they feel they can at least get what they need. They don't need to have outdated things as they're walking through the halls. It isn't about an auditorium. I have kids in the music and arts department and everybody tends to boil this down to well they're asking for an auditorium. That's your easy way out of saying it's about an auditorium. It's not so everybody on Facebook who's going to complain about well they put in an auditorium. Read the whole thing. You're obviously not reading the entire package. What they're trying to do is put together something that all together is going to benefit this high school, it's going to benefit this community. You're going to have students that are proud to walk in that building and feel they can accomplish something. You're going to have staff that's motivated. You're going to have everybody because they're in a place where they feel that the community supports them. This community is rallying building up.

The reality is you can keep voting it down but this is pared down and at some point you have to realize it's now 2020. I guess I would ask you this. How do the numbers increase by staying right with what we are and not spending anything on anything? They don't. Do you know how many people – I would look at the numbers of how many people are leaving the School District to go to charter schools in Nashua, Merrimack, and Manchester. Driving their kids out of here because they don't have confidence in this School District. It's not in the teachers, it's in the whole community to support it. It's in knowing it's

going to be there in the future that when my kid gets to high school that he's going to have something great. To me, it's a great investment. As a parent, as a taxpayer my property value is going to go up. People don't want to move somewhere where people don't care about the community. Did you see how many people cared about the community this week when something hits home, Hudson cares. We care. We need to show it. We need to invest in ways that make our whole town better. This isn't just a school item. This is about our whole community. So that would be my argument is that I would just look at it that way and kind of see what do you get by doing nothing because that hasn't gotten us anywhere.

Heather Smalley

Hi. Heather Smalley, 18 Farmington Drive. I wanted to ask Mr. Weissgarber how many times you've taken the opportunity to go to the school during the busiest part of the commute in the morning, at the end of the day, and also during the day. How many times you have reached out to Mr. Beals for a tour to try to understand the qualitative reasons?

Richard Weissgarber, Budget Committee Member

So I went to the high school for the tour to get the tour for the renovation. Mr. Beals I think a couple of times we talked a couple times at the high school. Talked through other means of communication. I've communicated with Diana on multiple times. So to answer your question, I've been to the high school a couple of times. As far as the flow of the high school and again the safety and security aspects of the project, no question whatsoever. Again the person that gave the talk earlier I'm sorry I don't remember your name but in regards to how everybody feels about the project and what everybody feels is going to do for the students in the future, that is a measure a data point but again do we have anything that shows spending \$40 million over 30 years is going to get us to a point where we're above like the 45<sup>th</sup> percentile for math and 60<sup>th</sup> percentile for reading. Those are important things that I think math, science, reading. Again how do we get there? Can you show us how we get there versus just talking about a nebulous thing that we have to put our complete faith in to get from point A to point B.? That's kind of what I'm talking about.

Gary Gasdia, School Board Member

So let me just say that I'm in 100 percent agreement with you. At the end of the day, this is all about curriculum and academics, right. Because everything that we do is for one purpose and one purpose only so that our kids can get the best education. What we've realized over the years, and there's a lot of data points that show this, is that part of learning is feeling pride is having all of those options. Right? If you keep your house outdated, you don't have the motivation to do well. So if we're looking for an actual data point that says if you do A then you get B, we'll probably never get there. When you look at it holistically, when we look at investing in what we're going to do better for our kids, we need to look at the whole pie. Part of that pie says we need to give them the best facilities they have. They need to have pride in what they do and all of the programs that we offer, they need to have the facilities to do it.

To Mr. Weissgarber's point which I agree 100 percent if we stop there, this is a waste of your money. If all we're going to do is throw a couple of offices on, make it secure, and throw in an auditorium, it is a waste of everyone's money. When you pair it with the money that we're investing in our budget, when you pair with what we're investing in professional development for teachers, when you pair it with what we're doing to explore our curriculum, we're winning grants. We're getting grants to deal with social and emotional learning so the kids are better prepared. When you tie all of those together in a holistic way, what you see is that investment pays off. It pays off in two ways. For the students that are in our school, we will see a bump in test scores and we will see a bump in things like that. It is as much about retaining

students and attracting students that come here. What has happened is that if I look ahead into Hudson and I look at what the offerings we have at the high school in a lot of ways we meet needs but in a lot of ways we don't. We're seeing our test scores go down because many of those students that could do really well that have the family support, they're not coming to our high school. They're not moving to town because we don't offer it. If we make all the investments in the curriculum but everybody that has that support system doesn't live here, our test scores are going to continue to go down. So at some point we have to invest and it is a lot of money and in my point is by itself it doesn't impact academics but holistically tied together with everything that we're doing, we will get our money back in spades because as we attract the families that support education, we're going to see more and more people stay at our high school, retain it.

It's not different than when they come with a sports event. Sports retain people. These extra co-curricular retain people. It makes the kids feel important. When you do these things, you need to maintain a good grade point average just to participate. Those are the type of environments we want to create and by itself dot to dot, it's a tough dot to create but holistically there is no question that this investment paired with all the other investments we're making will turn us from the downward spiral that we're on to the upward spiral. I appreciate Mr. Weissgarber's sentiment. I agree with 100 percent. It's all about academics. That's the goal of all of this is how do we educate our kids and prepare them for the future. I firmly believe that this is a very big piece of the puzzle.

Moderator Inderbitzen

Thank you. Further discussion? Who hasn't spoken a first time? Mrs. Huard you've spoken already a couple of times.

Peggy Huard

He chooses to shut down the question so he let me go because I have an important point to make. Thank you. I wanted to speak about the academic piece of theater and music. What we don't see is quite often there is a grade attached to it. My son participated in Shakespeare over the summer and got half a credit. We participated in the unified Christmas show and it was the most amazing, amazing experience you could ever have.

To piggyback on Gary's comment about building confidence and pride, to see the joy and the pride and the happiness on these children's faces, to come up with a play. There is a boy that was given a role that day. He kicked it. He did an awesome job. So if you haven't seen a unified play, you should go see one. There are other great components. People actually go to college. I know math is important. Reading is important but people are actually going to college for theater, for music. So there are educational components to it. While it seems co and extra-curricular, it is an important piece of the education process. It is something all of our high schools are doing so it makes us very competitive. Thank you.

Moderator Inderbitzen

Thank you. Further discussion? Let's keep it Article 1 which is the renovation. I know it talks about a lot of things but also the operating budget we'll also talk about some of those things.

Kara Roy

Kara Roy, 46 Marsh Road. To the Budget Committee member's point, there is a Brookings Institute Study that was done in 2019 that shows that a strong sports and arts program shows on average a 3.6 percent reduction in disciplinary issues, a 13 percent increase in standardized writing tests, and an 8 percent

increase in teaching compassion for others. I think as to data, there are studies out there that support that arts and sports have a positive impact on the student as a whole including their academics.

Moderator Inderbitzen

Further discussion on Amendment 1. Superintendent Russell you wanted to yield to a question?

Superintendent Russell

Please. I just want to add to the Budget Committee's point. I have to say that I respectfully disagree a little bit with Board Member Gasdia in that there is a direct correlation between first of all with this project and academics. First of all as Selectman Roy just had mentioned, there is a lot of research saying that strong academic...

Shawn Murray

Point of order. As to your last comment, should we not be focusing more on the warrant article? I appreciate the thoughts and opinions that we're getting but I think we're straying away from the main context.

Moderator Inderbitzen

I believe there is a relationship but we need to talk about the renovation, and the cost of the bonds that we're doing, and what we're going to do, and the reasonings for it are being given and I think we should head ourselves back towards talking about the renovation. Thank you. Point of order taken. Mr. Russell why don't we just continue with unless we have other questions but I don't want to get too far into the academics of a renovation since while it all relates, it doesn't necessarily focus in on what we're talking about here which is the renovation. Thank you.

Jack Gasdia

Hi my name is Jack Gasdia. I live at 4 MacCann Road. I'm under 18 so I'm requesting permission to speak.

Moderator Inderbitzen

You're not a registered voter. However, Mr. Gasdia is the Student Representative to the School Board and if there's no objection, I'll allow him to speak.

Jack Gasdia

Thank you. So like I said, I am a senior at Alvirne and even though I'm not a registered voter and I won't be 18 by the time of the election, I encourage the citizens of this community to wholeheartedly support this renovation. As various other speakers today have touched on, it's high time that we've updated what our high school is to meet the needs of what our students need, what our teachers need, and how we're going to give students the best education that they can receive. I'm involved in the music program at Alvirne as well as the drama program. In talking about the auditorium in particular, I think that it's definitely something that the benefits will definitely outweigh the negative aspects of having that in our building.

As far as making it a more amenable space for having those music events, drama events, and bringing in speakers and having those different things, the renovation as a whole will just improve the learning environment and the school environment for all the students that are involved there. I think while we might not be able to quantitatively say that X will lead to Y, I think that just by working together to

improve the environment that our students are going into every day – I mean I’m leaving Alvirne in June but I still think that for all of the students that are coming after me, the people who are in the elementary schools right now and the middle school, it’s important that they have the optimal learning space that they can receive. I agree with some speakers that we want to continually work to improve our academics, our test scores, and things like that but at the same time it’s really important that we’re giving our students those co-curricular opportunities that we have but that we can improve upon. I definitely think that as far as the safety is concerned and the security but also with the auditorium it’s been 45 years since Alvirne has had any major changes. It’s time that the community comes together and realizes what’s best for our students, what’s best for our teachers, our staff, and what’s best for our town. As a student in the high school right now, I would encourage any citizen voting to really consider the proposal that’s being offered and I think that it will be a positive change. Thank you.

Moderator Inderbitzen

Thank you. Additional questions? Comments?

Tom Barrett

Tom Barrett, 37 Winnhaven Drive. I make a motion to move the question.

**MOTION BY TOM BARRETT, SECONDED BY PATTY LANGLAIS, TO MOVE THE QUESTION AND CUT OFF DEBATE**

**MOTION CARRIED**

**MOTION BY TOM BARRETT, SECONDED BY LEE LAVOIE, TO RESTRICT RECONSIDERATION**

**MOTION CARRIED**

Moderator Inderbitzen

**Warrant Article 2 – Operating Budget.**

Shall the Hudson School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant article and other appropriations voted separately, the amount set forth on the budget posted with the warrant or as amended by vote of the first session for the purposes set forth therein totaling \$56,710,504? Should this article be defeated, the operating budget will be \$55,613,146 which is the same as last year with certain adjustments required by previous action of the Hudson School District or by law; or the governing body may hold one special meeting RSA 40:13X and XVI to take up a revised operating budget on. Recommended by the School Board 5-0. Recommended by the Budget Committee 7-2. As the default tax rate, the estimated tax rate is \$14.03.

I will recognize Chairperson Guessferd of the Budget Committee to present Warrant Article 2.

Budget Chairman Guessferd

Thank you Mr. Moderator. The yearly budget process for the School District starts at the beginning of the fiscal school year when each department head and principal develop budget proposals based upon their intimate knowledge of the needs of their students and their departments and schools. These proposals are presented to the School Board who reviews these proposals, consolidates the proposals into one overall proposed School District budget and makes modifications ensuring that the budget meets the needs of the students and our citizenry in the most cost conscious way possible.

After approving this budget, the School Board sends the approved proposed School District budget to the Budget Committee. This group of 11 people elected by you reviews the submitted budget both individually and collectively with a goal of presenting to you the citizens of Hudson a budget that we believe addresses the needs of the students in a manner that is also a best value for the taxpayers of our town. We do this through an initial review of the budget by each member of the Budget Committee, multiple presentations to the Committee by the various department heads and principals, questions and answer sessions, requests for additional information where necessary, and review of that information to ensure the most thorough process possible. It is that budget that we present to you today for your consideration. We stand ready to discuss it and welcome your comments and any motions to amend it as you deem necessary.

Moderator Inderbitzen

Thank you Mr. Guessferd. Those Budget Committee hearings and meetings are all televised and their gripping discussions and questions and answers you can watch on HCTV whenever you'd like. I'll now recognize Mrs. LaMothe of the School Board for the School Board's presentation of the budget.

Diana LaMothe, School Board Member

Good morning everyone. The annual budget process actually begins in the summer and it evolves with a lot of time and effort by all levels of School District personnel. Preparing the budget is a thorough and collaborative effort. Teachers, department heads, principals, administrators, and the Superintendent are all involved. Vendors are consulted. State aide and other revenues are estimate. Requirements by law and curriculum needs are all factored into the budget. A proposed budget is then presented to the School Board in October.

The Fiscal Year 2021 budget motto is "Kids Needs are Met Through a Fiscally Responsible Budget". The School District and the School Board believe that the budget as presented ensures that kids' needs are met through a fiscally responsible budget. An essential part of meeting kids' needs and therefore an essential part of the operating budget is implementing full-day kindergarten. These are students from the Early Learning Center.

I want to share some facts about full day kindergarten that were published by the National Education Association. Research shows the importance of full-day kindergarten programs. Full-day kindergarten 1) increase student achievement. Teachers have more time to get to know kids and identify and address their learning challenges early saving money and resources over the long term and increasing the odds that children will be successful later in school. 2) Full-day kindergarten results in healthier and happier children. 3) Full-day kindergarten better prepares students for first grade. Ask any teacher that.

Now we will talk about numbers. I'll talk more about full-day kindergarten in a minute. Looking at the top level, you will see that the proposed budget reflects an increase of approximately \$1,478,000 or 2.68 percent. The general fund operating budget reflects an increase of approximately \$1,207,000 or 2.31 percent. The general fund increase is primarily due to the cost of implementing full-day kindergarten in the amount of \$962,817. Excluding full-day kindergarten costs, the general fund budget is up \$304,808 or .6 percent. This tells me that it's a perfect time to implement full-day kindergarten.

If a majority votes no on Warrant Article 2, we will go to a default budget and sadly we won't be able to implement full-day kindergarten this year. The default budget is approximately \$1,097,000 less than the

proposed budget. The anticipated default tax rate is \$13.68 per thousand and compared to the estimated tax rate of \$14.03 per thousand, the default tax rate is \$.35 lower. On a \$300,000 home, that equates to \$105 for the entire year.

To break down the general fund budget increase by object code, first we have certain contractual obligations for salaries and benefits which are up approximately \$484,000 and \$783,000 respectively. I mentioned full-day kindergarten costs are included in the general fund. I'll explain more in the next few slides. First I want to point out that these increases are offset by bond principle and interest costs decreasing approximately \$307,000. In addition to minimize the impact to Hudson taxpayers, the School District and the School Board took a hard look at other costs and all other expenditures were reduced by about \$766,000.

Back to the children, my favorite slide. The results of last year's petition warrant article indicated that a significant number of residents are interested in full-day kindergarten. They just wanted to know more about one specific plan. All of the options were review with an architect and it was determined that there is only one viable option. In order to accommodate full-day kindergarten, our pre-school program would move to Nottingham West and kindergarten would remain at Library Street. With full-day kindergarten in place, parents will still have the option to enroll their children in a half day program. Full-day kindergarten would have the same school day as grades 1 through 5. The increase in hours would allow for twice as much time for math and reading with time for physical education, arts, music, and library. The total cost of full-day kindergarten is based on an anticipated enrollment of 200 students – up from 111. Included in the total cost is \$239,867 for a one-time non-recurring expenses related to renovations and equipment and supply purchases. In recurring costs of \$722,950 which are mostly for salaries and benefits associated with the additional staffing needs to support a full-day program. We anticipate hiring 12 additional positions.

To recap, the proposed budget is presented by the District to the School Board and then to the Budget Committee. The School Board made budget decreases of \$149,677 and the Budget Committee in turn made \$2,140 in cuts.

So what does this mean to taxpayers? As you can see, Hudson's school tax rate in comparison to other towns remains among the lowest. Hudson is a great town to live in and it's good to be at the bottom of the list in this regard.

What does this mean for students? It's not so great to be at the bottom here. The State average cost per pupil or per pupil expenditure is \$16,346 for FY2019. The cost per pupil in Hudson is \$14,478. This is significantly under the State average and lower than many other communities. I always like to look at the silver lining and what I have to say about this is it is remarkable what our teachers, administrators, and district personnel accomplish with a budget they must operate with. That speaks volumes about their resourcefulness and their dedication to the children of Hudson. Thank you.

Moderator Inderbitzen

Thank you. I'll now open Article 2 the operating budget to questions, comments, amendments.

Peggy Huard

Peggy Huard again. Unfortunately I can't speak as enthusiastically about the last warrant article not because I don't think that the teachers and the students deserve it because I am an analytical person and I

have looked at the budget in great detail beyond the numbers. Not only this year in 2021 but in the past three years, I've looked at the budget and compared it to the actuals. One of the things that concerns me greatly is comparison for cost per pupil and using it as a negative thing that we have a low cost per pupil. I'm open for discussion and clarification because I'm trying to understand this. The way I understand the cost per pupil calculation, it is on the New Hampshire Department of Education. It's unrealistic to use this number because this is based on an average of a total number over the number of students. If you take the calculation as based on the New Hampshire Department of Education, it backs off capital costs, capital projects. Am I not correct? The Business Administrator is shaking her head yes.

Moderator Inderbitzen

Please direct your comments to me. If you have a question, I'll see if he'll do it.

Peggy Huard

I'm sorry. So I have a yes on that. So two school districts could have the same cost per pupil but one could have more capital costs and that is backed off the total expenditures before arriving at the cost per pupil, thus reducing the cost per pupil. Where we have a lot of capital costs that could actually be driving our cost per pupil down. There's no guarantee that when you increase the budget that your cost per pupil is going to go up if it continues to be added to capital projects. I just wanted to clarify that because she closed so if someone later wants to rebut that, that's fine.

Over the past three years as I look at the budget transfers year, after year, after year. I would double the budget if I thought it was being used properly or wisely. I have to control my words here. Personally as a financial person as a CPA do not believe in my heart and in my experience that is being controlled sufficiently. There are budget transfers that are for conference room tables, plush and lavish technology without actually going forward to the taxpayers or the School Board as a budget transfer process. I'm uncomfortable with that. As I sit here and look at this budget come forward to me again knowing that there's at least the pad that was there last year because we increase it to cover kindergarten. So the increase pretty much covers kindergarten so we don't need the pad from last year that we used on the tennis courts, the parking lot, the stadium field, and the gym renovations plus money came back to us and even before that if you took the time through your Right-to-Know and went to the Business Administrative office and looked at a stack of transfers this big. Less than 20 of those went before the School Board. The rest of them the School District has the power and the authority to make transfer without bringing them forward to the School Board.

There's no question that our School District has a lot of capital improvements. They are put right through the operating budget. Many of them are put through in phases. If you took them out, there might be a five year phased project. That could be as much as \$200,000 over those five years but they're being put in in phases in the operating budget and the taxpayers aren't seeing this.

People don't realize without going into that line item detail what goes into the budget. Last year I stood here and I proposed a \$10 million cut to the budget and yes that was aggressive and people were like oh that cuts into salaries. I'm not talking about the teachers. The teachers do deserve more money. There's so many indirect costs in here that are not necessary or do not appear in my humble opinion to be necessary such as facilities have a significant amount of costs. That can be looked at. The overhead – administration, finance, human resource these are indirect costs. Technology, technology director – we've gone from 2 technology staff members and a Director to now five staff members in a short period of time. I know we've increased the technology across the District but we're aggressively increasing and costs outside of

the classroom instead of inside the classroom. That concerns me. If you told me you were going to give my son a laptop with all of his textbooks on it and it was going to cost me another \$500 a year, I'd say yeah give me that. Instead you're increasing indirect costs and then my son brings home a 1995 textbook. I can't understand as a financial person how you can justify and say that this is a prudent budget that is a fair budget when after you get it, you make so many moves for unnecessary superfluous costs that the taxpayer has never approve. Thank you.

Moderator Inderbitzen

Thank you. Further discussion, comments on Warrant Article 2 the operating budget.

Jacqueline Duane

Jacqueline Duane 64 Glenn Drive. I'm here to speak in favor of the operating budget both as a parent. I have two little ones and a teacher not in the District. I think that the funding of public kindergarten for full day is a huge bang for your buck. We were talking about data and test scores earlier and the ability to catch kids before they get too far behind and kindergarten really does pay off in the long run. Thank you.

Moderator Inderbitzen

Thank you. Further discussion.

Lee Lavoie

Lee Lavoie, 58 Windham Road. I'd like to move the question.

**MOTION BY LEE LAVOIE, SECONDED BY PATTY LANGLAIS, TO MOVE THE QUESTION AND CUT OFF DEBATE  
MOTION CARRIED**

Lee Lavoie

I'd like to make a motion to restrict reconsideration of Article 2.

**MOTION BY LEE LAVOIE, SECONDED BY LEO BERNARD, TO RESTRICT CONSIDERATION ON WARRANT ARTICLE 2  
MOTION CARRIED**

**Warrant Article 3 - Collective Bargaining Agreement between the Hudson School Board and their Maintenance & Custodial Team.**

Shall the Hudson School District vote to approve the cost items in the collective bargaining agreement between the Teamsters Local 633 and the Hudson School Board which calls for the following increases in salaries and benefits at the current staffing levels over the amount paid in the prior fiscal year? Year 2020-2021 \$52,114; Year 2021-2022 \$53,547; Year 2022-2023 \$45,515.

And to further raise and appropriate \$52,114 for the upcoming fiscal year, such sum representing the additional costs attributed to increase in salaries and benefits required by the new agreement that would be paid under current staffing levels. Recommended by the Hudson School Board 5-0. Recommended by the Budget Committee 9-0. Estimated tax impact of \$.02. This is the agreement between the Hudson School Board and the Maintenance & Custodial Teams.

Moderator Inderbitzen

I'll recognize School Board Member Orellana to present Warrant Article 3.

Darcy Orellana, School Board Member

Hello. So every year we do the lesson on our Spanish lesson – O-r-e-y-a-n-a. Names are important, right? Names are important when we talk to our students and in the environments that we create in classrooms.

So this contract is a three-year agreement negotiated by the School Board in good faith that will have a total cost increase of \$151,176 over a three-year contract. Year one represents a percentage wage increase of 2.75 percent over costs from the 2019-2020 school year. Year two has a projected wage increase of 2.75 percent and year three has a projected wage increase of 3 percent. There is no step increase in all three years. This contract covers 36 full and part time custodians, electricians, plumbers, HVAC technicians, groundskeepers, and maintenance workers. Very, very, very important members of our school district. People who create the environment, support the environment, maintain the environment in a way that's healthy, safe, and accessible for all of us. This increases in salary are offset by the union agreeing to an increase in the employee's share of health insurance premiums in year three of this contract. This reduction in premiums will save the District \$12,915 in year three.

Moderator Inderbitzen

Thank you. We'll now open Warrant Article 3 to questions, comments, amendments. Well no this isn't a warrant article that cannot be amended by law. Any questions, comments on Warrant Article 3 the maintenance/custodial team contract?

Roger Coutu

Roger Coutu, 7 Pondview Drive. If I could ask you Mr. Moderator a comment was just made that there will be no step increases. Could somebody explain that for me please?

Moderator Inderbitzen

Question of the Board to explain the no step increases. Business Manger Mrs. Burnell will yield.

Karen Burnell, Business Manager

In some union contracts you do see that there are step increases. In this union contract there are none. The only increase that they will receive is the 2.75 percent or the 3 percent.

Roger Coutu

I want to make sure I'm hearing this correctly Mr. Moderator. In our contracts when an employee has an active contract, they're entitled to a step increase so they get the cost of living which is the step increase and then they get the percentage of increase in the budget. Are you saying that the Finance Director for the School Board saying that that will not take place?

Karen Burnell, Business Manager

That will not take place. There are no step increases in this contract.

Roger Coutu

May I ask that in light of the fact that there's an additional contract following the next warrant article is there a step increase in that one.

Moderator Inderbitzen

Well we'll have to wait for that one because that's a different contract so it may have different things in it. We'll let them explain that at the time. We know the question is coming so they can look that up.

Roger Coutu

I think it's apropos to step increases in general. One applies to the other and vice versa. If I'm not going to get an answer, it's going to make it difficult for me to speak on Warrant Article 3 but I'll do the best I can and I'll make it as brief as I can.

Moderator Inderbitzen

Any further comments? Yes Mr. Coutu.

Roger Coutu

All right I'm all set. Thank you very much.

Year after year contracts are negotiated and they're approved. Some are approved by the Budget Committee and the School Board and the same on the town side. Sometimes they're approved by the voters and sometimes they are not. I'm going to qualify my remarks by saying I have a special place in my heart for those people who work for the school and for the Town of Hudson who are on the lower end of the pay scale. Custodians fall in that category. I think it's a shame that they can't get a step increase and it wasn't included in the budget but be it as it may, I'm asking the citizens of the Town of Hudson when they look at Warrant Article 3 to know that if they did the amount of walking in and out of some of the schools that I have done over the years in the Town of Hudson to see the quality of the maintenance of those schools is comparable to some of the finest schools you'll walk into. Our staff who work in our school to keep them clean and safe environmentally protecting our students is commendable and I hope the citizens of Hudson will vote favorably on Warrant Article 3. They are not at the top end of the pay scale. They're at the bottom end and they deserve this. They've earned it. Thank you Mr. Moderator.

Moderator Inderbitzen

Thank you. Any further discussion on Warrant Article 3 the contract agreement with the maintenance and custodial staff? If not, we will close the discussion on Warrant Article 3.

**Warrant Article 4 – Collective Bargaining agreement between the AFSCME Local 1906 and the Hudson School Board**

Shall the Hudson School District vote to approve the cost items in the collective bargaining agreement between the AFSCME Local 1906 and the Hudson School Board which calls for the following increases in salaries and benefits at the current staffing levels over the amount paid in the prior fiscal year? 2020-2021 \$147,831; 2021-2022 \$155,179. And to further raise and appropriate \$147,831 for the upcoming fiscal year. Such sum representing the additional cost attributed to the increase in salaries and benefits required by the new agreement that would be paid under the current staffing levels. Recommended by the Hudson School Board 5-0. Recommended by the Budget Committee 9-0. Estimated tax and rate of \$.05.

Moderator Inderbitzen

I will recognize School Board Member Orellana to present Warrant Article 4.

Darcy Orellana, School Board Member

Ah mi gracias! Thank you. So this is a two year agreement between the Hudson School District and the AFCSME Local 1906 Council 93 AFLCIO. The leadership collective bargaining unit. Who's the leadership? It's not us. These are the people that are in the school buildings. They include Principals, Assistant Principals, School Counselors, Deans, Department Heads, School psychologists, and Directors of counseling, school counseling, athletics, career and technical education, and music. There are currently 50 employees in this contract. This agree negotiated in good faith is for two years starting with the 2020-2021 school year. The total increase is \$303,010 over the two year agreement including considerations for health benefits. Members will receive one step on their respective salary schedule for each year of this contract. Members at the top step will receive a 2.25 percent cost of living increase in both years. The increases in salary are offset by the union agreeing to an increase in the employee's share of health insurance premium in both years of this contract. This reduction in premiums will save the District \$11,743 yearly. The District has also agreed to an annual increase in course reimbursement from \$17,500 to \$20,000 per year as aligns with our commitment with professional development to provide opportunities for our leadership team to continue to learn and grow and bring the best information, education, pedagogic, curriculum, innovation, exploration to the college.

Moderator Inderbitzen

Thank you. I will open Warrant Article 4 collective bargaining agreement for the leadership team to questions/comments. Anyone wish to speak on Warrant Article 4?

Peggy Huard

Now this is actually a warrant article that I would actually support more than this – 2.25 percent seems like an awfully low amount for the hard working leaders inside our schools. I'm wondering if someone could answer a question inside this warrant article if it pertains at the public hearing it was disclosed that 7 specific administrators that work inside the Kimball Webster building are not included in this leadership. They are leaders. Can someone explain to me the difference why they aren't in this contract possibly?

Moderator Inderbitzen

Can someone from the School Board yield?

Superintendent Russell

So the unions are constructed of people that are solicited to join the union so certain groups. There isn't a union for the Superintendent, Business Administrator, Director of Technology – there's probably about 8 or 9 contracts that I would say that are independent and don't belong to any union. The problem with putting a supervisor into a union is when you have – for instance, if I was part of the AFSCME union, I would be in the same union as the same people I supervise which is not what you want to have because you'd want to have separate of that. You wouldn't want to be in the same collective bargaining body. That's the reason why some contracts are by themselves.

Moderator Inderbitzen

Thank you. Anyone else on Warrant Article 4? Seeing none, I will close the discussion on Warrant Article 4.

### **Warrant Article 5 – Fund Balance Retention**

To see if the School District will vote to authorize indefinitely until rescinded to retain year end unassigned general funds in an amount not to exceed in any fiscal year 2.5 percent of the current fiscal year's net assessment in accordance with RSA 198:4-B II. Such fund balance retained may only be used to reduce the tax rate or for emergencies to be approved by the Department of Education under RSA 32:11. This is recommended by the School Board 5-0. Not recommended by the Budget Committee 8-1.

#### Moderator Inderbitzen

I will recognize Mrs. LaMothe of the School Board to present Warrant Article 5.

#### Diana LaMothe, School Board Member

In accordance with RSA 198:4 B II, Warrant Article 5 states that the purpose of this fund is basically two fold. 1) To be used to stabilize the tax rate, and 2) to be used for emergencies under RSA 32:11. Contingency funds like this are common used in town government. Fifty-one percent of all New Hampshire school districts have a fund balance retention policy approved by voters. The primary reason for putting forth this warrant article is to have the ability to stabilize the tax rate. This could only be done during the annual budget process. If the budget increases due to anticipated spikes in costs, for instance health care, then the School Board could choose to utilize money from the contingency fund for that increase instead of going to the taxpayers. In other words, this available pool of funds would be an additional revenue source to fund an annual budget.

The secondary purpose of this fund would be to have funds available in case of an emergency such as a facility problem or unanticipated special education expenses. However in order to utilize these funds to cover such an expense, RSA 32:11 outlines a rigorous approval process. If an emergency arises, the School Board must approve the expenditure request. Then it must be approved by the Budget Committee before being sent to the Commissioner of the New Hampshire Department of Education for final approval.

Funding limit. The law limits the amount of money that can be held in this contingency fund to 2.5 percent of the amount raised locally for the support of schools through town property taxes, including the state-wide education property tax. Based on the fiscal year 2019 State report, the maximum allowable fund balance would be approximately \$1 million. This is not an annual contribution amount. It is a total fund balance. Once the fund reaches the maximum balance, no additional funds may be added and the maximum balance is reassessed annually.

Annually the School Board would review the current balance in the contingency fund. If the contingency fund is already at its maximum funding level, there would not be a contribution for that year. If it's not at the maximum, a review of any available excess operating funds from the current school year would occur. A decision would then be made as to whether or not a contribution up to the 2.5 percent for total fund balance would happen for that year. I really hope I clarified this warrant article for you. Thankfully you have an opportunity to ask question and available here today is Superintendent Larry Russell, Business Administrator Karen Burnell, and School Attorney Gordon Graham. They were all extremely helpful in my quest to understand this warrant article before voting on it. Thank you.

#### Moderator Inderbitzen

Thank you. I will now open Warrant Article 5 the Fund Balance Retention to questions, comments, amendments.

Lee Lavoie

Thank you Mr. Moderator. Lee Lavoie, 58 Windham Road. Is this money going to be put into an interest bearing account?

Moderator Inderbitzen

Question of the Board. School Business Administrator says yes.

Kara Roy

Kara Roy, 46 Marsh Road. I have two questions. Does this warrant article mean that the school would never make a contribution to the town general fund again for their excess revenue? I think I'm saying that right.

Karen Burnell, Business Administrator

Legally the school district does not make a contribution to the town's fund balance but our balance of our funds would go back to the taxpayer.

Kara Roy

Okay and would it ever go back to the town general fund like it does now I guess?

Karen Burnell, Business Administrator

Correct.

Kara Roy

Okay. All right. Thank you.

Then my second question is I think is most appropriate for the school attorney. Is the School Board bound by the four corners of this warrant article thus barring them from evoking any of the other provisions in the RSA?

Attorney Gordon Graham

First off my name is Gordon Graham and I'm Soule, Leslie, Kidder. Good morning. This article could be more restrictive than the authorization in the legislation but really that's in relation to the fact that it could restrict less than 2.5 percent of the current fiscal year's net assessment. The wording of this article says that it's in accordance with RSA 198:4 B and the purposes of that article are the purposes that are set forth here in the article which are to retain it to reduce taxes and for expenditures under RSA 32:11. Those restrictions are contained in the authorization for this article already. So that's what this is intended to do is exercise all of the authority that the legislation authorizes the community to have. Okay.

Kara Roy

All right thank you.

Moderator Inderbitzen

Further discussions?

James Wilkins

James Wilkins, 112 Belknap.

Moderator Inderbitzen

Mr. Wilkins how nice to see you so far.

James Wilkins

I'd like to hear why the Budget Committee did not recommend this.

Moderator Inderbitzen

Question of the Budget Committee members. Mr. Guessferd do you yield or who wants to yield to that?

Ted Trost, Budget Committee Member

Ted Trost, 63 Rangers Drive. So I have a number of concerns with the way that this is structured. It was said earlier or implied that this was the only way of reducing fluctuations in the tax rate is to use a fund like this and I would argue that there are other ways. There's controlling spending, managing the school system, accurately projecting things that might be coming down the road but there are always emergencies. We already have a fund in place in town that can be released for emergencies in the school system and it's already used to control fluctuations in the tax rate. I think the difference between what is being proposed and what currently exists is that what currently exists is controlled by the Selectmen and it sounds like the School Board here wants a fund that they can control as well.

My other concern is that it increases slightly by not returning funds to the taxpayer by holding them back, increasing the burden on current taxpayers in anticipation of these emergencies that might or might not happen if it happened down the road. In the meantime, these people who have paid into this fund may have moved on to other communities and never see the benefit of that fund. Those are the three big reasons why I do not support this warrant article.

Moderator Inderbitzen

Thank you. Further discussion?

Shawn Murray

Shawn Murray, 55 Kienia Road and also a Budget Committee member. I also was in opposition to this because I felt the wording of the warrant article basically says that they can go up to an amount not to exceed in any fiscal year 2.5 percent but there's nothing that doesn't allow them to say decide to put a half a percent in the fund that year which therefore would leave more money for the School District to use. Now for example last fiscal year they had a surplus of \$1.4 million. They took \$700,000 of that and used that for some of the renovations over at the high school. Now personally I'm not against that. It happens all the time in the town side that the board in the governing body will look at sometimes there's some projects they want to take advantage of and they will use unexpended funds. The Board of Selectmen also routinely takes unexpended surplus funds and puts it back to help with the tax rate. With no restrictions and the potential that they could take just half a percent, that leaves that much more money to use.

The other thing that I was concerned about is within that RSA which talks about the 2.5 percent, there's other language in the actual RSA and I was unclear whether that additional language if they could come back later and invoke some of that. That was a concern to us also. I think that's a I have.

Moderator Inderbitzen

Thank you. Further discussion?

Normand Martin, Selectman

Thank you Mr. Moderator. Normand Martin, 3 Edgar Court. Two things I want to point out to you. I now one of them is there's checks and balances here. The Budget Committee has to give approval and somebody else – I can't remember who the other person is – two bodies need to give approval and then it goes to a person – the Commissioner of Education in Concord who has no control over your money in this town. I know it's a check and balance but he could say yup that's an emergency let's do it. I have a big problem with somebody outside of our town spending your money.

Number two – over expenditure. You can cover over expenditures but by law you cannot over expend your budget because if you do, you could go to jail.

Moderator Inderbitzen

Up here Mr. Martin.

Normand Martin, Selectman

I'm just addressing the crowd. I know it's you. I'm making a statement.

Moderator Inderbitzen

Well address me Sir.

Normand Martin, Selectman

It's over expending your budget and if you use this money to pay for – it's in the RSA. I read it. I read it to cover expenditures – over expenditures of your budget. So that's what I'm telling you. You have one person outside of this town who can say yes spend that money it's an emergency and then you cover over expenditures and it's against the law to over expend your budget. Thank you.

Moderator Inderbitzen

Further discussion?

Diana LaMothe, School Board Member

I just wanted to clarify a couple of things. First the wording of the warrant article is what comes from the Department of Revenue Administration. It is the law. I have asked the question can we add clarifying language to this warrant article and we can't. The way the warrant article is worded is according to the law.

In terms of the 2.5 percent, that is the upper limit of the fund balance. I wanted to make that clear. That doesn't mean we're going to go to the 2.5 percent. It's just that's an option.

Third, I agree with the previous speaker. RSA 32:11 does state that this fund can be used for emergencies and for unanticipated over expenditures but the School Board has selected to only include emergencies in the wording of the warrant article. We did not include the option to cover unanticipated over expenditures. That's the way it's worded in the warrant article and that's what we need to comply with.

Mike Fidele

Mike Fidele, 16 Shoal Creed Road. I just basically have two issues with this warrant article. The first is that quite honestly I don't know how this warrant article if it's adopted will actually be implemented and how it will be used.

The second question that I really have and I don't know the answer and I probably should have known the answer before because I'm a member of the Budget Committee but things occur to me so I apologize that I waited to now. Has this been adopted by any other city or town in the State of New Hampshire?

Moderator Inderbitzen

Business Manager will yield.

Karen Burnell, Business Administrator

Fifty-one percent of the school districts in New Hampshire have adopted this policy. I believe there was 80 something school districts that have adopted it.

Mike Fidele

Thank you.

Moderator Inderbitzen

Further discussion warrant article 5?

Patty Langlais

You're not going to call me "Ms. Patty"? Come on. Patty Langlais, 22 Stonewood Lane. Could I just ask the school's Attorney to come up and speak a little more on this. There's been a lot of questions asked. Norm talked about what the government can do. What we can't do but I think it would be nice to hear from somebody who knows exactly what's going to happen and not just guess what's going to happen.

Moderator Inderbitzen

If the District's Attorney would yield.

Attorney Gordon Graham

No promotion. Folks this is an issue that ends up getting a lot of attention at times but as the Business Administrator has indicated, fifty some odd percent of the school districts in the State have adopted this. Now let me go back a little bit. First off, years and years ago the government accounting office came to the State of New Hampshire and said to municipalities look if you're going to be healthy, towns need to retain some of their fund balance. There's a law that says that all appropriations lapse at the end of the fiscal year. When those appropriations lapse – all the money that you appropriate for the town or for the school district – lapses. The money that is not assigned by you, or spent, or sent into a savings account goes back to the taxpayers. There isn't a business in the world that runs a \$59 million business for the purpose of the school district and whatever it is for the town that at the end of the year liquidates all of its money and goes down to zero. You always have money carried over into the following year as a business in order to operate. You have to continue to operate.

The government accounting office came to the towns years ago and said without any legislation look we need to meet with the Department of Revenue Administration, and municipalities, and the accountants in

the State and come up with a system where they get to retain unassigned fund balance. Towns are now recommended to retain between 5 and 17 percent of the net assessment of not only the town, but also the school district, and also the county so they can deal with cash flow and emergencies that occur and they can appropriate out of that unassigned fund balance without any legislation. Well guess what schools didn't have that authority. For years schools said wait a minute give us the authority. You just did it by the stroke of a pen without even passing legislation for towns. Give it to schools districts. Schools and towns are completely independent financially. Yes the town raises the money to pay over to the school district and it's one of the things the school districts are most thankful for because they don't want to have to collect taxes. Their tax rate gets assessed by the town and it's a difficult process but that's what the town does and then sends the money over to the school district locally.

In the end, legislature finally stepped in and said yeah we've got to give school districts the ability to retain unassigned fund balance. The 2.5 percent of a net assessment doesn't create a fund. It creates an amount that every year the school board has the ability to determine how much it's going to retain. So each year there's a snapshot and it needs to be looked at on an annual basis. They could choose one year because there's extra expenditures that the community had or that there's a low amount of fund balance at the end year. Fund balance by the way is created two ways not just by under expenditures but also by additional revenue. We saw last year for example additional revenue came into the community as a result of changes that occurred to the fiscal funding formula. So there was a substantial sum of money that came flooding into the district. There's two ways they can hold on to that money for future needs. One by an appropriation here for the district to appropriate it to a capital reserve fund or other savings account or number two, to build up their unassigned fund balance that they would now have the ability to retain. The purpose of this is to cover emergency expenditures if they happen.

Yes the words of the Statute contain the words "over expenditures". There are a number of reasons why you are permitted to over expend the bottom line of your budget. One of them is when you have special education expenses that exceed the amount that was originally anticipated. That's a permissible over expenditure. You're also permitted to over expend your budget in the event there's a judgement against the district that needs to be paid from district resources. Most of those are insured but it's possible that that could occur. So that's the purpose of this fund. It's to be able to through a local process if you have an emergency that arises and that's defined in RSA 32:11 which is contained in this article. RSA 32:11 is mentioned in here and that's a full process where the school board has to say we need to tap into this over expenditure to give us the right. Then it has to go to the Budget Committee and locally the Budget Committee has to weigh in and approve it. Then it has to go to the State Department of Education for approval as well.

The other thing they can do with an unassigned fund balance that's accumulated is let's say there's a year where they're running really close to the vest and there's not much left over. There wasn't any additional revenue. They've spent almost everything down to the bottom line because there were a couple of emergencies that occurred during the year that they paid out of the budget. So they're ending the year with basically zero to return to taxpayers. They could say well look we've got this unassigned fund balance that we had from last year. We're going to turn that unassigned fund balance back to reduce taxes in the following year. That's the purpose of this. It's to smooth things out to allow the school district to better manage it and that's the purpose and that's the idea behind it. I hope that's some explanation. I will sit down.

Moderator Inderbitzen

Thank you Mr. Graham. Further discussion on Warrant Article 5.

Peggy Huard

Yes. Peggy Huard. Thank you for that explanation. Lawyers always have a way of smoothing things out. Some of the examples of what I foresee possibly being emergencies. Last year we had over half a million dollars left over. Admittedly presented to the School Board and they unanimously voted 5-0 to spend it on capital improvements that had been part of a warrant article related to part of – not exactly part of but related to and they weren't, in my opinion, emergencies. They still could have waited to have the taxpayers vote on them. We were told that they were emergencies. Is that type of thing going to come out of this fund?

The other thing I foresee coming forward with the Budget Committee members concern about the State being able to approve. Can the State come through with an unfunded mandate and require it in the middle of the year? Would that be allowed as an emergency? That concerns me.

Unidentified Male Speaker

NO!

Peggy Huard

Why not?

Moderator Inderbitzen

Please be in order. Please be in order.

Peggy Huard

Well why not?

Moderator Inderbitzen

There's a question there. We'll have an answer to that in a minute. Do you have another question Mrs. Huard?

Peggy Huard

Not so much a question but a comment. It's an unfortunate thing that a municipality as a completely different accounting principle than the corporate world. They have their own set of accounting principles and they tend to throw matching out the door. This throw the matching principle out the door.

Lee Lavoie

Point of order.

Peggy Huard

It doesn't match.

Moderator Inderbitzen

Point of order, Mr. Lavoie. What's the point of order? We're talking about the fund balance.

Peggy Huard

If we create a fund balance in this manner, we do not match the requirements for that year with the revenue. My opinion. Thank you.

Moderator Inderbitzen

Thank you. There was a question there Mr. Graham. The Superintendent will yield.

Superintendent Russell

So this is actually the purpose behind this is to use this fund mostly for one purpose which is to keep the tax rate level as possible as Attorney Graham had spoken to. Quite frankly this is what kind of surprises me a little bit is that the end of year funds if there are funds at the end of the year they can be used at the discretion of the board as long as we don't go below zero and because we have a bottom line budget.

If it's in this fund, we have more or less no say over this money other than to give in back in tax relief. We can't decide to use it for a tennis court or anything like that. It's geared directly for that one purpose. That's what kind of surprises me about this is that the Board has less control over this money if we go into this fund then if we do without going into this fund. The answer to the question is no. We cannot use the money for things other than reducing the tax rate or for an emergency.

Moderator Inderbitzen

Thank you. Further discussion?

Ted Trost

Hello again. I wanted to talk about that number 51 percent of the towns in New Hampshire have already enacted something similar to this. Before anyone considers that number, I want to point out that it doesn't whether that number is zero or 99 percent and we're the last town to enact that that this warrant article is either right for this town or it is not. Just think about that when you think about that 51 percent number.

Moderator Inderbitzen

Thank you. Further discussion? Anyone who hasn't spoken a first time? Anyone who hasn't spoken a first time?

Peggy Huard

This is not fair. Peggy Huard. I would just like maybe five examples of what would you consider to be an emergency? I've lived here for 20 years and we've never had this fund. Over the last three years, I've seen you have plenty of money. In order to come up with this warrant article, you must have something in mind in my opinion. So what is it that you want this fund for? What is an example? Five examples of what can be and may possibly be paid out of this fund besides what you've already mentioned the special ed and whatever else you mentioned?

Moderator Inderbitzen

Question of the Board. Anyone wish to yield? Mr. Graham will yield.

Attorney Gordon Graham

Most often I've seen the need to over expend budgets because of unanticipated special education expenses and because of catastrophic failures of facilities. Those have been the cases that have been approved by the Commissioner of Department of Education. I work for the Haverhill School District up north and a

couple of years ago – if you’ll indulge me because this is an amazing story. A guy came into the gym, was sitting there looking around, he happened to be a structural engineer. He looked up at the gym that was fairly newly constructed, he looked up at the gym and he said wow that’s a concern. He went to the head custodian and he said is there any possibility that I could get up there and take a look. He went upstairs, looked at it, and he realized that all of the trusses in the roof of the building had delaminated and were coming apart. He and experts that the district immediately hired recognized that if there was a snow load in Haverhill, New Hampshire, of more than 2 inches on that roof it would have collapsed. They immediately needed to close that and the whole wing of the building over which that roof existed. All of the beams had come apart. It was a catastrophe. They had to educate their kids in a nearby armory and it was horrible. It took a long time and a lot of financial resources to try to get that back into play. They tapped into every single capital reserve fund they had and they still didn’t have enough money. This kind of fund in that kind of an emergency would have been really nice to have. They didn’t have it. They had to have special meetings. They had to go through a lot to get through that.

Another time that happened was a gym wall as a matter of fact that had that phosphorescence. Somebody who’s an expert which had caused all of the gym wall to delaminate. If wind had come on that gym wall, it was going to fall down. Other times I’ve seen this used has been special education where a district has run through its entire special education capital reserve fund, has no money left, and there have been a couple of kids that have come into the community that are very, very expensive and they had an obligation to spend them. It involves a petition that’s literally put together to say that the school board wants to withdraw the money from the balance that then goes to the Budget Committee and the Budget Committee has to approve it. If the Budget Committee doesn’t approve it, it doesn’t go. It then goes to the Commissioner and the Commissioner has to decide whether or not it will or will not be approved. That’s the process but I will just reiterate that 90 percent of the time the way this fund is used is to help smooth out the bumps and deficits that occur in tax rates so you can peg what the tax rate is going to be. That’s the way it’s used and that I believe is the intention of the Board. All right.

Moderator Inderbitzen

Thank you. Further discussion? Mr. Coutu.

Roger Coutu

You can call me “Mr. Roger”. Thank you Mr. Moderator.

Moderator Inderbitzen

I’m never going to live this down.

Roger Coutu

No you won’t. You heard it once before and you’ll hear it again and again.

Mr. Moderator, citizens, and board members respectfully at the Budget Committee meeting I gave an impassioned talk relative to this warrant article so I’m going to cut to the chase immediately and suggest to the voters of Hudson that you absolutely – if you’re going to support other warrant articles and I do hope you support the construction – you will vote NO – N-O- on Warrant Article 5. 1.05 percent of the current year’s assessment – 2.5 percent of the current fiscal year’s net assessment is \$1.05 million. It represents \$.40 on the tax rate. Now you’ve heard a lot of legalese and you’ve also heard from the Superintendent and we’ve had several members of the Budget Committee come up and talk about this warrant article.

Let me just say this. If all of the things that happened in Haverhill and what other communities the Attorney for the School Board is talking about, we have a mechanism in Hudson as we do other towns who didn't adopt RSA 32:11. That mechanism is very simple. It involves us as a community as opposed to five elected representatives and some guy in Concord who purports to have our best interests at heart. There is a mechanism called "petition". If there is an emergency in any of our facilities and it's going to exceed the budgets that they have and they don't have the proper amount in a retention fund, then they're going to need to the money. They petition for a special Town Meeting, Town Meeting is held, the voters either approve or reject it. If it's a wall falling down in the gymnasium as was represented in Haverhill, I'm sure the voters are going to say yes let's fix it. It's an emergency. We don't need to go through all of this nonsense so that the school can hold \$1.05 million out of their budget. Last year they had \$800,000. They spent it all. They didn't give it back to the voters. You can say what you want about this \$1.05 million as it's going to go to offset the tax rate. I dare say Mr. Moderator that will not happen. That will sit there and unless they over expend their budget or a building wall should collapse, then perhaps they will use the money. There's no need for them to do that because we can do it by a petition, call a special meeting, and have the citizens and the Budget Committee all vote on whether or not we're going to fix this supposed emergency or actual emergency should be there one.

This is not a prudent way to deal with the taxpayer's money and as I said to the Budget Committee, this is my money. This is your money. This is the Town's money and not the School Committee's money to do with what they will. Vote no on Warrant Article 5 and know that we the Town every single year out of the unassigned fund balance we have been appropriating \$600,000 from that fund to help offset the tax rate. If we feel we have to increase it and the revenues are sufficient for us to do so, we will consider going more than \$600,000. So the prudent thing is as the Attorney represented initially that we maintain an unassigned fund balance between 5 and 15 percent. We are well over 5 percent in the Town of Hudson. Financially we are stable. We're healthy because of prudent money management. This is not the prudent way of dealing with the people's money. Vote on Warrant Article 5. Thank you Mr. Moderator.

Moderator Inderbitzen

Thank you. Further discussion on Warrant Article 5? Mrs. Burnell and then Mr. Weissgarber.

Karen Burnell, Business Administrator

I just want to talk a little bit how it would affect the School District. A good example is a rise in health care costs. A rise in health care costs say we are looking we have \$8 million of health care costs. Say we are looking at 10 percent. A way we could adjust that if we had a fund balance would be to use part of that fund balance. I will say that the town does use \$600,000 each year that's correct but that reduces the town's tax rate by \$.18. That does not allow the School District to level off their own tax rate. Thank you.

Richard Weissgarber

My question is in regards to the adequacy funds that are received by the school every year from the State. I believe it's about \$11 or \$12 million for the per student amount that you receive from the State that can be used throughout the whole budget or at least the ops. part of the budget I assume. Then there's another amount of money that comes from the State that must go towards I think is that special needs related? It's about another what \$2 million or so. So my assumption would be if an emergency arises during the fiscal year, would the State provide you more adequacy funds to offset that need to give you more money for those special needs? It's a question.

Moderator Inderbitzen

Is that a question about the State funds that we receive?

Richard Weissgarber

Right. So we keep talking about special needs and such in relation to the warrant article but would there be another artery for funds from the State to offset that need versus going to this fund.

Moderator Inderbitzen

Question on the State funds received as revenue. Mrs. Burnell will yield.

Karen Burnell, Business Administrator

At the time the tax rate is set in the fall of each year, the Department of Revenue looks at what we will be receiving if there's any adjustments. One thing about special ed is that there's a lag on that so it is from the prior year. That's how they figure out how much we will receive. The adequacy aid is based on average daily membership. So once that is set, there are no changes to that and they make sure that that is set prior to tax rate.

Richard Weissgarber

Okay so no emergency will change that throughout the year. Got it. Thank you.

Moderator Inderbitzen

Thank you. Further discussion on Warrant Article 3. Mrs. Huard you've already spoken twice. I want to see if anybody else here wants to...

Peggy Huard

When I got in line there was nobody there. That's not fair.

Moderator Inderbitzen

Well there's other people that haven't spoken a first time. You've spoken twice. Mrs. Roy yes you spoke once too. Anybody who hasn't spoken a first time that wishes to speak. Mr. Bernard.

Kara Roy

Kara Roy, 46 Marsh Road. I just want to correct a previous speaker who indicate that it would go from the School Board to the Department of Education. There is actually three steps. One is a school board that's elected and represents all of the citizens of this community. Then it goes to the Budget Committee which as the attorney pointed out if they say no, it stops there. Is that correct?

Moderator Inderbitzen

That's correct.

Kara Roy

Again they're elected to represent all of the community. It doesn't go from the School Board to the Department of Education. There is another stop gap in there. Additionally, there is controls on what it can be spent on as been discussed at nausea here. That's all I have to say Mr. Moderator.

Moderator Inderbitzen

Further discussion on Warrant Article 5.

Leo Bernard

I'd like to move the question.

**MOTION BY LEO BERNARD, SECONDED BY PATTY LANGLAIS, TO MOVE THE QUESTION**

**MOTION CARRIED**

**MOTION BY MICHAEL FIDELE, SECONDED BY ROGER COUTU, TO RESTRICT RECONDIATION OF WARRANT ARTICLES 3, 4 AND 5**

**MOTION CARRIED**

**Warrant Article 6 – Partial Roof Replacement – Hudson Memorial School**

Shall the Hudson School District vote to raise and appropriate the sum of \$300,000 to replace a section of the roof at Hudson Memorial School. Recommended by the School Board 5-0. Recommended by the Budget Committee 9-0. The estimated tax impact is \$.10.

Moderator Inderbitzen

I'll recognize School Board Chairman Price to present Warrant Article 6.

Malcolm Price, School Board Chairman

Good morning. I'm going to get you out of here quick all right. As you see the red part of the roof here, that's where it's going to be replaced. In the past years, we've been doing this in different buildings every year so we come back every year for some more money from the town. We've had some frequent leaks and that type in maintenance. So we keep patching it up every year so we want to put a permanent fix on it. As you see here, the warrant is for the white fully adhered membrane. Basically it's a white roof so instead of having a black tar roof which doesn't cool down or it heats up too much, this is actually a lot better. Some of the roofs that we have been replacing have this same roof on it. If you have any questions, let me know.

Moderator Inderbitzen

Thank you Mr. Price. We'll now open Warrant Article 6 for questions, comments, concerns.

Peggy Huard

Surprise, surprise I have a question. It's unfortunate that we have a system in place that gives us so little information at the polls. Anybody that hasn't attended these will not have these additional facts and we look down and we see \$300,000 for a roof. This is the second time, second part I believe to the HMS roof if someone can clarify this. Are there any other parts of the roof after this that will be needed? Also if while they're working on the roof and they uncover water damage or mold something to that affect, would that be the type of emergency that could be paid out of the fund retention?

Unidentified Speaker

Point of order.

Peggy Huard

It's important to know. Are we setting ourselves up to something more? If we approve \$300,000 for the roof, are we on the hook for something more? It's a valid question. Is this all that we're going to see for the roof or is there potential that they can actually overspend this warrant article? Can they overspend a warrant article like this or is it just the operating fund that can overspend and utilize the fund balance. I think it's a valid question.

Moderator Inderbitzen

Question about what happens if it's costing more than \$300,000 is the way I heard it. Ms. Burnell will yield.

Karen Burnell, Business Administrator

Each year we try to do a piece of each roof. Yes this is a second piece that will be in additional piece to answer the first part of the question. What happens when this is approved by the voters is we take a look at the roof. We don't open the whole section up to find out that there is in excess of \$300,000 for repairs. We go out to bid. We do specs. We do examples of the roof. We cannot exceed the \$300,000. So what would happen is if we find that we don't have enough money in the \$300,000, we would reduce the section of the roof that needs to be repaired. That is the process in the past.

Moderator Inderbitzen

Thank you. Further questions on Article 6?

Fabiana Fickett

Fabiana Fickett – I reside at 13 Tamarack Street here in Hudson. I am concerned that there is actually any consideration to not fixing a roof in a school. I feel like my child deserves to go to schools that are safe where the roof is not going to fall in. I urge everybody to please vote on this and I would like to close consideration please.

Moderator Inderbitzen

Thank you. Any further discussion on Warrant Article 6? What did she do? You can't speak in favor, against, and then make a motion at the same time. We're not going to do that. I see no one else at the mic. If that's the case, no one else to ask questions.

I will close the discussion on Warrant Article 6.

Ladies and gentlemen, this concludes the business of this Deliberative Session. I would like to remind you we have next Saturday the Town Deliberative Session where we have 25 some articles to look at. I would also like to remind you that on March 10<sup>th</sup> we have the Town Meeting vote on our candidates as well as all these warrant articles and the towns. I would remind people to please make sure you remember to vote on those days. It's as important if not more than the Primary coming up February 11<sup>th</sup> because this is your dollars that are being spent.

I also want to put an ad in for if you're hungry for dinner tonight, the ham and bean supper at the Main Street Methodist. I do that usually at 4:30. As a reminder to people to please vote.

**9. ADJOURNMENT**

**MOTION BY NORMAND MARTIN, SECONDED BY LEO BERNARD, TO ADJOURN  
MOTION CARRIED**

The meeting is adjourned at 11:56 am.

Transcribed by Donna L. Graham

Attest: Patti Barry, Town Clerk/Tax Collector