

**HOLLIS BROOKLINE COOPERATIVE SCHOOL DISTRICT
BUDGET COMMITTEE
DECEMBER 22, 2021
MEETING MINUTES**

A regular meeting of the Hollis Brookline Cooperative School District (COOP) Budget Committee was conducted on Wednesday, December 22, 2021, at 6:30 p.m. at the Hollis Brookline Middle School Library.

Chairman, Darlene Mann, presided:

Members of the Budget Cmte. Present: Raul Blanche, Vice Chairman
 David Blinn
 Matthew Maguire
 Anthony Stanizzi
 Cindy VanCoughnett, School Bd. Rep.
 Tom Whalen

Members of the Budget Cmte. Absent: Brian Rater

Also in Attendance: Kelly Seeley, Business Administrator

Member Rater was attending the Brookline Finance Committee and School Board meetings.

PLEDGE OF ALLEGIANCE

Chairman Mann lead in the Pledge of Allegiance.

AGENDA ADJUSTMENTS - None

APPOINTMENT OF MEETING OBSERVER

Chairman Mann appointed David Blinn to serve as Process Observer.

APPROVAL OF MINUTES

COOP Budget Committee [October 28, 2021](#)

The following amendments were offered:

Page 2, Line 21; capitalize "Time" in "Full Time Equivalent"
Page 2, Line 32; insert "as" before "a"
Page 2, Line 40; insert a comma following "HBMS"
Page 3, Line 5; "cloud" should be capitalized
Page 3, Line 7; replace "intents" with "intent"
Page 3, Line 12; replace "or" with "of"
Page 3, Line 29; replace "Member Mann" with "Chairman Mann"
Page 4, Line 37; delete "to" following "increases/decreases"

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

5-0-2

Members Blinn and Whalen Abstained

COOP Budget Committee [November 18, 2021](#)

The following amendments were offered:

- Page 2, Line 5; insert “English for Speakers of Other Languages” before and place parenthesis around “ESOL”
- Page 3, Line 4; replace “lead” with “led”
- Page 4, Line 13; “Up” should be lower case”
- Page 4, Line 15; replace the comma with a period
- Page 5, Line 5; replace “were” with “should”
- Page 8, Line 10; correct the spelling of “tax”

MOTION BY MEMBER BLANCHE TO ACCEPT, AS AMENDED

MOTION SECONDED BY MEMBER WHALEN

MOTION CARRIED

6-0-1

Member Blinn Abstained

PUBLIC INPUT - None

GENERAL BUSINESS

- FY23 Budget Discussion

Information provided the Committee in advance of the meeting included an updated budget trend file and teaching staff census information both on where employees fall within the salary grid/step table and with regard to insurance plans (copies attached).

Kelly Seeley, Business Administrator, highlighted the areas of change within the proposed budget. The fourth round of review of the new item requests resulted in two changes; under the heading of replacement computer equipment, the addition of \$3,000 for laptops for the Computer Science department (1 has become unrepairable and 1 needed to meet enrollment requirements) and under the heading of academics, the addition of \$8,000 for the Technical Education machine service contracts; as the machinery ages, there is the need for annual preventative maintenance. One of the components of the contract is an annual cleaning, which results in waste materials that need to be removed.

The final numbers are available for Voc. Ed. tuition for this year, which informs us for next year. That was about a \$9,000 increase.

The Network Administrator is retiring at the end of this school year. His replacement has been hired. That individual comes with less experience. As a result, there is a reduction in the amount originally budgeted for that position.

The net result of all changes is an increase of \$10,000.

Chairman Mann commented the other significant changes in the budget are the additional items for the warrant, which include the \$163,000 for the energy/expansion Phase I; adding air conditioning to the third floor of the Hollis Brookline High School (HBHS). Asked if there is a report or some output as a result of the studies that were done for enrollment and energy, Ms. Seeley stated her belief that will be presented to the school board at the January meeting. There is a great deal to it and a lot of potential for the school board to make changes.

There is a desire not to compete with what the Brookline School District is doing as they have a fairly major project. It is anticipated additional requests will be put forth in FY24. It may be that the project is done in phases.

Regarding the \$163,000 per year figure, Ms. Seeley remarked the months of September, October, May, and June are the worst for teachers and students in terms of temperature; particularly in the HBHS as the third floor faces the parking lot, and when the sun comes in it gets very warm and humid. The third floor is clearly the worst, but the desire was to determine what addressing the entire building would look like. To replace all of the units that would be involved in heating, cooling and dehumidification would come at an estimated cost of \$5.5 million. That would equate to an approximate \$450,000/year lease payment.

The majority of the existing units were manufactured in 1996, a few in 1998, and some in 2000. If only replacing the oldest units; 1996 and 1998, the cost would be \$3.7 million. That would be \$313,000/year if using a 15-year lease payment. The immediate desire is to address the third floor, which is where the \$163,000/year for a 15-year lease comes from. There are four units that would be involved in that work.

Also being looked at is the possibility of replacing two units, which are the most critical. Some of that would involve the 2nd floor and some the 3rd floor (not all of either). That is likely where the administration will end up. Those figures are currently being fine-tuned. That total cost would be approx. \$1.2 million with a yearly lease payment of about \$100,000.

Vice Chairman Blanche questioned if it would make sense to do the two most critical units and then a strategic pause; install them and see how that works and then go from there rather than having planned phases beyond that. Ms. Seeley stated what has been identified is a critical piece. From there, there will be time to analyze the entirety of the project and see how it fits in the scope of a larger project.

Member Blinn remarked there would be a cost savings if doing them all at once or in two phases just with the set-up/staging costs for the equipment. It could be a difference of a few hundred thousand dollars in the overall project.

Member Stanizzi commented on there being multiple pieces of equipment, all of which are critical and have to work together to gain the efficiencies. No matter what you do, if doing it in phases, you have the oldest equipment still bumping along. It could go out resulting in a critical situation at any time. Secondly, you will lose efficiencies not doing the entirety of the project in one phase. The dilemma is in paying for it over time. By putting these things off the cost will be greater in the long run. Were this his home, he would be looking to identify how to pay for it over time so that piece stays relatively the same, e.g., the cost of borrowing is not that high at this time. It is going to get more expensive over time. He suggested trying to determine how to get the entirety of the project done and how to pay for it, e.g., could the lease be a 20-year lease. By doing so, the district would see the efficiencies now at a fixed cost.

Ms. Seeley stated agreement; however she noted there would be the need to be able to get the project approved by the taxpayers and in a year that we already have something in Brookline going before that same group of taxpayers, that could be challenging.

Member Stanizzi suggested presenting two options; do the project in phases and the cost of that and do it in its entirety and the cost associated with that.

Asked what is driving the need, Ms. Seeley remarked it is the age of the equipment and the level of heat/humidity experienced on the third floor.

Chairman Mann commented she is hopeful this will align with the report of the overall strategy of how things will be moving forward. Ms. Seeley stated she had that discussion with Mike Davey, Business Development

Manager, Energy Efficient Investments, who indicated this could very legitimately be considered Phase I of the project as this is equipment that would have to be replaced.

Member Maguire questioned if the units are for cooling and dehumidification and was told they are. He questioned if they do air cleaning, e.g., when not cooling is the equipment running to assist with airflow throughout the building. Ms. Seely stated her belief that is the case; however, that is not her field of expertise. Member Maguire questioned if the equipment would be utilized four months out of the year or year round. Ms. Seeley responded it would replace the existing units, which are doing that with no dehumidification or cooling.

Member Stanizzi stated agreement that air would be circulating continuously whether being dehumidified, heated, etc. As part of this, there has to be some kind of filtration process, and that will be improved upon. Ms. Seeley commented from 1996 to this point, she would believe that process has likely improved vastly.

Member Whalen remarked if we can get a legitimate useful life statement out of the contractor, which would be an appropriate length of time for the lease, that would result in those benefiting from the school district, over time, paying the cost.

Asked if the Brookline School District project is looking at a similar lease timeframe, Ms. Seeley stated her belief it is very similar.

Chairman Mann noted the operating budget is coming in below guidance. As a result of guidance, Ms. Seeley has presented in total a 3.65% increase over the current year's operating budget and a 4.5% increase from the total budget. Revenue estimates were included but have not yet been run through the tax model and apportionment estimates. That information will be available for the Committee for its January meeting.

The most significant change will be the Unreserved Fund Balance (UFB) to reduce the amount that has to be raised through taxes. A significant amount was returned to the tax base (\$1.9 million) with the FY21 budget. There were significant expenses that were not incurred due to COVID. The UFB is back down to the \$200,000 range, which is the standard. The reduction of \$1.7 million will have a significant impact on the bottom line.

The teacher census information is used to calculate next year's staff cost. There will be changes, e.g., retirements, unanticipated departures, etc. Ms. Seeley uses an estimate of masters 7 for the average salary for retirees. Today's figures show, with 116 staff, 78% are somewhere on a masters lane and the other 22% are on bachelors. The salary table has 20 steps. Those in years 1-5 represent about 14% of the staff, 6-10 years about 24%, 11-15 is 21%, and in years 16-20, 40% of the staff. That does not necessarily mean that the teachers on steps 16-20 have been with the district for 20 years, they may certainly have been here that long, but may have come to the district with a significant level of experience and been placed higher on the step table.

While we budget for the departures on that lower side of the table, there certainly are opportunities where the best candidate for a position could be a bachelors step 3 or someone who is masters step 18.

The teacher health insurance census indicates 49% of staff are on a family plan. Typically we budget for a two-person plan for a new person replacing a retiree.

Chairman Mann spoke of being provided with UFB information for the Hollis School District and the Brookline School District, which she will integrate into a file she has on the COOP School District UFB for the last 10 years. Interesting to note is that over the last 10 years the amount returned to the tax base approaches \$14.5 million or an average of \$1.45 million per year. It is a perspective that most people do not see and recognize in their tax bill. The COOP tax rate is sort of hidden on the individual tax bills because it is combined with the local school districts so no one can really see what the specific contribution of the COOP is when you look just at the tax bill. We do make statements at the Annual Meeting. However, while people might see tax rates fluctuate in some cases even this time around, we have the entire town going up and another community going

down, the way to look at it is your taxes would have been higher had we not returned that money. It does not always result in a reduction to the overall tax rate, but your taxes would certainly have been higher had we not returned those funds.

The suggestion was made that the 14 year return data be presented at the Annual Meeting to provide a better understanding of the impact.

Member Stanizzi remarked some look at what is returned as theirs anyway. What they are looking to see is what has been the rate of growth, and if costs, etc. are growing appropriately relative to student enrollment. Then it really gets into special education costs. If there is a means of presenting these aspects in layman's terms it would be helpful.

Vice Chairman Blanche spoke of the other aspects that need to be highlighted, e.g., there is a process, transparency, and a certain amount of trust. You do your best to minimize costs. There has to be credit given to how this is working, e.g., displayed through the amount of funds able to be returned. That process needs to be explained. The approach is to look for ways to reduce costs, throughout the year, rather than expending the entirety of the approved allocation.

Member Stanizzi remarked if there is a group in Town that really wants to have an impact or present a warrant article, that is where they can make changes. Chairman Mann commented they can make changes by addressing the Board and Budget Committee on a monthly basis and raising concerns. That allows the governing body and the Budget Committee to evaluate. There are times when the issues that are brought up have been thoroughly vetted time and time again, and while it is everyone's right to put forth a petition warrant article within the guidelines of the State RSAs, there is a very open and transparent process of engaging with the school boards and budget/finance committees that people need to avail themselves of. That is how you make really good and substantive changes.

Member Blinn questioned if a change has been seen in enrollment since COVID. Ms. Seeley stated there remain a fair number of home schooled children in the elementary districts. We are close to being back to all in-person at the COOP. For those that are still being home-schooled, a good many of them are continuing in that way due to medical issues and a vulnerability to COVID.

Asked if there are additional challenges in providing special education services as a result of COVID, Ms. Seeley stated the SAU has indicated to all of our families that we are back 100% in person, and if not willing to be in-person, they should look at home-schooling. For special education students the services required vary and are provided to the best of our ability. Asked if there is enough flexibility in the system to satisfy the needs of all students, Ms. Seeley stated her belief that is the case. Chairman Mann reiterated the SAU is in an in-person model and not able to provide remote services.

- School Board Update

Member VanCoughnett stated the biggest concern expressed was the Maintenance Trust Fund. Mr. Solon asked the Superintendent if the items listed are things we could live without, and suggested, if they are not, they should be included within the operating budget. The concern expressed was that should the warrant article not pass, and the need arise to spend funds for something that is not identified within the operating budget, would they be able to.

Chairman Mann commented it is an interesting question. She questioned if that could be achieved through a public hearing. Ms. Seeley stated that would be how she would view the situation. She would look at it as the district is asking the voters to add \$200,000 to the Maintenance Trust, not asking to spend funding on specific items. That identification happens during the public hearing.

Member VanCoughnett suggested Mr. Solon's question was the reverse; if the warrant article is presented and is voted down, can you spend the operating money to address the items identified within the maintenance trust request. Chairman Mann stated her belief because it is a bottom line budget, everything in those 800 some odd lines are what we anticipate, but it can be shifted around.

Asked about the traditional requested allocation to the Maintenance Trust Fund, Chairman Mann noted with this trust specifically, there is no upper limit. At first, we were adding in a nominal amount just trying to get it started. The level that we look at annually is driven more by the projects that we end up considering; as you look at that five-year Capital Improvement Program view.

Member VanCoughnett noted the SAU 41 Governing Board met the prior week, conducted the Public Hearing, and approved the proposed budget for the SAU.

AGENDA BUILDING

Chairman Mann spoke of her obligation to submit the Committee's report for the Town Report in Hollis prior to the next meeting. She will send a draft version to Committee members for comments prior to submission.

By January 27, 2022, we will have tax estimates and should have a solid public hearing deck to run through at the meeting. Ms. Seeley will provide a view of the draft warrant prior to the January meeting.

The Public Hearing will be conducted on February 2, 2022 at 6:30 p.m. Hollis Brookline Middle School Library.

PROCESS OBSERVER READOUT

Member Blinn wished everyone a happy holiday season.

ADJOURNMENT

MOTION BY MEMBER BLINN TO ADJOURN

MOTION SECONDED BY MEMBER WHALEN

MOTION CARRIED

8-0-0

The December 22, 2021, meeting of the COOP Budget Committee adjourned at 7:21 p.m.

Date: _____

Signed: _____

FY22 Teacher Census						
Step	B	B+15	B+30	M	M+15	M+30
1				3.00		
2				3.00		
3	2.00					
4	1.00			2.00		2.00
5	1.60	1.00				1.00
6	1.00			4.00		3.00
7			1.00	1.00	1.00	1.00
8	1.00		2.00	1.00	2.00	1.00
9	1.00			1.00		2.00
10	1.00			3.00	1.00	
11						1.00
12				2.00		1.00
13					1.00	
14	2.00		2.00	2.00		3.00
15	5.00			2.00	1.00	3.00
16			1.00	3.00	1.00	
17			3.00	1.00		1.00
18				6.00		1.00
19					6.00	2.00
20						21.50
	15.60	1.00	9.00	34.00	13.00	43.50
						116.10

FY22 Teacher Health Insurance Census

as of 12/14/21

ABSOS		
	Single	35
	2-Person	9
	Family	45
	Subtotal	89
BC3T15		
	Single	1
	2-Person	1
	Family	0
	Subtotal	2
	Total	91