

**HOLLIS BROOKLINE COOPERATIVE SCHOOL DISTRICT
BUDGET COMMITTEE
NOVEMBER 19, 2020
MEETING MINUTES**

A meeting of the Hollis Brookline Cooperative School District (COOP) Budget Committee was conducted on Thursday, November 19, 2020 at 6:31 p.m. at the Hollis/Brookline Middle School Library.

Chairman, Darlene Mann, presided:

Members of the Budget Cmte. Present: Raul Blanche, Vice Chair
 Matthew Maguire, Secretary
 Tom Enright
 Brian Rater
 Lorin Rydstrom
 Cindy VanCoughnett, School Board Representative

Members of the Budget Cmte. Absent: David Blinn

Also in Attendance: Kelly Seeley, Business Administrator

PLEDGE OF ALLEGIANCE

Chairman Mann lead in the Pledge of Allegiance.

AGENDA ADJUSTMENTS

Chairman Mann noted the discussion of the Capital Improvement Plan (CIP) would shift to more of the bond proposal for FY23.

APPOINTMENT OF MEETING OBSERVER

Chairman Mann appointed Raul Blanche to serve as Process Observer.

APPROVAL OF MINUTES

COOP Budget Committee September 24, 2020

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

6-0-1
Member Enright Abstained

COOP Budget Committee October 22, 2020

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

6-0-1
Member Rater Abstained

PUBLIC INPUT - None

GENERAL BUSINESS

- FY22 Budget Discussion

Shared with members was information on the tax rates for Brookline and Hollis, Adequacy Aid calculations, enrollment information, and the annual meeting calendar. Along with the calendar was a brief summary of the other information provided (copies attached).

Moving into FY21, Brookline had received additional Adequacy Aid, which, at this point, is not continuing into the estimates for next year. There is the possibility the State Legislature may decide to continue that aid or address some of the components of adequacy. One of the things significantly affecting Adequacy Aid is free and reduced price lunches, which is a large component of aid in a lot of districts. Because lunches are currently free, not as many families submitted the free and reduced lunch paperwork.

There appears to have been a 10% drop in this district. The most significant impact to aid for the COOP, specifically Brookline, is the drop of that additional disparity aid (\$1.2 million for all of Brookline). That is the main component to why Brookline is seeing a 26% drop in the adequacy portion of the aid.

The tax rate information provided FY20 shows where the estimates were when the budget was presented and what is anticipated as a result of the rates just set. The total tax rate for Hollis is going from \$23.10 to \$23.18 and for Brookline from \$29.87 down to \$27.80. A quick calculation of where the COOP rates would end up was lower than what was estimated when the budget was presented. That is due, in total, to the amount of Unreserved Fund Balance (UFB) returned to each of the communities. What that means for the tax rate looking forward is that we are at a relatively low rate, and have less State aid to contribute to the revenue side.

Review of the New England School Development Council (NESDEC) shows the same slope to movement of enrollment, but every year when NESDEC comes out with a new view, the total number of students tends to get higher and higher. What was noticed this year was a drop (over time) of a more significant number of students than expected, and that we are dropping consistently. That was a surprise given the amount of new construction taking place. FY21 information was included to provide a view of where NESDEC was estimating we would be. If we went out five years, FY26 would have been at a total of 1,252 students. This year's estimates have us at 100 students less than that five years out.

The FY22 estimate of students is 1,201 versus this year, which is 1,209. For distribution between the two communities, we have to use the prior year's (FY21) distribution in the apportionment calculation (46.3% and 53.7%). That is relatively consistent with how they anticipate we will start FY22. Where we ended last year was at 47.6%. That large shift to Hollis will have an impact.

- Review Current Budget Proposal

Chairman Mann stated with Round 3.1 of the budget, the district has come in below guidance by \$72,944. Her understanding is there are areas the district is still considering. Round 4 will be available for the December meeting.

Kelly Seeley, Business Administrator, stated there were no changes under the heading of Personnel. Under the heading of Academics, the district has removed the Soprano Sax (\$2,700) (can likely purchase this year). Under New Computers, an adjustment was made for social studies (reduction in number of Chromebooks). No changes were made under Replacement Computer Equipment or in the Shared Services/Software area. Under Safety Issues, added were fireproof filing cabinets for special education records (likely be done in phases), and reduced was the cost of Epi-pens for the Nurse's office (different funding source). Athletics remains

unchanged. Facilities/Maintenance is where a lot of movement has been made. Items were removed understanding an FY23 bond is being considered. The two things the district feels need to occur now are a roof section for the high school and the paving work that was started this summer. First responders would like the road that goes up around the high school to be widened. Those items that were removed will look to be funded through the Maintenance Trust Fund.

At the Middle School, the building system evaluation and roof replacement items have been listed as placeholders in the bond.

The operating budget number was reduced pretty significantly as was the Maintenance Trust (\$200,000 to \$115,000; due to items being listed under the bond). The Athletic Trust Fund was reduced (\$67,000 to \$50,000). That represents what is estimated to be collected from parents this year and what will be remaining in the Trust. Those two numbers will combine for the funding source to start the revolving fund. That will require a warrant article to establish the fund and specify how it will be funded. The trust monies and revenue generated from parents will come into the general fund and fall to the UFB. The warrant article will need to be funded by UFB.

- Capital Improvement Plan

Chairman Mann commented on the placeholders and starting items for an FY23 potential bond as was discussed at last month's meeting. The Superintendent and Business Administrator are looking toward FY23 as that would allow enough planning time to identify which projects would be included, etc. Ms. Seeley commented on the numbers listed as placeholders being only estimates.

Chairman Mann remarked there is the hope there will be a better sense after review of the five-year CIP. The Committee typically conducts a facilities overview in June. That did not occur this year. She anticipates an activity such as that to develop the list of items to be included in a potential bond. Ms. Seeley responded that would absolutely be done. Having a Facilities Director on board will be of great help in that area. She is uncertain the estimates will be more realistic in the December timeframe as there is a great deal of work to be done to get to that point. Chairman Mann commented it currently stands at a request of \$1.1 million for the identified items; main office security upgrade, continued road paving, building systems and energy evaluation, window replacement, and the middle school roof replacement. She suggested the elevator could be included. Ms. Seeley remarked it could. The Administration continues to have discussions with the elevator vendor. They did a lot of work on it, and it is working well at the moment.

Vice Chairman Blanche spoke of the fireproof file cabinets for special education files, and questioned if there are plans to digitize those files. Ms. Seeley explained that process has started with other records. It is an overwhelming task, and the SAU does not have a lot of bandwidth or personnel to approach that project. Asked, she stated them to be historical in nature. There is a requirement for them to be retained for a certain number of years. Vice Chairman Blanche stated his assumption, moving forward, modern means are being used for files. Ms. Seeley stated her belief a document management company is being used for storage. Asked if there is an outside company that could be used to digitize the records, she stated that could be done if included in the budget.

Asked about other areas that will continue to be evaluated during Round 4 of the budget review process, Ms. Seeley noted the likelihood of a reduction of at least one of the shared positions. Currently identified are directed (shared) positions in the areas of facilities, food service, and classroom substitute. Those positions are intended to be SAU directed substitutes that are available on any given day to provide support in any one of the 6 buildings in the SAU. We're finding it more and more difficult to find substitutes, which is where the concept of directed substitutes has come from. At this time, it is believed the facilities substitute is the most critical. The positions are critical, but it is understood we can probably only ask for 1 or 2 a year.

In the area of academics the middle school social studies text books may be reduced. The Administration is waiting for the Department of Education to define what that curriculum looks like. It does not appear that will happen soon.

There may be some changes in the area of replacement computer equipment with Chromebooks. The ones listed are those having an end-of-life; however, the district was able to obtain a number of Chromebooks through funding from the CARES Act and other sources. They are all on backorder. When they come in, an evaluation needs to be done of the need, e.g., Chromebooks that have been loaned out that do not get returned or those that are returned damaged.

Chairman Mann questioned if there has been consideration of a fee associated with Chromebooks that are not returned. Ms. Seeley responded the SAU may have to develop that. From last spring there were only 1-2 families that did not return them. This year a larger amount was lent out. The SAU has received damaged Chromebooks back.

There may be a few items in the Facilities area that could be moved to the FY23 bond proposal.

Member Rydstrom questioned if any of the items listed as placeholders for a potential bond were included in the budget last year, e.g., roof. Chairman Mann addressed items that were in last year's CIP: at the high school, a section of roof (\$50,000), masonry repairs (\$20,000), paving (\$60,000), and security camera upgrade (\$22,000), and at the middle school, roof repairs (\$20,000), asbestos abatement (\$54,000), additional tile where there was asbestos (\$30,000), and paving (\$25,000). All of that came to \$281,575. Two hundred and twenty nine thousand of that \$281,575 was funded in the Maintenance Trust, and the remainder (\$40,000) was in the budget. There was another \$160,000 of projects spread throughout the middle and high schools. Ms. Seeley stated there was a small number for the middle school window replacement (approx. \$15,000) in this year's budget.

Last year, \$200,000 was allocated to the Maintenance Trust Fund. Ms. Seeley stated \$50,000[±] was left in for the elevator placeholder.

Member Rydstrom commented, if we took \$250,000 out of last year's budget for these items and put them in a bond this year, and we've got a flat budget, in effect we have a \$250,000 increased cost in other places in the budget. He was seeking to understand the order of magnitude. Noted was that the bond would not go forward this year.

Vice Chairman Blanche commented, in theory, next year's budget should be lower by that amount.

Ms. Seeley stated the \$200,000 expended from the Maintenance Trust last year was utilized to cover the cost of a section of roof, masonry, asbestos, roof repairs at middle school, plumbing and air handling upgrades, and the \$40,000 in reserve for the elevator.

Chairman Mann noted there are \$117,000 worth of maintenance items included in the proposed budget and \$115,000 in the Maintenance Trust. That is a difference of \$133,000 (what next year's budget should be lower by). That \$133,000 difference begins to offset a line item such as the increased amount of cost associated with the New Hampshire Retirement System.

Member Rydstrom commented that \$133,000 will be expended on other items in the new budget. We ended up with a flat budget, but it buries the \$133,000 increase. He was simply providing an observation that it is not a flat budget.

Questioned if that would impact the new guidance, Chairman Mann stated her opinion it would not. This is how a budget works.

Vice Chairman Blanche questioned whether the additional \$200/student funding received from the State (\$240,000[±]) has to be expended this calendar year, and was told it does. Member VanCoughnett clarified the funding has to be expended by December 30th on COVID related expenses. Ms. Seeley added, if the district has expenses that exceed the funding received, there is a process for applying for additional funds out of the \$10 million available through the State. That application also can only be applied to expenses incurred prior to December 30th. The application deadline for those funds is December 1st.

Vice Chairman Blanche remarked the implication is that may result in funding available for something else. Ms. Seeley stated, had the funds not been made available, the district likely would have utilized the entirety of the UFB and Contingency Fund, and may still have had a shortfall. Funding received will not cover the cost of all COVID-related expenses as there will be expenses beyond December 30th.

Chairman Mann noted, with the changes discussed, the result is a 2.8% change/increase in the operating budget, but because there are changes in other warrant articles, the net increase of the proposed budget (over the FY21 budget) is 2.4%. The FY21 budget is \$24,882,466 and the current view (Round 3.1) of the proposed FY22 budget is \$25,494,060. That does not include Collective Bargaining Agreements. That does eliminate any additional monies allocated to the Special Education Expendable Trust and reduces the proposed allocations to the Athletic Trust and the Maintenance Trust (\$200,000 to \$115,000).

- SAU Budget Update

Chairman Mann noted a meeting scheduled for the following afternoon to discuss the budget. Still being used is the 2% CPI adjustment with a 2.5% for the Assistant Superintendents and a \$15,000 merit pool. That results in a 7.8% increase in the expenses. Without an anticipated use of fund balance, the amount that needs to be funded is a 9.5% increase (\$1.95 million versus the \$1.783 million, which is what needed to be funded last year).

Ms. Seeley noted, depending on how the budget is finalized, the COOP portion could increase.

Chairman Mann commented on the increase being driven mostly by increases in the New Hampshire Retirement System and the 10.8% Guaranteed Maximum Rate of increase for insurance costs. The FY22 budget includes the full-year cost for the Facilities Director position (FY22 salary of \$70,380).

- Review Public Hearing and Town Meeting Calendar

The Town meeting calendar indicates the date of the Public Hearing as Tuesday, February 2, 2021 with a snow date of Wednesday, February 3, 2021. The School District meeting is scheduled for March 2, 2021. Assuming we are in a traditional format, it is identified as a two-day meeting. The Hollis meetings are the following week. The Brookline School District is SB2. Their Public Hearing is mid-January, and their Deliberative Session is Monday, February 1, 2021. They vote on March 9, 2021.

Member Rater noted the snow date for the Deliberative Session is the same date as the Public Hearing for the COOP School District.

- School Board Update

Asked about the Diversity, Equity, and Inclusion Initiative (DEI), and any financial impacts of that work, Member VanCoughnett stated the Committee was formed in October, and has met every other week. Tiffany Testa, Co-Facilitator, provided a brief update to the COOP School Board the previous evening. The Board has not been made aware of any financial impact.

Chairman Mann noted Superintendent Corey forwarded a brief comment stating, at this point, he anticipates any professional development or items that might evolve being covered by the budget that has been presented.

Member VanCoughnett commented on the initial discussions, which touched on the possibility of hiring a consultant. That has not continued to be part of the discussion. She provided a summary of the actions that lead to the creation of the Superintendent's Advisory Committee on DEI.

Vice Chairman Blanche asked for additional information on the DEI Advisory Committee, e.g., membership, meeting dates and locations, etc. Member VanCoughnett stated the meeting schedule to be every other Thursday. It was suggested the SAU Office be contacted for additional information.

Chairman Mann noted the agenda packet for the recent COOP School Board meeting included a summary of changes to the Program of Studies. Typically the entire Program of Studies, inclusive of strikeouts and corrections, is provided. Member VanCoughnett stated the entire Program of Studies will be viewed during the December meeting. The areas highlighted in the recent agenda packet were those being considered for changes. As of last evening, Principal Barnes requested school board members be appointed to work through the process with the Administration.

There was quite a bit of discussion as one of the proposed changes was a change in the science requirement from 3 to 2 years. Chairman Mann stated her anticipation any staffing changes that result from a shift would be seen in the budget going forward. Member VanCoughnett noted another shift would be with regard to P.E. Ms. Seeley stated there to be a 0.7 position that was not filled this year. Chairman Mann commented there is a requirement for 1.5 credits. Currently students can utilize time spent elsewhere for that half credit, e.g., practices with teams. She was uncertain if that is limited to school teams or if other activities can be used. There are requirements to be met in regard to number of hours, etc. It is believed the State requirement for science is 2 years.

Vice Chairman Blanche commented if you want to remain a top school in the State sometimes the standards have to be higher than the average. This was stated in context of a possible elimination of technical subjects such as chemistry.

Member VanCoughnett noted the addition of web design (for coding, etc.) that was made a few years back. The desire is now to change that to cyber security.

Principal Barnes has resigned effective June 30th.

ANNOUNCEMENTS

There being no objection, the date of the December meeting was changed to Monday, December 21, 2020.

PROCESS OBSERVER READOUT

Vice Chairman Blanche spoke of the informative nature of the discussion.

ADJOURNMENT

MOTION BY MEMBER RATER TO ADJOURN
MOTION SECONDED BY MEMBER BLANCHE
MOTION CARRIED

7-0-0

The November 19, 2020 meeting of the COOP Budget Committee adjourned at 7:39 p.m.

Date: _____

Signed: _____

BROOKLINE, HOLLIS, & HOLLIS-BROOKLINE SCHOOL DISTRICTS (SAU 41)
2021 ANNUAL MEETING DATES and DEADLINES-DRAFT
USING RSA REGULATIONS

Action	RSA Parameters	Traditional					SB2		RSA Reference
		Coop-Day 1	Coop-Day 2	Snow Date	Hollis	Snow Date	Brookline	Snow Date	
Last day to <u>post notice</u> of budget hearing	SB2: "...the second Tuesday in January..."; Trad.: at least 7 days in advance of budget hearing	1/25/2021			2/1/2021		1/15/2021		SB2-40:13,II-a(a), 32:5,I; Trad.-32:, I
Last day for negotiated cost items to be finalized	SB2: "...the second Tuesday in January..."; Trad.: not later than 30 days before the date prescribed for the district meeting, or the 2nd Tues in March, whichever is earlier	1/30/2021			2/8/2021		1/12/2021		SB2-40:13, II-a (b), 273-A:1; Trad.-32:5-a; 197:6
Last day for petitioned warrant articles	SB2: "...the second Tuesday in January..."; Trad.: not later than 30 days before the date prescribed for the district meeting, or the 2nd Tues in March, whichever is earlier	2/1/2021			2/8/2021		1/12/2021		SB2-40:13, II-a (b), 39:3; Trad.-197:6
PUBLIC HEARING DATES	SB2: "...on or before the third Tuesday in January..."; Trad.: not later than 25 days before (district meeting) i.e. 25 days or EARLIER	2/2/2021	N/A	2/3/2021	2/9/2021	2/11/2021	1/13/2021	1/14/2021	SB2-40:13, II-a (c); Trad.-32:5, I
<i>FYI: Last day to hold at least one budget public hearing</i>	<i>not later than 25 days before [district meeting] i.e. 25 days or EARLIER</i>	2/4/2021			2/12/2021				SB2-40:13, II-a (c); Trad.-32:, I
FIRST SESSION-DELIBERATIVE	SB2: "...between the first and second Saturdays following the last Monday in January, inclusive of those Saturdays..."						2/1/2021	2/2/2021	SB2-40:13, III
Town Report Submission Deadline	Deadlines provided by Towns for them to meet timeline requirements	2/5/2021			2/5/2021		2/5/2021		Town Requirements
Last day for budget committee to deliver budget and warrant article recommendations to selectpersons for Posting	Trad.: at least 20 days before [district meeting]	2/9/2021			2/18/2021		1/21/2021		Trad.-32:16,IV
Last day to <u>post</u> warrant, budget and default budget	SB2: "...on or before the last Monday in January..."; Trad.: 14 days before day of meeting (not including meeting day or posting day)	2/15/2021			2/23/2021		2/22/2021		SB2-40:13, II-a (d), 39:5, 197:7; Trad.-197:7
Annual report with budget (and ballot questions) made available to voters	SB2 and Trad.: at least 7 days prior to meeting	2/22/2021			3/2/2021		3/1/2021		SB2-40:13, II; Trad.-32:5, VII(a)
SCHOOL DISTRICT MEETING DAY	Trad.: annually between March 1 and March 25	3/2/2021	3/3/2021	3/4/2021	3/10/2021	3/11/2021	N/A	N/A	Trad.-197:1
SECOND SESSION-BALLOT VOTING	SB2: "...the second Tuesday in March..."	3/9/2021			3/9/2021		3/9/2021		SB2-40:13, VII
Submit signed & completed forms to DRA	SB2 and Trad.: within 20 days of the close of the meeting	3/22/2021			3/30/2021		3/29/2021		21-J:34,II

6:30 Start Times

COOP Year over Year Comparison

Adequacy Aid	FY21	FY22 est	% change
Hollis	\$ 1,132,711	\$ 1,106,724	-2.3%
Brookline	\$ 2,806,710	\$ 2,078,114	-26.0%

SWEPT	FY21	FY22 est	% change
Hollis	\$ 1,391,050	\$ 1,426,556	2.6%
Brookline	\$ 657,877	\$ 635,878	-3.3%

Total Aid	FY21	FY22 est	% change
Hollis	\$ 2,523,761	\$ 2,533,280	0.4%
Brookline	\$ 3,464,587	\$ 2,713,992	-21.7%
Grant Total Aid	5,988,349	5,247,272	-12.4%

TOTAL Tax Rate	FY20	FY21 est	FY21	% change from FY20	% change FY21 est
Hollis	\$ 23.10	\$ 23.15	\$ 23.18	0.3%	0.1%
Brookline	\$ 29.87	\$ 28.44	\$ 27.80	-6.9%	-2.3%

COOP Tax Rate	FY20	FY21 est	FY21	% change from FY20	% change FY21 est
Hollis	\$ 6.75	\$ 6.97	\$ 6.56	-2.8%	-5.9%
Brookline	\$ 11.57	\$ 10.88	\$ 10.66	-7.9%	-2.0%

COOP ENROLLMENT SUMMARY

Enrollment							
FY21 estimate	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Hollis	649	653	666	676	666	668	650
Brookline	590	579	567	545	541	586	602
Total	1239	1232	1233	1221	1207	1254	1252

FY22 estimate	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Hollis	649	649	644	639	620	610	577
Brookline	590	560	557	542	529	566	573
Total	1239	1209	1201	1181	1149	1176	1150

% change in estimate	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Hollis		-0.6%	-3.3%	-5.5%	-6.9%	-8.7%	-11.2%
Brookline		-3.3%	-1.8%	-0.6%	-2.2%	-3.4%	-4.8%
Total		-1.9%	-2.6%	-3.3%	-4.8%	-6.2%	-8.1%

Yr/Yr % change in Enrollment							
FY21 estimate	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Hollis		0.6%	2.0%	1.5%	-1.5%	0.3%	-2.7%
Brookline		-1.9%	-2.1%	-3.9%	-0.7%	8.3%	2.7%
Total		-0.6%	0.1%	-1.0%	-1.1%	3.9%	-0.2%

FY22 estimate	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Hollis		0.0%	-0.8%	-0.8%	-3.0%	-1.6%	-5.4%
Brookline		-5.1%	-0.5%	-2.7%	-2.4%	7.0%	1.2%
Total		-2.4%	-0.7%	-1.7%	-2.7%	2.3%	-2.2%

Distribution							
FY21 estimate	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Hollis	52.4%	53.0%	54.0%	55.4%	55.2%	53.3%	51.9%
Brookline	47.6%	47.0%	46.0%	44.6%	44.8%	46.7%	48.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

FY22 estimate	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Hollis	52.4%	53.7%	53.6%	54.1%	54.0%	51.9%	50.2%
Brookline	47.6%	46.3%	46.4%	45.9%	46.0%	48.1%	49.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%