

1 **Raul Blanche**

2
3 Stated he was participating electronically from home, attendance in person was not reasonably practical due to
4 COVID-19, he was alone in the room he was in, and could hear the proceedings.
5

6 **Lorin Rydstrom**

7
8 Stated he was participating electronically from home, attendance in person was not reasonably practical due to
9 COVID-19, he was alone in the room he was in, and could hear the proceedings.
10

11 **Brian Rater**

12
13 Stated he was participating electronically from home, attendance in person was not reasonably practical due to
14 COVID-19, he was alone in the room he was in, and could hear the proceedings.
15

16 **Matthew Maguire**

17
18 Stated he was participating electronically from home, attendance in person was not reasonably practical due to
19 COVID-19, he was alone in the room he was in, and could hear the proceedings.
20

21 **Tom Solon**

22
23 Stated he was participating electronically from home, attendance in person was not reasonably practical due to
24 COVID-19, he was alone in the room he was in, and could hear the proceedings.
25

26 **Elizabeth Brown**

27
28 Stated she was participating electronically from home, attendance in person was not reasonably practical due to
29 COVID-19, she was alone in the room she was in, and could hear the proceedings.
30

31 **Beth Janine Williams**

32
33 Stated she was participating electronically from home, attendance in person was not reasonably practical due to
34 COVID-19, she was alone in the room she was in, and could hear the proceedings.
35

36 *Noted was that all members participating electronically could be heard, and that all votes would be taken by*
37 *Roll Call.*
38

39 **HOLLIS BROOKLINE COOPERATIVE SCHOOL DISTRICT**
40 **PUBLIC HEARING**
41 **FY22 BUDGET**
42

43 Chairman Mann explained the purpose of the Public Hearing was to introduce the articles with stated financial
44 impact to be voted on at the District Annual Meeting, and gather public input. She explained the procedures to
45 be followed, and provided a brief synopsis of the Warrant Articles.

1 **Article 1**

2
3 To see if the school district will vote to approve the cost items for the first year of a three-year collective
4 bargaining agreement reached between the Hollis Brookline Cooperative School Board and the Hollis
5 Education Support Staff Association for the 2021-22, 2022-23 and 2023-24 school years, which calls for the
6 following increases in support staff salaries and benefits at the current staffing levels:

Fiscal Year	Estimated Increase
2021-22	\$117,065

7
8
9
10
11 and further to raise and appropriate a sum of **\$117,065** for the first fiscal year (2021-22 school year), such sum
12 representing the additional costs attributable to the increase in support staff salaries and benefits required by the
13 new agreement over those that would be paid at current staffing levels.

14
15 **Estimated Tax Impact to Hollis is \$0.05/\$1,000**
16 **Estimated Tax Impact to Brookline is \$0.08/\$1,000**

17
18 School Board Member Whalen remarked the Board goals were to arrive at a contract that allows the District to
19 hire qualified staff at competitive wages, to keep insurance caps to allow for budgeting, and be careful in
20 weighing cost versus benefit for taxpayers.

21
22 An issue the district has been faced with for the past several years is the need for competitive wages to assist in
23 the hiring and retention of custodians (starting salary in Hollis \$11.36/hour and in Brookline \$14.99). Our
24 school district cannot open its doors without all of its support staff. This year in particular, custodians have
25 been asked to take on a number of extra responsibilities, which will likely continue.

26
27 Being proposed is a change to Appendix A and position categories; Custodian would move from category 1 to
28 category 2, Maintenance Worker and Grounds Maintenance Worker from category 2 to category 3 and Building
29 Maintenance Shift Supervisor from category 3 to category 4. Building Maintenance Supervisor and Grounds
30 Maintenance Supervisor positions remain in category 5. This shift is where a large portion of the increase stems
31 from.

32
33 The proposal would provide for an increase in the custodial category of 2% for those on step and 2.5% for those
34 off-step, for each of the three years of the contract. Health insurance caps remain in place. With the
35 Guaranteed Maximum Rate (GMR) of increase at 10.9%, it was felt an increase in the caps was needed.
36 Proposed is an increase of \$50 to the cap for both single and 2-person plans and a \$25 increase for family plans.
37 The total increased cost to the District over the 3 years of the contract would be \$54,000. In prior years, a
38 single person plan did not have an associated cost for the employee; however, this year there will be.

39
40 A Flexible Spending Account is being offered, which has no financial impact on the District.

41
42 Total Warrant amounts (wages and healthcare); year one \$117,065, year two \$88,523, and year three \$86,727
43 for a total contract cost of \$292,315. This is a non-sanbornized contract; voters are voting on costs associated
44 with year one of the contract.

45
46 *Chairman Mann opened the floor for public comment at 7:01 p.m.*

1 Eric Pauer, 12 Westview Road, Brookline

2
3 Stated concern with the size of the increase. The increase last year was around \$81,000. We're being asked to
4 have an increase of over 44% in a single year for this particular item. He is concerned with the 15.9% tax rate
5 increase in Brookline. We have to look at areas where we can conserve a little bit. He recommended the
6 Budget Committee not approve the article.

7
8 Aaron Penkacik, 133 Dow Road, Hollis, NH

9
10 Echoed the remarks of the previous speaker noting a 44.2% increase is ridiculous. He lives in Hollis, is retired
11 and on a fixed income. If the taxes keep going up to feed the school system, he will be driven out of Town.
12 There is the need to be fiscally responsible, and he does not see the articles that way.

13
14 *The public comment period was closed at 7:04 p.m.*

15
16 Article 2

17
18 To see if the school district will vote to approve the cost items for the first year of a three-year collective
19 bargaining agreement reached between the Hollis Brookline Cooperative School Board and the Hollis
20 Education Association for the 2021-22, 2022-23 and 2023-24 school years, which calls for the following
21 increases in professional staff salaries and benefits at the current staffing levels:

Fiscal Year	Estimated Increase	Fiscal Year	Estimated Increase	Fiscal Year	Estimated Increase
2021-22	\$228,316	2022-23	\$294,057	2023-24	\$330,369

22
23
24
25
26 and further to raise and appropriate a sum of **\$228,316** for the first fiscal year (2021-22 school year), such sum
27 representing the additional costs attributable to the increase in professional staff salaries and benefits required
28 by the new agreement over those that would be paid at current staffing levels.

29
30 **Estimated Tax Impact to Hollis is \$0.09/\$1,000**
31 **Estimated Tax Impact to Brookline is \$0.15/\$1,000**

32
33 School Board Vice Chairman Solon stated the contract is a three-year (sanbornized) proposal that is believed
34 will benefit the district and community as well as the staff by providing stability and predictability. One of the
35 benefits of a multi-year contract is cost savings for the district in two ways; there is a tangible cost to
36 conducting negotiations and when staff has the level of predictability and security that comes from of a multi-
37 year contract they are much more amendable to what we consider to be reasonable salary changes.

38
39 Professional staff is compensated through a step table. The table includes columns that represent their
40 credentials, degree status ranging from bachelors through levels of additional work, moving into masters, and
41 the highest being master's plus 30 credit hours. The rows increase by number of years in the district. When an
42 employee enters the district they are placed on the salary table based on their status credentials and continue to
43 move along the table as their years in the district increase. They can move laterally if they get recognized for
44 reaching new credential levels. When reaching the last step on the table, they remain on that step at essentially
45 a fixed salary for the rest of their time working in the district. Through contract negotiations, we apply COLA
46 adjustments to the step tables themselves, which are meant to keep the employees whole in the face of
47 inflationary costs as well as occasionally to make changes to keep us competitive with other districts.

1 Noted was that through the work of the administrators as well as staff, we have remained one of the few schools
2 that has been substantially in-person throughout the pandemic. That has a lot of value to our students and our
3 community. In that context, we have been successful in keeping people healthy in the schools. There have
4 been no identified incidents of transmission taking place in our schools.

5
6 Also noted is that our staff is a relatively senior staff. Over a third are currently on the last step of the salary
7 table. Over the course of the three-year contract, assuming our demographics stay the same, that will be over
8 40%. That represents an even higher percentage of the total salary allocation.

9
10 A significant portion of our staff is receiving only these COLA increases of 0.75% in the first year of the
11 contract, 1.5% in the second year, and 1.75% in the third year. Those who are moving along the step table, for
12 the majority of the table, receive an additional 2.5% for their seniority until they reach their last step.

13
14 No changes in the structure of the salary table, but these incremental increases in the overall values of the table
15 representing what are intended to be COLA adjustments of 0.75%, 1.5% and 1.75%. Those are the numbers
16 that contribute to the dollar estimates of the warrant article. In addition, those dollar values in the warrant
17 article include the additional federal taxes that are applied to those salaries as well as the additional amount of
18 NHRS contribution paid by the district.

19
20 Other notable factors in the contract are an increase of \$10/hour (\$25-\$35/hour) to reimburse teachers/staff who
21 are in the school and give up their planning time to substitute.

22
23 The two other large changes produce no change in the function of the schools; efforts to correct elements of the
24 existing contract which are not currently appropriate for the practice; specifically the evaluation method spelled
25 out in the contract is not what is currently employed. There is a valuation process that is registered with the
26 State that is different than what was spelled out in the contract. The contract language has been simplified to
27 eliminate broad descriptions and instead references the evaluation plan that is registered with the State. The
28 second is to change language about the definition of the school day in the contract, particularly in the middle
29 school, to incorporate items that are currently covered by a sidebar agreement with the union that has enabled us
30 to run a middle school schedule that was implemented for the current school year.

31
32 The contract is sanbornized, which is currently the practice in the Brookline and Hollis elementary districts. It
33 has some level of controversy due to some past discussions. Sanbornizing enabled us to get what was
34 considered to be more beneficial negotiating status for increases because teachers are confident that we will
35 abide by the terms of the contract. Using the professional staff contract as a means for budget adjustment is not
36 considered by him and others on the Board, to be the most effective way of addressing budget concerns.

37
38 ***Chairman Mann opened the floor for public comment at 7:17 p.m.***

39
40 Eric Pauer, 12 Westview Road, Brookline

41
42 With the figures quoted, we will be raising the operating budget by \$853,000 over 3 years just for the teachers'
43 pay and benefits. If you look at the spending over 3 years, it is over \$1.6 million more than we are already
44 spending. He does not like sanbornized contracts because they lock in increases for future years by a simple
45 majority vote in the first year. All other multi-year commitments require a supermajority vote. He is concerned
46 with increased spending while enrollment is declining. The pay raises, especially for on-step teachers, is pretty
47 generous. The average of what teachers will get over three years is 12.1 – 14%. He advised the Budget
48 Committee vote against this article.

49 ***The public comment period was closed at 7:20 p.m.***

1
2 **Article 3**
3

4 To see if the school district will vote to raise and appropriate a sum of **\$24,160,377** for the support of schools,
5 for the payment of salaries for the school district officials and agents and for the payment of statutory
6 obligations of the district. This appropriation does not include appropriations voted in other warrant articles.
7

8 **Estimated Tax Impact to Hollis is \$7.16/\$1,000**

9 **Estimated Tax Impact to Brookline is \$11.23/\$1,000**
10

11 The FY22 proposed budget represents an increase of approximately \$580,166 (2.5%) over the FY21 approved
12 budget. That increase includes 1.85 Full Time Equivalent (FTE) positions related to the HBHS Case Manager,
13 shared Facilities Substitute (cost distributed across all districts in the SAU), and expanded School Resource
14 Officer (2/3 to full time). Also included is the cost of continuing the cyclical technology upgrades.
15

16 Major increases include an increases in the areas of Student Services (\$417,266) due to changes in student
17 programming including transportation, NHRS/FICA (\$306,823 – 18% increase in the rate paid for teachers and
18 26% increase in the rate for other staff) due to the biennial rate change, healthcare (\$197,705) given the GMR
19 of 10.9%, technology (\$22,180) for continued phased tech replacement, and new item requests totaling
20 \$274,351 represents staffing changes, maintenance, textbooks, and security measures.
21

22 Major decreases include a 100% decrease (\$105,000) in professional development (based on changes
23 implemented in existing contract), 100% decrease (\$48,908) in retiree benefits (no planned retirements), 25.4%
24 decrease (\$267,332) in buildings and grounds resulting from reprioritized maintenance items, a 2.9%
25 (\$171,940) decrease in salaries due to fewer lane changes than anticipated (\$81K) and attrition, and a 13.3%
26 (\$127,000) decrease in transfers given reduced transfers to trust funds for facilities maintenance and special
27 education.
28

29 ***Chairman Mann opened the floor for public comment at 7:25 p.m.***
30

31 **Aaron Penkacik**, 133 Dow Road, Hollis
32

33 Spoke of the efforts of the Shaker Regional School District, in identifying, due to savings resulting from
34 COVID shutdowns, a 3.5% reduction for taxes in school expenses. They approved a budget of \$23.4 million
35 (similar district to ours). Reductions they identified were a negotiated 65% reduction in daily transportation
36 rate, cancelled field trips, co-curricular activities cancelled, no spring sports, no professional development,
37 lower utility costs, no classroom supply purchases, etc. He questioned why the COOP District was not taking
38 the same action. We are showing a 2.5% increase while SAU80 is showing a 3.5% reduction in expenses.
39

40 Chairman Mann remarked the district did in fact realize savings from many of the same areas other districts did
41 from the spring of last year, and in fact did return that money to the tax base. Once that budget year is closed,
42 we are moving into a new budget year. We are currently in district and not realizing savings in transportation
43 and all of those same categories because we are not a remote district.
44

45 Superintendent Corey stated surplus has already been returned to the tax base in each of the 3 districts. The
46 returns were in the ballpark if not exceeding those experienced by SAU80. This budget is for FY22; we are
47 fully open and functioning every day.

48 **Eric Pauer**, 12 Westview Road, Brookline
49

1 Remarked this is the largest part of budget. Taxpayers will see a rate increase of almost 16% in Brookline and
2 15.5% in Hollis. There is declining enrollment, yet the budget keeps going up. In FY19, we were spending
3 roughly \$18,200 in cost per pupil (CPP) in the COOP. With the proposal for FY22, the CPP will be \$21,500.
4 That is an 18% increase in the COOP. That should not be increasing that fast; inflation is not 18%. Last year
5 inflation was 1.5%. There has to be a way to keep this operating budget to a dull roar. It is taxing people out of
6 Town.

7
8 *The public comment period was closed at 7:33 p.m.*

9
10 **Article 4**

11
12 Shall the District vote to raise and appropriate the sum of \$997,899 as the Hollis Brookline Cooperative School
13 District's portion of the SAU budget of \$1,953,257 for the forthcoming fiscal year? This year's adjusted budget
14 of \$1,918,864 with \$980,328 assigned to the school budget of this school district will be adopted if the article
15 does not receive a majority vote of all the school district voters voting in this school administrative unit.

16
17 **Estimated Tax Impact to Hollis is \$0.39/\$1,000**

18 **Estimated Tax Impact to Brookline is \$0.67/\$1,000**

19
20 If the initial appropriation of \$997,899 is not approved by a majority vote among the three districts, the adjusted
21 budget will be adopted.

22
23 The Assistant Superintendents would receive a 3% increase and all others 2%.

24
25 The items that impact the \$170,156 increase are the same as those that impact the budget; salaries (\$67,839),
26 NHRS contribution (\$56,318), healthcare (\$18,826), and FICA (\$8,849). In addition, there is a revenue loss
27 (\$26,864) due to not utilizing a portion of the fund balance as a revenue source as was done in the prior year
28 (fund balance too close to recommended fund balance of 7-10% of overall budget). The SAU is the only
29 portion of the school district that is allowed to maintain a fund balance.

30
31 *Chairman Mann opened the floor for public comment at 7:37 p.m.*

32
33 Eric Pauer, 12 Westview Road, Brookline

34
35 Believes the SAU budget is on an unsustainable path. Fifteen years ago we had nearly 2,800 students in the
36 district served by an SAU consisting of 9 FTEs. There was a single Superintendent, and a budget just under
37 \$1.1 million. That resulted in a per student cost, for dollars expended on the SAU Administration, of \$391.

38
39 In FY22, we have a 13% reduction in enrollment with an SAU having a headcount of 17 that includes 2
40 Assistant Superintendents. The SAU budget is almost \$2 million. The per student cost is \$813. Inflation over
41 that time was only 23%. It is not inflation that is driving this increase.

42
43 He noted the Hollis School District is considering a \$1.5 million bond to renovate the SAU Building. That
44 might enable the SAU to get larger. He suggested the need to bring the SAU budget under control.

1 Chairman Mann stated the Hollis School District will not be putting forward the bond for the renovation of the
2 SAU building this year.

3
4 *The public comment period was closed at 7:39 p.m.*

5
6 **Article 5 - Discontinue Athletic Expendable Trust**

7
8 Shall the school district vote to discontinue the Athletic Expendable Trust fund? Said funds and accumulated
9 interest to date of withdrawal, are to be transferred to the school district's general fund. (Majority vote
10 required).

11
12 **Article 6 - Establish Athletics Revolving Fund**

13
14 Shall the school district establish a non-lapsing Athletics Revolving Fund in accordance with RSA 194:3-c, to
15 be funded by receipts from athletic participation fees and charges? Further, to raise and appropriate up
16 to **\$50,000** to put into that fund for the purpose of supporting athletic programs in the district, with said amount
17 to come from unassigned general fund balance (resulting from the previously discontinued Athletic Expendable
18 Trust and participation fees collected in 2020-21). The money received from athletic fees and charges shall be
19 allowed to accumulate from year to year in this revolving fund, and shall not be considered part of the general
20 fund unassigned fund balance. Expenditures may be made from this revolving fund only for the purposes stated
21 herein at monthly intervals or as needed without further approval of the legislative body. (Majority vote
22 required).

23
24 Chairman Mann stated the impact to Hollis and Brookline is the foregoing of a tax impact that would result in a
25 reduction in the rate of \$0.02/\$1,000 in Hollis and \$0.03/\$1,000 in Brookline.

26
27 *Chairman Mann opened the floor for public comment on Articles 5 and 6 at 7:41 p.m.*

28
29 Drew Mason, 61 Baxter Road, Hollis

30
31 Questioned who would be the Agents to Expend. Chairman Mann remarked expenditures would be through
32 monthly intervals identified. School Board Vice Chairman Solon stated public hearings would be conducted, as
33 needed. Mr. Mason remarked that implies the School Board is the Agent to Expend. That language is not part
34 of the article.

35
36 Ms. Seeley noted the requirement for public hearing, and that the language of the article was written by legal
37 counsel.

38
39 School Board Vice Chairman Solon stated his belief the RSA covers who and how expenditures can be made.

40
41 *The public comment period was closed at 7:43 p.m.*

42
43 **Article 7**

44
45 To see if the school district will vote to raise and appropriate up to the sum of **\$115,000** to be added to the
46 previously established School Building and Facilities Maintenance Expendable Trust Fund. The sum to come
47 from the Hollis Brookline Cooperative School District's June 30, 2021 unassigned fund balance, available on
48 July 1, 2021.

1 Passage would result in the foregoing of a tax rate reduction of \$0.04/\$1,000 in Hollis and \$0.08/\$1,000 in
2 Brookline.

3
4 Beginning balance is \$85,000. FY22 proposed funding is \$115,000. Proposed expenditures include HBHS
5 roof – Phase IV (\$35,000) and road paving at HBHS (\$80,000). The ending balance would be \$85,000.
6

7 *Chairman Mann opened the floor for public comment at 7:44 p.m.*

8
9 Eric Pauer, 12 Westview Road, Brookline

10
11 Stated concern noting the allocation would come from the Unreserved Fund Balance (UFB). That \$115,000
12 could be returned to the tax base. We have a number of other trust funds, e.g., contingency, and the ability of
13 the School Board to retain 2.5% of the budget at the end of the year. This would be in addition to that. There
14 are too many ways for the UFB not to be returned to the tax base.
15

16 Chairman Mann noted, while the district does have the ability to retain funds, the authorization did not allow to
17 retain up to 2.5%, we were limited by the Legislative body to a 1%.
18

19 *The public comment period was closed at 7:46 p.m.*

20
21 **Article 8**

22
23 To see if the school district will vote to establish a contingency fund for the current year for unanticipated
24 expenses that may arise and further to raise and appropriate up to \$100,000 to go into the fund. This sum to
25 come from the unassigned fund balance available on July 1, 2021, and no amount to be raised from taxation.
26 Any appropriation left at the end of the year will lapse to the general fund.
27

28 Hollis would be foregoing of a tax rate reduction of \$0.04/\$1,000 and Brookline \$0.07/\$1,000 in Brookline.
29

30 *Chairman Mann opened the floor for public comment at 7:47 p.m.*

31
32 Eric Pauer, 12 Westview Road, Brookline

33
34 Questioned, if all items in the proposed budget were to pass and sufficient funds remain, what would be the
35 amount that could be retained (1%).
36

37 Chairman Mann stated the amount is not calculated directly off of the budget. It is a combination of revenue
38 received and budget amounts available. She believes the current retained amount was \$181,000, which maxed
39 out the 1% of the budget that could be retained.
40

41 Mr. Pauer asked for clarification, if enough funds remain at year end, the School Board could retain \$115,000
42 by the last warrant article, \$100,000 based on this article, and about \$186,000 based on the 1% retained balance
43 rule. Chairman Mann responded the current amount that is retained gets included in the calculation. It is
44 almost like saying we will put \$181,000 into the calculation and we will take it back out again. The funds in
45 that account lapse back to the general fund at the end of every year, and the allocation has to be approved each
46 year by the voters.

1 Mr. Pauer asked if that is true of the \$100,000 as well as the 1%, and was told that is the case. The article is put
2 before the voters as a result of the funds lapsing and the allocation requiring approval each year. If the monies
3 are not expended, the amount increases the UFB and then we allocate it back each year. The funds cannot carry
4 over from year to year without voter approval.

5
6 *The public comment period was closed at 7:51 p.m.*

7
8 Chairman Mann noted the remaining articles are not appropriating articles.

9
10 **Article 9**

11
12 Shall the school district accept the provisions of RSA 198:20-b providing that any school district at an annual
13 meeting may adopt an article authorizing indefinitely, until specific rescission of such authority, the school
14 board to apply for, accept and expend, without further action by the school district, unanticipated money from a
15 state, federal or other governmental unit or a private source which becomes available during the fiscal year?
16

17 **Article 10 (Contingent Article)**

18
19 If Article 9 passes, this article is unnecessary: to see if the school district will authorize the Hollis Brookline
20 Cooperative School Board to access future year state and federal special education aid funds in the event that
21 special education costs exceed budget limitations.
22

23 *Chairman Mann opened the floor for public comment on Articles 9 and 10 at 7:52 p.m.*

24
25 *The public comment period was closed at 7:53 p.m.*

26
27 **PETITION WARRANT ARTICLE**

28
29 Chairman Mann explained the purpose of the Public Hearing was to obtain public input on the following
30 Petition Warrant Article, which will appear on this year's ballot.

31
32 **Petition Warrant Article 1**

33
34 "Shall we adopt the provisions of RSA 32:5 V-b, requiring that the annual budget and all special warrant
35 articles having a tax impact, as determined by the school board, shall contain a notation stating the estimated tax
36 impact of the article? The determination of the estimated tax impact shall be subject to approval by the
37 governing body"
38

39 *Chairman Mann opened the floor for public comment at 7:54 p.m.*

40
41 Eric Pauer, 12 Westview Road, Brookline

42
43 Stated the desire to provide a presentation as a citizen that helped with the petition. As the presentation was not
44 submitted in advance of the meeting, the speaker was permitted the customary time to provide input.

45
46 Mr. Pauer stated the article directs the School Board, when developing a warrant, to include the tax impact in
47 every article that has one. At the end of the article it would state the estimated tax rate impact would be
48 X/\$1,000 for Hollis and X/\$1,000 for Brookline. It puts the information that was included in this presentation

1 on the warrant to provide that additional transparency for the voters. It is especially valuable if the COOP ever
2 adopts SB2 and an official ballot.

3
4 Barbara King, 15 Barton Road, Hollis

5
6 Stated she does not believe the Board should support the article unless the same requirement is placed on
7 Citizen Petition Warrant Articles. She questioned if the article could be amended.

8
9 Drew Mason, 61 Baxter Road, Hollis

10
11 Stated petition warrant articles can be amended, but he believes the language in this article may be statutory.

12
13 Chairman Mann noted any amendments would have to occur at the Annual Meeting.

14
15 Mr. Mason stated a citizen petition warrant article is a special warrant article, which is included in the language
16 of the article.

17
18 Aaron Penkacik, 133 Dow Road, Hollis, NH

19
20 Commented more transparency is better.

21
22 ***The public comment period was closed at 8:00 p.m.***

23
24 The Public Hearing was declared closed at 8:00 p.m.

25
26
27
28 Date _____ Signed _____

FY22 Budget Hearing

February 2, 2021

Hollis Brookline Cooperative
School District

Presented by:

Hollis Brookline Cooperative Budget Committee

Agenda

Call to Order

Warrant Article Overview & Financial Summary

Public Hearing & Input

Budget Committee Deliberation of Articles

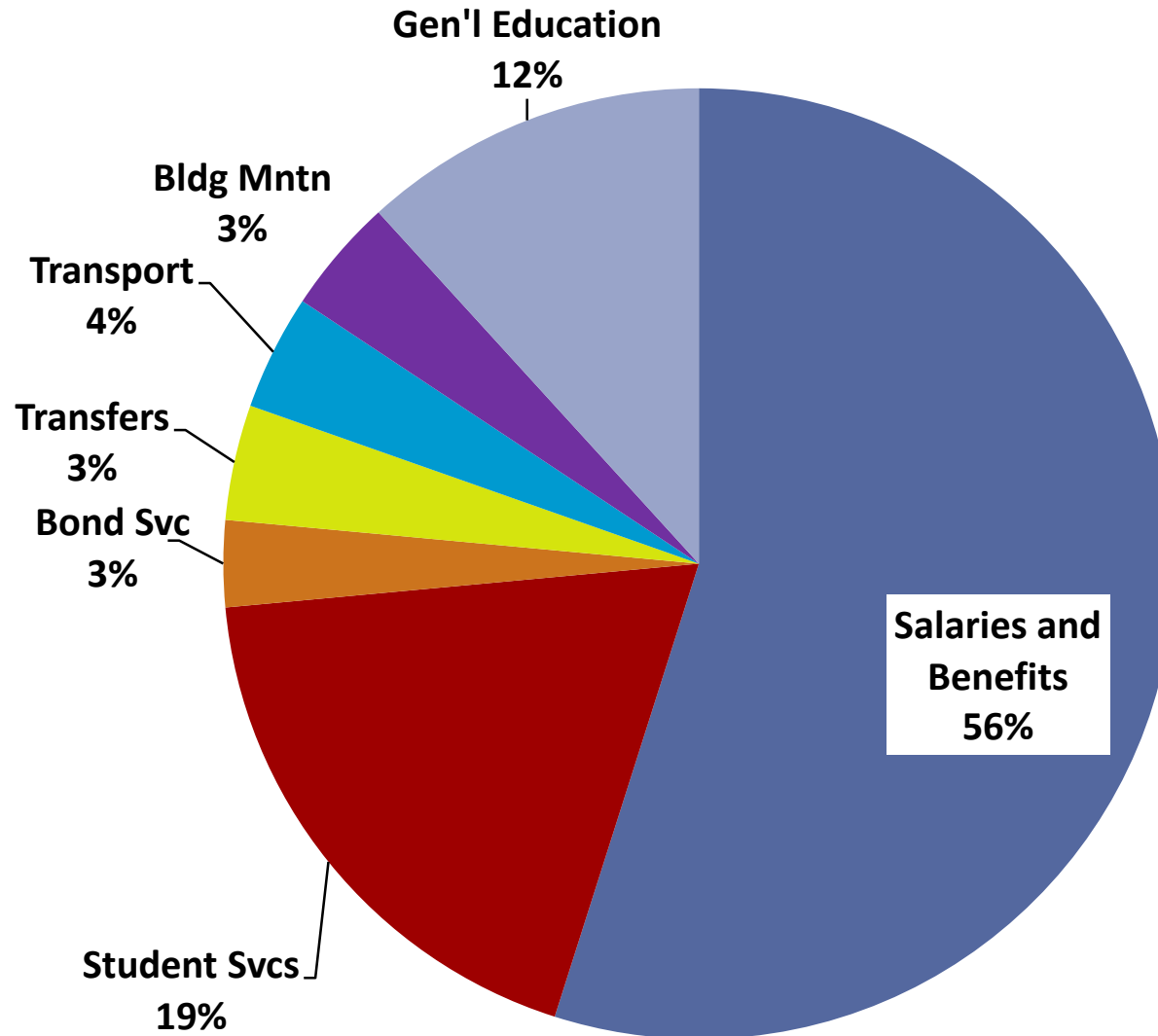
Administrative Business

Adjournment

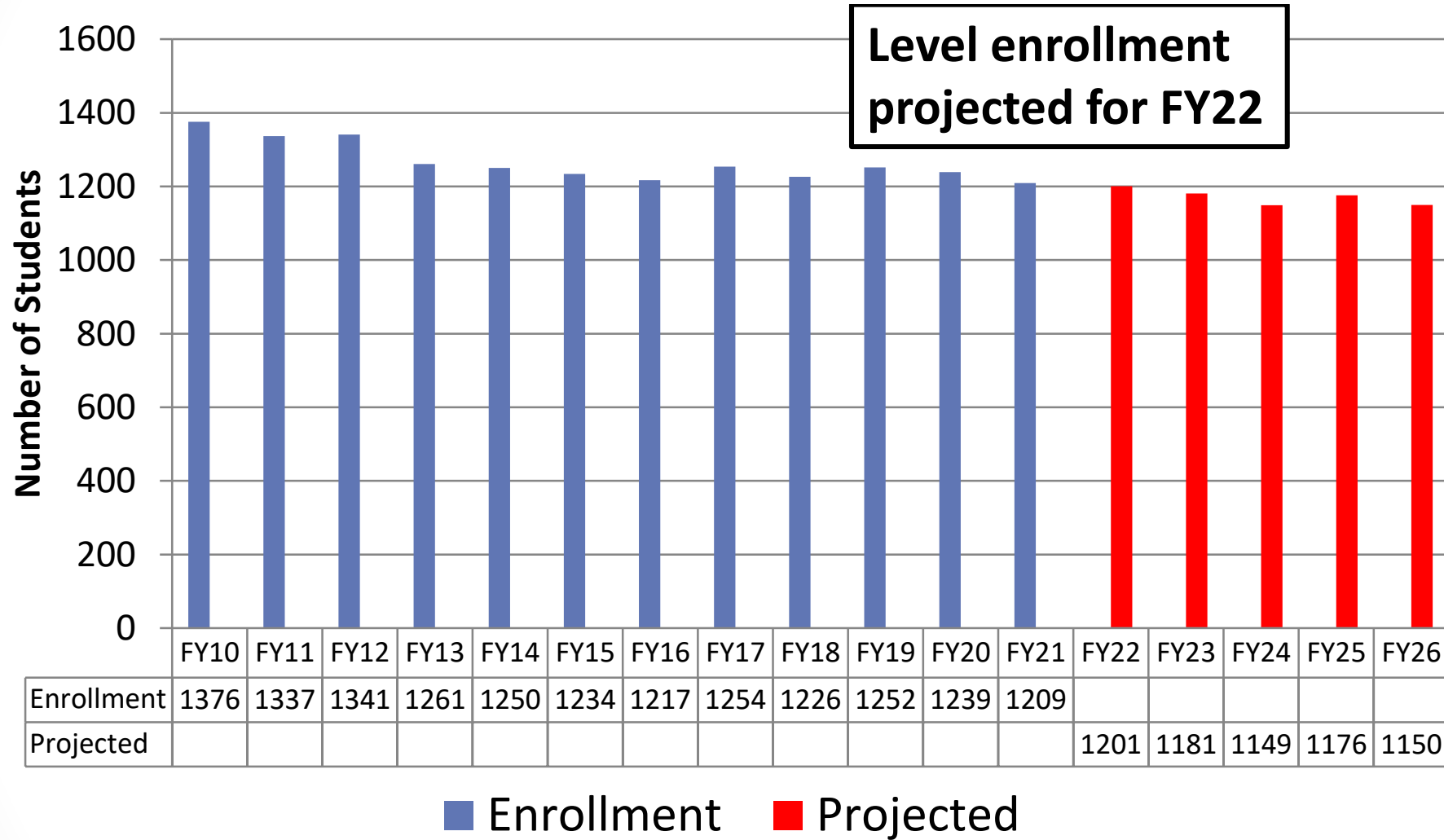
FY22 Warrant Summary

Article	Content	\$ Amount
Article 1	HESSA Contract	\$117,065
Article 2	HEA Contract	\$228,316
Article 3	School Operating Budget	\$24,160,377
Article 4	SAU Budget	\$997,899
Article 6	Athletics Revolving Fund	\$50,000
Article 7	Facilities Maintenance Trust	\$115,000
Article 8	Contingency	\$100,000
	Total \$ if all pass as written	\$25,768,657 3.6%

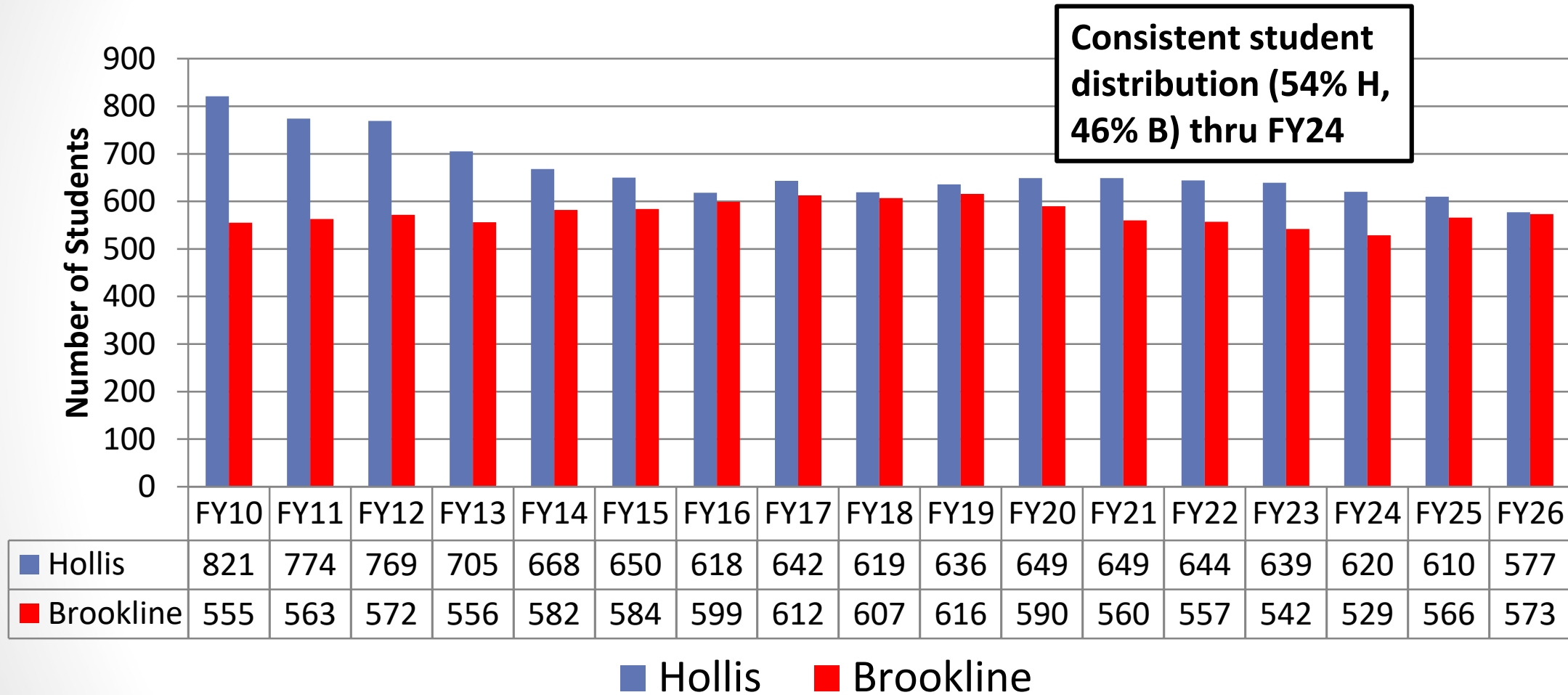
FY22 Budget Distribution



COOP Student Enrollment



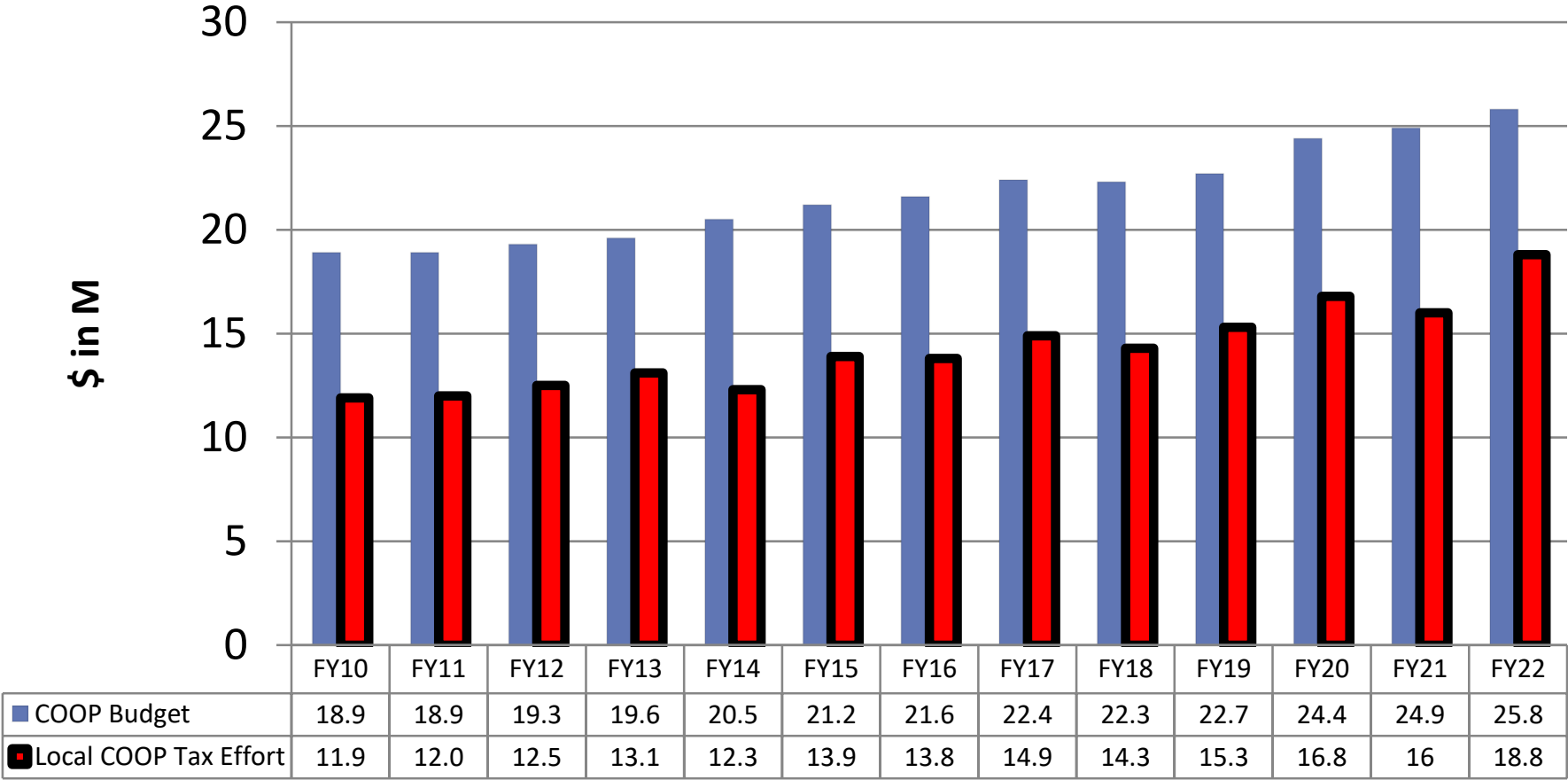
Enrollment Composition



SOURCE: 10/2020 NESDEC

Local COOP Tax Effort Trend

FY21 Tax Effort lower than estimated due to budget underruns related to spring 2020 school closures

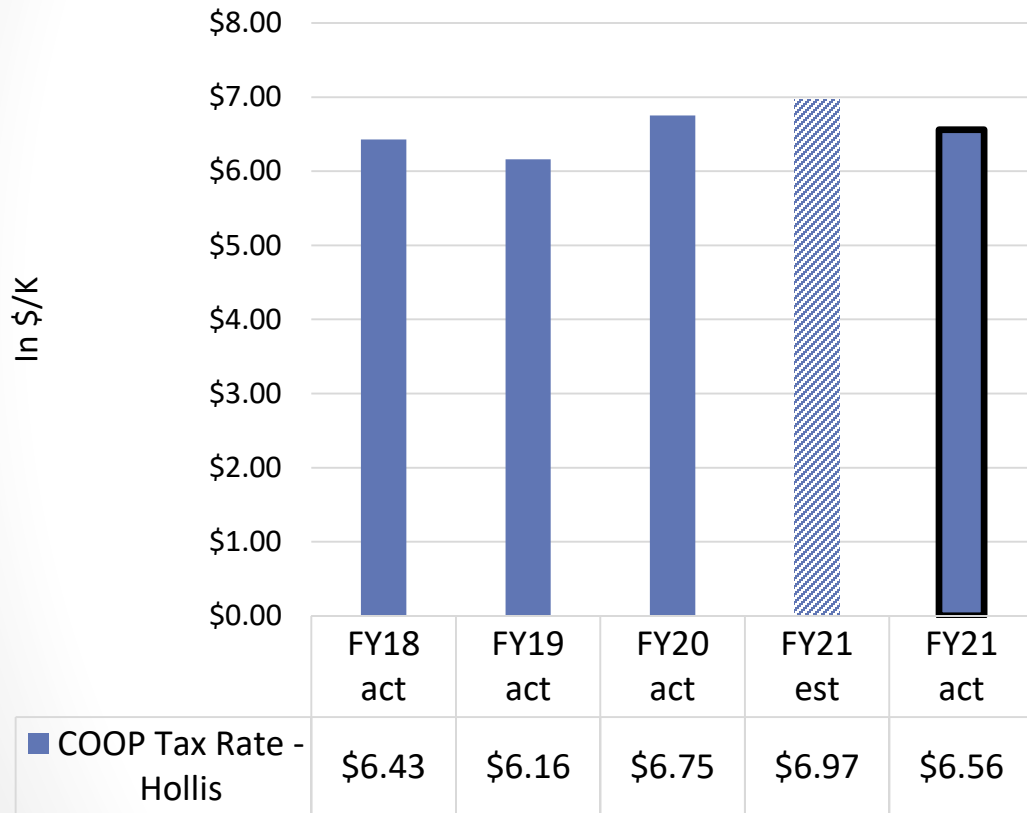


■ COOP Budget ■ Local COOP Tax Effort

Tax Effort Impact on Tax Rates

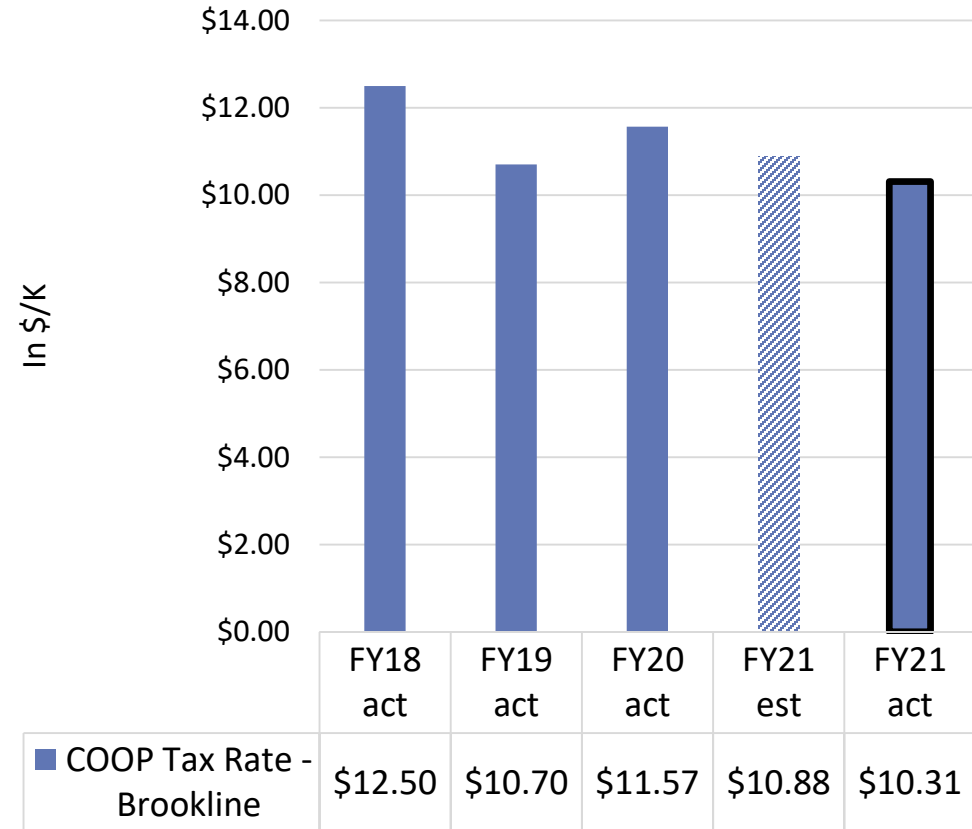
Reduced tax effort in FY21 resulted in COOP tax rate reductions for the current year

COOP Tax Rate - Hollis



FY21 Total Tax Rate change **+\$0.08/k**

COOP Tax Rate - Brookline



FY21 Total Tax Rate change **-\$2.07/k**

Rates not adjusted for inflation

COOP Revenue & State Aid

COOP REVENUE	FY21	FY22	\$ change
Total COOP Revenue	\$2,867,089	\$1,763,862	-\$1,103,227

Estimated reductions in Special Education Aid and Unreserved Fund Balance

STATE AID	FY21 Hollis	FY22 Hollis	\$ Change	FY21 Brookline	FY22 Brookline	\$ Change
Adequacy Grant	\$1,132,711	\$1,106,724	-\$25,987	\$2,806,710	\$2,078,114	-\$728,596
SWEPT Reim	\$1,391,050	\$1,426,556	\$35,516	\$657,877	\$635,878	-\$21,999
TOTAL STATE AID	\$2,523,761	\$2,533,280	\$9,529	\$3,464,587	\$2,713,992	-\$750,595

Brookline's state aid lower due to elimination of Disparity Aid in FY22, additional \$ impact to BSD (legislative action necessary to reinstate)

Drivers of Change in FY22 Tax Effort

Revenue and aid reductions account for 67% of the estimated increase in Tax Effort

	\$ impact in \$M	Directional Change	Impact to Tax Effort
Budget	\$0.886	↑	↑
Revenue	\$1.103	↓	↑
State Aid	\$0.741*	↓	↑
Total Change in Tax Effort	\$2.730		↑

*Brookline only, additional ~\$550K impact to BSD

Summary of Financial Impacts

Increased Local Tax Effort due lower COOP revenue and elimination of Disparity Aid for Brookline

<i>Assumes all articles pass as written</i>	FY21	FY22	\$ change
Total Budget	\$24,882,466	\$25,768,657	\$886,191
<i>less</i> COOP Revenue	\$2,867,089	\$1,763,862	(\$1,103,227)
Amount to be Apportioned	\$22,015,377	\$24,004,795	\$1,989,418
<i>Less</i> Retained Tax (SWEPT) Reimbursement	\$2,048,927	\$2,062,434	\$13,517
<i>Less</i> Adequacy Grant	\$3,939,421	\$3,184,838	(\$754,583)
Local Tax Effort*	\$16,027,029	\$18,757,523	\$2,730,484

*Local Tax Effort represents amount to be raised by Local COOP tax rate by both Hollis and Brookline.

Apportionment

95% ADM/5% EV on non-bonded costs, 100% EV on bonded costs +\$1H

FY22 Apportionment	FY21 ADM est	2020 EV est	Net App %	Local Tax Effort %
Hollis	53.7%	69.0%	54.8%	56.6%
Brookline	46.3%	31.0%	45.2%	43.4%

ADM = Average Daily Membership, EV = Equalized Value

Estimated Tax Impacts by Town

FY22	TOTAL COOP	Hollis	Brookline
Total appropriations	\$25,768,657		
COOP Revenue	(\$1,763,862)		
Net to be Apportioned	\$24,004,795	\$13,152,754	\$10,852,041
Less State Aid	(\$5,247,272)	(\$2,533,280)	(\$2,713,992)
Local Tax Effort	\$18,757,523	\$10,619,473	\$8,138,049
FY22 EST COOP Local Tax Rate/k		\$7.58*	\$11.95*
FY21 COOP Local Tax Rate/k		\$6.56	\$10.31
% change in COOP Tax Rate		15.5%	15.9%
% change in Total Tax Bill		4.4%	6.0%

*Potential legislative solutions can result in COOP tax rate/K of \$7.46 H, \$10.65 B

Potential Legislative Funding Solutions

SB 72: State would pay 15% of NHRS Employer Contributions for Teachers
 HB 623: Reinstate state education grants for FY22 and FY23 to FY21 levels

	\$ impact in \$M	Impact to Tax Effort	Est Impact to Tax Rate - Hollis	Est Impact to Tax Rate - Brookline
SB72	\$0.295	↓	-\$0.12/K	-\$0.20/K
HB623	\$0.751 Brookline*	↓		-\$1.10/k
Net Change to Tax Effort		-\$1.046M		

* Also restores ~\$550K to BSD

Public Hearing

Public Hearing

- Introduce the articles with stated financial impact to be voted on at District Meeting
- Public Input may be provided per article
- After Public Hearing of all articles, the Budget Committee will deliberate and take positions on all warrant articles.
- Amount of budget article may be amended by Budget Committee
- 10% Maximum Allowable Appropriation limits the maximum appropriation amount which may be recommended at the District Meeting

Public Input

- Input is restricted to Hollis and Brookline residents of voting age
- Exception may be made for administration or others as necessary for clarification
- Input will be requested per article
- Zoom participants will be muted during the Public Hearing
- Please use the “Raise Hand” feature in Zoom to identify that you would like to provide public input
- Once recognized, please state your name and address for the record
- Any questions should be directed to the Chair
- Speaking time of 2 minutes
- May speak again to an article after all others have had an opportunity
- Please be brief if your point has been made by others

Hand Raising in Zoom

To Participate by Phone using Zoom:

You may call in to one of the following numbers: 1-929-205-6099 / 1-312-626-6799 / 1-301-715-8592 then enter the Meeting ID # **945 5763 1454**

*To raise your hand, press *9*

To Participate from a Computer equipped with a microphone (camera is optional):

Go to: zoom.us

Click: Join A Meeting

Enter Meeting ID # **945 5763 1454**

Enter Meeting Passcode # **yyH1A0**

To raise your hand, click Participants button on the bottom then click Raise hand on lower right side

To Participate from a Smartphone or Tablet:

You may download the Zoom Cloud Meetings app

Then click Join Enter Meeting ID # **945 5763 1454**

Enter Meeting Passcode # **yyH1A0**

To raise your hand, click More... on bottom right then click Raise hand

Support Staff Contract

Article 1. To see if the school district will vote to approve the cost items for the first year of a three-year collective bargaining agreement reached between the Hollis Brookline Cooperative School Board and the Hollis Education Support Staff Association for the 2021-22, 2022-23 and 2023-24 school years, which calls for the following increases in support staff salaries and benefits at the current staffing levels:

Fiscal Year Estimated Increase 2021-22

\$117,065

Support Staff Contract (con't)

and further to raise and appropriate a sum of **\$117,065** for the first fiscal year (2021-22 school year), such sum representing the additional costs attributable to the increase in support staff salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

The school board recommends this appropriation (0-0-0). TBD

The budget committee recommends this appropriation (6-0-1).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$ 0.05	\$0.08
\$/100K	\$5	\$8

Support Staff Contract Summary

Highlights of 3 Year Contract

➤ Wages

- Year 1- Step plus 2%, Year 2 – Step plus 2%, Year 3- Step plus 2%
- 2.5% for employees off-step for all three years

➤ Health Insurance

- \$50 increase annually for Single and 2 Person, \$25 annually for Family

➤ Shift Category of Custodial staff in Year 1

➤ Establishes Flexible Spending Accounts (no cost to district)

Wage and Insurance Breakdown

	Step	Overall	On Step	OffStep	Off Step	Total	Insurance	Total CBA
	% Incr	% Incr	\$	% Incr	\$	Wage Impact	Incr	\$ Incr
Year 1	2.0%	7.0%	\$ 51,980	2.5%	\$ 47,085	\$ 99,065	\$18,000	\$ 117,065
Year 2	2.0%	5.4%	\$ 42,484	2.5%	\$ 28,039	\$ 70,523	\$18,000	\$ 88,523
Year 3	2.0%	4.9%	\$ 41,178	2.5%	\$ 27,549	\$ 68,727	\$18,000	\$ 86,727
	AVG	5.7%	\$ 135,642		\$ 102,673	\$ 238,315		

The 7% increase in Year 1 due to Custodial category shifts.

Professional Staff Contract

Article 2. To see if the school district will vote to approve the cost items for the first year of a three-year collective bargaining agreement reached between the Hollis Brookline Cooperative School Board and the Hollis Education Association for the 2021-22, 2022-23 and 2023-24 school years, which calls for the following increases in professional staff salaries and benefits at the current staffing levels:

Fiscal Year	Estimated Increase	Fiscal Year	Estimated Increase	Fiscal Year	Estimated Increase
2021-22	\$228,316	2022-23	\$294,057	2023-24	\$330,369

Professional Staff Contract (con't)

and further to raise and appropriate a sum of **\$228,316** for the first fiscal year (2021-22 school year), such sum representing the additional costs attributable to the increase in professional staff salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

The school board recommends this appropriation (0-0-0). TBD

The budget committee recommends this appropriation (6-1-0).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$ 0.09	\$0.15
\$/100K	\$9	\$15

Professional Staff Contract Summary

Highlights of 3 Year Contract

➤ Wages

- Year 1- Step plus .75%, Year 2 – Step plus 1.5%, Year 3- Step plus 1.75%
- Off-step employees receive only the negotiated annual table increases
- Increase in rate as teacher substitute to \$35/hour

➤ Language changes

- Updated for sidebar agreement and current conditions

Operating Budget

Article 3. To see if the school district will vote to raise and appropriate a sum of \$24,160,377 for the support of schools, for the payment of salaries for the school district officials and agents and for the payment of statutory obligations of the district. This appropriation does not include appropriations voted in other warrant articles.

The school board recommends this appropriation (0-0-0). TBD

The budget committee recommends this appropriation (6-1-0).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$7.16	\$11.23
\$/100K	\$716	\$1123

Summary of Operating Budget Changes

	FY21 Budget	FY22 Budget	\$ Change	% Change
Op Budget	\$23,580,211*	\$24,160,377	\$580,166	2.5%

- 1.85 FTE change additional HBHS Case Manager, shared Facilities Substitute, expanded SRO
- Continue cyclical technology upgrades

* FY21 Operating Budget reflects Operating Budget plus Support Staff article approved June 2020

Major Changes – INCREASES

Category	FY22 Budget Amount	\$ change	% change	Reason
Student Services	\$5,007,617	\$417,266	9.1%	Changes in student programming, including transportation
Retirement (NHRS)/FICA	\$2,127,480	\$306,823	16.9%	Biennial NHRS rate change
Healthcare	\$2,194,201	\$197,705	9.9%	Increase in Guaranteed Maximum Rate, 10.9%
Technology	\$226,745	\$22,180	10.8%	Continue phased tech replacement
New Items	\$274,351			Staffing changes, maintenance, textbooks, security

Major Changes – DECREASES

Category	FY22 Budget Amount	\$ change	% change	Reason
Professional Development	\$0	(\$105,000)	(100%)	Based on CBA
Retiree Benefits	\$0	(\$48,908)	(100%)	No planned retirements in FY22
Buildings & Grounds	\$786,425	(\$267,332)	(25.4%)	Reprioritized maintenance items
Salaries	\$5,830,477	(\$171,940)	(2.9%)	Fewer lane changes (\$81K), remaining due to attrition
Transfers	\$825,000	(\$127,000)	(13.3%)	Reduced transfers to trust funds for Facilities Maintenance and Special Education trust funds

SAU Budget

Article 4. Shall the District vote to raise and appropriate the sum of **\$997,899** as the Hollis Brookline Cooperative School District's portion of the SAU budget of **\$1,953,257** for the forthcoming fiscal year? This year's adjusted budget of **\$1,918,864** with **\$980,328** assigned to the school budget of this school district will be adopted if the article does not receive a majority vote of all the school district voters voting in this school administrative unit.

The school board recommends this appropriation (0-0-0). TBD

The budget committee recommends this appropriation (6-1-0).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$0.39	\$0.67
\$/ \$100K	\$39	\$67

SAU Budget

FY21 Budget	FY22 Proposed Budget	\$ change	% change	FY22 Adjusted Budget
\$1,783,100	\$1,953,257	\$170,156	9.5%	\$1,918,864

Budget Drivers	\$ Change from FY21 Budget	Details
Salaries	+\$67,839	<ul style="list-style-type: none"> Asst Superintendents (2) +3% All others 2% \$16K Board approved salary adjustments
Benefits: NHRS	+\$56,318	<ul style="list-style-type: none"> NHRS Teacher rate change 17.8% to 21.02% NHRS Employee rate change 11.17% to 14.06%
Benefits: Healthcare	+\$18,826	<ul style="list-style-type: none"> GMR rate incr 10.9%
Benefits: Associated Taxes	+\$8,349	<ul style="list-style-type: none"> Corresponding to higher salaries
Revenue: Loss of use of fund balance increased appropriation	+\$26,864	<ul style="list-style-type: none"> Fund balance too close to target

Discontinue Athletics Expendable Trust

Article 5. Discontinue Athletic Expendable Trust. Shall the school district vote to discontinue the Athletic Expendable Trust fund? Said funds and accumulated interest to date of withdrawal, are to be transferred to the school district's general fund. (Majority vote required).

The school board recommends this appropriation (0-0-0). TBD

The budget committee recommends this appropriation (7-0-0).

Establish Athletics Revolving Fund

Article 6. Establish Athletics Revolving Fund. Shall the school district establish a non-lapsing Athletics Revolving Fund in accordance with RSA 194:3-c, to be funded by receipts from athletic participation fees and charges? Further, to raise and appropriate up to **\$50,000** to put into that fund for the purpose of supporting athletic programs in the district, with said amount to come from unassigned general fund balance (resulting from the previously discontinued Athletic Expendable Trust and participation fees collected in 2020-21). The money received from athletic fees and charges shall be allowed to accumulate from year to year in this revolving fund, and shall not be considered part of the general fund unassigned fund balance. Expenditures may be made from this revolving fund only for the purposes stated herein at monthly intervals or as needed without further approval of the legislative body. (Majority vote required).

The school board recommends this appropriation (0-0-0). TBD

The budget committee recommends this appropriation (7-0-0).

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$0.02)	(\$0.03)
/\$100K	(\$2)	(\$3)

Facilities Maintenance Expendable Trust

Article 7. To see if the school district will vote to raise and appropriate up to the sum of **\$115,000** to be added to the previously established School Building and Facilities Maintenance Expendable Trust Fund. The sum to come from the Hollis Brookline Cooperative School District's June 30, 2021 unassigned fund balance, available on July 1, 2021.

The school recommends this appropriation (0-0-0). TBD

The budget committee recommends this appropriation (6-1-0).

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$0.04)	(\$0.08)
\$/ \$100K	(\$4)	(\$8)

Fund Utilization

FY22	in \$K
Beginning Balance	\$85,000
FY22 Proposed Funding	\$115,000
HBHS Roof – Phase IV	(\$35,000)
HBHS Road Paving – Phase 2	(\$80,000)
Ending Balance	\$85,000

Additional \$117K in facilities maintenance items included in Operating Budget.

Contingency

Article 8. To see if the school district will vote to establish a contingency fund for the current year for unanticipated expenses that may arise and further to raise and appropriate up to **\$100,000** to go into the fund. This sum to come from the unassigned fund balance available on July 1, 2021, and no amount to be raised from taxation. Any appropriation left at the end of the year will lapse to the general fund.

The school board recommends this appropriation (0-0-0). TBD

The budget committee does not recommend this appropriation (3-4-0).

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$0.04)	(\$0.07)
\$/ \$100K	(\$4)	(\$7)

Access to Unanticipated Funds

Article 9. Shall the school district accept the provisions of RSA 198:20-b providing that any school district at an annual meeting may adopt an article authorizing indefinitely, until specific rescission of such authority, the school board to apply for, accept and expend, without further action by the school district, unanticipated money from a state, federal or other governmental unit or a private source which becomes available during the fiscal year?

The school board recommends this article (0-0-0). TBD

Article 10. (Contingent Article). If Article 9 passes, this article is unnecessary: to see if the school district will authorize the Hollis Brookline Cooperative School Board to access future year state and federal special education aid funds in the event that special education costs exceed budget limitations.

The school board recommends this article (0-0-0). TBD

Petition Articles

Article 11. Shall we adopt the provision of RSA 32:5 V-b requiring that the annual budget and all special warrant articles having a tax impact, as determined by the school board, shall contain a notation stating the estimated tax impact of the article? The determination of the estimated tax impact shall be subject to approval by the governing body. Submitted by Citizen Petition.

The school board position TBD

The budget committee position does not recommend this article. (0-7-0)

Other School District Business

Article 11. To transact any other business which may legally come before said meeting.

Budget Committee Recommendations

FY22 Warrant Summary

Article	Content	\$ Amount
Article 1	HESSA Contract	\$117,065
Article 2	HEA Contract	\$228,316
Article 3	School Operating Budget	\$24,160,377
Article 4	SAU Budget	\$997,899
Article 6	Athletics Revolving Fund	\$50,000
Article 7	Facilities Maintenance Trust	\$115,000
Article 8	Contingency	\$100,000
	Total \$ if all pass as written	\$25,768,657 3.6%

Petition Articles

COOP Public Hearings scheduled in Hollis on 2/10 and Brookline on 2/11:

- Adopt SB2
- Tax Cap of 4%
- Amend COOP Articles of Agreement for grade reduction to grades 9-12
- Anti Discrimination

Brookline School District Petition Article:

- Petition article to expand grades in BSD to K-8