

FY23 Budget Hearing

February 2, 2022

Hollis Brookline Cooperative School District

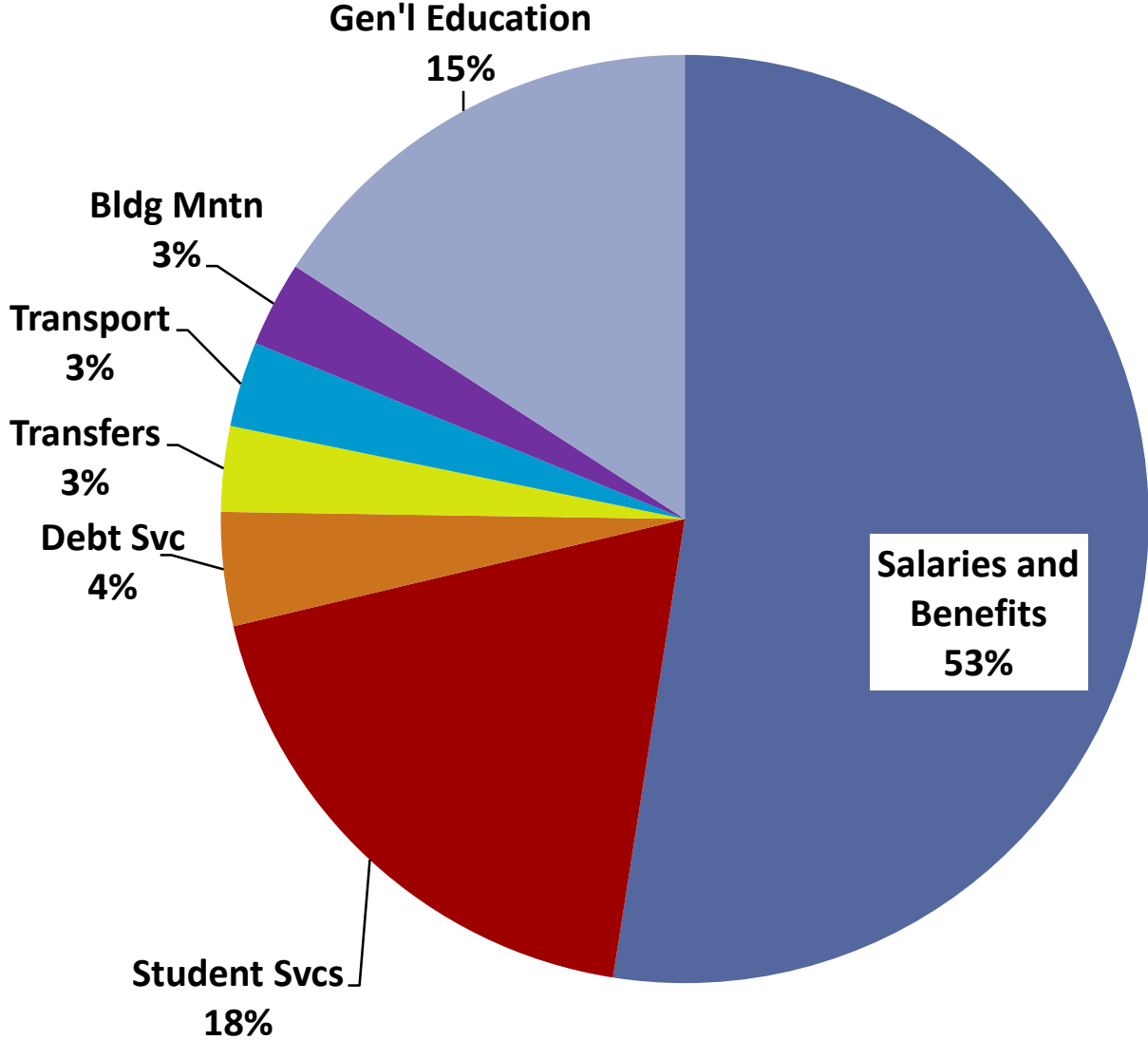
Presented by:

Hollis Brookline Cooperative Budget Committee

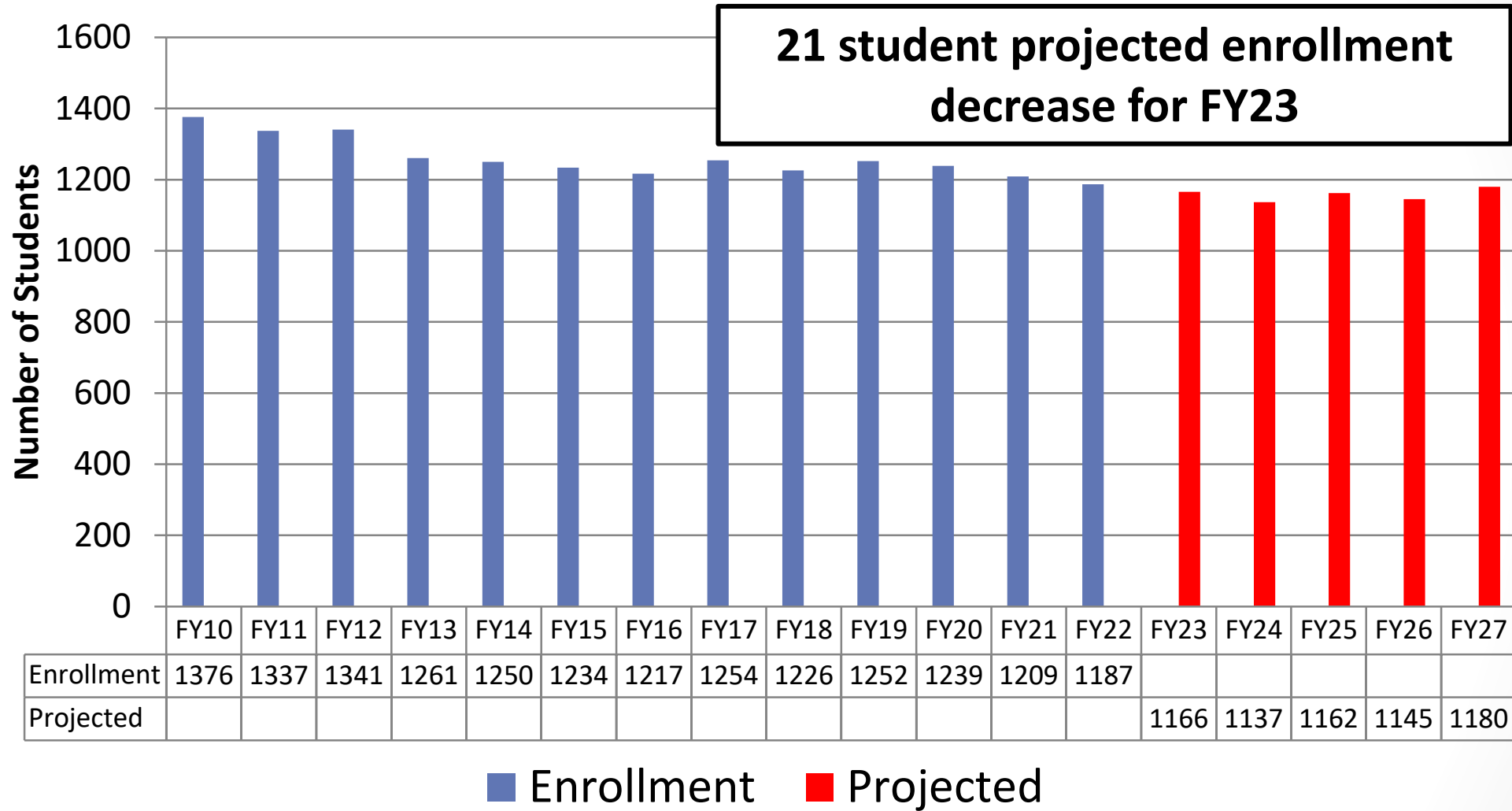
FY23 Warrant Summary

Article	Content	\$ Amount
Article 1	Ventilation/Energy Upgrades- Lease	\$235,471
Article 2	HESSA Contract	\$88,523
Article 3	School Operating Budget	\$25,278,502
Article 4	SAU Budget	\$1,070,947
Article 5	Facilities Maintenance Trust	\$200,000
Article 6	Special Education	\$25,000
	Total \$ if all pass as written	\$26,898,443 4.8%

FY23 Budget Distribution

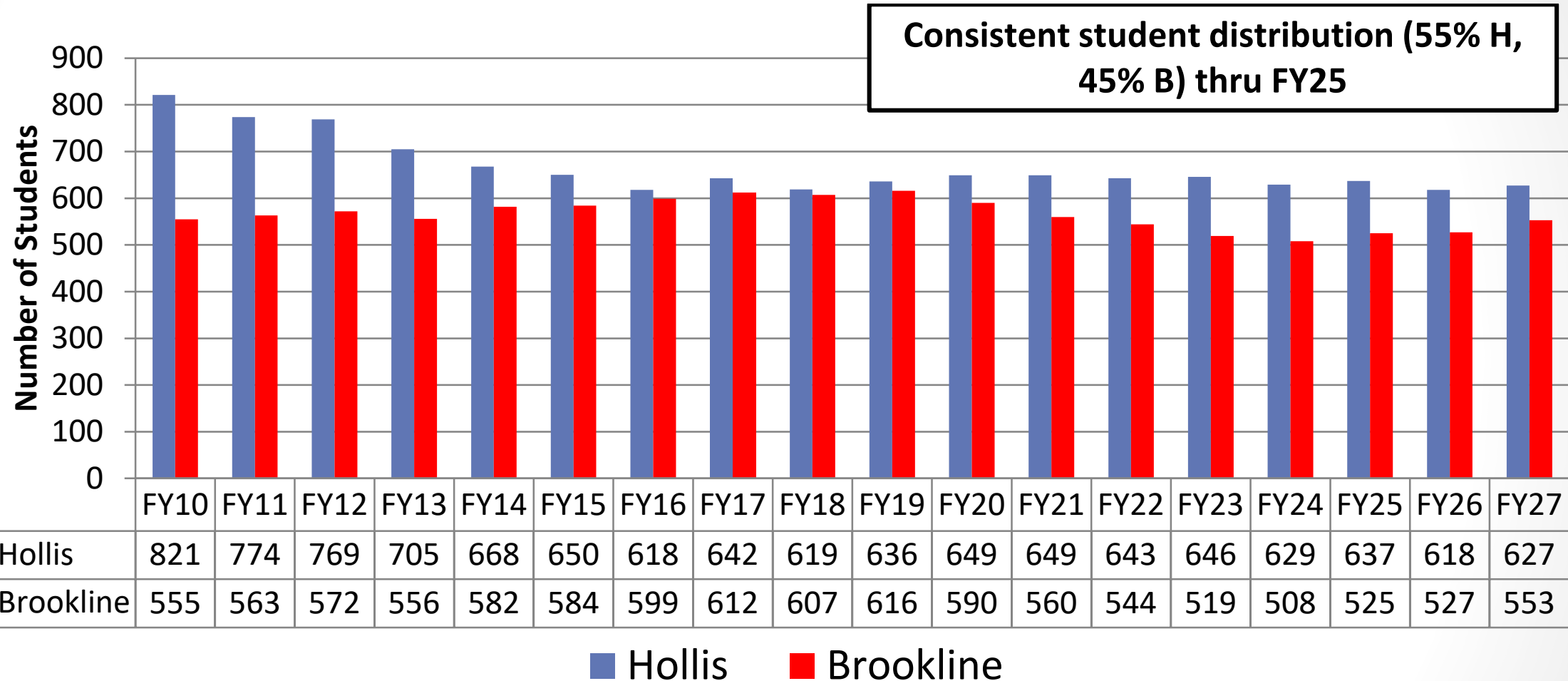


COOP Student Enrollment



Source: 10/2021 NESDEC

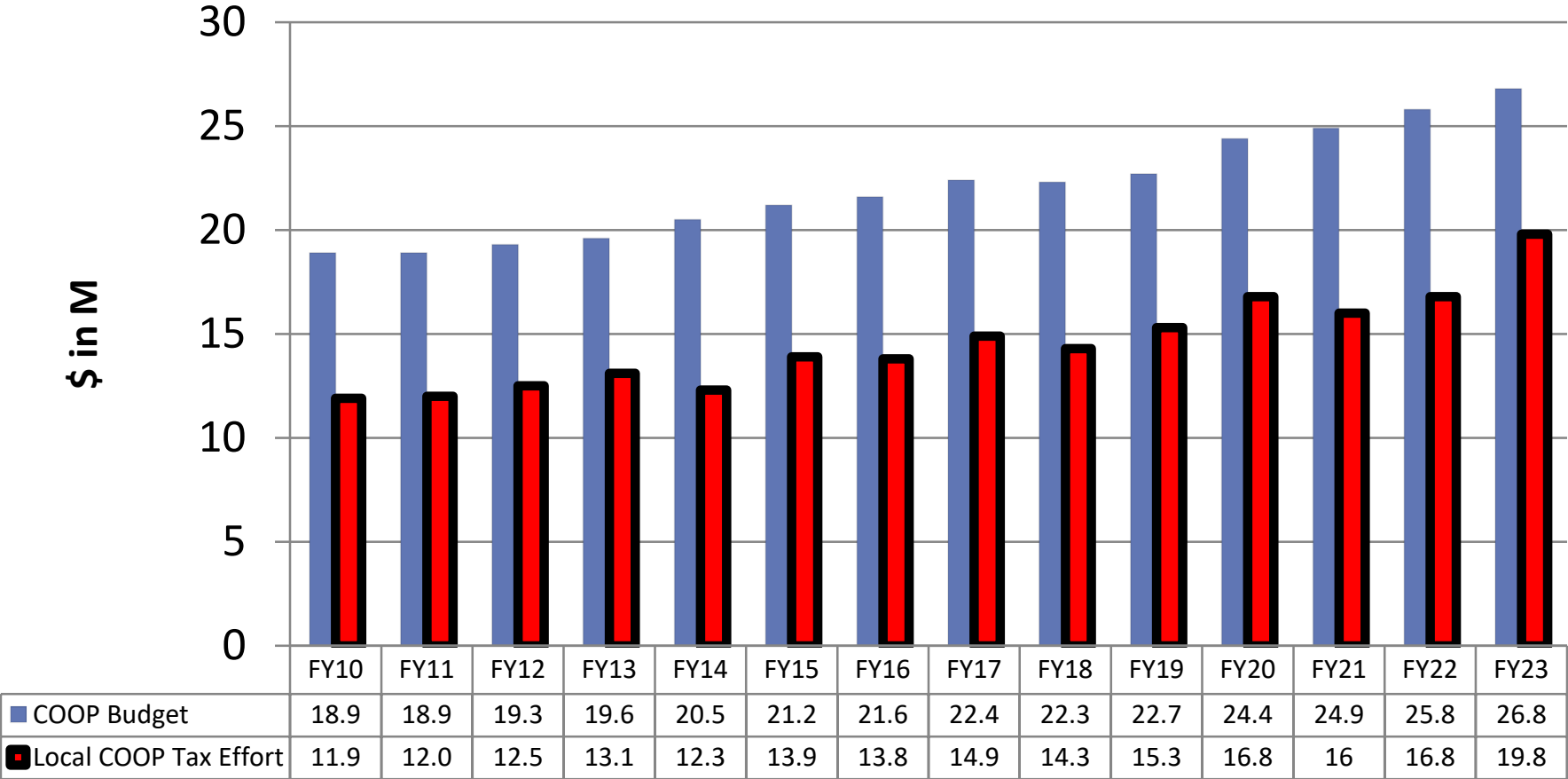
Enrollment Composition



SOURCE: 10/2021 NESDEC

Local COOP Tax Effort Trend

FY22 Tax Effort lower than estimated due to budget underruns related to COVID related programming changes

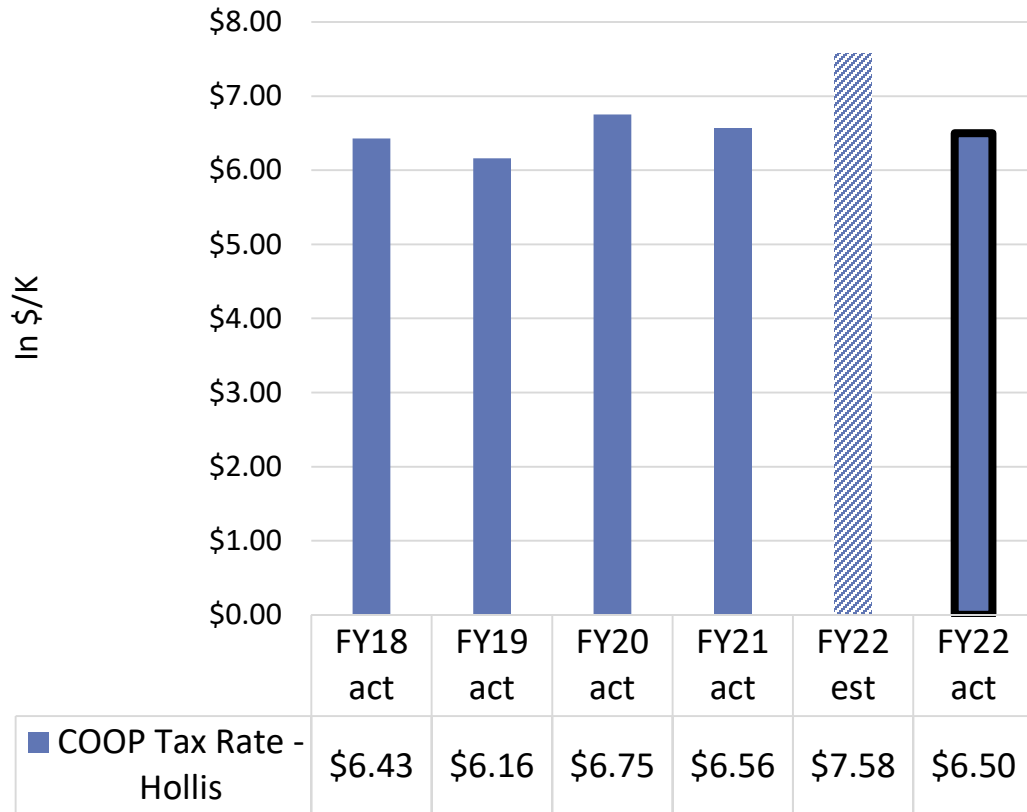


■ COOP Budget ■ Local COOP Tax Effort

Tax Effort Impact on Tax Rates

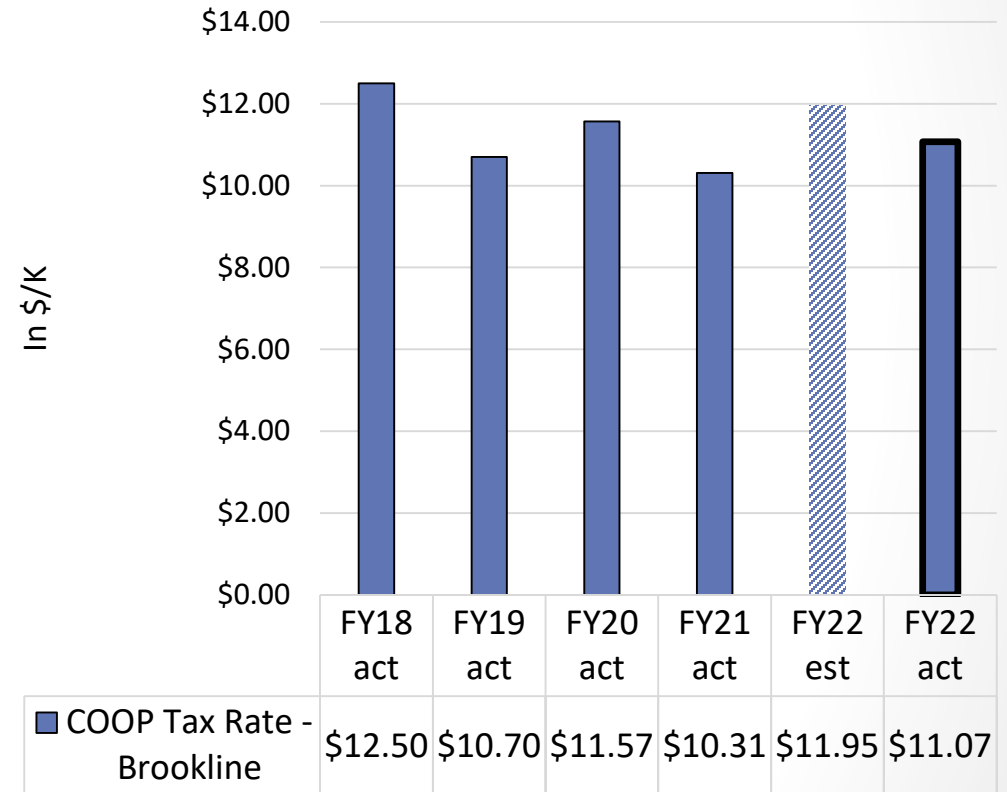
The return of higher than expected Unreserved Fund Balance resulted in COOP tax rates that were lower than estimated.

COOP Tax Rate - Hollis



FY22 Total Tax Rate change $-\$.48/k$

COOP Tax Rate - Brookline



FY22 Total Tax Rate change $+\$.78/k$

Rates not adjusted for inflation

COOP Revenue & State Aid

COOP REVENUE	FY22	FY23	\$ change
Total COOP Revenue	\$3,525,241	\$1,958,862	(\$1,566,379)

Estimated reduction in Unreserved Fund Balance

STATE AID	FY22 Hollis	FY23 Hollis	\$ Change	FY22 Brookline	FY23 Brookline	\$ Change
Adequacy Grant	\$1,191,801	\$1,536,218	\$344,417	\$2,095,742	\$2,186,167	\$90,425
SWEPT	\$1,424,312	\$990,067	(\$434,245)	\$641,679	\$454,269	(\$187,410)
TOTAL STATE AID	\$2,616,113	\$2,526,285	(\$89,828)	\$2,737,421	\$2,640,436	(\$96,985)

Estimated reductions in aid due to anticipated enrollment change

Drivers of Change in FY23 Tax Effort

Revenue and aid reductions account for 60% of the estimated increase in Tax Effort

	\$ impact in \$M	Directional Change	Impact to Tax Effort
Budget	\$1.230	↑	↑
Revenue	\$1.566	↓	↑
State Aid	\$0.187	↓	↑
Total Change in Tax Effort	\$2.983	↑	↑

Summary of Financial Impacts

Increased Local Tax Effort due lower COOP revenue and reduced state aid

<i>Assumes all articles pass as written</i>	FY22	FY23	\$ change
Total Budget	\$25,668,657	\$26,898,443	\$1,229,785
<i>less</i> COOP Revenue	\$3,525,241	\$1,958,862	(\$1,566,379)
Amount to be Apportioned	\$22,143,416	\$24,939,581	\$2,796,164
<i>Less</i> Retained Tax (SWEPT) Reimbursement	\$2,065,992	\$1,444,336	(\$621,656)
<i>Less</i> Adequacy Grant	\$3,287,543	\$3,722,385	\$434,842
Local Tax Effort*	\$16,789,881	\$19,772,859	\$2,982,978

*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

FY23 Apportionment	FY22 ADM est	2021 EV est	Net App %	Local Tax Effort %
Hollis	54.8%	67.7%	55.9%	57.8%
Brookline	45.2%	32.3%	44.1%	42.2%

ADM = Average Daily Membership, EV = Equalized Value

Estimated Tax Impacts by Town

FY23	TOTAL COOP	Hollis	Brookline
Total appropriations	\$26,898,443		
COOP Revenue	(\$1,958,862)		
Net to be Apportioned	\$24,939,581	\$13,931,711	\$11,007,870
Less State Aid	(\$5,166,721)	(\$2,526,285)	(\$2,640,436)
Local Tax Effort	\$19,772,859	\$11,405,426	\$8,367,433
FY23 EST COOP Local Tax Rate/k		\$7.97	\$11.98
FY23 EST COOP SWEPT/k		\$0.70	\$0.66
FY23 EST TOTAL COOP TAX RATE/k		\$8.67	\$12.64
FY22 TOTAL COOP TAX RATE/k		\$7.52	\$12.02
% change in TOTAL COOP Tax Rate		15.3%	5.2%
% change in Total Tax Bill		5.4%	2.2%

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 and School Board 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
- 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

Ventilation and Energy Upgrades

Article 1. To see if the School District will vote to authorize the School Board to enter into a 15-year lease purchase agreement for **\$2,886,491** to finance the acquisition and installation of energy efficient cooling equipment at Hollis Brookline High School to replace aging equipment, bring comfort to staff and students and to improve energy efficiency; and to raise and appropriate the sum of **\$235,471** for payments due under the lease purchase agreement during the 2022-2023 fiscal year. This lease purchase agreement will contain an escape (non-appropriation) clause.(Majority vote required.)

The school board recommends the appropriation (6-0-0).

The budget committee recommends this appropriation (8-0-0).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$ 0.11	\$0.11
\$/100K	\$11	\$11

Project Overview

Energy Efficiencies/Aging Equipment Upgrades				
Proposed Lease				
Estimated Costs-Phase I				
Year Installed	Unit Name	Areas Served	CFM	Total
1996	HVAC-3	Media Center/Library	5010	\$370,018
1996	HV-2	Special Ed-Fiemus-2nd Floor	2260	\$357,022
1996	RTU-1	2nd & 3rd Floor Front Facing Classrooms (#201-204, 300-307, 317,318)	12280	\$476,284
1996	RTU-2	2nd & 3rd Floor Courtyard Classrooms (#216-222, 309,323,329)	12490	\$476,284
1996	HRU-1	Classrooms/Lockers	380E/2380S	\$300,601
2000	RTU-1C	Addition Wing (2000) Classrooms/Labs (2nd & 3rd Floor)	12000	\$476,284
Phase I Subtotal				\$2,456,491
Contingency				\$130,000
Electrical Upgrade				\$300,000
Phase I Total Costs				\$2,886,491

Support Staff Contract

Article 2. To see if the school district will vote to approve the cost items for the second 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 2022-23

\$88,523

and further to raise and appropriate a sum of **\$88,523** for the second fiscal year (2022-23 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 (6-0-0).

The budget committee does/does not recommend this appropriation (7-0-1).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$ 0.03	\$0.06
\$/100K	\$3	\$6

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.

Operating Budget

Article 3. To see if the school district will vote to raise and appropriate a sum of **\$25,278,502** 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 (6-0-0).

The budget committee recommends this appropriation (8-0-0).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$7.50	\$11.28
\$/100K	\$750	\$1128

Summary of Operating Budget Changes

	FY22 Budget	FY23 Budget	\$ Change	% Change
Op Budget	\$24,505,758*	\$25,278,502	\$772,744	3.2%

- FTE changes
- Maintenance/Safety Items
- Technology (software, computers)
- Academics
- Athletics

* FY22 Operating Budget reflects Operating Budget plus Professional & Support Staff article approved April 2021

Major Changes – INCREASES

Category	FY23 Budget Amount	\$ change	% change	Reason
Regular Salaries	\$6,200,564	\$172,975	2.9%	Contracted increases
Student Services	\$5,137,206	\$147,943	2.8%	Programming changes, incl savings in transportation
Retirement	\$2,361,485	\$179,725	8.2%	Retirement benefit and NHRS increases
New Items	\$633,235			Shared positions, Social Worker, staff laptops, classroom projectors, facilities maintenance items

Major Changes – DECREASES

Category	FY23 Budget Amount	\$ change	% change	Reason
Health Benefits	\$2,157,164	(\$55,035)	(2.5%)	GMR 3.9%
Replacement Computer Eqpmt	\$77,165	(\$168,180)	(68.6%)	Completed phasing of computer upgrades
Principal's Office	\$346,375	(\$19,983)	(5.5%)	Copier lease savings
Reg Ed Equipmt	\$25,523	(\$11,710)	(31.5%)	Fewer purchases

SAU Budget

Article 4. Shall the District vote to raise and appropriate the sum of **\$1,070,947** as the Hollis Brookline Cooperative School District's portion of the SAU budget of **\$2,107,176** for the forthcoming fiscal year? This year's adjusted budget of **\$2,018,210** with **\$1,025,645** 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 (6-0-0).

The budget committee recommends this appropriation (8-0-0).

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$.42	\$.68
\$/100K	\$42	\$68

SAU Budget

FY22 Budget	FY23 Proposed Budget	\$ change	% change	FY23 Adjusted Budget
\$1,957,257	\$2,107,176	\$149,919	7.7%	\$2,018,210

Budget Drivers	\$ Increase over FY22 Budget	Details
Salaries	+\$70,192	<ul style="list-style-type: none"> • \$45,000 New Compliance & Communications Specialist Position • \$16,000 Board Approved Salary Adjustments • All Staff @ 3.0% Increase
Benefits: Healthcare	+\$64,042	<ul style="list-style-type: none"> • \$32,555 Benefits for New Compliance & Communications Specialist Position • Health Insurance Rates +3.9% • Health Insurance Membership Changes
Equipment/Software	+\$5,025	<ul style="list-style-type: none"> • Including \$3,700 for 4 Desktops, 1 Laptop

Proposed Compliance and Communications Specialist

Identified Need: The increasing demands for compliance documentation and other communication matters is absorbing significant time of senior district leadership and cutting into the time needed to carry out their primary functions of educational and fiscal management.

Salary and Benefits = \$77,555

\$45,000 salary + \$32,555 benefits

Position Goal: To generate compliance documentation and to provide assistance to the Superintendent and Assistant Superintendent in conveying important/required information regarding the school district to the Department of Education, school boards, the school community, and the members of the public.

Facilities Maintenance Expendable Trust

Article 5. To see if the school district will vote to raise and appropriate up to the sum of **\$200,000** 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, 2022 unassigned fund balance, available on July 1, 2022.

The school board recommends this appropriation (5-1-0).

The budget committee recommends this appropriation (8-0-0).

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$.08)	(\$.13)
\$/100K	(\$8)	(\$13)

Fund Utilization

FY23	in \$K
Beginning Balance	\$99,625
FY23 Proposed Funding	\$200,000
HBHS Roof – Phase 7	(\$70,000)
HBHS Road Paving – Phase 2	(\$70,000)
HBMS - HVAC	(\$60,000)
Ending Balance	\$99,625

Additional \$255,750K in facilities maintenance items included in Operating Budget.

Special Education Trust

Article 6. To see if the Hollis Brookline Cooperative School District will vote to raise and appropriate up to the sum of **\$25,000** to come from the June 30, 2022 unassigned fund balance available for transfer on July 1, 2022 to be added to the previously established Special Education Expendable Trust Fund. No amount to be raised from taxation.

The school recommends this appropriation (6-0-0).

The budget committee recommends this appropriation (8-0-0).

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$.01)	(\$.02)
\$/ \$100K	(\$1)	(\$2)

Petitioned Article

Article 7. Petitioned Warrant Article. Shall we adopt the provisions of RSA 40:13 (known as SB 2) to allow official ballot voting on all issues before the Hollis Brookline Cooperative School District on the second Tuesday of March?

The school board does not recommend this article. (0-6-0)

Public hearings on 2/16 in Brookline and 2/23 in Hollis.

Petitioned Article

Article 8. Petitioned Warrant Article. Shall the Hollis Brookline Cooperative School District rescind authorization under RSA 198:4-b II so that the Hollis Brookline Cooperative School District returns 100% of year-end unassigned general funds to the taxpayers?

The school board does not recommends this article. (0-6-0)

The budget committee does not recommend this article. (0-8-0)

Petitioned Article

Article 9. Petitioned Warrant Article. Shall the Hollis Brookline Cooperative School District direct the Hollis Brookline Cooperative School Board to adopt and implement a policy to ensure that each textbook or other assigned book used in the Hollis Brookline Cooperative School District as well as a copy of all professional training materials provided to teachers, administrators, and staff of the district paid with school district funds be made available to the public at the Hollis Social Library and at the Brookline Public Library in hardcopy or electronic form, organized by grade or teacher?

The school board does not recommend this article. (0-6-0)

Petitioned Article

Article 10. Petitioned Warrant Article. Shall we adopt the provisions 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.

The school board does not recommend this article. (0-6-0)

The budget committee does not recommend this article. (1-7-0)

Other School District Business

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

Budget Committee Recommendations

FY23 Warrant Summary

Article	Content	\$ Amount
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