

Apportionment Special District Meeting

Hollis Brookline Cooperative School District

January 29, 2020

6:30 p.m.

Background of Coop

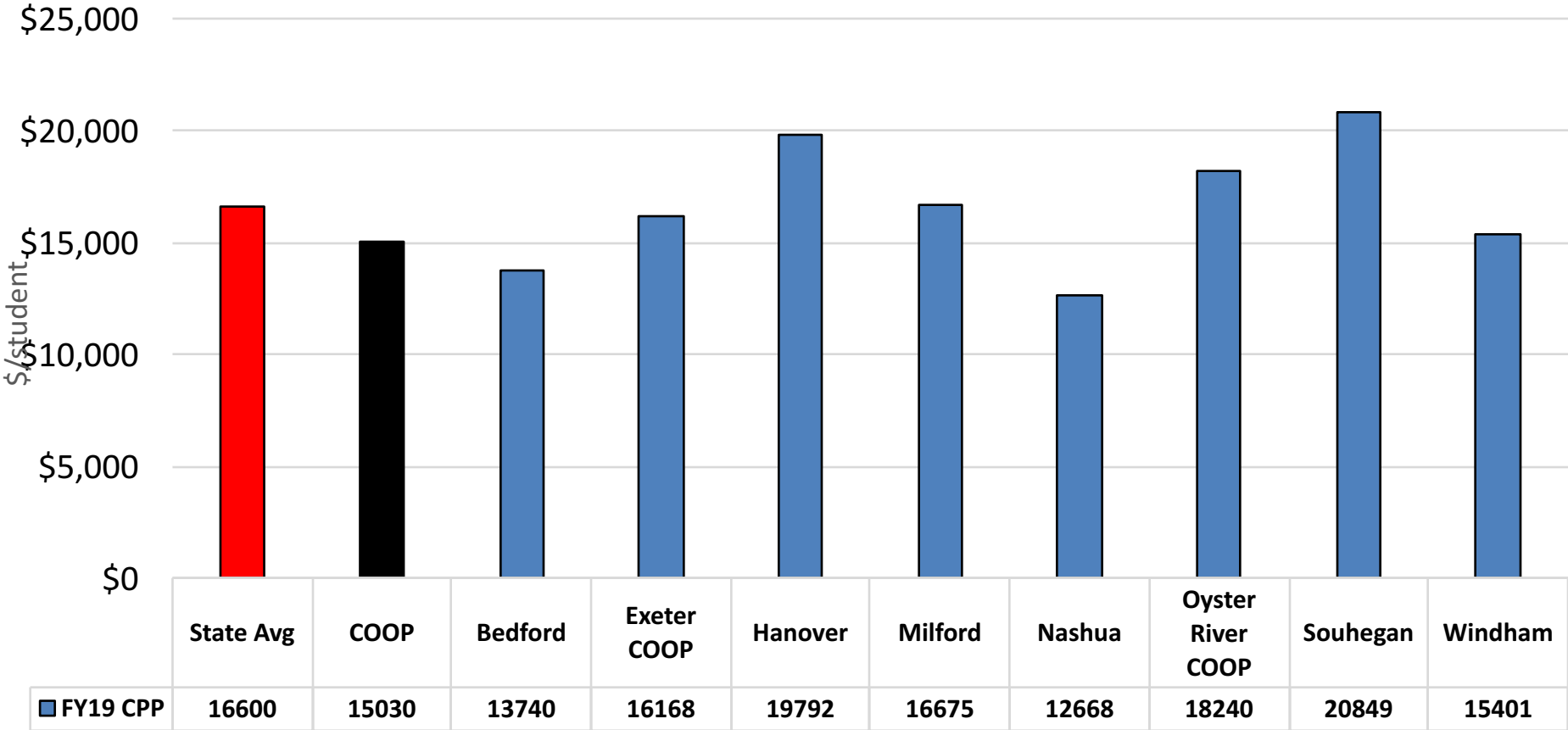
- **Cooperative School District Formed in 1991**
- **Articles of Agreement – Signed by both towns**
- **Purpose: Build a high school offering outstanding academic, arts and athletic programs**

Just a few HB Coop Highlights

- ✓ Ideal size schools to meet academic needs of all levels of students
- ✓ High School Academic programs including:
 - Accelerated Courses, Honors Programs and 17 AP Classes
 - Inclusionary Special Education Programs
- ✓ Award Winning Teachers in both HS & MS
- ✓ ACT, SAT and AP Scores Consistently top in the State
- ✓ AP District Honor Roll Recipient Consecutive Years
- ✓ Top STEM Schools for 2020 in the US (Newsweek), #2 in NH
- ✓ Award Winning Chorus & Bands
- ✓ Robust Performing Arts Departments
- ✓ DI, DII & DIII State Athletic Champs in MS and HS
- ✓ Unified Sports Program
- ✓ New Hampshire Math Team State Champions (2016, 2017)
- ✓ “We the People” State Champions (2020)
- ✓ Award Winning Robotics Program
- ✓ High School: 29 Clubs, 35 Athletic Programs
- ✓ Middle School : 19 Clubs, 13 Athletic Programs

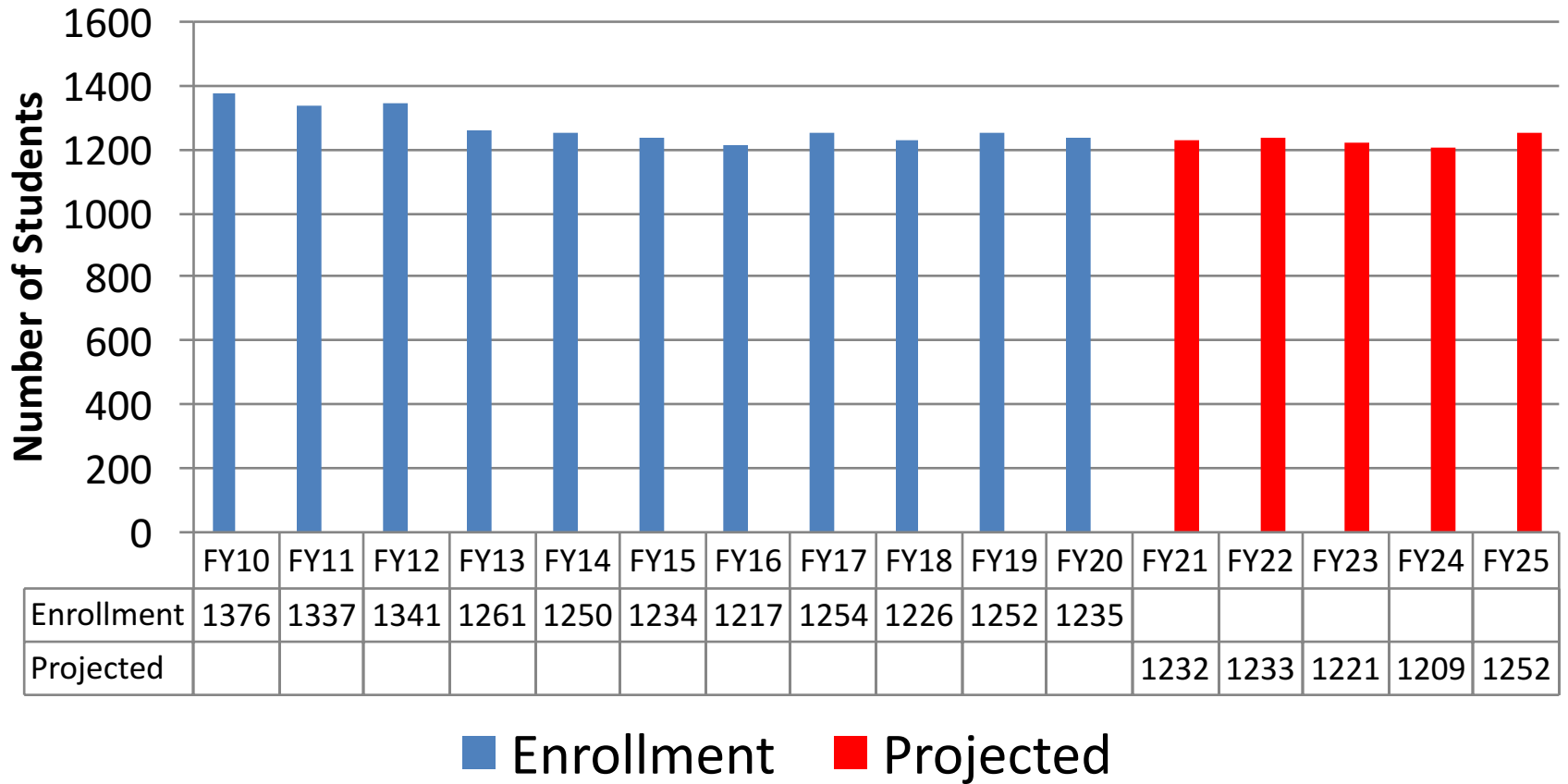
Comparative CPP

CPP for COOP is below state average and less than other NH districts



Source: NH DOE 2018-19 CPP by District, High School

COOP Student Enrollment



What is Apportionment?

- **Formula used to determine how to share costs of Coop School District between Hollis and Brookline**
- **Apportionment formula is set by simple majority vote at either an annual Coop School District meeting or at a Special District Meeting.**
- **Once a change in Apportionment Formula is adopted the formula is set for 5 years.**

GLOSSARY OF TERMS

AVERAGE DAILY MEMBERSHIP (ADM): A daily attendance record of pupils averaged over one year.

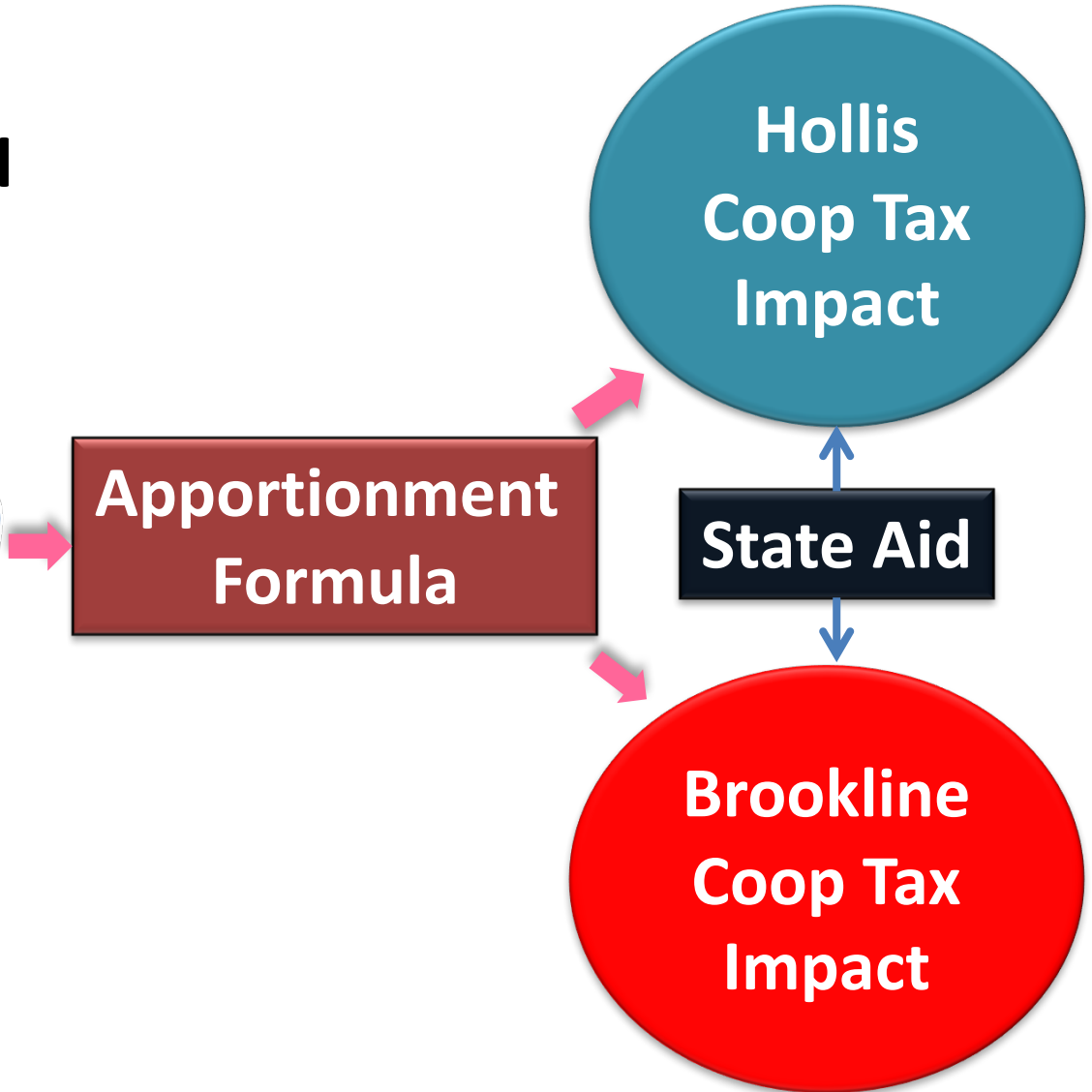
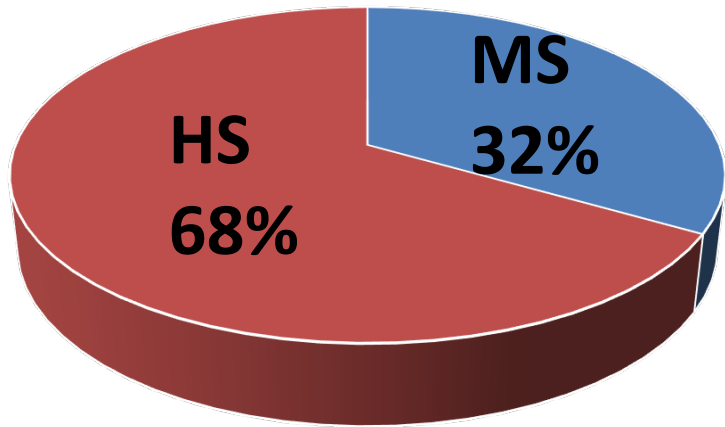
EQUALIZED VALUATION (EV): The State's valuation adjusted by a ratio of total assessed value for properties in a community to those properties' true market value.

TAX EFFORT: Dollars raised by property tax.

Total Cost – Revenue, Grants and Aid

HOW DOES APPORTIONMENT WORK

HB Cooperative School District Budget



Coop School Board Recommended Formula

95% ADM /5% EV Operating Budget

100% EV Capital Costs

Plus \$1.00 on Hollis Tax Effort (beginning FY 21)

- **November 7, 2019:** Joint meeting of Coop School Board and Coop Budget Committee resulted in this recommendation
- **December 11, 2019:** Coop School Board approved the recommendation 6-1

Components of Proposed Formula

Cost Element	%Based on EV	%Based on ADM	Rationale
Capital Debt (i.e. bonds, loans)	100%	0%	Facilities' Location
Operating Budget 10%	50%	50%	Non-programmatic costs that are not enrollment dependent
Operating Budget 90%	0%	100%	Programmatic costs-highly dependent on student population.

Results in:

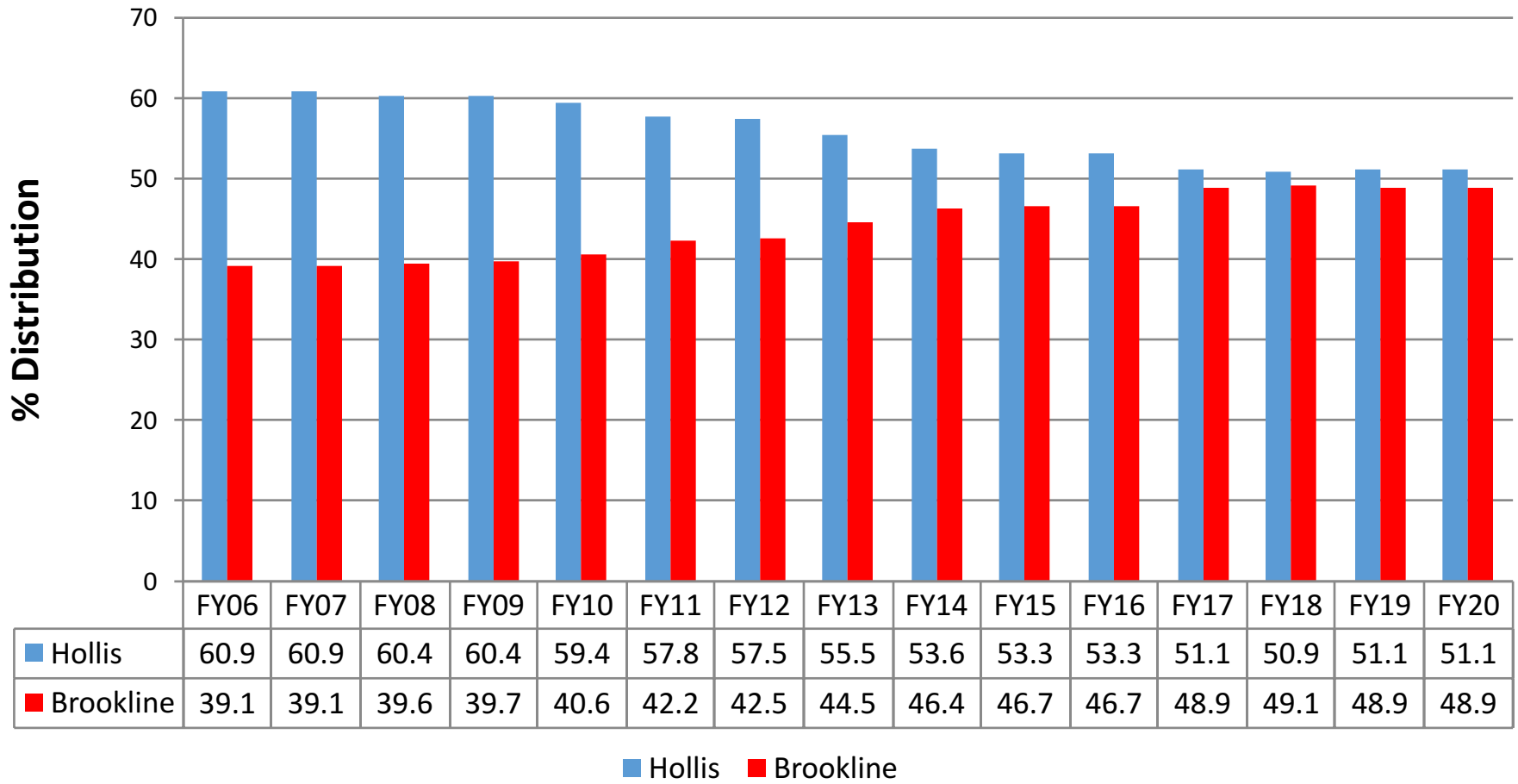
- **95% ADM/5% EV on the Operating Budget**
- **100% EV on the Capital Expenses**
- **+ \$1.00 on Hollis Tax Effort (new for FY 21)**

Why add the \$1.00

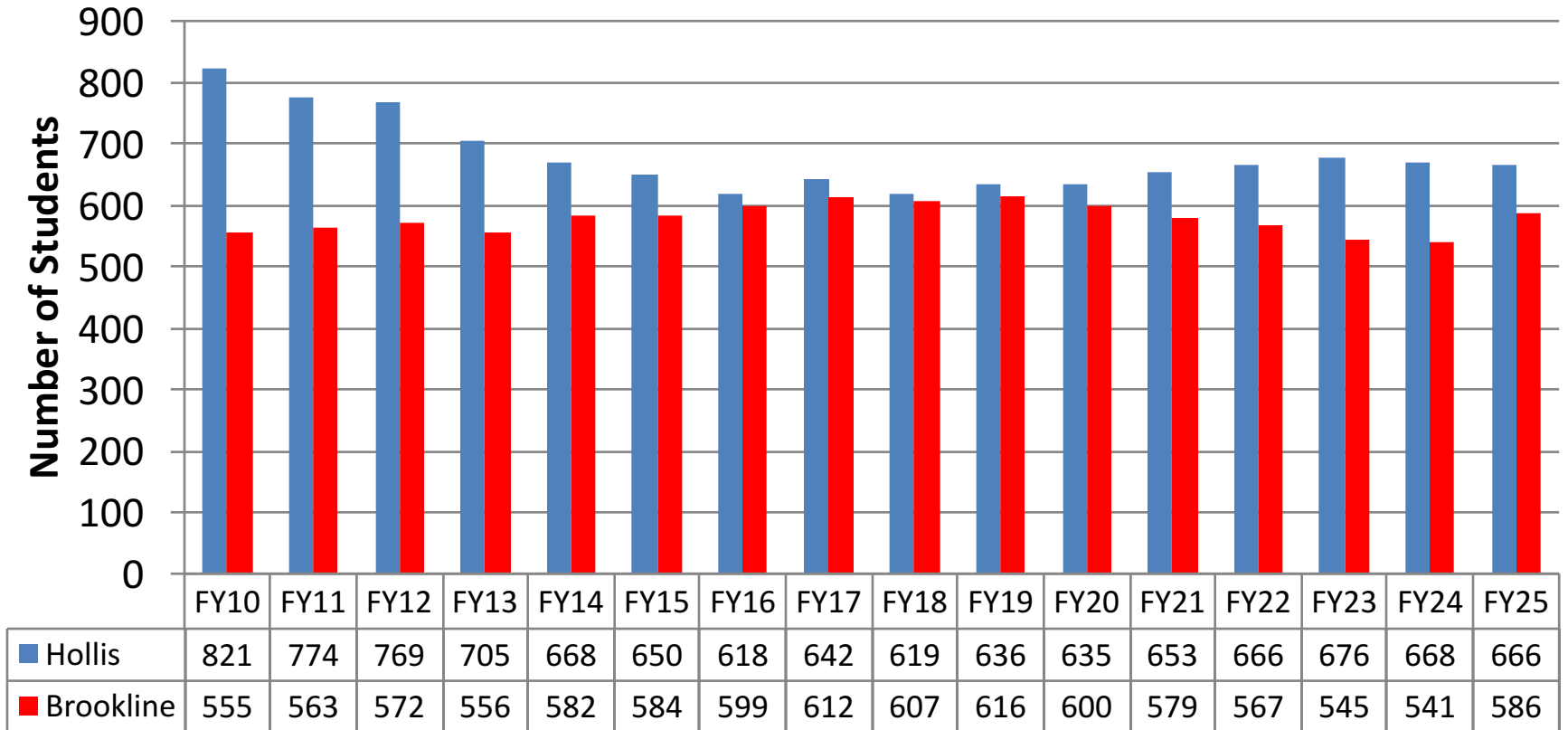
- **Vote on a change to current formula “resets the clock” on the 5 year repose.**
- **2014/15 Apportionment Committee spent 1 year fully researching the formula**
- **Committee proposed current formula**
- **ADM/EV has been stable since 2015 thus a major change was not necessary. In 2013-15, there had been some shifts in ADM/EV from the prior formula that made a change appropriate**
- **Current formula was supported on 1/12/15 by a 672 Yes/351 No vote (63%)**

ADM by Town

Student distribution has converged to within 2 percentage points



COOP Enrollment Composition



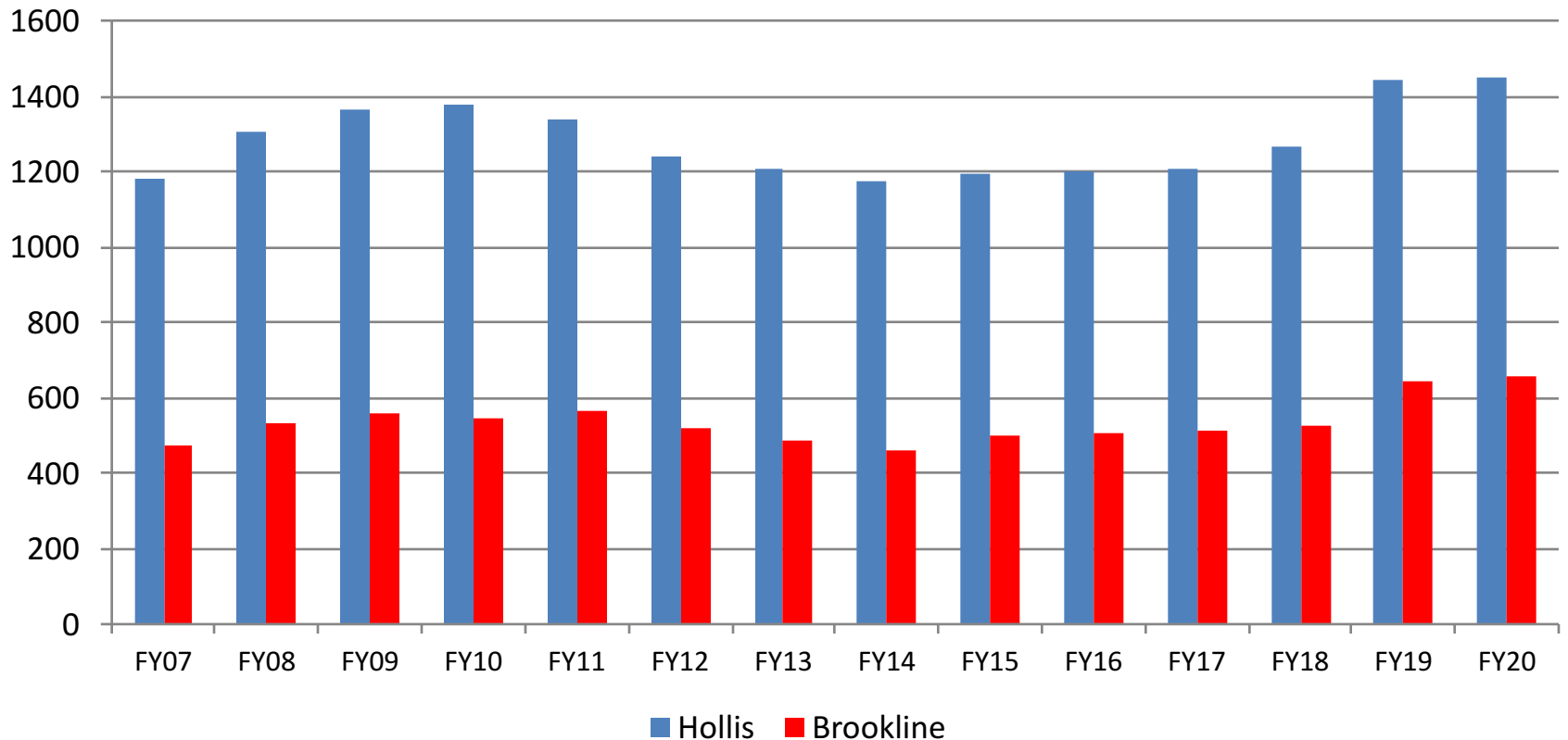
■ Hollis ■ Brookline

SOURCE: 10/2019 NESDEC, FY20 BA office

1/29/20

Tax Base by Town – Equalized Values

Slight shift in distribution from 71%H/29%B in FY07 to 69%H/31%B in FY20*

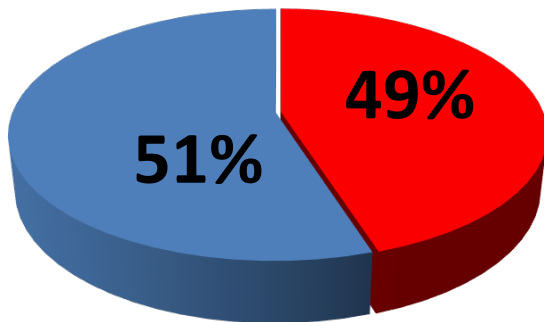


*FY20 EV estimated based on 1.2% growth in AV for B and .5% growth in AV for H

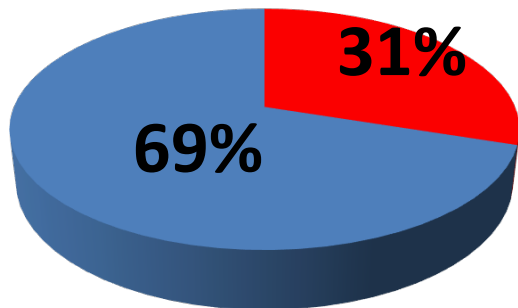
Source: State Tax Summaries

Proposed Apportionment Formula: How does it work out?

ADM

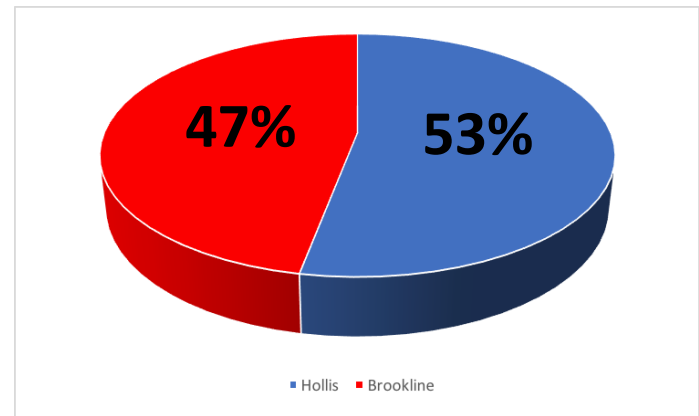


EV

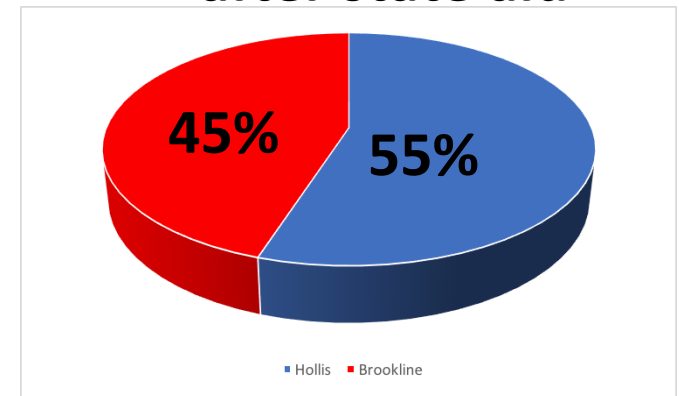


 Hollis
 Brookline

**Apportionment per town
before state aid**



**Apportionment per town
after state aid**



Estimated Impacts

95%ADM/5%EV/100% EV + \$1H	FY20/2019	Est FY21/2020
Hollis Net Local Assessment \$	\$9.2M	\$9.5M
Brookline Net Local Assessment \$	\$7.6M	\$7.3M
Hollis Net Local Assessment %	54.6%	56.8%
Brookline Net Local Assessment %	45.4%	43.2%
Hollis LOCAL COOP Tax Rate/k	\$6.75	\$6.97
Brookline LOCAL COOP Tax Rate/k	\$11.57	\$10.88
Hollis Assessment \$/Student	\$14,116	\$15,024
Brookline Assessment \$/Student	\$12,267	\$12,116
Hollis LOCAL COOP Tax/Avg Home (\$457K)	\$3,085	\$3,185
Brookline LOCAL COOP Tax/Avg Home (\$338K)	\$3,911	\$3,677

Results...

- **Academic Excellence**
- **Stable Real Estate Values**
- **Strong HB Community**
- **Predictable Educational Path for Students**
- **Diverse Academic and Extracurricular Programs**

Apportionment Warrant Article

Article 1: To see if the school district will vote to amend the Articles of Agreement of the Hollis Brookline Cooperative School District as follows:

Article 5:

The operating expenses, excluding principal and interest payments on bonds, of the Hollis Brookline Cooperative School District , payable in each fiscal year, shall be apportioned based on Average Daily Membership (ADM) and Equalized Valuation (EV) according to the table below:

ADM Weight
95%

EV Weight
5%

The expenses related to principal and interest of bonds (current and future), of the Hollis Brookline Cooperative School District, payable in each fiscal year, shall be apportioned based on Average Daily Membership (ADM) and Equalized Valuation (EV) according to the table below:

ADM Weight
0%

EV Weight
100 %

Amendment Adds:

After the calculations are made as set forth above, an additional amount of \$1 will be assessed to Hollis prior to apportionment.

BACK UP

General Tax Appropriation

If each community had to raise \$10M, the tax impact would be different because of the difference in the tax bases:

FY20/2019	Nashua	Bedford	Hollis	Brookline
\$ to be raised in Taxes	\$10M	\$10M	\$10M	\$10M
Tax Base	\$10,238.4M	\$4,050.8M	\$1361.6M	\$660.6M
Tax Rate/\$k	\$0.98	\$2.47	\$7.34	\$15.14

Source: NHDRA

Apportionment Impacts – FY20

IMPACTS USING FY20 DATA	95%/5%/100% + \$1H	100% ADM	50%ADM/ 50% EV
Hollis Net Local Assessment \$	\$9.2M	\$8.9M	\$10.9M
Brookline Net Local Assessment \$	\$7.6M	\$8.0M	\$6.0M
Hollis Net Local Assessment %	54.6%	52.7%	64.5%
Brookline Net Local Assessment %	45.4%	47.3%	35.5%
Hollis LOCAL COOP Tax Rate/k	\$6.75	\$6.51	\$7.98
Brookline LOCAL COOP Tax Rate/k	\$11.57	\$12.06	\$9.04
Hollis Assessment \$/Student	\$14,116	\$13,614	\$16,675
Brookline Assessment \$/Student	\$12,267	\$12,791	\$9,592
Hollis LOCAL COOP Tax/Avg Home (\$457K)	\$3,085	\$2,975	\$3,647
Brookline LOCAL COOP Tax/Avg Home (\$338K)	\$3,911	\$4,076	\$3,056

Apportionment Impacts – FY21 EST

ESTIMATED FY21 IMPACTS	PROPOSED 95%/5%/100% +\$1H	100% ADM	50%ADM/ 50% EV
Hollis Net Local Assessment \$	\$9.5M	\$9.2M	\$11.2M
Brookline Net Local Assessment \$	\$7.3M	\$7.6M	\$5.6M
Hollis Net Local Assessment %	56.8%	55.0%	66.8%
Brookline Net Local Assessment %	43.2%	45.0%	33.2%
Hollis LOCAL COOP Tax Rate/k	\$6.97	\$6.75	\$8.21
Brookline LOCAL COOP Tax Rate/k	\$10.88	\$11.33	\$8.34
Hollis Assessment \$/Student	\$15,024	\$14,551	\$17,692
Brookline Assessment \$/Student	\$12,116	\$12,618	\$9,293
Hollis LOCAL COOP Tax/Avg Home (\$457K)	\$3,185	\$3,085	\$3,752
Brookline LOCAL COOP Tax/Avg Home (\$338K)	\$3,677	\$3,830	\$2,819