

FY21 Budget Hearing

February 5, 2020

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

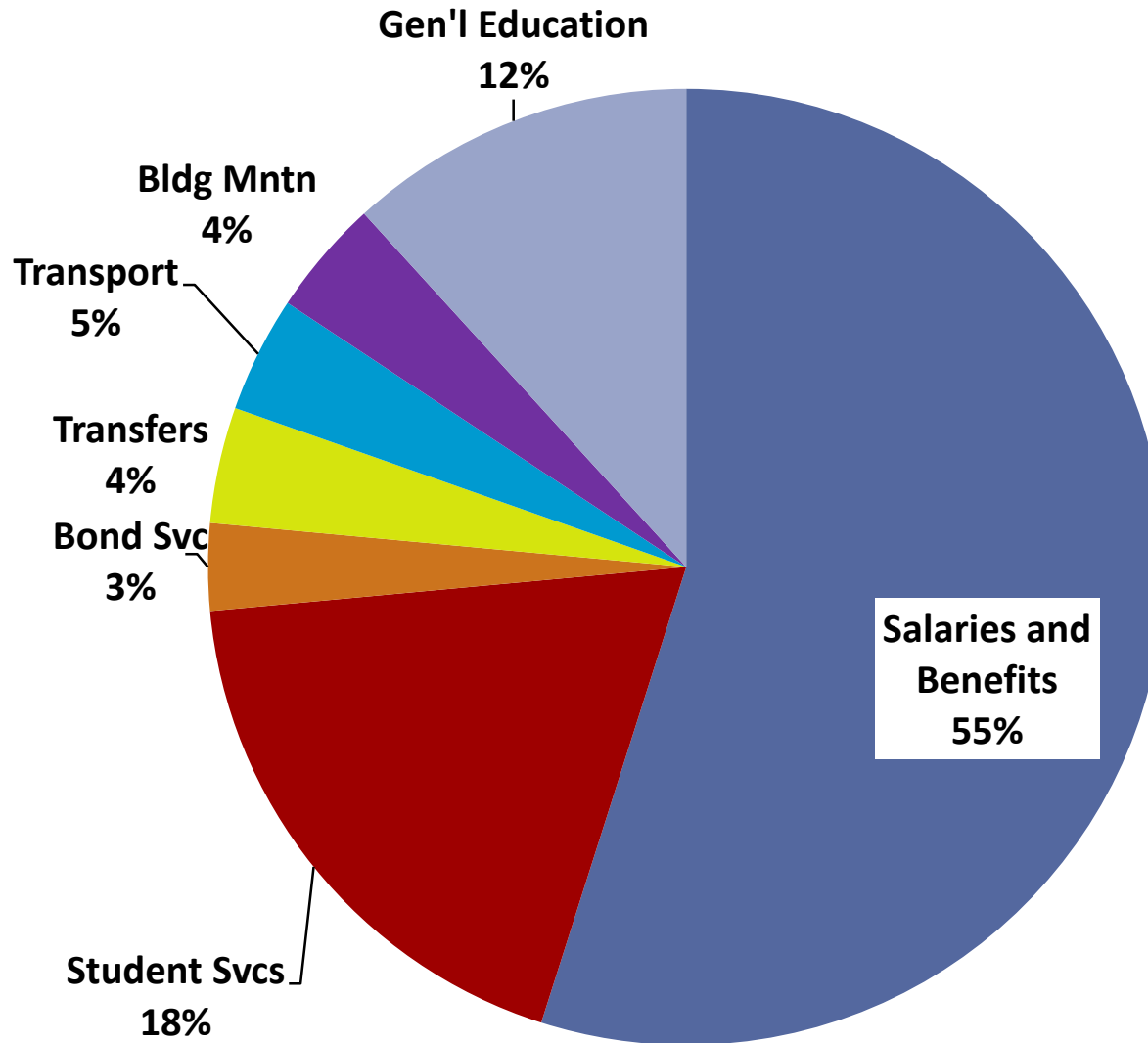
Administrative Business

Process Observer Readout

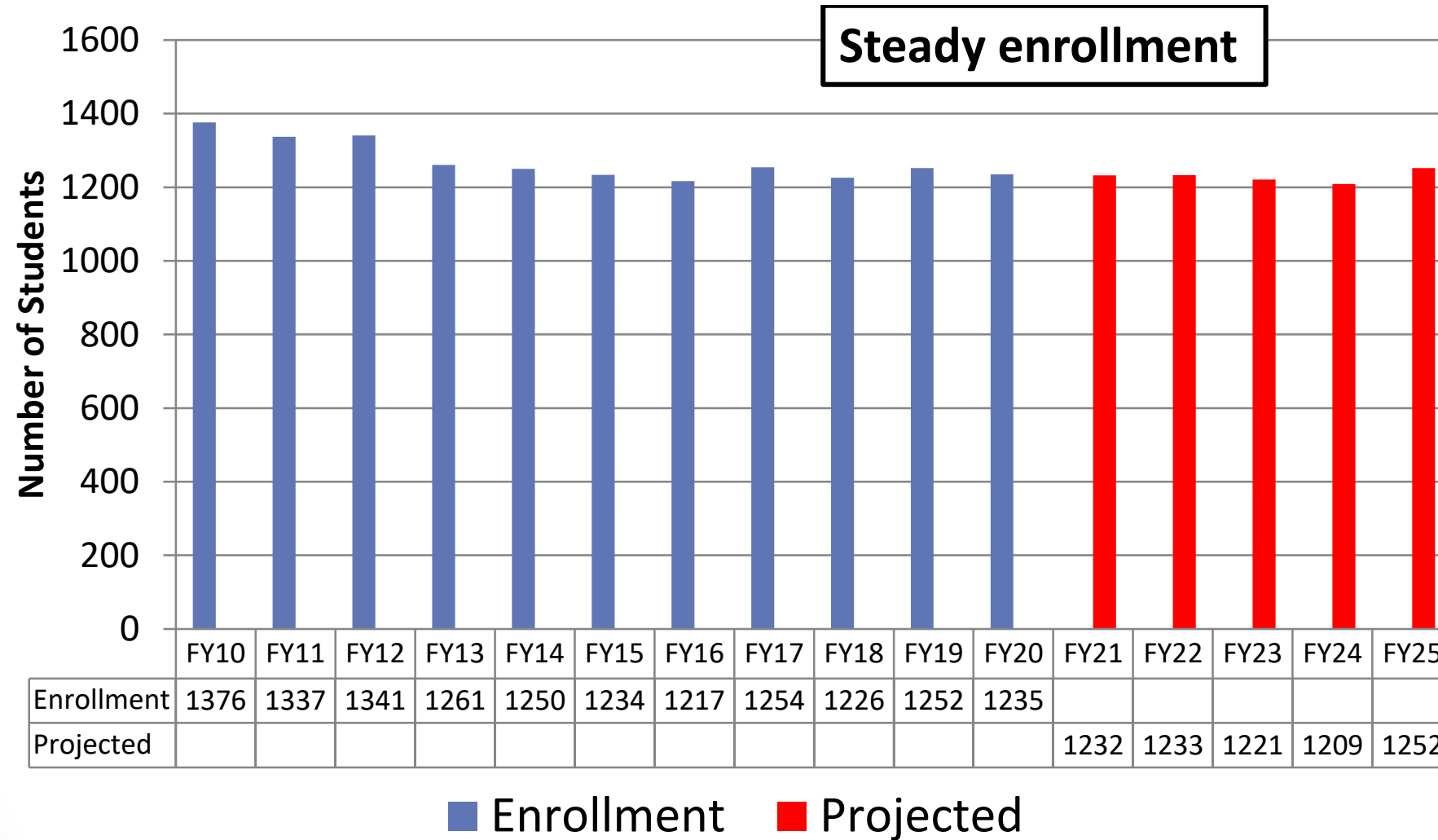
Adjournment

Article	Content	\$ Amount
Article 1	HESSA Contract	\$81,139
Article 2	School Operating Budget	\$23,499,072
Article 3	SAU Budget	\$910,255
Article 4	Expendable Athletic Trust	\$67,000
Article 5	Facilities Maintenance Trust	\$200,000
Article 6	Special Education Trust	\$25,000
Article 7	Contingency	\$100,000
	Total \$ if all pass as written	\$24,882,466 1.9%

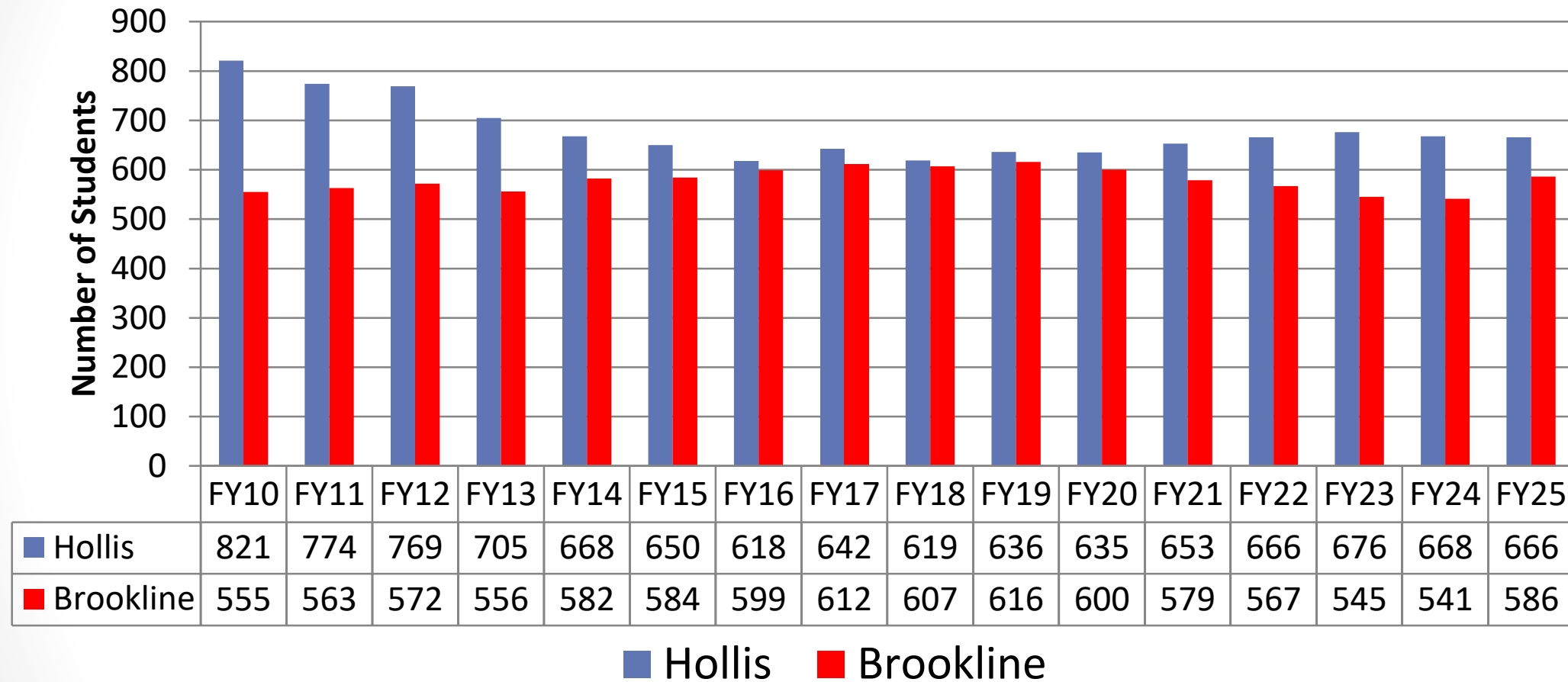
FY21 Budget Distribution



COOP Student Enrollment



Enrollment Composition

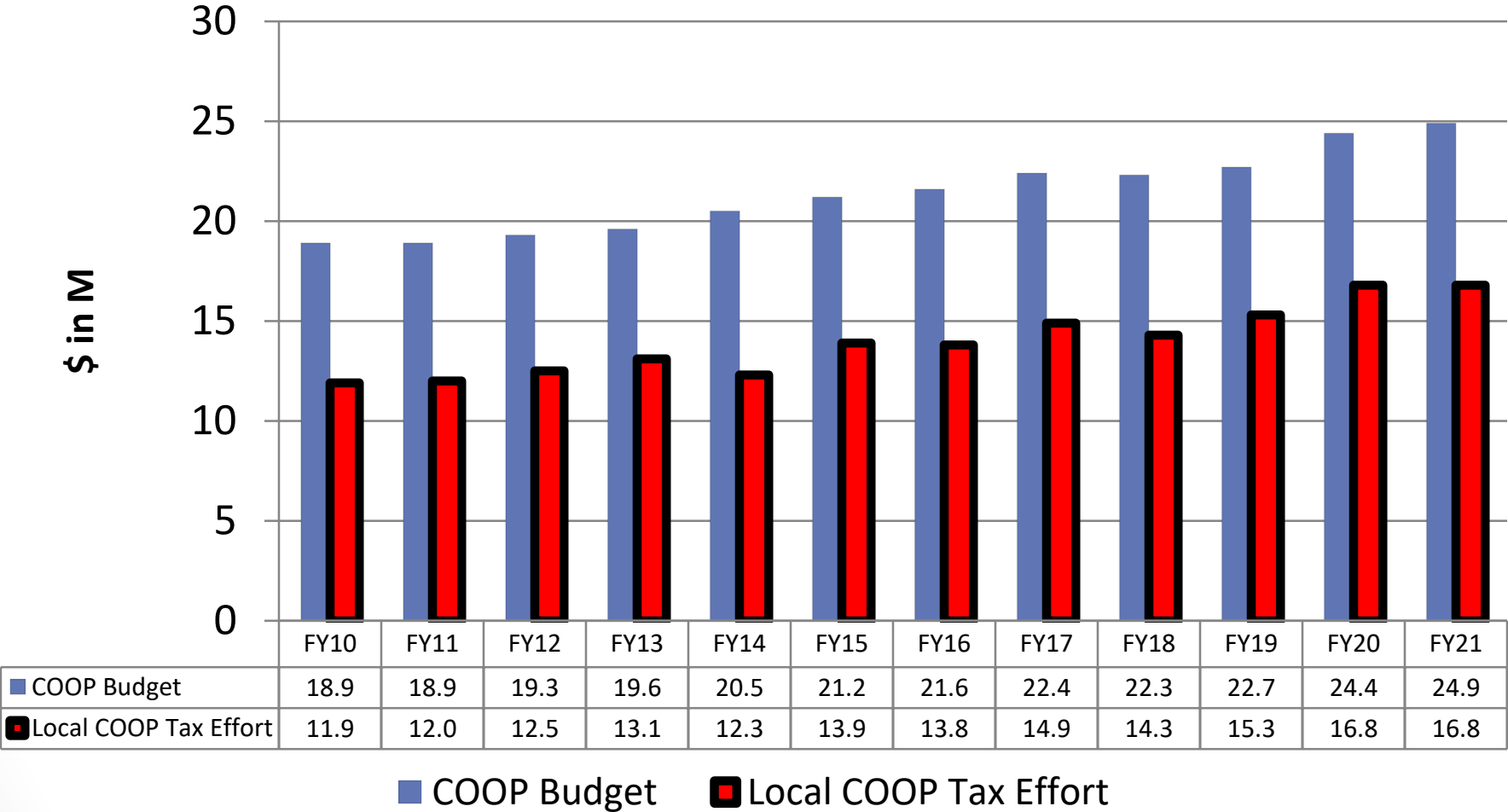


SOURCE: 10/2019 NESDEC, FY20 BA office

Local COOP Tax Effort Trend

Annualized Budget Growth: 2.6%

Annualized Tax Effort Growth: 3.1%



COOP Revenue & State Aid

COOP REVENUE	FY20	FY21	% change
Total COOP Revenue	\$2,203,260	\$2,075,862	(5.8%)

STATE AID	FY20 Hollis	FY21 Hollis	% Change	FY20 Brookline	FY21 Brookline	% Change
Adequacy Grant	\$1,097,483	\$1,096,306	(0.1%)	\$2,214,531	\$2,850,426	+28.7%
SWEPT Reim	\$1,395,864	\$1,390,498	(0.4%)	\$682,809	\$658,988	(3.5%)
TOTAL STATE AID	\$2,493,347	\$2,486,804	(0.3%)	\$2,897,340	\$3,509,414	+21.1%

Brookline's state aid higher due to one time additional aid in FY21

Apportionment

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

FY21 Apportionment	FY20 ADM est	2019 EV est	Net App %	Local Tax Effort %
Hollis	51.4%	68.9%	52.7%	56.8%
Brookline	48.6%	31.1%	47.3%	43.2%

ADM = Average Daily Membership, EV = Equalized Value

Summary of Financial Impacts

Estimated Local Tax Effort is flat year over year

<i>Assumes all articles pass as written</i>	FY20	FY21	% change
Total Budget	\$24,428,119	\$24,882,466	1.9%
<i>less</i> COOP Revenue	(\$2,203,260)	(\$2,075,862)	(5.8%)
Amount to be Apportioned	\$22,224,859	\$22,806,604	2.6%
<i>Less</i> Retained Tax (SWEPT) Reimbursement	(\$2,078,673)	(\$2,049,486)	(1.4%)
<i>Less</i> Adequacy Grant	(\$3,312,014)	(\$3,946,732)	19.2%
Local Tax Effort*	\$16,834,172	\$16,810,386	(0.1%)

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

Estimated Tax Impacts by Town

FY21	TOTAL COOP	Hollis	Brookline
Total appropriations	\$24,882,466		
COOP Revenue	(\$2,075,862)		
Net to be Apportioned	\$22,806,604	\$12,028,798	\$10,777,806
Less State Aid	(\$5,996,218)	(\$2,486,804)	(\$3,509,414)
Local Tax Effort	\$16,810,386	\$9,541,994	\$7,268,391
FY21 EST COOP Local Tax Rate		\$6.97	\$10.88
FY20 COOP Local Tax Rate		\$6.75	\$11.57
Est % change to Tax Rate		3.3%	(6.0%)
Est % impact to Total Bill		1.0%	(2.4%)

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
- Speakers at podium will be recognized by the Chair
- 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

Support Staff Contract

Article 1 . To see if the school district will vote to approve the cost items for the third 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 2018-19, 2019-20 and 2020-21 school years, which calls for the following increases in support staff salaries and benefits at the current staffing levels:

Fiscal Year	Estimated Increase
2020-21	\$81,139

Support Staff Contract (con't)

and further to raise and appropriate a sum of **\$81,139** for the third fiscal year (2020-21 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 (5-0-0).

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

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$ 0.03	\$0.05
\$/100K	\$3	\$5

Support Staff Contract Summary

Highlights of 3 Year Contract

➤ Wages-Both Years

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

➤ Health Insurance

- No change in Caps in Year 1 or Year 2
- Year 3 - \$50 increase to \$760-single, \$1,210-2 person, \$1,260-family

➤ Consolidation of Salary Schedule

➤ Addition of Education Wage Adjustment

- \$1.00/ hour for BA or BS, \$2.00/hour for MA or MS

Operating Budget

Article 2. To see if the school district will vote to raise and appropriate a sum of **\$23,499,072** 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 (5-0-0).

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

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$6.72	\$10.49
\$/100K	\$672	\$1049

Summary of Operating Budget Changes

	FY20 Budget	FY21 Budget	\$ Change	% Change
Op Budget	\$23,183,923*	\$23,499,072	\$315,149	1.4%

- -1 net FTE change due to program needs
- Continue cyclical technology upgrades
- Facilities Maintenance

* FY20 Operating Budget reflects Operating Budget plus Support Staff article approved March 2019

Major Changes – INCREASES

Category	FY21 Budget Amount	\$ change	% change	Reason
Salaries	\$8,554,932	\$405,668	5.0%	Includes third year of professional staff contract approved in FY19, teacher lane changes, anticipated retirements
Retirement (NHRS)/FICA	\$2,736,575	\$117,923	4.5%	Payroll related taxes, NHRS payments related to change in salaries
Technology	\$180,565	\$92,069	104.0%	Updates to support Windows 10 and phased tech replacement
Transportation	\$889,393	\$24,371	2.8%	Increases related to second year of contract
New Items	\$310,868			Staffing changes, maintenance, textbooks, security

Major Changes – DECREASES

Category	FY21 Budget Amount	\$ change	% change	Reason
Student Svcs	\$4,625,194	(\$350,997)	(7.1%)	Changes in student programming
Benefits	\$3,342,819	(\$142,559)	(4.1%)	Savings in healthcare, retirement payout
Expendable Supplies	\$128,064	(\$11,485)	(8.3%)	Shift from workbook replacement

SAU Budget

Article 3. Shall the District vote to raise and appropriate the sum of **\$910,255** as the Hollis Brookline Cooperative School District's portion of the SAU budget of **\$1,807,100** for the forthcoming fiscal year? This year's adjusted budget of **\$1,718,104** with **\$877,075** 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 (5-0-0).

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

Estimated Tax Impact	HOLLIS	BROOKLINE
\$/K	\$0.38	\$0.59
\$/ \$100K	\$38	\$59

Athletics Expendable Trust

Article 4. To see if the school district will vote to raise and appropriate up to the sum of **\$67,000** to be added to the previously established Athletic Program and Services Expendable Trust Fund. The sum to come from the Hollis Brookline Cooperative School District's June 30, 2020 unassigned fund balance, available on July 1, 2020.

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

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

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$0.03)	(\$0.04)
\$/ \$100K	(\$3)	(\$4)

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, 2020 unassigned fund balance, available on July 1, 2020.

The school recommends this appropriation (3-2-0).

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

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$0.08)	(\$0.13)
\$/ \$100K	(\$8)	(\$13)

Fund Utilization

FY21	in \$K
Beginning Balance	\$85,000
FY21 Proposed Funding	\$200,000
HBHS Roof (phase 3)	(\$50,000)
HBHS masonry work	(\$20,000)
HBHS plumbing repairs	(\$5,000)
HBHS air handler repairs	(\$10,000)
HBMS asbestos abatement	(\$54,050)
HBMS roof repairs	(\$20,000)
Ending Balance (incl MS elevator set aside, \$43K)	\$125,950

Additional \$250K in maintenance items included in Operating Budget.

Special Education Expendable Trust

Article 6. To see if the Hollis Brookline Cooperative School District will vote to raise and appropriate up to **\$25,000** the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020 to be added to the previously established Special Education Expendable Trust Fund. No amount to be raised from taxation.

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

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

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$0.01)	(\$0.02)
\$/ \$100K	(\$1)	(\$2)

Background Information

- Special Education costs represent approximately 20% of the total district budget
- Costs include tuition, transportation, program delivery, staff
- Special Education aid reimburses 10% of total Special Education costs
- Budget risks
- Use of funds restricted and requires public hearing
- Current balance in the fund is \$175K
- Fund cap of \$225k

Contingency

Article 7. 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, 2020, 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 (5-0-0).

The budget committee recommends this appropriation (7-1-0).

Estimated Foregone Tax Impact	HOLLIS	BROOKLINE
\$/K	(\$0.04)	(\$0.06)
\$/ \$100K	(\$4)	(\$6)

Petition Articles

Article 8. Shall we adopt the provisions of RSA 40:13 (known as SB2) to allow official ballot voting on all issues before the ollis Brookline Cooperative School District on the second Tuesday of March? Submitted by Citizens Petition.

The school board position TBD

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

Article 9. Shall we adopt the provision of RSA 32:5-b, and implement a tax cap whereby the governing body (or budget committee) shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of local taxes raised, by more than 2%? Submitted by Citizen Petition.

The school board position TBD

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

Access to Special Education Aid & Other

Article 10. 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 (5-0-0).

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

Petition Article - Dissolution

To be voted on at the Brookline Town Meeting:

To see if the Town will vote to direct the Hollis Brookline Cooperative School Board, pursuant to RSA 195:25, to undertake a study of the feasibility and suitability of the withdrawal of the pre-existing Brookline School District from the Hollis Brookline Cooperative School District.

COOP BC motion to oppose the intent of this citizens petition--passed 7-1.

SB position TBD.

Budget Committee Recommendations

Article	Content	\$ Amount
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	Total \$ if all pass as written	\$24,882,466 1.9%

BACKUP

SAU Budget

FY20 Budget	FY21 Proposed Budget	\$ change	% change	FY21 Adjusted Budget
\$1,731,611	\$1,807,100	\$75,489	4.4%	\$1,718,104

Budget Drivers	\$ Change from FY20 Budget	Details
Salaries	\$37,333	<ul style="list-style-type: none"> • Salaried employees +3% • Hourly employees +3% • HR coordinator to administrator • Hiring contingency
Benefits	\$24,914	<ul style="list-style-type: none"> • Health Ins GMR 4.1% • Dental Ins GMR 3.9%
New Position – Facilities Director	\$66,500	<ul style="list-style-type: none"> • Salary
Student Services Transition Coordinator	(\$54,202)	<ul style="list-style-type: none"> • One year position ends in FY20

SAU Budget – Facilities Director (SAU)

RESPONSIBILITIES:

- Supervision of custodial/maintenance staff
- Facility Audit
- Budgeting
- Managing capital improvements
- Managing contractors/projects/services
- Emergency response
- Building inspections
- Consolidating purchases

BENEFITS:

- Shift workload from administration
- Improvements across all districts in:
 - Quality
 - Efficiency/Cost Savings
 - Accuracy
 - Expertise
 - Pro-activity