

**HOLLIS BROOKLINE COOPERATIVE SCHOOL DISTRICT
BUDGET COMMITTEE
FEBRUARY 6, 2019
MEETING MINUTES**

A regular meeting of the Hollis Brookline Cooperative School District Budget Committee was conducted on Wednesday, February 6, 2019 at 6:15 p.m. at the

Chairman Darlene Mann, presided;

Members of the Committee Present	Raul Blanche, Vice Chairman
	Matt Maguire, Secretary
	Tom Enright
	Brian Rater
	Lorin Rydstrom

Members of the Committee Absent:	David Blinn
	John Cross, School Board Rep.

Members of the School Board Present:	Tom Solon, Chairman
	Cindy VanCoughnett, Vice Chairman
	Holly Deurloo Babcock
	Elizabeth Brown
	Melanie Levesque
	Krista Whalen

Members of the School Board Absent:	John Cross, Secretary
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Also in Attendance:	Andrew Corey, Superintendent
	Gina Bergskaug, Assistant Superintendent
	Kelly Seeley, Business Administrator
	Linda Sherwood, Assistant Business Administrator
	Rick Barnes, Principal, Hollis Brookline High School
	Bob Thompson, Principal, Hollis Brookline Middle School

APPOINTMENT OF PROCESS OBSERVER/TIMEKEEPER

Chairman Mann appointed Tom Enright to serve as Process Observer and Raul Blanche as Timekeeper.

AGENDA ADJUSTMENTS - None

WARRANT OVERVIEW & FINANCIAL SUMMARY

Chairman Mann stated the Budget Committee (Committee) operates under RSA 32, which authorizes the Committee to create and present the operating budget at the Public Hearing and Annual Meeting. The Committee works with the Administration, which develops the details of the budget based on guidance from the Committee.

The process begins in June with a complete facilities overview, which identifies some of the initiatives and items that will be evaluated during the budget cycle. At that time, the Superintendent typically shares different curricular plans. Beginning in September and continuing throughout the fall, the Committee works with the Administration through several reviews of the budget, and offers guidance in its development.

Articles to be discussed include a bond article for STEM renovations at the Hollis Brookline High School (HBHS), the second year of the contract with the Hollis Education Support Staff Association (HESSA), the District operating budget, appropriation to the Contingency Fund, the SAU41 operating budget, an appropriation to the Athletic Program and Services Expendable Trust Fund, an appropriation into the School Building and Facilities Maintenance Expendable Trust Fund, and an appropriation into the Special Education Expendable Trust Fund.

The total, excluding the overall capital expenditure of the bond for the facility renovation, is \$24,372,347, which represents an increase 7% over FY19.

A [presentation](#) was provided (can be viewed [here](#)).

Information was provided on the breakdown of costs attributed to each area of the budget, trending of budget amounts compared with inflation during the period FY10 - FY20; budgets slightly ahead of inflation due primarily to non-discretionary items in the budget that rise at a much greater rate than cumulative 22% inflation rate, actual versus projected enrollment numbers and the composition of enrollment,

Also contributing to the overall tax impact of the budget are revenue and State aid, which reduce the amount that must be raised through taxes. Current estimates show a decrease in the revenue (12%) and an overall increase (2.1%) in State aid. The State Adequacy Grant for Brookline will decrease by 4% annually for the next 25 years as a result of State legislation. There is pending legislation addressing that grant; however, at this point, the reduction is expected to continue.

A chart was shown depicting the total tax effort trend. The total COOP tax effort includes taxes raised through the Statewide Education Property Tax, which is returned to the towns through State aid. To look at the total tax effort, you cannot consider the benefit without also considering the additional cost.

The total budget (\$24,732,347) less revenue, e.g., special education aid reimbursement, unreserved fund balance, etc. (\$2,045,862) results in an amount to be apportioned of \$22,326,485 (9.2% increase). From there you subtract the retained tax reimbursement (\$2,129,693) and the adequacy grant (\$3,182,038) for a total local tax effort of \$17,014,754 (11.1% increase).

The apportionment formula; 95% Average Daily Membership / 5% Equalized Value on non-bonded costs, 100% Equalized Value on bonded costs, results in a net apportionment (based on estimates) of 52.2% to Hollis (\$11,646,741) and 47.8% to Brookline (\$10,679,744). When reducing each by the amount of State aid, the local tax effort is; Hollis \$9,145,722 and Brookline \$7,869,032.

MOTION BY MEMBER BLANCHE TO RECESS UNTIL THE CONCLUSION OF THE PUBLIC HEARINGS ON THE PROPOSED FY20 BUDGET AND FACILITIES BOND ARTICLE

MOTION SECONDED BY MEMBER MAGUIRE

MOTION CARRIED

6-0-0

The Board recessed at 6:35 p.m.

The Board reconvened at 8:38 p.m.

DELIBERATION

The Hollis Brookline Cooperative School Board and the Hollis Brookline School District Budget Committee discussed the merits of the articles in a joint discussion.

Article 1

To see if the District will vote to raise and appropriate the sum of \$2,060,000 (gross budget) for renovations at the Hollis Brookline High School to create and equip a STEM facility (the “Project”); and to authorize the issuance of \$2,060,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA Chapter 33); and to authorize the School Board to issue and negotiate such bonds or notes and to determine the rate of interest thereon; and to authorize the School Board to accept on behalf of the District any federal, state, or private funds that may become available for any part of the Project and to use such funds to reduce the amount of bonds or notes issued for the Project and/or offset future debt service costs; and to raise and appropriate the sum of **\$43,060** for the first year’s principal and interest payment on the bonds or notes issued.

**MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 1, AS PRESENTED
MOTION SECONDED BY MEMBER BLANCHE**

ON THE QUESTION

Mr. Enright stated his full support of the Article commenting he has given this a great deal of consideration. He has been involved in his history in robotics and believes there to be no finer program in the high school.

Mr. Rydstrom stated his support of the program. He believes the need to take a year off from a bond issue. A two-million-dollar tax impact is a lot. He will vote in opposition of the article, and hope it comes up again next year.

Mr. Rater remarked it is a good idea and a wonderful set of programs involved. He supported it last year. This year, as was the case last year, he has reservations about the bang for the buck; \$2 million for space. It failed last year, and bringing it up again this year doesn’t feel right. In addition, there are several other expenses, beyond the control of the District, that taxpayers are being asked to take on this year in addition to a very substantial increase in taxes in Brookline last year. He cannot support the article this year.

Mr. Maguire commented, as an engineer, he supports these type of programs believing them to be advantageous for students. He has some concern with the way the space is laid out. He questioned if the issues raised during the public hearing relative to the floorplan could be addressed noting concern with noise levels, etc.

School Board Chairman Solon stated the original goals related to this project were increasing support for math and sciences. It was seen as an opportunity to bring robotics back to the high school, which at the time was considered a high priority. Since then, the landscape seems to have evolved; we see more emphasis on the total curricular needs. The project has tried to evolve to address those. There are new State curriculum requirements that also drive this. In the same timeframe, the robotics club has pointed out ways in which this may not achieve the goals we had hoped they would.

It is a compromise that may not achieve what he believes to have been the intent when the proposal was first presented. Interest rates have risen significantly. The total goal is a compromise solution, and it was compromised quite a bit in order to satisfy robotics. Were robotics not in the picture, he does not believe the fitness center would be on the second floor, which would impact the cost. We are trying to get a handle on the total curricular needs for the school. He is uncertain all those options have been explored as fully as he would like. For that reason, he is not ready to support this in its current form.

Vice Chairman Blanche commented this is the second time in two years we have had this discussion trying to come up with a solution to the original goals. His first concern is what we call it. The acronym STEM is used, but the proposal is a lot more than that. Even robotics doesn’t exactly fit as illustrated by the fact that they are withdrawing their backup plan. This reminds him of a time many years ago when planning to build a new high

school; they went through four iterations before approving one. That suggests to him that there is the need for more work. He stated his support of the program in the final form, but it seems to him the timing is not right. The typical increase over the past few years has been in the area of 1.5% - 2% and now we are looking at perhaps upwards of 6.5 - 7%.

Ms. Deurloo Babcock stated she feels strongly this is a compromise and that is what the taxpayers want; they want taxes low, but they want the best possible education for the kids. This is a way to enhance the spaces, to add some space to the high school, which has always needed a bit more space, and to do it in a fiscally responsible manner.

Her job is to be an advocate for the students and those in robotics every day. That is part of what she sees her role as. There definitely is tension between robotics and this program, but that is between the adults. The kids just want to be able to do robotics, and she believes they want to be able to do it in the high school. That matters to her, and is why she will support it.

Ms. Levesque spoke of being very sensitive to the fact that taxes are high. She is also very sensitive to the fact that we have a great school system and we need to continue that. We have heard of the need for space for years. A solution has been identified that will support many things and will solve space issues. She stated her support of the article.

Ms. Whalen remarked she has been thinking about the concerns relative to the tax increase a great deal. She believes it is a School Board and Town issue, but it is also a State issue, where we need to be funding education in a different way other than just property taxes. As school board members we are here to do our best to educate our children. The space is needed. The FIEMUS program is talked about and gets pushed aside. That took up a number of classrooms in our school. Although it doesn't serve lots of students, it serves a group of students that we, as a community, need to take care of. It has helped our community move forward. It results in cost savings for the District money and serves our students better every single day.

We need to do the best we can to serve our students and continually stay up with what is happening in terms of education and technology and how education is changing. Schools in communities that we compete with in terms of housing sales, are putting programs like this in and building onto their schools all the time. We are not always at the forefront, but we are the top educators. She believes the need to move forward and try to work with the STEM program. She believes this to be a compromise. It is being brought forward as it is believed to be needed. Last year 60% of the voters supported it.

MOTION FAILED

3-3-0

Members Blanche, Rater, and Rydstrom voted in opposition

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 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
2019-20	\$70,621

and further to raise and appropriate a sum of **\$70,621** for the second fiscal year (2019-20 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. This is the second year of a three-year

agreement. Negotiated cost item increases for the next fiscal year (2020-21) will require approval of a specific warrant article at the 2020 annual meeting.

MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 2, AS PRESENTED

MOTION SECONDED BY MEMBER MAGUIRE

MOTION CARRIED

5-0-1

Member Blanche abstained

Article 3

To see if the school district will vote to raise and appropriate a sum of **\$23,113,302** 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.

MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 3, AS PRESENTED

MOTION SECONDED BY MEMBER BLANCHE

MOTION CARRIED

5-1-0

Member Rydstrom voted in opposition

Article 4

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, 2019, and no amount to be raised from taxation. Any appropriation left at the end of the year will lapse to the general fund.

MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 4, AS PRESENTED

MOTION SECONDED BY MEMBER BLANCHE

ON THE QUESTION

Noted was the public comment regarding the language; whether it could be amended by inserting the word “new” or “additional” before “taxation”. The belief is, were any language changes to be made, the article would have to be vetted by legal counsel.

Ms. Brown suggested there could be an amendment made from the floor of the Annual District Meeting when legal counsel would be present to provide an opinion.

Mr. Rydstrom stated the desire to understand if the order of the articles would be changed. School Board Chairman Solon stated his understanding there is a desire to re-order the articles; however he was uncertain how that related specifically to this article. One of the main goals was to bring the athletic trust to the top as those are funds contributed by participants.

MOTION CARRIED

5-1-0

Member Rydstrom voted in opposition

Article 5

Shall the District vote to raise and appropriate the sum of **\$878,364** as the Hollis Brookline Cooperative School District's portion of the SAU budget of \$1,719,314 for the forthcoming fiscal year? This year's adjusted budget of \$1,691,711 with \$864,235 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.

MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 5, AS PRESENTED

MOTION SECONDED BY MEMBER BLANCHE

MOTION CARRIED

6-0-0

Article 6

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, 2019 unassigned fund balance, available on July 1, 2019.

MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 6, AS PRESENTED

MOTION SECONDED BY MEMBER BLANCHE

ON THE QUESTION

Ms. Deurloo Babcock stated the desire for the taxpayers to have a clear understanding the amount represents fees parents pay into the District for their children to participate in athletics. It is not taxpayer funded. School Board Chairman Solon stated the trust was created for the sole purpose of ensuring the funds are not artificially mixed with any other funding source.

MOTION CARRIED

6-0-0

Article 7

To see if the school district will vote to raise and appropriate up to the sum of **\$75,000** 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, 2019 unassigned fund balance, available on July 1, 2019.

MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 7, AS PRESENTED

MOTION SECONDED BY MEMBER BLANCHE

ON THE QUESTION

Mr. Rydstrom remarked were the School Board to move article 4 to follow article 7, it would be more likely article 7 would be funded.

MOTION CARRIED

6-0-0

Article 8

To see if the Hollis Brookline Cooperative School District will vote to raise and appropriate up to **\$25,000** from the June 30 unassigned fund balance available for transfer on July 1, 2019 to be added to the previously established Special Education Expendable Trust Fund. No amount to be raised from taxation.

**MOTION BY MEMBER ENRIGHT TO RECOMMEND ARTICLE 8, AS PRESENTED
MOTION SECONDED BY MEMBER BLANCHE**

ON THE QUESTION

School Board Vice Chairman VanCoughnett questioned the mention of a cap. Chairman Mann stated it to be an internal cap of \$280,000. Asked if a vote of the Board or Committee established that cap, she stated the first time the article was put forward the Budget Committee requested a cap. It was amended on the floor of the meeting and the cap was removed. Since then, they have made an annual stipulation saying while we support it, we would be able to support it more long-term if there were some type of cap identified. This year, members of the Administration worked to establish kind of an internal cap of what that amount would be.

Superintendent Corey stated it to be a number we hope to achieve. When we get there, we will have a discussion regarding what has changed. Special education costs continue to rise; \$280,000 five years from now may not be adequate. It was to start looking at what we want to do, it is the first number we would like to get to. School Board Chairman Solon suggested a change in the way it is advertised.

Ms. Brown commented in years when there were funds available, taxpayers have voted to double the amount in the article.

Chairman Mann stated the summary received stated "Each special education expendable trust will not exceed \$280,000." School Board Chairman Solon commented that is unenforceable, and questioned what would occur were there a motion from the floor to appropriate a large sum of money. Chairman Mann responded it would be up to the voters whether to support that. School Board Chairman Solon questioned if there would be an attempt to enforce the cap. He asked for clarification, from a presentation standpoint, the Budget Committee would not make that statement. Chairman Mann stated when this comes to the floor will she make a statement that it was explained that there would be an internal cap of \$280,000. Since it is not stipulated in writing in the article and it is not necessarily legally binding, it is more of an administrative agreement that that is what the target would be, if someone were to come to the floor and say they wished to fund it to a total of \$300,000, that then becomes an issue for the legislative body to determine.

School Board Vice Chairman VanCoughnett stated concern when people hear cap, they think it is set. Chairman Mann responded she also indicated we only have \$150,000 toward it. It is intended so that it does exactly what the Superintendent said; it makes us mindful of what the target is, to examine the reasons why we need it, and if we see a change in programs we offer in house, that would then shift what some of the contracted expenses would be and change targets.

MOTION CARRIED

6-0-0

ADMINISTRATIVE BUSINESS

- Moderator Review of Town Meeting Format

Drew Mason, 61 Baxter Road, Hollis (Moderator)

Spoke of changes that will be made to the Annual Meeting as a result of reflecting upon the events of last year. He has requested a start time of 6:30 p.m. Two sessions have been scheduled. It is the intent to not begin discussion around any new article once reaching 10:00 p.m. If 2/3 of the voters wished to continue, that could occur.

The presentations will be a maximum of ten minutes in length (target is 5). He spoke of the numerous opportunities residents have had to hear the presentations and discussions at School Board and Budget Committee meetings as well as public hearings. The information has been posted to the website. The Annual Reports will be available.

Meeting rules will be included in the Annual Report. A new set of ballots will be used for secret ballots. He worked with the Superintendent and School Board to identify a means of making them less ambiguous.

He spoke of the ability to reorder articles on the floor including the bond article. He reminded the School Board of the need for two warrants; one for the elections and one for the meeting. He pointed out the School Board can submit recommendations on every article including petition articles and any article that might show up on the election warrant.

Ms. Levesque questioned if amendments could be made on the floor. Mr. Mason stated once the warrant is posted, it is frozen. The School Board has between this time and when the warrant needs to be posted to make any changes to content.

Chairman Mann questioned if it is anticipated the presentation on the bond would be completed by 7:00 p.m. Mr. Mason reiterated the timeframes provided for presentations noting the bond article will come up when it comes up. Asked if there is a stipulation in the posting of the annual meeting that states a 6:30 p.m. start time but the articles won't be discussed before 7:00 p.m., Mr. Mason responded there is no such language.

Michelle St. John, 29 Orchard Drive, Hollis

Suggested a video or PowerPoint presentation be made on the rules and have it posted where it can be viewed. Mr. Mason stated it will be in the Annual Report.

School Board Chairman Solon requested the Moderator address what the options and methodologies are if there is a desire to have all-day voting on the bond article. Mr. Mason stated the last thing he wants is to have a vote and then a motion to restrict reconsideration and then a motion to reconsider and then an all-day vote at some point that is minimally convenient for everybody. It is a possibility to run this on election day. Because it is a bond issue, any reconsideration must happen at least 7 days later. You would have to move, before the vote, to have a vote on election day. He has talked with Town Moderators Webb and Belanger, and they are amenable to running it on election day. He has not talked to the Supervisors of the Checklists. They would need to agree.

Mr. Mason stated Moderator Belanger, on his behalf, has spoken with the Secretary of State's Office, and they did not have a problem with it if the official ballot isn't used (that would be illegal). In order to do that we would have to have a separate ballot box manned by the School Board or the School Board designees in each polling place. The hours would be the same as regular voting.

Chairman Mann questioned the procedure for that to occur. Mr. Mason stated, by law, the article must appear first on the warrant and it must be acted upon on the warrant. There needs to be a motion on the floor, which can come from the School Board or from any resident of either town, to vote on election day.

School Board Chairman Solon questioned if the passage of that motion would curtail discussion, and was informed it would not curtail discussion or amendment. Asked if it would alter the passage requirements, Mr. Mason stated it would not; it would still require a 2/3 majority to pass.

Superintendent Corey commented in one way you are doing all-day voting, which is SB2, but SB2 would have a 60% threshold for passage. By going to all-day voting via an annual meeting, you are keeping the percentage at 67% when historically more people show up and the percentage is actually lowered under SB2 because of knowing there will be a larger group of the towns. Mr. Mason responded “true”.

Mr. Mason commented it is the same as someone saying I don’t want to vote on a bond issue to buy five fire trucks until we vote on the operating budget. You are changing the order of the vote, and that is sufficient for acted upon.

The questioned was asked if we vote on article 1 and then someone says I want to vote on voting day now we have acted upon it, but we haven’t disposed of it. Mr. Mason stated “acted upon” doesn’t mean disposed. Acted upon means the legislative body has to say something definitive about it like we want to vote on it later.

- Approval of Minutes

Hollis Brookline Cooperative School District Budget Committee January 9, 2019

MOTION BY MEMBER BLANCHE TO APPROVE, AS PRESENTED

MOTION SECONDED BY MEMBER ENRIGHT

MOTION CARRIED

6-0-0

PROCESS OBSERVER READOUT

Mr. Enright commented the Chairman was very concise and very clear.

ADJOURNMENT

MOTION BY MEMBER ENRIGHT TO ADJOURN

MOTION SECONDED BY MEMBER BLANCHE

MOTION CARRIED

6-0-0

The February 6, 2019 meeting of the Hollis Brookline Cooperative School District Budget Committee adjourned at 9:27 p.m.

Date: _____

Signed: _____