

**HOLLIS BROOKLINE COOPERATIVE SCHOOL DISTRICT
BUDGET COMMITTEE
PUBLIC HEARINGS
FEBRUARY 2, 2021
MEETING MINUTES**

Public Hearings were conducted by the Hollis Brookline Cooperative School District (COOP) Budget Committee on Tuesday, February 2, 2021 at 6:55 p.m.

Darlene Mann, Chairman, presided:

Members of the Budget Cmte. Present: Raul Blanche, Vice Chair
Matthew Maguire, Secretary
Tom Enright
Brian Rater
Lorin Rydstrom
Cindy VanCoughnett, School Board Rep.

Members of the Budget Cmte. Absent: David Blinn

Members of the School Board Present: Holly Deurloo Babcock, Chairman
Tom Solon, Vice Chairman
Kate Stoll, Secretary
Elizabeth Brown
Cindy VanCoughnett
Krista Whalen
Beth Janine Williams

Members of the School Board Absent:

Also in Attendance: Andrew Corey, Superintendent
Bob Thompson, Assistant Superintendent of Student Services
Gina Bergskaug, Asst. Superintendent of Curriculum and Instruction
Kelly Seeley, Business Administrator
Linda Sherwood, Assistant Business Administrator

Due to the COVID-19/Coronavirus crisis, and in accordance with Governor Sununu's [Emergency Order #12](#) pursuant to [Executive Order 2020-04](#), the Public Hearings were conducted virtually via Zoom. As stated on the agenda, the meeting was aired live via Zoom (Meeting ID: 945 5763 1454 / Passcode: yyH1A0).

Each member participating electronically was asked to state, for the record, where they were, why their attendance in person was not reasonably practical, who, if anyone, was with them, and whether or not they were able to hear the proceedings.

Tom Enright

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

Raul Blanche

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

Lorin Rydstrom

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

Brian Rater

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Matthew Maguire

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Tom Solon

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

Elizabeth Brown

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

Beth Janine Williams

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

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

**HOLLIS BROOKLINE COOPERATIVE SCHOOL DISTRICT
PUBLIC HEARING
FY22 BUDGET**

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

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

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.

Estimated Tax Impact to Hollis is \$0.05/\$1,000
Estimated Tax Impact to Brookline is \$0.08/\$1,000

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

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

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

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

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

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

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

Eric Pauer, 12 Westview Road, Brookline

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

Aaron Penkacik, 133 Dow Road, Hollis, NH

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

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

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

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.

Estimated Tax Impact to Hollis is \$0.09/\$1,000

Estimated Tax Impact to Brookline is \$0.15/\$1,000

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

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

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

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

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

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

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

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

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

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

Eric Pauer, 12 Westview Road, Brookline

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

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

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.

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

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

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

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

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

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

Aaron Penkacik, 133 Dow Road, Hollis

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

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

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

Eric Pauer, 12 Westview Road, Brookline

Remarked this is the largest part of budget. Taxpayers will see a rate increase of almost 16% in Brookline and 15.5% in Hollis. There is declining enrollment, yet the budget keeps going up. In FY19, we were spending roughly \$18,200 in cost per pupil (CPP) in the COOP. With the proposal for FY22, the CPP will be \$21,500. That is an 18% increase in the COOP. That should not be increasing that fast; inflation is not 18%. Last year 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 Town.

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

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.

Estimated Tax Impact to Hollis is \$0.39/\$1,000
Estimated Tax Impact to Brookline is \$0.67/\$1,000

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

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

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

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

Eric Pauer, 12 Westview Road, Brookline

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

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

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

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

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

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).

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).

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

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

Drew Mason, 61 Baxter Road, Hollis

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

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

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

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

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.

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

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

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

Eric Pauer, 12 Westview Road, Brookline

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

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

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

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.

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

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

Eric Pauer, 12 Westview Road, Brookline

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

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

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

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 before the voters as a result of the funds lapsing and the allocation requiring approval each year. If the monies are not expended, the amount increases the UFB and then we allocate it back each year. The funds cannot carry over from year to year without voter approval.

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

Chairman Mann noted the remaining articles are not appropriating articles.

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?

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.

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

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

PETITION WARRANT ARTICLE

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

Petition Warrant Article 1

“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”

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

Eric Pauer, 12 Westview Road, Brookline

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

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

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

Barbara King, 15 Barton Road, Hollis

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

Drew Mason, 61 Baxter Road, Hollis

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

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

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

Aaron Penkacik, 133 Dow Road, Hollis, NH

Commented more transparency is better.

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

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

Date _____ Signed _____