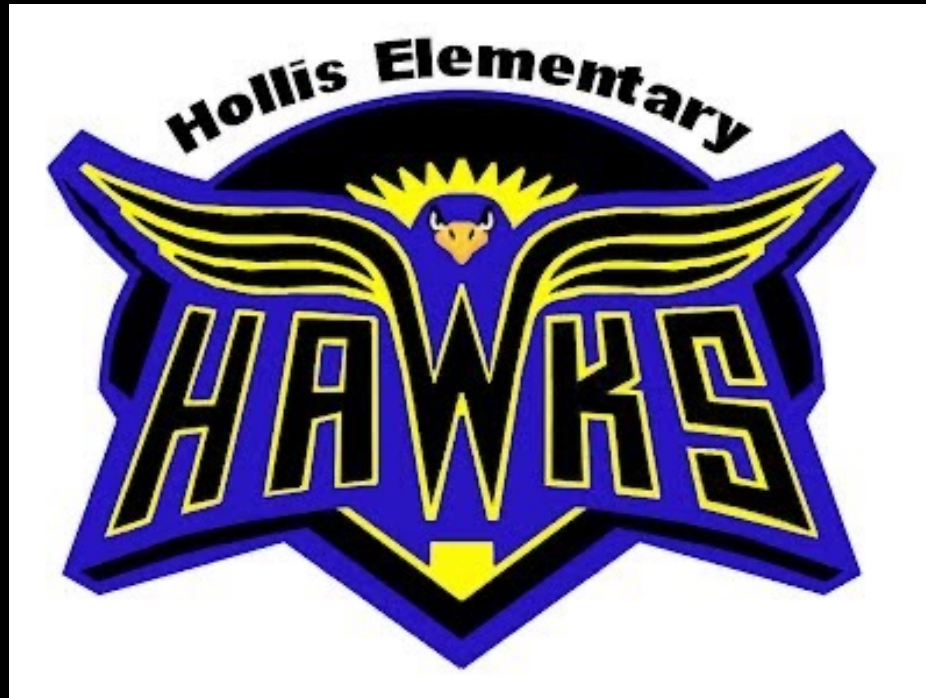


Hollis School District
Public Hearing
2024 Warrant & FY2025 Budget
February 13, 2024





Budget Committee Members

- Tom Gehan – Chair
- Mike Harris – Vice Chair
- Mike Leavitt – Secretary
- Chris Hyde
- Mark Kost
- Darlene Mann
- Amy Kellner – Hollis School Board's Representative
- Mark LeDoux – Select Board's Representative

School Board Members

- Amy Kellner – Chair
- Carryl Roy – Vice Chair
- Tammy Fareed – Secretary
- Rob Mann
- Anne Wake-de Pasquale

School Administration

- Andy Corey – Superintendent, SAU 41
- Gina Bergskaug – Assistant Superintendent, SAU 41
- Lauren DiGennaro – Director of Student Services, SAU 41
- Kelly Seeley – Business Administrator, SAU 41
- Candi Fowler – Principal, Hollis Upper Elementary School
- Paula Izbicki – Principal, Hollis Primary School

Agenda

- Budget Committee Presentations
 - Budget Process
 - Overview of Warrant Articles
 - Projected Tax Rates
- Open Public Budget Hearing
 - Presentation of Individual Articles & Public Input
- Close Public Budget Hearing
- Budget Committee Discussion & Vote on Articles
 - Public may observe; no further public input
- Adjourn

Budget Process

Budget & Meeting Calendar 2024

- Tue, Feb 6 – Town Public Hearing
- Tue, Feb 13 – HSD Public Hearing
- Mon, Feb 19 – COOP Public Hearing
- Tue, Mar 12 – Town Elections
- Thu, Mar 14 – HSD Annual District Meeting
- Sat, Mar 16 – Town Meeting
- Tue, Mar 19 – COOP Annual District Meeting

Budget Process

- Town of Hollis is a Municipal Budget Law district under RSA 32
- Budget Committee responsible to create & present to voters the Town and Hollis School District Operating Budgets
- Budget Committee also reviews and makes recommendations to voters on other monetary articles.
- Hollis has three Separate Budgets – Town, Hollis Schools & COOP Schools
 - We advise the Town and Hollis Schools
 - COOP Budget Committee advises COOP
- We provide guidance to Selectmen & School Board and ask them to create a budget that fits within that guidance.
- Budget Committee votes on warrant articles after the Public Hearing, considering public inputs, economic environment, historic perspective, relevant comparable data, and effect on tax rate.

HSD Budget Assumptions & Biases

- Assumptions
 - Local economy remains strong
 - Inflation remains a concern
 - Tax base will increase 2.0% in coming year
 - Some leading indicators suggest population growth may create strain on services
 - Schools must be responsive to potential changes in revenue from Federal and State sources
- Biases
 - Committed to provision of high-quality education for Hollis children
 - Support compensation, benefits and work environment structures that enable Hollis Schools to attract and retain high quality employees.
 - Class sizes consistent with Hollis Educational Specifications
 - Staffing and Budgets should, over time, show linkage to the trends of student population
 - Decrease locally-controlled unfunded liabilities that have long term budget impact (e.g. medical & retirement plans)
 - Manage the number of employees (adding staff increases the budget in multiple ways)
 - Manage Debt Service burden by avoiding additional bonding until older debt is retired

Guidance to School Board

- Guidance Budget increase of 0%
 - Special education costs and salaries increased by union contracts are exempt from guidance
- Resulting Guidance Operating Budget
 - \$16,465,591
- Proposed Warrant Article Operating Budget
 - \$16,464,092
 - \$1,399 under guidance

Information & Data

Hollis Census/Valuation Data

- Hollis 2022 Estimated Population = 8,695
 - Increase of 4% from 2020
 - Increase of 13% from 2010
 - Increase of 24% from 2000
- Hollis 2022 Households = 3,285
- Hollis 2022 Median Household Income = \$155,339
- Total Town Property Valuation 2024 = \$2,294,628,789
 - Increased 58% from 2022 (Town-wide revaluation)
- Average Single Family Home Value 2024 = \$736,246
 - Increased 59% from 2022
- Average Single Family Home Tax Bill 2024 = \$12,266
 - Increased 17% from 2022

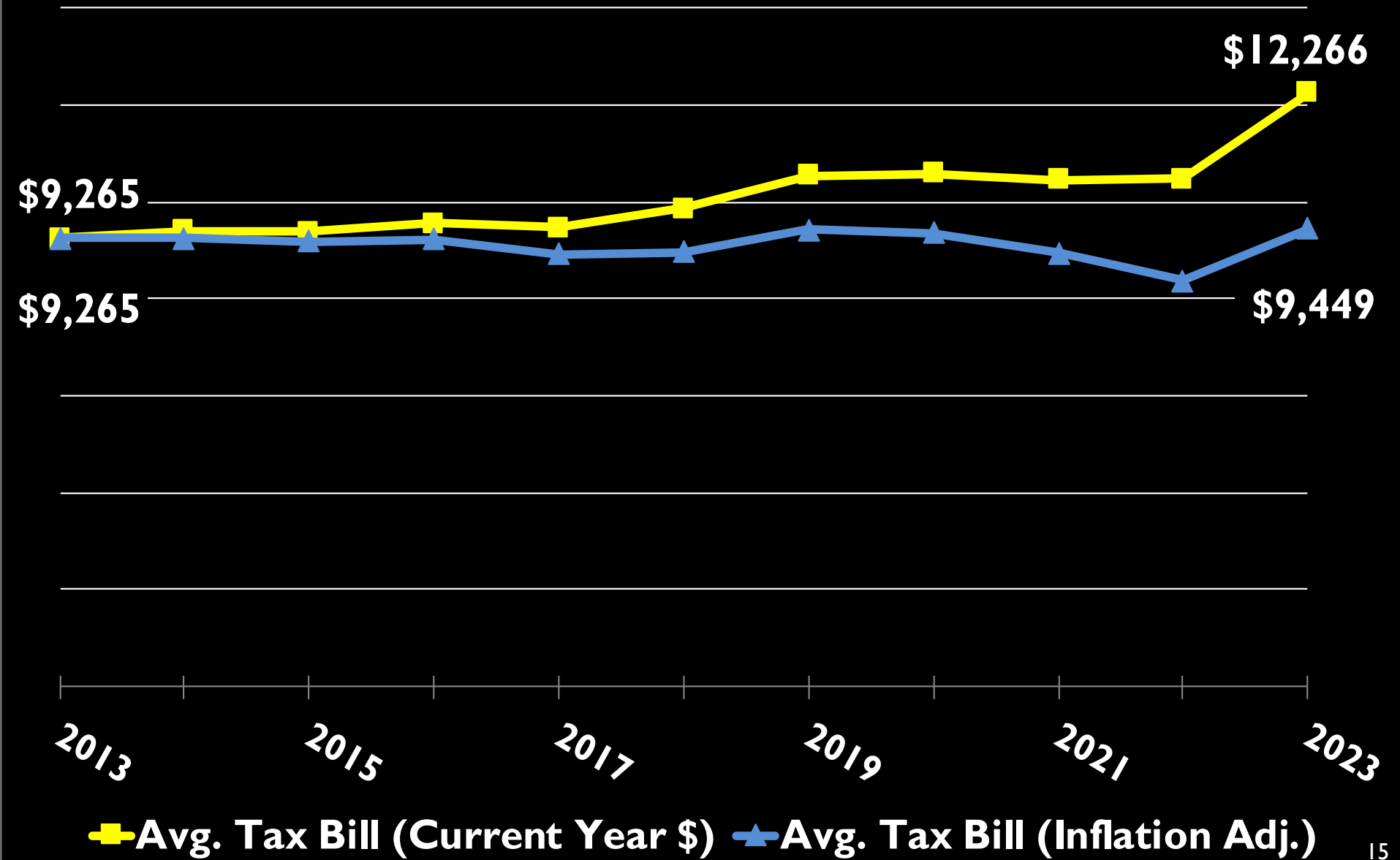
Hollis School District Employees

Role	Full-Time	Part-Time	Union	
Teachers	59	2	61	HEA
Special Ed Teachers	12	0	12	
Classroom Support	6	2	8	HESSA
Special Ed Classroom Support	33	-	33	
School Admin Support Staff	3	2	5	
Food Service	2	4	6	
Maintenance & Custodial	7	1	8	
School Administration	3	-	-	
Special Ed Professional Support	4	5	-	
Curriculum Coordinator	1	-	-	
Technology Support	1	-	-	
Total	131	16	133	

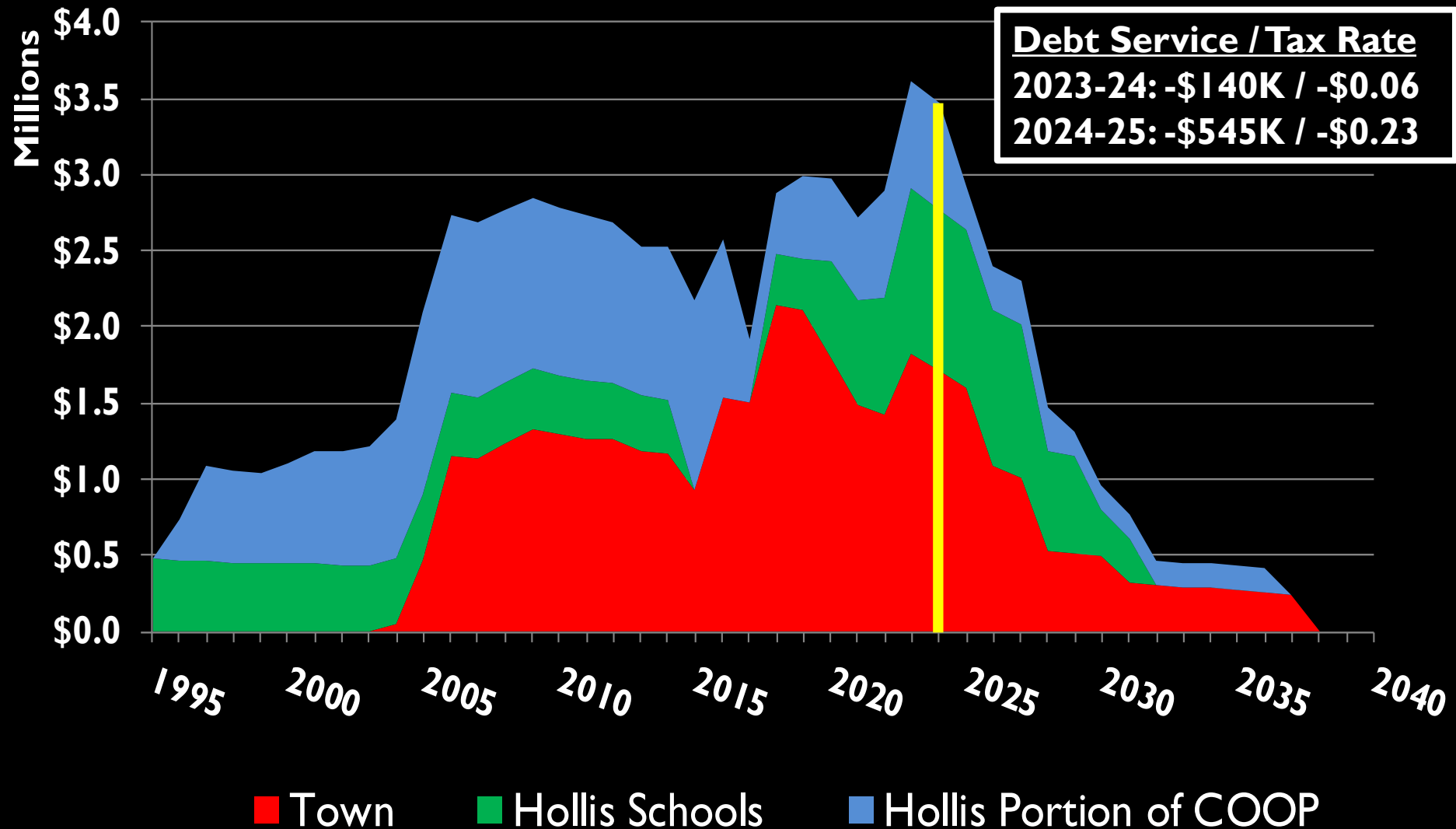
Note: The union employee total is a subset of the full-time and part-time employees, not an additional group of employees.

Average Hollis Tax Bill

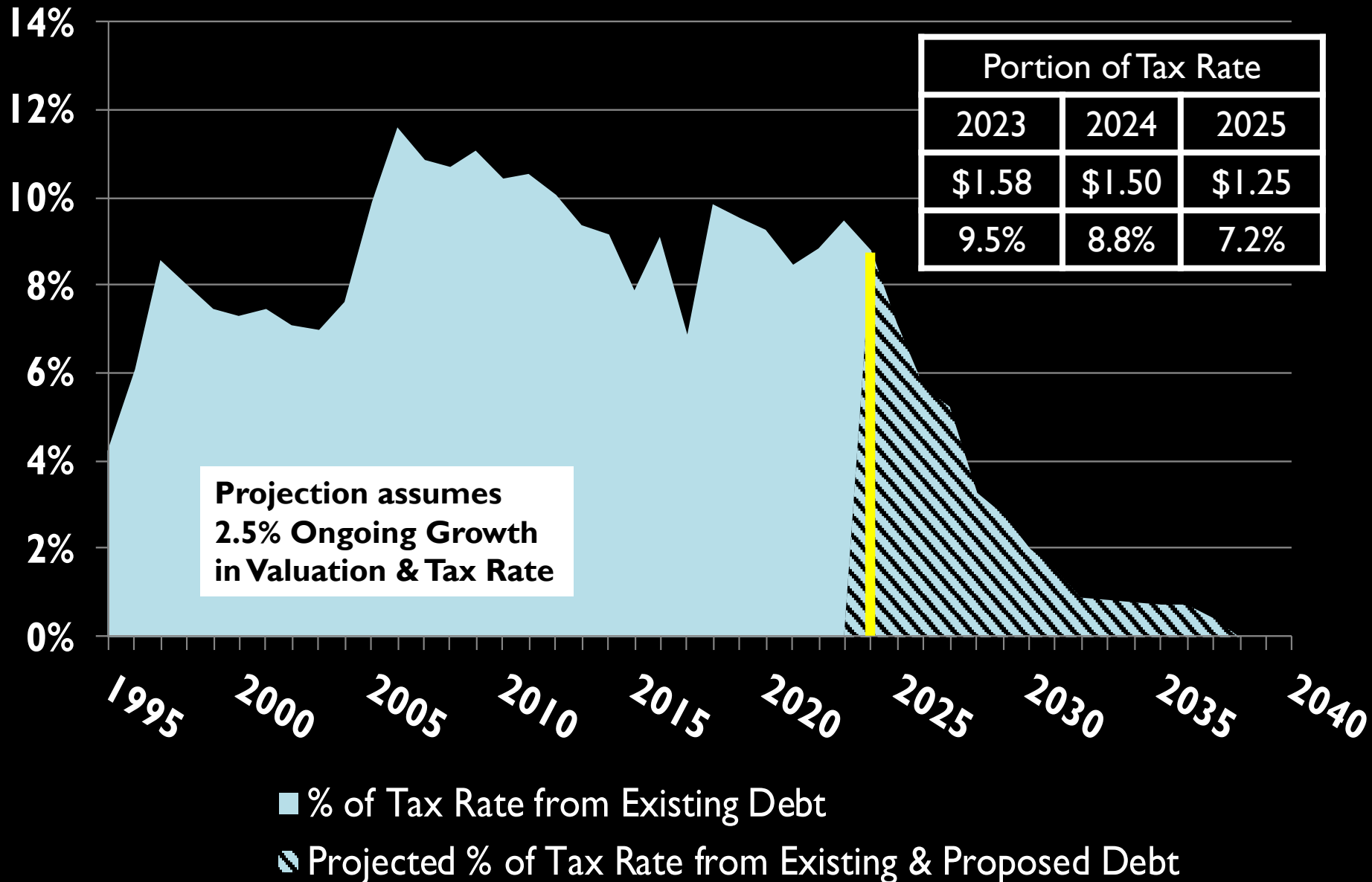
Single Family Residences



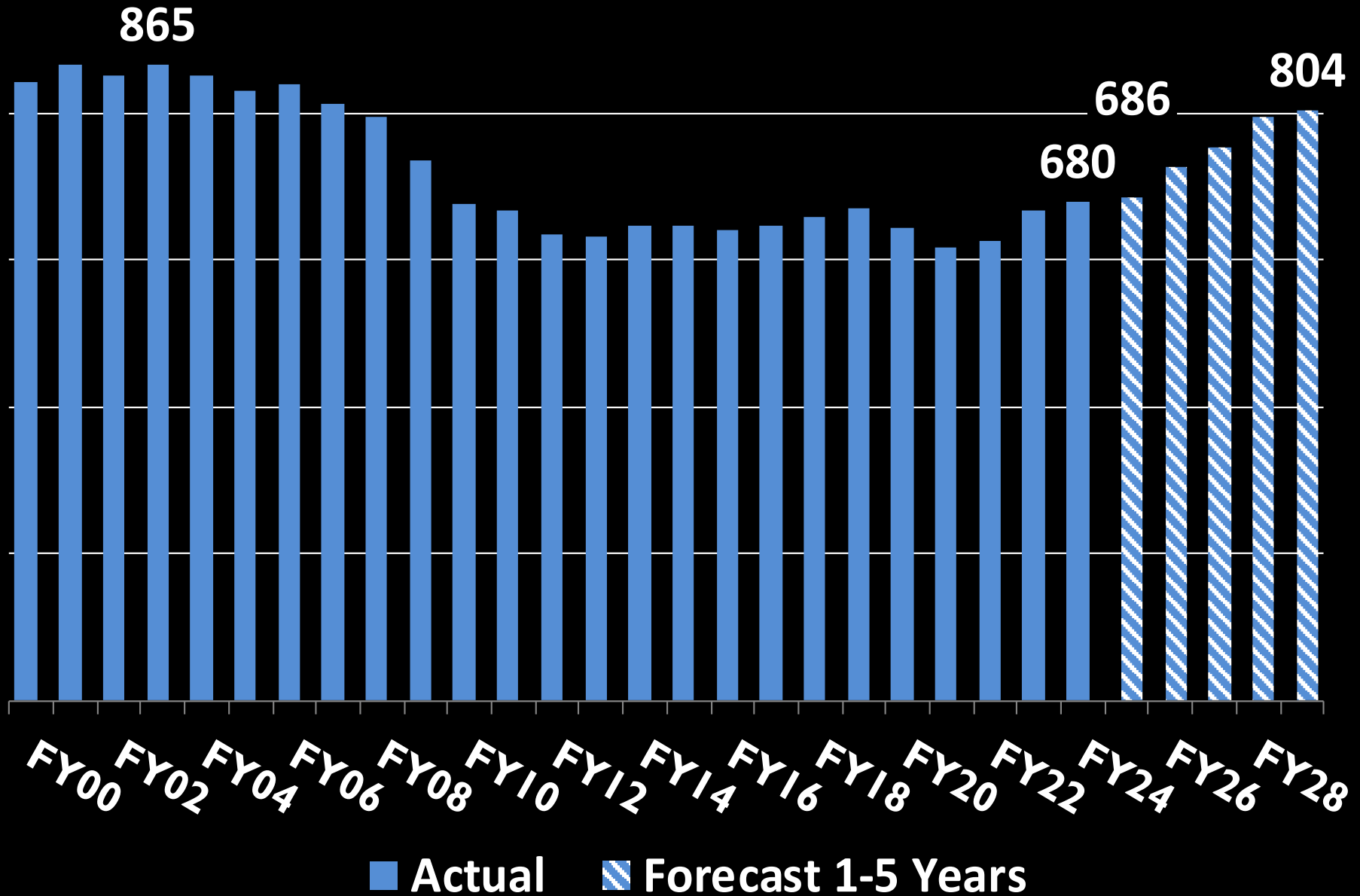
Total Town/School/COOP Bonded Debt and Capital Lease Annual Payments



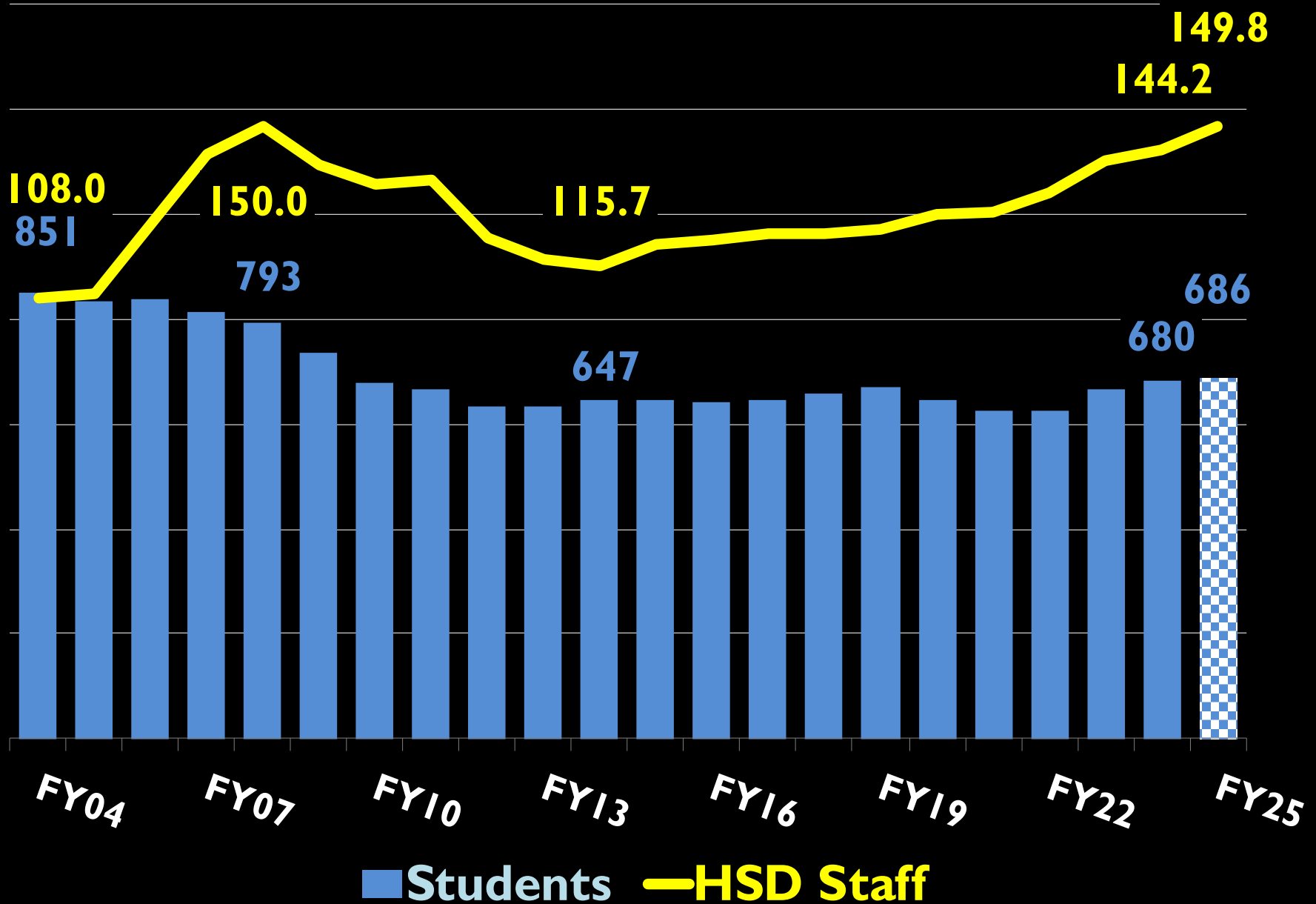
Current Town/School/COOP Bonded Debt and Capital Lease Payments as % of Total Tax Rate



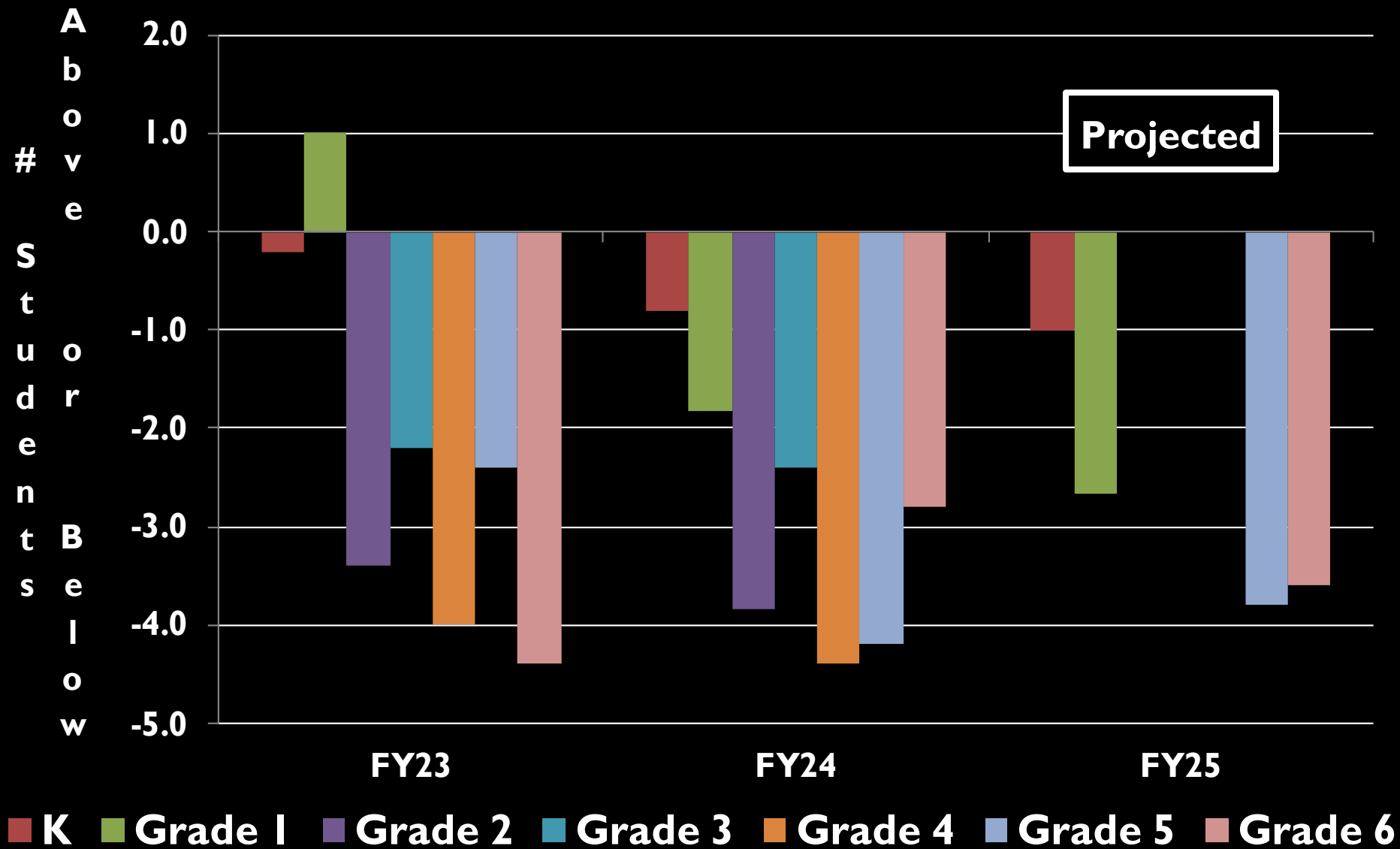
Enrollment History & Forecast



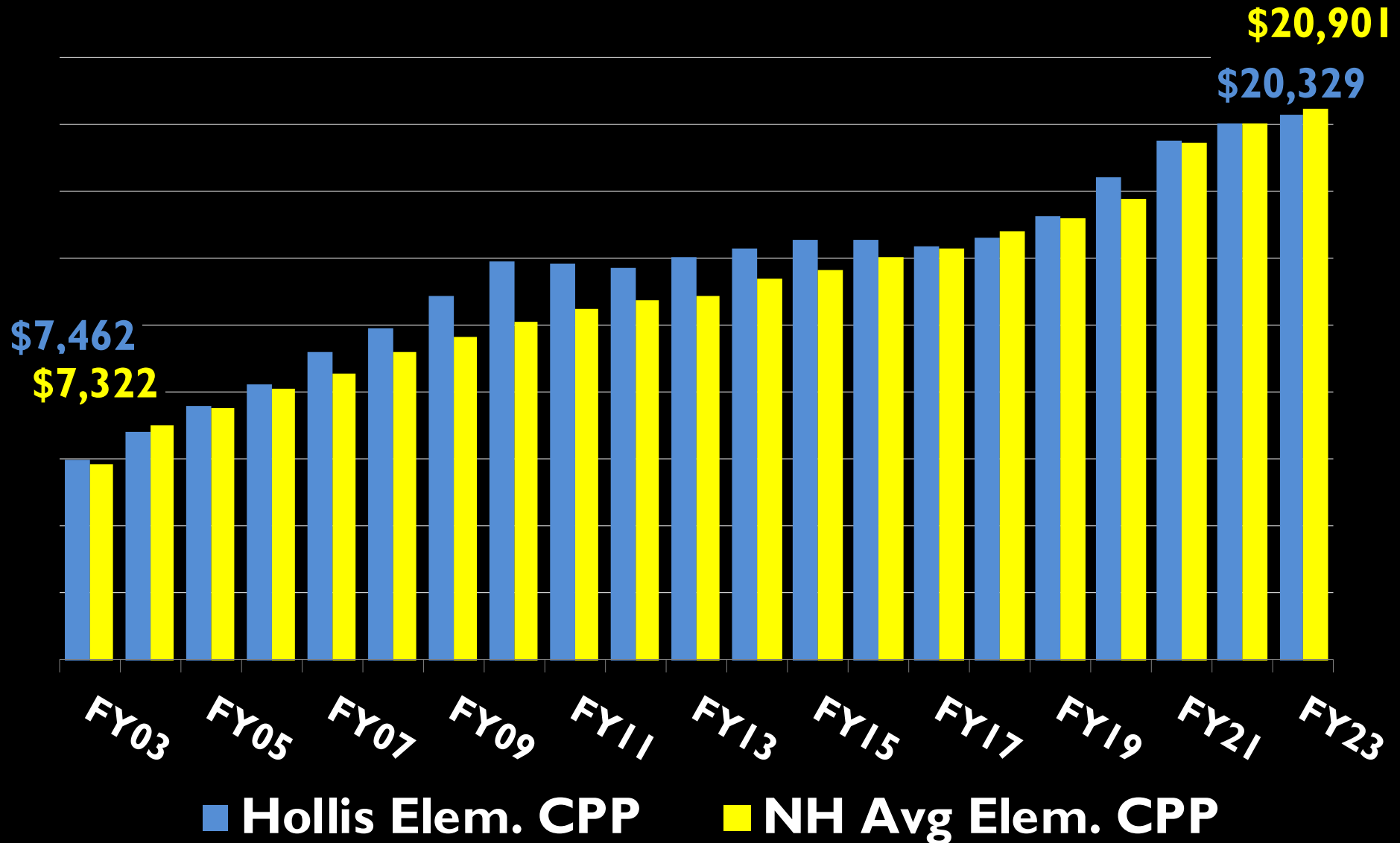
HSD Staff vs. Student Population



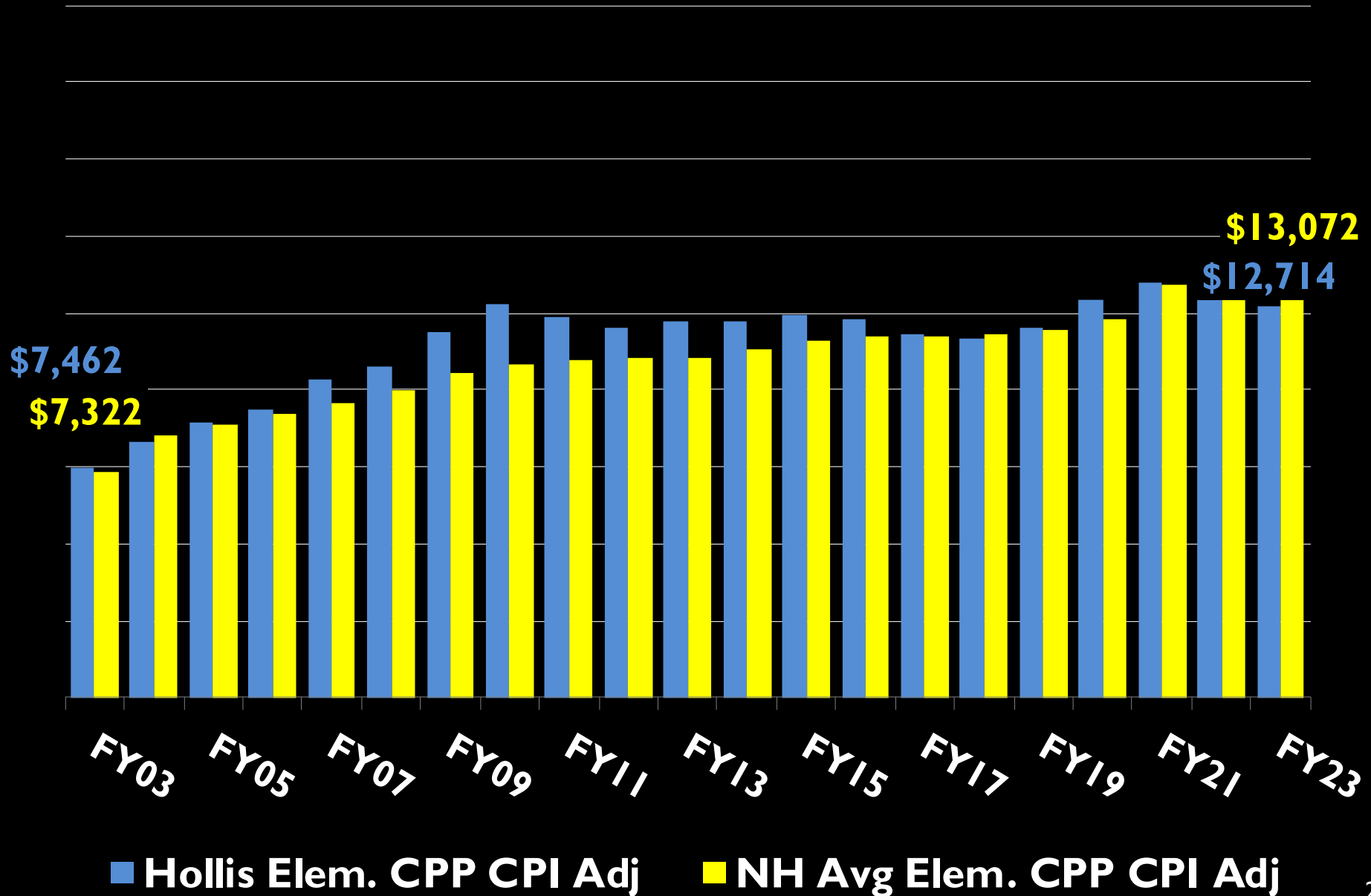
Hollis Education Specifications vs. Projected Class Size



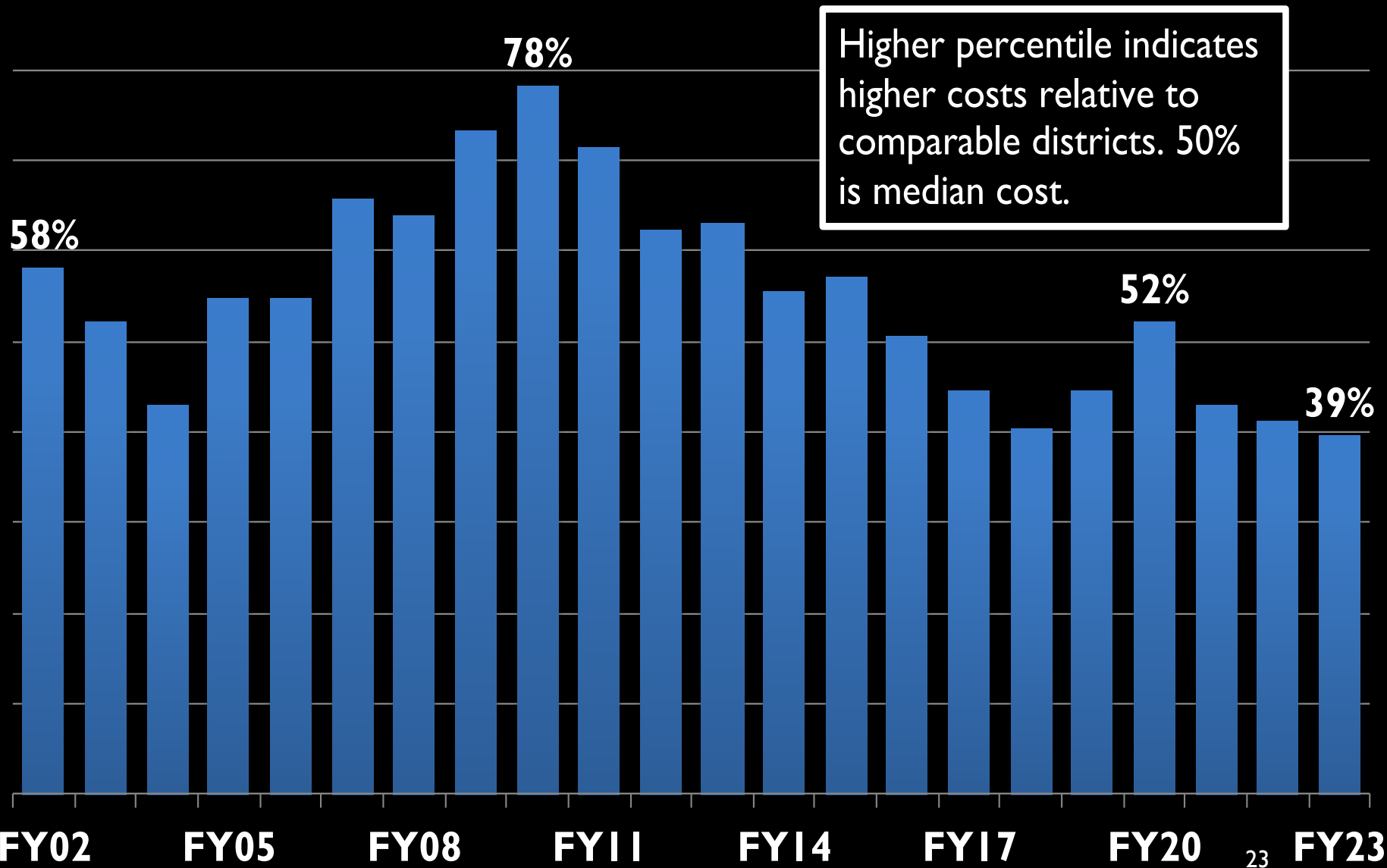
Hollis Elementary Cost Per Pupil (CPP) vs. NH Avg. CPP



Hollis Elementary Cost Per Pupil (Inflation Adj.) vs. NH Avg. CPP



Hollis School District Cost Per Pupil Percentile Among 119 Comparable NH School Districts



Warrant Overview

2023 Hollis School Warrant

Art	Summary	Amount
1	Support Staff Contract Year 3 of 3	\$87,179
2	SAU Budget Assessment	\$734,279
3	SAU Building Maintenance Trust	\$23,970
4	School Building Maintenance Trust	\$125,000
5	Special Education Trust Fund	\$25,000
6	Contingency Fund	\$95,000
7	Operating Budget	\$16,464,092
8	Any Other Legal Business	-

Projected Tax Rates

Tax Rate Forecasting Limitations

- Approved Appropriations (spending) are unknown until after Annual Town and School District Meetings
- Prior year fund balances that may become revenue for the coming year are unknown until the books are closed
- Other Revenues for the coming year may vary, e.g. Special Education Aid or Medicaid reimbursements
- State education aid (Adequacy Grant and Retained State Education Tax) are estimates at this time and may change
- The Assessed Value (aggregate property value of entire Town) which is the denominator for tax rate calculation is an estimate and will not be finalized until later in the year
 - This presentation assumes 2.0% increase in tax base
- State Dept. of Revenue Admin. (DRA) does not set Tax Rate until October / November

Spending – Only Part of Tax Rate

Approved Appropriations:

Total spending approved by Voters

- Revenue

*Special Education Aid, Medicaid, Prior-Year Unexpended Funds,
etc.*

- State Adequacy Grant

= Tax Effort or Net Appropriations

Amount to be raised by Property Taxes

The tax rate will go up even when spending goes down
if revenue and state aid go down by a greater amount

Revenue Estimate vs. Prior-Year Actual Decreased \$415,945

- Major Driver:
 - Fund Balance - \$413,33

State Aid Estimates Increased \$98,311

- Adequacy Aid increased \$66,435
- Retained Tax increased \$31,876

Hollis School District Tax Rate

Assumes all Articles, approved as written	Year 2023 (HSD FY24)	Year 2024 (HSD FY25)	Change
Operating Budget	\$15,786,280	\$16,464,092	+ 4%
Warrant Articles	\$1,005,555	\$1,090,428	+ 8%
– Revenue	(\$1,287,915)	(\$871,970)	- 32%
– State Aid Grant	(\$1,496,345)	(\$1,562,780)	+ 4%
– Retained State Tax	(\$1,438,457)	(\$1,470,333)	+ 2%
= Total Tax Effort	\$12,569,118	\$13,649,437	+ 9%
HSD Tax Rate	\$5.48	\$5.83	+ 6%
+ HSD State Tax Rate	\$0.63	\$0.59	-
Total HSD Rate	\$6.11	\$6.46	+ 6%

Assumes 2.0% increase in tax base

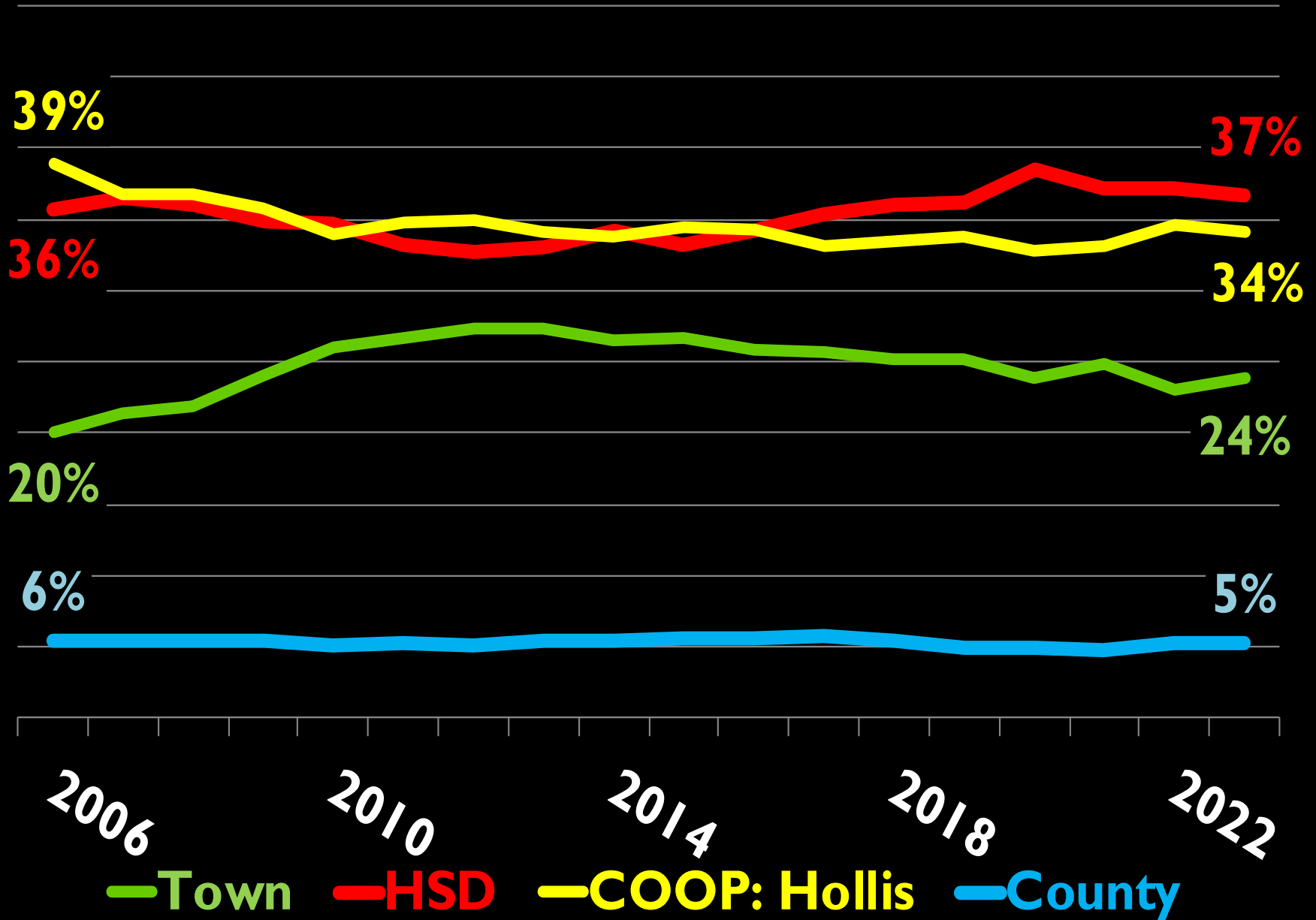
Hollis Total Tax Rate

Assumes all Articles, approved as written	2023	Projected 2024	Change
Town	\$3.99	\$4.33	+ 9%
HSD Local Tax	\$5.48	\$5.83	+ 6%
HSD State Tax	\$0.63	\$0.63	-
COOP Local Tax	\$5.08	\$5.77	+ 14%
COOP State Tax	\$0.60	\$0.59	- 2%
County Tax	\$0.88	\$0.86	- 2%
Hollis Tax Rate	\$16.66	\$18.01	+ 8%

Controllable at the Town / School District Level

Total tax rate may not equal sum of components due to rounding

Hollis Tax Rate Split



Public Hearing Call to Order

Conduct of Public Hearing

- All Warrant Articles that appropriate money must be presented and public input taken at a properly noticed public hearing.
- Most articles may be modified at Annual meeting.
- School Board may remove articles, except petition articles, but may not add any.
- School Board may change wording of non-budget, non-petition articles, up until the Warrant is posted. Wording may also be changed at town meeting.
- At conclusion of public hearing, the Budget Committee will deliberate and vote on warrant articles; must vote on articles that appropriate money; may vote on non-appropriating articles.
- Dollar value of budget article may be changed by Budget Committee. Increases are limited to specific amounts discussed during the public hearing.

Public Hearing – Rules for Tonight

- Articles will be presented as they are expected to appear on the final warrant (though the order may later change)
- Speakers will be recognized by the Chair
- Please state your Name and Address for the record
- Voters may speak once for 2 minutes. May be recognized to speak again on an issue after all others have had an opportunity to speak once.
- If your point has been substantially made by others, please be brief.
- Comments should be addressed to the Chairperson. Do not engage or debate other members of the public.
- Please tell us what specific action or change you would like to see. For example ask that the Operating Budget be modified up/down by specific dollar amount.
- Input will be restricted to Hollis residents of voting age (exceptions for administration & others to answer questions, or as allowed by the Budget Committee for the purpose of clarifications)
- Reminder: Turn off electronic devices or set to silent mode
- Please remain respectful and calm. Everyone wants excellent services and good value for our taxes dollars, we may disagree on how to get there

Warrant Articles

Article I: HESSA (Support Staff)

Year 3 of 3-Year Contract

To see if the School District will vote to approve the cost items included in the three-year collective bargaining agreement reached between the Hollis School Board and the Hollis Education Support Staff Association for the 2024-25 school year, which calls for the following increases in support staff salaries and benefits at the current staffing levels:

FY 25
\$87,179

and further to raise and appropriate the sum of \$87,179 for the third year (2024-25 school year), such sum representing the negotiated increase over the 2023-24 salaries and fringe benefits.

- Recommended by School Board 0-0-0
- Recommended by Budget Committee 0-0-0
- Estimated Net Tax Impact
 - \cong \$0.03 / \$1,000 (Tax Rate)
 - \cong \$22 / \$736,000 (Average Single-Family Residence)

HESSA FY24 - FY25 Agreement Highlights

Increases	FY25
ON/OFF Step Increase	\$84,779 (4.5%)
Increase in Insurance Caps	\$2,400
Total	\$87,179

Article 2: SAU Budget

Shall the School District vote to raise and appropriate the sum of \$734,279 as the Hollis School District's portion of the SAU budget of \$2,377,762 for the forthcoming fiscal year? This year's adjusted budget of \$2,356,823 with \$727,813 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.

- Recommended by School Board 0-0-0
- Recommended by Budget Committee 0-0-0
- Estimated Net Tax Impact
 - $\cong \$0.25 / \$1,000$ (Tax Rate)
 - $\cong \$181 / \$736,000$ (Average Single-Family Residence)

Article 2: SAU Budget

FY24 Budget	FY25 Proposed Budget	\$ Change	% Change	FY25 Adjusted Budget
\$2,264,374	\$2,377,762	+ \$113,388	5%	\$2,356,823

Major Budget Drivers	Increase over FY24 Budget	Details
Salaries	+ \$81,980	<ul style="list-style-type: none"> • \$20,033 merit bonus pool increase based on historical trend • \$37,962 board approved addition to budget for FY24 salaries • 3% salary increases
Benefits	+ \$70,839	<ul style="list-style-type: none"> • Increase to taxes and retirement due to increased salaries • Health Insurance rates + 18.7% • Dental Insurance rates + 4.7%

Article 3: SAU Building Maintenance Fund

To see if the School District will vote to raise and appropriate up to the sum of \$23,970 to be added to the previously established MAINTENANCE FUND FOR ADMINISTRATIVE AND ASSOCIATED STRUCTURES at 4 Lund Lane in Hollis, Map 56, Lot 2. This amount to come from the unassigned fund balance available for transfer on July 1 of this year. This amount represents rental proceeds and unexpended maintenance funds to be received from SAU 41. Further, to name the Board as agents to expend from fund.

- Recommended by School Board 0-0-0
- Recommended by Budget Committee 0-0-0
- Estimated Net Tax Impact
 - None

Article 3: SAU Building Maintenance Fund

- Background:
 - HSD owns and maintains the SAU offices of 4 Lund Lane
 - HSD charges SAU4I rent for this space
- Purpose of the Article:
 - Expendable Trust is a “Savings Account” used to carry forward SAU4I rental income on 4 Lund Lane for major maintenance
- Funding:
 - From SAU4I rental income
- Oversight:
 - Major Expenditures proposed by the Administration
 - School Board evaluates and presents plan to BudCom for input
 - School Board makes final approval of expenditures

Article 3: SAU Building Maintenance Fund

FY25 Projected Opening Balance	\$116,720
FY25 Proposed Funding	\$23,970
FY25 Proposed Projects:	
None planned in FY25	-
Projected FY25 Ending Balance	\$140,690

Article 4: School Buildings Maintenance Fund

To see if the School District will vote to raise and appropriate up to the sum of \$125,000 to be added to the previously established SCHOOL BUILDINGS MAINTENANCE FUND from the Hollis School District's June 30, 2024 unassigned fund balance available for transfer on July 1, 2024.

- Recommended by School Board 0-0-0
- Recommended by Budget Committee 0-0-0
- Estimated Net Tax Impact
 - No rate increase. The Unassigned Fund Balance is the sum of unspent taxes and revenues. Expending funds that could *potentially* be returned as revenue, equates to foregoing a *potential* rate reduction:
 - $\cong (\$0.04) / \$1,000$ (Tax Rate)
 - $\cong (\$31) / \$736,000$ (Average Single-Family Residence)

Article 4: School Buildings Maintenance Fund

- Purpose:
 - “Savings account” to carry forward funds for major building maintenance
- Funding:
 - Unreserved Fund Balance Surplus
- Oversight:
 - Major Expenditures proposed by the Administration
 - School Board evaluates and presents plan to Budget Committee for input
 - School Board makes final approval of expenditures

Article 4: School Buildings Maintenance Fund

FY25 Projected Opening Balance		\$215,000
FY25 Proposed Funding		\$125,000
FY25 Proposed Projects:		
Exit Lane Addition-End of Drury Lane	BOTH	(\$25,000)
Elevator Retrofit-Phase I	HUES	(\$36,000)
Classroom Flooring	HUES	(\$35,000)
Boys Bathroom Stall Replacements	HUES	(\$20,000)
Exterior Cameras-Additional	HUES	(\$20,000)
Entrance Security Upgrades	HUES	(\$20,000)
Secure Entrance Upgrade-Phase I	HPS	(\$40,000)
Alarm/Access Control Updates	HPS	(\$35,000)
Wall Mounted Heating Controls	HPS	(\$20,000)
FY25 Projects Total Cost		(\$251,000)
Projected FY25 Ending Balance		\$89,000

Article 5: Special Education Expendable Trust Fund

To see if the School District will vote to raise and appropriate up to the sum of \$25,000 to be added to the previously established Special Education Expendable Trust Fund. The sum to come from the Hollis School District's June 30, 2024 unassigned fund balance available for transfer on July 1, 2024.

- Recommended by School Board 0-0-0
- Recommended by Budget Committee 0-0-0
- Estimated Net Tax Impact
 - No rate increase. The Unassigned Fund Balance is the sum of unspent taxes and revenues. Expending funds that could *potentially* be returned as revenue, equates to foregoing a *potential* rate reduction:
 - $\cong (\$0.01) / \$1,000$ (Tax Rate)
 - $\cong (\$6) / \$736,000$ (Average Single-Family Residence)

Article 5: Special Education Expendable Trust Fund

- “Savings account” to carry forward funds for major unexpected Special Education costs
- Examples of unanticipated expenses:
 - A student could move into the district in the summer and require special education services in excess of \$100K
 - Change in student placement mid-year could add \$40K in transportation cost
 - Student injured during the year could require \$60K of occupational therapy services
- Use of Trust would lessen risk that ongoing educational programs would be reduced to fund unforeseen special education costs
- Gradual funding from unassigned fund balance
 - Trust balance non-statutory cap \$280K
 - FY25 opening balance \$125,000

Article 6: Contingency Fund

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 a sum of \$95,000 to go into the fund. This sum to be raised by taxation. Any appropriation left in the fund at the end of the year will lapse to the general fund.

- Recommended by School Board 0-0-0
- Recommended by Budget Committee 0-0-0
- Estimated Net Tax Impact
 - $\cong \$0.03 / \$1,000$ (Tax Rate)
 - $\cong \$23 / \$736,000$ (Average Single-Family Residence)

Article 7: Operating Budget

To see if the School District will vote to raise and appropriate a sum of \$16,464,092 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.

- Recommended by School Board 0-0-0
- Recommended by Budget Committee 0-0-0
- Estimated Net Tax Impact
 - $\cong \$5.52 / \$1,000$ (Tax Rate)
 - $\cong \$4,066 / \$736,000$ (Average Single-Family Residence)

Article 7: Operating Budget Guidance

Description	Total	Variance from Guidance
Guidance Budget	\$16,465,591	-
Proposed Budget	\$16,464,092	(\$1,399)

Article 7: Operating Budget

Staff Changes

- Total adds to staff: 5.7 Full-Time Equivalents
 - + 3.0 Regular Paras at HUES
 - + 1.0 Regular Education teacher at HPS
 - Anticipated enrollment increase
 - + 1.0 Pre-K Coordinator/Pre-K Teacher at HPS
 - + 1.0 Pre-K Intensive Needs Para at HPS
 - + 0.5 Regular Pre-K Para at HPS
 - 1.0 Regular Para at HPS
 - + 0.2 Special Education Secretary serving both schools

Article 7: Operating Budget

Major Increases

Description	FY25 Proposed	% Change	\$ Change
New Special Ed Positions	\$190,055	100%	\$190,055
Special Ed Transportation	\$226,000	83%	\$102,309
Classroom Teacher Salaries	\$4,046,250	1.73%	\$68,863
Teacher Degree Changes	\$80,587	91.8%	\$38,572
Extended School Year-Wages	\$90,000	40.4%	\$25,900
Computer Equip-Rplcmnt	\$119,100	15.7%	\$16,150

Article 7: Operating Budget

Major Decreases

Description	FY25 Proposed	% Change	\$ Change
Teacher Retirement Benefit	\$0	(100%)	(\$61,295)
Bond Interest	\$179,524	(13.4%)	(\$27,838)
Health Insurance	\$1,395,835	(1.6%)	(\$22,324)
School Psychologist	\$62,691	(25.5%)	(\$21,428)
Behavior Specialists	\$35,045	(37.8%)	(\$21,318)

Article 8: To transact any other business that may legally come before said meeting.

Budget & Meeting Calendar 2024

- Tue, Feb 6 – Town Public Hearing
- Tue, Feb 13 – HSD Public Hearing
- Mon, Feb 19 – COOP Public Hearing
- Tue, Mar 12 – Town Elections
- Thu, Mar 14 – HSD Annual District Meeting
- Sat, Mar 16 – Town Meeting
- Tue, Mar 19 – COOP Annual District Meeting

Conclusion of Public Input