

## **BUDGET COMMITTEE**

Town of Hollis

Seven Monument Square

Hollis, New Hampshire 03049

Ph. 465-2209 Fax 465-3701

FINAL minutes of February 9, 2021

Meeting was held in the Community Room, Hollis Town Hall.

Zoom Meeting information, including URL and ID are available on the agenda for those who would like to video or phone in.

The Budget Committee was called to order by Mike Harris at 7:00PM.

**Members present:** Tom Gehan, Chair; Mike Harris, Vice Chair; Mike Leavitt; Darlene Mann; Tom Jambard; Chris Hyde; Carryl Roy, School Board Representative; Mark LeDoux, Select Board Representative

**Officials present:** Kelly Seeley, SAU41 Business Administrator;

### **Budget & Meeting Calendar 2021**

- **Tuesday, February 2 – COOP Public Hearing**
- **Monday, February 8 – Town Public Hearing**
- **Tuesday, February 9 – HSD Public Hearing**
- **Tuesday, March 9 – Town Elections**
- **TBD – HSD Annual District Meeting**
- **TBD – Town Meeting**
- **TBD – COOP Annual District Meeting**

**T. Gehan went over the budget process, demographics, information on tax bills, enrollment and class size. He also explained the projected tax rate for 2021:**

- **Operating Budget**
  - Year 2020 (HSD FY21): \$13,264,874
  - Year 2021 (HSD FY22): \$13,826,368
  - Change: +4.2%
- **Warrant Articles**
  - Year 2020 (HSD FY21): \$1,233,549
  - Year 2021 (HSD FY22): \$913,126
  - Change: -26%
- **Revenue**
  - Year 2020 (HSD FY21): \$924,586
  - Year 2021 (HSD FY22): \$733,970
  - Change: -21%

- **State Aid Grant**
  - Year 2020 (HSD FY21): \$1,208,569
  - Year 2021 (HSD FY22): \$1,159,760
  - Change: -4.0%

- **Retained State Tax**
  - Year 2020 (HSD FY21): \$1,370,066
  - Year 2021 (HSD FY22): \$1,376,658
  - Change: +.05%

**= Total Tax Effort**

- Year 2020 (HSD FY21): \$10,995,202
- Year 2021 (HSD FY22): \$11,469,106
- Change: +4.3%

**Total HSD Tax Rate**

- Year 2020 (HSD FY21): \$8.92
- Year 2021 (HSD FY22): \$9.18
- Change: +2.9%

**Public hearing called to order**

**Warrant Articles**

- **Article 1: Support Staff Contract Year 3 of 3**
  - Raise and appropriate the sum of \$55,034 for salaries and fringe benefits
  - Recommended by School Board unanimously
  - Estimated net tax impact
    - Approx. \$.03/\$1000 (tax rate)
    - Approx. \$14.12/\$457,000 (average single-family residence)
  - No public input
- **Article 2: SAU Budget**
  - Raise and appropriate the sum of \$594,122
  - This year's adjusted budget of \$1,918,864 with \$583,661 assigned to the school budget of this school district will be adopted if this article does not receive a majority vote of all the school district voters voting in this school administrative unit.
  - Recommended by School Board unanimously
  - Estimated net tax impact
    - Approx. \$.33/\$1000 (tax rate)
    - Approx. \$152.45/\$457,000 (average single-family residence)
  - No public input
- **Article 3: SAU Building Maintenance Trust**
  - Raise and appropriate \$23,970 to be added to the previously established Maintenance Fund for Administrative and Associate Structures at 4 Lund Lane in Hollis. This amount

represents rental proceeds and unexpected maintenance refunds to be received from SAU41.

- Recommended by School Board unanimously
  - Estimated net tax impact
    - No tax impact
  - No public input
- **Article 4: School Building Maintenance Trust**
    - Raise and appropriate up to the sum of \$120,000 to be added to the previously established School Buildings Maintenance Fund
    - Recommended by School Board unanimously
    - Estimated net tax impact
      - No rate increases in 2021. The Unassigned Fund Balance is the sum of unspent taxes and revenues. Expending \$120,000 that could *potentially* be returned as revenue, equates to foregoing a *potential* rate reduction:
      - Approx. (\$.09)/\$1000 (tax rate)
      - Approx. (\$39.12)/\$457,000 (average single-family residence)
    - No public input
- **Article 5: Special Education Expendable Trust Fund**
    - Raise and appropriate up to the sum of \$25,000 to be added to the previously established Special Education Expendable Trust Fund.
    - Recommended by School Board unanimously
    - Estimated net tax impact
      - No rate increases in 2021. The Unassigned Fund Balance is the sum of unspent taxes and revenues. Expending \$25,000 that could *potentially* be returned as revenue, equates to foregoing a *potential* rate reduction:
      - Approx. (\$.02)/\$1000 (tax rate)
      - Approx. (\$8.15)/\$457,000 (average single-family residence)
    - No public input
- **Article 6: Contingency Fund**
    - Raise and appropriate a sum of \$95,000
    - Any appropriation left in the fund at the end of the year will lapse to the general fund
    - Recommended by School Board unanimously
    - Estimated net tax impact
      - Approx. \$.05/\$1000 (tax rate)
      - Approx. \$24.38/\$457,000 (average single-family residence)
    - No public input
- **Article 7: Special Education Aid**
    - Authorize the HSD to access future state and federal special education air funds in the event that special education costs exceed budget limitations
    - Article 7 will only be presented and voted on if Article 8 does not pass

- Recommended by School Board unanimously
  - Estimated net tax impact
    - None
  - No public input
- **Article 8: Accept and Expend Future Unanticipated Revenues**
    - 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 needed by the school district, unanticipated money from a state, federal, or other governmental unity or a private source which becomes available during the fiscal year
    - Recommended by School Board unanimously
    - Estimated net tax impact
      - None
    - No public input
- **Article 9: FY22 Operating Budget**
    - Raise and appropriate a sum of \$13,826,368 for the support of schools, payment of salaries, and payment of statutory obligations of the district
    - Appropriation does not include appropriations voted in other warrant articles
    - Budget Committee approved \$99,081 addition to original guidance in consideration of non-controllable cost increases, such as employer retirement system and health insurance costs
    - +2.5 total changes to staff
      - +0.2 Increase Environmental Science teacher from 0.8 to 1.0
      - +0.3 Portion of SAU Facilities Director; resides in HSD
      - +1.0 Special Education Self-Contained K-3
      - +1.0 Speech Pathologist
    - Major Increases:
      - Employer Retirement Contributions
        - FY22 Proposed: \$1,217,777
        - % Change: 23%
        - \$ Change: \$223,253
      - Salaries, Classroom Teachers (Approved by voters)
        - FY22 Proposed: \$3,693,793
        - % Change: 3.4%
        - \$ Change: \$120,137
      - Employer Health Insurance Premiums
        - FY22 Proposed: \$1,160,549
        - % Change: 7%
        - \$ Change: \$75,271
      - Special Education Salaries, Self-Contained K-3
        - FY22 Proposed: \$69,402
        - % Change: 100%

- \$ Change: \$69,402
- Special Education Salaries, Response to Intervention
  - FY22 Proposed: \$113,015
  - % Change: 29%
  - \$ Change: \$25,429
- Major Decreases
  - Special Education Tuition
    - FY22 Proposed: \$0
    - % Change: -100%
    - \$ Change: -\$119,225
  - Special Education Transportation
    - FY22 Proposed: \$0
    - % Change: -100%
    - \$ Change: -\$108,000
  - Contracted Speech
    - FY22 Proposed: \$1,286
    - % Change: -98.2%
    - \$ Change: -\$71,914
  - Replacement Computer Equipment
    - FY22 Proposed: \$46,000
    - % Change: -57%
    - \$ Change: -\$61,225
  - Regular Education Transportation
    - FY22 Proposed: \$320,290
    - % Change: -15%
    - \$ Change: -\$57,839
- Recommended by School Board unanimously
- Estimated net tax impact
  - Approx. \$7.76/\$1000 (tax rate)
  - Approx. \$3,548/\$457,000 (average single-family residence)
- No public input

- **Article 10: Any Other Legal Business**

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**T. Gehan closed public hearing**

**Budget Committee meeting continued.** The committee took up the warrant articles in order and voted whether to recommend each article:

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 1: Support Staff Contract Year 3 of 3. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 2: SAU Budget. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 3: SAU Building Maintenance Trust. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 4: School Building Maintenance Trust. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 5: Special Education Expendable Trust Fund. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 6: Contingency Fund. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 7: Special Education Aid. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 8: Accept and Expend Future Unanticipated Revenues. The motion PASSED unanimously 8-0-0 by rollcall vote.

*MOVED* by M. Harris and seconded by D. Mann to recommend Article 9: FY22 Operating Budget. The motion PASSED unanimously 8-0-0 by rollcall vote.

**Adjournment:** *Motion to adjourn* by D. Mann and seconded by M. LeDoux. The motion PASSED unanimously 8-0-0 by rollcall vote.