

1 **HOLLIS BUDGET COMMITTEE**
2 **DECEMBER 12, 2023**
3 **MEETING MINUTES**
4

5 A meeting of the Hollis Budget Committee was conducted on Tuesday, December 12, 2023, at 7:03 p.m. at the
6 Hollis Town Hall Community Room.
7

8 Tom Gehan, Chairman, presided:
9

10 Members of the Committee Present: Mike Harris, Vice Chairman
11 Mike Leavitt, Secretary
12 Christopher Hyde
13 Mark Kost
14 Darlene Mann
15 Mark Le Doux, Selectmen's Representative
16 Amy Kellner, Hollis School Board Representative
17

18 Members of the Committee Absent:
19

20 Also in Attendance: Kelly Seeley, Business Administrator, SAU 41
21

22
23 Chair Gehan lead in the Pledge of Allegiance.
24

25 Chair Gehan spoke of the numerous questions posed to Committee members, members of the Selectboard,
26 Town Clerk, and employees at Town Hall concerning the December tax bill. A [statement](#) was approved by the
27 Committee at last night's meeting and has been posted to the Town's website.
28

29 The statement covered three areas; Hollis property tax trend over the past ten (10) years, the nature of whether
30 the increase was unexpected, and, specifically related to the December bill, why it was unusually high.
31

32 Chair Gehan stated he has been informed by the Town's I.T. Department that the statement has been posted on
33 the Town's website and was sent out to those who subscribe to the notification email system. It was also sent to
34 the Hollis-Brookline News Online, which the Rotary puts out.
35

36 **PUBLIC INPUT**
37

38 *Chair Gehan opened the floor for public input at 7:04 p.m.*
39

40 Paul Miller, 6 Farm Pond Lane
41

42 Spent time at the Selectboard meeting sharing some of his concerns on Warrant Article 5 proposed by the
43 Selectboard. He reserved some additional concerns about this article for this Committee. Article 5 calls for the
44 adoption of RSA 41:14a, which shifts the authority to buy and sell property from the voters at Town meeting to
45 the Selectboard. Based on his research he is convinced that the towns adopting this RSA are now using this
46 process to find in the RSA as a primary way to buy and sell property. He is also convinced that the Hollis
47 Selectboard will embrace this process as a new normal thereby relegating our town meeting to the exception,
48 not the rule, when it comes to approving property purchases and sales. One troubling omission from the
49 prescribed RSA 41:14a process; the Selectboard is not required to seek a recommendation from the Budget
50 Committee on any proposed property purchase or sale. Notably the RSA does require the Selectboard to seek

1 recommendations from the Planning Board and Conservation Commission before reaching a final decision on
2 all property purchase and sales, but not the Budget Committee.

3
4 Town funds would be used if a property or parcel of land is purchased by the Town. Shouldn't the Budget
5 Committee have a voice in the use of town funds to purchase property?

6
7 At the December 4 Selectboard meeting, the Board clarified that the RSA does not allow for the purchase of
8 land unless the funds are already secured, but if Warrant Article 5 passes, the Selectboard can set up a capital
9 reserve fund focused on land purchases so the money will be available when needed. Should the Budget
10 Committee provide a recommendation on the establishment, funding and expenditure from such a fund?

11
12 He believes voters would expect and place great value on a recommendation from the Budget Committee on
13 any proposed property purchase and sale whether brought before the town meeting or through the RSA 41:14a
14 process.

15
16 He recommended the Committee vote to ask the Selectboard to amend the proposed warrant article to include
17 the requirement that in addition to other town bodies identified in RSA 41:14a, the Selectboard shall ask for
18 recommendation from the Budget Committee on any proposed property purchase or sale. This would correct
19 what he sees as a serious flaw in the RSA.

20
21 Chair Gehan stated it has been clarified that the Budget Committee can take a vote to recommend or not
22 recommend the article. That vote tally will appear on the warrant.

23
24 Selectboard Member Le Doux remarked he is uncertain the article will see the light of day. This has been
25 recommended by Town Council for consideration for the past 3-4 years. The reason being that if someone
26 wishes to donate a piece of land or to sell it to the town for a nominal sum like situations that have occurred
27 where individuals have transferred acreage for \$1, RSA 41 allows that to happen a lot quicker than to wait an
28 entire year cycle to do it at town meeting. It is clearly not the interest of this Selectboard, which he has been a
29 member of for 17 years, to do anything that would not be in plain sight of day. Every time we have had a
30 conversation about land acquisition it has always been with the Budget Committee and in a very frank and open
31 public hearing setting.

32
33 Until this is further explained, he will recommend to his colleagues that it be put on ice. There is nothing that
34 they are aware of currently that is pending. It just eliminates a potential tool for Selectboards to use in the
35 future to facilitate, generally, donations of property. He stated he is unaware of any land that is currently being
36 discussed either by the Conservation Commission and certainly not by the Board of Selectmen as it relates to
37 this matter.

38
39 While he appreciates the concern stated, his understanding of his role as Ex-Officio member of the Committee
40 is to provide feedback and guidance from the Selectboard and he was present to do that.

41
42 Chair Gehan stated the Committee would take this up, to the extent that the Selectboard wants to bring it
43 forward.

44
45 ***The public input period was declared closed at 7:34 p.m.***

1 **SCHOOL REPORT**

2
3 • Capital Improvement Projects Update

4
5 Kelley Seeley, Business Administrator, spoke of the bond that was approved for FY23. Projects that have been
6 completed include the cladding of the gym exterior at the Hollis Primary School (HPS), the air source heat
7 pumps at HPS (16), and roofing projects in both schools that were determined to be at end of life.

8
9 What is on hold are the interior doors. That is on hold as there is the desire to complete the other two projects
10 (kitchen and bathroom renovations) so that the necessary funds are understood to be available to complete that
11 project. This summer, time has been spent on the kitchen and bathroom renovations at HPS and air handler #3
12 at the Hollis Upper Elementary School (HUES). Those projects are virtually complete; punch list items remain.
13 Change Orders are expected. The anticipation is that the project will come in on budget.

14
15 Asked if all the classrooms are currently fitted with air source heat pumps, she stated her belief there remains
16 one that is not. Member Hyde commented on the project coming in on budget and remarked, with all items
17 delivered as per specification, which would include interior doors, he was looking at a two-day actual spend of
18 \$3.084 million versus a budget of \$3,116. It does not leave more than \$30-\$40,000 available. The interior
19 doors are identified at a cost of \$130,000⁺. He stated his expectation the overall project will not come in with
20 the completeness of it. He questioned if that is the case.

21
22 Ms. Seeley stated the original budget to have been \$3.116 million. We have identified additional funding of
23 \$558,620. She is calling the budget at \$3,674,620. That does include a couple of things left over from the
24 HSMART project. This is kind of a combination of both because of the funding sources. The district has
25 roughly \$500,000 remaining to spend in that adjusted budget.

26
27 Asked where the \$500,000 came from, she stated some to have come from the HSMART lease, e.g., with the air
28 source heat pumps they were able to only use \$61,000 of the Hollis Capital Advancement Plan Committee
29 (HCAP) bond and \$168,000 of the lease. There is \$250,000 in the kitchen renovation that was a spend down
30 plan the DOE required us to construct based on additional funds that we had available in food service income,
31 primarily due to the COVID times and additional revenue (government funds, savings resulting from staffing
32 shortages, etc.).

33
34 Asked if it is a take or pay situation on the lease or bond, she stated the bond has already been issued and the
35 lease is now spent because of how the district was able to use it. Selectboard Member Le Doux asked for
36 clarification that the lease is fully funded and we are making agreed upon payments and was told that is the
37 case.

38
39 Asked about the \$72,967 from the general fund she stated it to be funds that were previously encumbered for
40 those items.

41
42 Asked about the timeframe for completing the interior doors, Ms. Seeley stated the likelihood the project will
43 require that we wait until next summer. Asked if there will be enough funding to address that, she stated her
44 belief that will be the case.

45
46 Asked if this would complete all the items identified, she stated there were some items that the district decided
47 not to do and others that the funding was not available for during all three of the projects. For this project she
48 stated her belief the district has done everything it set out to do.

1 • Operational Update

2
3 Amy Kellner, Hollis School Board Representative, informed the Committee that the School Board accepted the
4 retirement of long-time HPS Custodian, Chuck Stoll, effective at the end of the current school year.

5
6 A few openings remain for Paraprofessionals at HPS.

7
8 Over the course of the past month, enrollment increased by 4 at HPS and decreased by 1 at HUES.

9
10 School Board Member Wake-De Pasquale was appointed to Chair the Hollis School District Enrollment
11 Committee. She will establish a Charge and begin to solicit membership. An update will be provided to the
12 school board at its January meeting.

13
14 Adjustments were made to the proposed budget to allow it to meet guidance without having to request relief
15 from guidance.

16
17 Robert Mann was appointed to fill the vacancy created by the resignation of former Member Levesque.

18
19 **NEW BUSINESS**

20
21 • 1st Review of Proposed Hollis School District FY25 Budget

22
23 Ms. Seeley highlighted items from the list of new item requests. Under the heading of academics, the total
24 increase listed is \$55,100. Included in that is funding for a new math program (\$13,750 for each of the schools)
25 (several programs being considered; both elementary school districts in the SAU).

26
27 Under the category of Personnel, the total increased cost identified is \$140,637. A new teacher is identified (at
28 least one new teacher is anticipated) (\$101,737). Asked, she stated the cost to be the all in cost, e.g., salary and
29 benefits.

30
31 Asked if the 4 new students require any changes to be made, Member Kellner stated the additional students did
32 not result in any classes exceeding educational specifications.

33
34 Asked if there was a sense of what grade level the new teacher position would support, Ms. Seeley stated her
35 belief it would be next year's 2nd grade. Member Kellner stated there to be 6 sections in the current 2nd grade.
36 Ms. Seeley added the numbers for next year's 3rd grade are suspect, which is why there may be the need for a
37 second additional teacher.

38
39 Under Special Education Personnel, the total increase identified is \$190,055. The two primary areas of increase
40 are the Pre-K Coordinator (0.5 FTE) / Pre-K Teacher (0.5 FTE) position at an estimated cost of \$116,374 and
41 \$74K in Paraeducator expenses. Asked, she stated that to be 2.5 positions melded into a 1.0 FTE.

42
43 Under Special Education Programming, \$19,000 is listed for a new life skills program at HUES. It is an
44 extension of the self-contained program at HPS. There are more and more students moving up to HUES. Cost
45 is associated with supplies and adjustments that need to be made to the classroom that will be used. Asked if
46 the Life Skills program will remain at the same level at HPS, she stated her belief it will.

47
48 Member Mann noted there is a Director of Student Services that oversees all student services across all three
49 districts. She asked for clarification of the organizational structure, e.g., how student services are coordinated
50 within HPS and HUES. Ms. Seeley stated both Hollis and Brookline districts are structured the same; there is a

1 special education coordinator who is a 1.0 FTE in both districts, and they manage both schools. They spend
2 time in both schools and make decisions for both. The COOP also has a coordinator in both the middle and high
3 school. Altogether the SAU has 4 special education coordinators that answer to the Director of Student
4 Services at the SAU.

5
6 Combining new and replacement computer equipment, the total proposed increase is \$135,050. This allows for
7 the continuation of the staff replacement plan and following the new student replacement plan. That new plan
8 is driven by the fact that the district is a one-to-one district, and the time has come to start replacing the devices
9 that were mostly funded by grant funds.

10
11 Asked, she stated the replacement plan to be an effort to avoid spikes in budgets from year to year. The cost of
12 devices will increase over time, but the plan has been designed so that the expense identified can be expected
13 moving forward. Also in that category, which will fluctuate more, are the interactive flat panels (scheduled
14 purchase of 6).

15
16 Asked if some of the younger students are expected to receive iPads, Ms. Seeley stated the type of equipment is
17 grade level dependent. She added her belief that the 1st grade is the first to receive Chromebooks.

18
19 Under the heading of Facilities/Maintenance, the increased cost identified is \$101,900. Highlighted was the
20 \$10,000 listed for the design of the front entrance security upgrade at HPS. All 6 schools within the SAU will
21 eventually have this upgrade. HPS presents a unique entryway that will take some effort in the design.
22 Identified for these security upgrades are changes recommended by Homeland Security. Asked if grant funding
23 is available, she stated the district has applied.

24
25 Asked about the difference between round 1 and round 3 under the heading of Safety/Compliance Issues, Ms.
26 Seeley noted the reason round 1 was so large is because of the cooling solution being looked at for HUES.
27 Round 1 is what is called the kitchen sink round where principals are asked to identify everything that they
28 want. A great deal more study needs to be done on that solution. The decision was made not to continue with
29 that item at this time.

30
31 Another notable item under Facilities/Maintenance is the \$40,000 (\$20,000 each building) for the
32 enrollment/expansion study.

33
34 Under the Maintenance Expendable Trust, listed is \$36,000 as Phase I for the HUES elevator retrofit (plan to
35 save funds in the trust until reaching the \$180K⁺ cost (likely in 5 years)). The exit lane addition at the bottom
36 of Drury Lane is identified (to create right hand turn lane) at \$25,000. The HPS secure entrance – Phase I is
37 listed as \$40,000.

38
39 Asked if the Department of Public Works has been contacted regarding the exit lane understanding there may
40 be an opportunity for economies of scale if the project were combined with a town project/contract, Ms. Seeley
41 stated the district has never added its projects with those of the town. That contact can be made.

42
43 There is \$35,000 identified for flooring at HUES. Camera upgrades are listed for HUES at a cost of \$20,000.
44 Heating controls (change to wall mounted system) for HPS are listed at \$20,000. HUES is looking to start
45 replacing bathroom stalls (student bathrooms) at a cost of \$20,000. At HPS, listed is \$35,000 for an
46 alarm/access control upgrade.

47
48 Asked about the new thermostats and if there would be a link to the central office so that individuals could
49 monitor the temperature, she stated there would be. Currently they are only controlled by the teacher in the
50 room. It is the belief savings could be achieved through centralized control.

1 Asked about the I.T. Expendable Trust identified in Round 1 of the budget review process, Ms. Seeley stated
2 that was the first idea for how to fund computer replacement. The decision was reached that would not be as
3 viable an approach as the one being proposed (including the annual cost in the budget).

4
5 Member Hyde noted the FTE being added, the Special Ed. Pre-K Coordinator and the paraeducators. He
6 questioned if the net headcount impact on the budget is an addition of 1.7 FTE. Ms. Seeley responded it might
7 be a total of 3.5 paras for a total headcount increase of 4.5.

8
9 • Anticipated School District Warrant Articles

10
11 The operating budget is identified as \$16,464,092, the HESSA contract at \$87,179, SAU assessment estimate of
12 \$734,279, contingency amount of \$95,000, SAU Trust at \$23,970, Maintenance Trust at \$125,000 and Special
13 Education Trust at \$25,000. There may be the need to increase the allocation to the Special Education Trust to
14 a total of \$50,000 due to student need. The total would be \$17,554,520, which represents an increase to the
15 operating budget of 3.7% and a total increase of 4.5%.

16
17 Asked why the contingency amount would not be larger to cover the cost of a new teacher, Ms. Seeley stated
18 the belief every single dollar does not need to be covered. The amount identified for a new teacher is based on
19 a Masters Step 7, and the new hire could be at a Masters Step 2, etc.

20
21 Member Mann commented on Masters Step 7 having been used for some time, and questioned if, based on
22 attrition, it is worth looking at that to see if the hires have been more in line with Masters, Step 10. Ms. Seeley
23 stated her belief at the elementary level Masters Step 7 is likely okay. We might start looking at a higher step
24 range in the COOP.

25
26 Member Mann commented on the SAU budget noting the current apportionment has Hollis' portion at around
27 the 30-31% mark, Brookline is 20%, and the COOP is the remaining 50%. There is a piece of legislation that
28 was put on the table this fall that would allow districts to change the apportionment formula for an SAU budget.

29
30 Asked whether the town or schools share resources, e.g., maintenance, administrative, Ms. Seeley stated the one
31 area where that occurs is with heating oil and propane. She purchases the heating oil and ensures the Town and
32 COOP are part of that purchase. The Town buys the propane. The school district now has propane tanks. That
33 is a cost that is shared, but each pays its own portion. They are separate legal entities.

34
35 Member Hyde noted the shared water pipe resource that feeds not only the schools, but a few places in Town.

36
37 Noted was that the entities collectively negotiate for utility costs to the extent possible. They are actively
38 looking at energy situations. It has been discussed in terms of insurance for healthcare, but both are insured
39 essentially by the same entity; Health Trust. We are rated differently because teachers are a different category
40 than police, fire, etc. To the extent possible they do use economies of scale for purchasing. As two legal
41 entities, they cannot share resources such as maintenance personnel.

42
43 Member Mann acknowledged the 18.6% Guaranteed Maximum Rate (GMR) of increase identified for health
44 insurance for the district and that the health insurance anticipated budget is down 1.6%. Ms. Seeley spoke of
45 the caps that are in place that are helping that situation in addition to plan choices that had lower costs (moving
46 from family to single plans).

47
48 • Capital Improvement Plan

49
50 The items were addressed during the budget discussion.

1 Member Mann noted discussion around the Maintenance Expendable Trust; whether items should be identified
2 there or within the operating budget. When looking at adding \$125,000 to the expendable trust for
3 maintenance, you are going to use a fair amount of the existing balance for the identified items.

4
5 Noted were the two municipal leases and the bond. Asked about the principal on the bond, Ms. Seeley stated it
6 to be \$3.1 million.

7
8 Member Hyde questioned the security entrance at HPS listed on the CIP with a placeholder of \$250,000 for
9 FY26. Ms. Seeley stated that to be for the results of the design work. Asked if the figures in the CIP plan, to
10 the extent there was overlap with the new item requests, tie out and was told they do.

11
12 The enrollment/expansion study is shown as \$40,000 in FY25.

13
14 Selectboard Member Le Doux commented based on the Masterplan, we are probably less than 800 living units
15 from maximum capacity/buildout depending upon what the Planning Board does. The estimate is we are about
16 8,400 – 8,600 residents today. That will increase as some of the housing stock comes on. We anticipate in the
17 next 4-5 years it will be up to 9,000. Ninety four hundred is what the Nashua Regional Planning Commission
18 (NRPC) suggested would be maximum.

19
20 Chair Gehan questioned if the district has identified who would conduct the study. Member Kellner stated her
21 belief it would be outsourced. Selectboard Member Le Doux recommended the district interface with the
22 NRPC.

- 23
24 • Other New Business

25
26 Chair Gehan noted there to be a second meeting with the school scheduled for January and questioned the need.
27 The consensus of the Committee was that there is no need to conduct an additional meeting. The January
28 meeting was cancelled.

29
30 **ADJOURNMENT**

31
32 **MOTION BY MEMBER HARRIS TO ADJOURN**

33 **MOTION SECONDED BY MEMBER HYDE**

34 **MOTION CARRIED**

35 **8-0-0**

36
37 The December 13, 2023 meeting of the Hollis Budget Committee was adjourned at 8:06 p.m.

38
39
40 Date: _____ Signed: _____