

ANNUAL REPORT
of the
LITCHFIELD
NEW HAMPSHIRE
SCHOOL DISTRICT



2019

**LITCHFIELD SCHOOL DISTRICT
ANNUAL REPORT – 2019**

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SCHOOL DISTRICT OFFICERS

MODERATOR

John G. Regan

CLERK

Lynn Baddeley

TREASURER

Lynn Baddeley

SCHOOL BOARD

Brian Bourque, Chair
Term Expires March 2022

Christina Harrison, Vice-Chair
Term Expires March 2022

Tara Hershberger
Term Expires March 2020

Elizabeth MacDonald
Term Expires March 2021

Robert Meyers, III
Term Expires March 2021

STUDENT REPRESENTATIVES TO THE BOARD

Trevor Scopelites
Chloe Steiniger

**LITCHFIELD SCHOOL DISTRICT
2019 RETIREES**



**Doris Cote
Grade 2 Teacher
32 Years of Service**



**Leslie Pearce
LMS Administrative Assistant
30 Years of Service**



**Catherine McPhee
Grade 8 Social Studies
32 Years of Service**



**Mary Lou Saxton
GMS Special Education
17 Years of Service**

2019 SERVICE AWARDS



5 Years of Service

Top Row: Stephanie Tate (GMS), Rebecca Ellis (GMS), Jessica Lachance (LMS), Anna Helbling (LMS), William Pothier (CHS), Lisa Durant (LMS), Heather Morrissette (LMS), Hollie Falzone (SAU), Karen Santom (GMS)

Bottom Row: Kathy Tobey (LMS), Katherine Seaver (LMS), Steven Fraser (LMS), Zachary Belanger (LMS), James Woods (CHS), Anna Helbling (LMS), Stacy Lencki (GMS), Wendy Langelier (CHS), Janine Anctil (GMS)

Not Pictured: Kellie Chambers (LMS), Darlene Gymziak (LMS)



10 Years of Service

Nicole Mathieu (LMS), Kelly Fraser (CHS), Michelle Vecchiarello (CHS), Christine Dyac (LMS)



15 Years of Service

Michele Flynn (SAU), Donna Debenedetto (GMS), Kathleen McCue (GMS), Samantha Deployoy (GMS), Danielle Mague (GMS), Catherine Snyder (GMS) - Not Pictured Cristen Thorpe (GMS)



20 Years of Service

Audra McCollem (LMS), Connie Fiasconaro (LMS), Tracy Allen (GMS)



25 Years of Service

Kim Nolan (LMS), Debra Langton (LMS), Sheryl Hartling (LMS)

30 Years of Service

Not Pictured - Chris Courounis (GMS), Joyce Wilcox (GMS)

2019

SCHOOL BOARD REPORT

2019 was a very unique time in Litchfield. The School Board negotiated a new teacher contract for 3 years. It was brought forward to the voters who voted it down by a small margin. In an unprecedented move for Litchfield the School Board engaged in the idea of opening negotiations back up with the LEA. We obtained feedback from the community as well as the Budget Committee to understand what was needed in order for this to pass with the voters. We were able to come to an agreement with the LEA.

Next came the challenge to request a special election with the court to be able to seek voter approval. A court hearing was held and a month later we were granted to hold the special election where the teacher contract successfully passed. The special election was a first for Litchfield and both parties worked hard to make it happen.

A short time later the board began negotiations with the LSS (Litchfield Support Staff). This process led to an arbitration hearing which eventually led to a contract that will be presented to the voters for their approval in March 2020.

Superintendent Dr. Michael Jette completed his first full year in the district. The Board is very pleased with the direction and progress he has implemented during his time in the district.

We are in year 2 of full day Kindergarten which has been another huge success for the district. Enrollment remains high and we are currently on the verge of potentially needing to add a 5th Kindergarten class. It should be noted that after just one year of full day Kindergarten, 1st grade teachers are already seeing improvement with incoming students in terms of their abilities and learning habits.

Campbell High School completed the daunting process of getting reaccredited. The feedback provided by the committee will become our blueprint to continue to improve Campbell and help raise it to the highest level of High Schools in New Hampshire.

The School Board looks forward to continuous improvement in all facets of the educational system and thank the community for their continued support.

Submitted on behalf of the Litchfield School Board,

Brian Bourque, School Board Chair



Litchfield School District

LEA Teachers
Contract

Special Election

LSS Support Staff
Negotiations

Kindergarten

Reaccreditation

School Board Members

Brian Bourque, Chair

bbourque@litchfieldsd.org

Tara Hershberger

thershberger@litchfieldsd.org

Christina Harrison, Vice Chair

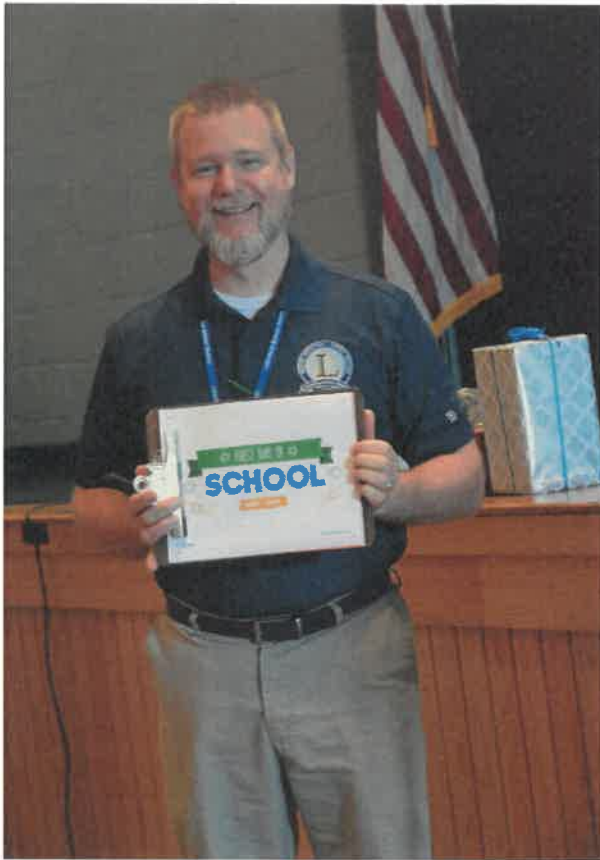
charrison@litchfieldsd.org

Elizabeth MacDonald

emacdonald@litchfieldsd.org

Robert Meyers

rmeyers@litchfieldsd.org



**Completed First
year of Full Day
Kindergarten with
87 students!**

**Successfully
supported a
renegotiated
teacher's contract
for 2019 - 2021
(passed at October
Special Election)**

**Helped Reach an
agreement with
our Support Staff
Association for
voter approval in
March 2020**

2019 SUPERINTENDENT'S REPORT

We continue to be focused on four main goals:

- **improving communication,**
- **supporting greater student achievement,**
- **promoting a growth oriented mindset, and**
- **honoring professionalism.**

I firmly believe that Litchfield is a little gem of a school district. We enjoy positive community support for good schools and strong co-curricular programs, attract and retain a skilled teaching & support staff, and graduate students prepared for life-long learning. With a small bit of polishing, we will continue to shine bright for many years to come!

Mike Jette
Superintendent of Schools

SAU #27

603-578-3570
mjette@litchfieldsd.org





ONGOING PROJECTS & EFFORTS:

- **IMPLEMENTING SCHOOL SAFETY ENHANCEMENTS INCLUDING ALICE DRILLS AND PHYSICAL SECURITY MEASURES**
- **DEVELOPING A CAPITAL IMPROVEMENT PLAN FOR OUR AGING FACILITIES**
- **RESEARCHING LONG TERM ENERGY SAVINGS**
- **ENSURING OUR CURRICULUM IS CLEARLY ARTICULATED AND OUR STUDENTS ARE SUPPORTED FOR HIGH PERFORMANCE**
- **ADVOCATING FOR THE SCHOOLS THROUGH A PUBLIC BUDGET DEVELOPMENT PROCESS**
- **COLLABORATING AROUND HIGH QUALITY PROFESSIONAL DEVELOPMENT FOR OUR TEACHERS AND STAFF**

**Frequent visitor
to our three
schools and
classrooms**

**Leading an
administrative
team with a mix
of experienced
and fresh eyes**

**Implemented a
“Full Circle
Feedback” tool
to help frame
growth
opportunities
for our school
leaders**

School Enrollments:

Griffin Memorial ~ 473

Middle School ~ 396

Campbell HS ~ 438

School District ~ 1307

(October 1, 2019)



Capital Planning

School Safety

**Financial Statement
Audit**

Budget Preparation

**Ongoing
Initiatives**

2019

BUSINESS AND FINANCE REPORT

Capital Planning

In the Fall of 2019, the Litchfield School District established a capital planning committee as a sub committee of the School Board. The goal of this committee is to develop a long term plan to address the infrastructure and building needs of all three buildings in the District. The committee membership is internal to the District, with representation from all three buildings, as well as a member from the Municipal Budget Committee to provide feedback from an external perspective. The committee will develop a plan for review by the School Board. This plan will also be shared with the Town of Litchfield Board of Selectmen for inclusion in the Town wide capital plan.

The Business Office is staffed by Cory Izbicki, Business Administrator, and Ann Inamorati, Chief Accountant.

The Business Office is responsible for oversight of financial operations, buildings and grounds, transportation, and food services.

School Safety

A security assessment was performed for all three school buildings in 2016 by the NH Department of Homeland Security and Emergency Management. Based on those reports, the District has looked to identify projects for consideration and implementation. The construction of secure entry ways at all three buildings, along with expanded surveillance were among the recommendations received and these areas have been identified as high priority. The CHS Entry way was reconfigured with use of State of NH Grant Funds, consistent with the project that was completed at GMS in the summer of 2018. With the establishment of the District Capital Planning, discussions are being had as to how to best address the main entrance at LMS, as well as other needs at all buildings.

Financial Statement Audit

The School District undergoes an independent financial statement audit every fiscal year. This audit is performed by Plodzick and Sanderson, P.A. from Concord, NH. The finalized financial statements are expected to be issued in January of 2020. Notification has been received from the audit firm that the District has received an unqualified opinion on our financials, meaning that they are fairly stated in all material respects for the year ended June 30, 2019.

Budget Preparation

The budgeting process for the fiscal year 2021 began in August of 2019. Presentations to the School Board by District Administrators took place in a full day work session in October, and presentations to the Litchfield Budget Committee took place in November and December. Be sure to stay informed regarding the budget and remember that your vote is your voice on March 10, 2020. Residents are encouraged to reach out to the SAU or the School Board with questions and/or concerns regarding the budget.

Ongoing Initiatives

In the coming year, the School District will look to continue with security enhancements to keep our schools safe, and will look to develop and implement a comprehensive capital improvement plan to address the needs in our buildings. At Town Meeting on, you will see on the ballot three warrant articles that the School District is presenting for residents to vote on. Additional information on these warrant articles will be made available as March approaches.

Stay Involved

School Board meetings are bi-monthly and can be watched on youtube

Keep an eye out for important dates such as deliberative session and Town Meeting Day

Reach out to the School Board with questions and concerns

Leadership

Cory Izbicki

Business Administrator

(603)578-3570

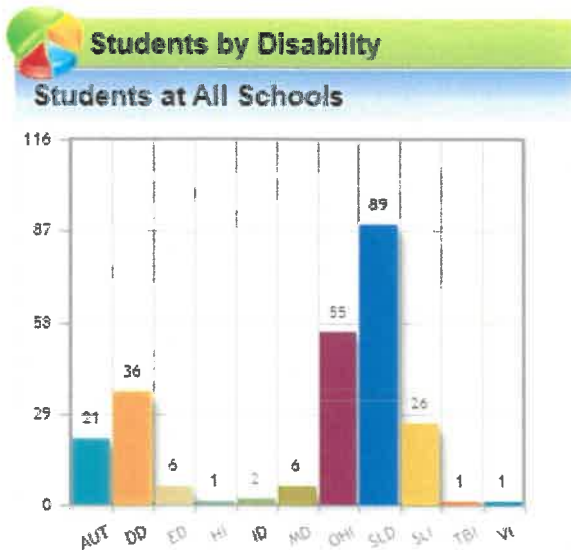
cizbicki@litchfieldsd.org



2019
Office of Special Services

Special Education

During the 2019 school year the Litchfield School District provided special education supports and services to 246 students. Our services start at age 3 and continue for eligible students until they earn their high school diploma or they turn 21 (whichever comes first). The chart below reflects the varying areas of educational disability that we serve in our community:



Each student needs varying special education supports and services to access the general curriculum.

Meeting the needs of all learners!

We have met NHDOE determination requirements since 2011

District wide training on Trauma-Informed Schools

Provided a multitude of services to meet student needs

We've appropriately spent ALL of our IDEA grant funding for the last 10 years

Devin Bandurski
dbandurski@litchfieldsd.org

Director of Special Services

Special Education Cont'd

No two students are the same and therefore what they need varies in frequency, intensity and duration. All decisions are made collaboratively with parents/guardians. We work diligently to make student-centered decisions in order for students to be career and/or college ready in addition to being productive members of our community. I would like to thank those in the community that have acknowledged the need to educate **all** students and ask for your continued support.

Fair doesn't mean
giving every child the
same thing, it means
giving every child
what they need.
- Rick Lavoie



2019-2020

Staffing

**Speech & Language
Pathologists- 4**

**Occupational
Therapists- 1.4**

Special Educators- 18

**School Psychologists-2
Social Worker-1
Mental Health
Clinician-1
Paraprofessionals-55**

**In addition to the staff
listed above we have
varied contracted
service providers**

TECHNOLOGY

Multitude of high and low tech tools are available to our staff and students based on need. Examples include:

iPads, Chromebooks, Laptops,
Read and Write for Google,
AAC Devices,
WatchMinders, FM Systems,
Video Magnifier, etc.

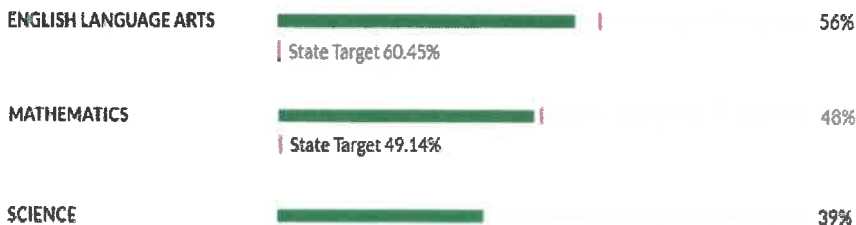


2019 Curriculum, Instruction and Assessment District Assessment Proficiency

District



State



Teachers K-12 are reviewing curriculum alignment and progression in Social Studies and ELA.

We are beginning to look at our assessment practices in the second stage of our work in Math.

We continue strengthening our alignment K-12 through a commitment to including stakeholders at each level in training and decision making

Our PLCs are using common data procedures and protocols to be more consistent in using data to inform instruction.

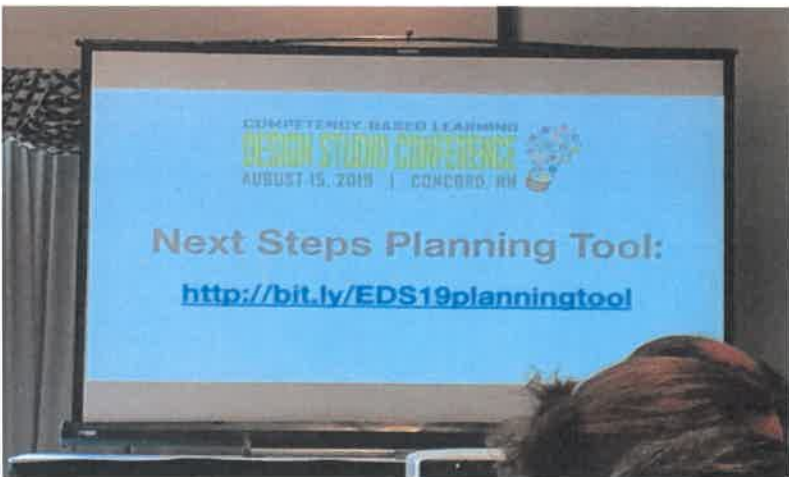
LEADERSHIP

Mary Widman
Director of Curriculum, Instruction and Assessment
(603)424-2133 ext. 2212
mwidman@litchfieldsd.org





#LIVETO LEARN ACADEMY



Committee Notes:

PERC - meets the 3rd Wednesday of the month. .

Grading and Reporting - meets the 3rd Tuesday of the month.

Professional Learning - meets the 4th Thursday of the month.

Professional Learning Highlights

We had 44 staff members from across the district take place in the #LivetoLearn Academy the last week in June.

We sent 25 teachers and administrators from all three buildings to the Competency Design Studio.

We had representation from all three buildings take part in a Data Camp.

What's new in 2019?

- Fully aligned K-12 Math curriculum
- Discovery Education Streaming
- Portrait of a Learner task force
- Building and District level data teams



2019 TECHNOLOGY REPORT

Building Connectivity Upgrades

During the summer of 2019, Litchfield School District made a vast improvement with network connectivity between buildings. We upgraded from 1 gigabit connections that traversed our ISP network, up to 10 gigabit direct attached fiber that no longer depends on an ISP for connectivity. This change dramatically decreased communication costs, allowed us to retire equipment that was costly to maintain and upgrade, created more streamlined and secure backups, and increased data flow. This upgrade will continue to bring benefits for years to come and opens up many more cost effective options as we grow our technology footprint.



Increased
connectivity speeds
ten fold between
schools

Installed better
performing network
equipment while still
decreasing costs to
the taxpayer

Faster and more
reliable access to the
Internet

Simplifying and
centralizing data
hubs decreases
costs going into the
future

Less dependency on
ISP connections

Director of Technology: Jason Pelletier
jpelletier@litchfieldsd.org

IT Support Technician: Brenden Collins
bcollins@litchfieldsd.org

Database Administrator: Andrea Stern
astern@litchfieldsd.org



Student Data Privacy and Security improvements

Increased training on data integrity, privacy, and security in the classrooms to help keep child data safe and secure

Holding third-party companies to the same requirements set forth by the State of NH as a check and balance

Student Data Privacy Improvements

In June of 2018, the Governor amended RSA 189:66 to increase the data security and privacy of students and teachers. This amendment required local education agencies to have a School Board approved data governance plan by June of 2019. This governance plan implements minimum standards assigned by the NH DOE and are based on the NIST Framework which are industry standards. In May of 2019 the Litchfield School Board approved our data governance plan. During the summer and throughout the school year, we have been training staff and revisiting many of the programs we use in district to ensure that the students' and teachers' data and privacy meets or exceeds these standards. We have also reached out to security experts to test the security measures we've put into place and verify that external access is protected while still fostering technology innovation in the classroom.



All teachers are now equipped with a laptop

Bandwidth and building connectivity speed upgrades

Increased building security with more cameras in common areas

Increased building door access to help keep our children safe

The IT Department is always updating and upgrading to make sure we can leverage the best meaningful technology or initiative that helps improve student learning and achievement



2019 Food Service

For the 2019- 2020 the food service department is continuing their effort to grow the program. All schools have put forth great effort to provide quality meals to students.

- School Meal Counts continue to climb each month, Litchfield Food Service is averaging an extra 1,611 meals sold per month district wide.
- All schools are increasing production with new “Grab and Go” style meals.
- CHS Hired a new lead that has implemented many new ideas, recipes, and serving changes. She has streamlined many of the daily tasks at CHS, and is taking on the challenge of offering meat free and more plant based options for students at CHS.
- LMS added Gill’s Pizza onto their menu every week, providing students with a high quality product, that is baked in house.
- Our dedicated leads and their staff in each building are committed to providing excellent food and service to your students every day!
- Food Service is self-funded. No tax dollars go toward the Food Service Program.

Food Service Main Focuses:

Meals are still designed to focus on nutrition

CHS Implemented a new deli station, with great success

GMS implemented a new food bar to offer more variety of fruit and vegetables

DIRECTOR: LAUREN CROWLEY
 lcrowley@litchfieldsd.org

LEADS:
 KARRIE LITCHFIELD-CHS
 DARLENE GYMZIAK-LMS
 CRISTEN THORPE-GMS

LITCHFIELD SCHOOL ADMINISTRATIVE UNIT #27 STAFF 2019 - 2020

| <u>Name</u> | <u>Position</u> | <u>Degree</u> | <u>Salary</u> |
|--------------------|------------------------------------|----------------------|----------------------|
| Bandurski, Devin | Director Special Service | M | \$103,000.00 |
| Crowley, Lauren | Director Food Service | B | \$55,000.00 |
| Falzone, Hollie | Director Human Resources | B | \$76,500.00 |
| Izbicki, Cory | Business Administrator | B | \$90,750.00 |
| Jette, Michael | Superintendent | Ph.D. | \$136,475.00 |
| Pelletier, Jason | Director of Technology | B | \$91,500.00 |
| Ross, David | Director Facilities (partial year) | | \$40,958.02 |
| Widman, Mary | Director Curriculum & Instruction | M | \$97,500.00 |

LITCHFIELD SCHOOL DISTRICT STAFF 2019 - 2020

| <u>Name</u> | <u>Position</u> | <u>Degree</u> | <u>Salary</u> |
|--------------------------|----------------------------|----------------------|----------------------|
| Deslauriers, Jill | Speech Associate | B | \$68,265.00 |
| Ellis, Rebecca | Speech Pathologist | M | \$49,153.00 |
| Faulhaber, Jamie | Mental Health Clinician | M | \$45,000.00 |
| Hegarty Follis, Kathleen | Occupational Therapist | M | \$59,564.00 |
| Henninghausen, Virginia | ESOL Teacher 75% | B | \$39,984.00 |
| Mague, Danielle | Speech Pathologist | M | \$61,298.00 |
| McGarry, Kathrine | Speech Pathologist | M | \$70,728.00 |
| Moore, Rebecca | Occupational Therapist 40% | B | \$25,346.40 |
| Pelland, Elin | School Social Worker | M - LICSW | \$63,320.71 |
| Polichronopoulos, Marie | School Psychologist | CAGS | \$66,656.35 |
| Sheffer, Katherine | School Psychologist | M | \$61,532.20 |



2019

GRIFFIN MEMORIAL SCHOOL

Student Learning

Spring, 2019 NHSAS Results - Grades 3 and 4

| | GMS Grade 3 | NH Grade 3 | GMS Grade 4 | NH Grade 4 |
|------------------------|-------------|------------|-------------|------------|
| % Prof. or Above, Math | 77 | 57 | 70 | 52 |
| % Prof. or Above, Rdg. | 67 | 52 | 78 | 55 |

Litchfield outperformed the state results significantly in both Math and Reading at grades 3 and 4.

Full Day Kindergarten - a positive impact

| AIMSWEB PLUS RESULTS | Number of Students | 1-10th %ile | 11-25 %ile | 26-74th %ile | 75-89th %ile | 90-100th %ile |
|-------------------------------|--------------------|-------------|------------|--------------|--------------|---------------|
| Spring 2018 Math. Half Day | 51 | 9.8% | 13.7% | 68.6% | 5.9% | 2.0% |
| K, Spring 2019 Math. Full Day | 83 | 2.4% | 7.2% | 54.2% | 18.1% | 18.1% |
| K, Spring 2018 Rdg. Half Day | 51 | 17.6% | 23.5% | 56.9% | 2% | 0% |
| K, Spring 2019 Rdg. Full Day | 85 | 16.5% | 22.4% | 51.8% | 7.1% | 2.4% |

Dramatic increase in our K enrollment with full day, and improved outcomes in both early literacy and early numeracy benchmark screenings. This was particularly significant because of our very large K classes in 18-19.

Key Academic Highlights & Awards

Completed First Year of Full Day K Program

Improved testing results for K in Spring assessments

Marked increase in Kindergarten enrollment with full day program

Strong results in both reading and math on 2019 NHSAS

SCHOOL LEADERSHIP

Principal: Scott Thompson
AP: Maura Clinton-Jones

STUDENT ENROLLMENT

Our PK-4 enrollment Oct. 1 was 473.

STAFFING LEVELS

Leadership: 2
Professional Staff: 54
Para-Educators: 29
Office Staff: 3
Custodial: 4
Cafeteria & L/R Monitors: 10



The Galactic Superstars with Mrs. Starrett, one of six 2019 FIRST Lego Robotics teams; a section of the 2019 District Arts Festival GMS art display; a new bank of swings being installed on the GMS playground; GMS chorus students (in white) at the 2019 District Arts Festival.

Co-Curricular & Athletic Opportunities

- GMS Gr. 3/4 Chorus - Great East Festival, District Arts Festival, Spring Arts
- Grade 4 Student Council, Tournament of Readers, and Spelling Bee
- 37th Annual Scarecrow Jamboree - Grades 3/4
- FIRST Lego League Robotics Teams
- PTO Program - Kids 'N Canvas, Night At the Polar Express, Pumpkin Festival, Cheerleading, Computer Club, Mother/Son Bingo Night, Sweetheart Dance
- Community-based programs for GMS students: Girl Scouts and Boy Scouts, Santa's Workshop, Aaron Cutler Library Sign-up Month, LFD Fire Safety Program, Lions Club Vision Screening, Granite State Fit Kids, Cooking Club, NH Historical Society traveling programs, visiting authors
- Community-based athletic programs for GMS students: Pat's Peak Ski Program, Girls Lacrosse Play and Skills Clinics, Litchfield Recreation Basketball League, Litchfield Travel Basketball, Litchfield Youth Wrestling, Softball, Baseball and Flag Football. Karate.

Community Connections

2019 Blue Ribbon Award for Volunteerism

The GMS PTO raised nearly \$28,000 in 2019 Raise Craze fundraiser

PTO-funded playground expansion, Summer, 2019

TECHNOLOGY

Teacher desktops replaced by laptops for increased mobility

Increased number of Chromebooks - 1:2 in grade 4. 1:4 in grades 1, 2 and 3

Increased technology in the Learning Commons and in daily instruction

Griffin Memorial School Staff 2019-2020

| <u>Last Name</u> | <u>First Name</u> | <u>Position</u> | <u>Grade</u> | <u>Salary</u> |
|------------------|-------------------|---------------------------|--------------|---------------|
| ADAMAKOS | KRISTIN | TEACHER KINDERGARTEN | M | \$69,728.00 |
| ALLEN | TRACY | TEACHER - GRADE 2 | M | \$70,728.00 |
| ANCTIL | JANINE | TEACHER - GRADE 1 | M | \$69,728.00 |
| ASHE-LANE | AMY | TEACHER - GRADE 4 | M | \$70,728.00 |
| BEACH | COURTNEY | TEACHER PRE-KINDERGARTEN | M | \$54,003.00 |
| BEACH | ERIN | TEACHER - GRADE 1 | B | \$51,798.00 |
| BENOIT | SUSAN | TEACHER - GRADE 2 | B | \$65,412.00 |
| CLINTON-JONES | MAURA | ASST PRINCIPAL ELEMENTARY | M | \$82,000.00 |
| COHEN | JULIE | TEACHER - GRADE 4 | M | \$59,564.00 |
| CULLEN KENT | PAULA | TEACHER - GRADE 4 | B | \$65,412.00 |
| DEPLOYEY | SAMANTHA | TEACHER PRE-KINDERGARTEN | M | \$69,728.00 |
| DOUCETTE | SANDRA | TEACHER - GRADE 1 | M | \$73,910.00 |
| DYAC | CHRISTINE | TEACHER - GRADE 1 | B | \$44,189.00 |
| ELEY | ALLISON | TEACHER SPECIAL EDUCATION | M | \$71,728.00 |
| ELLIOTT | SHAUN | TEACHER KINDERGARTEN | B | \$45,747.00 |
| GIRZONE | MELISSA | TEACHER - PHYSICAL ED | M | \$56,093.00 |
| GOULD | AMANDA | TEACHER KINDERGARTEN | B | \$47,458.00 |
| JAMESON | MOLLY | TEACHER SPECIAL EDUCATION | B | \$45,872.00 |
| LABELLE | BARBARA | TEACHER MUSIC | M | \$70,728.00 |
| LAPLANTE | ANGELA | TEACHER - GRADE 3 | B | \$56,336.00 |
| LEARY | STACEY | TEACHER - GRADE 4 | M | \$69,728.00 |
| LEVESQUE | CAROL | TEACHER - GRADE 3 | M | \$70,728.00 |
| LLEWELLYN QUIMBY | SARAH | TEACHER - GRADE 2 | B | \$59,136.00 |
| MICHALEWICZ | INGA | TEACHER - GRADE 2 | M | \$70,728.00 |
| PATTEN | KRISTEN | TEACHER - GRADE 3 | M | \$61,298.00 |
| PECKHAM | DANIELLE | TEACHER SPECIAL EDUCATION | M | \$55,383.00 |
| PLANTY | TERESA | TEACHER - GRADE 2 | M | \$52,622.00 |
| PREVEL-TURMEL | MELINA | LIBRARIAN | M | \$73,910.00 |
| ROBIE | TAMMIE | TEACHER COMPUTERS 50% | M | \$34,114.00 |
| ROBINSON | JOCELYN | GUIDANCE COUNSELOR | M | \$73,910.00 |
| SAWICKI | MARGARET | TEACHER SPECIAL EDUCATION | B | \$59,356.00 |
| SEABROOK | SUSAN | NURSE | B/RN | \$63,366.00 |
| SIBONA | JESSICA | TEACHER - GRADE 3 | M | \$69,728.00 |
| STARRETT | KRISTIN | TEACHER ART | M | \$54,358.00 |
| SWEETSER | TINA | TEACHER KINDERGARTEN | M | \$62,795.00 |
| TATE | CHRISTINE | READING SPECIALIST | M | \$73,910.00 |
| THOMPSON | SCOTT | PRINCIPAL ELEMENTARY | CAGS | \$106,500.00 |
| WEBSTER | LISA | TEACHER - GRADE 1 | M | \$56,093.00 |
| WEST | LAUREN | TEACHER SPECIAL EDUCATION | B | \$44,285.00 |



Key Academic Highlights & Awards

First Place in New England
Cyber Robotics Coding
Championship - 3 Lego
Robotics Teams
Qualified for the State
Championships

7 Students Qualified for the
NH Honors Band

2019 Geography Champion
Ryan MacKinnon

Year 2 of 1:1 Technology Roll
Out at LMS for Grades 5-8 -
Fall 2018

Library Transition to Learning
Commons Model

2019 LITCHFIELD MIDDLE SCHOOL

Student Achievement

| LMS State Assessment Data (SAS) % Proficient or Above | | | | | | | | |
|--|-----|----|--------------|-----|----|-------------|-----|----|
| | LMS | NH | | LMS | NH | | LMS | NH |
| Gr 5 Sci | 49 | 38 | Gr 5 Math | 31 | 43 | Gr 5 Rdg | 57 | 57 |
| — | — | — | Gr 6 Math | 54 | 47 | Gr 6 Rdg | 59 | 56 |
| — | — | — | Gr 7 Math | 54 | 47 | Gr 7 Rdg | 60 | 57 |
| Gr 8 Sci | 39 | 39 | Gr 8 Math | 53 | 46 | Gr 8 Rdg | 64 | 53 |

LEADERSHIP

Principal: Tom Lecklider
AP: Martha Thayer

Key Numbers

Student Enrollment on 10/1/19:
398

Staffing levels

Leadership: 2
Professional Staff: 40
Para-Educators: 23
Office Staff: 3
Custodial: 4
Monitors: 2
Cafeteria: 4



Home of the LMS Raiders

Co-Curricular & Athletic Opportunities

Co-Curriculars: Student Council, Drama Club, Yearbook Club, Medieval Club, Lego Robotics, Art Club, Math Club, Library Club, Green Raiders

Athletics: Boys and Girls Cross Country, Boys Soccer and Girls Soccer, Volleyball, Boys and Girls Basketball, Spirit, Boys & Girls Outdoor Track, Baseball, and Softball

2019 Tri-County Champions: Softball (undefeated season)
Litchfield School District

Community Connections

Blue Ribbon Award for Volunteerism

Sweethearts and Heroes Resiliency Assemblies

One Stop Holiday Shop

4th Annual Character Fair

Veterans Day Breakfast & Ceremony

Terry Fox Walk for the Norris Cotton Cancer Center Raised \$2500+

TECHNOLOGY

Full 1:1 Chromebook Rollout for Students and Staff (including paraprofessionals)

LMS integrating new web-based tools (ie. Kami, Discovery Ed)

Students are regularly coding, programming, and designing in our Tech Ed and Computer classes

Litchfield Middle School Staff 2019-2020

| <u>Last Name</u> | <u>First Name</u> | <u>Position</u> | <u>Grade</u> | <u>Salary</u> |
|------------------|-------------------|---------------------------|--------------|---------------|
| BANGERT | KATHLEEN | TEACHER ART | M | \$72,306.00 |
| BISHOP | SHEALU | TEACHER - GR 7 MATH | M | \$61,298.00 |
| CARON | RENA | TEACHER - GR 8 SCIENCE | M | \$68,228.00 |
| CHAMBERS | KELLIE | NURSE | B/RN | \$59,356.00 |
| COLOMBO | MATTHEW | TEACHER - GR 7 SCIENCE | M | \$45,683.00 |
| CORBEIL | ROBIN | TEACHER COMPUTERS | M | \$72,306.00 |
| CORBETT | JODY | TEACHER - GR 7 MATH | M | \$67,851.00 |
| CUMMINGS | MARY | GUIDANCE COUNSELOR | M | \$73,910.00 |
| DUFOURNY | DANIEL | TEACHER - PHYSICAL ED | M | \$54,358.00 |
| DURANT | LISA | TEACHER - GR 6 MATH | M | \$51,821.00 |
| DWYER | HEATHER | TEACHER - GR6 ENGLISH | M | \$72,306.00 |
| ELLIS | LYNNE | GUIDANCE COUNSELOR | M | \$73,910.00 |
| FRASER | STEVEN | TEACHER LITERACY/TECH | B | \$45,747.00 |
| FUCCI | RENEE | TEACHER SPECIAL EDUCATION | B | \$45,747.00 |
| GAUMONT | MICHAEL | TEACHER - GR 8 SOCIAL STD | M | \$51,821.00 |
| GUERRETTE | JESSICA | TEACHER - GR 8 ENGLISH | M | \$70,728.00 |
| HELBLING | ANNA | TEACHER SPANISH | M | \$63,033.00 |
| HENRIQUEZ | JEANNE | TEACHER SPECIAL EDUCATION | M | \$71,306.00 |
| HOELZEL | STEPHANIE | TEACHER SPECIAL EDUCATION | B | \$62,366.00 |
| KRAMER | CAITLIN | TEACHER SPECIAL EDUCATION | B | \$47,510.00 |
| LACHANCE | JESSICA | TEACHER - GR 8 MATH | B | \$47,510.00 |
| LAMY | NATHAN | TEACHER MUSIC (LMS & CHS) | B | \$44,234.00 |
| LANGTON | DEBRA | TEACHER - GR 6 SCIENCE | B | \$63,366.00 |
| LASOCKI | LISA | TEACHER FACs | M | \$70,728.00 |
| LECKLIDER | THOMAS | PRINCIPAL MIDDLE SCHOOL | CAGS | \$109,500.00 |
| LEITE | CAROLYN | TEACHER MUSIC (LMS & CHS) | B | \$63,366.00 |
| LOVE | HOLLY | TEACHER - GR5 SCIENCE | M | \$70,728.00 |
| MCCOLLEM | AUDRA | TEACHER - GR 7 SOCIAL STD | M | \$73,910.00 |
| MOMNIE | ERIC | TEACHER TECH EDUCATION | B | \$58,567.00 |
| MORRISSETTE | HEATHER | TEACHER SPECIAL EDUCATION | M | \$49,153.00 |
| NOLAN | KIM | TEACHER - GR 7 ENGLISH | M | \$70,728.00 |
| PROVENCAL | AMY | LIBRARIAN | M | \$69,728.00 |
| ROONEY | CHRISTINE | TEACHER HEALTH | M | \$69,630.00 |
| SEAVER | KATHERINE | READING SPECIALIST | M | \$63,033.00 |
| SIDILAU | KATHLEEN | TEACHER - GR 6 SOCIAL STD | B | \$63,366.00 |
| STEIN | HEATHER | TEACHER- GR5 READING | M | \$52,622.00 |
| TARR | TERESA | TEACHER - GR5 SOCIAL STD | B | \$63,366.00 |
| THAYER | MARTHA | ASST PRINCIPAL MIDDLE SCH | CAGS | \$87,500.00 |
| TOBEY | KATHY | TEACHER READING 50% | M | \$28,914.50 |
| ZINGALES | ELIZABETH | TEACHER - GR 5 MATH | M | \$70,728.00 |



2019 CAMPBELL HIGH SCHOOL

Student Learning

2019 SAT Scores

| | <u>CHS</u> | <u>NH</u> | <u>US</u> |
|-----------------|------------|-----------|-----------|
| Eng/Read/Write: | 522 | 516 | 490 |
| Math: | 524 | 509 | 480 |
| Total: | 1046 | 1025 | 970 |

In 2018-19 CHS began administering grade 9 taking the PSAT 8/9, and grade 10 & 11 taking the PSAT for preparation & progress monitoring.

| Class of 2021-Jrs | <u>2018</u> | <u>2019</u> |
|-------------------|-------------|-------------|
| Eng/Read/Write: | 490 | 528 |
| Math: | 471 | 482 |
| Total: | 961 | 1004 |

| Class of 2022-Soph | <u>2018</u> | <u>2019</u> |
|--------------------|-------------|-------------|
| Eng/Read/Write: | 465 | 482 |
| Math: | 466 | 461 |
| Total: | 931 | 943 |

| Class of 2023-Fresh | <u>2018</u> | <u>2019</u> |
|---------------------|-------------|-------------|
| Eng/Read/Write: | N/A | 469 |
| Math: | N/A | 455 |
| Total: | N/A | 924 |

Key Academic Highlights & Awards

114 students graduated in June. 65% attended 4-year colleges, 19% attended 2-year, and others went to the military, trade schools or career opportunities.

19 seniors recognized at Academic Excellence Banquet!

Catriona Chew places 5th Nationally with Alvirne's Vet-Tech Program !

Michelle Freeman is a National Merit Scholarship Finalist!

Garrett Walker earned Gold at SKILLS USA with Pinkerton welding!

PE/Health Teacher Shannon Szepan is appointed to the Governor's Council on Physical Ed & Health!

LEADERSHIP

School Principal: William D. Lonergan
 Assistant Principal: Michael Perez
 Counseling Director: Jodi Callinan
 Athletic Director: Joshua Knight

Key Numbers:

Student Enrollment Sept 30, 2019
 440 Students

Staffing levels:

Leadership: 4
 Professional Staff: 45
 Para-Educators: 14
 Office Staff: 5
 Custodial: 4
 Cafeteria: 6



Co-Curricular & Athletic Opportunities

Co-Curriculars: Band & Chorus, Class Officers, Drama Club, Environmental Club, FBLA, FIRST Robotics, GS Alliance (Renewed in 2019-20) Key Club, Mentor Program, National Art Honor Society (New in 2019), National Honor Society, SADD, Student Council, WATS, Weight Room, Yearbook, Youth & Government,

Varsity Athletics: Boys & Girls Cross Country, Football, Boys & Girls Soccer, Volleyball, Golf, Bass Fishing, Boys & Girls Basketball, Wrestling, Boys & Girls Indoor Track, Ice Hockey, Boys & Girls Swimming and Diving, Gymnastics, Boys & Girls Outdoor Track, Boys & Girls Lacrosse, Baseball, and Softball

2019 State of NH Athletic Championships: Boys Soccer Repeats as NH State Champions-2018 & 2019!

Community Connections

Our 2019 Challenge Day at CHS involved students with participation from parents, Litchfield PD, school board members and SAU staff.

The CHS PTO sponsored Staff Back-to-School Breakfasts, gifts to students & staff, exam supplies, and a faculty/staff luncheon during Parent Teacher Conferences.

Our Athletics Booster Club supplies letters, awards, sweatshirts to multi-sport athletes and student-athlete scholarships.

CHS SADD sponsored a dramatic and powerful pre-Prom "Mock Accident" with help from Litchfield PD & Fire, Warren's Auto Body, Rivet's Funeral Home, and CHS parents!

TECHNOLOGY

CHS staff - everyone received new laptops to help with efficiency!

Google Classroom and other education apps are used daily by teachers!

Teachers regularly use our Student Information System to track student grades & attendance!

More advanced computer programming courses available to students!

Campbell High School Staff 2019-2020

| <u>Last Name</u> | <u>First Name</u> | <u>Position</u> | <u>Grade</u> | <u>Salary</u> |
|------------------|-------------------|----------------------------|--------------|---------------|
| ANDERSON | ELIZABETH | TEACHER SPANISH | M | \$56,093.00 |
| ANGELINI | DIANE | TEACHER HS MATH | M | \$63,033.00 |
| BAKER | RACHEL | NURSE | B/RN | \$56,336.00 |
| BALLOU | JUSTIN | TEACHER HS SOCIAL STUDIES | B | \$53,312.00 |
| BARNETT | KIMBERLY | TEACHER HS MATH | M | \$64,551.00 |
| BARRY | PAULA | TECH/ART | B | \$50,297.00 |
| BEAUDET | JACQUELINE | TEACHER SPECIAL EDUCATION | M | \$64,289.00 |
| BOURASSA | DANA | TEACHER BUSINESS 75% | M | \$55,432.50 |
| CALLINAN | JODI | DIR HS GUIDANCE | M | \$84,000.00 |
| CHOWDHURY | RAHEEM | TEACHER HS SCIENCE | B | \$42,722.00 |
| CONLEY | SEAN | TEACHER HS MATH | B | \$57,474.00 |
| COOPER | NATHAN | TEACHER HS SOCIAL STUDIES | M | \$54,358.00 |
| DAVIS | HEATHER | TEACHER SPANISH | M | \$69,728.00 |
| DEVINE | CATHERINE | TEACHER HS SCIENCE | M | \$73,910.00 |
| DUBE | ROSEANNA | TEACHER HS SCIENCE 33.5% | M | \$23,922.35 |
| FREEMAN | DENISE | TEACHER ART | M | \$73,910.00 |
| GASPAR | AIMEE | TEACHER HS ENGLISH | B | \$63,366.00 |
| GINGRAS | DAVID | TEACHER HS SOCIAL STUDIES | M | \$59,564.00 |
| GNAEGY | LYNN | TEACHER FACS | M | \$70,728.00 |
| GREEN | JULIE | LIBRARIAN | M | \$47,418.00 |
| HICKS | WILLIAM | STUDENT SUPPORT COUNSELOR | M | \$73,910.00 |
| HOGAN | SEAN | TEACHER - PHYSICAL ED 50% | B | \$20,604.50 |
| JOHNSON | MAGDALA | TEACHER HS MATH | B | \$47,259.00 |
| JURUS | CARRIE | GUIDANCE COUNSELOR 50% | M | \$33,925.50 |
| KAVANDI | BABAK | TEACHER HS MATH | M | \$64,764.00 |
| KEEFE | PATRICK | TEACHER HS ENGLISH | M | \$66,496.00 |
| KELLER | RYAN | TEACHER SPECIAL EDUCATION | M | \$66,496.00 |
| KEYES | SHANE | TEACHER HS SCIENCE | M | \$50,889.00 |
| KNIGHT | JOSHUA | DIR OF HS ATHLETICS | M | \$76,127.27 |
| LAMY | NATHAN | TEACHER MUSIC (LMS & CHS) | B | \$44,234.00 |
| LANGELIER | WENDY | TEACHER SPECIAL EDUCATION | M | \$59,278.00 |
| LEITE | CAROLYN | TEACHER MUSIC (LMS & CHS) | B | \$63,366.00 |
| LONERGAN | WILLIAM | PRINCIPAL HIGH SCHOOL | M | \$111,500.00 |
| MCDONOUGH | SHAWN | TEACHER COMPUTERS | M | \$73,910.00 |
| MILLIGAN | BRITTNEY | TEACHER MUSIC | B | \$47,259.00 |
| OAKES | KATHLEEN | TEACHER SPECIAL EDUCATION | B | \$65,765.00 |
| PARADISE | AMY | TEACHER SPECIAL EDUCATION | B | \$45,872.00 |
| PARKER | DAWN | TEACHER SPECIAL EDUCATION | B | \$54,824.00 |
| PARSONS | JEFFREY | GUIDANCE COUNSELOR | M | \$70,728.00 |
| PEREZ | MICHAEL | ASST PRINCIPAL HIGH SCH | M | \$95,000.00 |
| PERREAULT | DENNIS | TEACHER HS SOCIAL STUDIES | M | \$73,910.00 |
| PHILLIPS | RACHEL | TEACHER HS ENGLISH | M | \$43,948.00 |
| POTHIER | WILLIAM | TEACHER HS SCIENCE 50% | M | \$36,153.00 |
| RAY | JOANNE | TEACHER HS SCIENCE | B | \$42,722.00 |
| ROBINSON | KARA | TEACHER HS ENGLISH | M | \$43,948.00 |
| SICA | NICHOLAS | TEACHER HS SOCIAL STUDIES | B | \$51,798.00 |
| SZEPAN | SHANNON | TEACHER - PHYSICAL ED | M | \$69,728.00 |
| VAN DE CAR | JON | TEACHER TECH EDUCATION 50% | B | \$30,433.00 |
| VENENGA | GARY | TEACHER HS ENGLISH | M | \$53,603.00 |

Campbell High School Class of 2019 Graduates

Jeffrey Scott Allen[^]
 Megan Lynn Arnold
 Alyson Marie Bauer[^]
 Cameron Charles Bortle
 Ian Michael Brennan^{D*^AM}
 Adam Nicholas Breton[^]
 Chelsea Grace Burke
 Ethan Tyler Burns^{^^}
 Madison Marie Buskey[^]
 Marissa Carignan[^]
 Olivia Rae Carlson^{ID**^MA}
 Leo Michael Carten^{^^}
 Sofia Yasmine Chiboub^{ID**^AM}
 Devin M. Clarke
 Emily Madison Coughlin^{ID**^A}
 Jonah Michael Crema^{^^}
 Meagan Paris Dean
 Logan Philip DeCarolis
 Haley Rose DeMarco
 Salvatore Jarrod DiGiovanni, Jr.
 Connor T. Donahue[^]
 David W. Donnelly[^]
 Jacob Walter Donovan[^]
 Brendan D. Douglas
 Dylan D. Dubois
 Allyson Leigh Dyac^{!*#^A}
 Sarah J. Estabrook[^]
 Kamryn Eve Ford[^]
 Meagan Shannon Fortier[^]
 Killian David Franklin
 Keagan Kenneth Fruzen
 Justin W. Furlong^{^+}
 Zachary S. Gannon
 Olivia Marie Garand^{*^A+}
 Benjamin Ahn Gavrin
 Meghan Marie Gibbons^{*^A+}
 Chad Richard Gibson
 Rachel Elizabeth Goldstein^{D*^AM}

Luke Joseph Gomes[^]
 Jessica Lynne Grant^{D*^A}
 Matthew J. Graveline^{^^}
 Abigail Rose Gray[^]
 Madison Paige Greenhalgh[^]
 Jessica Leigh Grondine^{D**^MA}
 Jake Walker Hartwell
 Spencer Daniel Healey
 Nicolas Heller Della-Vecchia[^]
 Katrina M. Hubbard^{D**^A}
 Taylor N. Jordan
 Alex M. Jozitis^{ID**^AM}
 Sara Ann Keane^{*^}
 Noah Todd Kepple
 Jacob Earle Kidwell
 Zachary Robert Kirby^{^A+}
 Katrina Marie Kopaczynski[^]
 Robert Charles Ladd, III
 Sean Alan Lessard[^]
 Matthew Douglas Livingston
 Jacob Benjamin Lopez-Carrasco^{^M}
 Lillian Grace Mango
 Stephanie A. Marsden
 Chad M. Martel[^]
 Makenna Olivia Mathieu^{^^A}
 Julie Marie McCrady[^]
 Nicole E. Mendonca
 Jack Tyler Morgan
 Owen Fraser Morris
 Caitlin Elizabeth Morrissey[^]
 Jack Robert Munnelly^{*^A}
 Matthew Torres Neves^{^M}
 William Leo Paul Nicholas
 Alicia Ann Noury[^]
 Trevor Owen O'Mara^{*^}
 Tyler Brice O'Mara^{D**^A}
 Jaylen Sonarrah Owen
 Christopher Peter Palladino

Joseph Edward Parenti[^]
 Emily Ann Passaro^{^M}
 Sophia Caterina Peguri[^]
 Emma Kaitlyn Perrin^{^^}
 Hannah Elizabeth Perry[^]
 Kayla Lynn Portillo[^]
 William B. Randolph, Jr.^{ID**^M+}
 Jade T. Rath[^]
 Alexia L. Reis[^]
 Matthew P. Rollend^{^A+}
 Madison E. Rossi
 Zachary Paul Rousseau^{ID**^A}
 Jason C. Rubino
 Giselle Alexis Ruperto
 Richard G. Russell
 Sydney Mae Ryan[^]
 Sydney Mabel Sanchez Tejada^{^A}
 Logan Michael Santos
 Hailey Rose Sauve
 Lisa N. Scarfo
 Spencer D. Schmidt
 Robert Dallas Schoff^{^D**^A}
 Aliyah Cheri Smart[^]
 Kylee Shea Smart[^]
 Eli M. Smith[^]
 Carly Jewel Sutton[^]
 Leah K. Sylvain
 Grace Elizabeth Theberge^{ID**^M}
 Jocelyn Theriault[^]
 Autumn Carolyn Thompson^{D**^A}
 Mattieux Julien Tremblay
 Noah Cole Thomas Martin Vaughan^{ID**^MA}
 Marije Vliet
 Garrett Reece Walker
 Matthew David Wark
 Samantha Lynn Webber
 Tyler Whalen
 Colby G. Wilson

Valedictorian – Emily Coughlin

Salutatorian – Grace Theberge

! Top Ten

^DDiploma of Distinction

#Academic Excellence Honors

[^]New Hampshire Scholars

*National Honor Society

^MTri-M National Music Honor Society

[^]New Hampshire Scholar Athlete

*Student Council

2019-2020 LITCHFIELD SCHOOL DISTRICT CALENDAR

SCHOOL BOARD APPROVED 3/20/19

| AUGUST 2019 | | | | |
|-------------|----|----|----|----|
| M | T | W | Th | F |
| | | | 1 | 2 |
| 5 | 6 | 7 | 8 | 9 |
| 12 | 13 | 14 | 15 | 16 |
| 19 | 20 | 21 | 22 | 23 |
| 26 | 27 | 28 | 29 | 30 |

22-23 New Teacher Orientation
27-29 Teacher Workshop

27 – All Staff Report to Work – District Meeting
28 - Building PD
29 – Teacher Classroom Prep

| FEBRUARY 2020 | | | | |
|---------------|----|----|----|----|
| M | T | W | Th | F |
| 3 | 4 | 5 | 6 | 7 |
| 10 | 11 | 12 | 13 | 14 |
| 17 | 18 | 19 | 20 | 21 |
| 24 | 25 | 26 | 27 | 28 |

24-28 Winter Recess - NS

15 days

| SEPTEMBER 2019 | | | | |
|----------------|----|----|----|----|
| M | T | W | Th | F |
| 2 | 3 | 4 | 5 | 6 |
| 9 | 10 | 11 | 12 | 13 |
| 16 | 17 | 18 | 19 | 20 |
| 23 | 24 | 25 | 26 | 27 |
| 30 | | | | |

2 Labor Day - NS
3 1st Day of School

20 days

| MARCH 2020 | | | | |
|------------|----|----|----|----|
| M | T | W | Th | F |
| 2 | 3 | 4 | 5 | 6 |
| 9 | 10 | 11 | 12 | 13 |
| 16 | 17 | 18 | 19 | 20 |
| 23 | 24 | 25 | 26 | 27 |
| 30 | 31 | | | |

22 days

| OCTOBER 2019 | | | | |
|--------------|----|----|----|----|
| M | T | W | Th | F |
| | 1 | 2 | 3 | 4 |
| 7 | 8 | 9 | 10 | 11 |
| 14 | 15 | 16 | 17 | 18 |
| 21 | 22 | 23 | 24 | 25 |
| 28 | 29 | 30 | 31 | |

14 Columbus Day - NS (observed)
16 PSATs – Early Release for CHS Grades 9, 10, & 11 –12:30pm

22 days

| APRIL 2020 | | | | |
|------------|----|----|----|----|
| M | T | W | Th | F |
| | | 1 | 2 | 3 |
| 6 | 7 | 8 | 9 | 10 |
| 13 | 14 | 15 | 16 | 17 |
| 20 | 21 | 22 | 23 | 24 |
| 27 | 28 | 29 | 30 | |

8 END OF QUARTER 3
27- May 1 Spring Recess - NS

18 days

| NOVEMBER 2019 | | | | |
|---------------|----|----|----|----|
| M | T | W | Th | F |
| | | | | 1 |
| 4 | 5 | 6 | 7 | 8 |
| 11 | 12 | 13 | 14 | 15 |
| 18 | 19 | 20 | 21 | 22 |
| 25 | 26 | 27 | 28 | 29 |

5 END OF QUARTER 1
11 Veterans Day – NS
25 Parent/Teacher Conf. All Day and Evening - NS
26 Teacher Workshop - NS
27-29 Thanksgiving Recess - NS

15 days

| MAY 2020 | | | | |
|----------|----|----|----|----|
| M | T | W | Th | F |
| | | | | 1 |
| 4 | 5 | 6 | 7 | 8 |
| 11 | 12 | 13 | 14 | 15 |
| 18 | 19 | 20 | 21 | 22 |
| 25 | 26 | 27 | 28 | 29 |

1 Spring Recess cont. – NS
25 Memorial Day - NS (observed)
28 Senior Project Evaluation – Early Release for CHS Grades 9, 10, & 11 –12:30pm

19 days

| DECEMBER 2019 | | | | |
|---------------|----|----|----|----|
| M | T | W | Th | F |
| 2 | 3 | 4 | 5 | 6 |
| 9 | 10 | 11 | 12 | 13 |
| 16 | 17 | 18 | 19 | 20 |
| 23 | 24 | 25 | 26 | 27 |
| 30 | 31 | | | |

23-Jan 1 Holiday Recess - NS

15 days

| JUNE 2020 | | | | |
|-----------|----|----|----|----|
| M | T | W | Th | F |
| 1 | 2 | 3 | 4 | 5 |
| 8 | 9 | 10 | 11 | 12 |
| 15 | 16 | 17 | 18 | 19 |
| 22 | 23 | 24 | 25 | 26 |
| 29 | 30 | | | |

Graduation – To Be Determined
11 175th day
18 180th day
24 Last day of school with 4 snow days

14 days

| JANUARY 2020 | | | | |
|--------------|----|----|----|----|
| M | T | W | Th | F |
| | | 1 | 2 | 3 |
| 6 | 7 | 8 | 9 | 10 |
| 13 | 14 | 15 | 16 | 17 |
| 20 | 21 | 22 | 23 | 24 |
| 27 | 28 | 29 | 30 | 31 |

1 Holiday Recess cont. - NS
20 Martin Luther King, Jr./ Civil Rights Day - NS
*28 Teacher Workshop – NS (tentative – will occur on NH Primary Day once set)

29 END OF QUARTER 2
20 days

NOTES:

- Shaded Days and NS = No School
- Early Release CHS Grades 9, 10 & 11 Only – Oct 16, 2019 and May 28, 2020 - 12:30 pm
- End of Quarter – These days will change if we have cancellations.

Cancellation days will be made up at end of school year (June)

SEPT thru JAN - 92 DAYS FEB thru JUNE - 88 DAYS
180 Total Student School Days – 190 School, Snow & TW Days

Please Mark Your Calendar: Voting Day March 10, 2020

LITCHFIELD SCHOOL DISTRICT

ENROLLMENT - PROJECTIONS ELEMENTARY

| Grade | Enrolled October 1, 2018 | Enrolled October 1, 2019 | Projected September 2020 |
|--------------|-----------------------------|-----------------------------|-----------------------------|
| Pre | 40 | 41 | 40 |
| Kindergarten | 81 | 76 | 79 |
| 1 | 90 | 90 | 90 |
| 2 | 70 | 98 | 94 |
| 3 | 91 | 76 | 103 |
| 4 | 89 | 92 | 77 |
| Total | 461 | 473 | 483 |

ENROLLMENT - PROJECTIONS MIDDLE SCHOOL

| Grade | Enrolled October 1, 2018 | Enrolled October 1, 2019 | Projected September 2020 |
|--------------|-----------------------------|-----------------------------|-----------------------------|
| 5 | 90 | 95 | 94 |
| 6 | 84 | 94 | 101 |
| 7 | 111 | 94 | 95 |
| 8 | 119 | 113 | 94 |
| Total | 404 | 396 | 384 |

ENROLLMENT - PROJECTIONS HIGH SCHOOL

| Grade | Enrolled October 1, 2018 | Enrolled October 1, 2019 | Projected September 2020 |
|--------------|-----------------------------|-----------------------------|-----------------------------|
| 9 | 101 | 120 | 108 |
| 10 | 109 | 103 | 118 |
| 11 | 108 | 107 | 100 |
| 12 | 121 | 108 | 107 |
| Total | 439 | 438 | 433 |

**Combined
Totals**

| |
|-------------|
| 1304 |
|-------------|

| |
|-------------|
| 1307 |
|-------------|

| |
|-------------|
| 1300 |
|-------------|

**LITCHFIELD SCHOOL DISTRICT
DELIBERATIVE SESSION
February 9, 2019
The State of New Hampshire**

Time, Place: The meeting was called to order at 10:00 a.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. John G. Regan, presiding.

School Board members: Mr. Brian Bourque, Chair; Mrs. Christine Harrison, Vice Chair; Mrs. Elizabeth MacDonald, Mr. Robert G. Meyers, III, Mrs. Tara Hershberger.

Dr. Michael Jette, Superintendent of Schools; Mr. Cory Izbicki, Business Administrator; Mrs. Michele Flynn, Administrative Assistant; Michael Elwell, Attorney for the District.

Budget Committee members: Mrs. Cynthia Couture, Chair; Mrs. Keri Douglas, Vice Chair; Mrs. Jennifer Bourque, Mrs. Jessica Martin, Mrs. Nicole Fordey, Mr. Brion Hodgkins, John Brunell (Selectmen's Representative).

Ballot clerks: Mrs. Trisha Regan

Mr. Regan invited members to join him in the Pledge of Allegiance.

Mr. Regan introduced Mr. Phil Reed, Vice Moderator, and reviewed the Moderator's rules and protocol for the Deliberative Session according to state law.

Mr. Regan introduced Mr. Brian Bourque, School Board Chair. Mr. Bourque introduced School Board members, SAU staff, and attorney.

Mr. Regan introduced Mrs. Cynthia Couture, Chairperson of the Budget Committee. Mrs. Couture introduced Budget Committee members.

Mr. Regan read the Moderator's rules and announced that elections will be held on March 12, 2019 from 7:00 am – 7:00 pm at CHS.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles' numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

As is customary, Mr. Regan asked voters if they were in favor of allowing non-voters and employees of the school district who were in attendance to comment during the meeting.

The majority was in favor of allowing non-voters and/or employees of the district to comment during deliberative session by voice vote.

Mr. Regan read Article A.

ARTICLE A.

To elect by ballot the following School District Officers:

| | |
|-----------------------------------|---------------------------|
| <i>School Board Member</i> | <i>3-Year Term</i> |
| <i>School Board Member</i> | <i>3-Year Term</i> |

The Moderator opened discussion of Article A.

Hearing no discussion, the Moderator indicated **Article A stands as written.**

Mr. Regan read Article 1 and indicated that Mrs. Couture would speak to the article.

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling \$22,865,429? Should this article be defeated, the default budget shall be \$22,824,871, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

This Article has an estimated tax impact of \$0.36 and was recommended by the School Board by a vote of 5-0-0. The Article was recommended by the Budget Committee by a vote of 6-2-0.

Mrs. Couture made the following statements:

The School District Budget was received in November. The Superintendent and Business Administrator reviewed district goals for Budget Committee members. Budget Committee members reviewed line by line over three meetings in November and December. The budget information was presented by the School Board representative, Superintendent, Business Administrator and department heads as needed before voting. Final votes on budgets and Warrant Articles on December 20.

Decision Criteria

Mrs. Couture explained the Budget Committee made their recommendations based on the following criteria:

- Consider history of actual spending of previous years using 3 year averages
- Consider School District Priorities as presented by educational professionals
- Consider year to date actual spending of current budget
- Consider student enrollment projections

- Consider the rationale for why dollars are being requested by the school district and educational professionals as well as any data presented
- Consider what was a reasonable budget to present to the voters given fixed cost increases and revenue projections.

Mrs. Couture presented the school district budget review:

- The Budget Committee made \$240,000 in reductions for a budget total of \$21,672,672.
- Stabilization grants are decreasing by 4% per year until they are phased out. The district is now at 84%. Even if the budget were level funded it would result in a tax rate increase of \$0.24.
- The Recommended budget is \$203,546 more than last years approved budget; an increase of 0.95% with a tax impact of \$0.36.
- The Default Budget (\$21,648,617) is \$24,055 lower than the proposed budget.

Areas of Major Impact

- Salaries \$486,792 Increase
- Retirement Payouts \$52,049 Increase over the prior year
- Dental Insurance \$15,085 Increase
- NH Teacher Retirement \$96,890 Increase
- NH Employee Retirement (\$21,870) Decrease
- Health Insurance increased (\$ 4,397) Decrease increase of 1.7%, but because of a one-time credit the total is actually down 1.1%
- GMS Additional Staff \$101,100 Increase (due to adding a 5th K class)
- GMS Supplies/Furniture \$ 28,800 Increase (due to adding a 5th K class)
- Special Services (\$168,000) Decrease
- Technology (\$ 38,700) Decrease
- CHS (\$ 24,500) Decrease
- LMS (\$ 4,860) Decrease
- SAU, Business, Board (\$ 4,800) Decrease
- Transportation \$ 27,000 Increase (was due to increase but the contract has been renegotiated and will result in a decrease.)

Budget Committee Action

Reduction of \$40,000 from Special Services Transportation

Rationale: historical underspend.

Reduction of \$21,000 from Co-Curricular Salaries

Rationale: historical reduction based on programs not run or positions not filled.

Reduction of \$5,000 from Athletic Salaries

Rationale: historically unfilled positions.

Reduction of \$174,000 from Salaries and Benefits

Rationale: historical underspend in retirement, paraprofessionals, attrition, healthcare, social security.

Other proposed reductions (\$105,800) not supported were to Special Services \$60,000; Curriculum Development \$4,000; Technology (Chromebooks) \$26,000; Supplies \$5,000; Transportation \$10,800.

Potential Tax Impact

Mrs. Couture indicated the FY19 Recommended Operating budget is \$22,865,429 and is projected to have a tax impact of \$0.36. She noted this will result in an estimated \$124.30 increase on a home valued at \$350,000.

Mrs. Couture commented the FY19 Default budget is \$22,824,871 and is projected to have a tax impact of \$0.34. She noted this would result in an increase of \$118.56 on a home valued at \$350,000.

Ralph Boehm, 6 Gibson Drive, speaking as a State Representative and resident, commented that one of the bills currently in the Legislature is to fix the stabilization grant. He mentioned in 2007 there was no representation from Litchfield in the Legislature. He indicated that Litchfield was slated to lose \$2M in education funding in 2011 and the Stabilization grant was passed so that school districts slated for a decrease in funding would not lose that money. He noted there are a number of bills to change the education funding formula, but he would like to see a solution where the state budget funds are divided by the number of students in the state without any formula.

Bill Spencer, 9 Cranberry Lane, asked what the projected enrollment is for each school and for kindergarten.

Mrs. Couture indicated that the projected enrollment is as follows:

- 2019-2020:
 - GMS 351 PreK-4; K 81 projected
 - LMS 378
 - CHS 421
 - Total 1,271
- 2020-2021:
 - GMS 359 PreK-4; K 81 projected
 - LMS 364
 - CHS 410
 - Total 1,254
- 2021-2022:
 - GMS 384 PreK-4; K 81 projected
 - LMS 363
 - CHS 373
 - Total 1,241

Brian Bourque, School Board Chair, 1 Westview Drive, made a motion to amend Article 1 to read:

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling \$22,849,638? Should this article be defeated, the default budget shall be \$22,824,871, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

This Article has an estimated tax impact of \$0.35.

Mr. Bourque explained that the FY20 Operating Budget was reduced due to a decrease in the cost of the transportation contract.

The motion passed by voice vote.

Hearing no further amendments or discussion, Mr. Regan indicated **Article 1 will appear on the ballot as amended.**

Mr. Regan read Article 2 and indicated that Mrs. Harrison would speak to the article.

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association, which calls for the following increases in salaries and benefits at the current staffing level:

| <i>Year</i> | <i>Estimated Increase</i> |
|------------------|---------------------------|
| 2019-2020 | \$ 394,429 |
| 2020-2021 | \$ 374,294 |
| 2021-2022 | \$ 346,391 |

and further to raise and appropriate the sum of \$394,429 for fiscal year 2020, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

This Article has an estimated tax impact of \$0.43. This article was recommended by the School Board by a vote of 5-0-0 and was not recommended by the Budget Committee because of a tied vote of 4-4-0.

Mrs. Harrison spoke to the article. She presented the following information:

Contract Overview

Annual Increase:

Year 1: \$394,429 (3.48%)

Step adjustment for 25 staff equals \$152,749 of the increase

Year 2: \$374,294 (3.52%)

Year 3: \$346,391 (3.23%)

- 25 employees have salary steps adjusted to reflect years without step increases in year 1
- Salary schedule adjusted by 2% in years 2 and 3
- Removes requirement for non-union employees to pay yearly union fees
- Reduction in sick days:
 - hired prior to 2016-2017, reduce from 15 to 12 days, max carried 125
 - hired 2016-2017 or after, reduce from 15 to 10 days, max carried 110
- Staff members who sub for a colleague during the school day will be compensated
- Establishes a committee to review co-curricular stipends
- Changes/clarifies workday length, retirement dates, grade level subject, doctor note for 4 or more consecutive sick days, calendar year
- Increase yearly Longevity Payments:
 - Years 15 to 19 increase from \$1,500 to \$2,500
 - Years 20 plus increase from \$2,500 to \$3,500
- Increase district health insurance percentages and decrease employee contributions with change to School Care Yellow Plan
 - Choice Fund (\$1000 or \$2000 Deductibles):
 - from 82% district/18% employee to 89% district/11% employee
 - No Choice Fund (\$2000 or \$4000 Deductibles):
 - from 89% district/11% employee to 93% district/7% employee

Mrs. Harrison indicated there are two goals that are driving the contract. Goal 1 is to attract and retain excellent teachers. She commented that the increase in salaries is due to moving several teachers to a higher step to restore steps for the years that there was no contract (no movement on steps), a 2% increase in steps for years two and three, and an increase in longevity payments.

Mrs. Harrison indicated the priority is to maintain a competitive salary schedule and retain our excellent teachers. She explained that the existing salary schedule was compared to the peer cohort group [that includes Bedford, Bow, Hopkinton, Hudson, Londonderry, Merrimack, Moultonborough, Pelham, Sunapee and Windham] and it was determined that Litchfield's salaries are well below the peer cohort group schedules.

Mrs. Harrison indicated that in the years teachers did not have a contract, several teachers missed increases in steps on the schedule. She commented that created a gap between existing staff and new hires. She explained a teacher with 10 years of experience who is still on step 7 would currently be earning a lower salary than a new hire teacher with 10 years of experience who would be placed on step 10. She commented that the existing salary schedule is forcing teachers to leave and go to districts where they can be placed on the step consistent with their years of experience and a higher salary. She noted losing teachers means losing hours and funds spent on

professional development, college credit reimbursement, mentoring, personal materials for classroom, knowledge of the curriculum, and relationships with students, colleagues, parents.

Mrs. Harrison commented that Goal 2 is to foster better use of healthcare dollars with a shift to a consumer driven plan. She indicated that a change in health insurance was negotiated from a plan without deductibles to a plan with deductibles, with higher contributions toward premiums by the district. She commented the Cadillac plan excise tax is due to hit the district in 2022. She noted that the new health plan will result in lower rates over time, provides incentives for healthy lifestyle choices, and control over healthcare dollars. She indicated that over time it will save the district potentially millions of dollars.

Mrs. Harrison commented other changes to the contract include more flexibility in the school opening date, more flexibility with the 186 days in the work year, defined the work day, and increased co-curricular stipends in years 2 and 3 by 2%.

Brion Hodgkins, Grouse Lane, commented peer cohort towns have more business and tax base than Litchfield. He indicated without that there is no help to offset the taxes for taxpayers.

Ralph Boehm, 6 Gibson Drive, commented on the legislation regarding the start date for schools and indicated he would rather see it left under local control.

Betty Vaughn, 19 Stark Lane, asked the Budget Committee to change their vote after this session. She believes the contract will save money in the long term. She indicated students have been very successful with in Litchfield because of our teachers.

Mrs. Couture indicated the contract was negotiated by the School Board and the LEA. She explained the number in the article has to change in order for the Budget Committee to revote.

Janine Anctil, Tanager Way, asked the Budget Committee to reconsider changing their vote on the article. She commented it is a big shift for teachers with the consumer driven insurance plan and teachers compromised on making that shift. She remarked many townspeople think the teachers have a great deal and this will be a difficult transition. She indicated that it will generate a shift in thinking on how to use health insurance and the School Board offered to ease that impact.

William Barrett, 63 Pilgrim Drive, asked to hear from Budget Committee members that voted in the negative.

Mrs. Couture, Budget Committee Chair, commented that she has been involved with the School Board and Budget Committee for over 20 years and one of the biggest costs is healthcare. She indicated that the School Board has tried to reduce the district's contribution over several years to 80%, which is in line with the Town. She noted that with this contract the district is jumping back up to 89% and 93% and that is an increase that she cannot endorse. She believes the town will not be able to afford it.

Mrs. Douglas, Budget Committee Vice Chair, echoed Mrs. Couture's comments. She expressed appreciation for the work and effort expended to develop the contract. She commented it is a good contract for retaining teachers, but as a Budget Committee member she represents the taxpayers as a whole. She does not believe it will be good for the town. She does not believe that smaller increases in healthcare costs will last and that the healthcare negotiation presented is not a good financial decision for the town.

Phil Reed, 7 Forest Lane, congratulated the School Board on the presentation of the article.

Kathleen Follis, 8 Mike Lane, commented that 70% of school districts in NH have switched to consumer plans. She indicated that Mrs. Douglas believes we were fortunate to have small increases over the last two years, but it has cost us a good amount of money to be on the Green Plan. She understands the taxpayers are concerned with the increase in contributions toward premiums and that there is not a lot of business in the town. She noted our school district makes up a large part of the budget for a reason. She commented the Cadillac tax is coming and will not be fair to taxpayers.

Ralph Boehm, 6 Gibson Drive, commented that he does not believe public employee benefits should exceed private employee benefits.

Robin Corbeil, 4 Nesmith Court, commented that she is concerned about unknown increase, but the Cadillac tax is coming. She indicated there are 25 employees that do not take our insurance at this time. She commented if the contract does not pass those employees could move to the current plan, which will cost half a million dollars.

Mrs. Couture indicated the Cadillac tax has been delayed until 2022, which would be the end of the contract and is not a significant issue with this contract.

Tiffany MacKinnon, Burgess Drive, commented students are successful because of teachers. She asked that we give back to teachers.

Sue Seabrook made a motion to restrict reconsideration of Article 2. Bill Spencer seconded. The motion passed by voice vote.

Sue Seabrook made a motion to restrict reconsideration of Article 1. Bill Spencer seconded. The motion passed by voice vote.

Hearing no further discussion, Mr. Regan indicated that **Article 2 will appear on the ballot as written.**

Mr. Regan read Article 3 and indicated Mr. Bourque would speak to the article.

ARTICLE 3

Shall the Litchfield School District vote to raise and appropriate the sum of \$28,490 to be added to the operating budget for the purpose of funding salary and benefits for a part time Enrichment Tutor position at Litchfield Middle School to support high achieving learners?

This Article has an estimated tax impact of \$0.03 and was recommended by the School Board by a vote of 5-0-0. The article was recommended by the Budget Committee by a vote of 7-1-0.

Brian Bourque, School Board Chair, spoke to the article. He indicated that currently there is no targeted support or services for high achievers. He commented the tutor will provide enrichment both in and outside the classroom.

Hearing no amendments or further discussion, Mr. Regan indicated that **Article 3 will appear on the ballot as written.**

Mr. Regan read Article 4 and indicated Mr. Bourque would speak to the article.

ARTICLE 4

Shall the Litchfield School District vote to raise and appropriate the sum of \$28,490 to be added to the operating budget for the purpose of funding salary and benefits for a part time Math Tutor position at Litchfield Middle School to support struggling and resistant learners?

This Article has a tax impact of \$0.03 and was recommended by the School Board by a vote of 5-0-0. The article was recommended by the Budget Committee by a vote of 7-1-0.

Mr. Bourque spoke to Article 4. He indicated that there is currently no dedicated support for students struggling in math. He commented this position will provide support for those students in and outside the classroom.

Hearing no amendments or further discussion, Mr. Regan indicated that **Article 4 will appear on the ballot as written.**

Mr. Regan read Article 5 and indicated Mr. Bourque would speak to the article.

ARTICLE 5

Shall the Litchfield School District vote to raise and appropriate the sum of \$100,000 to be added to the Building Maintenance Capital Reserve Fund established in 2004 with this sum to come from the June 30 unassigned fund balance available for transfer on July 1 of this year?

This article has no tax impact and was recommended by the School Board by a vote of 5-0-0. The article was recommended by the Budget Committee by a vote of 8-0-0.

Brian Bourque, School Board Chair, 1 Westview Drive, made a motion to amend Article 5 to read:

Shall the Litchfield School District vote to raise and appropriate up to \$100,000 to be added to the Building Maintenance Capital Reserve Fund established in 2004 with this sum to come from the June 30 unassigned fund balance available for transfer on July 1 of this year?

Phil Reed seconded.

Mr. Bourque explained that the NH Department of Revenue Administration removed the words “up to” and he is making a motion to restore that language in the article.

The motion passed by voice vote.

Mr. Bourque explained that the School Board is trying to build up the Capital Reserve Fund to replace much needed systems that are failing, such as HVAC systems at GMS and LMS, and to help contribute toward the security of our school buildings.

Hearing no amendments or further discussion, Mr. Regan indicated that **Article 5 will appear on the ballot as amended.**

Mr. Regan read Article 6 and indicated Mrs. MacDonald would speak to the article.

ARTICLE 6

Shall the Litchfield School District vote to permanently name the Campbell High School auditorium after Philip K. Martin, in honor of his service to Campbell High School?

This article is pending School Board recommendation.

Mrs. MacDonald explained that a policy was approved by the School Board on January 9 that includes a process for naming facilities and core areas. She indicated that the proposal for naming the auditorium after Mr. Martin had met the criteria of the policy and a motion was made to put the request on a warrant article.

Elizabeth MacDonald, 46 Naticook Avenue, made personal statements in support of naming the auditorium after Philip Martin, former music teacher and band director at CHS. She highlighted his past experiences at the high school, his accomplishments and awards, and emphasized his support of students and the school community. She commented that he made a difference in students’ lives.

Bill Spencer, 9 Cranberry Lane, asked if the article is approved, what will the School Board do?

Attorney Michael Elwell indicated it is an advisory article and is up to the School Board regardless of how the voting results.

Hearing no amendments or further discussion, Mr. Regan indicated that **Article 6 will appear on the ballot as written.**

Robert Meyers made a motion to restrict reconsideration of Articles 3, 4, 5 and 6. Mr. Bourque seconded. The motion passed by voice vote.

Mr. Regan read Article 7 and indicated Keri Douglas, the author of the petition, would speak to the article. He noted that Mr. Bourque will present the rebuttal.

ARTICLE 7 (Petitioned Article)

Shall the School Board present to next year’s annual meeting, an article adopting the provisions of RSA 32:5-b which could implement a tax cap whereby the Budget Committee shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year’s actual amount of local taxes raised, by more than a certain dollar amount or percentage?

This is a petitioned warrant article. This article has not been recommended by the School Board by a vote of 0-4-0.

Keri Douglas, author of the article, explained the article does not result in an immediate tax cap. She indicated the School Board will have nine months to evaluate data to see if a tax cap can be implemented. She commented that she would like to see the district budget get in line with the town budget. Mrs. Douglas indicated people have expressed interest in starting a conversation about a tax cap for the school district budget. She commented the signing of the petition does not indicate a lack of support for our teachers. She explained some people signed it because they are concerned about the increasing budgets and these are the same people whose taxes support the schools. Mrs. Douglas commented if a tax cap is not feasible the School Board can bring forth a reasonable position why it will not work. She commented each year the school district spends hundreds of thousands of dollars with cushions built into the budget. She indicated the article is to engage the community in the discussion.

Mrs. Douglas commented that the School Board Chair is planning to ask each person who signed the petition to stand up. She believes that is not appropriate. She indicated this measure is to facilitate discussion between the School Board and the community to discuss spending.

Mr. Bourque commented that since the tax cap was implemented on the town budget, their budget has increase 6.67% in 2017; 7.9% in 2018; and 8.74% in 2019; whereas the school budget has increase 1.78%, 2.86% and 2.84% in those same years. He indicated the district returns the money that is not spent and there is no cushion in the budget. He noted the Budget Committee examines the budget line by line and makes reductions. He indicated the budget is presented to the public and the process is transparent.

Mr. Bourque indicated mostly everything in the budget is mandated by the State. He commented if there were a tax cap hundreds of thousands of dollars would be lost and warrant articles would not able to be recommended by the Budget Committee, which could include an article with a contract.

Mrs. Douglas commented the tax cap is on the tax increase and not the budget increase. She indicated that she is asking for the discussion only to address conversations we are currently having. She noted there is no statement of the maximum request the School Board can bring forward in the article.

Cindy Couture, 43 Stark Lane, made a motion to amend Article 7 to read:

Shall the School Board study the impact of an article adopting the provisions of RSA 32:5-b which could implement a tax cap whereby the Budget Committee shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of local taxes raised, by more than a certain dollar amount or percentage?

Susan Jozitis seconded the motion.

Mrs. Couture explained that it changes the wording to requesting a study, which would allow the School Board to examine data and hold discussions regarding the impact of a tax cap on the school district budget. She indicated it makes the wording a little less concerning and a study will assess the impact on the school district.

Bill Spencer, 9 Cranberry Lane, commented that the amendment is a delay. He indicated it is obvious what the School Board will come up with. He noted he was not in favor of the amendment. Mr. Spencer commented this article follows the same process that occurred with the town. He noted an article was proposed, the tax cap was discussed and established the following year. He believes there has been no problems associated with it.

The motion passed by voice vote.

Frank Byron, 8 Mallard Court, indicated the statement '3/5 ballot vote required' stated below the article is not required because the article is not proposing the adoption of a tax cap.

The School Board confirmed with legal counsel that the statement will be removed from the warrant article.

Ralph Boehm, 6 Gibson Drive, commented he was a Selectman, a School Board member and a Budget Committee member for 23 years. He indicated the Board of Selectmen and the School Board cannot spend more than their budget. He noted the Board of Selectmen and School Board returns money to the town, but the Board of Selectmen is allowed to retain funds as mandated by law.

Mrs. Couture commented that a tax cap does not restrict the School Board to bring forth a budget that exceeds the tax cap; however, it does restrict the Budget Committee from bringing forward a budget higher than the tax cap. She indicated since a tax cap was instituted in the town the Budget Committee has had a very challenging time trying to get the budget under the tax cap, which impacted an employee's health insurance. She noted that many articles could not be recommended by the Budget Committee as well. Mrs. Couture indicated the State is downshifting the cost of education to the district, which becomes a burden to the district as they are required to have certain line items. She commented a tax cap sets up a problem for the Budget Committee to be able to offer the best budget to the people.

Bill Spencer, 9 Cranberry Lane, commented that the wording to study the impact of the RSA and not implement the RSA delays the potential adoption of a tax cap another year.

Hearing no amendments or further discussion, Mr. Regan indicated that **Article 7 will appear on the ballot as amended.**

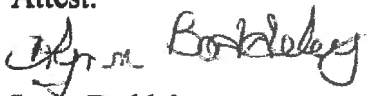
The Moderator thanked all who attended and accepted a motion to adjourn at 12:00 p.m. The motion was seconded. The motion passed unanimously by voice vote.

A true record of the Litchfield School District Deliberative Session,
Prepared by:


Michele E. Flynn
Administrative Assistant to the Litchfield School Board

A true record of the
Litchfield School District Deliberative Session

Attest:


Lynn Baddeley
School District Clerk

Submitted: February 13, 2019

**2019 LITCHFIELD SCHOOL DISTRICT WARRANT
STATE OF NEW HAMPSHIRE**

(As amended at Deliberative Session, February 9, 2019)

To the inhabitants of the School District of the Town of Litchfield in the County of Hillsborough and the State of New Hampshire, qualified to vote upon district affairs:

FIRST SESSION OF ANNUAL MEETING (DELIBERATIVE)

You are hereby notified that the first session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Saturday, February 9, 2019, at 10:00 o'clock in the forenoon for explanation, discussion, and debate of warrant articles number 1 through number 7. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended, and (c) no warrant article shall be amended to eliminate the subject matter of the article.

SECOND SESSION OF ANNUAL MEETING (VOTING)

You are hereby notified that the second session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, March 12, 2019, at 7:00 o'clock in the forenoon for the choice of School District Officers elected by official ballot, to vote on questions required by law to be inserted on the official ballot, and to vote on all Warrant Articles from the first session on official ballot per RSA 40:13, VII. The polls for the election of School District Officers and other action required to be inserted on said ballot will open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ARTICLE A

To elect by ballot the following School District Officers:

| | |
|---------------------|-------------|
| School Board Member | 3-Year Term |
| School Board Member | 3-Year Term |

ARTICLE 1 (as amended at Deliberative Session 2-9-19)

Shall the Litchfield School District vote to raise and appropriate as an **operating budget**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling **\$22,849,638**? Should this article be defeated, the default budget shall be **\$22,771,378**, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Estimated Tax Impact: \$0.35 (Operating Budget)

Estimated Tax Impact: \$0.28 (Default Budget)

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 6-2-0*

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association, which calls for the following increases in salaries and benefits at the current staffing level:

| Year | Estimated Increase |
|-------------|---------------------------|
| 2019-2020 | \$ 394,429 |
| 2020-2021 | \$ 374,294 |
| 2021-2022 | \$ 346,391 |

and further to raise and appropriate the sum of **\$394,429** for fiscal year 2020, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

Estimated Tax Impact: \$0.43

*Recommended by the School Board
Vote 5-0-0*

*Not Recommended by the Budget Committee
because of a tied vote
Vote 4-4-0*

ARTICLE 3

Shall the Litchfield School District vote to raise and appropriate the sum of **\$28,490** to hire a part time Enrichment Tutor, including salary and benefits, at Litchfield Middle School to support high achieving learners? If approved, this appropriation will be included in the operating budget in subsequent years.

Estimated Tax Impact: \$ 0.03

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 7-1-0*

ARTICLE 4

Shall the Litchfield School District vote to raise and appropriate the sum of **\$28,490** to hire a part time Math Tutor, including salary and benefits, at Litchfield Middle School to support struggling and resistant learners? If approved, this appropriation will be included in the operating budget in subsequent years.

Estimated Tax Impact: \$ 0.03

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 7-1-0*

ARTICLE 5 (as amended at Deliberative Session 2-9-19)

Shall the Litchfield School District vote to raise and appropriate up to **\$100,000** to be added to the Building Maintenance Capital Reserve Fund established in 2004 with this sum to come from the June 30 unassigned fund balance available for transfer on July 1 of this year?

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 8-0-0*

ARTICLE 6

Shall the Litchfield School District vote to permanently name the Campbell High School auditorium after Philip K. Martin, in honor of his service to Campbell High School?

*Recommended by the School Board
Vote 3-2-0*

ARTICLE 7 (Petitioned Article) (as amended at Deliberative Session 2-9-19)

Shall the School Board study the impact of an article adopting the provisions of RSA 32:5-b which could implement a tax cap whereby the Budget Committee shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of local taxes raised, by more than a certain dollar amount or percentage?

*Not Recommended by the School Board
Vote 0-5-0*

**LITCHFIELD SCHOOL DISTRICT MEETING
ELECTION RESULTS
MARCH 12, 2019
The State of New Hampshire**

Election of Officers

School Board: **Brian Bourque, 847 votes, elected, three-year term**
 Christina Harrison, 1,025 votes, elected, three-year term

Warrant Articles

ARTICLE 1 *(as amended at Deliberative Session 2-9-19)*

Shall the Litchfield School District vote to raise and appropriate as an **operating budget**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling **\$22,849,638**? Should this article be defeated, the default budget shall be **\$22,771,378**, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Estimated Tax Impact: \$0.35 (Operating Budget)
Budget)

Estimated Tax Impact: \$0.28 (Default

Recommended by the School Board
Vote 5-0-0

Recommended by the Budget Committee
Vote 6-2-0

Passed Yes: 912
No: 790

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association, which calls for the following increases in salaries and benefits at the current staffing level:

| Year | Estimated Increase |
|-------------|---------------------------|
| 2019-2020 | \$ 394,429 |
| 2020-2021 | \$ 374,294 |
| 2021-2022 | \$ 346,391 |

and further to raise and appropriate the sum of **\$394,429** for fiscal year 2020, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

Estimated Tax Impact: \$0.43

Recommended by the School Board
Vote 5-0-0

Not Recommended by the Budget Committee
because of a tied vote
Vote 4-4-0

Failed Yes: 730
No: 884

ARTICLE 3

Shall the Litchfield School District vote to raise and appropriate the sum of \$28,490 to hire a part time Enrichment Tutor, including salary and benefits, at Litchfield Middle School to support high achieving learners? If approved, this appropriation will be included in the operating budget in subsequent years.

Estimated Tax Impact: \$ 0.03

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 7-1-0*

**Yes: 808
Failed No: 883**

ARTICLE 4

Shall the Litchfield School District vote to raise and appropriate the sum of \$28,490 to hire a part time Math Tutor, including salary and benefits, at Litchfield Middle School to support struggling and resistant learners? If approved, this appropriation will be included in the operating budget in subsequent years.

Estimated Tax Impact: \$ 0.03

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 7-1-0*

**Passed Yes: 924
No: 775**

ARTICLE 5 (as amended at Deliberative Session 2-9-19)

Shall the Litchfield School District vote to raise and appropriate up to \$100,000 to be added to the Building Maintenance Capital Reserve Fund established in 2004 with this sum to come from the June 30 unassigned fund balance available for transfer on July 1 of this year?

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 8-0-0*

**Passed Yes: 1,271
No: 422**

ARTICLE 6

Shall the Litchfield School District vote to permanently name the Campbell High School auditorium after Philip K. Martin, in honor of his service to Campbell High School?

*Recommended by the School Board
Vote 3-2-0*

**Passed Yes: 1,343
No: 309**

ARTICLE 7 (Petitioned Article) (as amended at Deliberative Session 2-9-19)

Shall the School Board study the impact of an article adopting the provisions of RSA 32:5-b which could implement a tax cap whereby the Budget Committee shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of local taxes raised, by more than a certain dollar amount or percentage?

Not Recommended by the School Board
Vote 0-5-0

Yes: 716
Failed No: 926

A true report of the 2019 Litchfield School District election results, prepared by:



Michele E. Flynn
Administrative Assistant to the School Board
March 13, 2019

A true report of the 2018 Litchfield School District election results, attest:



Lynn Baddeley
School District Clerk
March 14, 2019

**LITCHFIELD SCHOOL DISTRICT
DELIBERATIVE SESSION
October 1, 2019
The State of New Hampshire**

Time, Place: The meeting was called to order at 7:00 p.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. John G. Regan, presiding.

School Board members: Mr. Brian Bourque, Chair; Mrs. Christine Harrison, Vice Chair; Mrs. Elizabeth MacDonald, Mrs. Tara Hershberger.

Dr. Michael Jette, Superintendent of Schools; Mr. Cory Izbicki, Business Administrator; Mrs. Michele Flynn, Administrative Assistant.

Budget Committee members: Members were not in attendance.

Ballot clerks: Mrs. Nancy Pinciario

Mr. Regan invited members to join him in the Pledge of Allegiance.

Mr. Regan introduced Mr. Phil Reed, Vice Moderator, and reviewed the Moderator's rules and protocol for the Deliberative Session according to state law.

Mr. Regan introduced Mr. Brian Bourque, School Board Chair. Mr. Bourque introduced School Board members.

Mr. Regan read the Moderator's rules and announced that elections will be held on October 29, 2019 from 7:00 am – 7:00 pm at CHS.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles' numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

As is customary, Mr. Regan asked voters if they were in favor of allowing non-voters and employees of the school district who were in attendance to comment during the meeting.

The majority was in favor of allowing non-voters and/or employees of the district to comment during deliberative session by voice vote.

Mr. Regan read Article 1.

ARTICLE 1

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association, which calls for the following increases in salaries and benefits at the current staffing level:

| <i>Year</i> | <i>Estimated Increase</i> |
|------------------|---------------------------|
| <i>2019-2020</i> | <i>\$ 256,587</i> |
| <i>2020-2021</i> | <i>\$ 294,278</i> |
| <i>2021-2022</i> | <i>\$ 303,872</i> |

and further to raise and appropriate the sum of \$256,587 for fiscal year 2020, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

This Article has an estimated tax impact of \$0.28. This article was recommended by the School Board by a vote of 5-0-0 and was not recommended by the Budget Committee because of a tied vote of 6-2-0.

Dr. Jette spoke to the article. He presented the following information:

- The agreement has been renegotiated and is different than what was brought forth in March
- School Board spent much time reflecting factors related to the failed vote in March
- Established shared concern about impact on teachers, morale and students
- Negotiation teams met to see if common ground could be identified
- Entered into hard negotiations to achieve an agreement that will attract and retain quality staff
- The School Board took all input from voters, Budget Committee and the public under advisement to renegotiate the contract
- The cost of the agreement that failed in March was \$1.1M with a \$0.43 tax impact
- The new agreement is \$260,377 less than the agreement that failed in March with a tax impact of \$0.28.

Contract Overview

Annual Increase:

Year 1: \$256,581 Reduced by \$137,842 from the contract presented in March 2019

Year 2: \$294,278 Reduced by \$80,016 from the contract presented in March 2019

Year 3: \$303,872 Reduced by \$42,519 from the contract presented in March 2019

Total: \$854,737 Reduced by \$260,377 from the contract presented in March 2019

Dr. Jette indicated the same negotiating team met as in the prior agreement with the addition of Business Administrator, Cory Izbicki. He noted there were two goals: 1) to attract and retain excellent teachers, and 2) a change to a consumer driven health plan.

Dr. Jette commented that when a teacher leaves we lose more than a teacher – we lose the professional development we invested in that teacher, mentoring, college credit reimbursement, personal materials from classrooms that teachers bring in, knowledge of the curriculum/programs/materials, organizational knowledge, relationships with students/colleagues/parents/administration. He stressed these are losses we cannot make up.

What failed in previous agreement?

COLA's and restored steps for teachers behind in salary, longevity increase.

Key Areas Renegotiated:

- Maintain competitive salary scale
- Provide Cost of Living increases to all teachers
- Increase longevity payments for most experienced teachers

Dr. Jette indicated that with this agreement we want to ensure we hire new teachers competitively and retain quality teachers. He explained the salary step scale and how it increases with degrees and experience. He noted that a step is typically one year, but there are also six different lanes for degrees and credits earned and teachers do not receive a step increase unless they receive an adequate evaluation.

Dr. Jette presented the following information regarding the renegotiated agreement:

Goal 1

To stay competitive this agreement will:

Increase starting salary in year 1 from \$39,303 to \$39,696

Increase starting salary in year 2 from \$39,696 to \$40,291

Increase starting salary in year 3 from \$40,291 to \$40,997

Year 1: Salary step with 1% COLA

Year 2: Salary step with 1.5% COLA

Year 3: Salary step with 1.75% COLA

Longevity:

- 15-19 Years of Experience (last 5 in Litchfield): increase stipend from \$1,500 to \$1,590
- 20+ Years of Experience: increase stipend from \$2,500 to \$2,590
- Failed offer added \$1,000 to the total longevity in each range

Total 3 year cost: \$55,224

Goal 2

Health Insurance:

If the contract is approved by voters in October, the Green and Red health plans will remain until June 30, 2020, which will have no cost increase to the contract in Year 1.

Beginning Year 2:

- Currently most employees on Green Plan with no deductible
- Premiums: Employees pay 18%; District pays 82%
- Cost to District \$8,155 for Individual Plan
- Yellow (Choice) Plan \$1,000 Deductible (single plan)
- Premiums: Employees pay 11%; District pays 88%
- Cost to District \$8,152

Additional Benefits of Yellow Plan:

- Lower rates over time
- No Cadillac tax in 2022
- Control over healthcare dollars
- Incentives for healthy lifestyle choices
- School Care claims nearly 90% of districts/towns on the Yellow plan

Dr. Jette indicated that there will be a projected savings in insurance of \$511 in Year 1; \$2,184 in Year 2; \$19,162 in Year 3.

Dr. Jette indicated we are not at the 80/20 split in insurance, but are moving in the right direction. He noted this new plan gives employees a chance to get used to the new health insurance plan. He emphasized the district is trying to retain costs with new the contract.

Dr. Jette explained the differences in the new agreement.

New Contract Language:

- School Opening Date
- Defined Work Day – controls arrival and departure of employees
- Review of Co-Curriculars and Stipends – fair and equitable language
- More flexibility with 186 days in the work year.

Dr. Jette indicated the estimated tax impact is approximately \$0.28 per thousand. He asked voters to consider how much we invest in our teachers and remember teachers invest in Litchfield as well.

Special Election

Dr. Jette explained that on October 29, the election process will be a bit different:

- A paper ballot will be used
- Voters will check in with their ID prior to voting
- After voting, voters will hand the ballot to the Moderator who will put the ballot in the ballot box
- Voters will be required to check out with the ballot clerks when leaving the polls.

The Moderator opened the meeting to comments and questions from the public.

Questions/Comments from the Public

Jack Scheiner, 10 Whittemore Drive, asked why the article failed in March.

Dr. Jette commented that feedback revealed the contract was too costly for the voters and too costly for the tax impact. He indicated the Budget Committee felt there was not enough of a cost shift in the health insurance and the Budget Committee was deadlocked on recommendation of the article in March.

Mr. Scheiner indicated that he has heard the budget is too high and concern that in past years funds were not properly appropriated to the schools. He asked what happened to the money paid out each year? He noted that more people are upset with the budget than with the raises for the teachers. He expressed support for the teacher salaries.

Dr. Jette thanked Mr. Scheiner for the feedback. He indicated the School Board has an open and transparent budget process. He explained the School Board holds an open budget work session in October and the public is invited to attend. He noted this year that session is scheduled for October 19.

Peter Ames, 21 Moose Hollow Road, thanked everyone involved that worked on the teachers contract and the process. He asked what happens if the article fails.

Dr. Jette indicated if the agreement fails we will re-open negotiations with the LEA and try to get an agreement to bring forward in March 2020. He commented it is important that the public understands last year the district negotiated with the LEA and the LSSA (support staff), but were not able to reach an agreement with the LSSA. He explained we are now in negotiations with the LSSA to reach an agreement for March 2020. Dr. Jette indicated we could be presenting two contracts on the ballot in March 2020. He commented there is a morale impact as teachers have lost good colleagues, which has an impact on their ability to do the best they can each day. He noted the staff is riding through this and appreciative of the hard work that has been done, and they are positive that voters will support this article.

Dr. Jette indicated there have been multiple times that a contract has failed in the past. He asked the community to keep in mind that the support staff are the people that clean the schools, cook the meals, answer the phones, and help keep the schools running efficiently.

Dan Harrison, 95 Pinecrest Road, asked about the impact of the recent State budget.

Dr. Jette indicated they are still trying to sort their way through it. He commented that the Legislature passed the budget last week and we are looking at how much Litchfield will receive and how we will use the funds, specifically how we use this to invest in our schools and avoid a tax spike. He explained if we use the total funds for tax relief, taxes will go down, but in subsequent years when this money is not available and deferred maintenance is included in the budget it will result in a spike in the tax rate. Dr. Jette indicated that districts were advised by the State not to use the funds for tax relief for that reason as these funds are only available for this biennium.

Robin Corbeil, 4 Nesmith Court, asked if there is any percentage of the funding that will go back to the taxpayers.

Dr. Jette indicated the School Board has to discuss it and make a decision.

Mrs. Corbeil commented she was given the impression at the last School Board meeting that the money has to go back to the taxpayers and now it is up to the School Board to decide. She asked if that will be decided for next year.

Dr. Jette indicated it is for the current year.

Mrs. Corbeil asked if the money can all be spent this year.

Dr. Jette indicated it will come in two installments – this year and next year.

Andrew Cutter, 6 Moose Hollow Road, asked about the special meeting process and the tax rate process.

Dr. Jette explained before we could file with the clerks we had to put the DRA on notice to file with the courts early in July. He indicated the tax rate in Litchfield will be on hold until October 29. He noted we will upload all the information into the DRA portal that evening and the tax rate setting should occur in approximately 4 or 5 days. The Town Clerk/Tax Collector will get the bills printed and mailed. Dr. Jette emphasized that the town and school are working together to ensure there is not a supplemental tax bill.

Sue Seabrook, James Way, asked for an explanation of the DRA.

Dr. Jette indicated the DRA is the Department of Revenue Administration and they set the tax rates by following a methodical process for accuracy.

Janine Anctil, Tanager Way, with regard to the teachers' contract, commented another important reason that should be supported are the steps of experience in the first 15 years of a teacher's career. She indicated that is how it is set up in public education everywhere. She commented steps lost in past years by teachers result in several years of less pay. She noted if this article fails those teachers will lose another step and be that much further behind. Mrs. Anctil commented many people will ask why not wait until March. She indicated it is because teachers that are waiting for this to play out will be looking for jobs in other districts in March.

Hearing no amendments or further discussion, Mr. Regan indicated that **Article 1 will appear on the ballot as written.**

The Moderator thanked all who attended and accepted a motion to adjourn at 8:05 p.m. The motion was seconded. The motion passed unanimously by voice vote.

A true record of the Litchfield School District Deliberative Session,
Prepared by:



Michele E. Flynn
Administrative Assistant to the Litchfield School Board

A true record of the
Litchfield School District Deliberative Session

Attest:



Lynn Baddeley
School District Clerk

Submitted: October 8, 2019

**2019 LITCHFIELD SCHOOL DISTRICT WARRANT
STATE OF NEW HAMPSHIRE**

To the inhabitants of the School District of the Town of Litchfield in the County of Hillsborough and the State of New Hampshire, qualified to vote upon district affairs:

FIRST SESSION OF SPECIAL MEETING (DELIBERATIVE)

You are hereby notified that the first session of the special meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, October 1, 2019, at 7:00 o'clock in the evening for explanation, discussion, and debate of warrant articles number 1. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended, and (c) no warrant article shall be amended to eliminate the subject matter of the article.

SECOND SESSION OF SPECIAL MEETING (VOTING)

You are hereby notified that the second session of the special meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, October 29, 2019, at 7:00 o'clock in the forenoon to vote on all Warrant Articles from the first session on official ballot per RSA 40:13, VII. The polls for the election of School District Officers and other action required to be inserted on said ballot will open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ARTICLE 1

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association, which calls for the following increases in salaries and benefits at the current staffing level:

| Year | Estimated Increase |
|-------------|---------------------------|
| 2019-2020 | \$ 256,587 |
| 2020-2021 | \$ 294,278 |
| 2021-2022 | \$ 303,872 |

and further to raise and appropriate the sum of **\$256,587** for fiscal year 2020, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

Estimated Tax Impact: \$0.28

*Recommended by the School Board
Vote: 5-0-0*

*Recommended by the Budget Committee
Vote: 6-2-0*

GIVEN UNDER OUR HANDS AT SAID LITCHFIELD THIS 4th DAY OF SEPTEMBER 2019.



Brian Bourque, Chair



Christina Harrison, Vice Chair



Elizabeth MacDonald



Robert G. Meyers, III



Tara Hershberger

Litchfield School Board

**LITCHFIELD SCHOOL DISTRICT MEETING
SPECIAL ELECTION RESULTS
OCTOBER 29, 2019
The State of New Hampshire**

Warrant Articles

ARTICLE 1

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association, which calls for the following increases in salaries and benefits at the current staffing level:

| Year | Estimated Increase |
|-------------|---------------------------|
| 2019-2020 | \$ 256,587 |
| 2020-2021 | \$ 294,278 |
| 2021-2022 | \$ 303,872 |

and further to raise and appropriate the sum of **\$256,587** for fiscal year 2020, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

Estimated Tax Impact: \$0.28

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 6-2-0*

**Passed Yes: 624
 No: 520**

Ballots cast: 1,144 (verified by the School District & Town Clerk)

A true report of the 2019 Litchfield School District Special Election results, prepared by:



**Michele E. Flynn
Administrative Assistant to the School Board
October 31, 2019**

A true report of the 2019 Litchfield School District election results, attest:



**Lynn Baddeley
School District Clerk October 31, 2019**

LB

**2020 LITCHFIELD SCHOOL DISTRICT WARRANT
STATE OF NEW HAMPSHIRE**

To the inhabitants of the School District of the Town of Litchfield in the County of Hillsborough and the State of New Hampshire, qualified to vote upon district affairs:

FIRST SESSION OF ANNUAL MEETING (DELIBERATIVE)

You are hereby notified that the first session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Saturday, February 8, 2020, at 10:00 o'clock in the forenoon for explanation, discussion, and debate of warrant articles number 1 through number 7. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended, and (c) no warrant article shall be amended to eliminate the subject matter of the article.

SECOND SESSION OF ANNUAL MEETING (VOTING)

You are hereby notified that the second session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, March 10, 2020, at 7:00 o'clock in the forenoon for the choice of School District Officers elected by official ballot, to vote on questions required by law to be inserted on the official ballot, and to vote on all Warrant Articles from the first session on official ballot per RSA 40:13, VII. The polls for the election of School District Officers and other action required to be inserted on said ballot will open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ARTICLE A

To elect by ballot the following School District Officers:

| | |
|---------------------------|-------------|
| School Board Member | 3-Year Term |
| School District Clerk | 3-Year Term |
| School District Moderator | 3-Year Term |
| School District Treasurer | 3-Year Term |

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an **operating budget**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling **\$23,514,330**? Should this article be defeated, the default budget shall be \$23,660,450, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Estimated Tax Impact: \$0.26 (Operating Budget)

Estimated Tax Impact: \$0.44 (Default Budget)

*Not Recommended by the School Board
Vote 0-5-0*

*Recommended by the Budget Committee
Vote 7-2-0*

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Support Staff Association, which calls for the following increases in salaries and benefits at the current staffing level:

| Year | Estimated Increase |
|-------------|---------------------------|
| 2020-2021 | \$67,521 |
| 2021-2022 | \$44,377 |

and further to raise and appropriate the sum of **\$67,521** for fiscal year **2021**, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

Estimated Tax Impact: \$0.08

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 8-0-1*

ARTICLE 3

Shall the Litchfield School District vote to establish a Class Size Reduction Expendable Trust Fund under the provisions of RSA 198:20-c, V for the purpose of funding staffing due to unexpected increases in enrollment and to raise and appropriate and place into the fund **\$99,000**, which has been appropriated in the FY20 Operating Budget, but has not been expended? This sum to come from the June 30 unassigned fund balance available for transfer on July 1 with no amount to be raised from taxation. Further, to name the School Board as agents to expend from the fund.

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

ARTICLE 4

Shall the Litchfield School District vote to raise and appropriate up to **\$50,000** to be added to the Special Education Capital Reserve Fund established in 2004 and authorize the use of that amount from the June 30 unassigned fund balance available for transfer on July 1 of this year, with no amount to be raised from taxation?

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

ARTICLE 5

Shall the Litchfield School District vote to establish a Capital Improvement Expendable Trust Fund under the provisions of RSA 198:20-c,V for the purpose of funding the study, planning and cost of new construction or renovation of existing facilities in the Litchfield School District as recommended by the Capital Planning Committee, and to raise and appropriate the sum of **\$70,000** to be placed into the fund? This sum to come from the June 30 unassigned fund balance available for transfer on July 1 with no amount to be raised from taxation. Further, to name the School Board as agents to expend from the fund.

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

ARTICLE 6

Shall the Litchfield School District vote to raise and appropriate the sum of **\$35,000** to purchase and install door barricade security devices for all hallway classroom/office doors at Griffin Memorial School, Litchfield Middle School and Campbell High School? These door security devices are necessary to prevent an intruder from gaining access to the doorknob, lever or lock on classroom and office doors in the school buildings.

Estimated Tax Impact: \$0.04

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

ARTICLE 7

Shall the Litchfield School District vote to raise and appropriate the sum of **\$25,000** to re-core (cylinders and keys) all door locks at Litchfield Middle School? This is based on security and safety recommendations from the building security assessment performed by the New Hampshire Department of Homeland Security.

Estimated Tax Impact: \$0.03

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 8-1-0*

GIVEN UNDER OUR HANDS AT SAID LITCHFIELD THIS 22nd DAY OF JANUARY 2020.



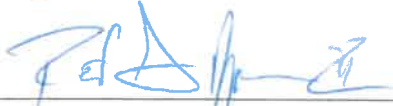
Brian Bourque, Chair



Christina Harrison, Vice Chair



Elizabeth MacDonald



Robert G. Meyers, III



Tara Hershberger

Litchfield School Board

**LITCHFIELD SCHOOL DISTRICT
DELIBERATIVE SESSION
February 8, 2020
The State of New Hampshire**

Time, Place: The meeting was called to order at 10:00 a.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. Frank Byron, presiding.
School Board members: Mr. Brian Bourque, Chair; Mrs. Christine Harrison, Vice Chair; Mrs. Elizabeth MacDonald, Mr. Robert G. Meyers, Mrs. Tara Hershberger.

Dr. Michael Jette, Superintendent of Schools; Mr. Cory Izbicki, Business Administrator; Mrs. Michele Flynn, Administrative Assistant; Diane Gorrow, Attorney for the District.

Budget Committee members: Mrs. Keri Douglas, Chair; Mr. Andrew Cutter, Vice Chair; Mrs. Jessica Martin, Mr. William Hayes; Mr. Robert Leary, Select Board Representative; Mr. Robert Meyers, School Board Representative.

Ballot clerks: Mrs. Trisha Byron

Mr. Byron invited members to join him in the Pledge of Allegiance.

Mr. Byron introduced Mr. Brian Bourque, School Board Chair. Mr. Bourque introduced School Board members, SAU staff, and attorney.

Mr. Byron introduced Mrs. Keri Douglas, Chairperson of the Budget Committee. Mrs. Douglas introduced Budget Committee members.

Mr. Byron read the Moderator's rules and announced that elections will be held on March 10, 2020 from 7:00 am – 7:00 pm at CHS.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles' numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

As is customary, Mr. Byron asked voters if they were in favor of allowing non-voters and employees of the school district who were in attendance to comment during the meeting.

The majority was in favor of allowing non-voters and/or employees of the district to comment during deliberative session by voice vote.

Mr. Byron read Article A.

ARTICLE A.

To elect by ballot the following School District Officers:

| | |
|---------------------------|-------------|
| School Board Member | 3-Year Term |
| School District Clerk | 3-Year Term |
| School District Moderator | 3-Year Term |
| School District Treasurer | 3-Year Term |

The Moderator opened discussion of Article A.

Hearing no discussion, the Moderator indicated **Article A stands as written.**

Mr. Byron read Article 1 and indicated that Mrs. Douglas would speak to the article.

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an **operating budget**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling **\$23,514,330**? Should this article be defeated, the default budget shall be \$23,660,450, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Estimated Tax Impact: \$0.26 (Operating Budget)

Estimated Tax Impact: \$0.44 (Default Budget)

*Not Recommended by the School Board
Vote 0-5-0*

*Recommended by the Budget Committee
Vote 7-2-0*

Mrs. Douglas made the following statements:

The School District Budget was received in November. The Superintendent and Business Administrator presented school priorities, enrollment projections and projected revenues. Budget Committee members reviewed line by line over three meetings in November and December. The budget information was presented by the School Board representative, Superintendent, Business Administrator and department heads as needed before voting. Final votes on budgets and Warrant Articles occurred in January 2020.

Decision Criteria

Mrs. Douglas explained the Budget Committee made their recommendations based on the following criteria:

- Consider history of actual spending of previous years using 3 year averages
- Consider School District Priorities as presented by educational professionals
- Consider year to date actual spending of current budget

- Consider the rationale for why dollars are being requested by the school district and educational professionals as well as any data presented
- Consider what was a reasonable budget to present to the voters given fixed cost increases and revenue projections.

Mrs. Douglas presented the school district budget review:

- The approved School District operating budget for the current year is \$22,041,958
- The initial School District Budget request for FY 2021 was \$23,033,262 – representing an increase of almost \$1M.
- Approving the budget as presented would have resulted in an estimated tax increase of \$1.07.
- After presenting their initial proposal to the Budget Committee, further School Board action resulted in additional savings.
- Based on feedback from their health insurance provider, the School Board was able to level fund health insurance, providing a savings of \$216,525.
- Other insurance related adjustments brought their reductions to \$263,659.
- As a result of these savings, the updated School Board budget request was \$22,769,603.
- This updated proposal reflected an increase of \$727,645 – or \$0.79 on the tax rate.
- During the initial review of the proposal, the Budget Committee reviewed the budget on a line by line basis.
- Budget Committee adjustments were considered on an account by account basis, which allowed the Committee to review the budget proposal with the big picture in mind.
- After a review of each account was completed, the Budget Committee recommended an additional \$445,362 in reductions.
- The combined School Board and Budget Committee reductions totaled \$709,021.
- The Budget Committee’s recommended operating budget for next year is \$22,324,241.
- This budget is \$282,283 more than last year’s approved budget, representing an increase of 1.28%.
- The estimated tax impact of this increase is \$0.26.

Article 1 reflects all areas of spending, including programs that are self-funded.

| | |
|-------------------------------|--------------|
| General Fund | \$22,324,241 |
| Food Service | \$ 615,089 |
| Grant Funds | \$ 575,000 |
| Total Requested Appropriation | \$23,514,330 |

The Default Budget is \$23,660,450, which is \$146,120 more than the Budget Committee’s proposed budget.

Mrs. Douglas reviewed all department budget totals in the FY21 budget.

LB

Budget Committee Action

- Reduced Supplies \$10,056
- Reduced Items associated with Additional K Class \$103,000
- Reduced Salaries/Benefits \$259,000
- Reduced Conferences and Travel \$15,826
- Reduced Transportation \$20,776
- Reduced Printing/Binding \$200
- Reduced Extended Year Program \$200
- Reduced SnowPlowing \$2,002
- Reduced Legal \$3,000
- Reduced Game Officials \$5,000

Potential Tax Impact

\$0.26 potential tax impact resulting in a \$91 increase on a house valued at \$350,000.

\$0.44 default tax impact resulting in a \$154 increase on a house valued at \$350,000.

School Board Budget Process

Mr. Bourque indicated the budget process begins over the summer months and continues through September. The requested budget is presented to the School Board and is then sent to the Superintendent, who meets individually with administrators to review their budget and make adjustments. The recommended budget is sent back to the School Board who reviews the budget in an all day work session in October, which includes presentations from all administrators and department heads.

Mr. Bourque indicated the School Board feels the reductions to the FY21 Operating budget by the Budget Committee were too deep. He explained they use a three year average, but it sometimes does not work in the thought process.

Mr. Bourque explained the FY21 Default budget is higher than the operating budget because it includes all contractual items. He pointed out the recommended operating budget has been cut so deep that it resulted in the default budget being higher.

Mr. Bourque commented that the School Board could not recommend the FY21 Recommended budget for the reasons stated.

Ralph Boehm 6 Gibson Drive, who is also a State Representative, commented that the House Education Committee worked on fixing the state revenue for schools and increased the revenue in Litchfield by \$650,000. He asked why there is still a large increase in the budget when the revenue has increased.

Mrs. Douglas commented one of the items of revenue has to do with Special Education and the Budget Committee reduced that budget in anticipation of that revenue.

Dr. Jette clarified that the special revenue that is coming to Litchfield School District is one time revenue and the NH DOE has recommended that it is used for infrastructure and not to offset

taxes as it is not adequacy aid. He explained if those funds are used to offset the taxes then there will be a spike in the tax rate in the following year. He indicated the district is considering projects recommended by the Capital Planning Committee that need to be addressed at no cost to the taxpayers and will most likely recommend the use of the one time infrastructure funds for that purpose.

Mr. Boehm commented that these funds are additional revenue the district will be receiving.

Mrs. Douglas commented that there is additional adequacy aid coming to Litchfield and has been offset by the anticipation of reimbursement of special education needs.

Greg Richardson, 14 Mike Lane, referred to the slide that referenced individual account increases. He asked why CHS, the newest building, is showing a \$17,000 increase when the other two schools are showing less.

Mrs. Douglas indicated that it is programmatic and does not include facilities. She noted the investments in CHS would be under the Facilities account. She explained CHS saw a large increase in athletics transportation and other programs.

Tim Finnegan, 147 Talent Road, asked for the total of the approved budget last year.

Mrs. Douglas indicated the approved operating budget was \$22,041,958.

Mr. Finnegan commented that it seems every year we get a choice on the ballot and the default budget always seems to be higher. He indicated the proposed budget is higher each year because the School Board comes with a big request that gets cut back by the Budget Committee, but is always greater than the previous year. Mr. Finnegan commented that when speaking of the process, the School Board can spend all of the money for anything they want. He stated those accounts are set up for them and not for the warrant article.

Mr. Byron clarified we are here to discuss the numbers. He noted the process is another topic.

Mrs. Douglas commented that anyone that wants to change the process needs to suggest it. She indicated we have a method to arrive at that final number.

Mr. Finnegan commented that community members can only discuss numbers and not the process, but the Budget Committee can discuss the process.

Mr. Byron indicated we need to stick to the article.

Marsha Finnegan, 147 Talent Road, commented that the district is receiving almost \$700,000 in additional revenue. She asked how taxpayers vote on the budget when we are losing \$750,000 and it may not be accurate.

Dr. Jette clarified the additional revenue in adequacy aid is \$450,000. He indicated that the district is receiving \$660,000 as one-time infrastructure revenue and this money will be used for capital improvements.

Mrs. Finnegan asked if the extra money is going to be used to fund the football club.

Mrs. Douglas explained the one time funds will be used for projects addressed by the Capital Planning Committee, who are working on the Capital Plan currently.

Mrs. Finnegan commented that it is a bottom line budget and the School Board can spend it anywhere.

Mr. Bourque commented if you look at the increase from last year (\$282,283) it covers the second year of the teachers' contract.

Robert Meyers, 13 Nesenkeag Drive, commented that the high school is approaching 20 years and there are issues that have to be addressed.

Tim Finnegan, 147 Talent Road, made a motion to amend Article 1 to reflect an Operating Budget total of \$22,045,000 for FY21. Marsha Finnegan seconded.

Mr. Byron indicated that there is a motion to amend Article 1 to read:

*Shall the Litchfield School District vote to raise and appropriate as an **operating budget**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling **\$22,045,000**? Should this article be defeated, the default budget shall be \$23,660,450, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.*

Mr. Finnegan indicated the estimated tax impact will be zero. He commented there are unexpended funds from last year, which means the budget was more than enough to operate the district for the whole year and there will be more than \$650,000 coming to the district. He felt we should keep our taxes the way they are now.

Mr. Bourque asked how Mr. Finnegan arrived at the proposed number.

Mr. Finnegan indicated that it is the same amount of the budget from last year.

Mr. Bourque pointed out that is the General Fund budget only.

Mrs. Douglas commented the increase over last year's budget is \$282,283.

Mr. Finnegan commented that you are saying that the proposed budget of \$23,514,330 encompasses everything the district needs and the budget from last year was \$22,041,958.

Mrs. Douglas clarified the number approved last year is the General Fund number and does not encompass everything.

Attorney Diane Gorrow commented there is some confusion created by the Budget Committee presentation of the budget. She explained under the law the district has to gross appropriate and last year's warrant article (FY20) includes the gross appropriation. She indicated the district has to spend money on food service and special education, which is offset by revenues. She concluded separating it out by general fund is misleading to the public.

Mr. Izbicki, Business Administrator, explained the FY20 approved budget was \$22,865,429 and any warrant articles that are approved on the ballot are included in the budget, which includes the new LEA contract approved in October. He indicated the total FY20 approved budget is \$23,134,716. He noted the number presented by the Budget Committee was the general fund budget only.

Mr. Finnegan commented, so the number that was presented is not the correct number.

Mrs. Douglas explained the intent of the slide in the presentation is what is considered and reviewed by the Budget Committee.

Mr. Finnegan asked what the Budget Committee approved this year.

Mrs. Douglas indicated the Budget Committee approved a budget for FY21 of \$23,514,330, which includes a general fund budget of \$22,324,241; a food services budget of \$615,089; and a special revenue budget of \$575,000. She commented when the Budget Committee reviews the budget we focus primarily on the general fund. She apologized for not using the correct verbiage and will take all comments into consideration for next year's presentation.

Mr. Finnegan began to motion a new amendment.

Mr. Byron advised that if the voter wishes to submit a new amendment, the original amendment on the floor must be withdrawn.

Mr. Finnegan withdrew his motion. Mrs. Finnegan withdrew her second.

Ralph Boehm, 6 Gibson Drive, clarified there is a one time only amount that is not in this year's budget and there is additional adequacy aid. He noted the use of the one time funding has not been decided by the School Board.

Mrs. Finnegan asked if the money the state is giving Litchfield will be there when the budget comes up next year.

Mr. Byron indicated money has not been received and will have to be appropriated.

William Barrett, 53 Pilgrim Drive, asked if article explanations will appear on the ballot.

Mr. Byron commented the only verbiage on the ballot is the articles with no explanations.

Mr. Barrett indicated that the school district article explanations handed out at this meeting provided great information and would be helpful to all residents.

Mrs. Douglas indicated that information will be available in a voter guide.

Greg Richardson, 14 Mike Lane, commented that he has heard a lot of numbers. He asked if voters can have an option to level fund what was approved last year as opposed to this proposed operating budget.

Mr. Byron indicated under state law the only number that can be changed is the operating budget number.

Tim Finnegan, 147 Talent Road, made a motion to amend Article 1 to reflect an operating budget of \$23,134,716 for FY21. Marsha Finnegan seconded.

Mr. Byron indicated that there is a motion to amend Article 1 to read:

*Shall the Litchfield School District vote to raise and appropriate as an **operating budget**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling **\$23,134,716**? Should this article be defeated, the default budget shall be \$23,660,450, which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.*

Mr. Finnegan commented this is the option that will level fund the budget to the current budget. He indicated there are funds left over from last year and there is more than needed. He felt the budget should remain flat.

Mrs. Harrison commented with regard to the unexpended funds of approximately \$496,000, it is recommended by the auditors to maintain a 2% balance to remain solvent and fiscally responsible. She noted the Town has a fund balance as well. She indicated there are unforeseen circumstances that can occur and the district returns all remaining funds to the taxpayers each year. Mrs. Harrison commented that the purpose of maintaining a healthy fund balance is so the School Board does not have to go to the voters for a supplemental tax bill. She indicated this type of reduction puts the district at legal risk of fulfilling our contracted services and will require us to lay off teachers. She noted the voters approved the teachers' contract. Mrs. Harrison indicated this type of reduction will affect programming and students.

Mr. Finnegan asked if Mrs. Harrison was speaking as a School Board member or citizen.

Mrs. Harrison indicated she is speaking as a citizen who is knowledgeable about budgets.

Mr. Finnegan commented she tells us the district needs those unexpected funds to keep a balance and then states the district cannot keep those funds. He asked which statement is true.

Mrs. Harrison indicated both are true. She explained the district maintains a 2% fund balance during the school year and returns all funds not encumbered by June 30.

Mr. Finnegan commented that budgeting should always begin with \$0; anything else is fiscally irresponsible.

Mr. Izbicki clarified that the School Board has authority to encumber funds by June 30 for projects for the following year. He indicated the remaining unassigned fund balance is returned to the taxpayers.

Mrs. Douglas made a motion to call the question. William Barrett seconded.

Mr. Byron explained we are voting on the motion to end debate only.

The motion carried by voice vote.

Mr. Byron indicated voters may now vote on the amended article (Article 1).

The voice vote was inconclusive and the Moderator asked for a standing vote.

The motion to amend Article 1 failed by standing vote: Yes 10; No 32.

Dan Guerrette, 40 Talent Road, asked why there is such a difference in the estimated tax impact of \$0.26 on the operating budget and \$0.46 on the default budget.

Mrs. Douglas explained it is based on the increase over the operating budget and the assessed valuation calculation.

Tim Finnegan, 147 Talent Road, asked why two Budget Committee members voted against Article 1.

Mr. Meyers, School Board Representative to the Budget Committee commented that the reductions were to the budget were too deep.

Mr. Leary, Select Board Representative to the Budget Committee commented he feels that there are two new positions in the budget that should be on the warrant.

Mr. Bourque, School Board Chair, commented the positions in the budget are not new positions, but reinstated positions and placed back due to necessity.

Mr. Leary commented that you can call it what you want, but when it is not in last year's budget it is new.

Mrs. Douglas commented this is an ongoing debate and we can agree to disagree on this issue.

Janine Anctil, 43 Tanager Way, commented the Budget Committee proposed a salary/benefits reduction due to attrition. She asked if that means the Budget Committee recommends the School Board only consider hiring new teachers right out of college.

Mrs. Douglas commented that older teachers retire and newly hired teachers are typically hired on a lower step than those that leave, which contributes to attrition. She noted historically it is teachers that have been in the district for several years that retire.

Mrs. Anctil commented that the Budget Committee proposed a reduction to transportation. She indicated the district has already signed a contract for transportation that includes increases each year. She noted the Budget Committee believes there could be savings in combining routes and planning more efficiently, but in Special Education routes are already combined as needs dictate. She asked if the Budget Committee consulted the Director of Special Education about combining routes.

Mrs. Douglas indicated Mrs. Bandurski was at the Budget Committee meetings. She explained the Budget Committee reviews the budget on an account by account basis. She noted ultimately it is a bottom line budget and the School Board can move money from other areas where there is money into this account.

Devin Bandurski, Director of Special Education, commented when budgeting for transportation for students with special needs, we budget for each student's needs, which cannot be accurately determined until we get into that year.

Mrs. Douglas commented that the district budget is presented in one perspective and the Budget Committee looks at it from another perspective.

Tim Finnegan, 147 Talent Road, commented that the School Board representative said he did not think it was a good budget. He asked if the representative is allowed to vote against school board recommendations.

Mr. Meyers indicated that, through training with the State, School Board representatives to the Budget Committee are ethically expected to vote with the majority of the School Board. He noted that this is not the School Board recommended budget that is being presented today.

Mr. Finnegan commented that Mr. Meyers is an unelected member of the Budget Committee.

Mr. Meyers indicated that he is a representative of the School Board and a voting member of the Budget Committee, and in his opinion this was not a good budget.

Hearing no further comments, Mr. Byron indicated that Article 1 will appear as written on the ballot.

Mr. Byron read Article 2 and indicated Mrs. Harrison will speak to the article.

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Support Staff Association, which calls for the following increases in salaries and benefits at the current staffing level:

| Year | Estimated Increase |
|-------------|---------------------------|
| 2020-2021 | \$67,521 |
| 2021-2022 | \$44,377 |

and further to raise and appropriate the sum of **\$67,521** for fiscal year **2021**, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

Estimated Tax Impact: \$0.08

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 8-0-1*

Mrs. Harrison spoke to the article. She presented the following information:

Contract Overview

This article represents 11 administrative assistants and receptionists, 14 facilities crew, 61 paraprofessionals, 13 food service staff and 9 monitors, with high turnover. The unit is made up of mostly residents of Litchfield.

Goals:

- 1) attract, retain and grow excellent support staff by maintaining a competitive salary scale
 - Year 1: Salary step equal to a 3% increase
 - Year 2: Salary step equal to a 3% increase
 - Increase of 7 hours of Professional Development
 - Increase in course reimbursement for all members to \$300/employee
 - Added option of pre-payment for 50% tuition.
- 2) shift to consumer driven health plan
 - Year 1 maintain Green Plan with \$0 deductible and \$20 copay
 - district pays 80% for individual plan
 - Year 2 switch to Yellow Plan with \$2,000 deductible for individuals and \$4,000 for family plan
 - district will pay 88% for individual plan

The switch to the consumer driven health plan will give employees better control over healthcare dollars and decrease costs for employees and the employer.

Cost Savings: Year 1 will result in \$1,440 savings; Year 2 will result in \$27,190 savings

Mr. Byron opened discussion of Article 2.

Hearing no discussion, Mr. Byron indicated that **Article 2 will appear on the ballot as written.**

Mr. Byron read Article 3 and indicated Mrs. Hershberger would speak to the article.

ARTICLE 3

Shall the Litchfield School District vote to establish a Class Size Reduction Expendable Trust Fund under the provisions of RSA 198:20-c, V for the purpose of funding staffing due to unexpected increases in enrollment and to raise and appropriate and place into the fund \$99,000, which has been appropriated in the FY20 Operating Budget, but has not been expended? This sum to come from the June 30 unassigned fund balance available for transfer on July 1 with no amount to be raised from taxation. Further, to name the School Board as agents to expend from the fund.

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

Mrs. Hershberger made following statements:

This article is requesting to fund an expendable trust fund to add a class in a grade level that exceeds the class size policy guidelines. With regard to Kindergarten, the enrollment for the last two years triggered an additional class, which should have been added (4 classes to 5 classes). An additional Grade 1 class was added in August 2018 as registrations spiked in late August. It is difficult to predict enrollment even with projections as there are many unknowns. This fund is not just for the Kindergarten grade level, but for any grade level that triggers an additional class.

The School Board monitors registrations and deliberates each summer on enrollment and numbers in the schools. Considerations when adding a class include:

- current enrollment
- projections and past history
- class size policy
- available space and timing
- greatest need.

In the past two years, Kindergarten and Grade 1 have grown significantly. Enrollment projections are much more variable at lower grades.

Data for GMS class sizes in 2019 and 2020 reflect grade levels that exceed the class size policy guidelines (kindergarten, grade 3 and grade 4). Growth data for grades K-4 reflects an average growth of 6.6% per class at GMS. Data also shows that Litchfield is aligned with all school districts (K-4) in the peer cohort for class sizes, which are above the State average (exceptions: Sunapee, Moultonborough).

Mr. Byron opened discussion of Article 2.

Greg Richardson, 14 Mike Lane, asked what happens to the trust funds the following year. He wanted to know if they become part of the budget or if it will become a growing fund.

Mr. Byron explained the money stays in the fund until it is used or appropriated and the School Board has the authority to expend the funds. He indicated that in order to add to the fund, the School Board would have to bring a warrant article to the voters.

Hearing no amendments or further discussion, Mr. Byron indicated that **Article 3 will appear on the ballot as written.**

Mr. Byron read Article 4 and indicated Mr. Bourque would speak to the article.

ARTICLE 4

Shall the Litchfield School District vote to raise and appropriate up to **\$50,000** to be added to the Special Education Capital Reserve Fund established in 2004 and authorize the use of that amount from the June 30 unassigned fund balance available for transfer on July 1 of this year, with no amount to be raised from taxation?

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

Mr. Bourque made the following statements.

Two unanticipated out of district placements came into the district this year. This resulted in a current negative balance in special services transportation (-23,476); a negative balance in handicapped tuition (-\$30,750); and a current unencumbered balance in special services of \$35,591. It is anticipated that the School Board may have to withdraw funds from the Special Education Capital Reserve Fund prior to the end of this school year. When budgeting it is unknown who will be moving into the town and what their children's needs will be.

This article is requesting to add up to \$50,000 to the Special Education Capital Reserve Fund to replenish funds that are anticipated to be withdrawn.

Mr. Byron opened discussion of Article 4.

Hearing no amendments or discussion, Mr. Byron indicated that **Article 4 will appear on the ballot as written.**

Mr. Byron recessed the meeting for five minutes.

Richard Lascelles, Charles Bancroft Highway, commented that Pat Jewett has had a significant impact on Litchfield. He announced Pat Jewett is recuperating at a nursing home. He asked attendees to reflect wishes of wellness for her in a moment of silence.

Mrs. Douglas announced Jessica Martin will not be seeking re-election to the Budget Committee and recognized her service to the Town.

Mr. Byron reconvened the meeting.

Mr. Byron read Article 5 and indicated Mr. Bourque would speak to the article.

ARTICLE 5

Shall the Litchfield School District vote to establish a Capital Improvement Expendable Trust Fund under the provisions of RSA 198:20-c,V for the purpose of funding the study, planning and cost of new construction or renovation of existing facilities in the Litchfield School District as recommended by the Capital Planning Committee, and to raise and appropriate the sum of **\$70,000** to be placed into the fund? This sum to come from the June 30 unassigned fund balance available for transfer on July 1 with no amount to be raised from taxation. Further, to name the School Board as agents to expend from the fund.

Estimated Tax Impact: \$0

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

Mr. Bourque made the following statements.

The Capital Planning Committee was established six months ago and has been working off of the HL Turner Building Assessment report from 2016, which identified all systems and components in our buildings. The Committee is trying to decide how to best address the needs of the district facilities and capital assets. The Committee is considering a study to determine the feasibility of new construction or renovation of GMS, getting the students out of the portables at LMS, addressing the HVAC and energy performance of all school buildings.

Greg Richardson, 14 Mike Lane, asked if there is \$70,000 left over at the end of the year and the district has money coming from the State for one time items, is this needed now or should it go toward expenditures in upcoming articles with a tax impact?

Mr. Bourque indicated it is needed now. He noted the articles with tax impact are critically needed.

Mr. Byron clarified what is being done is that \$70,000 will be placed in a fund to be able to use as planning today in order to spend the infrastructure revenue next year.

Hearing no amendments or further discussion, Mr. Byron indicated that **Article 5 will appear on the ballot as written.**

Mr. Byron read Article 6 and indicated Mrs. Hershberger would speak to the article.

ARTICLE 6

Shall the Litchfield School District vote to raise and appropriate the sum of **\$35,000** to purchase and install door barricade security devices for all hallway classroom/office doors at Griffin Memorial School, Litchfield Middle School and Campbell High School? These door security devices are necessary to prevent an intruder from gaining access to the doorknob, lever or lock on classroom and office doors in the school buildings.

Estimated Tax Impact: \$0.04

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 9-0-0*

Mrs. Hershberger made the following statements.

The devices requested are temporary barricade devices that are recommended by the NH Department of Homeland Security audit and endorsed by the Litchfield Fire Department. The devices will be installed on all interior doors to hallways or common areas. The devices are easy to use and portable. Emergency responders can unlock the devices. Currently, the barricade method that is used by staff and students is more cumbersome, using desks, chairs, furniture, etc. to barricade the classroom doors.

Mr. Byron opened the discussion of Article 6.

Hearing no amendments or discussion, Mr. Byron indicated that **Article 6 will appear on the ballot as written.**

Mr. Byron read Article 7 and indicated Mr. Bourque would speak to article

ARTICLE 7

Shall the Litchfield School District vote to raise and appropriate the sum of **\$25,000** to re-core (cylinders and keys) all door locks at Litchfield Middle School? This is based on security and safety recommendations from the building security assessment performed by the New Hampshire Department of Homeland Security.

Estimated Tax Impact: \$0.03

*Recommended by the School Board
Vote 5-0-0*

*Recommended by the Budget Committee
Vote 8-1-0*

Mr. Bourque made the following statements.

Recently, the District Emergency Management Team walked through LMS to identify concerns regarding inconsistencies with keys in the building and concerns from the Fire Department regarding access while responding to an emergency. It was discovered that over the years there have been several changes to door locks, which has resulted in a keyring filled with keys. Some doors do not have keys and the locks are outdated.

This article is requesting funds to change the cylinders in all door locks at LMS and to replace with a grandmaster system, which will make it easier not only for staff, but for emergency responders as well. A grandmaster system will provide more control, consistency and security.

Mr. Byron opened the discussion of Article 7.

Hearing no amendments or discussion, Mr. Byron indicated that **Article 7 will appear as written on the ballot.**

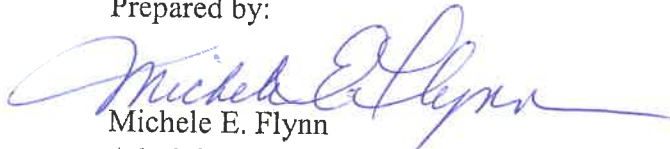
Total Potential Tax Impact

If all articles are approved by the voters, it will result in a tax impact of \$0.41. The potential tax impact to a home valued at \$350,000 will be \$143.50 per year.

If the default budget is adopted and all other articles are approved, the potential tax impact to a home valued at \$350,000 will be \$206.50 per year.

Hearing no further discussion or business, the Moderator thanked all who attended and accepted a motion to adjourn at 12:20 p.m. The motion was seconded. The motion passed unanimously by voice vote.

A true record of the Litchfield School District Deliberative Session,
Prepared by:



Michele E. Flynn
Administrative Assistant to the Litchfield School Board

A true record of the
Litchfield School District Deliberative Session

Attest:



Lynn Baddeley
School District Clerk

Submitted: February 14, 2020

Litchfield School District
Statement of Actual Expenditures for
Special Education Programs and Services

| | 2017 – 2018 | 2018 - 2019 |
|---------------------------|---------------------|---------------------|
| EXPENDITURES | | |
| Instruction | \$ 3,202,108 | \$ 3,224,064 |
| Related Services | \$ 790,742 | \$ 770,633 |
| Administration | \$ 210,067 | \$ 215,236 |
| Legal | \$ 4,038 | \$ 3,169 |
| Transportation | \$ 337,480 | \$ 452,329 |
| Total Expenditures | \$ 4,544,435 | \$ 4,665,431 |
| REVENUES | | |
| NH Catastrophic Aid | \$ 97,639 | \$ 87,357 |
| IDEA Grant | \$ 305,186 | \$ 276,140 |
| Preschool Grant | \$ 4,626 | \$ 9,355 |
| Medicaid | \$ 143,006 | \$ 139,805 |
| Tuition | \$ 0 | \$ 0 |
| Total Revenues | \$ 550,457 | \$ 512,657 |

Department of Special Services
Student Census of Disabilities
December 2019

| DISABILITIES | IN DISTRICT | OUT OF DISTRICT | TOTAL |
|---|-------------|-----------------|------------|
| Hearing Impaired, Speech/Language Impairment, Visual Impairment | 74 | 6 | 80 |
| Orthopedic Impairment, Other Health Impairment, Multiple Disabilities, Autism | 27 | 1 | 28 |
| Intellectual Disability, Developmental Delay | 35 | 3 | 38 |
| Specific Learning Disability | 86 | 2 | 88 |
| Emotional Disturbance | 6 | 0 | 6 |
| Deafness, Mental Retardation, Deaf/Blindness, Traumatic Brain Injury, Acquired Brain Injury | 1 | 0 | 1 |
| TOTAL | 229 | 12 | 241 |



Proposed Budget

Litchfield Local School

For School Districts which have adopted the provisions of RSA 32:14 through RSA 32:24
Appropriations and Estimates of Revenue for the Fiscal Year from:
July 1, 2020 to June 30, 2021

Form Due Date: 20 Days after the Annual Meeting

This form was posted with the warrant on: _____

SCHOOL BUDGET COMMITTEE CERTIFICATION

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

| Name | Position | Signature |
|-------------------------------|---------------------|-----------------|
| Keri Douglas ANDREW CURTIS | Chair V. CHAIR | Keri P. Douglas |
| Rob Messers | School Board Member | [Signature] |
| WILLIAM G HAYES | BC MEMBER | William G Hayes |
| Nicole Fordley | member | Nicole Fordley |

This form must be signed, scanned, and uploaded to the Municipal Tax Rate Setting Portal:
<https://www.prop-tax.org/>

For assistance please contact:
NH DRA Municipal and Property Division
(603) 230-5090
<http://www.revenue.nh.gov/mun-prop/>



Appropriations

| Account | Purpose | Article | Expenditures for period ending 6/30/2019 | Appropriations as Approved by DRA for period ending 6/30/2020 | School Board's Appropriations for period ending 6/30/2021 (Recommended) | School Board's Appropriations for period ending 6/30/2021 (Not Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Not Recommended) |
|--|---|---------|--|---|---|---|---|---|
| Instruction | | | | | | | | |
| 1100-1199 | Regular Programs | 1 | \$8,725,957 | \$8,989,697 | \$9,359,525 | \$0 | \$9,046,594 | \$312,931 |
| 1200-1299 | Special Programs | 1 | \$3,077,410 | \$3,306,530 | \$3,465,328 | \$0 | \$3,395,467 | \$89,861 |
| 1300-1399 | Vocational Programs | 1 | \$48,535 | \$38,526 | \$42,637 | \$0 | \$42,637 | \$0 |
| 1400-1499 | Other Programs | 1 | \$545,479 | \$572,813 | \$639,141 | \$0 | \$618,948 | \$20,193 |
| 1500-1599 | Non-Public Programs | 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1600-1699 | Adult/Continuing Education Programs | 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1700-1799 | Community/Junior College Education Programs | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1800-1899 | Community Service Programs | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Instruction Subtotal | | | \$12,397,381 | \$12,907,566 | \$13,506,631 | \$0 | \$13,103,646 | \$402,985 |
| Support Services | | | | | | | | |
| 2000-2199 | Student Support Services | 1 | \$1,771,821 | \$1,847,466 | \$1,870,453 | \$0 | \$1,870,453 | \$0 |
| 2200-2299 | Instructional Staff Services | 1 | \$715,612 | \$752,767 | \$797,143 | \$0 | \$795,236 | \$1,907 |
| Support Services Subtotal | | | \$2,487,433 | \$2,600,233 | \$2,667,596 | \$0 | \$2,665,689 | \$1,907 |
| General Administration | | | | | | | | |
| 0000-0000 | Collective Bargaining | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2310 (840) | School Board Contingency | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2310-2319 | Other School Board | 1 | \$138,017 | \$121,643 | \$133,187 | \$0 | \$132,987 | \$200 |
| General Administration Subtotal | | | \$138,017 | \$121,643 | \$133,187 | \$0 | \$132,987 | \$200 |



Appropriations

| Account | Purpose | Article | Expenditures for period ending 6/30/2019 | Appropriations as Approved by DRA for period ending 6/30/2020 | School Board's Appropriations for period ending 6/30/2021 (Recommended) | School Board's Appropriations for period ending 6/30/2021 (Not Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Not Recommended) |
|--|---|---------|--|---|---|---|---|---|
| Executive Administration | | | | | | | | |
| 2320 (310) | SAU Management Services | 1 | \$334,718 | \$336,330 | \$342,451 | \$0 | \$339,983 | \$2,468 |
| 2320-2399 | All Other Administration | 1 | \$215,236 | \$220,483 | \$228,410 | \$0 | \$226,503 | \$1,907 |
| 2400-2499 | School Administration Service | 1 | \$1,302,585 | \$1,297,584 | \$1,361,385 | \$0 | \$1,355,090 | \$6,295 |
| 2500-2599 | Business | 1 | \$342,541 | \$325,674 | \$250,979 | \$0 | \$249,199 | \$1,780 |
| 2600-2699 | Plant Operations and Maintenance | 1 | \$2,099,878 | \$2,082,744 | \$2,202,163 | \$0 | \$2,196,005 | \$6,158 |
| 2700-2799 | Student Transportation | 1 | \$1,146,016 | \$1,104,312 | \$1,169,443 | \$0 | \$1,148,667 | \$20,776 |
| 2800-2999 | Support Service, Central and Other | 1 | \$773,193 | \$652,550 | \$871,106 | \$0 | \$870,220 | \$886 |
| | Executive Administration Subtotal | | \$6,214,167 | \$6,019,677 | \$6,425,937 | \$0 | \$6,385,667 | \$40,270 |
| Non-Instructional Services | | | | | | | | |
| 3100 | Food Service Operations | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3200 | Enterprise Operations | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Non-Instructional Services Subtotal | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction | | | | | | | | |
| 4100 | Site Acquisition | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4200 | Site Improvement | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4300 | Architectural/Engineering | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4400 | Educational Specification Development | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4500 | Building Acquisition/Construction | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4600 | Building Improvement Services | 1 | \$36,252 | \$36,252 | \$36,252 | \$0 | \$36,252 | \$0 |
| 4900 | Other Facilities Acquisition and Construction | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Facilities Acquisition and Construction Subtotal | | \$36,252 | \$36,252 | \$36,252 | \$0 | \$36,252 | \$0 |
| Other Outlays | | | | | | | | |
| 5110 | Debt Service - Principal | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5120 | Debt Service - Interest | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Other Outlays Subtotal | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |



Appropriations

| Account | Purpose | Article | Expenditures for period ending 6/30/2019 | Appropriations as Approved by DRA for period ending 6/30/2020 | School Board's Appropriations for period ending 6/30/2021 (Recommended) | School Board's Appropriations for period ending 6/30/2021 (Not Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Not Recommended) |
|--|-------------------------------------|---------|--|---|---|---|---|---|
| Fund Transfers | | | | | | | | |
| 5220-5221 | To Food Service | 1 | \$536,911 | \$617,757 | \$615,089 | \$0 | \$615,089 | \$0 |
| 5222-5229 | To Other Special Revenue | 1 | \$575,000 | \$575,000 | \$575,000 | \$0 | \$575,000 | \$0 |
| 5230-5239 | To Capital Projects | | \$366,984 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5254 | To Agency Funds | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5300-5399 | Intergovernmental Agency Allocation | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 9990 | Supplemental Appropriation | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 9992 | Deficit Appropriation | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fund Transfers Subtotal | | | \$1,478,895 | \$1,192,757 | \$1,190,089 | \$0 | \$1,190,089 | \$0 |
| Total Operating Budget Appropriations | | | | | \$23,959,692 | \$0 | \$23,514,330 | \$445,362 |



Special Warrant Articles

| Account | Purpose | Article | School Board's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) | School Board's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) |
|--|--------------------------------------|---------|---|---|---|---|
| 5251 | To Capital Reserve Fund | | \$0 | \$0 | \$0 | \$0 |
| 5252 | To Expendable Trust Fund | | \$0 | \$0 | \$0 | \$0 |
| 5253 | To Non-Expendable Trust Fund | | \$0 | \$0 | \$0 | \$0 |
| 5252 | To Expendable Trusts/Fiduciary Funds | 3 | \$99,000 | \$0 | \$99,000 | \$0 |
| | | | <i>Purpose: Class Size Reduction ETF</i> | | | |
| 5252 | To Expendable Trusts/Fiduciary Funds | 4 | \$50,000 | \$0 | \$50,000 | \$0 |
| | | | <i>Purpose: Transfer to Special Education CRF</i> | | | |
| 5252 | To Expendable Trusts/Fiduciary Funds | 5 | \$70,000 | \$0 | \$70,000 | \$0 |
| | | | <i>Purpose: Establish Capital Improvement Expendable Trust Fun</i> | | | |
| Total Proposed Special Articles | | | \$219,000 | \$0 | \$219,000 | \$0 |



Individual Warrant Articles

| Account | Purpose | Article | School Board's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) | School Board's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) | Budget Committee's Appropriations for period ending 6/30/2021 (Recommended) (Not Recommended) |
|--|----------------------------------|---------|---|---|---|---|
| 1100-1199 | Regular Programs | 2 | \$67,521 | \$0 | \$67,521 | \$0 |
| <i>Purpose: Fund the 2-Year CBA with the Litchfield Support St</i> | | | | | | |
| 2600-2699 | Plant Operations and Maintenance | 6 | \$35,000 | \$0 | \$35,000 | \$0 |
| <i>Purpose: Purchase and installation of interior door securit</i> | | | | | | |
| 2600-2699 | Plant Operations and Maintenance | 7 | \$25,000 | \$0 | \$25,000 | \$0 |
| <i>Purpose: Re-coring of all door locks at the Litchfield Midd</i> | | | | | | |
| Total Proposed Individual Articles | | | \$127,521 | \$0 | \$127,521 | \$0 |



Revenues

| Account | Source | Article | Revised Revenues for period ending 6/30/2020 | School Board's Estimated Revenues for period ending 6/30/2021 | Budget Committee's Estimated Revenues for period ending 6/30/2021 |
|-------------------------------|------------------------------|---------|--|---|---|
| Local Sources | | | | | |
| 1300-1349 | Tuition | 1 | \$0 | \$27,500 | \$27,500 |
| 1400-1449 | Transportation Fees | 1 | \$0 | \$9,000 | \$9,000 |
| 1500-1599 | Earnings on Investments | 1 | \$0 | \$500 | \$500 |
| 1600-1699 | Food Service Sales | 1 | \$0 | \$499,589 | \$499,589 |
| 1700-1799 | Student Activities | | \$0 | \$0 | \$0 |
| 1800-1899 | Community Service Activities | | \$0 | \$0 | \$0 |
| 1900-1999 | Other Local Sources | 1 | \$0 | \$45,000 | \$45,000 |
| Local Sources Subtotal | | | \$0 | \$581,589 | \$581,589 |
| State Sources | | | | | |
| 3210 | School Building Aid | | \$0 | \$0 | \$0 |
| 3215 | Kindergarten Building Aid | | \$0 | \$0 | \$0 |
| 3220 | Kindergarten Aid | | \$0 | \$0 | \$0 |
| 3230 | Catastrophic Aid | 1 | \$0 | \$75,000 | \$75,000 |
| 3240-3249 | Vocational Aid | 1 | \$0 | \$3,000 | \$3,000 |
| 3250 | Adult Education | | \$0 | \$0 | \$0 |
| 3260 | Child Nutrition | 1 | \$0 | \$5,500 | \$5,500 |
| 3270 | Driver Education | | \$0 | \$0 | \$0 |
| 3290-3299 | Other State Sources | | \$0 | \$0 | \$0 |
| State Sources Subtotal | | | \$0 | \$83,500 | \$83,500 |



Revenues

| Account | Source | Article | Revised Revenues for period ending 6/30/2020 | School Board's Estimated Revenues for period ending 6/30/2021 | Budget Committee's Estimated Revenues for period ending 6/30/2021 |
|---|---|---------|--|---|---|
| Federal Sources | | | | | |
| 4100-4539 | Federal Program Grants | 1 | \$0 | \$110,000 | \$110,000 |
| 4540 | Vocational Education | | \$0 | \$0 | \$0 |
| 4550 | Adult Education | | \$0 | \$0 | \$0 |
| 4560 | Child Nutrition | 1 | \$0 | \$110,000 | \$110,000 |
| 4570 | Disabilities Programs | 1 | \$0 | \$465,000 | \$465,000 |
| 4580 | Medicaid Distribution | 1 | \$0 | \$1 | \$1 |
| 4590-4999 | Other Federal Sources (non-4810) | | \$0 | \$0 | \$0 |
| 4810 | Federal Forest Reserve | | \$0 | \$0 | \$0 |
| Federal Sources Subtotal | | | \$0 | \$685,001 | \$685,001 |
| Other Financing Sources | | | | | |
| 5110-5139 | Sale of Bonds or Notes | | \$0 | \$0 | \$0 |
| 5140 | Reimbursement Anticipation Notes | | \$0 | \$0 | \$0 |
| 5221 | Transfer from Food Service Special Revenue Fund | | \$0 | \$0 | \$0 |
| 5222 | Transfer from Other Special Revenue Funds | | \$0 | \$0 | \$0 |
| 5230 | Transfer from Capital Project Funds | | \$0 | \$0 | \$0 |
| 5251 | Transfer from Capital Reserve Funds | | \$0 | \$0 | \$0 |
| 5252 | Transfer from Expendable Trust Funds | | \$0 | \$0 | \$0 |
| 5253 | Transfer from Non-Expendable Trust Funds | | \$0 | \$0 | \$0 |
| 5300-5699 | Other Financing Sources | | \$0 | \$0 | \$0 |
| 9997 | Supplemental Appropriation (Contra) | | \$0 | \$0 | \$0 |
| 9998 | Amount Voted from Fund Balance | 3, 4, 5 | \$0 | \$219,000 | \$219,000 |
| 9999 | Fund Balance to Reduce Taxes | 1 | \$0 | \$200,000 | \$200,000 |
| Other Financing Sources Subtotal | | | \$0 | \$419,000 | \$419,000 |
| Total Estimated Revenues and Credits | | | \$0 | \$1,769,090 | \$1,769,090 |



Budget Summary

| Item | School Board Period ending 6/30/2021 (Recommended) | Budget Committee Period ending 6/30/2021 (Recommended) |
|---|---|---|
| Operating Budget Appropriations | \$23,959,692 | \$23,514,330 |
| Special Warrant Articles | \$219,000 | \$219,000 |
| Individual Warrant Articles | \$127,521 | \$127,521 |
| Total Appropriations | \$24,306,213 | \$23,860,851 |
| Less Amount of Estimated Revenues & Credits | \$1,769,090 | \$1,769,090 |
| Less Amount of State Education Tax/Grant | \$7,572,273 | \$7,572,273 |
| Estimated Amount of Taxes to be Raised | \$14,964,850 | \$14,519,488 |



Supplemental Schedule

| | |
|---|---------------------|
| 1. Total Recommended by Budget Committee | \$23,860,851 |
| Less Exclusions: | |
| 2. Principal: Long-Term Bonds & Notes | \$0 |
| 3. Interest: Long-Term Bonds & Notes | \$0 |
| 4. Capital outlays funded from Long-Term Bonds & Notes | \$0 |
| 5. Mandatory Assessments | \$0 |
| 6. Total Exclusions (Sum of Lines 2 through 5 above) | \$0 |
| 7. Amount Recommended, Less Exclusions (Line 1 less Line 6) | \$23,860,851 |
| 8. 10% of Amount Recommended, Less Exclusions (Line 7 x 10%) | \$2,386,085 |
| Collective Bargaining Cost Items: | |
| 9. Recommended Cost Items (Prior to Meeting) | \$0 |
| 10. Voted Cost Items (Voted at Meeting) | \$0 |
| 11. Amount voted over recommended amount (Difference of Lines 9 and 10) | \$0 |
| 12. Bond Override (RSA 32:18-a), Amount Voted | \$0 |
| Maximum Allowable Appropriations Voted at Meeting: (Line 1 + Line 8 + Line 11 + Line 12) | |
| | \$26,246,936 |



Appropriations

| Account | Purpose | Prior Year Adopted Budget | Reductions or Increases | One-Time Appropriations | Default Budget |
|--|---|------------------------------|----------------------------|----------------------------|---------------------|
| Instruction | | | | | |
| 1100-1199 | Regular Programs | \$9,162,752 | \$342,932 | (\$64,302) | \$9,441,382 |
| 1200-1299 | Special Programs | \$3,337,598 | \$167,761 | (\$2,983) | \$3,502,376 |
| 1300-1399 | Vocational Programs | \$38,526 | \$4,111 | \$0 | \$42,637 |
| 1400-1499 | Other Programs | \$580,319 | \$44,614 | \$0 | \$624,933 |
| 1500-1599 | Non-Public Programs | \$0 | \$0 | \$0 | \$0 |
| 1600-1699 | Adult/Continuing Education Programs | \$0 | \$0 | \$0 | \$0 |
| 1700-1799 | Community/Junior College Education Programs | \$0 | \$0 | \$0 | \$0 |
| 1800-1899 | Community Service Programs | \$0 | \$0 | \$0 | \$0 |
| Instruction Subtotal | | \$13,119,195 | \$559,418 | (\$67,285) | \$13,611,328 |
| Support Services | | | | | |
| 2000-2199 | Student Support Services | \$1,882,988 | (\$19,613) | (\$12,500) | \$1,850,875 |
| 2200-2299 | Instructional Staff Services | \$762,203 | \$14,266 | \$0 | \$776,469 |
| Support Services Subtotal | | \$2,645,191 | (\$5,347) | (\$12,500) | \$2,627,344 |
| General Administration | | | | | |
| 0000-0000 | Collective Bargaining | \$0 | \$0 | \$0 | \$0 |
| 2310 (840) | School Board Contingency | \$0 | \$0 | \$0 | \$0 |
| 2310-2319 | Other School Board | \$121,643 | \$1,344 | \$0 | \$122,987 |
| General Administration Subtotal | | \$121,643 | \$1,344 | \$0 | \$122,987 |
| Executive Administration | | | | | |
| 2320 (310) | SAU Management Services | \$336,330 | \$4,643 | \$0 | \$340,973 |
| 2320-2399 | All Other Administration | \$220,483 | \$7,040 | \$0 | \$227,523 |
| 2400-2499 | School Administration Service | \$1,297,584 | \$33,347 | \$0 | \$1,330,931 |
| 2500-2599 | Business | \$325,674 | (\$73,896) | \$0 | \$251,778 |
| 2600-2699 | Plant Operations and Maintenance | \$2,082,744 | (\$9,631) | (\$14,239) | \$2,058,874 |
| 2700-2799 | Student Transportation | \$1,104,312 | \$43,709 | \$0 | \$1,148,021 |
| 2800-2999 | Support Service, Central and Other | \$652,550 | \$77,970 | \$0 | \$730,520 |
| Executive Administration Subtotal | | \$6,019,677 | \$83,182 | (\$14,239) | \$6,088,620 |
| Non-Instructional Services | | | | | |
| 3100 | Food Service Operations | \$0 | \$0 | \$0 | \$0 |
| 3200 | Enterprise Operations | \$0 | \$0 | \$0 | \$0 |
| Non-Instructional Services Subtotal | | \$0 | \$0 | \$0 | \$0 |



Appropriations

| Account | Purpose | Prior Year Adopted Budget | Reductions or Increases | One-Time Appropriations | Default Budget |
|--|---|------------------------------|----------------------------|----------------------------|---------------------|
| Facilities Acquisition and Construction | | | | | |
| 4100 | Site Acquisition | \$0 | \$0 | \$0 | \$0 |
| 4200 | Site Improvement | \$0 | \$0 | \$0 | \$0 |
| 4300 | Architectural/Engineering | \$0 | \$0 | \$0 | \$0 |
| 4400 | Educational Specification Development | \$0 | \$0 | \$0 | \$0 |
| 4500 | Building Acquisition/Construction | \$0 | \$0 | \$0 | \$0 |
| 4600 | Building Improvement Services | \$36,252 | \$0 | \$0 | \$36,252 |
| 4900 | Other Facilities Acquisition and Construction | \$0 | \$0 | \$0 | \$0 |
| | Facilities Acquisition and Construction Subtotal | \$36,252 | \$0 | \$0 | \$36,252 |
| Other Outlays | | | | | |
| 5110 | Debt Service - Principal | \$0 | \$0 | \$0 | \$0 |
| 5120 | Debt Service - Interest | \$0 | \$0 | \$0 | \$0 |
| | Other Outlays Subtotal | \$0 | \$0 | \$0 | \$0 |
| Fund Transfers | | | | | |
| 5220-5221 | To Food Service | \$617,757 | (\$18,838) | \$0 | \$598,919 |
| 5222-5229 | To Other Special Revenue | \$575,000 | \$0 | \$0 | \$575,000 |
| 5230-5239 | To Capital Projects | \$0 | \$0 | \$0 | \$0 |
| 5251 | To Capital Reserve Fund | \$100,000 | \$0 | (\$100,000) | \$0 |
| 5252 | To Expendable Trusts/Fiduciary Funds | \$0 | \$0 | \$0 | \$0 |
| 5253 | To Non-Expendable Trust Funds | \$0 | \$0 | \$0 | \$0 |
| 5254 | To Agency Funds | \$0 | \$0 | \$0 | \$0 |
| 5300-5399 | Intergovernmental Agency Allocation | \$0 | \$0 | \$0 | \$0 |
| 9990 | Supplemental Appropriation | \$0 | \$0 | \$0 | \$0 |
| 9992 | Deficit Appropriation | \$0 | \$0 | \$0 | \$0 |
| | Fund Transfers Subtotal | \$1,292,757 | (\$18,838) | (\$100,000) | \$1,173,919 |
| | Total Operating Budget Appropriations | \$23,234,715 | \$619,759 | (\$194,024) | \$23,660,450 |



Reasons for Reductions/Increases & One-Time Appropriations

| Account | Explanation |
|----------------|---|
| 2320-2399 | Increase due to changes in salaries and benefit elections |
| 4600 | Lease payment |
| 2500-2599 | Decrease due to moving payroll coordinator to 2800-2999 |
| 2200-2299 | Increase due to change in staffing and benefits elections |
| 1400-1499 | Allocation of Year 2 of CBA plus restoration of CBA driven funding for cocurricular stipends, and change in benefits election |
| 2310-2319 | Increase due to change in staff and benefits elections. |
| 2600-2699 | Decrease due to change in staffing and benefits elections and removal of one time expenditures for equipment. |
| 1100-1199 | Allocation of Year 2 of CBA plus change in Severance Payouts that are required contractually. |
| 2320 (310) | Increase due to change in staffing and benefits elections. |
| 2400-2499 | Increase due to change in health insurance elections |
| 1200-1299 | Allocation of Year 2 of CBA plus increase in tuition for known special services student population. |
| 2000-2199 | Decrease due to change in staffing and benefits elections. |
| 2700-2799 | Contractual increases for regular, special ed and vocational transportation |
| 2800-2999 | Increase due to move of payroll coordinator from 2510 Business and changes in benefits elections |
| 5251 | One time transfer |
| 5220-5221 | Reduction in Salaries and Benefits and equipment purchases |
| 1300-1399 | Increase in vocational tuition for increased student enrollment in programs. |

LITCHFIELD SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

LITCHFIELD SCHOOL DISTRICT
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JUNE 30, 2019

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PLODZIK & SANDERSON

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INDEPENDENT AUDITOR'S REPORT

To the Members of the School Board
Litchfield School District
Litchfield, New Hampshire

We have audited the accompanying financial statements of the governmental activities, major fund, and aggregate remaining fund information of the Litchfield School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund, and aggregate remaining fund information of the Litchfield School District, as of June 30, 2019, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information – Accounting principles generally accepted in the United States of America require that the following be presented to supplement the basic financial statements:

- Management's Discussion and Analysis,
- Schedule of the School District's Proportionate Share of Net Pension Liability,
- Schedule of School District Contributions – Pensions,
- Schedule of the School District's Proportionate Share of the Net Other Postemployment Benefits Liability,

*Litchfield School District
Independent Auditor's Report*

- Schedule of School District Contributions – Other Postemployment Benefits,
- Schedule of Changes in the School District's Total Other Postemployment Benefits Liability and Related Ratios, and
- Notes to the Required Supplementary Information

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information – Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Litchfield School District's basic financial statements. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

February 5, 2020

*Plodzik & Sanderson
Professional Association*

LITCHFIELD SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2019

The Superintendent of Schools and Business Administrator of New Hampshire School Administrative Unit #27, as management of the Litchfield School District ("District"), we offer readers of the District's Financial Statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

1. Financial Highlights

The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$(6,632,270) (*net position*). Of this amount, \$(15,777,380) (*unrestricted net position*), had it been positive, may have been used to meet the government's ongoing obligations to citizens and creditors. The negative unrestricted net position is attributable to the reporting of the District's proportional share of the actuarially determined retirement system's unfunded pension liability as well as the District's proportional share of other postemployment benefits less the system's net position ("net pension liability"). Reporting the District's proportional share of the net pension liability does not impact the District's ability to meet its current obligations.

The District's total net position changed by \$(687,633).

As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$816,680, a change of \$(426,314) in comparison with the prior year.

Net change in the unassigned fund balance for the General Fund was \$(476,853) with an end of year balance of \$149,497. This balance represents amounts that are not obligated or specifically designated and is available to offset the amount of local school assessment for the subsequent fiscal year.

Consistent with prior fiscal year, due to the implementation of GASB Statement Nos 68 and 71, the District is required to record its related share of net pension liability of the New Hampshire Retirement System. The net pension liability is the District's proportionate share of the retirement system's actuarially determined unfunded pension liability less the system's net position. This amount is reported only on the government-wide financial statements and has no impact on the fund financial statements of the District. At the end of the most recent year, our net pension liability is \$16,121,674, an increase of \$1,136,740, or 7.6% above prior year.

In addition to GASB statement Nos 68 and 71, the District is required to report in compliance with GASB Statement No 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This statement requires the sensitivity of the Net OPEB liability to the healthcare cost trend assumption. Since the medical subsidy benefits are a fixed stipend, there is no sensitivity to the change in the healthcare cost trend assumption.

The District did not issue any bonds in fiscal year 2019.

2. Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the items reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the time of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The governmental activities of the District include administration, instruction, support services, operations and maintenance, and transportation.

Fund Financial Statements. A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains three (3) individual governmental funds. Information is presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund. Data from the remaining funds (grants and food service), are considered nonmajor, are combined and reported in aggregate. A separate schedule is provided in the financial statements to show the balances and activities in nonmajor funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements, because the resources of those funds are *not* available to support the District's own programs.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* that is required to be disclosed by accounting principles generally accepted in the United States of America.

3. **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$(6,632,270) at the close of the most recent fiscal year.

The largest portion of the District's net position, \$9,145,110, reflects its investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that is still outstanding. Capital assets are reported net of accumulated depreciation. The District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of condensed statement of net position and statement of activities for government-wide financial data for the current and prior fiscal years.

Litchfield School District's Condensed Statement of Net Position

| | Governmental Activities | |
|-----------------------------------|-------------------------|----------------|
| | 2019 | 2018 |
| Current and other assets | \$ 1,747,982 | \$ 2,094,945 |
| Capital assets | 9,145,110 | 9,355,491 |
| Total assets | 10,893,092 | 11,450,436 |
| Deferred outflows of resources | 4,613,709 | 3,922,265 |
| Long-term liabilities outstanding | 20,354,519 | 19,659,264 |
| Other liabilities | 886,916 | 779,474 |
| Total liabilities | 21,241,435 | 20,438,738 |
| Deferred inflows of resources | 897,636 | 878,600 |
| Net position: | | |
| Net investment in capital assets | 9,145,110 | 9,355,491 |
| Restricted | - | 44,581 |
| Unrestricted | (15,777,380) | (15,344,709) |
| Total net position | \$ (6,632,270) | \$ (5,944,637) |

Litchfield School District's Condensed Statement of Net Position

| | Governmental Activities | |
|------------------------------------|-------------------------|----------------|
| | 2019 | 2018 |
| Revenues: | | |
| Program revenues: | | |
| Charges for service | \$ 656,363 | \$ 432,008 |
| Operating grants and contributions | 751,082 | 786,608 |
| General revenues | 20,941,708 | 20,477,176 |
| Total revenues | 22,349,153 | 21,695,792 |
| Expenses: | | |
| Administration | 2,344,373 | 2,200,869 |
| Instruction | 13,316,947 | 13,111,321 |
| Support services | 2,665,150 | 2,614,875 |
| Operation and maintenance | 2,177,395 | 2,117,702 |
| Transportation | 1,146,125 | 995,095 |
| Other | 849,884 | 727,024 |
| Noninstructional services | 536,912 | 506,406 |
| Total expenses | 23,036,786 | 22,273,292 |
| Change in net position | (687,633) | (577,500) |
| Net position - Beginning of year | (5,944,637) | (5,367,137) |
| Net position - End of year | \$ (6,632,270) | \$ (5,944,637) |

The balance of *unrestricted net position* (\$(6,632,270)), if it were positive, may have been used to meet the District's ongoing obligations to citizens and creditors.

Governmental activities. As noted above, governmental activities net position changed by \$(687,633). Key elements of this change are as follows:

| | |
|---|--------------|
| Governmental Activities: | |
| General Fund | \$ (472,968) |
| Nonmajor funds | 46,654 |
| Depreciation expense, net of capital asset purchases | (210,381) |
| Change in net pension obligation, net of deferred resources | (262,597) |
| Change in compensated absences | 211,659 |
| Total | \$ (687,633) |

4. Financial Analysis of the Government's Funds

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$816,680, which is a change of \$(426,314) in comparison with the prior year. Key elements of this change are as follows:

| | |
|--------------------------|---------------------|
| Governmental Activities: | |
| General Fund | \$ (472,968) |
| Nonmajor Fund | |
| School Food Service | (44,581) |
| Capital Project Fund | <u>91,235</u> |
| Total | \$ <u>(426,314)</u> |

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$149,497, while total fund balance was \$816,680. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 0.7 percent of total general fund expenditures, while total fund balance represents 3.8 percent of that same amount.

As noted above, total fund balance of the general fund changed by \$(472,968) during the current fiscal year. Key elements of this change are as follows:

| | |
|---|---------------------|
| Revenue shortfall of budget | \$ (92,903) |
| Expenditures less than budget | 342,626 |
| Use of fund balance as a funding source | (779,021) |
| Change in encumbrances | 1,700 |
| Other | <u>54,630</u> |
| Total | \$ <u>(472,968)</u> |

5. General Fund Budgetary Highlights

There is no change between the total original and total final budget.

6. Capital Asset and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2019, amounted to \$9,145,110 (net of accumulated depreciation). This investment in capital assets includes land, buildings and building improvements, and equipment. The total change in the District's investment in total capital assets for the current year was \$(210,381).

Major capital asset events during the current fiscal year included the following:

| | <u>Amount</u> |
|--|---------------|
| Capital asset additions: | |
| Griffin Memorial School – Kindergarten Modular | \$ 452,275 |
| Griffin Memorial School – Secured Entry Way | 79,100 |
| CHS – Secured Entry Way | 13,528 |
| CHS – Tech Ed Ventilation System | 78,044 |

Additional information on the District’s capital assets can be found in the notes to the financial statements, see Note 5.

7. Request for Information

This financial report is designed to provide a general overview of the District’s financing for all those with an interest in the District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Cory Izbicki, Business Administrator, C/O SAU #27, 1 Highlander Court, Litchfield, New Hampshire 03052.

BASIC FINANCIAL STATEMENTS

EXHIBIT A
LITCHFIELD SCHOOL DISTRICT
Statement of Net Position
June 30, 2019

| | Governmental Activities |
|--|----------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 1,288,293 |
| Other receivables | 7,606 |
| Intergovernmental receivable | 450,158 |
| Prepaid items | 1,925 |
| Capital assets, not being depreciated | 474,320 |
| Capital assets, net of accumulated depreciation | 8,670,790 |
| Total assets | 10,893,092 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Amounts related to pensions | 3,861,898 |
| Amounts related to other postemployment benefits | 751,811 |
| Total deferred outflows of resources | 4,613,709 |
| LIABILITIES | |
| Accounts payable | 130,913 |
| Accrued salaries and benefits | 725,613 |
| Noncurrent obligations: | |
| Due within one year | 30,390 |
| Due in more than one year | 20,354,519 |
| Total liabilities | 21,241,435 |
| DEFERRED INFLOWS OF RESOURCES | |
| Amounts received in advance of eligible expenses | 74,776 |
| Amounts related to pensions | 746,558 |
| Amounts related to other postemployment benefits | 76,302 |
| Total deferred inflows of resources | 897,636 |
| NET POSITION | |
| Net investment in capital assets | 9,145,110 |
| Unrestricted | (15,777,380) |
| Total net position | \$ (6,632,270) |

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT B
LITCHFIELD SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2019

| | Expenses | Program Revenues | | Net (Expense) Revenue and Change in Net Position |
|--|----------------------|----------------------------|--|---|
| | | Charges for Services | Operating Grants and Contributions | |
| Governmental activities: | | | | |
| Instruction | \$ 13,316,947 | \$ 219,827 | \$ 255,002 | \$ (12,842,118) |
| Support services: | | | | |
| Student | 1,892,741 | - | 130,203 | (1,762,538) |
| Instructional staff | 772,409 | - | 53,706 | (718,703) |
| General administration | 138,281 | - | - | (138,281) |
| Executive administration | 549,129 | - | - | (549,129) |
| School administration | 1,312,417 | - | - | (1,312,417) |
| Business | 344,546 | - | - | (344,546) |
| Operation and maintenance of plant | 2,079,939 | 206,798 | - | (1,873,141) |
| Student transportation | 1,146,125 | 8,611 | 110 | (1,137,404) |
| Other | 849,884 | - | 56,875 | (793,009) |
| Noninstructional services | 536,912 | 221,127 | 230,945 | (84,840) |
| Facilities acquisition and construction | 97,456 | - | 24,241 | (73,215) |
| Total governmental activities | <u>\$ 23,036,786</u> | <u>\$ 656,363</u> | <u>\$ 751,082</u> | <u>(21,629,341)</u> |
| General revenues: | | | | |
| School district assessment | | | | 13,687,119 |
| Grants and contributions not restricted to specific programs | | | | 7,077,750 |
| Interest | | | | 11,512 |
| Miscellaneous | | | | 165,327 |
| Total general revenues | | | | <u>20,941,708</u> |
| Change in net position | | | | (687,633) |
| Net position, beginning | | | | <u>(5,944,637)</u> |
| Net position, ending | | | | <u>\$ (6,632,270)</u> |

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-1
LITCHFIELD SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2019

| | General | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|--------------------------------|--------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,286,199 | \$ 2,094 | \$ 1,288,293 |
| Accounts receivable | 7,606 | - | 7,606 |
| Intergovernmental receivable | 374,111 | 76,047 | 450,158 |
| Interfund receivables | - | 10,903 | 10,903 |
| Prepaid items | 1,925 | - | 1,925 |
| Total assets | <u>\$ 1,669,841</u> | <u>\$ 89,044</u> | <u>\$ 1,758,885</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 109,183 | \$ 21,730 | \$ 130,913 |
| Accrued salaries and benefits | 725,613 | - | 725,613 |
| Interfund payable | 10,903 | - | 10,903 |
| Total liabilities | <u>845,699</u> | <u>21,730</u> | <u>867,429</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Amounts received in advance of eligible expenditures | <u>7,462</u> | <u>67,314</u> | <u>74,776</u> |
| FUND BALANCES | | | |
| Nonspendable | 1,925 | - | 1,925 |
| Committed | 470,556 | - | 470,556 |
| Assigned | 194,702 | - | 194,702 |
| Unassigned | 149,497 | - | 149,497 |
| Total fund balances | <u>816,680</u> | <u>-</u> | <u>816,680</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 1,669,841</u> | <u>\$ 89,044</u> | <u>\$ 1,758,885</u> |

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-2
LITCHFIELD SCHOOL DISTRICT
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
June 30, 2019

| | | |
|--|---------------------|------------------------------|
| Total fund balances of governmental funds (Exhibit C-1) | | \$ 816,680 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the governmental funds. | | |
| Cost | \$ 20,956,025 | |
| Less accumulated depreciation | <u>(11,810,915)</u> | 9,145,110 |
| Pension and other postemployment benefits (OPEB) related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported in the governmental funds as follows: | | |
| Deferred outflows of resources related to pensions | \$ 3,861,898 | |
| Deferred inflows of resources related to pensions | (746,558) | |
| Deferred outflows of resources related to OPEB | 751,811 | |
| Deferred inflows of resources related to OPEB | <u>(76,302)</u> | 3,790,849 |
| Interfund receivables and payables between governmental funds are eliminated on the Statement of Net Position. | | |
| Receivables | \$ (10,903) | |
| Payables | <u>10,903</u> | - |
| Long-term liabilities are not due and payable in the current period, therefore, are not reported in the governmental funds. | | |
| Compensated absences | \$ 665,946 | |
| Net pension liability | 16,121,674 | |
| Other postemployment benefits | <u>3,597,289</u> | <u>(20,384,909)</u> |
| Net position of governmental activities (Exhibit A) | | <u><u>\$ (6,632,270)</u></u> |

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-3
LITCHFIELD SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2019

| | General | Other Governmental Funds | Total Governmental Funds |
|---|-------------------|--------------------------------|--------------------------------|
| REVENUES | | | |
| School district assessment | \$ 13,687,119 | \$ - | \$ 13,687,119 |
| Other local | 75,900 | 535,777 | 611,677 |
| State | 7,262,731 | 124,694 | 7,387,425 |
| Federal | 139,805 | 523,127 | 662,932 |
| Total revenues | <u>21,165,555</u> | <u>1,183,598</u> | <u>22,349,153</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction | 12,397,391 | 302,907 | 12,700,298 |
| Support services: | | | |
| Student | 1,771,827 | 130,203 | 1,902,030 |
| Instructional staff | 715,511 | 53,706 | 769,217 |
| General administration | 138,019 | - | 138,019 |
| Executive administration | 549,957 | - | 549,957 |
| School administration | 1,302,584 | - | 1,302,584 |
| Business | 342,543 | - | 342,543 |
| Operation and maintenance of plant | 2,094,252 | - | 2,094,252 |
| Student transportation | 1,146,015 | 110 | 1,146,125 |
| Other | 773,301 | 56,875 | 830,176 |
| Noninstructional services | - | 536,912 | 536,912 |
| Facilities acquisition and construction | 41,877 | 421,477 | 463,354 |
| Total expenditures | <u>21,273,277</u> | <u>1,502,190</u> | <u>22,775,467</u> |
| Deficiency of revenues under expenditures | <u>(107,722)</u> | <u>(318,592)</u> | <u>(426,314)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 1,738 | 366,984 | 368,722 |
| Transfers out | (366,984) | (1,738) | (368,722) |
| Total other financing sources (uses) | <u>(365,246)</u> | <u>365,246</u> | <u>-</u> |
| Net change in fund balances | (472,968) | 46,654 | (426,314) |
| Fund balances, beginning | 1,289,648 | (46,654) | 1,242,994 |
| Fund balances, ending | <u>\$ 816,680</u> | <u>\$ -</u> | <u>\$ 816,680</u> |

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-4
LITCHFIELD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2019

| | | |
|--|------------------|----------------------------|
| Net change in fund balances of total governmental funds (Exhibit C-3) | | \$ (426,314) |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period. | | |
| Capitalized capital outlay | \$ 457,470 | |
| Depreciation expense | <u>(667,851)</u> | (210,381) |
| Transfers in and out between governmental funds are eliminated on the Statement of Activities. | | |
| Transfers in | \$ (368,722) | |
| Transfers out | <u>368,722</u> | - |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds. | | |
| expenditures in governmental funds. | | |
| Decrease in compensated absences payable | \$ 211,659 | |
| Net change in net pension liability and deferred outflows and inflows of resources related to pensions | (255,928) | |
| Net change in net other postemployment benefits liability and deferred outflows and inflows of resources related to other postemployment benefits | <u>(6,669)</u> | <u>(50,938)</u> |
| Change in net position of governmental activities (Exhibit B) | | <u><u>\$ (687,633)</u></u> |

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT D
LITCHFIELD SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2019

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|--|---------------------------------|-------------------|------------------------------------|
| REVENUES | | | |
| School district assessment | \$ 13,687,119 | \$ 13,687,119 | \$ - |
| Other local | 230,107 | 71,308 | (158,799) |
| State | 7,236,640 | 7,262,731 | 26,091 |
| Federal | 100,000 | 139,805 | 39,805 |
| Total revenues | <u>21,253,866</u> | <u>21,160,963</u> | <u>(92,903)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction | 12,674,569 | 12,325,188 | 349,381 |
| Support services: | | | |
| Student | 1,838,695 | 1,771,827 | 66,868 |
| Instructional staff | 775,226 | 673,789 | 101,437 |
| General administration | 119,790 | 138,019 | (18,229) |
| Executive administration | 548,832 | 549,957 | (1,125) |
| School administration | 1,326,275 | 1,302,584 | 23,691 |
| Business | 327,810 | 342,543 | (14,733) |
| Operation and maintenance of plant | 2,069,559 | 2,197,004 | (127,445) |
| Student transportation | 1,168,254 | 1,146,015 | 22,239 |
| Other | 724,125 | 800,412 | (76,287) |
| Facilities acquisition and construction | 53,889 | 24,239 | 29,650 |
| Total expenditures | <u>21,627,024</u> | <u>21,271,577</u> | <u>355,447</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(373,158)</u> | <u>(110,614)</u> | <u>262,544</u> |
| OTHER FINANCING USES | | | |
| Transfers out | <u>(405,863)</u> | <u>(416,984)</u> | <u>(11,121)</u> |
| Net change in fund balance | <u>\$ (779,021)</u> | <u>(527,598)</u> | <u>\$ 251,423</u> |
| Increase in nonspendable fund balance | | (1,925) | |
| Decrease in committed fund balance | | 52,670 | |
| Unassigned fund balance, beginning | | 626,350 | |
| Unassigned fund balance, ending | | <u>\$ 149,497</u> | |

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT E
LITCHFIELD SCHOOL DISTRICT
Fiduciary Funds
Statement of Net Position
June 30, 2019

| | <u>Agency</u> |
|---------------------------|-------------------|
| ASSETS | |
| Cash and cash equivalents | <u>\$ 230,179</u> |
| LIABILITIES | |
| Due to student groups | <u>\$ 230,179</u> |

The notes to the basic financial statements are an integral part of this statement.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

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LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Litchfield School District, in Litchfield, New Hampshire (the School District), have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

1-A Reporting Entity

The Litchfield School District is a municipal corporation governed by an elected 5-member School Board. In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB. The School District has no component units to include in its reporting entity.

The following is a summary of the more significant accounting policies:

1-B Government-wide and Fund Financial Statements

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the primary government. Generally, the effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported through assessments and intergovernmental revenues.

The *Statement of Net Position* presents the financial position of the School District at year-end. This Statement includes all of the School District's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational requirements of a particular function. Assessments and other items not meeting the definition of program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenue rather than program revenue.

Fund Financial Statements – Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds and are presented in the other governmental column of the fund financial statements.

In the governmental fund financial statements, expenditures are reported by character: current, debt service or facilities acquisition and construction. Current expenditures are subclassified by function and are for items such as salaries, grants, supplies, and services. Debt service includes both interest and principal outlays related to bonds. Capital outlay includes expenditures for equipment, real property, or infrastructure. However, the School District has no debt service expenditures for the current year.

Other Financing Sources (Uses) – These additions to and reductions from resources in governmental fund financial statements normally result from transfers from/to other funds. Transfers are reported when incurred as “transfers in” by the receiving fund and as “transfers out” by the disbursing fund.

1-C Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement Focus and Basis of Accounting – The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements, except for agency funds which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

For this purpose, the School District generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of reimbursement based grants, which use a period of one year. District assessments, intergovernmental revenue, and other local sources associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Financial Statement Presentation – A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to report financial position and the results of operations, to demonstrate legal compliance, and to aid financial management by segregating transactions related to certain government functions or activities.

The School District reports the following major governmental fund:

General Fund – is the School District’s primary operating fund. The general fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue sources include district assessments, state and federal grants, and other local sources. The primary expenditures are for instruction, support services, debt service, and facilities acquisition and construction. Under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, guidance the and expendable trust funds are consolidated in the general fund.

Nonmajor Funds – The School District also reports three nonmajor governmental funds.

Fiduciary Fund Financial Statements – Fiduciary fund financial statements include a Statement of Net. These funds account for resources held by the School District for the benefit of other parties, and include the agency funds. Fiduciary funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting.

1-D Cash and Cash Equivalents

The School District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits. A cash pool is maintained that is available for use by all funds. Each fund’s portion of this pool is reflected on the combined financial statements under the caption “cash and cash equivalents.”

New Hampshire statutes require that the School District treasurer have custody of all money belonging to the School District and pay out the same only upon orders of the School Board. The treasurer shall deposit all such monies in participation units in the public deposit investment pool established pursuant to NH RSA 383:22 or in solvent banks in the state. Funds may be deposited in banks outside the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations of the State of New Hampshire in value at least equal to the amount of the deposit in each case.

1-E Receivables

Receivables in the government-wide and governmental fund financial statements represent amounts due to the School District at June 30, recorded as revenue, which will be collected in the future and consist primarily of accounts and intergovernmental receivables.

1-F Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and expensed as the items are used.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

1-G Capital Assets

Capital assets are reported in the governmental activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation, if received on or before June 15, 2015. Donated capital assets received after June 15, 2015 are recorded at acquisition value. The School District has established a threshold of \$10,000 or more and an estimated useful life in excess of one year for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

The accounting and reporting treatment applied to capital assets associated with a fund are determined by the fund's measurement focus. General capital assets are assets of the School District as a whole. When purchased, such assets are recorded as expenditures in a governmental fund and capitalized as assets in the government-wide Statement of Net Position.

In the government-wide financial statements, the cost of property sold or retired, together with the related accumulated depreciation, is removed and any resulting gain or loss is included in income.

Capital assets of the School District are depreciated using the straight-line method over the following estimated useful lives:

| | Years |
|-------------------------------------|-------|
| Land improvements | 20 |
| Buildings and building improvements | 20-30 |
| Equipment | 5-15 |

1-H Interfund Activities

Interfund activities are reported as follows:

Interfund Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

Interfund Transfers – Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making the transfers and other financing sources in the funds receiving the transfers. In the government-wide financial statements, all interfund transfers between individual governmental funds have been eliminated.

1-I Accounts Payable

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of June 30, 2019.

1-J Deferred Outflows/Inflows of Resources

Deferred outflows of resources, a separate financial statement element, represents a consumption of net position or fund balance that applies to a future period(s) and thus will not be recognized as an outflow of resources (expenses) until then.

Deferred inflows of resources, a separate financial statement element, represents an acquisition of net position or fund balance that applies to a future period(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

1-K Long-term Obligations

In the government-wide financial statements and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

1-L Compensated Absences

General leave for the School District includes vacation and sick pay. General leave is based on an employee's length of employment and is earned ratably during the span of employment. Upon retirement or termination, employees are paid full vale for any accrued general leave earned as set forth by personnel policy.

Vested or accumulated general leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated general leave that are not expected to be liquidated with expendable financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

1-M Defined Benefit Pension Plan

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* requires participating employers to recognize their proportionate share of collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, and schedules have been prepared to provide employers with their calculated proportionate share of these amounts. The collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions from employers are recognized when legally due, based on statutory requirements.

The schedules prepared by New Hampshire Retirement System, and audited by the plan's independent auditors, require management to make a number of estimates and assumptions related to the reported amounts. Due to the inherent nature and uncertainty of these estimates, actual results could differ, and the differences may be material.

1-N Postemployment Benefits Other Than Pensions (OPEB)

The School District maintains two separate other postemployment benefit plans, as follows:

New Hampshire Retirement System Plan – For the purposes of measuring the total other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System OPEB Plan (the plan) and additions to/deductions from the plan's fiduciary net position has been determined on the same basis as they are reported by the New Hampshire Retirement System. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Single Employer Plan – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the School District's actuarial report. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms.

1-O Net Position/Fund Balances

Government-wide statements – Equity is classified as net position and displayed in two components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of bonds, or other debt attributable to the acquisition, construction, or improvement of those assets.

Unrestricted Net Position – Consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

Fund Balance Classifications – GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more clearly defined fund balance categories to make sure the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable – Amounts that cannot be spent because they are either (a) not in spendable form; or (b) are legally or contractually required to be maintained intact.

Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the legislative body (School District Meeting). These amounts cannot be used for any other purpose unless the legislative body removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the School Board or through the Board delegating this responsibility to the Superintendent or Business Administrator through the budgetary process.

Unassigned – The portion of fund balance that has not been restricted, committed, or assigned for a specific purpose.

When multiple net position/fund balance classifications are available for use, it is the government's policy to utilize the most restricted balances first, then the next most restricted balance as needed. When components of unrestricted fund balance are used, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

1-P Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses/expenditures during the period reported. These estimates include assessing the collectability of accounts receivable and the useful lives of capital assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the School District's operations. At its annual meeting, the School District adopts a budget for the current year for the general fund. Except as reconciled below, the budget was adopted on a basis consistent with United States generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

Encumbrance accounting, under which purchase orders, contracts, and continuing appropriations (certain projects and specific items not fully expended at year-end) are recognized, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures, and are therefore, reported as part of the assigned fund balance at year-end, and are carried forward to supplement appropriations of the subsequent year.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. In the fiscal year 2019, \$626,351 of the beginning general fund unassigned fund balance was applied for this purpose, further \$152,670 was voted to be used in fiscal year 2018-19.

2-B Budgetary Reconciliation to GAAP Basis

While the School District reports financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual is presented for each major governmental fund which had a budget. Differences between the budgetary basis and GAAP basis of accounting for the general fund are as follows:

| | |
|--|----------------------|
| Revenues: | |
| Per Exhibit D (budgetary basis) | \$ 21,160,963 |
| Adjustments: | |
| Basis difference: | |
| GASB Statement No. 54: | |
| Interest earnings related to the blended expendable trust funds | 4,592 |
| Transfer from closed capital project fund to expendable trust funds | 1,738 |
| Per Exhibit C-3 (GAAP Basis) | <u>\$ 21,167,293</u> |
| Expenditures and other financing uses: | |
| Per Exhibit D (budgetary basis) | \$ 21,688,561 |
| Adjustments: | |
| Basis difference: | |
| Encumbrances, beginning | 196,402 |
| Encumbrances, ending | (194,702) |
| GASB Statement No. 54: | |
| To remove transfer from the general fund to the blended expendable trust funds | (50,000) |
| Per Exhibit C-3 (GAAP basis) | <u>\$ 21,640,261</u> |

DETAILED NOTES ON ALL FUNDS

NOTE 3 – CASH AND CASH EQUIVALENTS

The School District's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held by the School District's agent in the School District's name. The FDIC currently insures the first \$250,000 of the School District's deposits at each financial institution, per case custodian. Deposit balances over \$250,000 are insured by collateral. As of year-end, the carrying amount of the School District's deposits was \$1,518,472 and the bank balances totaled \$1,717,850.

Cash and cash equivalents reconciliation:

| | |
|--|---------------------|
| Cash per Statement of Net Position (Exhibit A) | \$ 1,288,293 |
| Cash per Statement of Net Position - Fiduciary Funds (Exhibit E) | 230,179 |
| Total cash and cash equivalents | <u>\$ 1,518,472</u> |

NOTE 4 – RECEIVABLES

Receivables at June 30, 2019, consisted of accounts and intergovernmental amounts arising from grants, school lunch program, restricted grants, and expendable trust funds held by the Town of Litchfield Trustees of Trust Funds for the School District. Receivables are recorded on the School District's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 consisted of the following:

| | Balance, beginning | Additions | Transfers | Balance, ending |
|--|-----------------------|--------------------|---------------------|---------------------|
| At cost: | | | | |
| Not being depreciated: | | | | |
| Land | \$ 460,792 | \$ - | \$ - | \$ 460,792 |
| Construction in progress | 165,477 | 13,528 | (165,477) | 13,528 |
| Total capital assets not being depreciated | <u>626,269</u> | <u>13,528</u> | <u>(165,477)</u> | <u>474,320</u> |
| Being depreciated: | | | | |
| Land improvements | 45,000 | - | - | 45,000 |
| Buildings and building improvements | 19,333,952 | 609,419 | - | 19,943,371 |
| Equipment | 493,334 | - | - | 493,334 |
| Total capital assets being depreciated | <u>19,872,286</u> | <u>609,419</u> | <u>-</u> | <u>20,481,705</u> |
| Total capital assets | <u>20,498,555</u> | <u>622,947</u> | <u>(165,477)</u> | <u>20,956,025</u> |
| Less accumulated depreciation: | | | | |
| Land improvements | (6,375) | (2,250) | - | (8,625) |
| Buildings and building improvements | (10,834,129) | (639,440) | - | (11,473,569) |
| Equipment | (302,560) | (26,161) | - | (328,721) |
| Total accumulated depreciation | <u>(11,143,064)</u> | <u>(667,851)</u> | <u>-</u> | <u>(11,810,915)</u> |
| Net book value, capital assets being depreciated | <u>8,729,222</u> | <u>(58,432)</u> | <u>-</u> | <u>8,670,790</u> |
| Net book value, all capital assets | <u>\$ 9,355,491</u> | <u>\$ (44,904)</u> | <u>\$ (165,477)</u> | <u>\$ 9,145,110</u> |

Depreciation expense was charged to functions of the School District based on their usage of the related assets. The amounts allocated to each function are as follows:

| | |
|------------------------------------|-------------------|
| Instruction | \$ 577,487 |
| Support services: | |
| Operation and maintenance of plant | 75,362 |
| Other | 15,002 |
| Total depreciation expense | <u>\$ 667,851</u> |

NOTE 6 – INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances consisting of overdrafts in pooled cash and budgetary transfers at June 30, 2019 are as follows:

| Receivable Fund | Payable Fund | Amount |
|-----------------|--------------|------------------|
| Nonmajor fund | General Fund | <u>\$ 10,903</u> |

Interfund transfers during the year ended June 30, 2019 are as follows:

| | Transfers In: | | |
|----------------|-----------------|-------------------|-------------------|
| | General Fund | Nonmajor Funds | Total |
| Transfers out: | | | |
| General fund | \$ - | \$ 366,984 | \$ 366,984 |
| Nonmajor fund | 1,738 | - | 1,738 |
| Total | <u>\$ 1,738</u> | <u>\$ 366,984</u> | <u>\$ 368,722</u> |

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (2) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

NOTE 7 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources in the governmental activities at June 30, 2019 consist of amounts related to pensions totaling \$3,861,898 and amounts related to OPEB totaling \$751,811. For further discussion on these amounts, see Notes 9 and 10, respectively.

Deferred inflows of resources reported in the governmental activities and governmental funds are as follows:

| | Governmental Activities | Governmental Funds |
|---|----------------------------|-----------------------|
| Amounts related to pensions, see Note 9 | \$ 746,558 | - |
| Amounts related to OPEB, see Note 10 | 76,302 | - |
| Amounts received in advance of eligible expenditures/expenses | 74,776 | 74,776 |
| Total deferred inflows of resources | <u>\$ 897,636</u> | <u>\$ 74,776</u> |

NOTE 8 – LONG-TERM LIABILITIES

Changes in the School District’s long-term liabilities consisted of the following for the year ended June 30, 2019:

| | Balance July 1, 2018 | Additions | Reductions | Balance June 30, 2019 | Due Within One Year |
|-----------------------------------|-------------------------|---------------------|-------------------|--------------------------|------------------------|
| Compensated absences | \$ 877,605 | \$ - | \$ 211,659 | \$ 665,946 | \$ 30,390 |
| Pension related liability | 14,984,934 | 1,136,740 | - | 16,121,674 | - |
| Net other postemployment benefits | 3,796,725 | - | 199,436 | 3,597,289 | - |
| Total long-term liabilities | <u>\$ 19,659,264</u> | <u>\$ 1,136,740</u> | <u>\$ 411,095</u> | <u>\$ 20,384,909</u> | <u>\$ 30,390</u> |

NOTE 9 – DEFINED BENEFIT PENSION PLAN

Plan Description – The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan), a component unit of the State of New Hampshire, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* – an amendment of GASB Statement No. 25. The Pension Plan was established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The Pension Plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

Benefits Provided – The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II. All assets are held in a single trust and available to pay retirement benefits to all members.

Group I members at age 60 or 65 (for members who commence service after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final salary for the highest of either three or five years, depending on when their service commenced. The yearly pension amount is 1/60 or 1.667% of average final compensation (AFC) multiplied by years of creditable service. At age 65, the yearly pension amount is recalculated at 1/66 or 1.515% of AFC multiplied by years of creditable service.

Group II members who are age 60, or members who are at least age 45 with at least 20 years of creditable service, can receive a retirement allowance at a rate of 2.5% of AFC for each year of creditable service, not to exceed 40 years. Members commencing service on or after July 1, 2011 or members who have nonvested status as of January 1, 2012 can receive a retirement allowance at age 52.5 with 25 years of service or age 60. The benefit shall be equal to 2% of AFC times creditable service up to 42.5 years. However, a member who commenced service on or after July 1, 2011 shall not receive a retirement allowance until attaining the age of 52.5, but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the member attains 52.5 years of age by ¼ of 1% or age 60.

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Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances, subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation and/or service.

Contributions – The System is financed by contributions from both the employees and the School District. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. All employees are required to contribute 7% of earnable compensation. For fiscal year 2019, the School District contributed 15.70% for teachers and 11.08% for other employees. The contribution requirement for the fiscal year 2019 was \$1,415,091, which was paid in full.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At June 30, 2019, the School District reported a liability of \$16,121,674 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District’s proportion of the net pension liability was based on a projection of the School District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2018, the School District’s proportion was 0.33480781% which was an increase of 0.03% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the School District recognized pension expense of \$1,742,560. At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Changes in proportion | \$ 1,131,047 | \$ 242,950 |
| Net difference between projected and actual investment earnings on pension plan investments | | 373,070 |
| Changes in assumptions | 1,115,700 | - |
| Differences between expected and actual experience | 128,680 | 130,538 |
| Contributions subsequent to the measurement date | 1,486,471 | - |
| Total | \$ 3,861,898 | \$ 746,558 |

The \$1,486,471 reported as deferred outflows of resources related to pensions results from the School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year Ending June 30, | |
|--------------------------------|--------------|
| 2019 | \$ 818,594 |
| 2020 | 725,983 |
| 2021 | (74,165) |
| 2022 | 158,457 |
| Thereafter | - |
| Totals | \$ 1,628,869 |

Actuarial Assumptions – The collective total pension liability was determined by an actuarial performed as of June 30, 2017, rolled forward to June 30, 2018, using the following assumptions:

| | |
|----------------------------|---|
| Inflation: | 2.5% per year |
| Wage inflation | 3.25% per year |
| Salary increases: | 5.6% average, including inflation |
| Investment rate of return: | 7.25% net of pension plan investment expense, including inflation |

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Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on last experience study.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

Long-term Rates of Return – The long-term expected rate of return on pension plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and long-term rates of return for 2018:

| Asset Class | Target Allocation | Weighted average long-term expected real rate of return |
|----------------------------------|-------------------|---|
| | | 2018 |
| Large Cap Equities | 22.50% | 4.25% |
| Small/Mid Cap Equities | 7.50% | 4.50% |
| Total domestic equities | 30.00% | |
| Int'l Equities (unhedged) | 13.00% | 4.50% |
| Emerging Int'l Equities | 7.00% | 6.00% |
| Total international equity | 20.00% | |
| Core Bonds | 4.50% | 0.50% |
| Short Duration | 2.50% | (0.25%) |
| Global Multi-Sector Fixed Income | 11.00% | 1.80% |
| Absolute Return Fixed Income | 7.00% | 1.14% |
| Total fixed income | 25.00% | |
| Private equity | 5.00% | 6.25% |
| Private debt | 5.00% | 4.25% |
| Opportunistic | 5.00% | 2.15% |
| Total alternative investments | 15.00% | |
| Real estate | 10.00% | 3.25% |
| Total | 100.00% | |

Discount Rate – The discount rate used to measure the collective total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan’s actuarial funding policy as required by RSA 100-A:16. Based on those assumptions, the Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investment was applied to all periods of projected benefit payments to determine the collective total pension liability.

Sensitivity of the School District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table presents the School District’s proportionate share of the net pension liability calculated using the discount rate of 7.25% as well as what the School District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

| Actuarial Valuation Date | 1% Decrease | Current Single Rate Assumption | 1% Increase |
|--------------------------|---------------|--------------------------------|---------------|
| | 6.25% | 7.25% | 8.25% |
| June 30, 2018 | \$ 21,450,019 | \$ 16,121,674 | \$ 11,656,358 |

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Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan financial report.

NOTE 10– POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

10-A New Hampshire Retirement System (NHRS)

Plan Description – The New Hampshire Retirement System (NHRS or the System) administers a cost-sharing multiple-employer other postemployment benefit plan medical subsidy healthcare plan (OPEB Plan). For additional system information, please refer to the 2018 Comprehensive Annual Financial Report, which can be found on the system’s website at www.nhrs.org.

Benefits Provided – Benefit amounts and eligibility requirements for the OPEB Plan are set by State law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and Group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. The OPEB plan is closed to new entrants.

Maximum medical subsidy rates paid during fiscal years 2017 and 2016 were as follows:

For qualified retirees not eligible for Medicare, the amounts were \$375.56 for a single-person plan and \$751.12 for a two-person plan.

For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan.

Contributions – The OPEB Plan is funded by allocating to the 401(h) subtrust the lesser of: 25% of all employer contributions made in accordance with RSA 100-A:16 or the percentage of employer contributions determined by the actuary to be the minimum rate necessary to maintain the benefits provided under RSA 100-A:53-b, RSA 100-A:53-c, and RSA 100-A:53-d. For fiscal year 2018, the minimum rates determined by the actuary to maintain benefits were the lesser of the two options and were used to determine the employer contributions due to the 401(h) subtrust. The State Legislature has the authority to establish, amend and discontinue the contribution requirements of the OPEB Plan. Administrative costs are allocated to the OPEB Plan based on fund balances. For fiscal year 2019, the School District contributed 1.66% for teachers and 0.30% for other employees. The contribution requirement for the fiscal year 2018 was \$136,583, which was paid in full.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – At June 30, 2019, the School District reported a liability of \$1,413,740 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School District’s proportion of the net OPEB liability was based on a projection of the School District’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2018, the School District’s proportion was 0.30878094% which was a decrease of 0.07% from its proportion measured as of June 30, 2017.

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For the year ended June 30, 2019, the School District recognized OPEB expense of \$142,227. At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Changes in proportion | \$ - | \$ 71,810 |
| Net difference between projected and actual investment earnings on OPEB plan investments | 8,298 | 4,492 |
| Contributions subsequent to the measurement date | 143,327 | - |
| Total | \$ 151,625 | \$ 76,302 |

The \$143,327 reported as deferred outflows of resources related to OPEB results from the School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Fiscal Year Ending June 30, | |
|--------------------------------|------------|
| 2019 | \$(64,913) |
| 2020 | (1,401) |
| 2021 | (1,401) |
| 2022 | (289) |
| Totals | \$(68,004) |

Actuarial Assumptions – The total OPEB liability in this report is based on an actuarial valuation performed as of June 30, 2017 and a measurement date of June 30, 2018. The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

| | |
|----------------------------|--|
| Price inflation: | 2.5% per year |
| Wage inflation: | 3.25% per year |
| Salary increases: | 5.6% average, including inflation |
| Investment rate of return: | 7.25% net of OPEB plan investment expense, including inflation |
| Health care trend rate: | Not applicable, given that the benefits are fixed stipends |

Mortality rates were based on the RP-2014 healthy annuitant and employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on last experience study.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

Long-term Rates of Return – The long-term expected rate of return on OPEB plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

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Following is a table presenting target allocations and long-term rates of return for 2018:

| Asset Class | Target Allocation | Weighted average long-term expected real rate of return 2018 |
|----------------------------------|-------------------|---|
| Large Cap Equities | 22.50% | 4.25% |
| Small/Mid Cap Equities | 7.50% | 4.50% |
| Total domestic equities | 30.00% | |
| Int'l Equities (unhedged) | 13.00% | 4.50% |
| Emerging Int'l Equities | 7.00% | 6.00% |
| Total international equity | 20.00% | |
| Core Bonds | 4.50% | 0.50% |
| Short Duration | 2.50% | (0.25%) |
| Global Multi-Sector Fixed Income | 11.00% | 1.80% |
| Absolute Return Fixed Income | 7.00% | 1.14% |
| Total fixed income | 25.00% | |
| Private equity | 5.00% | 6.25% |
| Private debt | 5.00% | 4.75% |
| Opportunistic | 5.00% | 2.15% |
| Total alternative investments | 15.00% | |
| Real estate | 10.00% | 3.25% |
| Total | 100.00% | |

Discount Rate – The discount rate used to measure the total OPEB liability as of June 30, 2018 was 7.25%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statute RSA 100-A:16 and that plan member contributions will be made under RSA 100-A:16. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

Sensitivity of the School District’s Proportionate Share of the OPEB Liability to Changes in the Discount Rate – The following table presents the School District’s proportionate share of the OPEB liability calculated using the discount rate of 7.25% as well as what the School District’s proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

| Actuarial Valuation Date | 1% Decrease 6.25% | Current Single Rate Assumption 7.25% | 1% Increase 8.25% |
|--------------------------|----------------------|---|----------------------|
| June 30, 2018 | \$ 1,471,427 | \$ 1,413,740 | \$ 1,252,149 |

Sensitivity of the School District’s Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Rate – GASB No. 75 requires the sensitivity of the Net OPEB liability to the healthcare cost trend assumption. Since the medical subsidy benefits are a fixed stipend, there is no sensitivity to the change in the healthcare cost trend assumption.

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit OPEB Plan financial report.

10-B Retiree Health Benefit Program

Plan Description – GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefit. The postemployment benefit liability is recognized on the Statement of Net Position over time.

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Benefits Provided – The School District provides postemployment healthcare benefits for certain eligible retirees. The School District provides medical benefits to its eligible retirees.

Employees Covered by Benefit Terms – At July 1, 2017 the following employees were covered by the benefit terms:

| | |
|--|-----|
| Inactive employees or beneficiaries currently receiving benefit payments | 2 |
| Active employees | 122 |
| Total participants covered by OPEB plan | 124 |

Total OPEB Liability – The School District’s total OPEB liability of \$2,183,549 was measured as of July 1, 2018 and was determined by an actuarial valuation of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability of \$2,183,549 in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--------------------------------|-------|
| Discount Rate: | 3.58% |
| Healthcare Cost Trend Rates: | |
| Current Year Trend | 9.50% |
| Second Year Trend | 9.00% |
| Decrement | 0.50% |
| Ultimate Trend | 5.00% |
| Year Ultimate Trend is Reached | 2028 |
| Salary Increases: | 2.00% |

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20-year AA municipal bond rate as of July 1, 2017.

Mortality rates were based on the SOA RP-2014 Total Dataset Morality with Scale MP-2017.

Changes in the Total OPEB Liability

| | June 30, | | |
|---|--------------|--------------|--------------|
| | 2017 | 2018 | 2019 |
| Total OPEB liability beginning of year | \$ 1,375,726 | \$ 1,932,339 | \$ 2,047,474 |
| Changes for the year: | | | |
| Service cost | 82,071 | 115,689 | 118,001 |
| Interest | 60,076 | 68,450 | 72,661 |
| Assumption changes | 248,666 | - | - |
| Difference between actual and expected experience | 678,376 | (28,322) | (18,911) |
| Change in actuarial cost method | (431,172) | - | - |
| Benefit payments | (81,404) | (40,682) | (35,676) |
| Total OPEB liability end of year | \$ 1,932,339 | \$ 2,047,474 | \$ 2,183,549 |

Sensitivity of the School District’s OPEB Liability to Changes in the Discount Rate – The July 1, 2017 actuarial valuation was prepared using a discount rate of 2.1%. If the discount rate were 1% higher than what was used the OPEB liability would decrease to \$2,008,201 or by 8%. If the discount rate were 1% lower than what was used the OPEB liability would increase to \$2,371,136 or by 9%.

| | Discount Rate | | |
|----------------------|---------------|----------------|--------------|
| | 1% Decrease | Baseline 2.10% | 1% Increase |
| Total OPEB Liability | \$ 2,371,136 | \$ 2,183,549 | \$ 2,008,201 |

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Sensitivity of the School District's OPEB Liability to Changes in the Healthcare Cost Trend Rates – The July 1, 2017 actuarial valuation was prepared using an initial trend rate of 8%. If the trend rate were 1% higher than what was used the OPEB liability would increase to \$2,499,771 or by 14%. If the trend rate were 1% lower than what was used the OPEB liability would decrease to \$1,914,684 or by 12%.

| | Healthcare Cost Trend Rates | | |
|----------------------|-----------------------------|----------------|--------------|
| | 1% Decrease | Baseline 8.00% | 1% Increase |
| Total OPEB Liability | \$ 1,914,684 | \$ 2,183,549 | \$ 2,499,771 |

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2019, the School District recognized OPEB expense of \$327,904. At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources |
|--|--------------------------------------|
| Changes in assumptions | \$ 172,282 |
| Differences between expected and actual experience | 427,904 |
| Total | \$ 600,186 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Fiscal Year Ending June 30, | |
|--------------------------------|------------|
| 2020 | \$ 133,050 |
| 2021 | 133,050 |
| 2022 | 133,050 |
| 2023 | 181,522 |
| 2024 | 19,514 |
| Thereafter | - |
| Totals | \$ 600,186 |

NOTE 11 – ENCUMBRANCES

Encumbrances outstanding at June 30, 2019 are as follows:

| | |
|------------------------------------|------------|
| Current: | |
| Support services: | |
| Instructional staff | \$ 2,360 |
| Operation and maintenance of plant | 165,126 |
| Other | 27,216 |
| Total encumbrances | \$ 194,702 |

NOTE 12 – GOVERNMENTAL ACTIVITIES NET POSITION

Governmental activities net position reported on the government-wide Statement of Net Position at June 30, 2019 include the following:

| | |
|--------------------------------------|----------------|
| Net book value of all capital assets | \$ 9,145,110 |
| Unrestricted | (15,777,380) |
| Total net position | \$ (6,632,270) |

None of net position is restricted by enabling legislation.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

NOTE 13 – GOVERNMENTAL FUND BALANCES

Governmental fund balances at June 30, 2019 consist of the following:

| | General Fund |
|----------------------------------|-----------------|
| Nonspendable: | |
| Prepaid items | \$ 1,925 |
| Committed: | |
| Expendable trust | 370,556 |
| Voted appropriation - March 2019 | 100,000 |
| Total committed fund balance | 470,556 |
| Assigned: | |
| Encumbrances | 194,702 |
| Unassigned | 149,497 |
| Total governmental fund balances | \$ 816,680 |

NOTE 14 – RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2019, the School District was a member of the New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from July 1, 2018 to June 30, 2019 by Primex³, which retained \$2,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The workers' compensation section of the self-insurance membership agreement permits Primex³ to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In fiscal year 2018-19 the School District paid \$51,586 and \$42,808, respectively to Primex³ for property/liability and workers' compensation. At the time of the issuance of this annual financial report, Primex³ foresees no likelihood of any additional assessment for this or any prior year.

The School District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 15 – CONTINGENT LIABILITIES

There are various claims and suits pending against the School District which arose in the normal course of the School District's activities. In the opinion of management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the School District.

The School District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement from the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the School District believes such disallowances, if any, will be immaterial.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent

in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date but arose after the date. Management has evaluated subsequent events through February 5, 2020, the date the June 30, 2019 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT F
LITCHFIELD SCHOOL DISTRICT
Schedule of the School District's Proportionate Share of Net Pension Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2019

| | June 30, | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| School District's: | | | | | | |
| Proportion of the net pension liability | 0.32% | 0.31% | 0.31% | 0.31% | 0.30% | 0.33% |
| Proportionate share of the net pension liability | \$ 13,904,142 | \$ 11,782,044 | \$ 12,123,829 | \$ 16,433,964 | \$ 14,984,934 | \$ 16,121,674 |
| Covered payroll | \$ 8,971,205 | \$ 8,661,687 | \$ 8,971,205 | \$ 8,880,015 | \$ 9,452,075 | \$ 9,934,425 |
| Proportionate share of the net pension liability as a percentage of its covered payroll | 154.99% | 136.02% | 135.14% | 185.07% | 158.54% | 162.28% |
| Plan fiduciary net position as a percentage of the total pension liability | 66.32% | 59.81% | 65.47% | 58.30% | 62.66% | 64.73% |

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.

EXHIBIT G
LITCHFIELD SCHOOL DISTRICT
Schedule of School District Contributions - Pensions
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2019

| | June 30, | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| Contractually required contribution | \$ 803,320 | \$ 1,018,324 | \$ 1,026,726 | \$ 1,106,639 | \$ 1,116,234 | \$ 1,415,091 |
| Contributions in relation to the contractually required contributions | (803,320) | (1,018,324) | (1,026,726) | (1,106,639) | (1,116,234) | (1,415,091) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| School District's covered payroll | \$ 8,971,205 | \$ 8,661,687 | \$ 8,971,205 | \$ 8,880,015 | \$ 9,452,075 | \$ 9,934,425 |
| Contributions as a percentage of covered payroll | 8.95% | 11.76% | 11.44% | 12.46% | 11.81% | 14.24% |

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.

LITCHFIELD SCHOOL DISTRICT
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –
PENSION LIABILITY
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

Schedule of the School District’s Proportionate Share of Net Pension Liability and Schedule of School District Contributions – Pensions

As required by GASB Statement No. 68, and as amended by GASB Statement No. 71, Exhibits F and G represent the actuarial determined costs associated with the School District’s pension plan at June 30, 2019. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year 2018:

| | |
|-------------------------------|--|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level Percentage-of-Payroll, Closed |
| Remaining Amortization Period | 22 years beginning July 1, 2018 (30 years beginning July 1, 2009) |
| Asset Valuation Method | 5-year smooth market for funding purposes |
| Price Inflation | 2.5% per year |
| Wage Inflation | 3.25% per year |
| Salary Increases | 5.6% Average, including inflation |
| Municipal Bond Rate | 3.62% per year |
| Investment Rate of Return | 7.25% per year |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2015. |
| Mortality | RP-2014 Employee generational mortality table for males and females, adjusted for mortality improvements using Scale MP -2015, based in the last experience study. |

Other Information:

| | |
|-------|---|
| Notes | The roll-forward of total pension liability from June 30, 2017 to June 30, 2018 reflects expected service cost and interest reduced by actual benefit payments. |
|-------|---|

EXHIBIT H
LITCHFIELD SCHOOL DISTRICT
Schedule of the School District's Proportionate Share of the Net Other Postemployment Benefits Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2019

| | June 30, | | |
|--|--------------|--------------|--------------|
| | 2017 | 2018 | 2019 |
| School District's proportion of the net OPEB liability | 0.39% | 0.38% | 0.31% |
| School District's proportionate share of the net OPEB liability | \$ 1,871,299 | \$ 1,749,251 | \$ 1,413,740 |
| School District's covered payroll | \$ 8,988,095 | \$ 9,452,075 | \$ 9,934,425 |
| School District's proportionate share of the net OPEB liability as a percentage of its covered payroll | 20.80% | 18.51% | 14.23% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 5.21% | 7.91% | 7.53% |

The Notes to the Required Supplementary Information – Other Postemployment Benefits Liability is an integral part of this schedule.

EXHIBIT I
LITCHFIELD SCHOOL DISTRICT
Schedule of School District Contributions - Other Postemployment Benefits
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2019

| | June 30, | | |
|--|--------------|--------------|--------------|
| | 2017 | 2018 | 2019 |
| Contractually required contribution | \$ 224,608 | \$ 226,751 | \$ 136,583 |
| Contributions in relation to the contractually required contribution | (224,608) | (226,751) | (136,583) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - |
| School District's covered payroll | \$ 8,880,015 | \$ 9,452,075 | \$ 9,934,425 |
| Contributions as a percentage of covered payroll | 2.53% | 2.40% | 1.37% |

The Notes to the Required Supplementary Information – Other Postemployment Benefits Liability is an integral part of this schedule.

EXHIBIT J
LITCHFIELD SCHOOL DISTRICT
Schedule of Changes in the School District's Total Other Postemployment Benefits Liability and Related Ratios
For the Fiscal Year Ended June 30, 2019

| | June 30, | | |
|---|---------------------|---------------------|---------------------|
| | 2017 | 2018 | 2019 |
| OPEB liability, beginning of year | \$ 1,375,726 | \$ 1,932,339 | \$ 2,047,474 |
| Changes for the year: | | | |
| Service cost | 82,071 | 115,689 | 118,001 |
| Interest | 60,076 | 68,450 | 72,661 |
| Assumption changes | 248,666 | - | - |
| Difference between actual and expected experience | 678,376 | (28,322) | (18,911) |
| Change in actuarial cost method | (431,172) | - | - |
| Benefit payments | (81,404) | (40,682) | (35,676) |
| OPEB liability, end of year | <u>\$ 1,932,339</u> | <u>\$ 2,047,474</u> | <u>\$ 2,183,549</u> |
| Covered payroll | <u>\$ 8,547,438</u> | <u>\$ 8,321,649</u> | <u>\$ 8,488,082</u> |
| Total OPEB liability as a percentage of covered payroll | 22.61% | 24.60% | 25.72% |

The Notes to the Required Supplementary Information – Other Postemployment Benefits Liability is an integral part of this schedule.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –
OTHER POSTEMPLOYMENT BENEFITS LIABILITY
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

Schedule of the School District's Proportionate Share of Net Other Postemployment Benefits Liability and Schedule of School District Contributions – Other Postemployment Benefits

As required by GASB Statement No. 75, Exhibits H and I represent the actuarial determined costs associated with the School District's other postemployment benefits at June 30, 2019. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

There were no changes to benefit terms or assumptions in the current actuarial valuation report.

Methods and Assumptions:

| | |
|-------------------------------|--|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level Percentage-of-Payroll, Closed |
| Remaining Amortization Period | Not applicable under statutory funding |
| Asset Valuation Method | 5-year smooth market: 20% corridor |
| Price Inflation | 2.5% per year |
| Wage Inflation | 3.25% per year |
| Salary Increases | 5.6% Average, including inflation |
| Municipal Bond Rate | 3.62% per year |
| Investment Rate of Return | 7.25% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2015. |
| Mortality | RP-2014 Healthy Annuitant and Employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on the last experience study. |

Schedule of Changes in School District's Total Other Postemployment Benefits Liability and Related Ratios

As required by GASB Statement No. 75, Exhibit J represents the actuarial determined costs associated with the School District's other postemployment benefits at June 30, 2019. The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

COMBINING AND INDIVIDUAL FUND SCHEDULES

*SCHEDULE 1
LITCHFIELD SCHOOL DISTRICT
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2019*

| | Estimated | Actual | Variance Positive (Negative) |
|--|----------------------|----------------------|------------------------------------|
| School district assessment: | | | |
| Current appropriation | \$ 13,687,119 | \$ 13,687,119 | \$ - |
| Other local sources: | | | |
| Tuition | 27,500 | 44,470 | 16,970 |
| Transportation | 9,000 | - | (9,000) |
| Investment earnings | 500 | 6,890 | 6,390 |
| Miscellaneous | 193,107 | 19,948 | (173,159) |
| Total from other local sources | <u>230,107</u> | <u>71,308</u> | <u>(158,799)</u> |
| State sources: | | | |
| Adequacy aid (grant) | 5,156,762 | 5,156,762 | - |
| Adequacy aid (tax) | 1,918,836 | 1,918,836 | - |
| Kindergarten aid | 88,000 | 88,000 | - |
| Catastrophic aid | 70,042 | 87,357 | 17,315 |
| Vocational aid | 3,000 | 8,611 | 5,611 |
| Other state aid | - | 3,165 | 3,165 |
| Total from state sources | <u>7,236,640</u> | <u>7,262,731</u> | <u>26,091</u> |
| Federal sources: | | | |
| Medicaid | 100,000 | 139,805 | 39,805 |
| Total revenues | 21,253,866 | <u>\$ 21,160,963</u> | <u>\$ (92,903)</u> |
| Use of fund balance to reduce school district assessment | 626,351 | | |
| Use of fund balance - appropriated | 152,670 | | |
| Total revenues and use of fund balance | <u>\$ 22,032,887</u> | | |

*SCHEDULE 2
LITCHFIELD SCHOOL DISTRICT
Major General Fund
Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2019*

| | Encumbered from Prior Year | Appropriations | Expenditures | Encumbered to Subsequent Year | Variance Positive (Negative) |
|---|----------------------------------|----------------------|----------------------|-------------------------------------|------------------------------------|
| Current: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 72,203 | \$ 8,743,721 | \$ 8,725,965 | \$ - | \$ 89,959 |
| Special programs | - | 3,370,435 | 3,077,412 | - | 293,023 |
| Vocational programs | - | 37,461 | 48,535 | - | (11,074) |
| Other programs | - | 522,952 | 545,479 | - | (22,527) |
| Total instruction | <u>72,203</u> | <u>12,674,569</u> | <u>12,397,391</u> | <u>-</u> | <u>349,381</u> |
| Support services: | | | | | |
| Student | - | 1,838,695 | 1,771,827 | - | 66,868 |
| Instructional staff | 44,082 | 775,226 | 715,511 | 2,360 | 101,437 |
| General administration | - | 119,790 | 138,019 | - | (18,229) |
| Executive administration | - | 548,832 | 549,957 | - | (1,125) |
| School administration | - | 1,326,275 | 1,302,584 | - | 23,691 |
| Business | - | 327,810 | 342,543 | - | (14,733) |
| Operation and maintenance of plant | 62,374 | 2,069,559 | 2,094,252 | 165,126 | (127,445) |
| Student transportation | - | 1,168,254 | 1,146,015 | - | 22,239 |
| Other | 105 | 724,125 | 773,301 | 27,216 | (76,287) |
| Total support services | <u>106,561</u> | <u>8,898,566</u> | <u>8,834,009</u> | <u>194,702</u> | <u>(23,584)</u> |
| Facilities acquisition and construction | <u>17,638</u> | <u>53,889</u> | <u>41,877</u> | <u>-</u> | <u>29,650</u> |
| Other financing uses: | | | | | |
| Transfers out | - | 405,863 | 416,984 | - | (11,121) |
| Total appropriations, expenditures, other financing uses, and encumbrances | <u>\$ 196,402</u> | <u>\$ 22,032,887</u> | <u>\$ 21,690,261</u> | <u>\$ 194,702</u> | <u>\$ 344,326</u> |

*SCHEDULE 3
LITCHFIELD SCHOOL DISTRICT
Major General Fund
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2019*

| | | |
|---|----------------|--------------------------|
| Unassigned fund balance, beginning | | \$ 626,350 |
| Changes: | | |
| Unassigned fund balance used to reduce school district assessment | | (626,351) |
| Unassigned fund balance appropriated for use in 2018-2019 | | (152,670) |
| 2018-2019 Budget summary: | | |
| Revenue shortfall (Schedule 1) | \$ (92,903) | |
| Unexpended balance of appropriations (Schedule 2) | <u>344,326</u> | |
| 2018-2019 Budget surplus | | 251,423 |
| Increase in nonspendable fund balance | | (1,925) |
| Decrease in committed fund balance | | <u>52,670</u> |
| Unassigned fund balance, ending | | <u><u>\$ 149,497</u></u> |

SCHEDULE 4
LITCHFIELD SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2019

| | Special Revenue Funds | | | Total |
|--|-----------------------|------------------|-----------------|------------------|
| | Grants | Food Service | Capital Project | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 2,094 | \$ - | \$ - | \$ 2,094 |
| Intergovernmental receivable | 71,086 | 4,961 | - | 76,047 |
| Interfund receivable | - | 10,903 | - | 10,903 |
| Total assets | <u>\$ 73,180</u> | <u>\$ 15,864</u> | <u>\$ -</u> | <u>\$ 89,044</u> |
| LIABILITIES | | | | |
| Accounts payable | <u>\$ 5,866</u> | <u>\$ 15,864</u> | <u>\$ -</u> | <u>\$ 21,730</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Amounts received in advance of eligible expenditures | <u>67,314</u> | <u>-</u> | <u>-</u> | <u>67,314</u> |
| Total liabilities and deferred inflows of resources | <u>\$ 73,180</u> | <u>\$ 15,864</u> | <u>\$ -</u> | <u>\$ 89,044</u> |

SCHEDULE 5
LITCHFIELD SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2019

| | Special Revenue Funds | | | Total |
|---|-----------------------|-----------------|------------------|------------------|
| | Grants | Food Service | Capital Project | |
| REVENUES | | | | |
| Other local | 25,706 | 361,964 | 148,107 | 535,777 |
| State | 56,875 | 4,539 | 63,280 | 124,694 |
| Federal | 437,556 | 85,571 | - | 523,127 |
| Total revenues | <u>520,137</u> | <u>452,074</u> | <u>211,387</u> | <u>1,183,598</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 255,002 | - | 47,905 | 302,907 |
| Support services: | | | | |
| Student | 130,203 | - | - | 130,203 |
| Instructional staff | 53,706 | - | - | 53,706 |
| Student transportation | 110 | - | - | 110 |
| Other | 56,875 | - | - | 56,875 |
| Noninstructional services | - | 536,912 | - | 536,912 |
| Facilities acquisition and construction | 24,241 | - | 397,236 | 421,477 |
| Total expenditures | <u>520,137</u> | <u>536,912</u> | <u>445,141</u> | <u>1,502,190</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>(84,838)</u> | <u>(233,754)</u> | <u>(318,592)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 40,257 | 326,727 | 366,984 |
| Transfers out | - | - | (1,738) | (1,738) |
| Total other financing sources (uses) | <u>-</u> | <u>40,257</u> | <u>324,989</u> | <u>365,246</u> |
| Net change in fund balances | - | (44,581) | 91,235 | 46,654 |
| Fund balances, beginning | - | 44,581 | (91,235) | (46,654) |
| Fund balances, ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

*SCHEDULE 4
LITCHFIELD SCHOOL DISTRICT
Student Activities Funds
Combining Schedule of Changes in Student Activities Funds
For the Fiscal Year Ended June 30, 2019*

| | Balance, beginning | Additions | Deductions | Balance, ending |
|-------------------|-----------------------|-------------------|-------------------|--------------------|
| Schools: | | | | |
| Campbell High | \$ 120,716 | \$ 237,741 | \$ 195,083 | \$ 163,374 |
| Litchfield Middle | 46,272 | 172,269 | 171,737 | 46,804 |
| Griffin Memorial | 18,438 | 23,548 | 21,985 | 20,001 |
| Totals | <u>\$ 185,426</u> | <u>\$ 433,558</u> | <u>\$ 388,805</u> | <u>\$ 230,179</u> |

Office of the Superintendent of Schools

1 Highlander Court
Litchfield, NH 03052
578-3570

Michael R. Jette, Ph.D., Superintendent
Cory Izbicki, Business Administrator
Mary Widman, Director Curriculum and Instruction
Hollie Falzone, Director Human Resources
Devin Bandurski, Director Special Services
Jason Pelletier, Director of Technology
Lauren Crowley, Director Food Service

Griffin Memorial School

229 Charles Bancroft Highway
Litchfield, NH 03052
424-5931
Scott Thompson, Principal
Maura Clinton-Jones, Assistant Principal

Litchfield Middle School

19 McElwain Drive
Litchfield, NH 03052
424-2133
Thomas Lecklider, Principal
Martha Thayer, Assistant Principal

Campbell High School

1 Highlander Court
Litchfield, NH 03052
546-0300
William Lonergan, Principal
Michael Perez, Assistant Principal