

Delibertive Session  
Litchfield Budget Committee  
School District Budget

February 9, 2019

# Budget Committee Members

- Cynthia Couture – Chair
- Keri Douglas – Vice Chair
- Jennifer Bourque
- Jessica Martin
- Brion Hodgkins
- Nicole Fordey
- John Brunnell– Selectmen’s Representative
- Robert Meyers– School Board’s Representative

# Budget Preparation

- School District Budget was received in November where the Superintendent and Business Administrator presented school priorities, enrollment projections and projected revenues.
- The budget was reviewed by each department and location over 3 meetings with input from department heads and educational professionals.
- Budget committee decisions were made on November 29<sup>th</sup> when \$240,000 in reductions were made to the proposed budget.

# Decision Criteria

- Consider history of actual spending of previous years
- Consider School District Priorities as presented
- 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.
- The loss of revenue from the State reduction in adequacy aid.
- Consider what was a reasonable budget to present to the voters given fixed cost increases and revenue projections.

# School District Budget Review

- The School District Budget submitted to the Budget Committee was \$443,546 more than last years total approved budget.
- This would have been a tax increase of \$0.63. This also reflects a 4% reduction in stabilization grants from the state. We are now at 84%. These 4% reductions will continue until grants are phased out. With the reduction in grants, level funding the budget will still result in a tax rate increase of \$0.24.
- The Budget Committee made \$240,000 in reductions for a total of \$21,672,672.
- The Recommended budget is still \$203,546 (0.95%) more than last years approved budget.
- The projected increase of 0.95% has the tax impact of a \$0.36 increase
- The Default Budget (\$21,648,617) is \$24,055 less than the proposed budget.

# 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.

**Estimated Tax Impact: \$0.36 (Operating Budget) Estimated Tax Impact: \$0.34 (Default Budget)**

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

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

## Areas of Major Impact to the Budget

Salaries and Benefits Total	\$486,792 Increase	<i>(reflects BC reductions)</i>
Retirement payouts	\$52,049 Increase	<i>(over prior year)</i>
Dental ins.	\$15,085 Increase	
NH Teacher retirement	\$96,890 Increase	
NH Employee Retirement	-\$21,870 decrease	
Health Insurance increased 1.7% but because of a one time credit the total is actually down 1.1% -	-\$4,397 decrease	

### Increased enrollment at GMS

Additional staff	\$101,100 Increase
Additional supplies and furniture	\$28,800 Increase

Special Services	\$168,000 decrease
Technology	\$38,700 decrease
CHS	\$24,500 decrease
LMS	\$4860 decrease
GMS	\$39,200 increase
Supt. Off., Business Off. and school board	\$4,800 decrease
Transportation	\$27,000 increase

# Budget Committee Action

- Special Services Transportation      \$40,000 Reduction      (Passed 6-2-0)
  - Historical underspend.
- Co-curricular Salaries      \$21,000 Reduction      (Passed 7-1-0)
  - Historical reduction based on programs not run or positions not filled.
- Athletic Salaries      \$5,000 Reduction (Passed 6-1-1)
  - Based on positions historically unfilled.
- Salaries and Benefits      \$174,000 Reduction (Passed 5-3-0)
  - Historical underspend in retirement, paras, attrition, health care, Soc. 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

Recommended Budget \$0.36

This would be an estimated \$124.30 increase on a house valued at \$350,000 if the recommended budget passes.

Default Budget \$0.34

This would be an estimated \$118.56 increase on a house valued at \$350,000 if the recommended budget fails.

# Potential Tax Impact of Recommended Warrant Articles

Article 2	Teachers Contract	\$0.44
Article 3	LMS Enrichment Tutor	\$0.03
Article 4	LMS Math Tutor	\$0.03
Article 5	Building Maintenance Capital Reserve	<u>\$0.00</u>
	Warrant Article Total	\$0.50

Current Tax Rate	\$15.15
Recommended Articles only	\$0.42
New Rate	\$16.01

\$ 147 estimated increase to a house valued at \$350,000

If all articles pass total tax impact is \$0.86 or estimated \$297.85 increase on a House valued at \$350,000.

Questions or Comments?