

Kearsarge Regional School District

Annual Meeting: Deliberative Session

January 9, 2010

9:00 AM

Kearsarge Regional High School

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**KEARSARGE REGIONAL SCHOOL DISTRICT WARRANT
THE STATE OF NEW HAMPSHIRE
FOR ANNUAL DISTRICT MEETING - 1ST SESSION, JANUARY 9, 2010**

To the inhabitants of the pre-existing School Districts of Bradford, New London, Newbury, Springfield, Sutton, Warner, and Wilmot, comprising the Kearsarge Regional School District, qualified to vote in Kearsarge Regional School District affairs.

First Session of Annual Meeting (Deliberative)

Article 1 Contingent Article

Provided that the State Legislature does not enact a moratorium on school building aid for the fiscal year ending June 30, 2011, and provided that this project is approved for State Building Aid, and provided further that the District receives Energy Efficiency Community Block Grant ARRA Funds specifically for this project, to see if the school district will vote to raise and appropriate the sum of **(\$2,936,573)** for the purchasing of an Energy Conservation Upgrade (for the purpose of improving school building energy conservation) and to authorize the issuance of not more than **(\$2,936,573)** of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA Chapter 33) and to authorize the School Board to issue and negotiate such bonds or notes and to determine the rate of interest thereon, and furthermore, to see if the School District will vote to raise and appropriate the sum of ***eighty-three thousand, two hundred two dollars (\$83,202.00)*** for the first year's installment payment of interest on the bond issue. (3/5 ballot vote required)

(This article will be null and void and the bonds will not be issued, if the Legislature enacts a moratorium on school building aid for the fiscal year ending June 30, 2011, or if the project is not approved for State Building Aid, or if the ARRA grant request is not approved.)

School Board recommends. Municipal Budget Committee (MBC) recommends.

School Board explanation to Article 1:

In the fall of 2006 the KRSD entered into an agreement with Honeywell to perform an energy audit in all of our district facilities. The goals of this audit were to reduce operating costs and improve health, safety and learning conditions, and make energy conservation measure recommendations for our students in accordance with the School District's mission.

In carrying out the objectives of the audit, Honeywell assessed lighting upgrades, "building envelopes", control systems, HVAC systems, boilers, heating, and air conditioning and air exchange systems.

Financing is to be achieved by issuing bonds, receiving grants, and state building aide, energy cost avoidance, utility rebates, and operation cost avoidance.

In addition, guaranteed savings are underwritten by Honeywell for measurement and verification of annual costs. In other words, if savings are projected to be "X" and they turn out to be lower than projected (y), Honeywell will write a check to the district to equal "X".

Should the voters approve this article; the bonds will only be sold should the following contingencies be met:

- 1) ARRA Funds are received through Energy Efficiency Community Block Grant funds.
- 2) There is in no moratorium placed on State Building Aid for the fiscal year ending June 30, 2011.
- 3) The project is approved for State Building Aid.

A No Vote Means:

- Continuing to spend 14% more in annual energy costs, estimated at over \$1,900,000 over 15 years.
- Raising taxes to pay for \$2,000,000 + in “deferred maintenance”, most of which may no longer qualify for 55% School Building Aid
- Loss of \$2,000,000 in outside funding for this project (school building aid, utility rebates, and stimulus funds)

A NO VOTE = HIGHER COSTS TO TAXPAYERS, WASTED ENERGY, AND REPAIRS LEFT UNDONE AND UNFUNDED

A Yes Vote Means:

- The District will accept up to \$1,600,000 in School Building Aid or approximately 55% of the cost, \$14,000 in Utility Rebates and up to \$400,000 in ARRA grant money in potential outside funding sources
- Avoidance of over \$1,900,000 in future energy costs
- Upgrades to many existing “deferred maintenance” items of which 55% of costs will be offset by School Building Aid
- No Additional Tax Dollars will be required

A YES VOTE = CLEANER, HEALTHIER, MORE COMFORTABLE, MORE EFFICIENT, BETTER FUNCTIONING SCHOOLS, THAT ARE LESS EXPENSIVE TO OPERATE.

Article 2

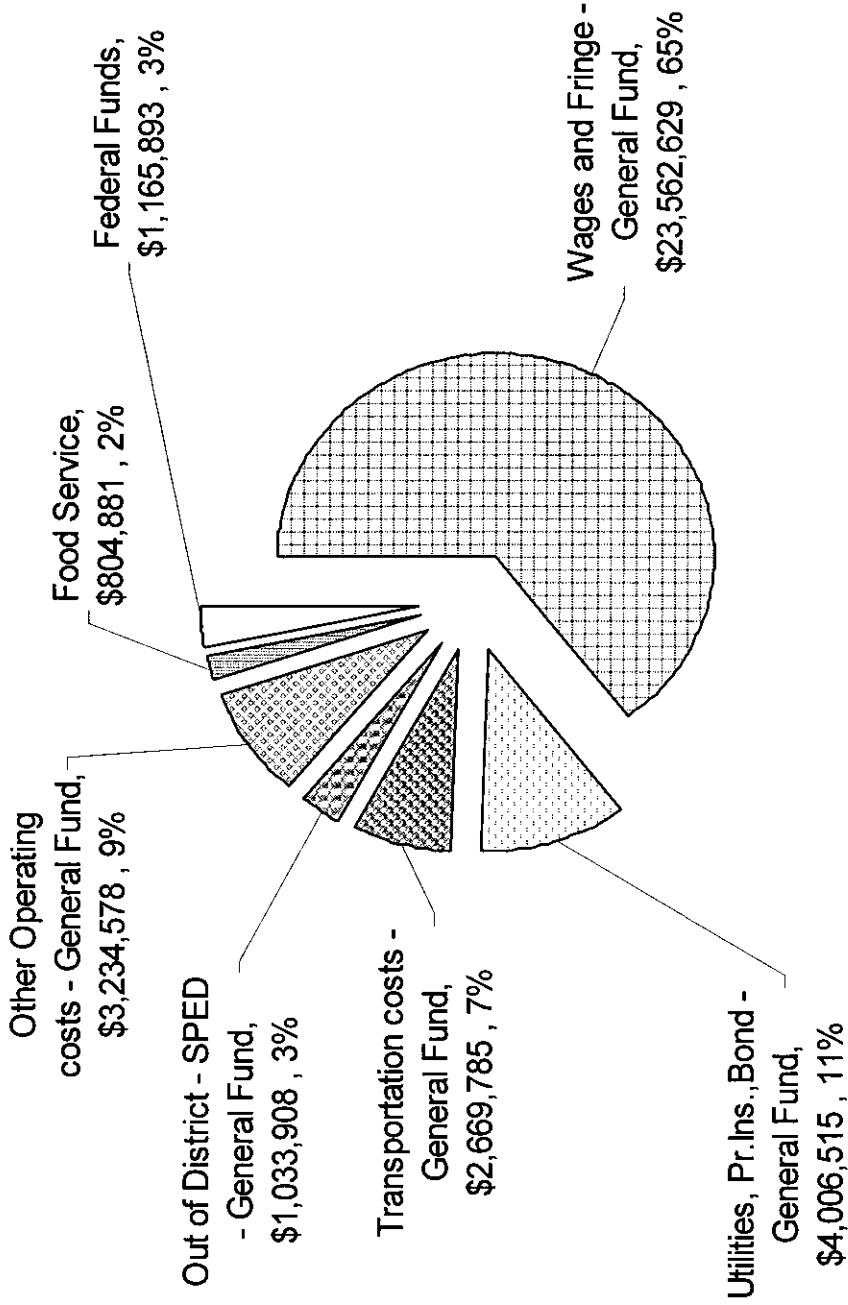
To see if the School District will vote to raise and appropriate the Municipal Budget Committee's recommended amount of **\$36,389,789** for the support of schools, for the payment of salaries for the school district officials and agents, and for the payment for the statutory obligations of the District. The School Board recommends **\$36,478,189**. This article does not include appropriations voted in other warrant articles. This warrant article asks the voters to raise and appropriate for the support of schools, the salaries of School District Officials and Agents, and for the statutory obligations of said District, and to authorize the application against said appropriation of such sums as are estimated to be received from the State sources, together with other income, the School Board to certify to the Selectmen of each of the Towns of Bradford, New London, Newbury, Springfield, Sutton, Warner and Wilmot, the amount to be raised by taxation by said towns.

School Board Explanation to Article 2:

The School Board budget reflects a general fund increase of approximately 1.8% over last year. This increase is driven primarily by the increases in health insurance costs; state retirement costs the need to add a district data technician, K-5 Health Educator, licensed Alcohol & Drug Counselor, KRHS Art Teacher (.5), a 2% wage increase for all non affiliated employees, transportation costs and summer school costs. Areas of reduced spending in the 2010-11 Budget includes Out-of-District Special Education costs, utilities, property insurance, bond payments, books, advertising, technology, repairs, equipment, field trips and athletic trips.

Information regarding the operating budget will continue on the next 4 pages.

Proposed Article 2 is \$36,478,189



Article 2 proposed increase totals \$1,061,157
43.8% or \$465,564 of the increase is due to Federal ARRA funding

	1 Year Prior Adopted**	School Budget Total	FY 2010/2011	Diff./Prior YR	% (Diff./Prior YR}
Wages and Fringe - General Fund w/o health & retirement	\$18,830,189	\$	19,015,488	\$ 185,299	0.98%
Health Fringe Benefit - General Fund	\$3,063,862		\$3,308,168	\$ 244,306	7.97%
Retirement Fringe Benefit - General Fund	\$1,160,672		\$1,238,972	\$ 78,300	6.75%
Utilities, Property Insurance, Bond - General Fund	\$4,106,422	\$	4,006,515	\$ (99,906)	-2.43%
Transportation costs - General Fund	\$2,446,497	\$	2,669,785	\$ 223,288	9.13%
Out of District - SPED - General Fund	\$1,109,263	\$	1,033,908	\$ (75,355)	-6.79%
Other Operating costs - General Fund	\$3,183,370	\$	3,234,578	\$ 51,208	1.61%
Total General Fund	\$33,900,275	\$	34,507,415	\$ 607,140	1.79%
Food Service	\$816,428	\$	804,881	\$ (11,547)	-1.41%
Federal Funds	\$700,329	\$	1,165,893	\$ 465,564	66.48%
Grand Total Article 2	\$35,417,032	\$	36,478,189	\$ 1,061,157	3.00%

**Prior year adopted total includes article 1 & 2

Federal expenditures – Proposed FY 2010/2011

PROJECT TITLE	Actual			Budget	
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
TITLE 1	\$ 177,405	\$ 159,239	\$ 179,762	\$ 186,329	\$ 180,000
TITLE IIA	\$ 338	\$ 78,806	\$ 97,880	\$ 80,000	\$ 95,000
TITLE IIA - two year grant	\$ 81,953	\$ 58,413			
SAFE & DRUG FREE SCHOOLS	\$ 10,139	\$ 7,446	\$ 8,879	\$	\$ 8,800
E2T2 TECHNOLOGY FUND	\$ 8,280				
ADULT EDUCATION	\$ 260	\$ 25,823	\$ 46,584	\$ 26,000	\$ 40,000
INNOVATIVE EDUCATION PROGRAM STRATEGIES	\$ 3,045	\$ 2,269			
TITLE IID - TECHNOLOGY		\$ 9,201		\$	\$ 10,000
TITLE 1 ARRA				\$	\$ 66,087
Sub Total Federal	\$ 281,420	\$ 331,997	\$ 342,306	\$ 292,329	\$ 399,887
Special Education - SLIVER	\$ 26,181				
Special Education - IDEA	\$ 484,571	\$ 421,307	\$ 415,211	\$ 400,000	\$ 415,000
Special Education - PRESCHOOL INCENTIVE GRANT	\$ 10,411	\$ 5,591	\$ 11,396	\$ 8,000	\$ 9,133
<i>Special Education - IDEA ARRA</i>				\$	\$ 328,351
<i>Special Education - PRESCHOOL INCENTIVE GRANT ARRA</i>				\$	\$ 13,521
Sub Total Special Education Federal	\$ 521,162	\$ 426,899	\$ 426,607	\$ 408,000	\$ 766,005
Grand Total Federal	\$ 802,583	\$ 758,895	\$ 768,913	\$ 700,329	\$ 1,165,893

Federal dollars expended are offset by incoming federal revenues. Therefore, there is no effect to local taxes.

Local Tax Estimate - School Board/MBC Comparison all approved articles

	School Board		MBC		School Board/MBC Difference
	2009/2010	2010/2011	2010/2011	2010/2011	
	Local Tax Assessment	Local Tax Estimate	Prior year % Chg	Local Tax Estimate	Prior year % Chg
Bradford	2,131,123	2,318,973	8.81%	2,309,858	8.39%
New London	6,052,466	6,441,351	6.43%	6,416,551	6.02%
Newbury	3,767,230	4,006,844	6.36%	3,991,520	5.95%
Springfield	2,038,579	2,150,427	5.49%	2,142,184	5.08%
Sutton	2,521,678	2,646,212	4.94%	2,636,237	4.54%
Warner	2,856,459	3,181,799	11.39%	3,168,311	10.92%
Wilmot	1,828,861	1,933,264	5.71%	1,925,809	5.30%
	21,196,396	22,678,870	6.99%	22,590,470	6.58%

- {a} - The current years net assessed valuation was used to calculate the above tax rates for FY 2010/2011. Final net assessed valuations for FY 2010 will not be determined by the municipalities until September or October 2010.
- Tax assessments are estimates and (as such) are subject to change. Average Daily Membership has not been released for 2009/2010 by the State. Revenues and fund balance will be determined by 9/1/10 and reported on the MS 24. Total appropriations will be determined after the vote on March 9, 2010 and reported on the MS 22.

Article 3 To see if the School District will vote to approve the cost item included in the collective bargaining agreement reached between the School District and the Para Educators at Kearsarge (PEAK) which calls for the following increases in salaries and benefits at the current staffing levels

Year	Estimated Increase
2010-11	\$43,171
2011-12	\$49,921
2012-13	\$55,065

and further to raise and appropriate the sum of *forty-three thousand, one hundred seventy-one dollars* (\$43,171) for the upcoming fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year. Pursuant to RSA 273-1:12, VII, this Collective Bargaining Agreement, including the pay plan, but excluding cost of living increases, will continue until a new agreement is executed. School Board recommends. Municipal Budget Committee (MBC) recommends.

School Board Explanation to Article 3:

The School Board has reached a collective bargaining agreement with the Para Educators at Kearsarge (PEAK). This agreement calls for increases over three years in wages, fringe, health insurance, professional development and one additional paid holiday in the following amounts: Year 1 = \$43,171 (2.64%), Year 2 = \$49,921 (2.97%) and Year 3 = \$55,065 (3.18 %).

	<u>Amounts</u>	<u>Increases</u>	<u>%</u>
Wages FY 2009/2010	\$ 1,412,753		
Fringe	\$ 117,536		
Health	\$ 105,700		
Professional Development	\$ -		
Holiday	\$ -		
Total dollars FY 2009/2010	<u>\$ 1,635,988</u>		
Proposed Article 3 summary			
Wages FY 2010/2011	\$ 1,440,415	\$ 27,662	1.96%
Fringe	\$ 120,474	\$ 2,939	2.50%
Health	\$ 116,270	\$ 10,570	10.00%
Professional Development	\$ 2,000	\$ 2,000	100.00%
Holiday			
Total dollars FY 2010/2011	<u>\$ 1,679,159</u>	<u>\$ 43,171</u>	<u>2.64%</u>
Wages FY 2011/2012	\$ 1,475,682	\$ 35,268	2.45%
Fringe	\$ 123,403	\$ 2,929	2.43%
Health	\$ 119,270	\$ 3,000	2.58%
Professional Development	\$ 2,000	\$ -	0.00%
Holiday	\$ 8,725	\$ 8,725	100.00%
Total dollars FY 2011/2012	<u>\$ 1,729,080</u>	<u>\$ 49,921</u>	<u>2.97%</u>
Wages FY 2012/2013	\$ 1,514,588	\$ 38,905	2.64%
Fringe	\$ 127,332	\$ 3,930	3.18%
Health	\$ 131,270	\$ 12,000	10.06%
Professional Development	\$ 2,000	\$ -	0.00%
Holiday	\$ 8,955	\$ 230	2.64%
Total dollars FY 2012/2013	<u>\$ 1,784,145</u>	<u>\$ 55,065</u>	<u>3.18%</u>

Article 4 To see if the School District will vote to raise and appropriate the sum of *twenty-five thousand dollars (\$25,000)* to be placed in the Special Education Expendable Trust Fund, established in 2008 within the provisions of RSA 198:20-c for the purpose of emergency funding of unforeseen Special Education costs incurred by the District.
School Board recommends. Municipal Budget Committee (MBC) recommends.

School Board Explanation to Article 4:

In 2008 the voters established an expendable trust fund for the purpose of providing funds for emergency funding of unforeseen Special Education costs. This will add \$25,000 to that fund.

Article 5 To see if the School District will vote to raise and appropriate up to *fifty-thousand dollars (\$50,000)* to be placed in the School Buildings Maintenance Fund for the purpose of repair, unanticipated utility costs, and maintaining the school buildings and equipment, with such amount to be funded **from surplus funds remaining** on hand as of June 30, 2010.
School Board recommends. Municipal Budget Committee (MBC) recommends.

School Board Explanation to Article 5:

The voters established the School Buildings Maintenance Fund at the 2009 meeting for the purpose of unanticipated repairs, utility costs, and maintaining school buildings and equipment. This appropriation will be made from surplus funds remaining on hand as of June 30, 2010.

Article 6 To see if the School District will vote to authorize the School Board to designate the Town of New London to act as the trustees of the District's trust funds.
School Board recommends.

School Board Explanation to Article 6:

Approval of this article allows the Board to designate the Town of New London as the Trustees of the District funds. This is a practice that has gone on for a number of years and needs the authorization of the voters.

School Trust Funds: Ending balances of November 30, 2009.

Roof (Est.2000) \$680,516
Special Ed. Out of District Tuition (Est. 1997) \$368,123
Unanticipated Special Ed. (Est. 2008) \$150,569
Capital Reserve Fund (Est. 1994) \$170,305
School Buildings Maintenance Trust (Est. 2009) \$50,002

Article 7 Citizen Petition - This petition is to see if the School District will vote to raise and appropriate the sum of *seventy-two thousand and six hundred dollars (\$72,600)* to contract with the Town of Sutton for the services of a position of School Resource Officer for the Kearsarge Regional School District.

Salary:	\$ 40,000.00
Employers Retirement	6,000.00
Medical Insurance:	21,700.00
Dental:	900.00
Medicare:	700.00
Life:	800.00
Uniforms:	500.00
Estimated Overtime	<u>2,000.00</u>
Total:	\$72,600.00

School Board recommends. Municipal Budget Committee (MBC) recommends.

School Board Explanation to Article 7 – This article is a citizen petitioned article. The voters at the Deliberative Session will vote to decide if this article will appear on the ballot in March.

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