

Board of Education, Concord School District
Board Work Session #1 – Opening Presentation
February 3, 2021

Board members present: Jim Richards, Gina Cannon, Pamela Walsh, Jonathan Weinberg, Brenda Hastings, Barb Higgins, David Parker, Danielle Smith, Kate West

Administration: *Superintendent Kathleen Murphy, Assistant Superintendent Donna Palley, Business Administrator Jack Dunn*

Board President Jim Richards called the meeting to order at 5:30 pm, noting that it was the opening presentation for the FY21-22 budget. Roll call attendance was taken. Business Administrator Jack Dunn reviewed the meeting's agenda:

- Important dates
- Major funds
- Budget 2021 – 2022 goals
- What If scenarios ...
- Staffing proposals
- General Fund overview
- Expenditures
- Revenues
- Budget summary
- Other considerations – unknowns
- Proposed schedule of meetings
- Questions

Mr. Dunn reviewed important dates:

- **Fiscal Year:** July 1 to June 30 (July 1, 2021 to June 30, 2022)
- **Tax Assessment Year:** April 1 to March 31 (April 1, 2020 to March 31, 2021)

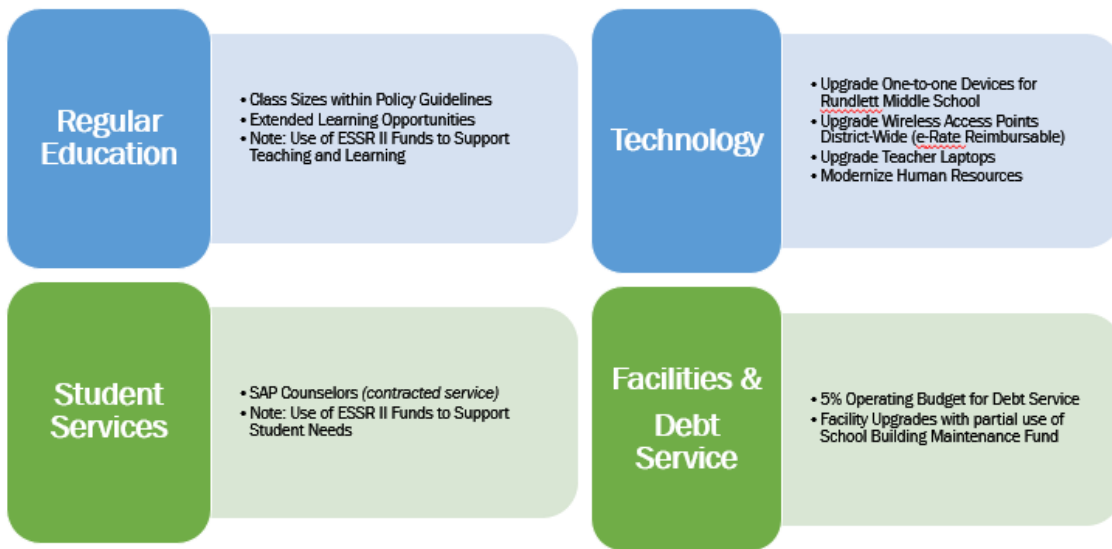
Mr. Dunn reviewed the three major funds, noting that he would focus on the General Fund.



In response to a request from Superintendent Murphy to explain the Food Service Fund requirement to have a zero balance or surplus at year end, Mr. Dunn noted that the Food

Service Fund was funded through the sale of meals, and reimbursement from federal and state governments was based on free/reduced and paid student status. This money, plus proceeds from local sales (vending machines, additional food items), must support the Food Service budget, including staff salaries. If there is a shortage, the District’s General Fund would need to support the program. Mr. Dunn noted the work of Food Service Director Donna Reynolds in helping bring a deficit into a surplus in her five years with the District. He reviewed budget goals:

2021-2022 BUDGET GOAL | LIMITED IMPACT BUDGET



Mr. Dunn reviewed the 2021-2022 budget with a series of “what if...” scenarios:

IF....

- No change in debt service
- No change in benefits other than listed above
- No change in professional services
- No change in purchased services
- No change in supplies, books, utilities
- No change in equipment
- No change in dues, fees, and interest
- No change in principal and transfers

| | FY21 | FY22 | CHANGE | CHANGE (%) | TAX IMPACT |
|---------------------|-------------------|-------------------|------------------------|------------|--------------|
| EXPENSE | | | | | |
| SALARIES | \$ 45,719,768.00 | \$ 46,885,953.74 | \$ 1,166,185.74 | 2.55% | 1.83% |
| HEALTH INSURANCE | \$ 9,945,500.00 | \$ 10,496,697.00 | \$ 551,197.00 | 5.54% | 0.87% |
| NHRS - NON-TEACHERS | \$ 915,247.00 | \$ 1,276,533.96 | \$ 361,286.96 | 39.47% | 0.57% |
| NHRS - TEACHERS | \$ 5,841,530.00 | \$ 6,873,565.00 | \$ 1,032,035.00 | 17.67% | 1.62% |
| REVENUE | | | | | |
| STATE ADEQUACY | \$(14,331,846.00) | \$(13,230,913.00) | \$ 1,100,933.00 | -7.68% | 1.73% |
| TOTAL IMPACT | | | \$ 4,211,637.70 | | 6.62% |

He explained that with no changes as listed above, the total tax impact would be a 6.62% increase, primarily due to an increase in NHRS costs, over which the District has no control.

Mr. Dunn reviewed staff changes:

DISTRICT EMPLOYEES (FTE = Full Time Equivalent)

| FTE | DESCRIPTION | IMPACT ON CLASS SIZE OR PROGRAMS | SUPERINTENDENT'S BUDGET |
|--------------|------------------------------------|--|-------------------------|
| 0.4 | ELO Coordinator – CHS | Increasing ELO Coordinate from 0.60 to 1.0 | 29,901 |
| 2.0 | Elementary Teachers (location TBD) | Decrease in Elementary Teachers due to enrollment | (184,394) |
| 2.0 | Middle School Teachers | Decrease in Middle School Teachers due to enrollment | (204,540) |
| 0.2 | Teacher of the Hearing Impaired | Propose Continuing Addt'l 0.2 (1 Year Only for 2020-2021)* | 5,692 |
| 0.3 | Theaters Arts Teachers – CRTC | 1/3 from Grant (End of Life) | 43,664 |
| TOTAL | | | (309,679) |

Note: Numbers include salary, health, dental, FICA, NHRS, and additional hours (if any) | * - Additional 0.2 from Grant - 1 Year Only (same as 2020-2021) Amount represents value

CONTRACTED SERVICE

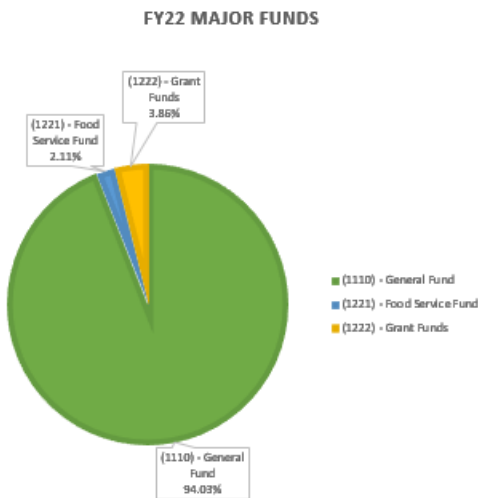
| FTE | DESCRIPTION | IMPACT ON CLASS SIZE OR PROGRAMS | SUPERINTENDENT'S BUDGET |
|--------------|---------------------|---|-------------------------|
| 1.0 | RMS SAP Coordinator | Contracted Service (portion previously paid by grant) | 58,320 |
| 1.0 | CHS SAP Coordinator | Contracted Service (portion previously paid by grant) | 58,320 |
| TOTAL | | | 116,640 |

Note: Total Value of each Student Assistance Professional (SAP) Counselor is \$75,600 each (\$17,280 for each already being paid by the general fund)

Donna Palley explained that SAP counselors are Substance Abuse Prevention counselors; one full-time position at the middle school and one full-time position at the high school.

Mr. Dunn reviewed the major funds and the differences among them, explaining that the General Fund made up 94% of the total budget:

OVERVIEW

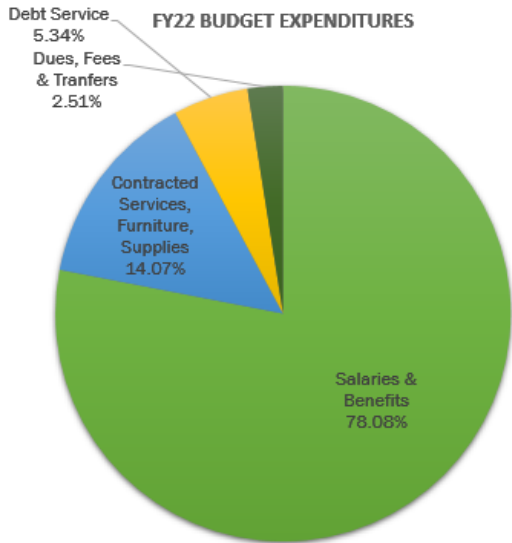


| FUND | FY21 | FY22 | CHANGE (\$) | CHANGE (%) |
|-----------------------|-------------------|-------------------|------------------|-------------|
| (1110) * General Fund | 87,702,296 | 90,439,332 | 2,737,036 | 3.12% |
| (1221) Food Service | 1,968,514 | 1,968,514 | 0 | |
| (1222) Grant Funds | 3,600,200 | 3,608,411 | 8,211 | 2.28% |
| TOTAL FUNDS | 93,271,010 | 96,016,257 | 2,745,247 | 2.94 |

* Affects Tax Rate

Mr. Dunn reviewed expenditures by object, noting that 78.08% of expenditures were for salaries and benefits:

EXPENDITURE SUMMARY BY OBJECT



CHANGES OVER CURRENT YEAR BUDGET (rounded):

- Salaries & Benefits: \$70,616,574**
- Increase due to Salary Steps, Increases, and New Positions | \$1,166,186
 - Increase in Benefits (incl NHRS) | \$2,032,727
 - Increase in Healthcare | \$551,197
 - Increase in Teacher NHRS | \$1,032,035
 - Increase in Non-Teacher NHRS | \$361,287
 - No Change in Life/Disability
 - Increase in Dental | \$3,982
 - Decrease in Worker's Compensation* | (\$10,000)

Contracted Services, Maint, Supplies, Equipment: \$12,726,451

- Increase in Other LEA & Out of District Tuition | \$346,052
- Decrease Electricity | (\$5,500)
- Increase in software | \$205,174
- Increase in P&L and Vehicle Insurance | \$57,379

Debt Service: \$4,828,342

- No New Debt Planned

Contingency, Dues, Fees and Transfers: \$2,267,965

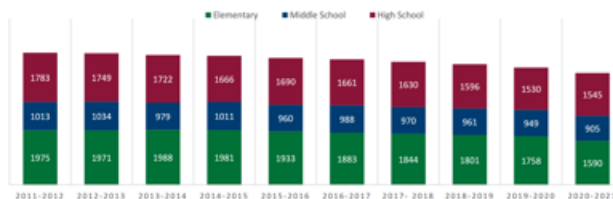
- Transfer \$1.4 million into the Facilities Stabilization Fund

PROPOSED FY22 GENERAL FUND EXPENDITURES:
\$90,439,332

Mr. Dunn reviewed expenditures by function, beginning with regular education.

EXPENDITURES – REGULAR EDUCATION

Ten Year District Fall Enrollment



SUMMARY

Regular Education (Function 1100) includes funds for staff and resources for our general education program in our schools. We are proposing a budget of **\$32,102,171.97**, an increase of **\$1,433,823.87**, or **4.68%**

HIGHLIGHTS

- 4,040 students projected in our district fall 2022 enrollment*
- Elementary Schools enrollment increased by **74** students.
- Middle School enrollment decreased by **(45)** students.
- High School enrollment decreased by **(28)** students.

| Level | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 10-Year Change |
|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|
| Elementary | 1975 | 1971 | 1988 | 1981 | 1933 | 1883 | 1844 | 1801 | 1758 | 1590 | -385 |
| Difference | -53 | -4 | 17 | -7 | -48 | -50 | -39 | -43 | -43 | -168 | |
| Middle School | 1013 | 1034 | 979 | 1011 | 960 | 988 | 970 | 961 | 949 | 905 | -108 |
| Difference | -52 | 21 | -55 | 32 | -51 | 28 | -18 | -9 | -12 | -44 | |
| Concord | 1583 | 1557 | 1532 | 1493 | 1520 | 1504 | 1465 | 1435 | 1362 | 1383 | -200 |
| Deerfield | 200 | 192 | 190 | 173 | 170 | 157 | 165 | 163 | 168 | 162 | -38 |
| High School | 1781 | 1749 | 1722 | 1666 | 1690 | 1661 | 1630 | 1596 | 1530 | 1545 | -238 |
| Difference | -61 | -34 | -27 | -56 | 24 | -29 | -31 | -34 | -66 | 15 | |
| District Total | 4771 | 4754 | 4689 | 4658 | 4583 | 4532 | 4444 | 4358 | 4237 | 4040 | -731 |
| Difference | -166 | -17 | -65 | -31 | -75 | -51 | -88 | -86 | -121 | -197 | |

| LEVEL | FY21 | FY22 | CHANGE |
|------------|------|------|--------|
| Elementary | 1590 | 1664 | 74 |
| Middle | 905 | 860 | -45 |
| High | 1545 | 1517 | -28 |

NOTE: Enrollment Budget Work Session, March 10, 2021

* pre-school not included

Ms. Palley noted that enrollment numbers listed here came from the school Principals. Mr. Dunn noted that the budget session on enrollment was March 10 and that a more in-depth review of enrollment numbers and trends would take place at that meeting.

Mr. Dunn reviewed expenditures for special education:

SUMMARY

- Special education (Function 1200|2100) includes funds for staff and resources for the general education program. The proposed budget was **\$23,579,467**, an increase of **\$1,003,097.89** or **4.44%**.

HIGHLIGHTS

- Increase in tuition to other LEAs | \$70,500*
- Increase in out-of-district placements | \$275,552*

Mr. Dunn explained that any increases that could be proven to be directly related to the Covid-19 pandemic could be eligible for federal funding assistance. He added that the Student Services budget would be discussed in detail at the February 15 work session.

Mr. Dunn reviewed expenditures for CRTC:

SUMMARY

- Vocational Education (Function 1300) included funds for staff and resources at the Concord Regional Technical Center. The proposed budget was **\$1,787,517**, an increase of **\$33,284** or **1.90%**.

INCLUDES

- **1300 Vocational programs**
- 1310 Agriculture
- 1320 Distributive education
- **1330 Health occupations**
- 1340 Home Economics
- 1341 Occupational
- 1342 Consumer
- 1350 Industrial Arts
- 1360 Office Occupations
- **1370 Technical Education**
- **1380 Trades and Industrial**
- **1390 Other vocational programs**

HIGHLIGHTS

- Add 1/3 of salary for Theater program | \$43,664
- Decrease in salaries | (\$16,926)
- Increase in health insurance | \$50,210
- Level funding all other lines

Mr. Dunn reviewed expenditures for co-curricular activities, noting that summer school fell into this category for budget purposes.

SUMMARY

- The co-curricular budget covers school-sponsored clubs, school-sponsored athletics, and summer school. The proposed budget was **\$1,214,724** or an increase of **\$33,277** or **2.82%**.

INCLUDES

- Stipends for club advisors at CHS and RMS, and fund for elementary activities
- Salaries and benefits for Director of PE /Sport, administrative assistant,
- Stipends for coaches at CHS and RMS

- Stipends for referees and game officials
- Repairs and maintenance of equipment (e.g. helmets)
- RMS & CHS Athletic Trainer
- Supplies and equipment
- Salary and benefits for high school summer school teachers

HIGHLIGHTS

- Increase in salaries and benefits | \$33,277
- No change in other budget lines

Mr. Dunn reviewed expenditures for support services.

SUMMARY

- The support services (2200 series) budget includes costs for library/media, assessment and technology programs and services, as well as funds for all course reimbursements and conference and travel. The proposed budget was **\$4,510,916.66** or an increase of **\$345,961.38** or **8.31%**.

INCLUDES

- 2000 Support services
- 2100 Student support services
- 2110 Attendance / social work services
- 2113 Social work services
- 2119 Other attendance/social work services
- 2120 Guidance services
- 2122 Counseling services
- 2123 Appraisal/assessment services
- 2125 Record maintenance services
- 2126 Placement services
- 2130 Health services
- 2134 Health – nursing services
- 2140 Psychological services
- 2143 Psychological counseling services
- 2150 Speech and audiology services
- 2152 Speech services
- 2153 Audiology services
- 2160 Physical/occupational therapy
- 2190 Other support services
- 2191 Vision services
- 2200 Support services for instruction
- 2210 Curriculum-related development
- 2211 Mentoring program
- **2212 Curriculum development**
- 2213 Staff development
- 2214 Leadership

- 2215 Instructional research/data services
- 2219 Improvement to instruction – other
- 2220 Educational media services
- 2222 Library services
- 2223 Audiovisual services
- 2224 Educational television services
- **2225 Technology services**
- 2229 Other educational media services
- 2290 Other support services for Instruction

HIGHLIGHTS

- Replacement of middle school student devices | \$384,150*
- Replacement of staff laptops | \$175,000*
- Replacement of District wireless access points | \$350,000**

Mr. Dunn reviewed expenditures in administration:

SUMMARY

- Administration (Functions 2300, 2400, 2500 and 2800) are accounts that cover the Board, Central Office, schools, fiscal, and human resource administration. The proposed budget was **\$8,497,352.53**, an increase of **\$348,117.90** or **4.27%**.

INCLUDES

- Central Office staffing
- Principals
- Assistant Principals
- Contingencies (*Superintendent, technology and maintenance*)

HIGHLIGHTS

- Human Resources modernization
 - Add recruiting and hiring software | \$26,841
 - Add benefits enrollment software | \$50,542
 - Increase in salaries and benefits | \$216,088

Mr. Dunn reviewed expenditures in buildings, grounds, and maintenance.

SUMMARY

- This budget covers buildings and grounds, construction, and principal and interest on debt. The proposed budget was **\$11,367,678.33**, a decrease of **(996,652.37)** or **(8.06%)**

INCLUDES

- Director, maintenance, and custodial staff
- Maintenance contracts
- Life/safety/security contracts
- Summer projects
- Utilities
- General supplies

- Equipment
- Debt service (QSCB), BAB eliminated with refunding

HIGHLIGHTS

- Increase in supplies | \$6,000
- Utilities – decrease in electricity | (\$5,500)
- Utilities – decrease in oil | (\$1,500)
- Increase in property and general liability insurance | \$57,379
- Increase in construction services | \$290,000*
- Decrease in principal debt | (\$270,000)
- Decrease in interest debt | (\$1,113,845)

Mr. Dunn reviewed expenditures in transportation.

SUMMARY

- The District manages its own school transportation bus system. The proposed budget was **\$3,566,624**, an increase of **\$156,415.74** or **4.59%**.

INCLUDES

- Transportation Director, Dispatch/Trainer, Field Trip Supervisor, Transportation Clerk, overtime
- Bus drivers, monitors, crossing guards, and mechanics salaries and benefits
- Contracts to transport students to out-of-district placements
- Provide and manage homeless transportation
- Repair, maintenance, and fuel (diesel and gasoline)
- Co-curricular /charter / PTO trips
- After school transportation
- Summer transportation for City of Concord recreation
- Transportation for 21C, offset by revenue from 21st Century Grant and charter services
- General supplies

HIGHLIGHTS

- Increases in salaries and benefits | \$176,870
- Increase in auto insurance | \$10,298
- Purchase (1) replacement mini-van | \$10,000 (*no change*)
- COMF lease payment | \$71,379 (*moved from facilities budget*)

Mr. Dunn reviewed expenditures in benefits.

SUMMARY

- Funds for severance payments as well as benefits for retirees and accounts related to employee benefits. The proposed budget was **\$1,738,955.59**, an increase of **\$314,756** or **21.93%***

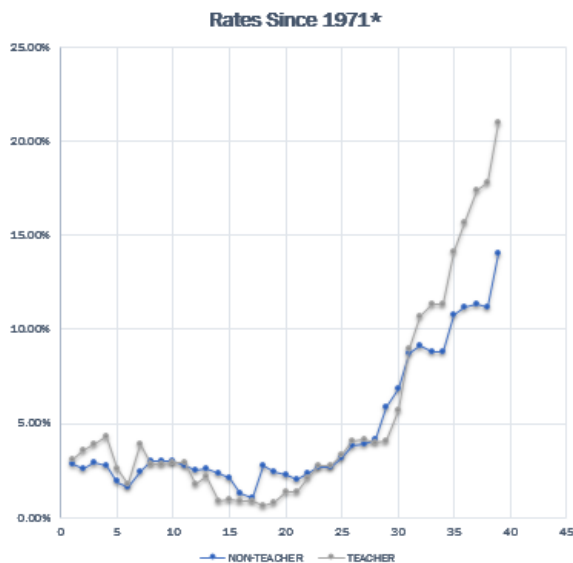
HIGHLIGHTS

- No change in severance payments

- Increase in CEA Veterans Salary Scale | \$1,500
- Budget increase/decrease
 - Health insurance for retirees under 65 | \$362,165*
 - Health insurance for retirees under 65 | (\$25,000)
- Decrease in dental insurance (self-insured) | (\$59,640)
- No change in life and disability (2nd year of commitment)
- NHRS teacher | \$20,615
- No change in Worker's Compensation
- Decrease in unemployment | (\$10,000)

Mr. Dunn reviewed NHRS (New Hampshire Retirement System) and its impact on local taxpayers. He noted again that school districts had no control over these costs.

EXPENDITURES – [2900] - BENEFITS



NEW HAMPSHIRE RETIREMENT SYSTEM (NHRS)
General Fund – Impact on Local Taxpayers

Employer Rates:

- Teacher Rate for FY22-23: **21.02%**
 - Increase of 3.22% from 17.80% to 21.02% in FY22.
 - Increase of .44% from 17.36% to 17.80% in FY20.
 - Increased from 15.67% to 17.36% in FY18.
 - FY22 Budget: \$6,924,372 (preliminary)
- Non-Teacher Rate for FY22-23: **14.06%**
 - Increase of 2.89% from 11.17% to 14.06% in FY22.
 - Decrease of .21% from 11.38% to 11.17% in FY20.
 - Increased from 11.08% to 11.38% in FY18
 - FY22 Budget: \$1,271,960 (preliminary)

Budget Impact Due to Rate Change:

- Teacher Rate increase results in an additional **\$1,060,727**.
- Non-Teacher Rate increase results in an additional **\$261,448**.

TAX IMPACT (education only)

- Impact on Taxes is an increase of **\$1,322,175 or 2.08%**

Employee Rates:

- Increased from 5% to 7% in 2012.

EXPLAIN RATES

Superintendent Murphy noted there was a bill currently in the state legislature for the state to pick up 15% of the NHRS bill, and that she was strongly in support of it.

Mr. Dunn reviewed expenditures for transfers.

EXPENDITURES – [5200] - TRANSFERS

| FUND | PROJECTED FY22 BEGINNING BALANCE | DEPOSITS |
|--|----------------------------------|---------------------|
| School Buildings Renovation and Maintenance Trust Fund | 999,070 | 85,313.59 |
| Instructional Materials Trust Fund | 929,706 | - |
| Health and Dental Medical Reserve Trust Fund | 2,663,370 | - |
| Energy Trust Fund | 239,830 | - |
| Facilities Purchase and Renovation Expendable Trust Fund | 7,538,620 | 1,400,000 |
| Vocational Center Capital Reserve Trust Fund | 800,945 | 175,681* |
| Special Education Expendable Trust | 779,943 | - |
| Innovation Technology Expendable Trust Fund | 447,485 | - |
| General to Federal Food Service | 0 | 77,761 |
| TOTAL | 14,398,969 | 1,738,955.59 |

SUMMARY

- Funds for deposits into reserve accounts or to other major fund accounts. We are proposing a budget of **\$1,738,955.59**, an increase of **\$8,626.59** or **0.50%**

HIGHLIGHTS (Expendable Trust Funds)

- Transfer **1,400,000** into the Facilities and Renovation Trust Fund
 - Maintains Board's goal of keeping 5% of the district General Budget for debt service.
- Transfer up to **85,313.59** into the School Building Maintenance Fund.
 - Raised from Deerfield Capital Fee. No Tax Impact.
- Transfer **175,681** into the Vocational Center Capital Reserve.
 - Raised from charging sending districts. No impact on the tax rate.

FEDERAL FUND – FOOD SERVICE

- Transfer up to **77,961** into the Food Service Fund.
 - Amount used to pay for Food Service Employee Health. Using Healthy/Risk Trust to offset expense. No impact on Tax rate.

Mr. Dunn explained that the District was reimbursed \$3.58 per meal for every student, regardless of free/reduced/paid status. He added that meal packaging materials and machines were being paid for with federal Covid-19 funds, as these were expenses that would not normally be incurred. Mr. Richards noted that the drop in meal numbers was due to more students in remote schooling and therefore eating meals at home rather than at school. Mr. Dunn explained that the goals were to keep students fed both at school and at home and to keep Food Service staff working.

Mr. Dunn reviewed expenditures by function group and by object. He noted that refinancing the District’s debt was a significant help in mitigating the budget increases.

SUMMARY OF EXPENDITURES BY FUNCTION GROUP

| EXPENDITURE FUNCTION | FY21 – BUDGET 10/28/20 | FY22 – PROPOSED BUDGET | CHANGE (\$) | CHANGE (%) |
|---|------------------------|------------------------|---------------------|--------------|
| [1100] - Regular Education | 30,668,348.10 | 32,102,171.97 | 1,433,823.87 | 4.68 |
| [1200 2100] - Special Ed and Pupil Services | 22,576,369.11 | 23,579,467.00 | 1,003,097.89 | 4.44 |
| [1300] - Vocational Education | 1,754,233.00 | 1,787,517.00 | 33,284.00 | 1.90 |
| [1400] - Co-Curricular Activities | 1,181,447.00 | 1,214,724.00 | 33,277.00 | 2.82 |
| [1600] - Adult Education/Community Ed | 151,842.00 | 149,910.00 | (1,932.00) | (1.27) |
| [2200] - Support Services | 4,164,955.28 | 4,510,916.66 | 345,961.38 | 8.31 |
| [2300 2400 2500 2800] - Administration | 8,149,234.63 | 8,497,352.53 | 348,117.90 | 4.27 |
| [2600 4600 5100] - Building, Grounds, Construction, P&I | 12,364,330.70 | 11,367,678.33 | (996,652.37) | (8.06) |
| [2700] - Transportation | 3,410,219.18 | 3,566,634.92 | 156,415.74 | 4.59 |
| [2900] - Benefits | 1,435,105.00 | 1,749,861.00 | 314,756.00 | 21.93 |
| [5200] - Transfers | 1,730,329.00 | 1,738,955.59 | 8,626.59 | 0.50 |
| Intergovernmental Agency Allocations | 110,000.00 | 168,000.00 | 58,000.00 | 52.73 |
| Support Services | 5,883.00 | 6,143.00 | 260.00 | 4.42 |
| TOTAL GENERAL FUND EXPENDITURES | 87,702,296.00 | 90,439,332.00 | 2,737,036.00 | 3.12 |

SUMMARY BY EXPENDITURES BY OBJECT

| EXPENDITURE OBJECT | FY21 – BUDGET 10/28/20 | FY22 – PROPOSED BUDGET | CHANGE (\$) | CHANGE (%) |
|--|---------------------------|---------------------------|---------------------|-------------|
| [610000] - SALARIES | 45,719,768.00 | 46,885,953.74 | 1,166,185.74 | 2.55 |
| [620000] - BENEFITS | 21,697,893.00 | 23,730,619.92 | 2,032,726.92 | 9.37 |
| [630000] - PROFESSIONAL SERVICES | 2,604,480.23 | 2,623,832.70 | 19,352.47 | 0.74 |
| [640000] - PURCHASED PROPERTY | 1,286,667.40 | 1,484,468.87 | 197,801.47 | 15.37 |
| [650000] - PURCHASED SERVICES | 3,490,661.78 | 3,901,550.86 | 410,889.08 | 11.77 |
| [660000] - SUPPLIES, BOOKS AND UTILITIES | 3,415,845.03 | 3,560,522.35 | 144,677.32 | 4.24 |
| [670000] - EQUIPMENT | 1,036,477.56 | 1,156,075.90 | 119,598.34 | 11.54 |
| [680000] - DUES, FEES & INTEREST | 3,340,174.00 | 2,247,352.07 | (1,092,821.93) | (32.72) |
| [690000] - PRINCIPAL AND TRANSFERS | 5,110,329.00 | 4,848,955.59 | (261,373.41) | (5.11) |
| TOTAL GENERAL FUND EXPENDITURES | 87,702,296.00 | 90,439,332.00 | 2,737,036.00 | 3.12 |

Mr. Dunn reviewed revenues. He explained that most local revenue came from Deerfield regular and special education tuition. He added that federal Covid-19-related aid was not included on this slide. Superintendent Murphy added that there would be very specific guidelines for how the District would be able to use Covid-19 funding, so it was not included as a firm part of budget planning since there were so many unknowns. She added that she did not anticipate seeing those funds until the end of March.

REVENUE

SOURCES OF REVENUE BEFORE TAXES

■ LOCAL
 ■ STATE
 ■ FEDERAL
 ■ TRANSFERS/OTHER
 ■ FUND BALANCE

| TOTAL REVENUE FROM SOURCES | | | | |
|----------------------------|------------|------------|------------|--|
| FY21 | FY22 | CHANGE(\$) | CHANGE (%) | |
| 25,044,522 | 25,803,108 | 758,586 | 3.03 | |

LOCAL

| FY21 | FY22 | CHANGE(\$) | CHANGE (%) |
|-----------|-----------|------------|------------|
| 4,534,824 | 4,859,222 | 324,398 | 7.15 |

- Includes: Tuition, Transportation, Building Rental, Athletics, PILOT, Investments Income*, Deerfield Regular and Special Education Tuition

STATE

| FY21 | FY22 | CHANGE(\$) | CHANGE (%) |
|------------|------------|-------------|------------|
| 17,377,199 | 16,084,657 | (1,292,542) | -7.44 |

- Catastrophic Aid, Adequacy, Building Aid (grandfathered), Vocational Aid

FEDERAL

| FY21 | FY22 | CHANGE(\$) | CHANGE (%) |
|---------|---------|------------|------------|
| 705,334 | 455,079 | (250,255) | -35.48 |

- Medicaid, E-Rate, Bond Interest Rebate (BAB subsidy eliminated)

TRANSFERS

| FY21 | FY22 | CHANGE(\$) | CHANGE (%) |
|---------|-----------|------------|------------|
| 323,840 | 2,004,150 | 1,680,310 | 518.87 |

- From Grants (Indirect) and Expendable Trust Funds, Benefits Risk Management Reserve, and Instructional Trust

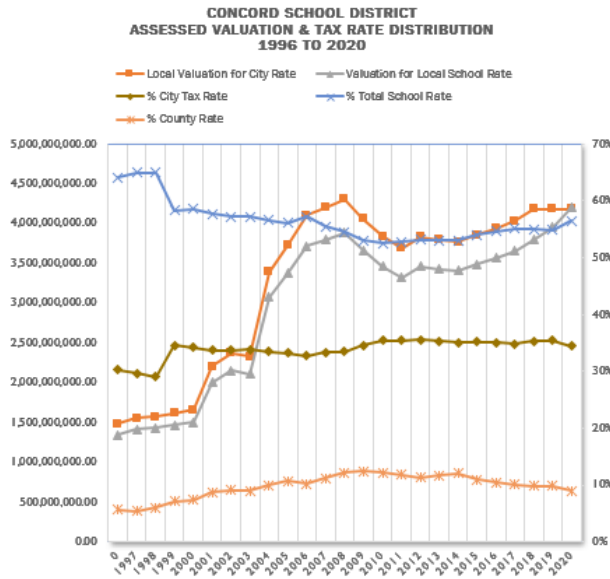
UNRESERVED FUND BALANCE

| FY21 | FY22 | CHANGE(\$) | CHANGE (%) |
|-----------|-----------|------------|------------|
| 2,103,325 | 2,400,000 | 296,675 | 14.11 |

- Savings from Prior Year Budget

Mr. Dunn reviewed a history of tax impacts and project tax impacts for the FY21-22 year of +1.87%, or \$70 on a home assessed at \$250,000.

REVENUE



Source: [City of Concord Website](#)

TAXES

LOCAL

| | FY21 | FY22 | CHANGE (\$) | CHANGE (%) |
|----------------|------------|------------|-------------|------------|
| Local Tax (\$) | 55,161,819 | 57,327,839 | 2,166,020 | 3.93 |
| Local Rate | 13.13 | 13.52 | .39 | 2.97 |

STATE

| | FY21 | FY22 | CHANGE (\$) | CHANGE (%) |
|----------------|-----------|-----------|-------------|------------|
| State Tax (\$) | 7,495,955 | 7,308,384 | (187,571) | -2.50 |
| State Rate | 1.87 | 1.76 | (0.11) | -5.88 |

LOCAL & STATE

| | FY21 | FY22 | CHANGE (\$) | CHANGE (%) |
|--------------------|------------|------------|-------------|------------|
| Local & State (\$) | 62,657,774 | 64,636,223 | 1,978,449 | 3.16 |
| Local & State Rate | 15.00 | 15.28 | 0.28 | 1.87 |

Estimated Tax Impact:

- 250,000 = \$97.50 (local) and **-\$27.50 (state) = \$70***

* For a home assessed at \$250,000 assuming the same house doesn't have any increase in assessed value, the home owner would pay 1.87% more than the current year in local and state education property taxes. **THIS DOES NOT INCLUDE CITY OR COUNTY TAXES.**

Mr. Richards remarked that he was pleasantly surprised by this relatively low increase, as he had been concerned with what it might be, given the nature of the past year.

Mr. Dunn provided a General Fund budget summary.

BUDGET SUMMARY – GENERAL FUND ONLY

| DESCRIPTION | FY21 – FINALIZED 10/28/20 | FY22 – PROPOSED BUDGET | CHANGE (\$) | CHANGE (%) |
|-----------------------------|------------------------------|---------------------------|---------------------|--------------|
| EXPENDITURES | | | | |
| Total Appropriation | 87,702,296 | 90,439,332 | 2,737,036 | 3.12 |
| | | | | - |
| REVENUES | | | | |
| Local | 4,534,824.00 | 4,859,222.00 | 324,398.00 | 7.15% |
| State | 17,377,199.00 | 16,084,657.00 | (1,292,542.00) | -7.44% |
| Federal | 705,334.00 | 455,079.00 | (250,255.00) | -35.48% |
| Transfers | 323,840.00 | 2,004,150.00 | 1,680,310.00 | 518.87% |
| Unreserved Fund Balance | 2,103,325.00 | 2,400,000.00 | 296,675.00 | 14.11% |
| State Education Tax | 7,495,955.00 | 7,308,384.00 | (187,571.00) | -2.50% |
| <i>Local Education Tax*</i> | 55,161,819.00 | 57,327,840.00 | 2,166,021.00 | 3.93% |
| TOTAL REVENUES | 87,702,296.00 | 90,439,332.00 | 2,737,036.00 | 3.12% |

* - Affects Tax Rate

BUDGET SUMMARY – GENERAL FUND ONLY

| FUND | FY21 | FY22 | CHANGE (\$) |
|---|-------------------|-------------------|------------------|
| General Fund | | | |
| - Operations Excluding Debt Service | 79,759,780 | 83,872,034 | 4,112,254 |
| - Operations Debt Service | 6,212,187 | 4,828,342 | (1,383,845) |
| - Transfer to Facilities and Renovation Trust | 1,417,746 | 1,400,000 | (17,746) |
| - Transfer to School Bldg. Maint. Trust | 98,665 | 85,314 | (13,351) |
| - Transfer to Vocational Reserve* | 193,918 | 175,681 | (18,237) |
| - Transfer to Special Education Trust | | | |
| - Transfer to Technology Innovation Trust | | | |
| - Transfer to Food Service | 20,000 | 77,961 | 57,961 |
| - Transfer to Energy Risk Reserve | | | |
| Total General Fund | 87,702,296 | 90,439,332 | 2,737,036 |
| Food Service Fund | 1,968,514 | 1,968,514 | |
| Grant Fund | 3,600,200 | 3,608,411 | 8,211 |

Mr. Richards echoed Mr. Dunn’s earlier comment that refinancing the debt service last year saved significant funds this year. Superintendent Murphy described the budget as fairly conservative given the climate, and added that there was room to make some tweaks and updates as needed. Barb Higgins noted that the budget process each year was often a guessing game, as not all information was available yet in February–March, and that the goal was generally to keep things as level as possible to minimize impacts on taxpayers. Pamela Walsh asked for a history of actual expenditures rather than what was originally budgeted, which Mr. Dunn would provide.

Mr. Dunn reviewed other budget considerations and unknowns.

OTHER CONSIDERATIONS AND UNKNOWNNS

Board

- Negotiations
 - 2020-2021: 3 Remaining Collective Bargaining Groups (CEA, CEOPA, and Food Service)
 - Unaffiliated
- Revenues
 - Adequacy - What numbers will the state use?
 - Local Fees – Tuition and Fees?
- Capital Improvements
 - Rundlett Middle School and Other Facility Improvements | (Board Work Session #3, February 10th)
- Declining Enrollment
 - Predict Steady 1% to 2% decrease
 - Impact on Revenue (min \$3,708.78 per student as of current year)
- Re-Opening Schools in the Fall
- Food Service Program

| CITY | STATE | FEDERAL |
|--|---|---|
| <ul style="list-style-type: none"> • Budget <ul style="list-style-type: none"> • Impact of COVID? • Commercial and Residential Real Growth | <ul style="list-style-type: none"> • Bi-Annual Budget <ul style="list-style-type: none"> • Impact of COVID? • Legislation | <ul style="list-style-type: none"> • Medicaid Funding • Grant Funding • After School Program Funding – MBS/BGS at the end of 5 Year Program this year. • Federal Stimulus Funding (projected \$4,229 million) • Infrastructure Funding |

Jonathan Weinberg asked if the Board voted to go ahead with interactive meeting groups for the Rundlett Middle School project, whether that would be taken out of trust funds or were additional funds that would need to be raised. Mr. Dunn noted the Board could issue a bond anticipation note (BAN) and borrow money cheaply (.25-.5%), with up to five years to use that money for planning and development. It would then grow into a bond.

Mr. Richards noted that the budget assumed a reduction of four teachers based on enrollment and projections and asked whether something was added to or taken from the Superintendent's contingency fund. He asked if so, what that change was. He noted that if the Board did dip into that fund and then saw an unanticipated increase in enrollment next year, that was where funds would need to be appropriated to hire more teachers. Mr. Dunn agreed to cover this at the February 8 meeting.

Ms. Walsh asked if it was possible to post the budget documents before the meetings so the public could follow along. Mr. Dunn noted this was generally done, just not for the opening presentation, as it was such an early overview and work in progress.

Mr. Dunn reviewed the upcoming meeting schedule, where budget documents and minutes could be found on the website, and Board member contact information.

David Parker noted that HB 20 (voucher bill) would have another hearing on February 10 and encouraged both Board members and citizens to voice their opinions. Mr. Dunn noted that bargaining units in negotiations were for FY22-23 year. Ms. Walsh stated that descriptions or definitions of various terms and positions would be helpful both for new Board members and for the public.

The Board voted 9-0 to adjourn (moved by Ms. Higgins, seconded by Brenda Hastings).

The meeting adjourned at 6:50 pm.

Respectfully submitted,

Gina Cannon, *Secretary*
Lauren Hynds, *Recorder*