

## Kearsarge Regional School District

THE STATE OF NEW HAMPSHIRE

ANNUAL DISTRICT MEETING - 1ST SESSION, JANUARY 9, 2021

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.

# Annual Meeting: Deliberative Session

Kearsarge Regional High School, North Road, N. Sutton

January 9, 2021

9:00 AM

### Attendees representing the Kearsarge Regional School District:

Superintendent - Mr. Winfried Feneberg, Assistant Superintendent - Mr. Michael Besette, and Business Administrator – Larry Lebeouf

### Attendees representing the Kearsarge School Board:

Ms. Alison Mastin, Dr. Art Bobruff, Ms. Emma Bates, Ms. Bebe Casey, and Mr. Ben Cushing

### Attendees representing the Municipal Budget Committee (MBC):

Mr. Bob Hemenway, Mr. Richard G. Anderson (chair), Mr. Brian Dumais, and Mr. James Bibbo

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The School Board Clerk announced and voted for election of Protem Moderator – Derek Lick. **The motion carried by voice vote.** Protem Moderator explained he was sitting in for Mr. Brackett Scheffy and led the Pledge of Allegiance.

Mr. Lick introduced Ms. Alison Mastin and explained she was sitting in for Mr. Bartholomew (chair) who could not attend. Ms. Mastin asked to recognize Supt. Feneberg for being nominated and receiving the Superintendent of the Year. Ms. Mastin introduced Ms. Bebe Casey to present Article 1.

Ms. Bebe Casey read Article 1:

**Article 1** To see if the School District will vote to raise and appropriate the **Municipal Budget Committee's recommended amount of \$46,343,295** 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 **\$46,485,550**. 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 Recommends 8-0**) (**MBC Recommends 6-3**)

**School Board Explanation:** The 2021-22 Operating Budget proposed by the Kearsarge Regional School Board of \$ 46,485,550 is an increase of approximately \$1,137,324 or 2.51% from the 2020-21 budget.

The areas of increase within the School Board's operating budget are a result of a variety of factors that are explained in the following paragraphs. In summary, the majority of the budget increases this year falls into two categories: New Hampshire State Retirement and health benefits. Those two items account for \$1,186,461, or \$49,137 more than the \$1,137,324 School Board requested increase.

**Wages and Fringe** - The requested budget for 2021-22 reflects a net increase of 3.05 teacher FTE's. Added were 2 FTE's for elementary teachers due to class size projections at Simonds and Bradford, 1 FTE for elementary math specialist at New London Elementary School and .05 FTE for elementary guidance at Sutton Central. In addition, a .5 FTE administrator for New London Elementary School and a .5 FTE secondary curriculum coordinator. As a result, the wage line for employees requires an increase of approximately \$483,810 or 42.54% of the budget increase which includes contractual obligations for the KREA educators voted on and approved by the voters in previous budget ballots.

The largest factor in our budget increase is the NHRS Retirement System teachers' contribution rates for 2021-22. Employer teacher rates increased from 17.80% to 21.02%, employee rates increased from 11.17% to 14.06%. The overall retirement benefit increase represents 64.46% of the total budget increase or \$733,161.

The actual increase in health benefit costs for (21-22) was an 8.9% increase from the current (20-21) health premiums. Based on this increase, health benefits alone represent 43.60% of the total budget increase or \$495,892.

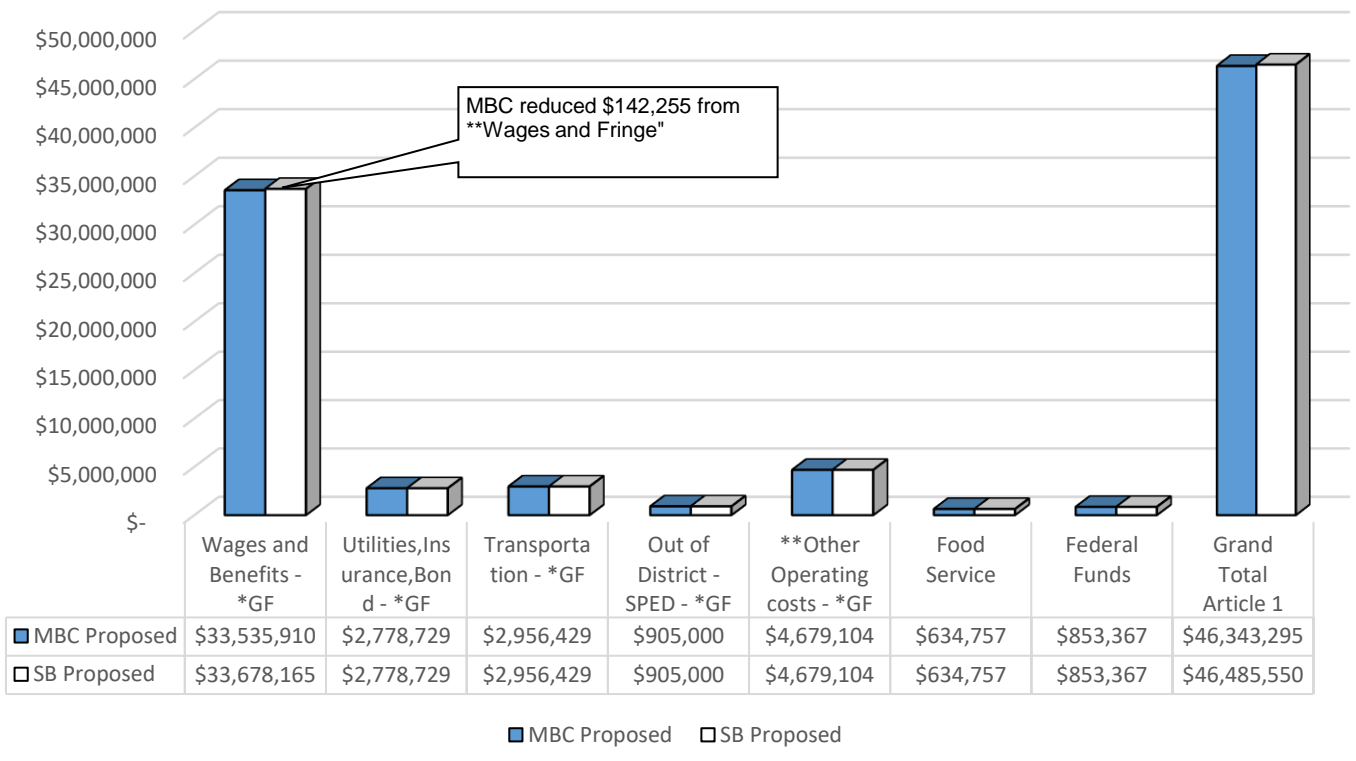
Included under "Other payroll benefits" are dental, life, long term disability, workers compensation insurances, taxes, workshops, and tax sheltered annuities. The overall other payroll benefits decrease represents (-1.00%) of the total budget decrease or (-\$11,327).

**Out of District** - Our out of district costs for 2021-22 school year are estimated to be a reduction of (-\$350,000) or (-30.77%) of the budget decrease at this point in time. Each year, Out of District Special Education costs are very fluid and are driven by a variety of factors. Those factors include: the ability of our local staff to meet the needs of intensive behaviorally or medically challenged students, families who move into the district, and the costs associated with delivering highly specialized services in environments outside of the district whose costs keep rising. We make every attempt to meet each child's needs in the least restrictive educational environment here at the local level. There are times, however, when the child's special needs exceed our local capacity to meet them. In addition, federal law also requires us to provide for those needs until the age of 21. Placements for out of district services can range from \$50,000 per student to upwards of \$300,000 depending on the residential requirements.

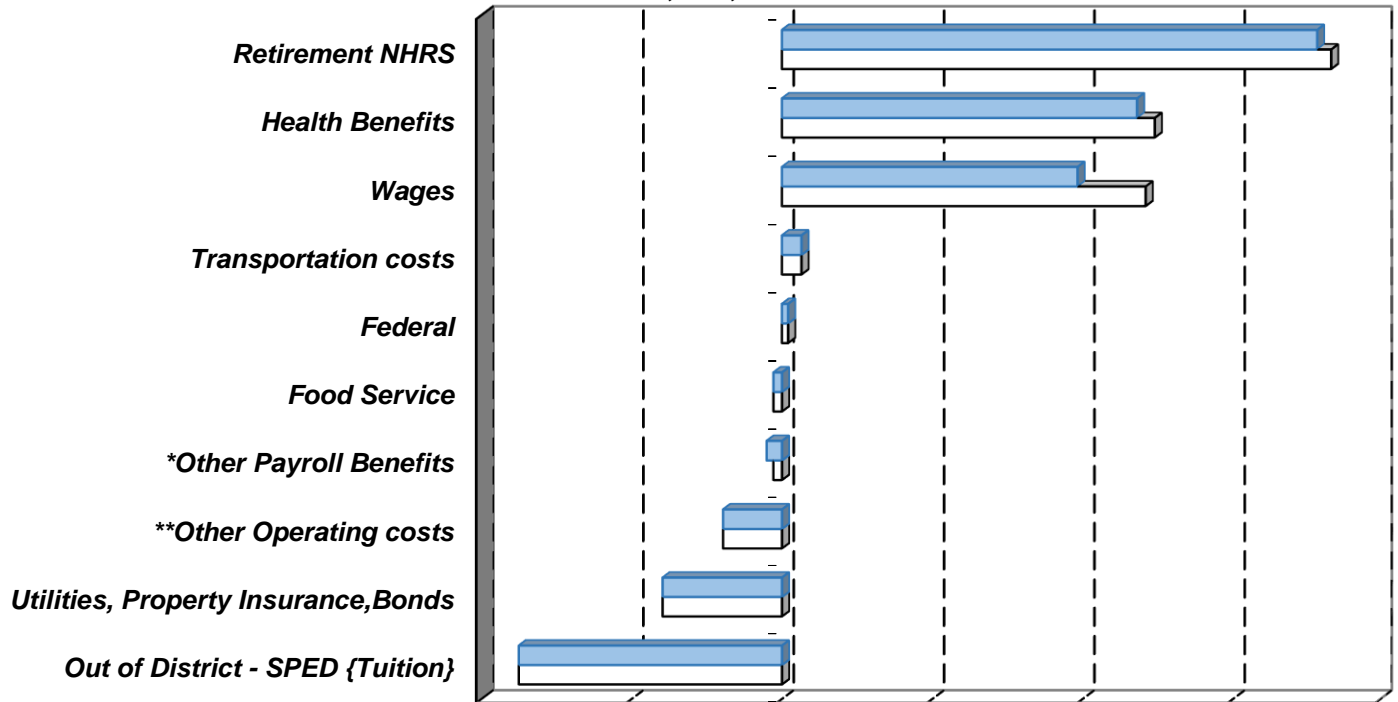
**Other Operating Costs** - Included in this area are textbooks, technology, contracted services, supplies, repairs, replacement equipment, capital improvements, new equipment, furniture, dues and fees, printing, telephone, copiers, assessment, and others. These costs reflect a decrease of approximately (-6.88%) or (-\$78,260).

**Other Expenses** - Transportation represents a 2.27% or \$25,858 budget increase, and Utilities, Bonds, Property Insurance budget increased by approximately (-13.95%) or (-\$158,711). Food Service represents a reduction of (-\$11,266) or (-.99%) of the budget decrease. Federal funds represents \$8,167 or .72% of the increase. Note, all federal dollars appropriated are offset by matching federal funds. The result is no effect to the local tax rate.

Proposed Article 1, Operating Budgets FY 2021-2022



**Article 1, Operating differences 2021/2022 - Muncipal Budget Committee Increase of 2.19% or \$995,069 and School Board increase of 2.51% or \$1,137,324**



\*Other Payroll Benefits {Dental, Life, LTD, Taxes, Workshops, TSA's}

\*\*Other Operating {Books, Technology, Communications, Contract Services, Supplies, Repairs and Services, Equipment, Dues/Fees, Travel, Printing, Voc, et}

	Out of District - SPED {Tuition}	Utilities, Property Insurance, Bonds	**Other Operating costs	*Other Payroll Benefits	Food Service	Federal	Transportation costs	Wages	Health Benefits	Retirement NHRS
■ MBC	\$(350,000)	\$(158,711)	\$(78,260)	\$(20,314)	\$(11,266)	\$8,167	\$25,858	\$393,136	\$472,359	\$714,102
□ School Board	\$(350,000)	\$(158,711)	\$(78,260)	\$(11,327)	\$(11,266)	\$8,167	\$25,858	\$483,810	\$495,892	\$733,161

**MBC Explanation** The Municipal Budget Committee’s proposed budget is \$46,343,295 or 2.19% from the 2020-21 budget. The Municipal Budget Committee’s proposed budget is \$142,255 less in wages and fringe than the School Board’s budget. That amount represents the removal of the budgeted amounts for the New London Elementary Assistant Principal at 0.5 FTE and the Secondary Curriculum Coordinator at 0.5 FTE from the proposed School Board operating budget.

**Mr. Lick asked if there was any public comment.**

Mr. Bob Wright – Sutton - requested confirmation that the budget number for insurance was a decrease. Supt. Feneberg confirmed that yes, it was a decrease. Mr. Wright also asked when the state decided to stop funding the retirement. Supt. Feneberg tried to respond. He notes that the retirement system is obligated to close the gap over a 30 year period. The rates are adjusted every other year. Mr. Wright’s biggest concern was unfunded mandates.

Mr. Andrew Pinard – Bradford – acknowledged how proud he was of the staff, students, parents and community for responding so well to the challenges of Covid. Mr. Pinard echoes the concerns brought forth by Mr. Wright

**Deliberative Session Meeting Minutes approved as written per 21Jan2021 SB Meeting**

(Sutton) and would like to involve state representatives in an effort of staving off future increases. Mr. Pinard wanted to make sure the MBC would be able to offer an explanation of their budget.

Ms. Nancy Rollins – New London – Asks for an explanation of these two positions (secondary curriculum coordinator and assistant principal (both 0.5 FTE)) and what is the impact if not funded. Supt. Feneberg indicated that it was a lengthy conversation during budgeting. The board felt this was part of a strategic plan to insure proper development, planning, etc. The impact will be waiting an additional year to fulfill this needed position. Ms. Rollins made a follow up comment indicating that the impact will be detrimental to an already overburdened administration.

Ms. Sarah Anderson – Springfield – thanked all administration and staff for all their efforts. She is in favor of adding the staff for elementary support.

Mr. Charles Forsberg – Sutton – asked for a confirmation on student population. Supt. Feneberg said the population was fairly steady over last three years and continues to look steady for next 10 years. Mr. Forsberg asks if his number of 1800 students is accurate. Asst. Supt. Bessette replied that the population could increase over next year as more parents bring children back into the fold. Mr. Forsberg then asked about contract labor and if the district is using it. Supt. Feneberg replied with yes, the district is using contract labor, but not in administrative positions. Mr. Forsberg asks about the status of district construction bonds – have they been paid off? Mr. Larry LeBeouf answers that middle school bond and smaller HVAC bond are still outstanding. They will be paid off in 2026.

***Mr. Lick asked if anyone from the MBC would like to speak to the differences in budget proposals.***

Mr. Richard Anderson spoke to the two FTE positions that were voted down by MBC. He reassures that there wasn't anyone on the committee that didn't agree these positions were needed or warranted future discussions, however, a majority felt that it wasn't the right year to increase the taxpayers' burden during the pandemic.

Ms. Margaret Doody – Wilmot – asks MBC, is it going to be any easier next year? Mr. Anderson replies “we simply don't know”. Ms. Doody followed up asking what the tax burden was to individuals by filling these positions. Mr. Anderson replied indicating that although he couldn't answer that question accurately, that this FTE did reduce the overall budget increase by 10% and it's the job of the school board and MBC to review all expenditures and deem if they are appropriate.

Mr. Charles Forsberg – Sutton – Asks if any one from the public attended any MBC meetings. Mr. Brian Dumais responded with low attendance; perhaps one in person, and a few remote. Mr. Forsberg also felt that the MBC should present before the School Board. Mr. Lick spoke with counsel and indicated that the order in which the budget is read is based on the charter. The charter mandates that School Board present budget first.

Mr. Lick moved to close the discussion on Article 1.

Moved to Article 2.

Mr. Ben Cushing read Article 2:

**Article 2** To see if the School District will vote to raise and appropriate up to **\$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, with such amount to be funded **from unassigned fund balance (surplus funds) remaining** on hand as of June 30, 2021. **(School Board Recommends 8-0) (MBC Recommends 9-0)**

**School Board Explanation:** In 2008, the voters established an expendable trust fund for the purpose of providing funds for unforeseen emergency circumstances in Special Education that may arise in a year after the budget has been adopted. If approved, this article will add up to \$25,000 to that fund from operating surplus remaining on hand as of June 30, 2021. (The balance of the fund as of October 2020 is approximately \$308,124 - the target amount to be raised is \$372,139).

Mr. Lick opened up discussion or comments for Article 2. With no public comment, Mr. Lick closed Article 2.

Mr. Lick opened discussion for Article 3. Ms. Alison Mastin read Article 3.

### 3

**Article 3** To see if the School District will vote to raise and appropriate up to **\$50,000** to be placed in the School Buildings Expendable Trust Maintenance Fund for the purpose of repair, unanticipated utility costs, and maintaining the school buildings and equipment, with such amount to be funded **from unassigned fund balance (surplus funds) remaining** on hand as of June 30, 2021. **(School Board Recommends 8-0) (MBC Recommends 9-0)**

**School Board Explanation:** In 2009 the voters established an expendable trust fund for the purpose of repairs, unanticipated utility costs, and maintaining school buildings and equipment. If approved, this article will set aside up to \$50,000 toward that purpose from operating surplus funds remaining on hand as of June 30, 2021. (The balance as of October 2020 of that expendable trust is approximately \$412,879 the target amount to be raised is \$500,236).

Mr. Licks asked for any public comment. With no public comment, Mr. Lick closed the discussion on Article 3.

**Article 4** To transact any other business that may legally come before the meeting.

The Protem Moderator asked for a motion to adjourn.

*There was a motion and second to adjourn at 9:52 am. The motion carried by voice.*

Respectfully submitted,

Joni Boucher  
School District Clerk, KRSD