

ConVal School Board – Financial Updates

It's "Budget Season" again - that time of year when there is a lot of activity going on from a school budget and property tax bill point of view. In addition to the annual budget development process, we are also in the middle of several other "activities" that could impact future budgets and property taxes:

- Reconfiguration/Consolidation Project
- Contoocook Valley School District et al v. The State of New Hampshire lawsuit (in New Hampshire Superior Court)

As such, it's time to start our annual series of articles regarding the financial aspects of running the ConVal School District. Here's a brief preview of some the articles we'll be publishing between now and the vote in March:

- Overview of Budget Schedule (included in this article)
- 2024 Property Tax Bills and Funds "retained" and "returned" to towns in the School District
- Details of proposed FY25 School Budget and other Warrant Articles (subject to voter approval in March '24)
- Proposed revisions to the current Collective Bargaining Agreement directed at improving the recruitment and retention of our teachers, services professionals, and paraprofessionals.
- Summary of various District Trust Funds (and associated Warrant Articles).

Although a special warrant article resulting from the ongoing "Reconfiguration/Consolidation Project" being performed for the District by Prismatic Services will be included on the March ballot, we will not include a separate "Financial Article" on that. **A Community Forum is scheduled on Dec 11th.**

Likewise for the recent NH Superior Court decision (in our favor) regarding the ConVal School district lawsuit regarding the adequacy of state funding for education. It is not clear at this point whether this decision will be appealed, whether the legislature will take timely action, and how much the local education portion of your property taxes will be impacted or when.

All of these new articles (as well as all previous financial publications) will all be available on the ConVal School Board website: schoolboard.convalsd.net/budget/

This article includes information on:

- FY25 Budget Schedule
- FY25 Budget Guidance
- Annual School Board Budget Meeting

We'll let you know when we post new material.

Jim Fredrickson (Sharon)
Chairman, Budget & Property Committee
ConVal School Board

FY24 ConVal School Budget Schedule

Included below are the key dates and events associated with this budget cycle. The first three have been completed:

- June 30, 2023 – last day of FY23
- “Preliminary” 2023 Property tax bills issued
- July 1, 2022 - 1st day of FY23
- Audit of FY23 financials
- Aug/Sept 2023 – Board developed and approved “FY25 Budget Guidance” to be used by the Superintendent and staff to develop the proposed School Budget for FY25
- November 4, 2023 – Annual School Board Budget Meeting
- November/December – Towns issue 2023 Property Tax bills
- [December 11, 2023 – Community Forum: Reconfiguration/Consolidation Project](#)
- January 2024 – Board finalizes and “approves” proposed FY25 Budget
- Public hearing on proposed Budget – January 10, 2024
- [January/February – Board sponsored Community Forum on the Budget \(date TBD\)](#)
- February 6, 2024 – Deliberative Session
- March 12, 2024 – Voting day (FY25 Budget)
- July 1, 2024 – 1st day of FY25

The most significant changes that will impact District finances this budget cycle include:

- The “retention” of unused funds from FY23. (Prior to this year, all “unused funds” were returned to towns.)
- A warrant article to address issues associated with the recruitment and retention of staff.
- We are still feeling the effects of inflation which will result in a larger increase in the Operating Budget than the 1.35% increase proposed and approved for the current year (FY24).

Budget “Guidance”

Every year the budget process is kicked off with the School Board “Guidance” that is provided to the Superintendent – who uses the guidance when the proposed budget is developed by the administration and subsequently reviewed, modified, and approved by the Board.

We’ve all felt the impact of rising costs and we’ve all pulled up to the pump recently and “enjoyed” the lower gas prices now compared to a few months to a year ago. When we develop our budget, we need to acknowledge that costs are going to be higher, but just how high? The fact that the FY25 School year will run from July ’24 through June ’25 makes it more difficult.

Salaries and benefits for District staff account for more than 70% of our costs. District voters approved a three-year contract for teachers, paraprofessionals, and specialized service professionals in March 2022. The FY25 school year will be the third and final year of the contract - which establishes the FY25 salary increase for the majority of the District’s employees. This reduces some of the uncertainty associated with estimating the effect of inflation to include in the proposed budget. Several other multi-year contracts in place also help.

The Board recently provided the Superintendent with “the following guidance” to be used to develop the initial FY24 budget: **maintain the status quo**. In other words, do not include any significant new programs but do include planned upgrades to technology, curriculum, etc.

Annual School Board Budget Meeting

The annual School Board Budget meeting was held on Saturday November 4th at the District offices. At this working session, the Superintendent presented the initial proposed budget for FY25. This was an informative meeting – decisions on specific aspects of the budget will be discussed and voted on at regularly scheduled Board meetings. You will have several opportunities to review, discuss, and eventually approve the budget for FY25. We encourage and welcome your participation.

Stay tuned for our next articles in this series – that will discuss your 2023 property tax bills recently issued.