

2016-2017 School Budget Supplemental Information

ARTICLE 1

To see if the Hinsdale School District will vote to raise and appropriate the budget committee's recommended amount of \$11,743,800 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. This article does not include appropriations contained in special or individual articles addressed separately. The school board recommends this appropriation by a 5-0-0 vote. The budget committee recommends this appropriation by a 4-2-0 vote. (Majority vote required)

This operating budget reflects many compromises made between the school board and the budget committee during the process. The amount is \$450,000 lower than the original request.

- The purpose behind this reduction is to prevent a larger tax rate increase even though the amount to be raised from local taxes is mainly increasing from a decrease in other revenues and not from increased spending
- The budget includes unavoidable cost increases in health insurance and special education. Keeping overall costs down required cuts in other budget areas. The result of these cuts will be to postpone new educational initiatives, to slightly reduce normal building maintenance, and to slow down technology replacements.
- The operating budget, \$11,743,800, is down (-\$33,280) (-0.3%) from 2015-2016
- Estimated revenues are down (-\$744,189) (-10.4%) from 2015-2016 due to:
 - Higher than anticipated 6/30/15 fund balance that was returned to offset the 2015 tax rate and therefore not available for the 2016 tax year
 - Reductions in state funding
 - Loss of health surplus for this year

2016-2017 School Budget Supplemental Information

ARTICLE 2

To see if the Hinsdale School District will vote to approve the cost items included in the collective bargaining agreement reached between the Hinsdale School Board and the Hinsdale Teachers' Federation which calls for the following increases in salaries and benefits at the current staffing level:

Fiscal Year	Estimated Increase
2017	\$186,472
2018	\$239,867
2019	\$288,557

and further to raise and appropriate \$186,472 for the current fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels. The school board recommends this appropriation by a 5-0-0 vote. The budget recommends this appropriation by a 4-0-2 vote. (Majority vote required)

This contract accomplishes the following goals:

- Adjusts teacher salaries closer to market
 - Hinsdale teachers are paid less than peers in Winchester, Northfield, Brattleboro and neighboring towns in the Monadnock region.
 - Community forums expressed concern that teachers are underpaid.
 - The district will be better able to attract and retain high quality professionals.
- Increases working hours 4.5%.
 - This contract proposes increases of 5.49%, 6.11% and 6.79%
 - Prior two contract increases ranged from 1.64% to 2.86%
 - If you subtract the 4.5% increased work hours this proposal keeps to the same range of increases of the past 6 years.
- Buys future savings on health costs
 - The teachers agreed to pay, on average by the final year of the contract, \$2,325 per year more for their health coverages (an increase of 136%)
 - Health costs increase at a higher rate than general inflation so shifting more of the cost to the teachers protects the district
 - Teachers with greater exposure to health increases expected to be more careful with utilization and decreasing claims should lower the rate of future premium increases
 - Wellness activities have proven to also reduce claims and slow the rate of health cost increases. The district is working with its insurer to improve teacher engagement in programs

Timing appears right to propose these changes with the cost of heating oil falling 45% year to year.

Keeping school taxes low as a % of revenues and tax increases below general inflation – that's the Hinsdale Advantage!

2016-2017 School Budget Supplemental Information

ARTICLE 3

To see if the Hinsdale School District will vote to raise and appropriate the sum of "up to" \$50,000 to be added to the School Building Maintenance expendable trust fund previously established. This sum to come from June 30 fund balance available for transfer on July 1. No amount to be raised from taxation. The school board recommends this appropriation by a 5-0 vote. The budget committee recommends this appropriation by a 5-1 vote. (Majority vote required)

The purpose of this appropriation is to provide funds to begin planning to solve space issues at the elementary school.

- Fire code restricts younger students (K and 1st Grade) from being above ground level unless the space provides a dedicated means of emergency egress
- Enrollment history and projections based on birth rates show that each grade level has 40+ students (the most difficult number to handle as it means that to keep class sizes 20 or less could require more than 2 rooms)
- There are only 4 full size classrooms on the ground floor (one is for preschool leaving and 3 are K)
- The only other space on the ground floor large enough for 1st grade was the library which was moved to the second floor and now has 40 students with two co-teachers and additional classroom support
- Specials teachers (art, music, library, etc) must bring materials from the 2nd floor to work with K-1 students creating inefficiencies and lost instruction

A building-level committee of teachers has begun to develop an educational specification that will be used to guide us toward the best attainable solutions. A larger committee of stakeholders will be formed to develop conceptual designs. The appropriation will be used for professional services (potentially an architect) to assist with this stage.

The established fund has a balance of \$18,538. The addition of this appropriation will make it feasible to seek a proper long-term solution.