

The proposed budget now stands at \$13,458,291.39 (adding \$760,000 for food service and grant appropriations that would be offset by those revenues would bring the total of \$14,218,292 to the operating budget warrant article) and which represents a \$67,354.39, 0.50% increase of the year-to-year budget. The operating budget excludes any separate warrant article appropriations such as negotiated cost items for support staff increases or special articles to transfer to trust funds.

I want to recognize the administration for its work finding ways to cut from earlier budget drafts. The attached spreadsheet shows a total of \$226,663.67 in cuts. They represent a team effort to help the taxpayers while still providing student resources they need to succeed.

Overview of items affecting budget costs:

1. Out of district special education - the current budget was cut last budget cycle so year-to-year increases seem large until you compare the 21-22 proposed amounts with the 19-20 actuals.
2. Student transportation - only two companies bid last year. One was 16% higher and the other 65%. Obviously, the winning 16% is still a large increase and the special ed transportation reflects the difficulty of more distant placements caused by changing availability of settings in this pandemic world.
3. Health insurance guaranteed maximum rate increase was 6.7% for budget purposes. Line item changes vary by individual enrollment choices year-to-year.
4. New Hampshire retirement biennial rates increase significantly 7/1/21. Employer cost for teachers increase to 21.02% from the prior biennium's 17.8% rate. Employer cost for employees increase to 14.06% from the prior 11.17% rate.
5. Budgeted positions were reduced by 3.4 FTE based on needs and another .4 FTE was moved from the operating budget to grant funded.
6. Deferred compensation in the form of retirement payouts occurred in this budget where there happened to be none the prior year.
7. Debt interest continues to decrease as outstanding bond principal is reduced.

I hope this provides what we need for tonight and look forward to continuing to work toward a successful budget.