

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 "initiatives" that could significantly impact future budgets and property taxes.



District voters hold final approval authority on all of these - by ballot - on March 11, 2025 (except the court case, obviously):

- **Feasibility and Suitability (of withdrawal) Study** – the State of New Hampshire Board of Education recently heard presentations of the Majority and Minority Reports associated with the proposed withdrawals of Dublin and Frankestown from the ConVal School District. All reports were accepted, and the state Board voted to approve the plans submitted in the Minority Reports. Ultimate approval of these plans will be determined by Warrant Articles on the March District ballot (one for each town) and one on each of the two town's ballots.
- **Bonds for the Renovation of the CTE/High School** will (potentially) be on the March ballot. Interested parties will be afforded the opportunity to discuss this program at a Public Forum scheduled for December 4th at ConVal High School – before the School Board's decision to include Warrant Article(s) on the March Ballot
- **Collective Bargaining Agreement** – the current contract with CVEA (Teachers, Specialized Service Providers (SSP) and Paraprofessionals) expires at the end of the current (FY25) fiscal year. The Board and CVEA have been discussing the next contract. The proposed new contract (expected to be for two more years) will be on the ballot
- **Contoocook Valley School District et al v. The State of New Hampshire** lawsuit (in New Hampshire Superior Court) has not moved forward since the state appealed the lower court ruling. The NH Supreme Court recently (Nov 14) heard arguments on a related case dealing with the way the state portion of education taxes (SWEPT) is distributed to towns.

This is the first in our annual series of "Financial 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 FY26 School Budget and other Warrant Articles on the March '25 ballots
- Proposed Collective Bargaining Agreement with CVEA
- Estimated impact on ConVal's finances/budgets/property taxes if the withdrawal of Dublin and/or Frankestown is approved by voters
- CTE/HS Renovation project
- Summary of various District Trust Funds (and associated Warrant Articles).

We will not publish a "Financial Article" on the pending lawsuit regarding the adequacy of state funding. All these new articles (as well as all previous financial publications) will all be available on the ConVal School Board website: <https://schoolboard.conval.edu/en-us/budget-82b9a4ea>

This article includes information on:

- FY26 Budget/Events Schedule
- FY26 Operating Budget Guidance & Development
- Collective Bargaining Agreement (CBA)

ConVal School Budget/Events Schedule

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

- June 30, 2024 – last day of FY24
- July 1, 2024 - 1st day of FY25
- “Preliminary” 2024 Property tax bills issued (and paid)
- Audit of FY24 financials
- Aug/Sept 2024 – Board developed and approved “FY26 Budget Guidance”
- November 12, 2024 - Annual School Board Budget Session
- November 2024 – Towns are currently in the process of issuing final 2024 Property Tax bills
- [December 4, 2024 – Community Forum: CTE/HS Renovation Project](#)
- January 2025 – Board finalizes and “approves” proposed FY26 Budget
- Public Hearing on proposed FY26 Budget – NLT January 21, 2025
- [January/February – Board sponsored Community Forum on the Budget \(date TBD\)](#)
- February 4, 2025 – Deliberative Session (Snow Date: February 5)
- March 11, 2025 – Voting Day (FY26 Budget, CBA, Withdrawal, CTE/HS Bond, etc.)
- July 1, 2025 – 1st day of FY26

FY26 Operating Budget “Guidance”

Every year, the Operating Budget process is kicked off with the School Board “Guidance” that is provided to the Superintendent. The guidance is used in the development of the proposed budget by the administration. It should be noted that two of the key staff members associated with this development are new to their positions in this District: our acting Superintendent (Dr. Ann Forrest) and our Business Administrator (Robert DiGregorio).

The Board’s budget guidance included:

Maintain "Status Quo"

1. No major program changes to be included in the "Baseline" Budget
2. Planned updates (i.e. curriculum and technology) will be included (and identified)
3. Use FY25 Salary and Wage rates from current Collective Bargaining Agreement
4. No changes to status of DCS and FES.

As expected, the overall rate of inflation has decreased significantly. Some future cost estimates have decreased in comparison to previous estimates. Unfortunately, the costs associated with health insurance for District employees have gone in the other direction. FY25 costs were 25% higher than FY24 and, while the estimated cost increases for FY26 are not that high, the premiums for the most popular (by far) of our three health insurance packages we offer our employees are going up 14% more.

In addition, state/federal funding for certain programs we want to continue is declining or being eliminated. These are challenges that need to be addressed by the Board – and recognized by the voters when they consider supporting the proposed budget. A future Financial Article will discuss this in more detail.

Budget Development and Review

The annual School Board Budget Work Session was held a few days ago on November 12 at the SAU-1 offices. At this session, the Superintendent presented the initial proposed budget for FY26. This was an informative meeting – revisions to the first drafts and decisions on specific aspects of the budget will be discussed and voted on at regularly scheduled Board meetings through the end of this calendar year.

You will have several opportunities to review, discuss, and eventually approve the budget for FY26. We encourage and welcome your participation.

Collective Bargaining Agreement

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. And this past March, you approved a significant enhancement to the third (and current) year of that contract. Both the Board and CVEA negotiating teams recognize the need to try to balance the sharing of these significantly higher costs with the taxpayer and to continue to attract and retain the best employees we can get.

Stay tuned for our next article in this series – that will discuss your 2024 property tax bills recently issued.

Where to get more Information

The School Board will also be sending out parallel communications (with less focus on the financial aspects) regarding the initiatives listed above. This information will be sent out using a variety of communication channels (newspaper, town websites, etc.).

All will be available through the ConVal School Board website and they should be easy to find if you start here: <https://schoolboard.conval.edu/>

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

Thanks in advance for your interest and support.

Jim Fredrickson (Sharon)

Chairman, Budget & Property Committee

Chairman, Board Negotiation Committee

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