

Hanover | Dresden School Districts

2019-20 SCHOOL YEAR BUDGET

MISSION STATEMENT OF THE

Bernice A. Ray School

The Bernice A. Ray School welcomes all elementary-age children in Hanover, and Etna, New Hampshire in kindergarten through grade 5. Our teachers and staff members are committed to maintaining a safe, healthy, and trusting environment for all children. We offer a balanced and challenging academic program and a supportive atmosphere for children of all abilities and backgrounds.

HANOVER SCHOOL BOARD

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Meetings

DELIBERATIVE SESSION

Thursday, February 28th, 5 p.m. HHS Auditorium

ALL DAY VOTING

Tuesday, March 5th, 7:00 a.m. to 7:00 p.m.

HHS Gymnasium

SCHOOL BOARD CHAIR REPORT

For the last two years, I have written about an ongoing period of transition at the Ray School, and of this community's unwavering commitment to providing the highest quality education to all children in our district. Throughout this period, our teachers, staff and administrators have worked tirelessly to ensure every child is heard, supported, and challenged at Ray. In 2018-19, we are thrilled to have started our first full school year with Principal, Lauren Amrhein, and Director of Student Services, Lisa Marie Arroyo, and we look forward to supporting the wonderful leadership and vision they are bringing to our school. Collectively, we remain focused on building a sense of community with monthly character traits and school-wide assemblies to celebrate who we are. The Ray School staff and administration continue their focus on aligning our science curricula with the Next Generation Science Standards adopted by the New Hampshire State Board of Education. Since last year, the Ray School staff has deepened their community partnerships with Dartmouth College and with the Montshire Museum to bring even more hands-on science learning to their students. Our children are actively involved in discovering the world around them, identifying problems, and finding ways to solve them.

I would like to highlight several items in this year's district budget:

- Our revenues are down slightly this year due primarily to a decrease in federal and state funding. This trend may, unfortunately, continue in years to come.
- Our 6th grade tuition costs continue to fluctuate due to changing class sizes. This amount will decrease significantly in 2019-20 as a small 5th grade moves on to RMS. This results in a cost savings on this year's Hanover budget, but the numbers will again increase significantly in the 2020-21 school year. In an effort to help smooth this annual volatility, we created a 6th grade tuition reserve fund. It was initially funded through 2016-17 budget surplus, which we used last year to offset the large 2018-19 6th grade class. Anticipating the 2020-21 increase in 6th grade tuition – a budget-to-budget increase of around \$600,000 – we have included a warrant article to add around \$90,000 directly to the tuition reserve fund. Additionally, a separate warrant article will allow us to further fill the tuition reserve fund with any remaining surplus over \$200,000 at the end of the 2019-20 year.
- Special education costs have increased slightly over the course of this year, which is reflected as a budget-to-budget increase in 2019-20. As always, we continue to examine our special education service delivery, to ensure that our mindful management of support services within our building

*“The mind is not a vessel to be filled,
but a fire to be kindled.”*

PLUTARCH

provides the most cost-effective, educationally advantageous student services possible. In light of the unpredictable volatility in special education expenses, we have maintained our Special Education Reserve Fund to help cushion us in future years, but will not be adding to it in 2019-20.

- The budget reflects a slight increase in expenditures for English for Speakers of Other Languages (ESOL) due to an increasingly diverse group of young learners in our community. We value the rich diversity they bring to our community and are committed to supporting their educational progress in our school.
- Overall enrollment for the 2018-19 school year has steadily risen, generating class sizes in some grades that stretch the upper limits of our targeted class size. Taking these increases into account, along with the small 5th grade moving to RMS, and projections for kindergarten and first grade classes next year, we expect our overall budget-to-budget population to increase by 21 students. In order to accommodate this increase, the budget we have approved includes the addition of a K/1 teacher and a teacher in the upper grades (3-5). These additional teachers will allow us to maintain our targeted class sizes in the upper grades, while creating classes in kindergarten and first grade that fall toward the lower end of our targeted range.

I will again conclude this letter by thanking our many community volunteers for the countless hours you contribute to making our school such a unique learning environment for our children. There are many ways to contribute to our school community – as a volunteer, a substitute, PTO member, cultural ambassador, or attendee at a board or committee meeting. The Hanover School Board and school administration know that the excellence of our schools depends on the support and involvement of our community, and we are grateful for the confidence that you have placed in us and your tremendous support of our schools. In a climate of ever-increasing economic and educational pressures, we will continue to refine and evaluate our programs to meet the high standards we demand for our children's education, while being mindful of the financial costs to our community.

— Kelly McConnell, *Chair, Hanover School Board*

Hanover School District

2019-20 SCHOOL YEAR BUDGET

The School Board is recommending a school district budget totaling \$14.5 million (including all articles) for the support of the school for 2019-20. The direct PreK-5th grade operating budget for the Ray School would increase by \$450,005 or 4.08%. The total budget with offsetting changes in special education and 6th grade tuition, including all articles, results in a 1.79% increase or \$256,552. Projected revenues are lower than present year which results in an assessment increase for the Hanover budget of 3.29% or \$429,010. When you include the contract settlement articles, the total direct Hanover budget assessment is \$500,877. When combined with the Dresden proposed budget (including all articles), the total budget-to-budget assessment change is an increase of \$558,181. The total K-12 projected Hanover tax rate (including all articles for both Districts) is expected to increase by 3.56% when blended with the state's projected equalized school tax rate, resulting in a 0.41¢ increase per \$1,000. The District assessment for the budget is expected to produce a combined Hanover and Dresden school tax rate of \$12.00. This projected rate implies an expected tax increase of \$164 on a \$400,000 property. The Hanover Finance Committee voted unanimously to support the proposed FY20 Hanover School District Budget including all suggested warrant articles.

K-5 ENROLLMENT: The 2018-19 enrollment projection was forecast at 463 students in K-5; actual enrollment as of October 1, 2018 was 457. Using the Oct. 1st actuals we are budgeting based on historical information and cohort survival 478 students for 2019-20 school year. It has been a busy year in our lower grades and when we revisited our enrollment numbers in January, we had gained 8 students. Projecting the new numbers forward, we would expect a total enrollment of 483 students. It is impossible to know whether our projection will prove accurate or whether 2019-20 enrollment will be equal to or more than the current number. Much of the increase in the regular operating budget is in classroom FTEs including 2 new teachers along with .80 for "specials" needs in art, music, physical education and foreign language. Technology will be upgrading computer equipment and a lab, budgeting a small increase over last year in the amount of \$21,921. We will also be experiencing savings in the purchased property services lines due to changing vendors in the amount of \$16,000.

6TH GRADE TUITION: Hanover tuitions its sixth graders to the Richmond Middle School. Last year we budgeted based on 87 students with 90 actually matriculating. The total cost of 6th grade tuition is decreasing budget to budget by \$357,091 as we are budgeting for a class size of 61 and the prior year correction was only \$60,480. We have written 2 warrant articles to set aside monies in the 6th Grade Tuition Fund Capital Reserve to help offset the budget increase for the 2020-21 year when our 6th grade tuition student count will increase by 30.

SPECIAL EDUCATION: Often a source of volatile budget change, special education in total is expected to increase by \$106,336. The district has for years fulfilled its duty to educate some of its students by placing them in schools outside the district. At this time, out-of-district tuition expense is projected to decrease by \$23,300 due to changes in student population. Our special education transportation is projected to increase by \$18,100. The balance of the increase is located in educational assistant salaries and associated benefits.

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL): We are still experiencing a large need in our population of students who are native speakers of other languages. For 2019-20, we will need to increase our FTEs by .20 in order to provide the level of training this special population requires to remain successful. We have projected this additional personnel will increase the budget by \$38,568.

ADMINISTRATIVE SERVICES: School administration identified some areas of the budget where efficiencies totaling \$54,516 could be achieved without impacting programming, and the board decided to redirect those funds into the 6th grade tuition reserve fund. Additionally, the board elected to also redirect the \$35,000 contingency fund, resulting in a warrant article to fund the 6th grade tuition reserve fund in the amount of \$89,516.

FOR MORE INFORMATION: For more budget information, please visit www.sau70.org for the Annual District Report or click the "School Boards" tab and choose "Budgets".

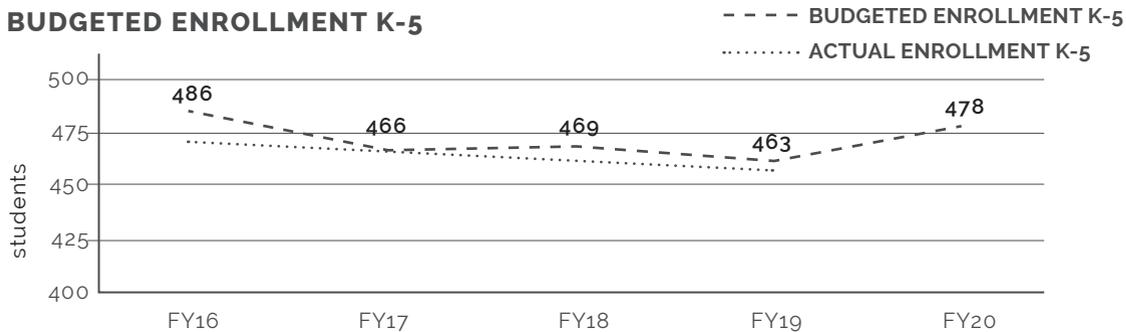
Hanover Budget Highlights

2019-20 SCHOOL YEAR

The Hanover School District budget covers the following costs:

- Operation of the Ray School (pre-K thru 5) including all increases associated with benefits including NH Retirement System rate increases for Teachers, medical and dental insurance rates
- Tuition for Hanover 6th graders at Dresden's Richmond Middle School
- Extraordinary special education services for Hanover students (pre-K – age 21)
- Bus Transportation for all Hanover students (K through 12)

Recent budget history is summarized in the following charts:



ENROLLMENT & STAFFING

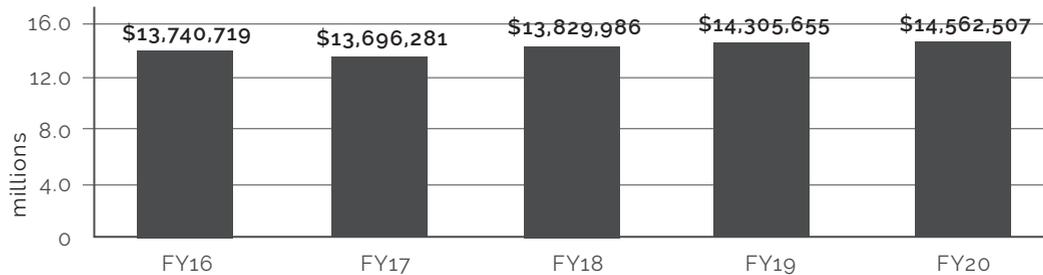
BUDGETED ENROLLMENT	FY16	FY17	FY18	FY19	FY20	% CHG
Budgeted Enrollment K-5 (Ray)	486	466	469	463	478	3.2%
Budgeted Enrollment Gr 6 (RMS)	104	98	82	87	61	-29.9%
Total Enrollment	590	564	551	550	539	-2.0%

BUDGETED STAFF (RAY SCHOOL)

Classroom Teachers	26.0	25.0	25.0	25.0	27.0	8.0%
Art, Music, PE, Spcls Tchrs	9.6	10.3	10.8	10.6	11.4	7.5%
Special Ed Certified Staff	10.8	10.7	11.3	11.6	12.8	9.9%
Ed Assistants	33.7	29.7	30.8	29.9	38.3	28.1%
Other Staff	19.2	20.0	24.3	24.4	19.1	-21.8%
6th Grade Ed Assistants	<i>Charged as "6th Grade Excess Cost in Prior Budgets"</i>		3.0	1.0	1.0	0.0%

TOTAL STAFF	99.3	95.7	102.2	102.4	109.5	7.0%
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TOTAL DISTRICT BUDGET: ALL ARTICLES



BUDGET OUTLINE	BUDGET 2015-16	BUDGET 2016-17	BUDGET 2017-18	BUDGET 2018-19	BUDGET 2019-20	%CHG
RAY SCHOOL (PRE K-5 ONLY)						
Regular Instruction	\$4,572,317	\$4,590,812	\$4,886,770	\$5,041,278	\$5,422,807	7.55%
Special Education	2,174,327	2,029,705	2,250,063	2,308,568	2,824,919	4.41%
<i>NECC Programming (restated)</i>	516,493	379,966	399,227	0	0	0.00%
Other Instruct Services	385,673	384,320	581,325	730,785	765,346	4.73%
Library Services	173,206	164,671	188,845	191,551	197,691	3.21%
School Administration	1,154,690	1,234,345	1,114,091	1,023,012	1,014,491	-4.07%
Maint, Cust, Grnds	563,304	604,087	620,388	636,844	618,071	-2.95%
Pupil Transportation	568,960	606,413	629,162	657,488	628,523	-4.41%
SUBTOTAL RAY OPTG	\$10,108,970	\$9,994,319	\$10,669,871	\$10,986,543	\$11,471,848	4.08%
Spec Ed Tuition Exp (<i>NECC restated above</i>)	953,907	1,038,384	804,100	844,200	820,900	-2.76%
Site & Building Impvts	27,200	46,700	68,100	57,500	83,000	44.35%
Debt Service	391,022	395,899	396,719	392,029	392,084	0.01%
Interfund Transfers Out	140,000	183,450	104,000	55,000	15,000	-72.73%
TOTAL IN-DISTRICT EXPENSE	10,667,192	10,620,368	11,238,690	11,526,072	11,961,932	3.78%
6th Gr Tuition to Dresden	2,119,620	2,037,529	1,787,196	1,935,383	1,578,292	-18.45%
TOTAL DISTRICT BUDGET	\$13,740,719	\$13,696,281	\$13,829,986	\$14,305,655	14,361,124	0.39%
Plus Special Articles/Reserve					129,516	
Plus Special Articles/Collective Bargaining					71,867	
Budget (incl articles)					14,562,507	1.8%
Tax Rate (incl articles)	\$12.24	\$13.02	\$13.11	\$11.59	\$12.00	3.5%

*FY 15, 16, 17 Original Budgets as proposed. FY 18 with Budget Transfers.

Warrant for the 2019 Annual Meeting

OF THE HANOVER SCHOOL DISTRICT

ARTICLE 1: To elect by written ballot for one-year terms a moderator, a clerk, and a treasurer; and two School Board members for a three-year term.

The positions noted above are voted on annually. The names of the candidates are listed at the end of the Hanover section of this annual report. Information on each position is available in the Superintendent's office.

ARTICLE 2: Shall the District appropriate the sum of Forty Thousand Dollars (\$40,000) from the Don S. Bridgman Fund during the 2019-2020 fiscal year in order to afford additional advantages to the students of the District not provided by taxes? The School Board recommends this appropriation.

In his will dated January 20, 1917, Don S. Bridgman left a portion of his estate to what is now the Hanover School District. These monies are known as the Bridgman Fund and are currently invested to provide a stream of income for years to come. The balance of the Fund as of June 30, 2018 was \$1,444,962. Expenditures from the fund are used for projects that would not be covered in the school's regular operating budget. Monies are taken only from the Bridgman Trust Fund, so this appropriation has no effect on the tax rate.

ARTICLE 3: Shall the District raise and appropriate the sum of Eighty-nine Thousand Five Hundred-Sixteen Dollars (\$89,516) to be added to the Hanover School District 6th Grade Tuition Fund previously established? The School Board recommends this appropriation.

The 6th Grade Tuition Fund was created to help offset the variability component in the Ray School Budget due to class size changes as students transition from the Ray School 5th grade to 6th grade at the Richmond Middle School. Next year's class is projected to have 29 fewer 6th graders than usual, but the class thereafter is projected to increase by 30 students so we are proposing a transfer to the reserve of \$89,516. The balance in the fund as of 6/30/2018 was \$100,948. This article's appropriation is projected to add \$0.04 to the tax rate per \$1,000.

ARTICLE 4: Shall the District determine and fix the salaries of School District Officers as follows: School Board members \$700 per member with Board Chair receiving an additional \$300; School District Treasurer \$1,879; School District Clerk \$150; and School District Moderator \$150, in accordance with RSA 194:10, and further raise and appropriate the sum of Seven Thousand, Three Hundred Seventy-nine Dollars (\$7,379)

to fund these salaries? The School Board recommends this appropriation.

This article requests \$700 as the salary for School Board members, the same stipend as last year with an additional \$300 for the School Board Chair. The salaries for School District Clerk and Moderator remain unchanged, there is a small increase for the Treasurer position. This article's effect on the tax rate is negligible.

ARTICLE 5: Shall the District vote to approve the cost items in the three (3) year collective bargaining agreement reached between the Hanover School Board and the Hanover Education Association, NEA-NH, which calls for the following increases in teacher salaries and benefits:

Year	Estimated Increase Over status quo budget
2019-2020	\$ 66,215
2020-2021	\$142,149
2021-2022	\$137,114

and further, shall the District raise and appropriate the sum of Sixty-Six Thousand, Two Hundred Fifteen Dollars (\$66,215), such sum representing the estimated increase in teacher salaries and benefits for the 2019-2020 fiscal year brought about by this collective bargaining agreement? The School Board recommends this appropriation.

NOTE 1. The sum necessary to pay the so-called status quo salaries and benefits for teachers if this article is defeated is included in the operating budget in Article 6.

NOTE 2. A favorable vote on this article shall be considered the approval of the cost items in all three years of the proposed collective bargaining agreement.

In December, the Board and Hanover Education Association (HEA) reached a tentative agreement for the next three-year period (2020-2022). The HEA agreed to a new health plan with increased deductibles and premium costs of about 20.8% less than the current plans. The base pay increases are 2.0% per year on scale; premium copays are 7%, 8% and 9%; and the early retirement benefit has new age parameters with a limited number of spots available per year. There were many language updates throughout the agreement. A complete overview can be reviewed on the sau70.org website under the budget section. This article's appropriation is projected to add \$0.03 to the tax rate per \$1,000 for the 2019-20 budget year.

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Warrant for the 2019 Annual Meeting of the Hanover School District

ARTICLE 6: Shall the District vote to approve the cost items in the three (3) year collective bargaining agreement reached between the Hanover School Board and the Hanover Support Staff, NEA-NH, which calls for the following increases in support-staff salaries and benefits:

Year	Estimated Increase Over status quo budget
2019-2020	\$ 5,652
2020-2021	\$40,238
2021-2022	\$35,588

and further, shall the District raise and appropriate the sum of Five Thousand, Six Hundred Fifty-Two Dollars (\$5,652), such sum representing the estimated increase in support staff salaries and benefits for the 2019-2020 fiscal year brought about by this collective bargaining agreement? The School Board recommends this appropriation.

NOTE 1. The sum necessary to pay the so-called status quo salaries and benefits for support staff if this article is defeated is included in the operating budget in Article 6.

NOTE 2. A favorable vote on this article shall be considered the approval of the cost items in all three years of the proposed collective bargaining agreement.

In December, the Board and Hanover Support Staff Association (HSSA) reached a tentative agreement for the next three-year period (2020-2022). The HSSA agreed to a new health plan with increased deductibles and premium costs of about 20.8% less than the current plans. The base pay increases are 2.0% per year on scale and added a step 12; premium copays are 5%, 5% and 6%; grandfathering on life insurance at 17.5 hours was removed; sick leave accruals limited to 90 days down from 120; longevity beginning in year II was increase it by \$250 per tier. There were many language updates throughout the agreement. A complete overview can be reviewed on the sau70.org website under the budget section. This article's appropriation is projected to add \$0.002 to the tax rate per \$1,000 for the 2019-20 budget year

ARTICLE 7: Shall the District raise and appropriate the amount of Fourteen Million, Three Hundred Fifty-Three Thousand, Seven Hundred Forty-Five Dollars (\$14,353,745) for the support of schools, for the payment of salaries for teachers and other school employees, and School District officials and agents, and for the payment of the statutory obligations of the District for the 2019-2020 fiscal year? This sum does not include the funds appropriated in any of the other articles. The School Board recommends this appropriation.

Over the past several years, the Hanover School Board has looked at the budget as being composed of six sub-components: the K-5 Ray School operating budget; out-of-district Special Education placement costs; capital expense; debt service; reserve transactions; and the 6th grade tuition payment. The direct operating portion of the budget is projecting a \$450,005 increase due in large part to the addition of FTEs to accommodate a growing student population including 2 additional classroom teachers, .20 x 4 in specials like physical education, foreign language, art and music, .20 in English as Second Language teachers and 3 additional special education aides for student needs. The out-of-district placements for Special Education students and 6th grade tuition payments have typically been the most volatile, although this year both of these sections are seeing a decline in costs of (\$23,200) and (\$357,091) respectively. Capital expenditures are rising by \$25,500 to continue work on upgrading systems within the building. The increase over 2018-19 budget (including Warrant Article #4 only) is \$55,169 or 0.39%. The total increase in budget assessment for this article alone after applying projected revenues is \$339,494; projected to add \$0.15 to the tax rate per \$1,000.

ARTICLE 8: Shall the school district vote to appropriate the sum of \$100,000 to be added to the Hanover School District 6th Grade Tuition Fund previously established? This sum to come from June 30 fund balance available for transfer on July 1 in excess of \$200,000. (The first \$200,000 of the June 30 unreserved fund balance will be used to reduce the school tax rate in 2019-20). No amount to be raised from taxation. The School Board recommends this appropriation.

The 6th Grade Tuition Fund was created to help offset the variability component in the Ray School Budget due to class size changes as students transition from the Ray School 5th grade to 6th grade at the Richmond Middle School. Next year's class has 29 fewer 6th graders than usual, but the class thereafter is projected to increase by 30 students so we are proposing an additional transfer to the reserve of up to \$100,000 to come solely from any year-end unassigned general fund balance. This article will not have an impact on the 2019-20 tax rate.

ARTICLE 9: To transact any non-substantive business that may legally come before the discussion phase of this meeting.

DRESDEN SCHOOL DISTRICT

2019-20 SCHOOL YEAR BUDGET

MISSION STATEMENT OF

Richmond Middle School

Our mission is to inspire students to build the skills and compassion necessary to succeed in a complex world and, as they move toward greater independence, empower them to examine the impact their actions have on themselves, others, and the environment.

For this school community to thrive, teachers, staff, parents, and students will work together to:

- Communicate effectively in a variety of ways
- Think critically and creatively to identify and solve a range of problems
- Contribute positively to the classroom, school, and broader community by
 - *Participating in decision making*
 - *Valuing diversity*
 - *Taking responsibility for their own actions*
 - *Resolving conflicts peacefully*

MISSION STATEMENT OF

Hanover High School

Hanover High School is an active learning community that provides broad academic and co-curricular programs. We engage students' minds, hearts and voices so that they become educated, caring and responsible adults.

All students are given the opportunity to use their

- minds to pursue excellence, academic challenge and personal success.
- hearts to respect and care for the emotional and physical well-being of themselves and others, and for the environment.
- voices to contribute to the democratic process and the common good.

DRESDEN SCHOOL BOARD

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Claire Yegian, Hanover High School

SCHOOL BOARD CHAIR REPORT

In recent years, I've used this Annual Report to reflect on the state of our schools and the various issues that influence our work. This year, I'm focusing on an important item that will be on the ballot in March.

After almost thirteen years, our turf field at Hanover High School needs replacement. Along with replacement of the turf field, there are also issues associated with drainage that need to be addressed. The cost to address both needs is significant. The Administration has worked hard to develop a plan that has minimal impact on team sports. The Board and the Administration have also diligently researched various funding options to help minimize the impact to taxpayers. This year's Dresden ballot includes a warrant article asking voters for \$900,000 to replace the turf field and correct the drainage problems.

Our turf field sees a lot of use. While many of us associate the field with football, it also serves numerous other sports at the high school, and other major events including graduation. In addition to football, it is the primary field for lacrosse, soccer, and field hockey and is used for both practices and games. For teams to play games on the field, it must meet certain requirements established by the New Hampshire Interscholastic Athletic Association (NHIAA). These requirements are, in part, to ensure that students are playing on a safe field to help minimize the risk of injury. Over the past couple of years, the NHIAA has warned us that our turf field is showing signs of its age and is now only meeting the minimum requirements in some areas. Once we fail to meet minimum standards, the NHIAA will not allow us to host games on the turf field. If this were to happen, the impact on our sports teams and our entire athletic program would be significant.

When it became clear that we needed to replace the turf, we were forced to address the drainage concerns as well. There is a large drain pipe that runs down the middle of the field (from end zone to end zone) at a depth of almost 30 feet. This pipe, which is original to the construction of the school, is now compromised. Rather than replace this pipe, which is in an inconvenient location, we opted to place a new drain pipe along the sideline of the field at a more reasonable depth, using money set aside in the current year's budget. Earlier this winter, we completed that work with generous assistance from the Town of Hanover. What now remains is to replace the connection from Lebanon St., extending the drain line on the southwest end of the field and then backfilling the old pipe.

The Administration and the Board reviewed several options for financing the project. The cost of the remaining drainage work is estimated at \$500,000 and turf field replacement estimates range from \$360,000 to \$425,000. The board considered leasing the turf field but ultimately decided to include the cost in the proposed warrant article, avoiding just over \$80,000 in financing costs. If the warrant article is approved our current plan is to pursue financing through a local bank. This option provides us with greater flexibility in borrowing and prepayment compared to funding through the New Hampshire Bond Bank.

In the next few years Dresden will make final payments on a pair of existing construction loans. Through discussions with a few local banks we have been able to structure potential repayment schedules that would align with these retiring loan payments. This will help to prevent large budget increases over the 6-year term of the loan.

The Board understands that this is a significant request. However, we feel it is necessary for the safety of our children and the continued success of our athletic program at the high school.

On behalf of the Dresden Board I thank you for your continued support of our schools. The success of each of our kids is due in large part to your generosity.

— Neil Odell, *Chair, Dresden School Board*

Dresden School District

2019-20 SCHOOL YEAR BUDGET

The Dresden School Board is recommending a school district budget totaling \$26,954,023 (including all articles except the capital project Article #2) for the support of the Richmond Middle and Hanover High Schools for the 2019-2020 school year.

The amounts in all the articles combined, except the capital project article 2, represent an expenditure increase of \$453,862 or 1.7% budget-to-budget compared to the current year. When combined with the proposed elementary school budgets, the total budget-to-budget assessment change results in a 3.94% increase for Hanover (includes all articles for both districts, except Article 2: the field/drainage project) and a 1.12% decrease for Norwich (includes all articles for both districts, except Article 2: the field/drainage project).

Since Dresden does not have its own tax rate, the tax rate impact of the Dresden budget is included within the tax rate estimates for the Hanover and Norwich districts. With all articles except Article 2, the total Dresden assessment to Hanover is expected to be \$14,393,490, an increase of \$558,181 or 4.03%. This results in a projected tax rate increase for Hanover of 24 cents per \$1,000 of assessed property value (\$96 on a \$400,000 home). With all articles except Article 2, the total Dresden assessment to Norwich is expected to be \$6,525,427, a decrease of \$119,445 or a 1.79% reduction. This would result in a tax rate decrease for Norwich of 2.16% or 4 cents per \$100 of assessed property value (a decrease of \$160 on a \$400,000 home).

ENROLLMENT: Current year enrollment in grades 6-12 was projected to be 1,115; actual enrollment this year as of October 1 was 1,127. Our enrollment projection for 2019-20 is 1,100: 349 students at the middle school and 751 students at the high school. Hanover High School remains a popular decision for neighboring towns that have school choice. Enrollment is declining temporarily at RMS due to a very small incoming 6th grade class from Hanover. There may be some level of uncertainty with some of our Vermont tuition students as the Act 46 consolidations play out. We currently have 79 Vermont tuition students enrolled; 6 at RMS and 73 at HHS.

STAFFING: RICHMOND MIDDLE SCHOOL

Middle school enrollments are temporarily declining with a very small Hanover cohort coming in, so reductions are being made across multiple subjects including Social Studies, Art, Math, PE, Science, curriculum coordinator and English. While there will be a slight increase in Foreign Language, total regular education staff will decrease by 1.54 FTEs. Combined with a 1.0 FTE increase in Special Education, total staffing will be down 0.54 FTEs at RMS.

STAFFING: HANOVER HIGH SCHOOL

While our high school enrollments are expected to remain steady, the FTEs have been moving around with assignments changing slightly to meet the changing needs of the present student census in regard to both educational and emotional goals.

Regular Education Teaching includes an FTE increase of .70 to support student services with offsetting decreases in Foreign Language and English. In addition to changes in the teaching realm, the high school proposes to increase educational assistants by 1 FTE to better accommodate the needs of students. The Technology Department is also seeking to add 1 FTE to meet the needs of the 1:1 initiative launched many years ago.

Due to changing special education needs, we are proposing a .40 FTE reduction in the Learning Specialist case management area. Reallocations are allowing for increases in Adaptive Physical Education and Reading Specialists without additional budget impact. The Speech and Language Pathology department will be increasing .20 FTE due to student needs. Other support departments including Guidance and Library

& Media are seeing modest staffing changes as well. Where appropriate, staffing has been streamlined, functions have been merged and reporting structures have changed to best serve the needs of the high school.

Other salary related increases include additional tutoring hours; additional work days for Learning Specialists and Special Education and additional coaching and co-curricular assignments.

The result of all of these staffing changes is a 3.94 FTE increase at the high school.

TUITION INCOME: The district forecasted 142 tuition students for the 2018-19 school year. As of December 2018 we actually have 154 enrolled tuition students. We are projecting 152 tuition students for 2019-20, representing a \$248,437 increase in tuition income. At the middle school, we are expecting a twenty-seven student decrease in Hanover 6th graders. This results in a large decrease in 6th grade tuition due Dresden of \$357,091. The overall projected tuition income is decreasing by \$108,654.

SPECIAL EDUCATION: The total estimated budget cost for Special Education at the middle school and high schools (including special education transportation) is projected to increase by \$182,760.

The account line for Special Education Assistants at the middle school is increasing \$39,241 as we are adding an additional 1.0 FTE for student needs and have a change in personnel for the upcoming year. The associated Payroll Tax & Benefits are increasing \$29,244.

The consolidated account line for Special Education Payroll Tax & Benefit at the high school is increasing by \$60,202 even though the salary lines are showing a decrease of \$52,705. This is the result of employee turnover, changes in benefit elections and a projected increase in health insurance costs. The consolidated account line for Special Education Professional Services at the high school is increasing by \$46,130, which includes changes in psychological, occupational and testing services by outside providers.

CAPITAL & DEBT SERVICE: Dresden has four outstanding bond issues with a total balance of \$18,237,419 and one lease agreement (RMS Lighting) with a balance of \$79,466 (\$39,733 per year). Each year payments are made on the

debt in the form of principal and interest. The debt payments this year are increasing by \$58,793. As we enter the final five years of the large 2003 School Construction project, the payments are accelerating.

RMS and HHS Site & Building Improvement accounts have sizeable changes as facilities continue to age. The RMS Site Improvement account is increasing by \$32,000. The HHS Building Improvement account is increasing by \$45,615 and the Site Improvement account by \$24,500. Site improvements include parking lot paving and sidewalk repairs, athletic field fencing and bleacher repairs, parking area fencing repairs and safety bollards, athletic ropes course repairs and ongoing tree pruning and removal. Building maintenance items include fire alarm panel upgrades, phone system programming and radio updates, HVAC updates (exhaust fans and potential cooling units), flooring in bathrooms and office areas, exterior and interior door updates, interior & exterior painting and concrete repairs to entrance areas. The balance of the drainage project and turf carpet replacement will be addressed on a separate warrant article.

FOR MORE INFORMATION: For more budget information, please visit www.sau70.org for the Annual District Report or click the "School Boards" tab and choose "Budgets".

Meetings

DELIBERATIVE SESSION

Thursday, February 28th, 7 p.m. HHS Auditorium

ALL DAY VOTING

Tuesday March 5th, 7:00 a.m. to 7:00 p.m.

HHS Gymnasium

Dresden Budget Key Points

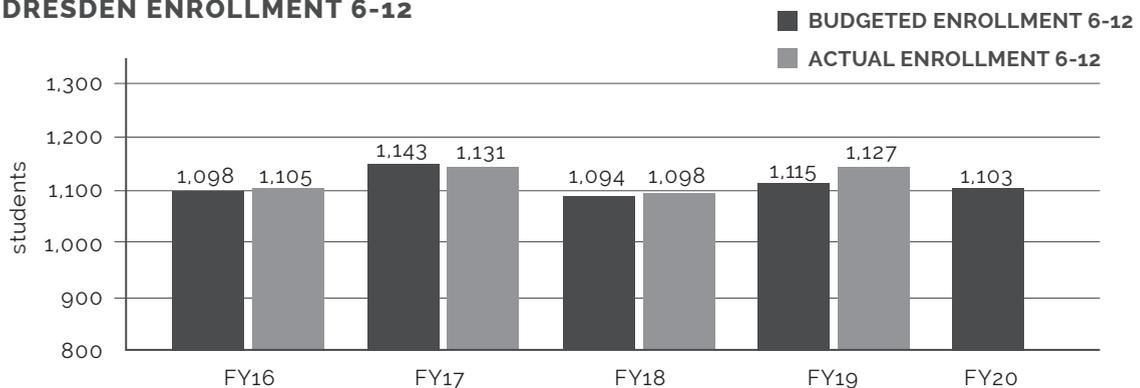
2019-20 SCHOOL YEAR

The Dresden School District budget covers the following costs:

- Operation of the Richmond Middle School providing educational instruction to Hanover and Norwich students in grades 7-8 as well as grade 6 Hanover students by tuition
- Operation of the Hanover High School providing educational instruction to Hanover and Norwich students in grades 9-12 as well as tuition students from neighboring towns including Lyme, Hartland (VT), West Windsor (VT) and Strafford (VT).
- Total Dresden Budget (including all articles, except drainage/field project) is increasing by about \$453,862 or 1.7%.
- District Assessment is increasing by 1.53% or \$313,701, Hanover is up 3.41% and Norwich is down 2.37%. Change in assessment percentage share for this fiscal year shifted 1.187% with Hanover going up and Norwich going down due to the change in enrollment distribution between the two towns. Revenues are projected to increase 0.25% due largely to a projected fund balance.
- The total K-12 projected Hanover tax rate (including all local articles and the Dresden assessment with all articles except #2) is expected to increase by 3.56% or 41¢ per \$1,000 of assessed property value (\$164 on a \$400,000 home). The total K-12 projected Norwich tax rate (including all local articles and the Dresden assessment with all articles except #2) is expected to decrease by (1.71%) or (.0317¢) per \$100 of assessed property value (a decrease of \$127 on a \$400,000 home).
- More detailed budget information can be obtained by visiting www.sau70.org and following the School Board Budgets link or by calling the SAU office at 603-643-6050.
- The Dresden School District Discussion Phase of the annual meeting will be held at 7:00 PM on Thursday, February 28 at the Hanover High School Auditorium.
- Voting takes place between 7:00 AM and 7:00 PM on Tuesday, March 5, at the High School Gymnasium for Hanover resident voters and at Tracy Hall for Norwich resident voters.
- Information on obtaining Absentee Ballots can be found at the end of the Warrant Article Explanation section. You may also call the Superintendent of Schools Office at 603-643-6050 or the Hanover Town Clerk's Office at 603-640-3201.

Recent budget history is summarized in the following charts:

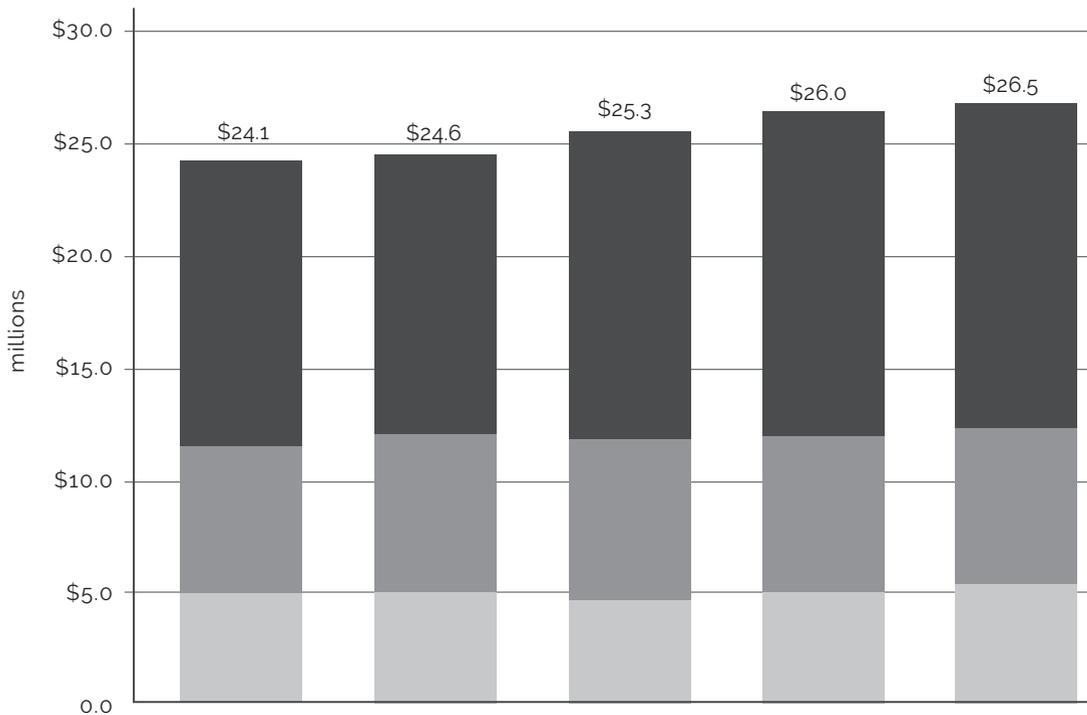
DRESDEN ENROLLMENT 6-12



ENROLLMENT & STAFFING

	RICHMOND MIDDLE		HANOVER HIGH	
	FY20	CHANGE	FY20	CHANGE
BUDGETED ENROLLMENTS	349	-6.68%	751	1.3%
TEACHERS FTE'S	44.23	-3.36%	79.63	2.9%
OTHER STAFF FTE'S	31.01	0.00%	45.70	3.9%
TOTAL STAFF FTE'S	75.24	-0.71%	125.33	3.2%

DRESDEN BUDGET HISTORY



	FY16	FY17	FY18	FY19	FY20
■ HHS Bgt	\$12,784,176	\$13,123,218	\$13,762,680	\$14,033,530	\$14,364,471
■ RMS Bgt	\$6,803,223	\$7,220,365	\$7,274,162	\$7,445,843	\$7,456,412
■ OTHER	\$5,043,838	\$5,031,681	\$4,967,935	\$5,020,788	\$5,133,140

EXPENSES	RICHMOND MIDDLE		HANOVER HIGH	
	FY20 BGT	INCR (DECR)	FY20 BGT	INCR (DECR)
Regular Instruction	\$3,586,794	(\$157,118)	\$7,080,694	\$137,579
Technology	203,145	10,896	348,436	87,882
Special Education	1,658,844	72,972	1,486,400	50,584
Vocational Education	n/a	n/a	102,591	2,991
Co-Curricular	40,455	905	923,450	74,957
Student Support Services	367,571	7,207	1,038,493	(63,162)
Staff Support Services	272,022	(3,076)	378,512	(29,883)
School Administration	561,426	(63,515)	1,490,996	41,048
Operation & Maintenance of Plant	545,965	18,297	1,044,746	19,119
Transportation	30,964	3,660	219,344	(98,783)
Site & Bldg Improvements	121,500	77,615	138,500	34,100
Interfund Transfer Out	25,000	-	30,000	(7,800)
TOTALS	\$7,413,686	(\$32,157)	\$14,282,162	\$248,632

EXPENSES	DISTRICT WIDE	
	FY20 BGT	INCR (DECR)
Coord of Volunteers	\$10,839	(\$1,078)
Comp Techn	29,000	(2,100)
School Board Services	63,014	232
Supt Services	967,458	61,861
Bldg Maintenance	526,632	(5,356)
Debt Service	3,536,197	58,793
TOTALS	\$5,133,140	\$112,352

RECAP	FY20 BGT	INCR (DECR)
District Wide	\$5,133,140	\$112,352
Richmond Middle	\$7,413,686	(\$32,157)
Hanover High	\$14,282,162	\$248,632
TOTALS	\$26,828,988	\$328,827

Warrant for the 2019 Annual Meeting

OF THE DRESDEN SCHOOL DISTRICT

NOTE: The following Warrant Articles apply to the operation of the Dresden School District, which includes the operation of the Frances C. Richmond School and Hanover High School, grades 7-12, and sixth grade students from Hanover who are tuitioned to the Frances C. Richmond School by the Hanover School District.

The legal voters of the Norwich (Vermont) Town School District and the legal voters of the Hanover (New Hampshire) School District are hereby notified and warned that the two phases of the Annual School District Meeting will be held as follows:

DISCUSSION PHASE: Thursday, February 28, 2019, at 7:00 P.M., at the Hanover High School Auditorium Hanover, New Hampshire.

VOTING PHASE: Tuesday, March 5, 2019, from 7:00 A.M. to 7:00 P.M. in the Hanover High School Gymnasium in Hanover, New Hampshire (for Hanover voters) and in Tracy Hall in Norwich, Vermont (for Norwich voters).

During the discussion phase, the voters shall have the opportunity to discuss the following Warrant Articles and to transact any non-substantive business that may legally be acted on during the discussion phase under Article 7.

All voting on Warrant Articles 1 through 6 shall be conducted by secret written ballot during the voting phase, as provided in the Dresden School District Procedures for Australian Ballot.

ARTICLE 1: To elect by written ballot for one-year terms a Moderator, a Clerk, a Treasurer; an auditor for a three-year term, an auditor for a two-year term, and an auditor for a one-year term.

(Informational Notes: The positions noted above are voted upon annually. Information on each position is available at the Superintendent's Office.)

ARTICLE 2: Shall the District raise and appropriate the sum of Nine Hundred Thousand Dollars (\$900,000) for the design, construction and repair of the drainage system which runs beneath the Hanover High School turf field, replacement of the 13 year old turf-field carpet and update the surrounding athletic area? And to authorize the issuance of not more than \$900,000 of bonds or notes in accordance with the provisions of the NH-VT Interstate School Compact (Article VII) as well as the Municipal Finance Act (NH RSA 33:1) and to authorize the school Board to issue and negotiate such bonds or notes and to determine the rate of interest thereon. The School Board recommends this article.

NOTE 1. No payment will be due in the 2019-20 school year. All future payments will be structured to continue an even stream of debt payments as other present debt payments retire. Payoff will be structured over 6 years.

(Informational Notes: After continued monitoring of a sinkhole at the far end of the sports field and ongoing investigations of the con-

dition of a 48-inch drainage pipe beneath the Hanover High School (HHS) turf field, the Dresden School District (District) has embarked on a project with help from Town of Hanover (Town) that will abandon and replace the pipe. The project coincides with the need to replace the 13 year old, heavily degraded turf material on the field, which is near the end of its functional life. The current HHS turf field drainage project began in late 2018 with Town personnel assisting with replacement pipe design and construction, the first phase of which was installed along the eastern edge of the turf field. Remaining project elements include connections to the existing system in the north to re-route existing drainage pipes into the new pipe and in the south to connect the new pipe to the existing outlet south of the turf field. The project will also include pressure grouting existing pipes to be abandoned under the turf field. The approach the Town and District are taking seeks to abandon existing pipes that are many feet (30 +/-) below the surface of the turf field, which would be far more expensive to excavate than the re-routing & replacement. The debt payments will be structured over six years and amounts will be similar to the amounts of maturing debt scheduled to end. For more information on the payment schedule please visit the SAU70.org website and visit the Budget section.)

ARTICLE 3: Shall the District determine and fix the salaries of School District officers as follows: School Board members \$700 per member with an additional \$300 for the School

CONTINUED ON PAGE 16

Warrant for the 2019 Annual Meeting of the Dresden School District

Board Chair; School District Treasurer \$2,516; School District Clerk \$200; and School District Moderator \$200 in accordance with Article V-A of the NH/VT Interstate School Compact, and further raise and appropriate the amount of Eleven Thousand, Six Hundred Sixteen Dollars (\$11,616) to fund these salaries? The School Board recommends this article.

(Informational Notes: This article requests \$700 for the salary for School Board members, the same stipend as the last several years and an additional \$300 for the Board Chair. The salaries of the School District Clerk and Moderator are unchanged; there is a small increase for the Treasurer. This article's effect on the tax rate is negligible.)

ARTICLE 4: Shall the District vote to approve the cost items in the three (3) year collective bargaining agreement reached between the Dresden School Board and the Hanover Education Association, NEA-NH, which calls for the following increases in teacher salaries and benefits:

Year	Estimate Increase over status quo budget
2019-2020	\$101,814
2020-2021	\$285,069
2021-2022	\$285,528

and further, shall the District raise and appropriate the sum of One Hundred One Thousand, Eight Hundred Fourteen Dollars (\$101,814), such sum representing the estimated increase in teacher salaries and benefits for the 2019-2020 fiscal year brought about by this collective bargaining agreement? The School Board recommends this article.

NOTE 1. The sum necessary to pay the so-called status quo salaries and benefits for teachers if this article is defeated is included in the operating budget in Article 6.

NOTE 2. A favorable vote on this article shall be considered the approval of the cost items in all three years of the proposed collective bargaining agreement.

(Informational Notes: In December, the Board and Hanover Education Association (HEA) reached a tentative agreement for the next three-year period (2020-2022). The HEA agreed to a new health plan with increased deductibles and premium costs about 20.8% less than the current plans. The base pay increases are 2.0% per year on scale; premium copays are 7%, 8% and 9%; and the early retirement benefit has new age parameters with a limited number of spots available per year. There were many language updates through out the agreement. A complete overview can be reviewed on the sau70.org website under the budget section.)

ARTICLE 5: Shall the District vote to approve the cost items in the three (3) year collective bargaining agreement reached between the Dresden School Board and the Hanover Support Staff, NEA-NH, which calls for the following increases in support-staff salaries and benefits:

Year	Estimated Increase over status quo budget
2019-2020	\$23,221
2020-2021	\$45,230
2021-2022	\$38,398

and further, shall the District raise and appropriate the sum of Twenty-three Thousand, Two Hundred Twenty-One Dollars (\$23,221), such sum representing the estimated increase in support staff salaries and benefits for the 2019-2020 fiscal year brought about by this collective bargaining agreement? The School Board recommends this article.

NOTE 1. The sum necessary to pay the so-called status quo salaries and benefits for support staff if this article is defeated is included in the operating budget in Article 6.

NOTE 2. A favorable vote on this article shall be considered the approval of the cost items in all three years of the proposed collective bargaining agreement.

(Informational Notes: In December, the Board and Hanover Support Staff Association (HSSA) reached a tentative agreement for the next three-year period (2020-2022). The HSSA agreed to a new health plan with increased deductibles and premium costs about 20.8% less than the current plans. The base pay increases are 2.0% per year on scale and added a step 12; premium copays are 5%, 5% and 6%; grandfathering on life insurance at 17.5 hours was removed; sick leave accruals limited to 90 days down from 120; longevity beginning in year 11 was increase by \$250 per tier. There were many language updates through out the agreement. A complete overview can be reviewed on the sau70.org website under the budget section.)

ARTICLE 6: Shall the District raise and appropriate the amount of Twenty-Six Million, Eight Hundred Seventeen Thousand, Three Hundred Seventy-Two Dollars (\$26,817,372) for the support of schools, for the payment of salaries for the teachers and other school employees, school district officials, and agents, and for the payment of the statutory obligations of the District for the 2019-2020 fiscal year? This sum does not include the sums appropriated in any of the other articles. The School Board recommends this article.

(Informational Notes: As currently built, including money for the officer salaries (Article 3), the Dresden School District Budget will increase \$328,827 or 1.24%. After accounting for a projected increase in 7-12th grade tuition and a decrease in 6th grade tuition as well as a larger projected June 30, 2019 surplus available, the amount to be assessed to the Hanover and Norwich districts for the 2019-20 budget as currently built is estimated to increase by \$313,701 or 1.53%. Since Dresden does not have its own tax rate, the tax rate impact of the Dresden budget is included within the tax rate estimates for the Hanover and Norwich districts and their respective budget documents. At this point, the total Hanover assessment is expected to be \$14,306,814, an increase of \$471,506, which is actually a 3.41% increase as the Average Daily Membership appropriation percentage calculation between the two districts has shifted 1.187% more towards Hanover from the prior year. This shift would result in an approximate, projected tax rate increase of \$0.21. The Norwich assessment is expected to be \$6,487,067, a decrease of (\$157,805) from the adjusted assessment, which would result in a (2.37%) projected decrease over the current rate depending on the state mandated factors.

While tax estimation is always hazardous, and a "tax rate" cannot be established for the Dresden District separately from the Hanover and Norwich tax rates, the potential tax rate increase for the Dresden portion of Hanover's tax rate is \$0.21, with Special Warrant Articles for agreements it would be projected at \$0.25. The total potential estimated homestead tax rate decrease for Norwich's tax rate including the Dresden Assessment is (\$0.0463), with the Special Warrant Articles for agreements it would decrease by (\$0.0400).

All these amounts are estimates. Actual revenue and assessment information will not be finalized until the state of Vermont sets various budgetary parameters as late as the spring of 2019, and the New Hampshire Department of Revenue Administration finalizes assessment and tax rates for the districts in October of 2019.

ARTICLE 7: To transact any non-substantive business that may legally come before the discussion phase of this meeting.

Ratified at the Dresden School District School Board Budget Meeting on the 22rd day of January 2019.

ABSENTEE BALLOT PROCEDURE

Voters who will be unable to vote on Election Day due to absence from town, religious commitments, or physical disability may vote by absentee ballot. Voters desiring to vote by absentee ballot need to submit a signed request form to obtain a ballot. Voters may request an absentee ballot from the Superintendent of Schools office, 41 Lebanon St, Suite 2, Hanover (603-643-6050), or from the Hanover Town Clerk's office. Forms may be returned by mail, by fax (603-643-3073), or in person. A separate request form is necessary for the Hanover ballot. If the absentee voter does not elect to complete the ballot in the Superintendent/Town Clerk's office, the ballot will be mailed to the absentee voter. If you are requesting a ballot for another person, you may pick up or download a request form, take the form to the absentee voter, obtain that person's signature, and return the request form to the Superintendent/Town Clerk's office. The absentee ballot will then be mailed to the absentee voter.



Cover art by Vidhaan Jain, 3rd grade.

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Dresden School District Deliberative Session · Thursday, February 28, 2019 · 7:00 p.m. · Hanover High School Auditorium
Hanover District Deliberative Session · Thursday, February 28, 2019 · 5:00 p.m. · Hanover High School Auditorium
All Day Voting · Tuesday, March 5, 2019 · 7:00 a.m. to 7:00 p.m. · Hanover High School Gymnasium