



## STREAMLINE

### Goal

Consolidate processes and resources across the SAU to become a more efficient and effective school system.

# Streamline Update SAU 39 Board

10/27/2016



# Streamline Committee

Frank Brown, Amherst Citizen, Streamline Committee Chair

Mike Akillian, Amherst Citizen

Lisa Ambrosio, Finance Director, Town of Amherst

Meg Beauchamp, Director of Student Services, SAU 39

Ava Beaulieu, Amherst Citizen

Steve Coughlan, Souhegan Cooperative School Board

Amy Facey, Chair, Amherst School Board

Katie Hannan, Director of Finance, SAU 39

Chris Janson, Amherst Citizen, Past Souhegan Board Member

Maggie McCabe, Amherst Citizen

John Quinlan, Vice Chair, Mont Vernon School Board

John Schuttinger, Principal, Mont Vernon Village School

Betty Shankel, Former SAU 39 Business Administrator

Adam Steel, Business Administrator, SAU 39

Peter Warburton, Superintendent, SAU 39



# Purpose of Presentation

1. What we have heard
2. Why we need to “Streamline”
3. Options going forward
4. Summary of finding and recommendations



## What have we heard (1)

- There is considerable concern regarding the impact of the loss of two boards relating to and the focus and forum they provide for issues relating to their respective constituencies
- There is great concern on the part of Mont Vernon Board and others as to what would happen to the Village School if Mont Vernon were to consolidate into another district structure
- There is considerable concern from the Mont Vernon perspective that in a consolidated district they would always be in the minority and thus lose influence/control of their future



## What have we heard (2)

- There is skepticism regarding whether the decline in enrollments is permanent and as large as presented
- The general assessment is that the benefits of streamlining/consolidation as presented are not sufficient to justify what is viewed as a very significant step
- There are concerns that the presentation/proposal is lacking a lot of specifics as to how things would actually get implemented (board size and member, teacher contracts, planning committee membership, etc.)
- Where are the streamlining efforts versus consolidation



# What have we concluded from this

## Assessment

- The impact of the imminent enrollment declines is not well understood/accepted
- Streamlining had become synonymous with district consolidation as opposed to district consolidation being only one of the options that should be considered

## Some difficult issues to deal with

- Local town non school considerations
- Voting Representation
- Interest/age group representation on new school board

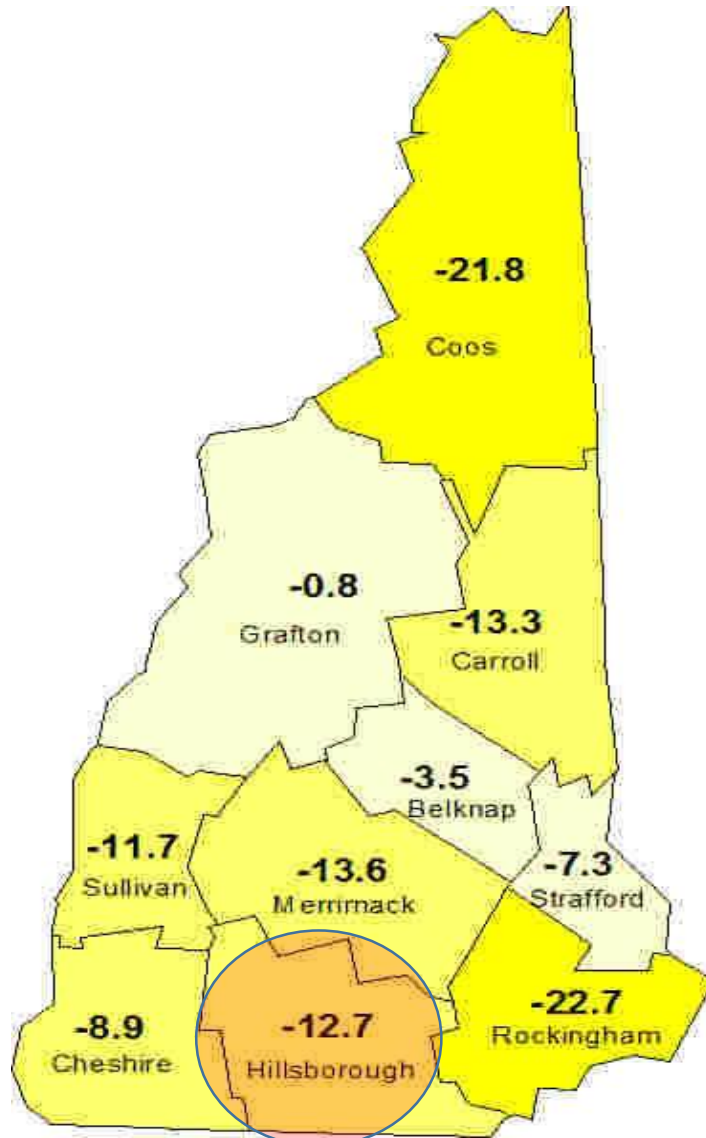


## Environment

- School populations are slowly shrinking here and across NH
- State aid to towns is decreasing
- SAU 39 is projected to lose
  - 177 students in the next 2 years
  - 295 student in the next 5 years
- Increasing costs and taxpayer pressures will force difficult choices for districts
- The size of the staff resource pool will have to shrink over the next 5 years challenging districts to effectively staff and deploy personnel and maintain the breadth and quality of the curriculum
- The current structure of the SAU and three districts and the constraints that it presents, adds to the challenges that the enrollment declines will present



# We are not alone - NH School Age State Population Forecast



**Figure 1: Projected percent change in population aged 5-19, 2010 to 2025**

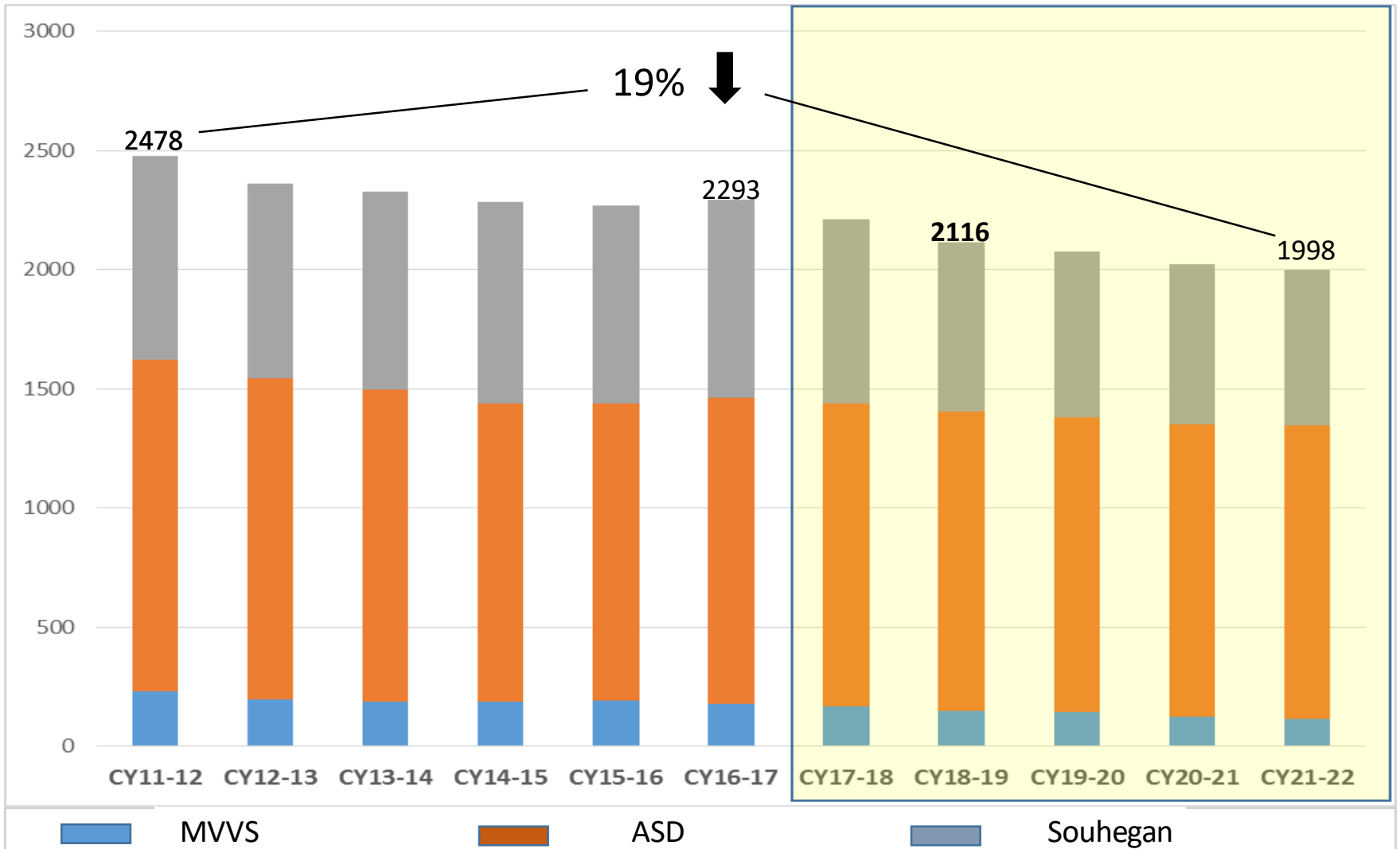
School consolidation in New Hampshire  
*Some points for discussion*

NH Center for Public Policy Studies - March 2015





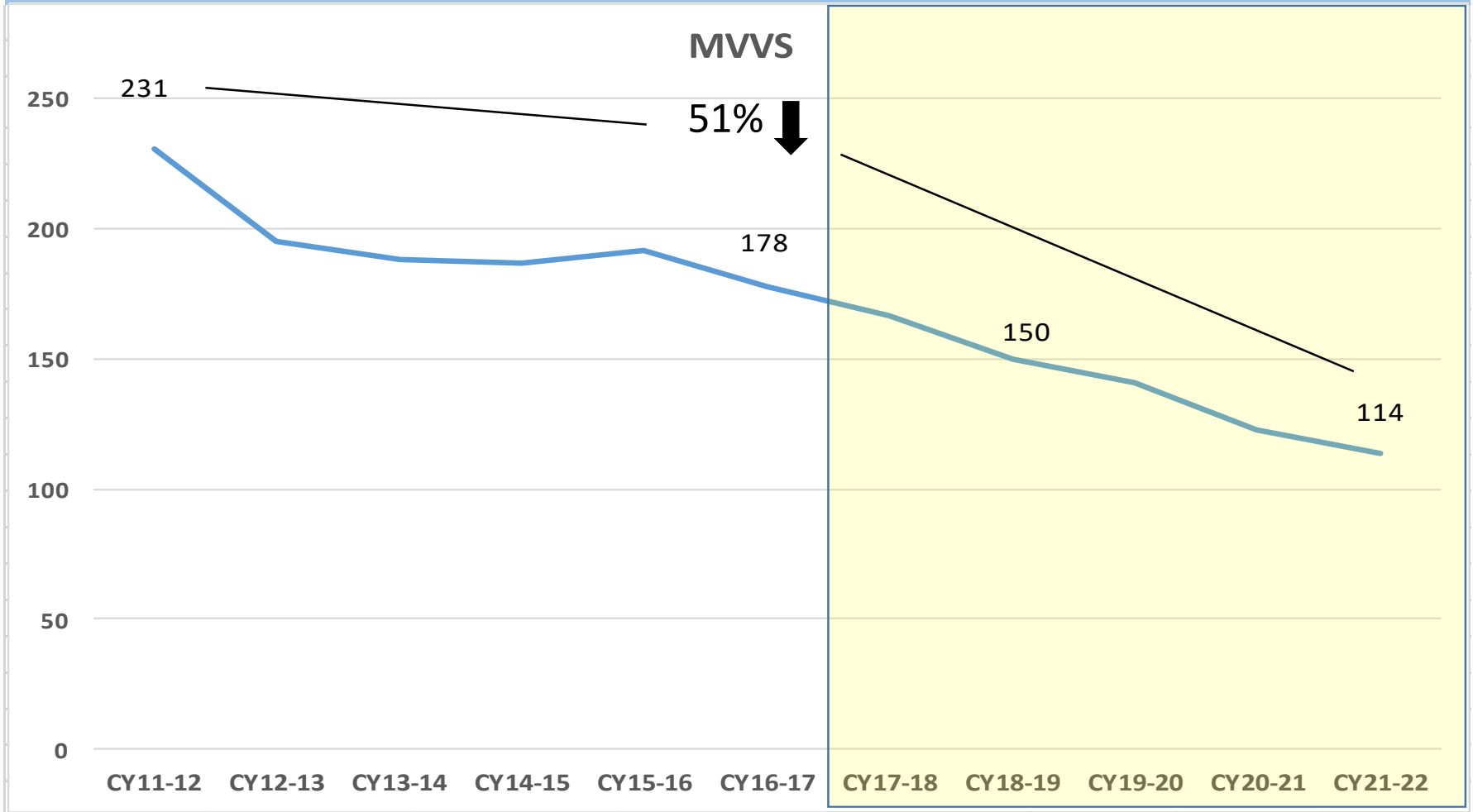
# SAU Enrollment Forecast





# Mont Vernon Enrollment Forecasts

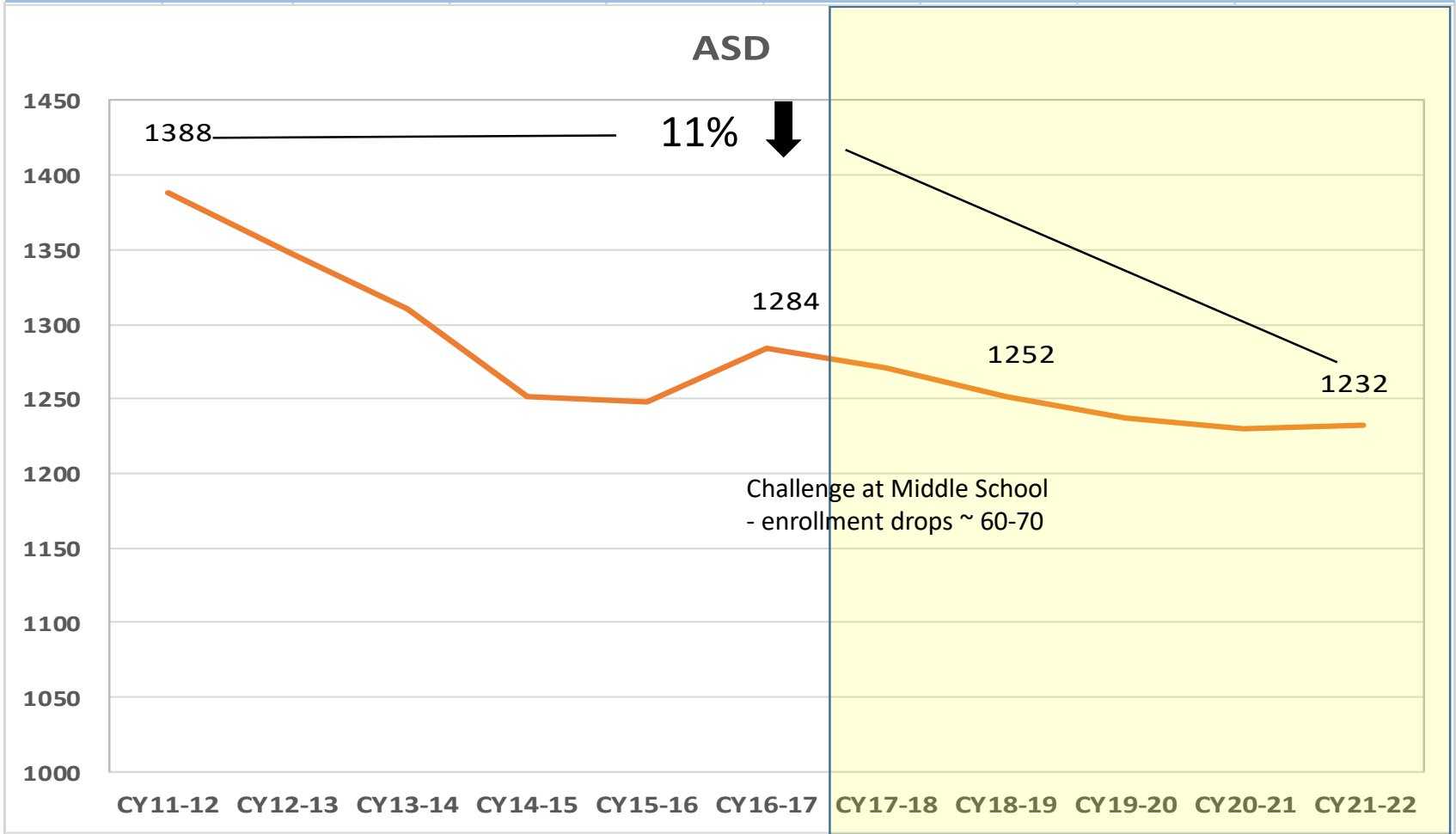
Mont Vernon Past and Projected Enrollment 2011-2022





# Amherst Enrollment Forecasts

## Amherst Past and Projected Enrollment 2011-2022

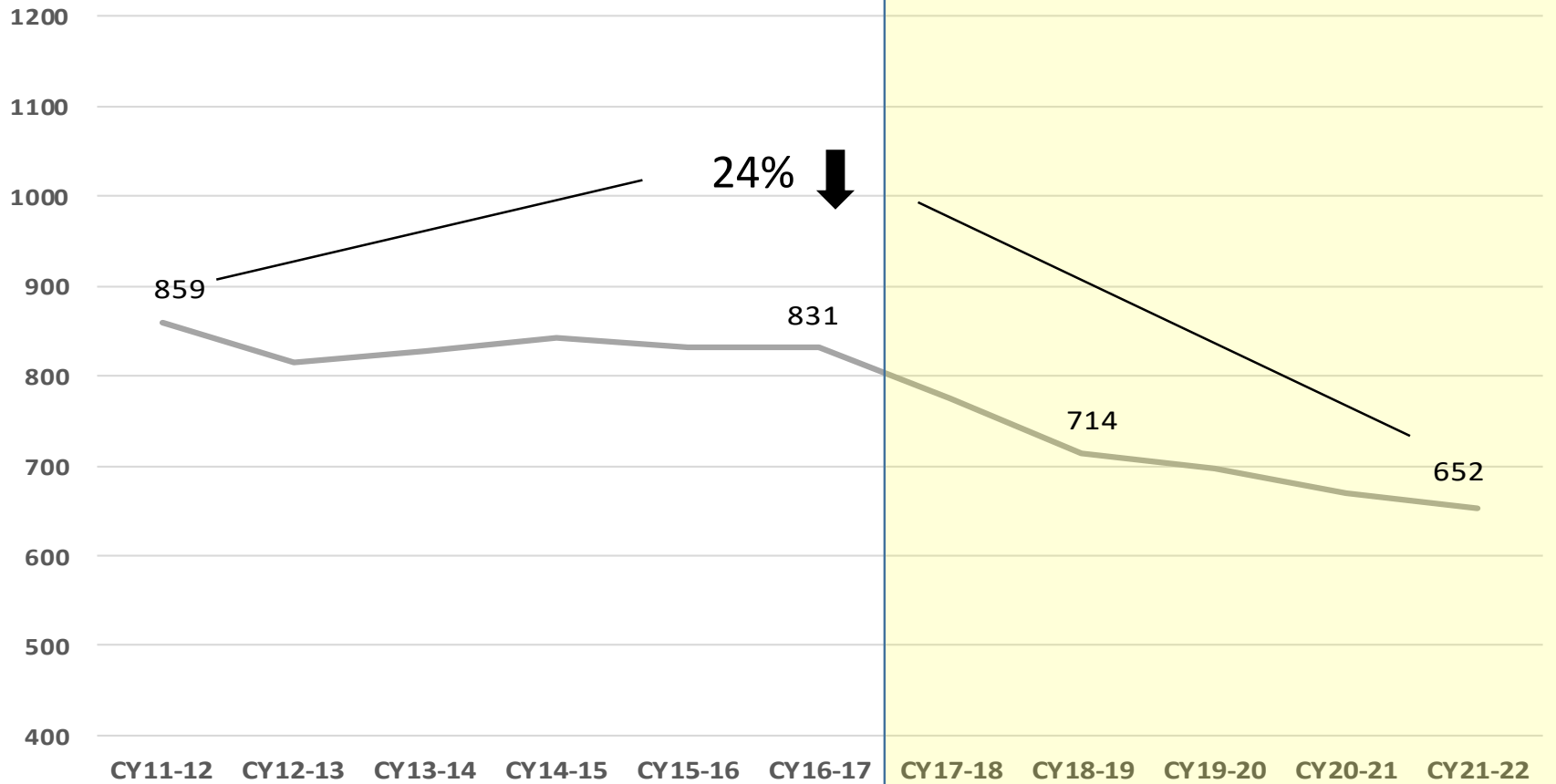




# Souhegan Enrollment Forecast

Souhegan Past and Projected Enrollment 2011-2022

SCHS





# Souhegan Future Enrollment

## Souhegan Enrollment Projection Based on 2016-2017 Enrollment

	SHS	ASD	MVVS			
Grade 12	<b>225</b>	CY16-17				
Grade 11	<b>237</b>		CY17-18			
Grade 10	181			CY18-19		
Grade 9	188	<b>831</b>			CY19-20	
Grade 8		<b>169</b>	<b>775</b>			CY20-21
Grade 7		<b>176</b>		<b>714</b>		CY21-22
Grade 6		137	26	<b>163</b>	696	
Grade 5		129	32	<b>161</b>		669
Grade 4		128	24	<b>152</b>		<b>652</b>

- Enrollment drop at Souhegan, smaller enrollment drop at Middle School



# We Are Steaming Consolidating Now - Population Profiles

From NH DOE Website

## 5 Year Population Changes From 11-12 to 15-16

	MVVS	ASD	SCHS	Total
Students	(39)	(140)	(28)	(207)
Teachers	(2)	(17)	(13)	(32)
Instructional Support	(2)	(3)	(3)	(8)
<b>Total Instruction Staff</b>	<b>(4)</b>	<b>(20)</b>	<b>(16)</b>	<b>(40)</b>

Reduction ratio of 1 instructional resource for every 5 students (207/40)



## Impact Sizing of Enrollment Decline

- Impact in 2018-2019 - Enrollment down **177** (2293 to 2116)
  - Using Avg. “Total Budget/Student” of 20.4K, - **\$3.6M** budget impact
  - Using the previous staff/student reduction ratio - potential impact on instructional resources (teachers + support) down **35**
  - Staff reduction if using \$125K loaded cost per teacher – down **29**
  - Plus cascading impact on classes offered, classroom size, etc.
- Impact in 2021-2022 - Enrollment down **295** (2293 to 1998)
  - Using Avg. “Total Budget/Student” of 20.4K, - **\$6.0M** budget impact
  - Using the previous staff/student reduction ratio - potential impact on instructional resources (teachers + support) down **59**
  - Staff reduction if using \$125K loaded cost per teacher – down **47**
  - Plus cascading impact on classes offered, classroom size, etc.



# Impact Of Enrollment Decline in FY19 & FY22

	FY 17			
	MVVS	ASD	SCHS	Total
FY 17 Enrollment	178	1284	831	2293
FY 17 Budgets	\$4,590,995	\$24,597,380	\$17,583,870	\$46,772,245
Budget/Student	\$25,792	\$19,157	\$21,160	\$20,398

	FY19			
	MVVS	ASD	SCHS	Total
FY 19 Projected Enrollment	150	1252	714	2116
Budget/Student if FY17 Budget Flat	\$30,607	\$19,646	\$24,627	
Budget if FY 17 Budget/Student Used	\$3,868,816	\$23,984,361	\$15,108,163	\$42,961,340
<b>Budget Delta to Using FY 17 Budget/Student</b>	<b>\$722,179</b>	<b>\$613,019</b>	<b>\$2,475,707</b>	<b>\$3,810,905</b>
<b>Instructional Staff Impact (1 to 5)</b>	5.6	6.4	23.4	35.4

	FY 22			
	MVVS	ASD	SCHS	Total
FY 22 Projected Enrollment	114	1232	652	1998
Per Pupil if if FY17 Budget Flat	\$40,272	\$19,965	\$26,969	
Budget if FY 17 Budget/Student Used	\$2,940,300	\$23,601,224	\$13,796,249	\$40,337,774
<b>Budget Delta to Using FY 17 Budget/Student</b>	<b>\$1,650,695</b>	<b>\$996,156</b>	<b>\$3,787,621</b>	<b>\$6,434,471</b>
<b>Instructional Staff Impact (1 to 5)</b>	12.8	10.4	35.8	59





## Streamlining: some observations

- Streamlining at the scale that we are looking at without the overall context of a strategic plan is difficult and potentially harmful – are you maintaining the right resources and at the same time reducing the correct resources?
- Consolidation (school and/or district) is a tool to be used within Streamlining to achieve the cost and educational objectives of the SAU/Districts
- Aside from staff reductions at the schools, reductions in non-instructional resources and will only address a small portion (est. 15%) of the cost challenge presented by the enrollment decreases.
- The benefits of consolidation at the district level are the opportunities to eliminate unneeded complexity and improve the quality and resilience of the system through more effective deployment of resources



## Streamlining: Step 1– Cost Cutting

- Outside of staff reduction at the schools, reduction in non instructional staff and will only address a small portion (est. 10%) of the cost challenge presented by the enrollment decreases
- Reduce non-instructional costs independent of any consolidation
  - a) Relocate SAU from Brick School 75K
  - b) Review all administrative & function staffing at SAU 125K
  - c) Centralize functions at SAU where contracts allow 100K
    - Building and grounds
    - Technology
  - d) Non-teaching staff reductions at respective schools 150K
- Instructional staff reductions - TBD ??
- Target implementation in next fiscal year/sooner as part of the budget cycle
- No educational enhancement and minimal increase in organizational resilience result from these actions



## Streamlining: Step 2 – School Consolidation

- School Consolidation - eliminate excess building assets – 2-3 years out
  - Cost saving due to building closure and related staff
- Enrollment decreases at Middle School may offer the opportunity to consolidate other classes into that building
- Detailed review to understand the feasibility of closing Clark School
  - i. Relocate 4<sup>th</sup> grade Wilkins to Middle School
  - ii. Move pre K and Kindergarten to Wilkins
- Does not involve any additional savings at the SAU level
- Has some positive effect on education quality and resilience
- Can be accomplished independent of district consolidation



## Streamlining: Step 3 – District Consolidation

- District Consolidation – longer term impact
  - a) Reduction in the business administrative staff at the SAU 250K
  - b) Reduction in external charges required to maintain 3 districts 50K
  - c) Ability to centralize all support functions
  - d) Ability to deploy, share resources across schools
  - e) Ability to organize all personnel based on curriculum
  - f) Standardize employment agreements
- Improve the overall educational experience
- Improve the flexibility and resilience of the system



## Summary

- Given the likely significant enrollment changes, all pillars of the strategic planning process needs to address how they will adapt to the enrollment and associated budgetary impact in FY19 and onward
- The cost savings associated with streamlining efforts will only address a small portion of these budget challenges.
  - Streamlining efforts (without consolidation) by themselves will only address an estimated 10% of the FY19 cost challenge and less of the FY22 challenge
  - District consolidation will eliminate the administrative costs involved in maintaining three districts and save an additional 5% of cost challenge
- The benefits associated with District consolidation will result from
  - Simplification of the operations within the single district
  - Increasing flexibility of managing resources across 5 schools that will help maintain and improve the educational experience of the students in a period of rapidly decreasing resources and changing operating environment



# Status

- The Streamline Committee believes that it has taken its task as far as it can without the context provided by the other pillars of the strategic plan at the SAU and the Districts levels
- The view of majority of the various board members appears to be that the need to consolidate districts in the short term as the way address the declining enrollment levels has not been justified and as a result it is premature to proceed with ballot initiative this spring
- We do believe that the information developed by the committee should be shared with the public – timing was in question
  - If you go forward in November, will you scare people with the presentation and then not have the ability to give them answers
  - Should the November and December presentations be postponed until January when they could be promoted as part of the information sessions



# Community Presentation Outline

- **Agenda for the evening**
- **Slide outlining the strategic planning process and Streamline's role in it**
- **Members of Streamline team**
- **Purpose of tonight's session** – present information and gather feedback
  - We take the feedback and see if there are ways to clarify the proposal, develop approaches that will alleviate the concerns raised, clarify the proposal.
- **Environment**
  - Why are we looking to streamline - environment of decreasing enrollment decreasing aid, increasing costs
  - Chart showing population
  - Complex, suboptimal structure
- **What streamline has looked at**
  - Cost reduction opportunities
  - School consolidation opportunities
  - District consolidation
  - Describe at a high level the Scenarios reviewed and the assessment of each of the scenarios
- **Discuss the major issues raised by the three boards and individuals**
  - Loss of control/visibility when the boards go away
  - Loss of control of an important part of our community
  - Concern about the various cultures of the three districts
  - How will the teachers be impacted by this move
  - How will this be approved or not
- **Summary**
- **Open it up for question and comments**



Questions & comments