

1 Souhegan Cooperative School Board Public Hearing

2 Wednesday, January 13, 2016

3 Attendees:

4  
5 Administrative Team: Peter Warburton – Superintendent, Betty Shankel – Business  
6 Administrator, Rob Scully- Principal SHS, Porter Dodge- Principal AMS, Meg Beauchamp -  
7 Director of Student Services, Kathy White- Dean of Faculty at SHS, Jim Miner- Director of  
8 Buildings and Grounds, Karen Chininis- Guidance Director, Bruce Chakrin- Director of  
9 Information Technology, John Robichaud- Director of Facilities SHS, and Addie Hutchinson-  
10 Moderator of the Souhegan Cooperative School District.

11  
12 Souhegan School Board- Chair- Mary Lou Mullens, Vice Chair- Howard Brown, Jeanne Ludt,  
13 Christine Janson, Steve Coughlan, Pim Grondstra and David Chen

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15 Souhegan Advisory Finance Committee- Dwayne Purvis, Jane King, Ken D’Ambrosio, Christine  
16 Janson, Sue Birchard, Elizabeth Kuzsma, Ian Corcoran and Lisa Eastland.

17  
18 Minute Taker: Danae Marotta

19  
20 Public: Dan Sullivan- Amherst, Maggie McCabe- Amherst, Lisa Eastland- Amherst, Joy  
21 Mancini-Amherst, Community Members

22 I. Call to Order – Chair Mary Lou Mullens

23 **Ms. Marylou Mullens called the Public Hearing to order at 6: 01 pm**

24 Ms. Marylou Mullens introduced herself and thanked the public for coming out tonight and  
25 introduced the School Board. She then introduced Superintendent Warburton.

26 Mr. Peter Warburton welcomed the Public and introduced the Administration.

27 Ms. Mullens introduced Mr. Ken D’Ambrosio of the Souhegan Advisory Committee.

28 She then introduced Mr. Pim Grondstra to begin the presentation.

29 II. Public Hearing

30 Mr. Pim Grondstra discussed Warrant Article #2 “Shall the Souhegan Cooperative School  
31 District raise and appropriate as an operating budget, not including appropriations by special  
32 warrant articles and other appropriations voted separately, the amount set forth on the budget  
33 posted with the warrant, or as amended by the vote of the first session, for the purposes set forth  
34 therein, totaling \$17,583,870? Should this article be defeated, the operating budget shall be  
35 \$17,160,949 which is the same as last year, with certain adjustments required by previous action  
36 of the Souhegan Cooperative School District or by law; or the governing body may hold one

37 special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised  
38 operating budget only.

39 **Majority vote required to pass.”**

40 He then discussed the Budget Elements, including Personnel (teachers and support staff 2<sup>nd</sup> year  
41 of a 2 year agreement), Programs (books, supplies and equipment), Special Education (federally  
42 mandated), and Operations and Maintenance (to ensure that buildings and grounds do not fall  
43 into a state of disrepair).

44 He then discussed the Operating Budget. He stated that the Souhegan School District Proposed  
45 Budget for FY’ 2017 is \$17,583,870, a decrease of \$723,388 or 3.95% less than the FY’ 2016  
46 adopted Default Budget.

47 He reviewed the Chart of Annual Percentage Change of Budget. He noted that 3 of the 6 Budgets  
48 are a decrease.

49 Ms. Mullens discussed that the Board has made changes to lower costs without changing the  
50 high quality of education.

51 She then discussed the Underlying Core Values and Objectives.

52 She then discussed that the School District supports personalized learning with class sizes of  
53 approximately 20 students. She added that they support the teacher ratio of 80:1.

54 She then discussed that they keep supports in place to maintain the goal of a zero dropout rate.  
55 She noted that they keep the appropriate level of Guidance and Student Services Staff, a School  
56 Resource Officer, 9<sup>th</sup> and 10<sup>th</sup> grade Team Teaching Models and an Advisory Program.

57 Ms. Mullens then discussed that the District maintains an incentivized salary structure. She  
58 added that this aids in attracting the best teaching staff, and that they encourage the Staff to earn  
59 their increases by continuing their education. She added that they encourage longevity for  
60 continuity for their Students.

61 She discussed that they preserve their quality academic and co-curricular activities meeting  
62 community expectations.

63 She noted that the State of NH is doing the most innovative work and Souhegan is one of the  
64 schools that is a part of that work.

65 Ms. Mullens discussed that they continue to be an innovator and leader in educational practices.  
66 She noted that this is through collaboration with Universities such as Stanford, creating business  
67 partnerships and the PACE Initiative.

68 She noted that Principal Mr. Rob Scully will discuss more of SHS accomplishments at the  
69 Deliberative Hearing.

- 70 She then discussed Teacher/Leader Effectiveness and Student Led Conferences.
- 71 Ms. Mullens then discussed the Budget Reductions.
- 72 She discussed the Budget Reductions in FY' 12 as closing one of two cafeterias.
- 73 She discussed that in FY' 13 that they negotiated a 2 year contract that included a .75% increase  
74 for Professional Staff over a two year period and a 1.25% increase for Support Staff over a two  
75 year period. She added that they have implemented health plans that reflected reduced  
76 prescription benefits, introduced higher health deductibles, provided incentives to choose lower  
77 cost providers, and for healthy living choices.
- 78 She noted that in FY' 14 that they eliminated 10.2 positions and formed a Budget Study  
79 Committee to meet throughout the year to examine their finances on a continual basis.
- 80 She added that in FY' 15 that they eliminated an additional 3.5 positions, and negotiated a  
81 contract with a 0% increase for Staff over the next two years, with incentives for a lower cost  
82 health plan. She remarked that unanticipated savings of \$600,000 was given back to taxpayers.
- 83 She noted that in FY'16 that they are working in a Default Budget.
- 84 Ms. Mullens discussed that in FY' 17 that the Board directed Administration to develop a Budget  
85 of 3%, 4% and 5% cuts. She added that they eliminated 5.9 Positions, including one  
86 Administrator.
- 87 She discussed the ongoing Program Study Review and added lower Health Insurance Incentives.
- 88 She then discussed the FY' 17 Budget Changes in Personnel, with reductions in Administration  
89 (1.0 FTE), Teachers (2.5 FTE), Learning Specialists (1.0 FTE), Nursing Staff (0.4 FTE),  
90 Administrative Assistant (1.0 FTE) and Seasonal Facilities Technician (0.5 FTE).
- 91 She noted that there was an addition of a 0.5 FTE Speech Therapist.
- 92 She discussed the results of their efforts as the average class size went from: FY' 13 to 17  
93 students, FY' 14 to 19 students, FY' 15 to 20 students and in FY' 16 to 20 students. She noted  
94 that some classes are higher that they would like.
- 95 She noted that the Change in Average Teacher Facing Ratios in FY' 13 was 67:1, in FY' 14 was  
96 79:1 in FY' 15 was 82:1 and in FY' 16, 81:1.
- 97 Ms. Mullens stated that the FY' 17 Proposed Budget is less than the FY' 12 Budget by 5.14% or  
98 \$954,266.
- 99 She also stated that the Cost per Pupil for FY' 15 (most current) is reduced from FY' 13 by  
100 \$1,232 per Pupil.

101 Mr. David Chen discussed Cost per Pupil as defined as the Department of Education (DOE 25)  
102 He then discussed that the Cost per Pupil is based on current expenditures as reported on each  
103 school district's Annual Financial Report (DOE-25). Cost per Pupil represents current  
104 expenditures less tuition and transportation costs. Any food service revenue is deducted from  
105 current expenditures before dividing by ADM in attendance.

106 He noted that Ms. Betty Shankel can better explain ADM.

107 He then discussed the comparison High Schools as between 500 and 1,000 students per DOE. He  
108 noted that SHS is at 813. He noted that they are center pointed in that range.

109 He also added that there are several other variables to consider such as average household  
110 income of community, the College Readiness Index, NECAP Assessment Scores in Math and  
111 Reading, the Graduation Rates and the Dropout Rates. He noted that those are the factors that  
112 were used in the comparison.

113 He then named the schools of Bow, ConVal, Dresden (Hanover), Hollis-Brookline, Lebanon,  
114 Oyster River, Plymouth, Milford, Souhegan and Windham. He noted those are the schools that  
115 they choose for comparison.

116 He then discussed the average cost per pupil for the entire group is \$15,829. Adding the 10%  
117 Coalition Principal of 1,583 and it is a total of \$17,412.

118 He noted that the current Souhegan Cost per Pupil is \$18,086 and a differential of \$674 or 3.9%.

119 Mr. Steve Coughlan then discussed the Cost per Pupil by District with a graph.

120 He noted that they are always hearing about Hollis/Brookline, and noted that they are probably  
121 overcrowded due to inability to expand and that they did not have up to date teacher contracts.  
122 He noted that they are not alone in their effort to reduce Cost per Pupil.

123 He then discussed the average Cost per Pupil Growth FY' 08 to FY' 15.

124 He added that Cost per Pupil is a great metric to use but they do not know what the amount that  
125 will be until after the fact. He then gave an example of FY' 09 enrollment planning and then the  
126 actuals and that they are off by 15 plus or minus each year. He added that although they have  
127 good source projections enrollment predictions are hard to make.

128 He discussed the Key Statistics and FY' 16 is the year that they are in now. He discussed the  
129 Pupil Teacher Ratio, Cost per Pupil, Total Expenditures, Return of Surplus, the October 1  
130 Enrollment (as the working enrollment number for the rest of the year) and then changes in the  
131 Budgeted Staff.

132 Ms. Jeanne Ludt discussed other budget considerations and noted that there are a lot of elements  
133 that need to be considered. She added that students need to be competitive.

134 She added that the Program of Studies are undergoing a rigorous review and identifying needs.  
135 She noted that the minimum State Standards were adopted in 2014 and provide guidance to  
136 ensure that they are meeting minimum standards. She discussed the recent PACE Initiative and  
137 are considered to be cutting edge by the state of NH and the DOE.

138 She discussed the Impact of Initiatives and Reductions.

139 Ms. Ludt discussed the impact of USDA Food Regulations. She added that the food service  
140 director is very creative in that he delivers good food at good cost.

141 She discussed that the Physical plant maintenance is approaching 25 years old and that the Board  
142 is replacing and repairing as needed. She mentioned that the secure storage unit that was urgent  
143 in 05' and The Paving Project was urgent in 10'. She noted that things have become more  
144 critical with greater decay.

145 She noted that some people think that they can just shut down the Annex but it is being fully  
146 utilized.

147 She then discussed the SAU 39 Strategic Plan and noted the 5 Strategic Pillars, Advance,  
148 Connect, Invest, Streamline and Unite. She noted that there was an insert in the January 6<sup>th</sup> 2016,  
149 Amherst Citizen or you can visit the SAU #39 website at [www.sau39.org](http://www.sau39.org)

150 Ms. Christine Janson discussed the FY' 17 Revenue Estimate. She then she then discussed the  
151 Unreserved Fund Balance.

152 She noted that the District cannot spend more than they are allowed. She added that if there is  
153 money left over at the end of the year that money has to be returned to the tax payers.

154 She then discussed the proposed Souhegan Budget Amherst Tax Rate Summary which is what  
155 you receive in the mail. She noted that the FY' 16 Souhegan Tax Rate (amount/\$1,000) \$7.78  
156 and the estimated FY' 17 Souhegan Tax Rate of \$7.68. She noted that there is an estimated FY'  
157 2017 Souhegan Tax Rate Decrease of (0.10) and an estimated FY' 2017 Tax Decrease on a  
158 \$330,000 home of (\$33.00).

159 She then discussed the Proposed Souhegan Budget Mont Vernon Tax Rate Summary. She noted  
160 that the estimated FY' 2016 Souhegan Tax Rate (amount/\$1,000) is \$7.88. The estimated FY' 17  
161 Souhegan Tax Rate is \$7.66, and the estimated FY 2017 Souhegan Tax Rate decrease is (\$0.22).  
162 Lastly, she added that the estimated FY 17 Tax Decrease on a \$300,000 home would be  
163 (\$66.00). She noted that the median home price in MV is valued at \$300,000.

164 Mr. David Chen discussed the Default Budget should the Operating Budget fail to pass. He noted  
165 that the Default Budget is a decrease of \$422,921. He added that the numbers come from  
166 different areas.

167

168 He then discussed the Proposed Budget versus the Default Budget.

169 He then discussed the Tax Rate Chart for FY' 15- 17 for Amherst and Mont Vernon.

170 Mr. David Chen then noted that the Souhegan Advisory Finance Committee would like to make  
171 a statement.

172 Ms. Elizabeth Kuzsma read the following statement from the Souhegan Advisory Finance  
173 Committee.

174 “The Financial Advisory Committee unanimously supports the budget as presented in Draft # 3.  
175 We appreciate the transparency of the Souhegan officials who met with committee members  
176 and the opportunity to have both comparative and zero-based discussions about individual line  
177 items within the budget. We applaud the Administration for reducing the overall costs of  
178 educating Souhegan students by 3.95% in this Budget while maintaining the high quality of an  
179 education which is recognized on both the State and Federal levels as an example for other  
180 districts to follow.”

181 Mr. Howard Brown discussed the Warrant Articles and stated that Warrant Article #2 is relating  
182 to the Operating Budget.

183 Mr. Howard Brown then discussed Warrant Article #3, related to the Recreational Revolving  
184 Fund. He added that they are trying to build a new turf field and that the added revenues would  
185 be beneficial.

186 Ms. Elizabeth Kuzsma noted that The Souhegan Advisory Finance Committee supports Warrant  
187 Article #3 unanimously.

188 He then discussed Warrant Article #4 related to raising an appropriating up to \$65,000 from the  
189 year-end Undesignated Fund Balance (surplus) if available on July 1<sup>st</sup> 2016 to be added to the  
190 Expendable Trust Fund known as the School Maintenance Fund previously established in March  
191 2005. This is for unexpected maintenance costs.

192 He noted that there is currently \$109,000 in that account.

193 He added that Mr. Jim Miner, Director of Buildings and Grounds, recommended that there is  
194 approx. \$100,000 in the Expendable Trust Fund. With the Capital Improvements that are being  
195 made they would like to have \$250,000 in the account. He added that the amount of \$65,000  
196 would move it more towards that target amount.

197 He added that the Tax Estimate for the School Maintenance Fund is (0.03) for Amherst and  
198 (0.04) for Mont Vernon.

199 Ms. Elizabeth Kuzsma noted that The Souhegan Advisory Finance Committee supports Warrant  
200 Article #4 unanimously.

201 Ms. Mullens discussed the Tax Impact Summary with the impact of all Warrant Articles passing.  
202 She noted that it would be (\$23.10) based on a \$330,000 home in Amherst and (\$54.00) based on  
203 a \$300,000 home in Mont Vernon. These are the median home prices in both locations.

204 Ms. Mullens asked the Public if they had any comments.

205 Ms. Maggie McCabe- Amherst stated that she would like to comment on the Budget.

206 She appreciates the Board and she is concerned about Unfunded Liabilities.

207 She then noted that she believes they over Budgeted and they cannot have deficit spending. The  
208 FY' 16 budget is an 18.1 Budget to and 18.3 Default Budget. She is concerned with over  
209 budgeting and that the Administration and Board are spending as they choose.

210 She added that they need to be proactive in managing Cost per Pupil.

211 She noted that she has a problem with debt service and the fund transfer.

212 She then added that she is concerned about the gap of the comparative schools.

213 She finalized her comment and added that she concerned over the Imbedded Capital and believes  
214 that the Storage Unit should be on a Warrant Article.

215 Ms. Mullens discussed that they cannot Budget to the penny and that they did not over budget by  
216 \$600,000.

217 She noted that there was a reduction in health care premiums and other employee choices that  
218 gave them budgeted savings.

219 She then discussed the Cost per Pupil and that they are prepared for a drop in enrollment.

220 She noted that Debt Service is a decrease in the Budget not called a savings and the Storage and  
221 Paving is in the Budget the board has chosen to keep it in the FY' 17 Proposed Budget.

222 Ms. Betty Shankel wanted to note that there is a Committee of about 15 people in the Town of  
223 Amherst called the Capital Improvement Committee.

224 She added that they take all the capital improvements from the Town of Amherst, the Souhegan  
225 School Board and the Amherst School Board into consideration and look at each large  
226 expenditure. She noted that they go over each item to make sure that they are not asking the  
227 taxpayers for too much money. The Committee recommended that the Board put in \$200k for the  
228 next 3 years for paving. She noted that \$75,000 it is a cut off because it is not a large amount.

229 She added that the reason that they are only adding in \$150,000 is that they are going to try to  
230 spend less based on the cost of petroleum.

- 231 She then discussed the drainage for the track and that it was voted on last March.
- 232 Ms. Mullens thanked Ms. Betty Shankel.
- 233 Ms. Lisa Eastland of Amherst asked a question about the Capital Reserve Fund. She noted that  
234 she sees the amount of \$150,000 twice and is questioning why.
- 235 Ms. Mullens noted that it is for the future as recommended by the Capital Committee.
- 236 Mr. Dan Sullivan of Amherst noted that he has three children in the District and wanted to go  
237 over some numbers. He discussed that in doing calculations with these figures, results in an  
238 average faculty salary of \$46,800. He then discussed the comparison and the weighted amounts  
239 in the average Cost per Pupil comparison. He stated that the numbers of 3.95% are suspect.
- 240 Ms. Mullens thanked Mr. Dan Sullivan for his comments.
- 241 Mr. David Chen discussed the calculation of the 3.95%.
- 242 Ms. Mullens noted that it was a guideline.
- 243 Ms. Addie Hutchison of Amherst wanted to ask a question about Warrant Article #3 and the  
244 related funds.
- 245 Mr. David Chen discussed that the money is coming from the usage and not the individual  
246 student.
- 247 Mr. Frank Brown of Amherst stated that he wants to discuss that he was a part of the numbers in  
248 the Amherst Citizen last week. He stated that he was wrong in his calculations.
- 249 Ms. Joy Mancini- Amherst has a question on the 35% increase in co-curricular activities.
- 250 Ms. Mullens discussed that per new regulations from the NHIAA for helmets and pads, she  
251 added that the Athletics Director's salary was moved from the regular education part of the  
252 Budget are to the Athletic part of the Budget.
- 253 Ms. Mancini then asked if the Board could clarify how much the helmets cost.
- 254 Ms. Lisa Eastland of Amherst and a Member of the Souhegan Advisory Finance Committee,  
255 noted the cost per helmet can be over \$300. She added that money was not added to the Budget  
256 but moved to the proper categories.
- 257 Ms. Mancini noted that she would like to see more information on that topic.
- 258 Ms. Mullens then noted that the public can find all of the Board Members' emails on the SAU  
259 website [www.sau.org](http://www.sau.org) and noted that Ms. Shankel's email is [bshankel@sprise.com](mailto:bshankel@sprise.com). She also



260 added to feel free to contact the Board Members as well for any other questions as they would be  
261 happy to answer them.

262 Ms. Mullens finalized by thanking the Public for their interest and comments and noted that the  
263 Deliberative Hearing is February 1<sup>st</sup> 2016, 7pm in the SHS Theater.

264 She noted that the Amherst Deliberative Hearing is at 7pm on February 2<sup>nd</sup> in the SHS Theater.

265 III. Close Public Hearing

266 **Chair Ms. Marylou Mullens closed the Public Hearing at 7:07 pm.**

267 (Reconvene to SHS Main Office Conference Room)

268 IV. Action Item

269 1. FY17 Warrant

270 2. Auditor RFP

271 V. Review of Meeting/Adjourn

272