

Souhegan Cooperative School District  
Public Hearing 2013-2014 Proposed Budget and Warrant Articles  
Wednesday, January 9, 2013

**PRESENT**

Souhegan Cooperative School Board: Chair Chris Janson, Howard Brown, Steve Coughlan, Mary Lou Mullens, Fran Harrow, and Pim Grondstra  
Administrative Team: Peter Warburton, Jon Ingram, and Betty Shankel

Minute Taker: Lyn Jennings

Ms. Janson opened the Public Hearing at 6:18 p.m. Ms. Janson said they would be discussing the budget as well as the Warrant Articles this evening.

Ms. Janson thanked members of the Advisory Finance Committee for all the work they did on the budget. Ms. Janson said the board appreciates and acknowledges everything the committee has done to get them here tonight.

Ms. Janson read the key numbers in Article 3: The budget totaling \$17,762,262 and the default budget of \$17,620,192.

Ms. Janson discussed the elements of the budget including Personnel – Teachers and Staff, Programs - Books, Supplies, and Equipment, Special Education – Federally mandated, Operations and Maintenance – Security, and Buildings and Grounds.

Ms. Janson said the budget is a proposed decrease of \$681,565 or 3.7% less than the FY2013 adopted budget.

Ms. Janson presented a slide which detailed the Annual Percentage Change from the Budget for FY08-FY14.

Mr. Grondstra presented the FY14 Budget - Cost by Function. Mr. Grondstra highlighted the top three drivers to the budget – Regular Education (42.1%) and Special Education (20.4%), Support Services – 9.3% and Building and Grounds 7%.

Mr. Grondstra presented the Financial Considerations as follows:

Reduction due to Bond Payout	\$594,355
One Time Expendable Trust Deposit	\$ 65,000
Cost Reduction	\$659,355
Health Benefits +11%	\$226,880
NH Teacher Retirement +25%	\$120,046

Additional Costs \$346,926

Mr. Grondstra presented a slide which detailed the Enrollment Projections:

Current Year – 811  
FY14 – 813  
FY15 – 830  
FY16 – 814

Mr. Grondstra highlighted Other Budget Considerations – Program of Studies, Evolving Curricula, Adoption of Core Curriculum, Supervision / Evaluation Program Review

Mr. Grondstra presented What Has Changed in the Budget: Mr. Grondstra said a big item was the Staffing – Decrease of 5.7 FTE Teaching Staff, Decrease of 3 FTE Administrative Assistants, Decrease of 1 Para Professional, and a Decrease of a .5 Custodian. The total reduction is 10.2 employees. Mr. Grondstra said although there are reductions for FY14 the programs have been maintained.

Ms. Harrow discussed the revenue estimate and discussed how the tax rate is calculated.

There is a proposed \$0.16 reduction from last year for Amherst and a reduction of \$0.58 in Mont Vernon.

Ms. Harrow presented what the tax rate change represents for a \$325,000 home in Amherst saying it would be a decrease of \$52 for the year and on a \$400,000 home in Mont Vernon it would be a decrease of \$228 for the year.

Ms. Harrow discussed the default budget, which she reminded everyone they are operating on this year. She described how the default budget is calculated. The default budget is decreased by one time initiatives and one time obligations. Ms. Harrow said the total difference in the default budget is \$142,070. Ms. Harrow said they are spread fairly evening through the categories and therefore there are really no big category reductions, between the proposed budget and the default budget.

Ms. Harrow said the estimated tax rate summary between the Proposed Budget and the Default Budget is .08 for both Amherst and Mont Vernon. Therefore in Amherst with the Proposed Budget the tax rate would be \$7.97 and with the Default Budget the tax rate would be \$7.89. In Mont Vernon the tax rate would be \$7.58 for the Proposed Budget and \$7.50 for the Default Budget.

Ms. Harrow asked for the Advisory Finance Committees position on this Article.

Mr. Foley stated four members of the Advisory Finance Committee support this article because they believe the School Board and Administration have taken responsible steps to begin addressing the actual and forecasted decreases in enrollment. While the student to teacher ratio

will still be high next year from a historical perspective, the supporting members are confident that the School Board and Administration will study the issue and give careful consideration to solutions that address it without impacting the quality of education that the students of Souhegan currently receive. We have been told by the Administration that the 10.2 decrease in staffing positions being cut in the FY14 budget will have no or minimal impact on the Programs of Study next year.

Two members of the Advisory Finance Committee are not in support of this budget because they feel it does not go far enough in addressing the historically high student to teacher ratio. There are also concerns about the high levels of staffing in the area of special education.

One member has abstained from voting at this time.

Mr. Chen said he did not want to condemn the work done by the board, as he thought it was a wonderful and courageous first step. Mr. Chen presented three of his own slides. One of Mr. Chen's slides showed historical data for student to teacher ratio for FY6 – FY12. Another slide detailed the cost per student for Souhegan and surrounding towns. Mr. Chen said what he would like to put forward to the board is that the number of staff / declining enrollment should be consistent.

Tom Mortimer, an Amherst resident said Mr. Chen did a great presentation and he hopes the board takes it seriously.

Mr. Mortimer asked about the athletic programs at Souhegan. Mr. Ingram said they have 34 teams at Souhegan, and varying levels including freshmen, JV and varsity.

Mr. Mortimer followed up his first question by asking if it was possible to determine how much the athletic programs cost at Souhegan.

The board responded to Mr. Mortimer's question by referring him to the Cost By Function chart earlier presented which showed Co-Curricular is 2.7% of the budget. Co-Curricular also includes theater, band, etcetera.

Ms. Harrow told Mr. Mortimer students pay a fee to play a sport.

Kathy Nunley, a member of the Advisory Finance Committee said she was a no vote with regards to the proposed FY14 budget. Ms. Nunley said she would like to commend the board for trying to turn the train around in the right direction. Ms. Nunley said she doesn't think it is prudent and in the best interest of the town to have a \$21,000 cost per student not including administrative costs. Ms. Nunley also commented she thought the district was too zealous with regards to their staffing for Special Education. Ms. Nunley said she feels Special Education is too high and it does not appear to be aligned with our school goals.

Ms. Shankel commented on the \$21,000 cost per student figure that Ms. Nunley was using as she said this figure includes amounts that should not be included.

Julie Livingston, another member of the Advisory Finance Committee said we should be careful on statistics and how we interpret them, as we are not comparing apples to apples, for example a new school to an aging school. Ms. Livingston said she voted to support the budget and she still does.

Ms. Harrow said the numbers don't necessarily give the total picture and as a board they need to continue to look at the numbers and look at the quality of education, which must be their top priority.

Mr. Coughlan presented Article 4: Teacher and Support Staff Agreement. Mr. Coughlan said they agreed to a 2 year agreement.

Mr. Coughlan presented the details reached between the Souhegan Cooperative School Board and the professional and support staff of the Souhegan High School.

- Increases in Salaries and Benefits - Year 2013-2014 – Estimated Increase of \$62,400 and in 2014-2015 and estimated increase of \$118,568.
- Management has the right to change the school calendar.
- Steps are included in the FY14 Budget – Professional Staff Salary & Benefits- \$71,090; Support Staff Salary & Benefits - \$8,678.
- Reclassification of Para Professional Staff included in FY 14 Budget – Salary & Benefits - \$37,605

#### FY 14

- 0.75% COLA for Professional Staff
- 1.25% COLA for Support Staff
- Reduce Dental Insurance Costs – Prescription Plan
- Increase Professional Development Budget by \$7,500

#### FY15

- 0.75% COLA for Professional Staff
- 1.25% COLA for Support Staff

Mr. Coughlan presented a slide which detailed the Employee Agreement Cost Items for FY14 and FY15 and the Totals for both years.

Mr. Coughlan presented the Tax Estimate for the Employee Agreement for the 1<sup>st</sup> year - \$62,400 or .03 per \$1,000 in Amherst and .04 per \$1,000 in Mont Vernon.

Mr. Coughlan asked for the Advisory Finance Committees comments on Article 4.

Mr. Foley said five members of the Advisory Finance Committee support this article because the salary increase in the contract, .75% for professional staff and 1.25% for support staff, is very reasonable, especially given that the COLA for Social Security recipients is 1.7% for 2013. We

also support the increase in course reimbursement for professional and support staff development. That increase is \$5,000 and \$2500, respectively.

Mr. Foley said two members of the Advisory Finance Committee have abstained from voting at this time.

Mr. Brown presented Article 4 – School Maintenance Trust. Mr. Brown said should there be a surplus at the end of FY13, they are asking for the same amount as last year, \$65,000 to be added to the Expendable Trust Fund known as the School Maintenance Fund established in March 2005.

Mr. Brown said the proposed addition of \$65,000 to the Expendable Trust Fund would cost Amherst Residents .03 / \$1,000 and .04/\$1,000 in Mont Vernon.

Mr. Brown asked for the Advisory Finance Committees feedback with regards to this article.

Mr. Foley said the Advisory Finance Committee unanimously supports this article because it is prudent and good business practice to direct surplus funds, should they exist, to an Expendable Trust Fund dedicated to unforeseen maintenance or repair of a 20 year old facility. The School Maintenance Fund is designed to protect or at least offset the budget from any such financial impact.

Mr. Brown presented one last slide detailing the Tax Impact Summary based on the Gross Budget, Employee Agreement, Maintenance Trust and the Impact if all the articles pass.

The Total Impact on a \$325,000 home in Amherst would be a reduction of \$29.25 and on a \$400,000 home in Mont Vernon would be a reduction of \$188.00.

Ms. Janson presented Article 6 – Tax Impact on Article. Ms. Janson told meeting attendees if this article passed the School Board could include an estimated tax impact on the budget and special warrant articles.

Ms. Janson asked for the Advisory Finance Committees recommendation.

Mr. Foley said the committee has not had an official vote with regards to this article but it appears they would unanimously support this article.

Ms. Janson closed the public hearing at 7:15 p.m.