

GRANTHAM SCHOOL BOARD

BUDGET HEARING

February 1, 2012

Goals for This Hearing

- Present proposed budget
- Continue to increase transparency within our community
- Increase participation in the democratic process by airing concerns in public at this meeting
- Participation with civility

2/1/2012 Grantham School District Budget Hearing 4

Your Grantham School Board

- Jeff Walla – Chair
- Bob McCarthy – Vice-Chair
- Gale Schmidt – Secretary
- Carolyn Simon
- Steve Miller

2/1/2012 Grantham School District Budget Hearing 2

School Board Goals for This Year

- Continue to improve communications with public
- Support development of strategies to reduce GVS's carbon footprint
- School district position regarding state pass backs to local district/municipalities
- Feasibility of foreign language program
- Support development of Curriculum Council
- Review possible extension of school day or days of the school year

2/1/2012 Grantham School District Budget Hearing 5

School District Administration

- Keith Pfeifer – Superintendent
- Kurt Gergler – Principal
- Maren Ardell – Special Education Coordinator

2/1/2012 Grantham School District Budget Hearing 3

Highlights of Current Year

- Students attending Lebanon Jr. High and High School are combined at highest levels in our history
- Lebanon Middle School nears completion and will open Fall 2012. Currently on time and on budget.
- AREA school districts have developed excellent working relationship

2/1/2012 Grantham School District Budget Hearing 6

Overall Approach 2012-13 Budget

- Address needs for maintaining the school and technology resources
- Develop strategy to address the Special Education needs of our District while providing potential alternatives to additional outplacements

2/1/2012 Grantham School District Budget Hearing 7

Highlights of 2012-13 Budget

- Budget proposed \$7,755,798
- Budget approved for 2011-12 7,210,629
- Budget increase 545,169
- Percent increase 7.56%
- Estimated impact on tax rates: increase of \$1.07 per \$1,000 of assessed valuation

2/1/2012 Grantham School District Budget Hearing 10

Overall Approach 2012-13 Budget

- Scheduled budget forums to discuss the budget with public and a legislative forum to have a community dialog with our elected representatives
- Turnout for the first budget forum consisted of 5 board members, the Superintendent, the Principal, our clerk to record the minutes and 5 members of the public

2/1/2012 Grantham School District Budget Hearing 8

Lebanon's Junior High School Tuition

	<u>2011-12</u>	<u>2012-13</u>
Cost per Student	\$15,216	\$15,618
Number of Students	66	78
Total	\$1,004,256	\$ 1,218,181

Increase over last year of: **\$213,925** result of higher class size (18%) from Grantham and tuition rate increase (2.64%)

2/1/2012 Grantham School District Budget Hearing 11

Overall Approach 2012-13 Budget

- Based on the turnout we held budget forums prior to each board meeting in October, November, December and January
- Assessed the District's ability to tap into the Tuition and Special Education Trust funds if the amounts budgeted in these areas exceed that anticipated
- Assessed the risk of using these trust funds and impact on future budgets

2/1/2012 Grantham School District Budget Hearing 9

Lebanon's High School Tuition

	<u>2011-12</u>	<u>2012-13</u>
Cost per Student	\$13,249	\$13,600
Number of Students	135	135
Total	\$1,788,615	\$1,835,968

Increase over last year of: **\$47,353** result of tuition rate increase (2.64%)

2/1/2012 Grantham School District Budget Hearing 12

Total Tuition Increase

- JHS Increase \$ 213,925
- HS Increase 47,353

- Total Increase \$ 261,278

2/1/2012 Grantham School District Budget Hearing 13

Speech Contracted Services

- Identified needs of preschoolers in Grantham \$10,500

2/1/2012 Grantham School District Budget Hearing 16

Impact of Revised AREA Agreement

- Tuition rate per student was held to an increase of 2.64% as a result of the “cap” we negotiated in the amended AREA agreement last year
- We now have predictability in the tuition rates
- We now have less concern about the underlying costs used in an arbitrary calculation

2/1/2012 Grantham School District Budget Hearing 14

Wages and Benefits

- Collective Bargaining Agreement Major Changes
 1. Contract term is two years
 2. Health insurance contribution 10% in 2012 and 11% in 2013
 3. Deductible and co-pay added for hospital and emergency care
 4. School district will self-fund the deductible

2/1/2012 Grantham School District Budget Hearing 17

Special Education

- One placement for elementary student – tuition and transp. \$ 93,700
- Behavior Interventionist program - Wages and benefits for one Interventionist and one aide 123,375

2/1/2012 Grantham School District Budget Hearing 15

Wages and Benefits

- Union wages increases
 - 2012-13 – 3.37% (1.75% cost of living and 1.62% step)
- Non Union wage increases – 3.37%

- Total Wage Increase - \$68,719

2/1/2012 Grantham School District Budget Hearing 18

Wages and Benefits

- Health Insurance rates through Local Government Center reflected a Guaranteed Maximum Rate decrease of 2.0% - (\$20,038)
- Dental Insurance rates reflect a 15% decrease in premiums – (\$7,925)
- New Hampshire Retirement System contribution from 9.07% to 11.03% - State push down to the local communities to address the state budget woes - \$8,656

2/1/2012

Grantham School District Budget
Hearing

19

Grade	Current Classroom Sizes	Proposed Classroom Sizes
K	19	20
K	21	20
1	17	20
1	19	20
2	20	18
2	18	18
3	14	19
3	12	19
4	22	13
4	23	13
5	15	22
5	13	23
6	20	14
6	19	14
	252	253

2/1/2012

Grantham School District Budget
Hearing

22

Staffing – School Building

- All paraprofessionals employed are specifically assigned to children with special education needs and are legally required.

2/1/2012

Grantham School District Budget
Hearing

20

Major Increases (Decreases)

• Jr. High and High School Tuition	\$261,278	
• Special Education	217,075	
• Salaries and wages	<u>68,719</u>	
Subtotal top three		\$547,072
• Speech Contracted Services	10,500	
• NH Retirement System shift from state	8,656	
• Health Insurance	(20,038)	
• OT/PT Contracted Services	(11,920)	
• Dental Insurance	(7,925)	
• Bond Interest	(15,975)	
• All other increases, net	<u>34,799</u>	
Subtotal all other		<u>(1,903)</u>
Total		\$545,169

2/1/2012

Grantham School District Budget
Hearing

23

Staffing – School Building

- All class sizes reviewed are considered to be appropriately staffed
- Total student population 252
- Grade sizes this year:

K – 40	1 st – 36	2 nd – 38
3 rd – 26	4 th – 45	5 th – 28
6 th – 39		

2/1/2012

Grantham School District Budget
Hearing

21

Contractual Obligations of District

Tuition	\$ 3,054,150
GEA Contract - Wages	1,702,966
Health Insurance	582,051
Dental Insurance	34,740
Benefits (SS, Medicare, Retirement, etc.)	359,051
Debt	662,669
Transportation	153,684
Food Service	39,800
Maintenance/Inspections/Leases	61,932
Audit Required by DRA	10,800
Psych/Speech/OT Services	122,722
Special Education - Outplacement and Pre School	122,200
Propane/Electric	92,000
Total Contractual Obligations	\$ 6,998,765
Total 2012/13 Budget	\$ 7,755,798
Percent of budget contractual	90%

2/1/2012

Grantham School District Budget
Hearing

24

Contractual Obligations of District

- Remaining \$757,033 to run the school district and attend to the daily operations of the school buildings (including Principal and administrative staff)
- Traditionally any changes impact the elementary school and has little to no impact on the tuition students in Lebanon

Trust Funds

- Risks to the School District
 - May result in deficit if trust funds are insufficient to cover expenditures in these areas. This could be the case in the current year as our special education costs are far exceeding our budget.
 - Future budgets would have to cover the deficit and address the deficiency of these funds
- Board is proposing increasing the Special Education Trust Fund in this budget cycle

Highlights of 2012-13 Budget

- Budget proposed \$7,755,798
- Budget approved for 2011-12 7,210,629
- Budget increase 545,169
- Percent increase 7.56%

Special Education Trust Fund

Current balance \$ 64,177

Amount anticipated we will need to cover unbudgeted out placement this year 93,700

Gap between trust fund balance and amount needed (29,523)

Gap will need to be covered through other budget line items or risk having a deficit to be covered in future budgets

Trust Funds

- Tuition Trust Fund has \$93,619 (12/31/11)
To be used if tuition exceeds budget resulting from more students than anticipated
- Special Education Trust Fund has \$64,177 (12/31/11)
To be used if special education costs exceed budget
- Grantham Village School Maintenance & Repair Trust Fund has \$56,003 (12/31/11). To be used for unanticipated maintenance issues (septic, etc.)
- Construction Trust Fund has \$91,343 (12/31/11)
Bond proceeds remaining to be used for remaining building project (ballfield/playground excavation and drainage)

Special Education Trust Fund

Trust fund is potentially fully depleted leaving district at risk for other future unplanned events

Board approved raising \$100,000 to be added to the Trust Fund as a separate warrant article

Board further approved a warrant article to allow an amount to be added to the Special Education Trust Fund if we had a budget surplus in 2011-12 (current year) - up to \$64,000.

Special Education Trust Fund

This action would provide us with some means to mitigate our risk of a single large unplanned Special Education Outplacement which can be as high as \$250,000 annually in some cases

Thank You for Coming

The Grantham School Board

Highlights of 2012-13 Budget

- Estimated impact on tax rates for the budget would be an increase of \$1.07 per \$1,000 of assessed valuation
 - \$107 for \$100,000 house
 - \$214 for \$200,000 house
 - \$321 for \$300,000 house
- Estimated impact on tax rates for the Special Education Trust Fund warrant would be an increase of 20 cents per \$1,000 of assessed valuation

Annual District Meeting

Thursday, March 1, 2012

6:30 pm

GVS School Gymnasium