



Lyme School Budget 2011-2012

School District Meeting
March 3, 2011

Agenda

- Background & School Budget 101
- Enrollment Changes
- High School
- Significant Budget Changes for FY2012
- Reserve Funds/Trusts
- Q&A

A great school getting better

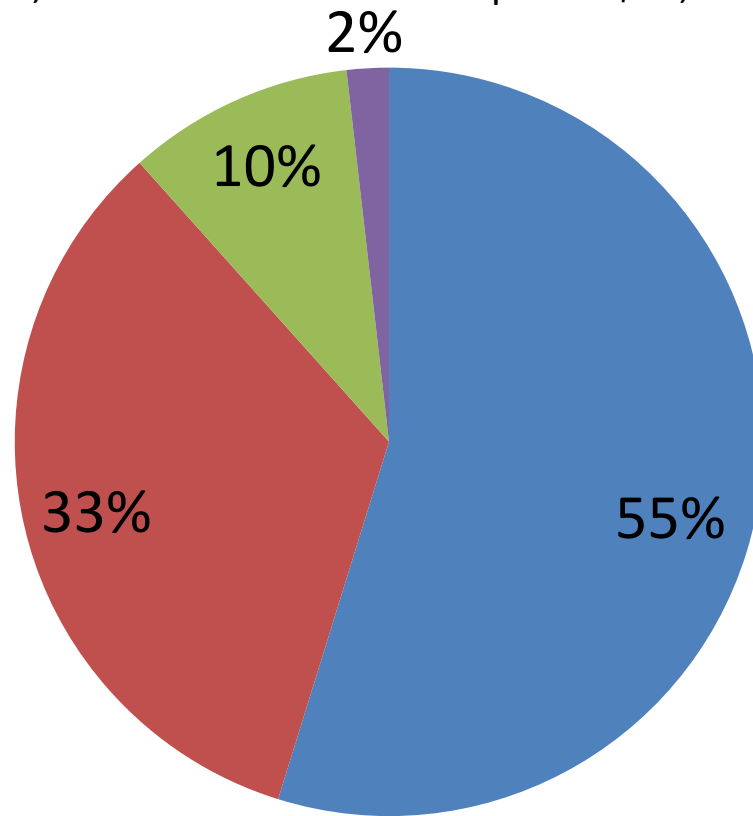
- By quantitative and qualitative measures Lyme has an excellent school system, but just as we expect that children strive to learn and improve, we strive to evolve and better serve our students and prepare today's students for tomorrow's challenges.
 - Multi-year school improvement program
 - Focus on different learning styles
 - Measureable progress year-to-year

Appropriations Cycle FY2012

- This the money for the school year that begins in the Fall of 2011 (July 1 fiscal year start)
- Start planning budget in October 2010
- Admin/School Board/Budget Committee
- Budget Hearings: End of January 2011
- Vote March 2011
- NH DRA sets tax rate September 2011
- Raise funds Nov/Dec 2011

Expenditures By Category

■ K-8 Ed + K-12 Admin \$2,765,303 ■ HS Tuition \$1,695,679
■ SPED \$494,676 ■ Spanish \$91,591



K-8 Expenditure Per Pupil

Each year the state of NH calculates and publishes cost per pupil K-8, based on current expenditures as reported on each school district's Annual Financial Report (DOE-25). Cost per pupil represents current expenditures less tuition and transportation costs. Capital and debt service are not current expenditures and are not included. Kindergarteners count as .5 students. For Lyme this now includes LIFE funded Spanish @ \$400 per pupil in this calculation.

Town	2009-2010 per pupil expend
Lebanon	\$19,530.63
Cornish	\$17,234.07
Piermont	\$16,081.64
Hanover	\$15,827.55
Plainfield	\$15,666.60
Lyme	\$14,834.15
Claremont	\$13,341.88

Why is Enrollment Such a Focal Point Now?

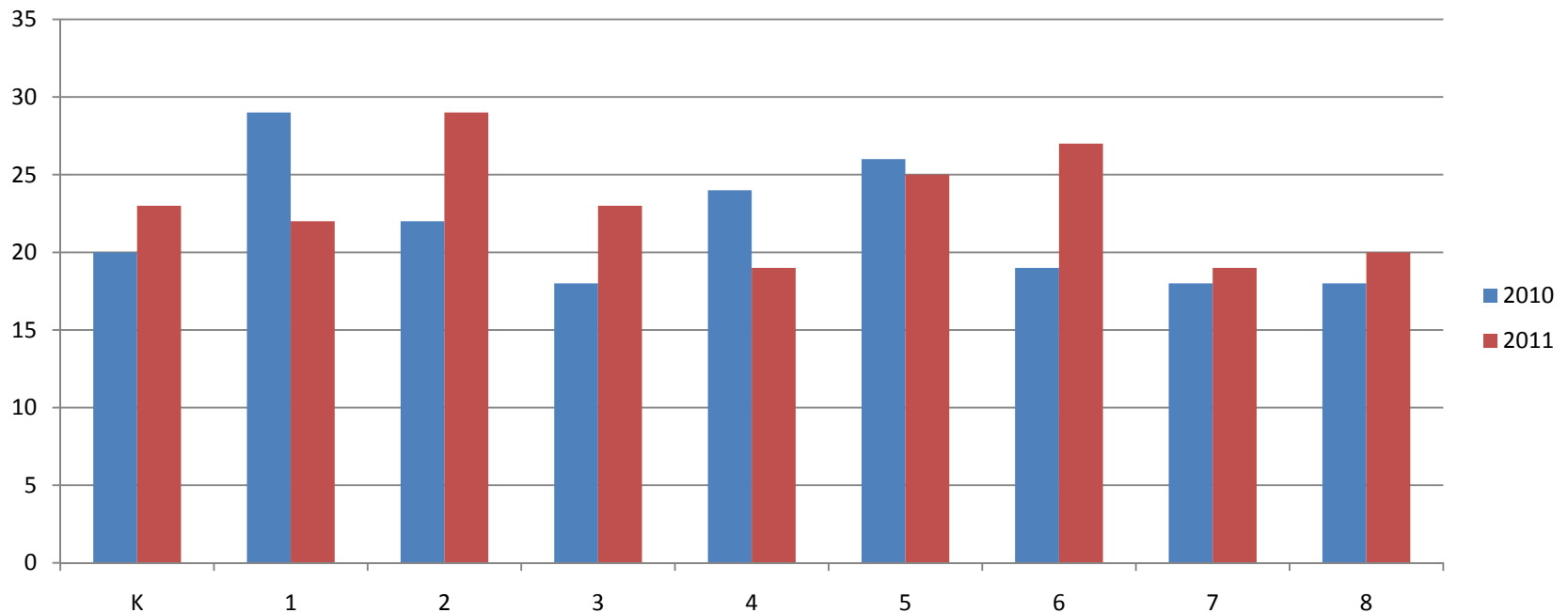
- For the past three years we have built our budgets from the ground up and focused on bottom line targets keyed to the rate of inflation.
- The prevailing wisdom 5 years ago was that Lyme would follow regional trends and our school age population would gradually wane.
- This is the case in most neighboring schools other than Hanover.
- Instead, we currently have the second highest school age population being educated by the town of the past 27 years and are expecting to top that next year.
- Our average number of students in K-8 for past three years (including this one) is 12% higher than our average from 2001-2007. Next year is predicted to be 21% higher than that earlier average.

School Age Population Trend

- Avg K-8 Population 2001-2007 at start of school year (measured Oct. 1) = **171**
- Avg K-8 Population 2008-2010 at start of school year (measured Oct. 1) = **191.7**
- Anticipated K-8 Population for Oct. 1, 2011 (assuming grade by grade stability with Kindergarten=to lower school average) = **207**
- Nope, make that **208** as of today

2010 figures as of January and Projections for 2011

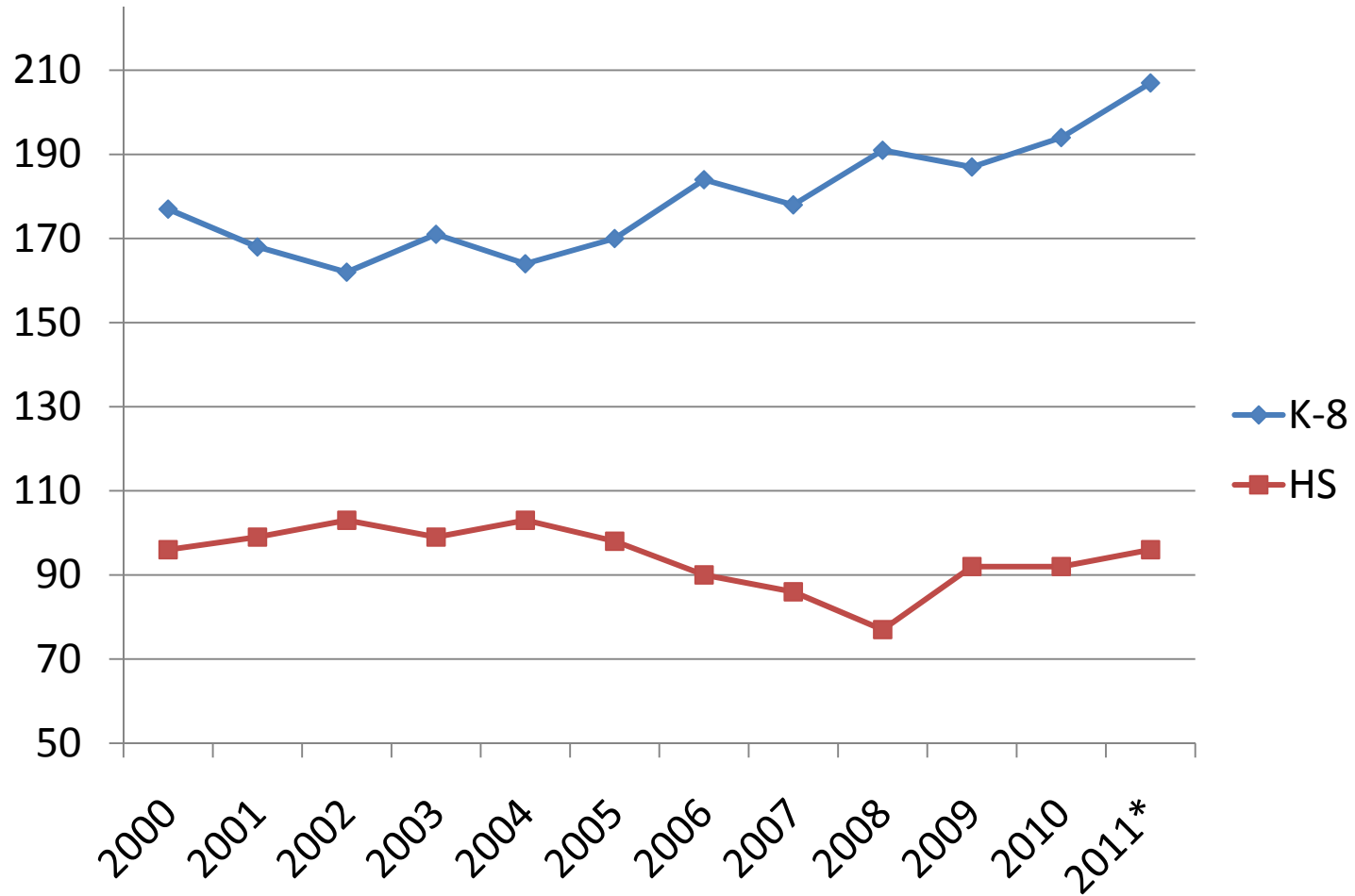
- Average grade size K-8 = 21.6
- Average grade size Elementary (K-5) = 23.5
- Average grade size Middle School (6-8) = 18.3
- 3 more students joined on 3/1/11 , 1 today, and two more are “on the radar”



K-8 Population and Budgets

- 2009-2010 – Previous year had marked a 10-year population high, but based on regional and local trends, as well as “counting heads” we expected population to decline, and slowly return to levels of previous few years, but it did not. Used differentiation staff to fill in gaps that emerged.
- 2010-2011 – Anticipated population increase and need to split class, but held staffing at lower level to control budget. Reassigned differentiation staff vs. staffing up.
- 2011-2012 – Population continuing to grow. Board does not believe **current** staffing levels are sufficient for this current year, and will be far from sufficient for next. **Proposed staffing will be sufficient if there is no further growth.**

K-8 and High School Populations



High School Tuition

33% of FY10 Budget (\$1,695,679)

- 5.8% increase (+\$93,667) budget to budget
- Most will attend Hanover High School, Thetford Acad is second most popular.
- Originally this budget was based on 94 students, but now we are anticipating 96, an increase of +4 over FY2011 budget with tuition increases between 1% and 6% depending on school.
- Hanover just gave us an “in progress” update wherein tuition has been reduced, but we still don’t have final figures.
- If rates hold savings would offset the 2 student increase.
- Savings in HS SPED reflect both positive effects of early intervention and negotiation of cost accounting with HHS

High School Budget Basis

	Hanover	Lebanon	Rivendell	St. J.	Thetford	Th Voc	Riverbend	Total
9th	17	0	0	1	1	0	0	19
10th	13	1	0	3	10	0	0	27
11th	24	0	0	2	3	0	0	29
12th	12	0	1	2	2	1	1	19
Totals	66	1	1	8	16	1	1	94

	Hanover	Lebanon	Rivendell	St. J.	Thetford	Th Voc.	Riverbend
Tuition 2010-11	\$17,757	\$13,321	\$12,200	\$13,875	\$16,960	\$20,506	\$14,938
Est. Tuition 2011-12	\$18,645	\$13,721	\$12,566	\$14,291	\$18,000	\$21,121	\$15,386
est. increase	5%	3%	3%	3%	6%	3%	3%
Totals	\$1,230,560	\$13,721	\$12,566	\$114,330	\$287,994	\$21,121	\$15,386

High School Picture Today

	Hanover	Lebanon	Rivendell	St. J.	Thetford	Th Voc	Riverbend	Total
9th	17	0	0	1	1	0	0	19
10th	13	1	0	3	10	0	0	27
11th	24	0	0	2	3	0	0	29
12th	12	0	1	2	4	1	1	19
Totals	66	1	1	8	16	1	1	96

	Hanover	Lebanon	Rivendell	St. J.	Thetford	Th Voc.	Riverbend
Tuition 2010-11	\$17,757	\$13,321	\$12,200	\$13,875	\$16,960	\$20,506	\$14,938
Lates. Tuition 2011-12	\$17,864	\$13,721	\$12,566	\$14,291	\$17,890	\$21,576	\$15,386
Totals	\$1,179,024	\$13,721	\$12,566	\$114,330	\$322,020	\$21, 576	\$15,386

Important Decisions/Investments

Restore differentiation program

- Improves instruction across learning spectrum, continuity
- Support/challenge for advanced students
- Support for at risk students and SPED savings

Recognize need for Library instruction and reflect current delivery of services

Allotment for outside assistance on enrollment challenges and legal advice

Early literacy support no longer funded by ARRA, but a highly valuable investment that saves us in the long run.

Changes in SAU office

SAU Transition

- Gordon Schnare, the founding Superintendent of our district will be retiring.
- Responsibilities of office per state law and expectations of town have increased in past few years.
- Transferring more financial management responsibilities to full-time employee at pay rate lower than Superintendent, after increasing training and support for that employee.
- Reducing time for Superintendent (highest pay rate in District).
- Increase in clerical support.

Other key changes/drivers

Teacher contract – 3% cost of living based on NE CPI. We are in the final year of a contract and at the floor of our range (3-4.5%)

Retirement cost “downshifts” – State of NH mandating “temporarily” higher funding level of schools and municipalities. Which works out to a 25% increase in our costs. In future years, this may be an even more severe hit.

\$42,050 projected increase in health insurance (5.8% rate increase, plus allowance for additional health insurance opt-ins.)

SPED spending decrease. Positive effect of our investments in differentiation support and early literacy.

Accounting for certain areas has shifted in our new system. In the short term this may create confusion for people making year to year comparisons in certain budget line items.

High School Trust

- Original goal was to soften the impact of ups & downs in the HS population, as well as prepare for upcoming population bubbles.
- In some years funds were designated in budget to build fund, in some taken out of surplus, sometimes both. Current “balance” point is 93 students, more than that we pull from fund, less we put in.
- The fund is currently higher than originally planned, so the board is planning to pull at higher level to off-set the amount to be raised by taxes in FY2012.
- “Balance” point will need to be monitored based on future enrollment projections

Enrollment Response Capital Reserve

- The single biggest concern of the school board this past summer: What if the population trends directly mirrored 2009-2010 and more students showed up at the start of school or during the school year than expected?
- Fund would support staffing or facility costs if changes occur after School District Meeting.
- Fund will not solve long-term implications of population changes, only provide funding for immediately needed action.

SPED Reserve Fund

- As of January Board did not feel a necessity to increase the reserve from 227K+.
- As of last week, Gov. Lynch is proposing raising the catastrophic aid threshold from 3.5x average to 10x.
- If this plan is adopted, Lyme will not likely have enough in SPED reserve to handle a range of potential scenarios.
- Will need to follow legislative developments and potentially adjust level of fund.

K-8 per pupil cost if Lyme budget adopted and other towns grow at average rate.

Town	2009-2010
Lebanon	\$19,530.63
Cornish	\$17,234.07
Piermont	\$16,081.64
Hanover	\$15,827.55
Plainfield	\$15,666.60
Lyme	\$14,834.15
Claremont	\$13,341.88

Town	2011-2012
Lebanon	\$20,702.47
Cornish	\$18,268.11
Piermont	\$17,046.54
Hanover	\$16,777.20
Plainfield	\$16,606.60
Lyme	\$16,258.20
Claremont	\$14,142.39