



The Lyme School

Kindergarten to Eighth Grade Serving the community of Lyme, New Hampshire for over 100 years
(603) 795 - 2125 • MAIN STREET, LYME, NEW HAMPSHIRE 03768

DISCUSSION OF PRELIMINARY BUDGET 2018-2019 DECEMBER 13, 2017

The school began its budget process in the end of September by evaluating expenditures and current enrollment to build a budget which followed conventional practices. Logically, this exercise focused on:

- enrollment, specifically the number of potential classes in K-8
- the number of anticipated High School students
- the number of students who require special education services ages 3 - 21
- line by line analysis of historical expenditure versus what was budgeted

This evaluation identified:

- 4 grades which, based on their size or composition, were suggestive of a class split, 2 of which are currently split.
- a reduction in residential special education expenses
- an increase in the number of High School students
- increases in Transportation expenses (12%)
- increases in Insurance cost (2.6%)
- teacher contract increase
- raise for non-teacher personnel (2%)
- adjustments to budget lines to reflect actual historical expenditures

From this baseline (which required a 5.54% increase) the school began the process to cut expenses to meet the target goal of CPI (1.86%) given the pressure on the town due to road repairs.

This budget reflects the most optimistic distribution of any new students moving into Lyme. The current configuration of the budget shows an increase at 1.78%. The areas in which this posture exposes us to some risk surround:

- the choice to remove 1 teacher fte to handle a potential class split (we have capacity risk in 4 classes)
- reducing the Special Education line by \$30,000
- reducing .5 special education aide
- addressing the roof in the budget versus as a warrant.

This budget also reflects the consideration to initiate a long term expenditure plan for the HS Trust, which we feel is an appropriate step to take. This trust's strategic purpose is different from that of the other trusts which need to be held in reserve. We believe the High School trust should be managed based upon a expenditure model versus a reserve model. We will be walking the Budget Committee through this plan in our presentation.

Currently, the district possess \$269,150.96 in our special education trust which we hope will buffer us, in part, from any unanticipated Special Education costs (potential cost could reach \$300,000 for one child in a given year.)

Attached you will find the latest version of the budget. The preliminary budgets (not included but will be available for discussion) were based upon conventional enrollment management priorities. The attached budget titled: **Version 2** reflects decisions which reduce this budget (Version 1) by \$258,000 and result in a 1.78% increase over last years budget. Neither of the versions included new strategic initiatives. We look forward to your input and perspectives.

Respectfully Submitted,
Jeff Valence

• **Trusts:**

- Retirement reserve trust \$60,136.51
- High school trust \$539,041.50
- Special education trust \$269,150.96
- Building maintenance trust \$63,202.33
- Enrollment response trust \$50,136.51

• **Current Enrollment K-8:** 197

K : 22* 1st:15 2nd: 22 3rd:17 4th:18 5th:24 6th:25 7th:18 8th: 36

■ = split classes

• **Anticipated Enrollment K-8:** Projected 184

K : 20* 1st: 25** 2nd: 15 3rd:22 4th:17 5th:18 6th:24 7th:25 8th: 18

■ = split classes

**Est. 3 families will rejoin class in 1st grade

• **Enrollment Configurations:**

1st	1st	3rd	3rd
25		22	

First grade at 25 would be prioritized over 3rd at 22.

5th	6th	6th	7th	7th	8th
LA	LA	LA	LA	LA	Hum
SS	SS	SS	SS	SS	
Sci	Sci		Sci	Sci	Sci
Ma	Ma		Ma	Ma	Ma
Fr	Fr	Fr	Fr	Fr	Fr

Splits 6th & 7th grade (Currently split in 5th & 6th grades)

5th	6th	6th	7th	8th
LA	LA	LA	LA	Hum
SS	SS	SS	SS	
Sci	Sci		Sci	Sci
Ma	Ma		Ma	Ma
Fr	Fr	Fr	Fr	Fr

5th	6th	7th	7th	8th
LA	LA	LA	LA	Hum
SS	SS	SS	SS	
Sci	Sci	Sci	Sci	Sci
Ma	Ma	Ma	Ma	Ma
Fr	Fr	Fr		Fr

If one MS split were to be eliminated it would be one of these configurations