

Approved by the Rye School Board at its December 17, 2008 meeting.

**RYE SCHOOL DISTRICT
RYE, NEW HAMPSHIRE**

The meeting of the School Board of the Rye School District to set the 2009-10 school district budget was held at the SAU #50 Central Office in Greenland on November 24, 2008 at 8:00 a.m.

PRESENT:

School Board Members: Ian Grant, Peggy Balboni, Michael Schwartz, and
Jeanne Moynahan

Absent: Betty Anderson

Administrators: Dr. George A. Cushing, Superintendent
James Katkin, Business Administrator
Mary Lyons, Director of Pupil Services
Chris Pollet, Principal, Rye Junior High
Patricia-Lane Richardson, Principal, Rye Elementary

RESPA representatives: Sharry Sparks, Judy Prince

CALL TO ORDER:

Mr. Grant called the meeting to order at 8:06 a.m.

NON PUBLIC SESSION:

On a motion by Mr. Schwartz seconded by Mrs. Balboni the School Board entered non public session at 8:07 a.m. on a unanimous roll call vote and in accordance with RSA 91-A:3 to discuss personnel.

OUT OF NON PUBLIC SESSION:

The board returned to public session at 8:25 a.m.

Mr. Grant stated he received several messages from parents in response to a communication that had gone out to parents of 8th graders regarding the possibility of cancelling the annual 8th grade field trip. Mr. Grant said he wished he had been aware of the communication as he was caught off guard by the parents' response.

Mr. Pollet explained that a letter was sent home giving a brief history of end-of-year activities which include trips to New York City or Washington over the last four years. Due to the economy and cost concerns for families there were three more cost-effective ideas proposed:

- Canobie Lake with a bbq and dance back at the school
- Canobie Lake with a lockdown sleepover at RJH
- 2 days/1 night in Boston

Mr. Grant said he would have appreciated being told about this communication at the prior board meeting. He explained that one of the things parents were complaining about is that the chorus is going to Washington, DC and yet it is not being offered for the 8th grade field trip.

Mr. Schwartz stated that although it would be helpful to be kept in the loop on these types of emails, he did not think the board should be a gate-keeper for all of the principal's emails and that Mr. Pollet needed to have the ability to send out communication without pre-approval.

Mrs. Balboni said she received parent feedback as well but the feedback she received was that the parents didn't like the three options; not that parents objected to a more cost-effective alternative for the student trip.

The budget meeting opened at 8:32 a.m.

Mr. Grant began by stating that he would like to achieve a zero % increase in the school budget. He remarked that there are people in town who have recently been laid off, owners of small companies who are having lines of credit and loans recalled for no reason, people with fixed incomes who have seen their value drop 30%. He said it is the responsible thing for us to do and we would not be alone. The state of New Hampshire is cutting budgets – not just zero increases – and companies everywhere are cutting and how could we ask tax payers to pay more and not keep our school budget at zero for this next year? He asked for consensus of the board around the 0% increase and said we can then figure out how best to achieve that or have the administrators review the budget and propose cuts to get us to zero.

Mr. Schwartz said that half of the budget represents a 4.3% increase in areas that we cannot do anything about. He stated that although he supported reducing the budget where appropriate, he did not believe a zero based budget should be a requirement without understanding the impact.

Dr. Cushing asked Mr. Katkin to speak to this. Mr. Katkin explained that the budget shows a worst case scenario. His concern is that the enrollment of 321 students at the elementary school is projected to drop by 25 students next year.

We have more Rye students going to Portsmouth High School and that is a trend that may continue due to the poor economic climate.

Mr. Katkin provided review of the budget with the following highlights:

Page – 2A

The operating budget has escalated over inflation
Cost per pupil has increased 7.53% over the last 5 years in K-8 grades in Rye
\$320,000 shift into benefits

Page – 2C

Tax Rate Analysis – for the 2008-2009 school year 61.43% of school district total

Page 2-D

Comparison of Tax Rates – The town has the ability to move into overlay. Approximately 7-9% of monies is kept for people who do not pay taxes. The town can cut the overlay and offset the tax rate to keep consistent tax rates.

Page 3-A

The proposed budget comparison analysis shows a projected 5.9% increase for the 2009-2010 operating budget. The high school tuition number is not a definite as we have not seen a list of tuitioned students from PHS. Mr. Katkin believes the actual number will fall somewhere between what is shown on 3-A and the handout he distributed.

Mr. Katkin's concern is that it takes \$18,000 to move 1¢ from tax rate increase.

Mr. Grant confirmed with Mr. Katkin that warrant articles are typically one-offs and get rolled into the budget each year.

Referring to page 3-A Mr. Katkin said that the RJH budget includes warrant articles. The middle school budget is down by \$75,106; the elementary school budget is up by \$141,555. Mr. Katkin will figure out the net-net without the warrant articles. We will not make it if the student count is 215 for 2009-2010.

Mr. Katkin is hopeful the surplus in major medical will offset tuition increases.

Mr. Schwartz confirmed with Mr. Katkin that a deficit appropriation is an option if our actual student numbers at PHS fall short of projections and we do not have the money in the budget to cover the shortfall.

Mr. Katkin said it is not to our benefit to have excess in the budget. We may increase unreserved fund balance or may decrease the number of students. He said it's about \$500,000 and a \$0.29 increase to the tax rate.

Dr. Cushing asked how much of the 29¢ increase was related to the high school. Mr. Katkin said 21¢ and 8¢ to the unreserved fund balance.

Mr. Grant said we should revisit this when we have money and create a PHS reserve fund to avoid peaks and valleys in future budgets due to smaller senior classes leaving PHS and larger freshman classes coming into the school.

Mr. Grant asked for board consensus to get the budget to zero. He stated that we are in the worst economy since the depression and he feels that working to get the budget to zero is something we owe the community that has been such a strong supporter of our schools. Mr. Grant read from an email from Ms. Anderson in which she supports the idea of getting to zero.

Mr. Schwartz said it is important to get as close to zero as possible but that we need not achieve zero and that we must understand the impact of our cuts.

Mrs. Balboni echoed Mr. Grants thoughts about the economy and agreed with Mr. Schwartz that it is important to get as close to zero as possible.

Mrs. Moynahan agreed with Mr. Schwartz and Mrs. Balboni.

Mr. Grant said it will be an interesting exercise to try to reach zero; there will be pain, there will be inconveniences, but he feels strongly the goal should be zero. He feels we start with alternative high school projections and re-prioritize. This will be the most difficult budget ever since he has been a school board member.

Mr. Katkin said the budget would need to be reduced by \$403,464 to achieve zero. Mr. Grant then asked for consensus of doing a line item review as a team or put the first pass in the hands of the administration. Mr. Grant was in favor of a line item review.

Dr. Cushing said the first pass should come from the administrators. He said that a number of years ago PHS vowed to come in at zero and while they were able to do that they still have not been able to recoup some of those cuts.

Ms. Richardson said technology, field trips and scholar supplies may be areas to cut but the big issue is staffing.

Mr. Grant said everything is on the table for consideration.

Mr. Katkin indicated that he would like the opportunity to join with SAU #21 (Hampton) next year when it comes time to lock in for fuel costs.

Mrs. Balboni offered the administrators the following areas to consider for cuts: technology, no new positions, and field trips.

The board consensus was that the administrators make a first pass at reducing the budget.

ADJOURNMENT

On a motion by Mrs. Moynahan, seconded by Mrs. Balboni, and voted unanimously the meeting was adjourned at 9:35 a.m. and set to reconvene at 12:30 p.m.

RECONVENE

Mr. Grant called the budget meeting back to session at 12:37.

On behalf of the administrators Dr. Cushing presented the board with proposed savings of \$437,588. He noted that the distributed list did not prioritize the proposed reductions.

Mr. Grant thanked the administrators for their work and proposed a line item review of the proposed 2009-2010 budget (8-C) with the proposed reductions in hand.

Mr. Grant also referred everyone to the computer technology inventory list prepared by Tim Moynahan to better understand the age of the equipment. It appears that in general, the schools are not significantly burdened with older machines at this time.

Proposed 2009-2010 Operating Budget Comparison Chart Form 8-C

Page 1 – okay

Page 2 – okay

Page 3 – Mr. Grant, Mr. Schwartz, and Ms. Anderson (via email to Mr. Grant) suggested eliminating the Assessment Coordinator/High School liaison position. Mr. Pollet said this position has been invaluable with grants. Ms. Richardson echoed the support for that position. Mr. Grant asked if the principals would rather keep this position and reduce another position by 20%. Ms. Richardson stated that she believes that can be done.

Page 4 – Mr. Grant said he is hopeful there will be an adjustment in Rye's favor with regards to the share of bus expenses Rye pays.

NHSBA – Mr. Grant asked what benefit we get with this membership. Mr. Katkin said that in relation to the fee there is a big benefit which includes access to their online policy database and other school district contracts which are a useful resource during negotiations.

Page 5 – okay

Page 6 – okay

Page 7 – okay

Page 8 – okay

Page 9 – shows the increase of the special education aide for student coming up from pre-school

Page 10 – ESOL cost is related to two students that moved in the district

Page 11 – detail shows RES guidance counselor (80%) /psychologist position (20%) that was created when Mr. Southworth left his guidance counselor position

Page 12 – Mr. Katkin budgeted the librarian at 90% but noted she is now certified and requesting a 100% position but it was still to be determined if the request can be acted upon

Page 13 – Mr. Schwartz asked for confirmation that the \$27,000 spent on technology at RES came out of the 2008-2009 budget

Mr. Grant noted that the administrator's salary is lower and he asked Jim to confirm that the base pay is accurate prior to calculation of bonuses.

Page 14 – line 1 Student Needs Funding – since field trip costs have been cut it was suggested this line bump to \$1,000 at RES and \$2,000 at RJH

Mrs. Balboni asked if the principals can use principal-directed funds to have someone come into the school to present to teachers. Mr. Katkin will check on this but thought this line was specific to workshops.

Page 15 – okay

Page 16 – okay

Page 17 – okay

Page 18 – The folio music cabinet will house maps. Forty-five new Spanish books have been ordered.

Page 19 – Shows purchase of graphing calculators

Page 20 – Shows purchase of drum set and microphones

Page 21 – okay

Page 22 – okay

Page 23 – okay

Page 24 – It was suggested the \$2,298 for the purchase of two televisions be eliminated

Page 25 – Student Needs Funding was increased to \$2,000

Page 26 – Mr. Schwartz asked about the \$2,000 increase in custodial supplies. Mr. Katkin indicated that Mr. Gordon has done a thorough inventory and organization of all custodial supplies which included ordering products that had expired.

Page 27 – okay

Page 28 – okay

Page 29 – okay

Page 30 – okay

Co-curricular Stipend Review

Form 4-E RES

- Ms. Richardson stated that additional students wanted to play basketball so a stipend was put in for Mr. Fortier;
- She also added lead teachers for Math and Language Arts
- Last year Ms. Richardson put in for 3 teacher mentors and she actually had 5 therefore she put in for four mentors for 2009-2010
- Grant for walking club (which has not yet been set up this year)

Mrs. Balboni suggested eliminating 2 Destination Imagination coaches and reducing the DI coordinator stipend to \$300 and eliminating the 5th grade basketball coordinator

Mr. Grant suggested eliminating the \$1,800 for the walking club.

Mrs. Balboni suggested and Mr. Grant agreed, the play director and play assistant stipends be eliminated and those costs should come out of the artist-in-residence line.

On a motion by Mr. Schwartz, seconded by Mrs. Moynahan and voted unanimously two 5th grade basketball coach positions were removed.

On a motion by Mr. Schwartz, seconded by Mrs. Moynahan and voted unanimously the Language Arts and Math lead teacher positions were added.

On a motion by Mr. Schwartz, seconded by Mrs. Moynahan and voted unanimously the stipend for the Destination Imagination coordinator was reduced to \$300 at both RES and RJH and two DI coaches were eliminated.

Mr. Schwartz made a motion to reduce all co-curricular stipends by 10%. In favor: Mr. Grant and Mr. Schwartz; Opposed: Mrs. Balboni and Mrs. Moynahan. Motion did not carry. Mr. Grant said he will suggest this vote be brought up again when Ms. Anderson is available to vote.

Form 4-F RJH

- Mr. Pollet suggested eliminating the \$300 school store advisor stipend
- Mr. Grant suggested eliminating the additional \$750 stipend for the athletic director
- Mrs. Balboni confirmed eliminating 2 DI coaches and reducing the DI Coordinator stipend to \$300 (\$600 total).

Mr. Grant proposed accepting the middle school co-curricular salaries (form 4-F) as proposed with the above changes as noted.

On a motion by Mr. Schwartz, seconded by Mrs. Moynahan and voted unanimously Form 4-F as presented was accepted with the elimination of the school store advisor stipend, elimination of the additional \$750 athletic director stipend, elimination of 2 Destination Imagination coaches and reduction of the DI coordinator stipend to \$300 per school.

Anticipated Costs of Increased Positions

Form 4-B

- .4 speech pathologist – Mrs. Lyons is concerned that we will not meet IEP needs without this position. Ms. Richardson said sometimes speech services offered at the kindergarten or 1st grade level prevent IEP issues needed later on.
- There are 29 identified students, and 5 non-identified students expected for 2009-2010
- Mrs. Lyons said the number of units in the IEPs and the number of non-identified students was the basis for the .4 increase

Mr. Grant asked if we could get by with a .2 speech/language pathologist. Mrs. Lyons had thought we could get by with a .4 speech specialist vs. a .4 speech pathologist but Mr. Katkin said there is no cost savings with that.

Mr. Schwartz asked if the .4 speech pathologist was more important than the Assessment Coordinator/High School liaison position.

Dr. Cushing spoke to the value of the Assessment Coordinator/High School liaison.

Mr. Grant again asked if we could get by with a .2 speech/language pathologist. Mrs. Lyons said with the reduced position we would lose early intervention for unidentified speech students. She further stated that there are six at-risk kindergartners.

Mr. Schwartz made a motion, seconded by Mrs. Moynahan, to add the .4 speech pathologist position. In favor: Mr. Schwartz, Mrs. Moynahan, Mrs. Balboni; Opposed: Mr. Grant.

Mr. Grant asked if there were any other new positions to be considered.

Mr. Katkin said the custodial supervisor and staff are stretched to the limit and asked the board to consider any increase of custodial staff. He said even \$8,000 would allow him to hire a part-time person at RJH.

Mrs. Balboni asked if there was any chance he could pull someone from the RES staff. Mr. Katkin said that is unlikely.

Mr. Schwartz said he is more comfortable adding monies to a fund that cannot be used to hire someone but that will allow Mr. Gordon to get the job done.

Mr. Grant agreed with Mr. Schwartz and said it wouldn't look good to make reductions to teaching staff and add to non-educational positions.

On a motion by Mr. Schwartz, seconded by Mrs. Moynahan and voted unanimously the board accepted the reductions proposed by the administrators during their work session [Appendix A] earlier in the day, and reviewed by the board, totaling approximately \$437,000 with noted changes.

On a motion by Mrs. Balboni, seconded by Mr. Schwartz and voted unanimously \$4,000 was added back into the Artist in Residence line.

Mr. Schwartz made a motion, seconded by Mrs. Balboni for discussion, to reinstate the Director of IT's number of work days. Administration had recommended 205 days. Motion passed to reinstate to 228 days as originally budgeted. In favor: Mrs. Balboni, Mr. Schwartz; Opposed: Mr. Grant; Abstained: Mrs. Moynahan.

Mrs. Moynahan made a motion, seconded by Mrs. Balboni, to add \$15,000 back into the budget for Merrowvista. In favor: Mrs. Balboni, Mrs. Moynahan, Mr. Schwartz; Opposed: Mr. Grant.

It was determined the budget meeting would continue on Tuesday, November 25th at 3:00 at RES.

ADJOURN:

There being no further business, on a motion by Mrs. Balboni, seconded by Mrs. Moynahan and voted unanimously the meeting adjourned at 3:30 p.m.

School Board Secretary