

How Much Is Enough?

Arthur Green
Town Hall Presentation
to the Residents of
Sandown and Guests

Dec. 7, 2014

Mission

What I have come to budget committee to try to accomplish:

Provide the Timberlane Regional School District with the resources to deliver quality education at a reasonable cost to the families of our community

At 2014 Deliberative, I asked the question, “How much is enough?”.

Enrollment is declining year after year.

Spending is increasing year after year.

Is the Superintendent or the School Board willing to tell the taxpayers what resourcing goal they are trying to achieve?

The only answer I hear is the call for more money each year.

Most people here know that I am proposing a reduction of 76 staff positions.. How can such a large reduction make sense?

Let's get a reality check on Timberlane staffing with some direct comparisons using district and school 2013/14 stats from the NH DOE web site

Overall District Comparison Hudson

District	Hudson	Timberlane	Difference
Enrollment	3,932	3,922	
Teachers	238	333	
Instructional Support	131	155	
Librarians	4	6	
Specialists	51	69	
Admin Support	24	32	
All Other Support	46	83	
Total (excludes Principals and V-Ps)	494	678	184

Hudson has the same enrollment as Timberlane.

Timberlane has 184 more staff.

With the recommended reduction of 76 staff, **Timberlane would still have over 100 more staff than Hudson**

Middle School Comparison

Memorial Middle School, Hudson

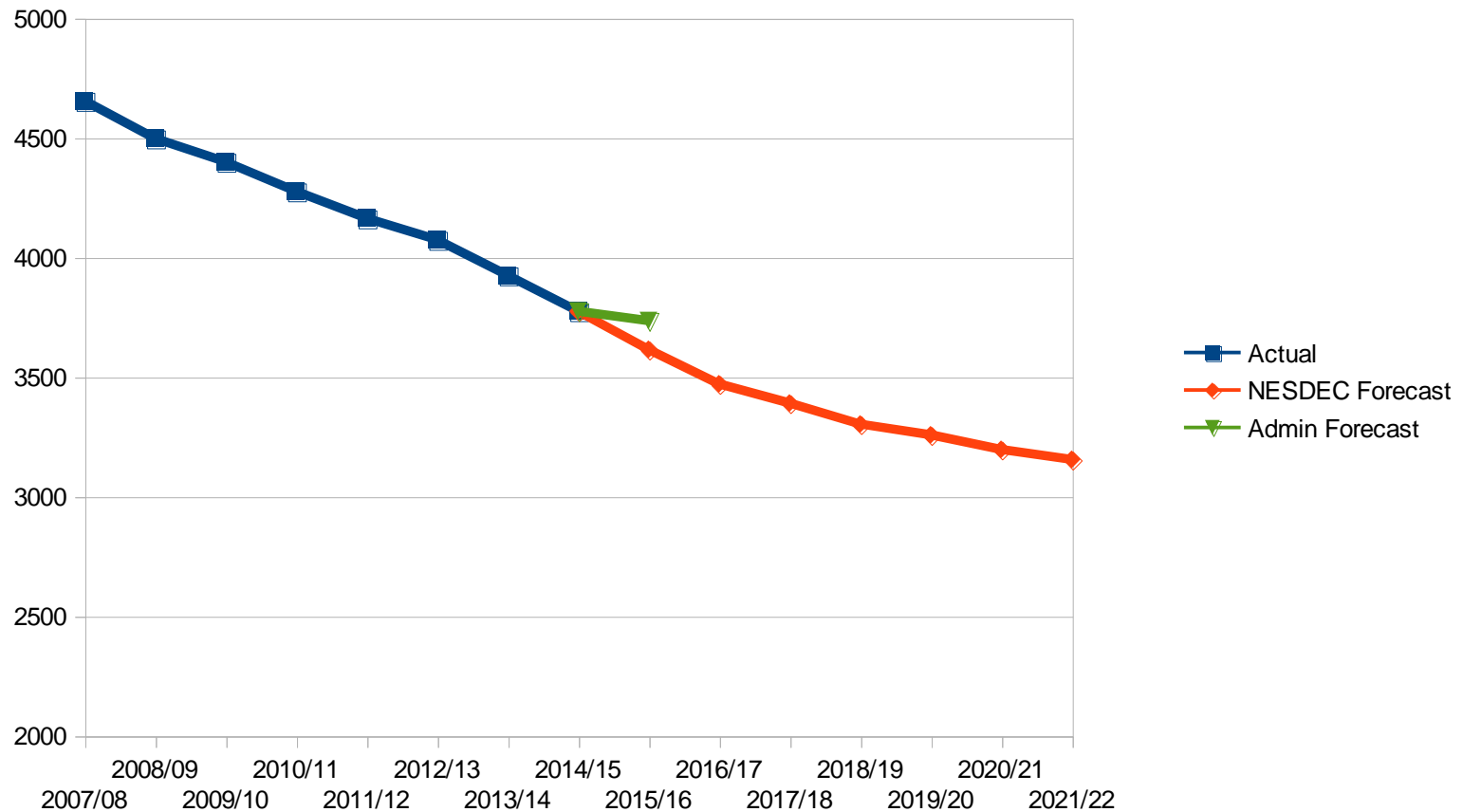
Middle School	Memorial (Hudson)	TRMS	Difference
Enrollment	924	934	
Teachers	62	89	
Instructional Support	20	28	
Librarians	1	1	
Specialists	10	14	
Admin Support	5	9	
All Other Support	12	17	
Total (excludes Principals and V-Ps)	110	158	48

TRMS enrollment is larger than Memorial MS by 10 students
 – about 1%

Staffing at TRMS is larger by **44% - 48 FTE staff**

But we are told that the only way we can have a flat line
 budget is to close Sandown Central

Declining Enrollment is a Trend



Decrease from 2007/08 to 2014/15: **- 18.9%**

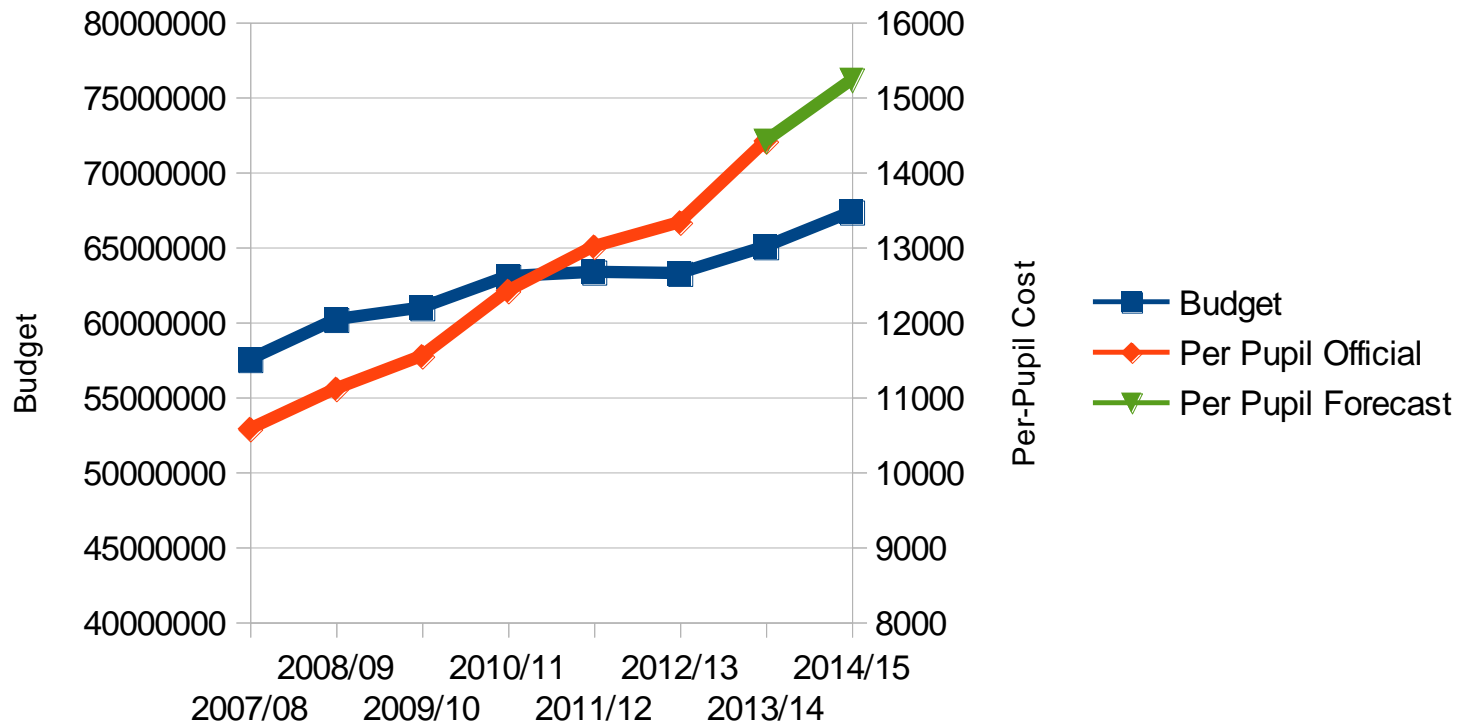
Forecast **decrease** from 2014/15 to 2015/16:

Admin: - 40 students, - **1.1%** NESDEC: - 160 students, - **4.2%**

Forecast 5-year **decrease** from this year (2014/15): **- 13.7%**

NESDEC Forecasts from report presented to Timberlane dated Oct 6, 2014

Increasing Cost

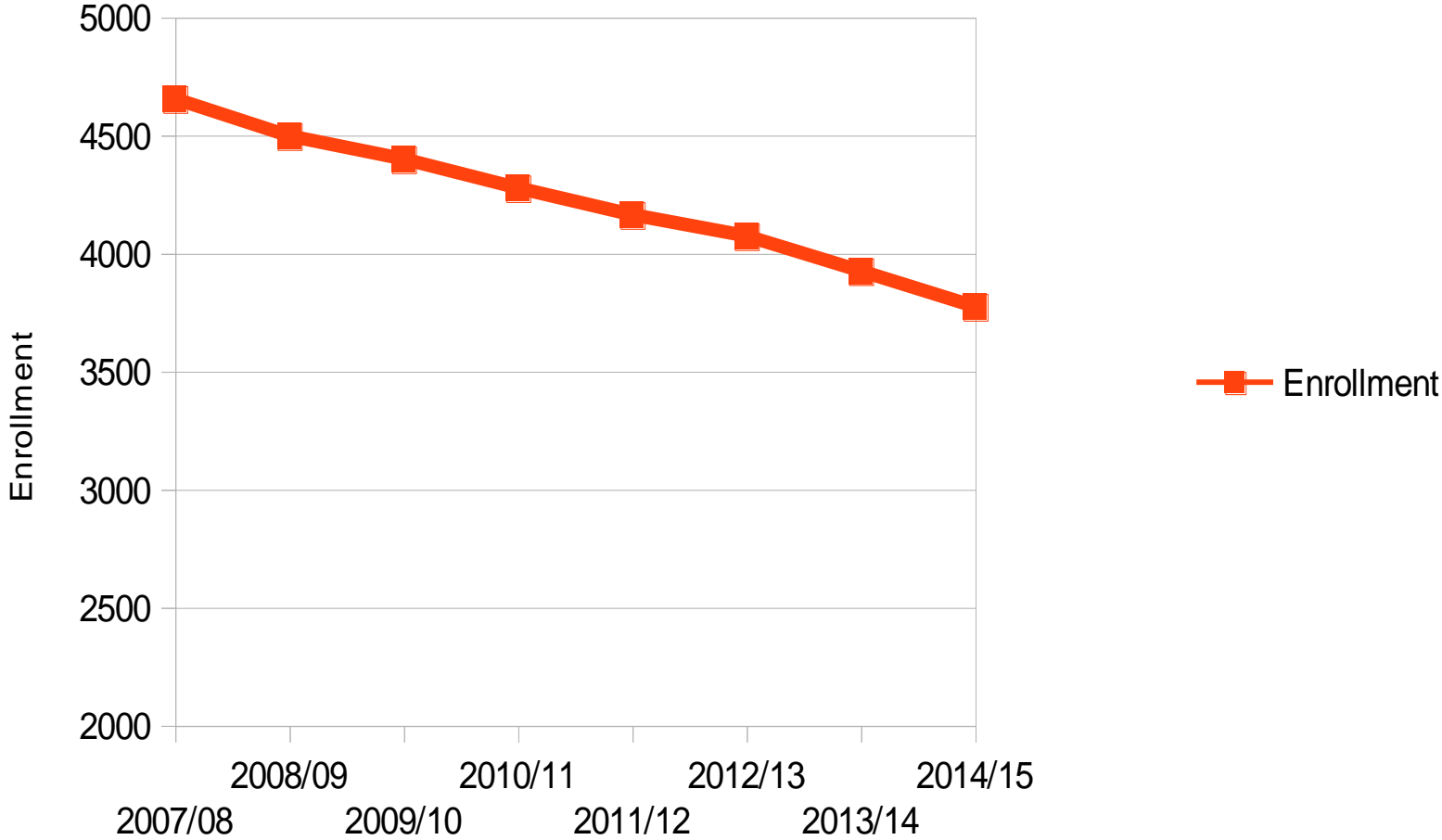


Budget Increase from 2007/08 to 2014/15: **17.1%**
Per Pupil budget increase from 2007/08 to 2014/15: **44.0%**
Estimated Per Pupil cost 2014/15: **\$15,226**

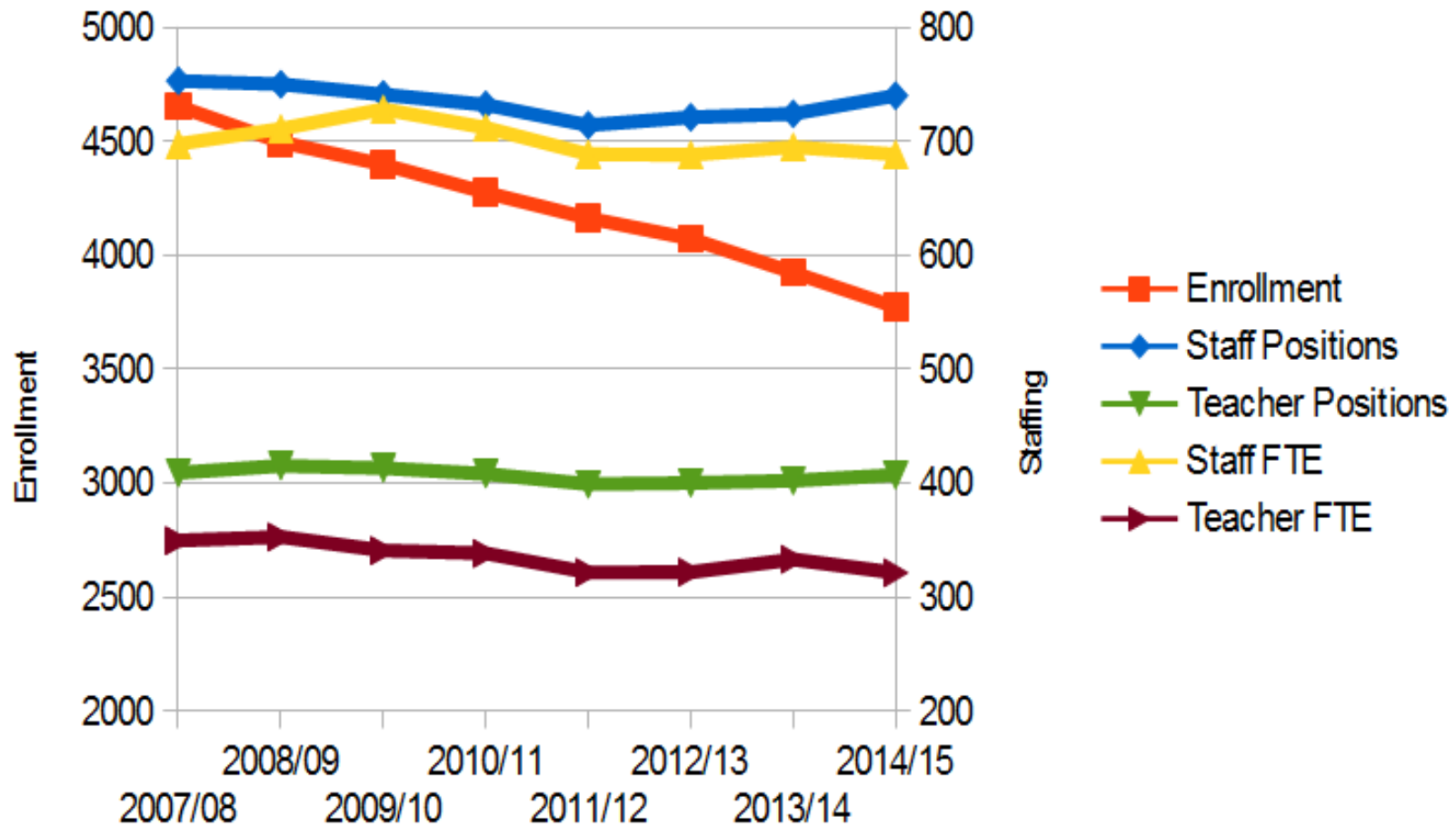
Past Budget and spent costs from Timberlane annual reports, 2013/14 Spent Costs from SAU Reports to Timberlane School Board. 2015 Spent Forecast based on SAU Superintendent public statements. Per Pupil costs through 2012/13 are reported by NH DOE. Per Pupil costs for 2014/15 are estimated from enrollment and budget data.

Why Do Costs Go UP Despite Declining Enrollment?

Seven Consecutive Years of Declining Enrollment...



... With Minimal Adjustment of Staffing Level



Staffing Levels Have Not Declined in Proportion to Enrollment

	2007/08	2014/15	Change	%
Enrollment (Timberlane Annual Report)	4653	3773	-880	-19%
Staff Positions (Annual Report, 2014 RTK response)	753	740	-13	-2%
Staff FTE (NH DOE A12 Filing)	697.5	688.4	-9.1	-1%
Teacher Positions (Timberlane Annual Report, 2014 RTK responses)	409	407	-2	-0%
Teacher FTE (NH DOE A12 Filing)	349.4	321.2	-28.2	-8%

Mr. Collins argues (Budcom Nov 25) that Timberlane has been making responsible staffing adjustment to declining enrollment, and presented this table:

	Enrollment	Teachers
Peak	4,625 (2007/2008)	365.9 (2006/2007)
2014/2015	3,774	321.2
	- 851	- 44.7
	- 18.40%	- 12.22%

- Enrollment discrepancy for 2007/08
 - I show 4,653, Mr. Collins shows 4,625
- Reported enrollment figures differ slightly between the NH DOE website and the Timberlane annual report. I have consistently used the Annual Report figure – shows 28 additional students in 2007/08, and therefore a slightly larger decrease from that point to this year.
- Not a material difference in the big picture

Mr. Collins has used 2006/07 as the base for comparing number of teachers. This allows him to claim that teacher staffing is down 12.22%, seemingly, not badly out of line with the enrollment decrease in the range 18.4% - 19.1%.

This comparison is grossly misleading.

What happened in 2007/08? The Kindergarten program was introduced, and in doing so the district made changes to the staffing balance.

- Teachers: **down** from 366 to 349
- Aids: **up** from 142 to 150
- Specialists: **down** from 64 to 57
- Admin support: **up** from 25 to 37
- Other support: **up** from 67 to 80

Overall staffing: UP from 689 to 697

Conclusions:

- The one-year drop of 15 teacher positions from 2006/07 to 2007/08 had **NOTHING** to do with response to the 19% enrollment decline since 2007/08
- This gives us another example of adjusting the reported teacher staffing to present a “decrease” to the public, at the same time overall staffing is actually increasing.
- Since 2007/08, we have been running essentially the same program in the district, which means that enrollment and staffing are an “Apples to Apples” comparison
- While reported “teacher” staffing shows a decrease of 28 (from 2007/08 to 2014/15), overall staffing is down by only 9... so reduction in teachers has been offset by increases in other positions... **or has been a cosmetic reclassification**

Seven Consecutive Years of Declining Enrollment... ... with minimal adjustment of staffing level

... means that costs are automatically driven up each year by salary steps, collective agreements, and employee retirement and health benefits.

At 2014 Deliberative, we argued that the
relentless cost increase
at the same time
enrollment is ***plummeting***
defies common sense.

.. but we lacked evidence that the district
could deliver quality education with fewer
resources.

Statewide Comparison

Timberlane routinely compares itself against statewide averages in terms of cost, staffing levels and academic results

	Timberlane	State	Year
Cost Per Pupil	\$13,329	\$13,459	2012/13
Student/Teacher Ratio	11.3	12.1	2013/14
NECAP Grade 11 Reading	75	75	2013/14
NECAP Grade 11 Math	33	36	2013/14

NH has over 160 school districts, with average enrollment of approximately 1150, far-flung rural populations and very small schools. The state average is not a valid comparison of costs, resources, or results.

The Cost Per Pupil comparison is **2 years** out of date. During these 2 years, Timberlane costs have increased rapidly.

Comparable Cohort

There are nine school districts which have a composition similar to Timberlane:

- Enrollment in the range of 3,000 to 5,000
- Service all grades K – 12
- Southern NH location

District	Enrollment 2013/14	Schools
Bedford	4,413	6
Concord	4,786	7
Dover	4,023	5
Hudson	3,932	5
Keene	3,443	7
Londonderry	4,545	6
Merrimack	3,944	6
Rochester	4,359	11
Salem	3,906	8
Timberlane	3,922	7

Sidebar: Mr. Collins argues (Budcom Nov 25) that these districts are not comparable because they are not multi-town cooperatives.

The **only** material difference this imposes on costs is that Timberlane is not free to redraw boundaries for Grade 1 to Grade 5 service, so it is harder to have the most efficient staffing at that level.

There is no difference at the middle/high school level.

These districts are still our best point of comparison for overall management and resources.

Cohort Resources

District	Student/Teacher Ratio 2013/14	Cost Per Pupil 2012/13	Cost Per Pupil 2013/14
Bedford	14.5	\$11,539	\$11,759
Concord	14.4	\$12,897	\$13,868
Dover	14.9	\$10,322	\$10,278
Hudson	15.8	\$10,204	\$10,815
Keene	11.5	\$14,975	\$15,306
Londonderry	13.0	\$13,396	\$13,786
Merrimack	12.7	\$13,440	\$14,418
Rochester	12.2	\$12,282	\$12,972
Salem	12.4	\$12,383	\$13,372
Average of Cohort	13.5	\$12,382	\$12,953
Timberlane	11.3	\$13,329	\$14,411
New Hampshire	12.1	\$13,459	N/A

Cohort Results

NECAP 2013/14 Grade 11 results are presented as a proxy for the overall academic product of the districts. The NECAP reading and writing scores are objective and comparable across districts.

District	NECAP G11 Reading Meets or Exceeds	NECAP G11 Math Meets or Exceeds
Bedford	94	67
Concord	70	36
Dover	76	32
Hudson	80	37
Keene	81	40
Londonderry	74	37
Merrimack	83	44
Rochester	61	25
Salem	79	39
Average of Cohort	78	40
Timberlane	75	33
New Hampshire	75	36

BUT

Just because other comparable districts have lower costs and staffing, ***we don't want to make cuts that will hurt our students' academic results.***

So

Let's look at the comparable districts which score ***higher*** than Timberlane on ***both*** NECAP Reading and NECAP Math.

Leading Cohort Results

Five Districts produced higher NECAP scores in **BOTH** Reading and Math at the Grade 11 level

District	NECAP G11 Reading Meets or Exceeds	NECAP G11 Math Meets or Exceeds
Bedford	94	67
Hudson	80	37
Keene	81	40
Merrimack	83	44
Salem	79	39
Average of Leading Cohort	83	45
Timberlane	75	33

Actual NH DOE AMO Ranking of Leading Cohort

(**NOTE:** Presented by Rob Collins at Budcom Nov 25)

District	NECAP G11 Reading Meets or Exceeds	NECAP G11 Math Meets or Exceeds
Bedford	94	67
Hudson	80	37
Keene	81	40
Merrimack	83	44
Salem	79	39
Average of Leading Cohort	83	45
Timberlane	75	33

2013 AMO Ranking	
Reading	Math
29	51
48	53
22	8
54	33
50	37
40.6	36.4
16	20

AMO = “Annual Measurable Objectives”

Districts set individual goals, and AMO is a measure of how close they came to the goal.

AMO is NOT a measure of Academic Achievement.

For example, notice that Bedford, which achieved **67%** meets or exceeds in Grade 11 math, ranked **51st** in NH on AMO

Timberlane, which achieved **33%** meets or exceeds in Grade 11 math, ranked **20th**.

In the Reading AMO, every single district in
the Leading Cohort achieved higher NECAP
scores

YET

Timberlane had a higher AMO “ranking” than
all of them.

AMO is the educational bureaucrat's dream.

Leading Cohort Resources

Five districts with a similar profile to Timberlane are producing better results on both NECAP measures.

Every single district in the superior cohort has more students per teacher.

Three out of five districts in the superior cohort have a lower cost per pupil

Leading Districts	Student Teacher Ratio	Cost per pupil 2012/13	Cost per pupil 2013/14	Change % year over year
Bedford	14.5	\$11,539	\$11,759	1.9%
Hudson	15.8	\$10,204	\$10,815	6.0%
Keene	11.5	\$14,975	\$15,306	2.2%
Merrimack	12.7	\$13,440	\$14,418	7.3%
Salem	12.4	\$12,383	\$13,372	8.0%
State Avg	12.1	\$13,459		
Avg of Leading Districts	13.4	\$12,508	\$13,134	5.0%
Timberlane	11.3	\$13,329	\$14,414	8.1%
Timberlane exceeds average per-pupil cost of leading comparable districts by			6.6%	9.7%

Findings on Resourcing

Timberlane's Student/Teacher Ratio as measured by NH DOE standards was 11.3 in 2013/14, and will be 11.4 in 2014/15 based on the reported enrollment and staffing returns.

Other comparable districts in NH are producing superior results with far fewer staff.

Timberlane should be equally capable of performance equal to or better than current performance while emulating the staffing model of comparable nearby districts.

Recommendation: Structure a 2015/16 staffing model based on a target student/teacher ratio of 13.4, the average of the leading cohort.

Budget Implications for 2015/16

Based on the 2015/16 enrollment forecast, Timberlane should be budgeting to reduce staffing by approximately **76 FTE** compared to the 2014/15 staffing *and will still have more staff resources than comparable districts with stronger academic results.*

This implies a budget based on a plan for 612 FTE staff, compared to 688 FTE staff in 2014/15.

Staffing Goal

Timberlane can leverage the example of high performing districts with a comparable composition.

This budget planning approach would

- Provide ample resources for excellent education in line or better than comparable districts
- Begin a long-overdue re-sizing of staff levels to recognize declining enrollment
- Protect 100% of Special Ed teachers and aides
- Bring transparency to budgeting of contingency
- Allow taxes to be lowered for all the towns in the district

Staffing Model

Step 1: Calculation of baseline

Student enrollment (per NH DOE enrollment report) Grades 1-12 divided by 13.4 students per teacher

Number of teaching aides is calculated using the highest ratio for the superior cohort – 0.6 aides per teacher

Number of pre-grade-1 teachers is carried forward without change

Number of support staff is calculated using the highest ration for the superior cohort – 0.37 support staff per total teaching staff (teachers plus aides)

Number of principals and vice principals is carried forward without change

This calculation will produce a baseline staffing target which can be used to measure where Timberlane is overstaffed or understaffed compared to the “Leading Cohort”.

Staffing Model

Step 2: Adjustment to determine feasible budget target

Number of Special Ed teachers and aides is increased to match 2013/14 staffing

Number of Guidance Counselors is increased to match 2013/14 staffing

Number of vice principals is reduced by 2

This calculation will produce an adjusted staffing target which can be used for budget planning.

Staffing Model

	2014/15 FTE as reported to NH DOE	2015/16 Baseline	2015/16 Adjusted
Preschool Teachers	7.0	7.0	7.0
Kindergarten Teachers	10.5	10.5	10.5
Regular Education Classroom Teachers	251.8	213.5	213.5
Special Education Classroom Teachers	51.9	44.0	51.9
Regular Education Aides	49.5	48.0	48.0
Special Education Aides	110.0	106.6	110.0
Principals	7.0	7.0	7.0
Assistant Principals	9.6	7.6	7.6
Guidance Counselors/Directors	18.0	18.0	18.0
Media Specialists	6.0	4.8	4.8
Media Aides	8.0	6.4	6.4
Non-teaching Professionals not included above	59.6	47.7	47.7
Clerical support staff	32.5	26.0	26.0
Other support staff	67.0	53.6	53.6
Total Staff	688.4	600.7	612.0

How do we know that such a large staff reduction is reasonable?

Let's get a reality check on Timberlane staffing with some direct comparisons using district and school 2013/14 stats from the NH DOE web site

Overall District Comparison Hudson

District	Hudson	Timberlane	Difference
Enrollment	3,932	3,922	
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Total (excludes Principals and V-Ps)	494	678	184

Hudson has the same enrollment as Timberlane.

Timberlane has 184 more staff.

With the recommended reduction of 76 staff, **Timberlane would still have over 100 more staff than Hudson** – to help deal with issues like the town-by-town elementary schools, and the Timberlane max class sizes

High School Comparison

Alvirne High School, Hudson

High School	Alvirne (Hudson)	TRHS	Difference
Enrollment	1,393	1,343	
Teachers	85	108	
Instructional Support	39	31	
Librarians	1	1	
Specialists	23	22	
Admin Support	9	14	
All Other Support	16	21	
Total (excludes Principals and V-Ps)	173	197	24

Timberlane administration claims that they need to close Sandown Central in order to reduce 9 existing staff and 12 vacant position, total 21

Alvirne HS has 24 fewer staff than TRHS, and Grade 11 NECAPS are higher than Timberlane

Middle School Comparison

Memorial Middle School, Hudson

Middle School	Memorial (Hudson)	TRMS	Difference
Enrollment	924	934	
Teachers	62	89	
Instructional Support	20	28	
Librarians	1	1	
Specialists	10	14	
Admin Support	5	9	
All Other Support	12	17	
Total (excludes Principals and V-Ps)	110	158	48

TRMS enrollment is larger than Memorial MS by 10 students
 – about 1%

Staffing at TRMS is larger by **44% - 48 FTE staff**

But we are told that the only way we can have a flat line
 budget is to close Sandown Central

Elementary School Comparison

Woodbury School, Bedford

Elementary School	Woodbury (Bedford)	Pollard	Difference
Configuration	K – 5	PK – 5	
Enrollment	537	548	
Teachers	32	43	
Instructional Support	15	35	
Librarians	1	1	
Specialists	6	12	
Admin Support	2	3	
All Other Support	10	11	
Total (excludes Principals and V-Ps)	66	105	39

Not a perfect comparison – Pollard has 55 Pre-K students, which is a special ed program... but that should be partly offset by fewer students in the K-5 grades

Pollard's 39 extra staff would seem to more than cover support for the Pre-K program

Pollard is already operating at an enrollment scale which would be consistent with flexible boundaries

Would reduced staff force larger classes?

Mr. Collins had objected that the reduction of 76 staff would force larger classes.

Timberlane has a policy of maximum class sizes for the elementary grades.

Are taxpayers aware that this district rigidly applies a policy which demands an additional full-time teacher for the “21st” Grade 1 student?

Class Sizes – Comparable Districts

	Bedford	Hudson	Keene	Merrimack	Salem	Leading Avg	Timberlane	Timberlane Maximum
S/T Ratio	14.5	15.8	11.5	12.7	12.4	13.4	11.3	
Grade 1	20	18	18	18	18	18.4	18	20
Grade 2	22	21	16	20	16	19.0	19	20
Grade 3	20	23	17	20	16	19.2	18	23
Grade 4	20	23	17	24	20	20.8	19	26
Grade 5	23	24	17	24	21	21.8	20	26

- All the leading districts are close or equal to Timberlane in **average** class size
- Hudson would need to add only 3 teachers to match Timberlane's **maximum** class sizes.
- Bedford would need to add only 4.
- Based on the proposed staffing model, Timberlane will have **16 more regular ed teachers than Bedford, and 21 more than Hudson.**
- Conclusion:** Timberlane will have ample teachers to maintain the current class size maximums if that is the district priority.
- Note:** All five comparison districts all have stronger academic results, why are maximum class sizes are the top priority for Timberlane?

More Delay Means Bigger Adjustment Needed.

Since the 2008 enrollment peak, there has been almost no change in staffing levels.

Each year with no action creates a larger required adjustment.

Within 5 years, enrollment will be in the low 3000's. Does anyone believe we can still retain overall staff at approximately 700?

Mr. Collins argued that Timberlane articles of agreement require that children be educated in the town of residence up to Grade 5.. no redrawing boundaries to optimize school sizes

This discussion has shown that there are significant opportunities for staffing adjustment which have no impact on the obligations under the articles of agreement

Now for the budget

First, some history

	Budget	Change	Spent	Change
2007/08	\$57,493,020	5.2%	\$56,270,519	6.3%
2008/09	\$60,164,826	4.6%	\$58,690,463	4.3%
2009/10	\$60,950,948	1.3%	\$59,264,291	1.0%
2010/11	\$63,042,176	3.4%	\$61,093,302	3.1%
2011/12	\$63,329,559	0.5%	\$61,186,707	0.2%
2012/13	\$63,248,164	-0.1%	\$61,054,575	-0.2%
2013/14	\$65,020,621	2.8%	\$64,000,000 *	4.8%
2014/15	\$67,335,682	3.6%	\$67,000,000 *	4.7%

Cumulative Change

\$9,842,662.00	17.1%
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- Actual spending for 2013/14 – final figure not yet provided by the administration, despite Right to Know request
- Forecast expenditure for 2014/15 – Administration has set expectation that no significant surplus will be generated

2015/16 Budget – what's on the table?

Draft 1 (Nov 18)

- \$69,186,000 – 2.75% increase
 - Most comprised of salary and benefit increases (which would also apply to default budget)
 - \$500,000 for transformer replacement at TRMS
 - No revenue budget presented yet

2015/16 Budget – what's on the table?

Draft 2 (Dec 4)

- \$67,335,000 – 0% increase
 - \$500,000 for transformer replacement at TRMS removed, to be spent in current year
 - \$596,000 removed by deleting 12 *vacant* positions
 - \$673,000 removed by laying off 9 Sandown Central staff
 - \$80,000 cuts in misc. expense items, including *all non-headcount reductions associated with closing Sandown Central*
 - No revenue budget presented yet

2015/16 Budget – What's Next?

- TRSB has not seriously deliberated closure of Sandown Central, *they have endorsed the SAU administration in making a threat.*
 - A serious closure proposal would involve approximately a year of studies, consultation, and evaluation of alternative solution approaches
 - A serious closure proposal would honor the Articles of Agreement, which require that Sandown students are educated in the town through Grade 5
 - A serious closure proposal would have been preceded by other, broader belt tightening. This presentation has shown how.

No firm proposal for closure of Sandown Central?

- Grade 4 students (approx. 75) would be sent to Sandown North
- Grade 5 students (approx. 75) would be sent to TRMS
- Savings: \$744,000
- Violates Articles of Agreement – students must be educated in their town of residence through Grade 5
 - TRSB leans on the phrase “the first five years of formal schooling”. Since the introduction of Kindergarten in 2007/08, the phrase could refer to K – 4 instead of 1 – 5. This is contradicted by the full context of the Article. And Kindergarten is optional for families, whereas Grade 1 is legally required.

Timberlane Articles of Agreement

3. The Timberlane Regional School District shall be responsible for the public education of **grades 1 through 12**.

Pupils in the pre-existing districts shall be assigned by the Regional School Board to attend the elementary schools in the preexisting districts in which they reside for no less than **the first five years of formal schooling**. Resident parents or guardians may voluntarily request that their **grade 4 and/or grade 5** student(s) be assigned to another in-district public elementary school on an annual basis as long as seats are available and that no additional costs (transportation, etc.) be incurred by the School District. The Regional School Board may assign pupils to a school other than one in the pre-existing district in which they reside for the purpose of special education not available in the pre-existing district. **Grades 6 through 12** may be maintained in central schools within the Cooperative District.

2015/16 Budget – What's Next?

Your Timberlane Budget Committee representatives are writing to the BudCom and the School Board prior to the Sept 11 meeting to the effect that:

The Draft 2 budget is not a good-faith effort to comply with the Budget Committee direction to propose a flat-line expenditure budget. The Committee should not deliberate a budget which fails to honor the Articles of Agreement, but should direct the administration to bring forward a reasonable flat line budget.

The Town of Sandown needs independent legal advice on our rights under the Articles of Agreement. Current town counsel also advise Timberlane, and have likely endorsed the district position.

2015/16 Budget – What's Next?

Your Timberlane Budget Committee representatives

- are advocating for resources to provide quality education for all children and families in the Timberlane school district.
- have identified specific expenditure cuts in the range of \$1 - \$1.5 million.
- are prepared to offer an alternate bottom-line expenditure budget once the district tables the revenue budget.
- Will not support a budget which does not honor the district obligations under the Articles of Agreement

Tax Fairness – Declining State Aid?

School Year	Adequacy Aid	ADM	Grant per (ADM) pupil
2007/08	\$11,166,076	4523.39	\$2,469
2008/09	\$11,166,076	4360.14	\$2,561
2009/10	\$11,594,403	4259.25	\$2,722
2010/11	\$11,620,385	4151.56	\$2,799
2011/12	\$11,620,385	4007.66	\$2,900
2012/13	\$11,620,385	3924.74	\$2,961
2013/14	\$11,337,533	3819.37	\$2,968
2014/15	\$11,384,289		

State adequacy aid to the Timberlane district has hardly changed over the past 7 years - \$11.2 million in 2007/08, compared to \$11.4 million this year.

On a per-pupil basis, it is up 20%.

Adequacy Aid – Town Impact

At the town level this year, Sandown will need to collect an additional \$620,000 from the property tax payers for the schools, a 5.9% increase.

Of this increase, one can point to a \$180,000 drop in Sandown's state adequacy payment compared to last year. This drop is entirely due to the drop in Sandown's student population.

But it drives a tax increase only because the school district is spending more even while enrollment drops.