

A concurrent meeting of the School Administrative Unit No. 12 School Board and the Londonderry School District School Board was held on **Tuesday, December 21, 2010** at 7:00PM at the Londonderry Town Offices. In attendance were School Board members Ron Campo, John Laferriere, John Robinson, George Herrmann and Steve Young. Also in attendance were District Superintendent Nate Greenberg, Business Administrator Peter Curro, Budget Committee members Don Jorgensen, Todd Joncas, John Curran, Dan Lekas, Mark Oswald, Richard Dillon, and School Board Secretary Mary Wing Soares.

1.0 Call to Order Mr. Campo called the meeting to order at 7:00 PM

2.0 Pledge of Allegiance Mr. Joncas led the Pledge of Allegiance

3.0 Questions, Announcements and Presentations

January 4, 2011	7:00PM	Regular Meeting	Town Offices
January 13, 2011	7:00PM	Budget Public Hearing	Town Offices

5.0 Budget Workshop

Mr. Greenberg read verbatim from a memorandum dated December 20, 2010 that follows. "As of this date, the Superintendent's proposed FY12 General Fund Budget is \$63,422,975 which is \$117,080 less than the FY11 budget of \$63,540,055 and \$2,551,079 less than the FY12 Default Budget of \$65,974,054.

At the last meeting the Board asked the administration to develop an additional list of reductions totaling \$400,000 to be presented to the Board for consideration and possible action. To that end, we have developed a set of recommendations in \$200,000 increments.

An important and noteworthy development has transpired since our last meeting which directly impacts the recommendations below. To wit, our teachers have graciously stepped forward and are willing to forgo their contractual guaranteed allotment for attendance at workshops and conferences for the 2011-12 school year. They have done so to assist us in our endeavors to maintain as many programs and services as well as positions as possible in this difficult budget year. The total impact of this action is \$135,000. The teachers and their association's leadership are to be commended for this action. They are an outstanding group of educators and their concern for the district as a whole and the students in particular continues to impress all who come in contact with them.

<u>TIER 1 BUDGET REDUCTIONS</u>	<u>REDUCTION</u>	<u>RUNNING TOTAL</u>
1. Teacher Give-back – Staff Development	\$135,000	\$ 135,000
2. Library Secretary District Office	\$ 45,000	\$ 180,400
3. Budget Reductions System-Wide (supplies, materials, equip., etc.) (a listing of these items was attached)	\$ 20,000	\$ 200,400

GENERAL FUND BUDGET REVISED: \$63,222,575

<u>TIER 2 BUDGET REDUCTIONS</u>	<u>REDUCTION</u>	<u>RUNNING TOTAL</u>
1. Class M Teams at LMS	\$ 27,000	\$ 27,000
2. After School Music	\$ 21,000	\$ 48,000
3. Freshman Teams	\$ 24,000	\$ 72,000
4. H.S. Elective Teacher	\$ 63,900	\$ 135,900
5. Elementary Teacher	\$ 63,000	\$ 199,800

TIER II REDUCTIONS \$ 199,800

TOTAL TIERS I AND II \$ 400,200

GENERAL FUND BUDGET WITH \$400,000 REDUCTION: \$63,022,775*

*At this level the proposed FY12 budget would be \$517,280 below the FY11 budget of \$63,540,055.

IMPACTS OF TIER II REDUCTIONS

1. Class M Teams – this action would impact 130 students at the Middle School by the elimination of Class M:

5	Boys' Basketball	Girls' Basketball
	Boys' Baseball	Girls' Softball
	Boys' Soccer	Girls' Soccer
	Cheer	

10 Elimination will virtually eliminate 6th graders from most sports due to lack of physical development and would impact no cut sports such as track, wrestling, cross country and thus require cuts.

2. After School Music – this action would impact 226 elementary students in eliminating band and orchestra. It would also impact 281 students at the middle school in Jazz Ensemble, Colorguard, Show

15 Choir and Pop Stars.
The loss of these programs would totally eliminate both the band and orchestra program which would mean no instrumental classes for Grade 5. Thus, there would be no winter and spring concerts, as well as participation in the Memorial Day parade. It would also mean that the following year there would be no 6th grade band. This interruption in services, even for one year, would have a serious impact on the

20 5th grade class right through their graduation as we will have missed the appropriate window to begin our instrumental program.

Co-curricular music reductions at the middle school would also take away musical opportunities from students who have great passion ofr music outside the classroom setting. The Jazz Ensemble, Pop Stars, Select Choir, Marching and color Guard currently provide quality opportunities that students

25 wholeheartedly look forward to. To take this action would affect their abilities to be musically compctetitive, as well as affect their career choices.

3. Freshman Teams – This action would impact 157 students at the High School by the elimination of the following teams:

30	Boys' and girls'; soccer
	Boys' and girls' basketball
	Boys' and girls' softball
	Boys' Lacrosse
	Football

35 The elimination of freshman teams would diminish our feeder programs and create larger rosters which would create playing time issues with sub-varsity teams. Once a student/athlete gets cut, they tend to never play again. Having more students involved (freshman teams) creates more opportunities for educational experiences; allows kids the fun and pride of playing on a school team, and is a motivation for students to do well academically.

40 The elimination of these programs increases the number of students that would be without supervision after school.

4. High School Elective Teacher – This reduction, depending on the area(s) selected could eliminate a program or result in the phasing out of a program(s) over a two-year period. The impact would be

45 cumulative, decrease opportunities for students with a potential impact of (36-60 students).

5. Elementary Teacher – At this point in the proposed budget we have eliminated 6.8 teachers at the elementary level and eliminated the teacher assistant hours assigned to Grades 3, 4 and 5. Further

50 reduction will create an imbalance at one of the elementary schools vis-à-vis the two others (elementary schools) regarding class size. We have, because of the elimination of the assistants, endeavored to keep class sizes for FY12 comparable to FY11 as a counter balance to the aforementioned reductions. Thus loss of an additional teacher at this point in time would negate that effort.

Conclusion:

55 As requested, we have provided the Board with the \$400,000 in reductions. I believe that we, thanks to the teachers' gracious actions, can reduce the proposed budget by \$200,000 and continue to

provide high quality services to our students. Keeping in mind that the previously recommended adjustments in the proposed budget netted a \$2,711,677 reduction in staffing costs for FY12, adjustment of responsibilities, reductions and postponements in text, supplies and equipment requests (\$1,508,162) and a \$2,551,079 differential between proposed budget and default. Further reductions beyond the Tier I reductions indentified above, moving into Tier II will have significant impacts both short and long-term on the delivery of services to students and opportunities for same. Thus, I respectfully request that the Board not move beyond the Tier I reductions and move a General Fund Budget of \$63,222,575 to the Budget Hearing.

Mr. Greenberg thanked the board for their thoughtful deliberations on this matter of significant importance.

Mr. Greenberg again recommended that the board not go for any further reductions past the Tier I Budget reductions. He made a compelling argument for keeping the extra-curriculum programs. He spoke about pruning the tree but knowing that the tree may need to grow again as the economics of the day change. Mr. Young asked for clarification on the budget money. With the additional cuts there will be a \$.22 increase to the tax rate. The budget is a .5% decrease from the last budget. This budget includes everything, including the contracts that will be on the warrant. Mr. Young asked about the order of the tier two reductions. Mr. Greenberg said he is running out of things to cut and up to this point has not gone to the extra-curricular programs. Before he went to another classroom teacher he would have to go to the extra-curricular and he would have to have a balance between athletics and music. Mr. Herrmann pointed out that the administrators have frozen their salaries; (at a savings of \$20,000) the teachers have reduced their benefits. Mr. Herrmann asked about closing the buildings to groups not associated with the school. Mr. Greenberg said that would result in about an additional \$30,000 in savings. Mr. Robinson disclosed that his wife is a teacher in the high school. He said he cannot argue with Mr. Greenberg's decision to cut the secretary at the district, however he is concerned that the district is cutting too much. Mr. Greenberg interrupted to say that many of the reductions are due to financial impacts rather than student reductions. He believes that he has created some balance in his recommendations. Mr. Robinson said he would like to consider a budget number of \$63,322,575 with the proviso that the money not cut (\$100,000 that is to be recovered from teacher benefits) be used to keep a teacher. Mr. Laferriere asked what would have happened if the teachers hadn't come forward. Mr. Greenberg said he would have cut another elementary school teacher, summer school at Kindergarten, Elementary and Middle School, and some clerical cuts. Mr. Laferriere asked about the food service budget. Mr. Greenberg said it is not part of the general budget. Food service money cannot be put into the general fund budget. Mr. Laferriere said he would not want to see any cuts further than Tier I. Mr. Campo pointed out that there are 4.5 administrative positions that will be eliminated. Mr. Greenberg explained that he believes they have made recommendations in a fiscally prudent manner and there is no place else to go without impacting programs as evidenced in \$200,000 cuts. Mr. Young would like to see this information continue through the public budget hearing meeting. Mr. Greenberg pointed out that over the past 4 to 5 years we have been responsive in reductions of staff, both in reaction to the drop in enrollment (an overall reductions of 1 certified position per 15 student drop in enrollment) and economic times. Mr. Laferriere asked about the Capital budget vs. operational reductions. Mr. Curro said there is very little equipment requests that are coming forward. The budget reduction is more than 95% operational. Mr. Robinson spoke again and made a motion to adopt a budget of \$63,322,575. Mr. Campo said he isn't taking a motion at this time.

Mr. Dillon from the budget committee asked about the \$400,000 figure and whether it is expected that the state will come in with restoring their original funding amounts. The board agreed they do not expect the funds to be returned to the district from the state and they expect that as time goes by more and more of the funding will fall on the local school districts. No matter what happens at the state level, however, the school district can only spend what has been approved that they spend. If additional funds come in they would have to be returned to the taxpayers in June and would be reflected on the December tax bill. Mr. Curran agreed that local governments will really be hit in the coming year. He doesn't believe second tier cuts are the option. He suggested the district may want to look again at a pay to play way to fund sports and band costs. Mr. Campo said the sports participants and band participants already pay to play. Students and parents already contribute to the continuation of these sports. Mr. Campo believes there is an equity issue involved. Mr. Herrmann said he agrees that the discussion of pay to play should be had. Mr. Jorgensen asked about the teacher give-back and if it would mean that teachers will not be getting the training that they need. Mr. Greenberg said this give-back effects workshops and seminars.

Teachers can still go but they would need to pay for themselves. The district has created some in school workshops. Mr. Greenberg had no idea how this might affect staff development but he believes they will make every effort to minimize the impact and provide opportunities in house to offset what might be missed by outside opportunities. Mr. Greenberg said they have looked far and wide to find places to cut in order to keep the programs that are most vital alive. Mr. Joncas said he appreciates the funds being given back from the teachers; he doesn't believe that there should be any further cuts. He doesn't support pay to play.

Mr. Clark asked about the private jet availability to get him back for the upcoming budget meetings. Mr. Clark believes that it would be ridiculous to cut any of the second tier. He doesn't believe these students will go directly home and work on their homework.

Mr. Robinson made the motion to accept a budget of \$63,322,575 with the proviso that some of the money for the teacher give back be used to preserve a teacher's job. Motion died for lack of a second. **Mr. Herrmann made the motion to accept the budget of \$63,222,575 per Mr. Greenberg's recommendation. Mr. Laferriere seconded the motion.** Mr. Young reiterated the eliminations to get the budget further down by \$200,000. Mr. Young commended the administration for offering to go without a pay increase. This is much more than the \$20,000 in budget savings, it is an attitude. He asked how many of the administrators in attendance were getting overtime for coming to the meeting. (All the principals from the schools as well as program directors were in attendance) No one raised their hands. Mr. Young wanted the camera to pick up on the fact that the administrators come to these meetings and receive no additional payments. Mr. Campo echoed the comments. He appreciates the teachers giving the funds back to save the positions that would have been cut to make the budget reduction of an additional \$200,000. He thanked Mr. Greenberg for presenting a budget that wasn't a "scare" budget. He recognizes there is pain. Mr. Robinson asked to amend the motioned budget figure up by \$100,000. No one seconded the amendment. Mr. Young commented that there is always the budget hearing. **Motion passed 5-0-0.**

6.0 Deliberation

6.1 To see what action the Londonderry School Board will take re the Support Staff (AFSCME Union Local 1801) contract.

Mr. Campo said the board has reached an agreement with the Support staff union. Mr. Young thanked the members of the union for coming to the table willing to negotiate. He said over 25 hours were spent in discussion and negotiation to come up with a contract. The school board will be voting on it tonight. The contract will allow the support staff a 3 year contract. The impact will be \$15,595 in year one, year two \$103,669 and \$106,261 in year three. Mr. Young said that in order for full disclosure the first years increase is actually closer to \$95,000 or \$100,000 because of the funds already in the budget. Currently there would be a 1.67% increase without any change in the contract. With the step system they would get an additional increase. The contract they currently have would be "evergreened" unless a change is made. With the new contract the district would be eliminating the step increases, but the support staff members will still get an automatic COLA. The contract would also eliminate the \$.50 increase over a two year period. In year 4 there will no longer be a payment of \$.50 increase per hour to the HS special ED assistants. The employees will be professionally reviewed when a position comes up. They will have to go through the interview process no matter how many times they apply. There is a change in personal leave policy. If a staff member wants to take a Monday or Friday off for personal reasons there will have to be a reason given. Temporary employees will be subject to union fees, but a compromise was made that they would only be subject to fees if they work 90 days (1/2 year). Mr. Young summed up the benefits to the contract and asked for the boards support as well as the voters. Mr. Herrmann recused himself since he has a family member who is represented in the union. Mr. Young asked what an average increase this will mean for an employee. Mr. Curro said it is about a \$1.20 increase per employee. Mr. Jorgensen asked about the increase. Mr. Young said it was per year. Mr. Curran wondered about the benefits for the union. Mr. Young said the union will receive an annual payment of \$14,000 to be split up as they determine and distributed to their members. The funds will be distributed in November and April or May. They do not lose the benefit if they leave the district – it would be pro-rated. The union wanted a three year contract rather than a shorter cycle (of one or two years).

The state may eliminate the evergreen clause so it is to the union's advantage to take the deal. Mr. Curran asked if the elimination of the evergreen clause will be retroactive. Mr. Campo said he believes it could only affect the future. There are a small number of employees who are out of the steps and they will get a 1% increase. These numbers are based on the current employees but it should be noted that many of the 84 reductions planned for the coming year would reduce this number.

The figures that are listed above (regarding the increases) will not be on the official warrant per a recent law that has been passed. Mr. Oswald wondered if there was any way to give this information to the voters. Mr. Curro said information would be given at the deliberative session. **Mr. Young made the motion to accept the contract. Mr. Laferriere seconded the motion. Motion passed 4-0-1. Mr. Herrmann abstained.**

Mr. Greenberg wished everyone a Merry Christmas and a Happy New Year.

Mr. Herrmann made the motion to adjourn. Mr. Laferriere seconded the motion. Motion passed 5-0-0.

Meeting adjourned at 8:16PM.

Respectfully submitted,

Mary Wing Soares
School Board Secretary

Londonderry School Board
Non-Public Minutes
Tuesday, December 21, 2010

PRESENT: Board Members: Mr. Campo, Mr. Herrmann, Mr. Laferriere, Mr. Robinson and Mr. Young
Superintendent of Schools: Mr. Greenberg
Business Administrator: Mr. Curro
5 Human Resources Director: Mrs. Swenson

Chairman Ron Campo called the meeting to order at 6:30PM.

10 John Laferriere moved, seconded by George Herrmann and passed unanimously (5-0) by roll call vote to enter non-public session under RSA 91-A:3, Section II (a) through (i) at 6:30PM.

The Board discussed negotiations.

15 Steve Young moved, seconded by John Robinson and passed unanimously (5-0) to exit non-public session at 6:55PM.

Respectfully submitted,

20 Nathan Greenberg
Superintendent of Schools