

Attendees: Jim Freeman, Sherame Kneisel, Tom Ostrander, Dale Graham, Bruce Sanderson, Mark Templin, Scott Wilson, Melinda Fritze, Dr. Crystal Hummel, Rob Dickson, Mary Ann Maupin, Brett Randolph, Roger Elliott, Craig Gray, Dr. Andy Koenigs, Ann Katt, Cicely Dare, Julie Clopton, Terry Huelskamp, Janice Eldridge, Celia Ralston, Brett White, Mark A. Evans, Keturah Austin, five audience members.

Absent: Tracey Repp, Marvin Hladik

Budget Advisory Committee

March 31, 2009

6:00 PM

AGENDA

1. Welcome and Review

Mr. Freeman called the meeting to order and described the handouts given to participants – two sets of spreadsheets, an agenda that included an overall rating list, and a copy of the PowerPoint from tonight’s meeting.

2. Update

Mr. Freeman gave an update regarding action in the state legislature, which made an additional \$33 reduction in Base State Aid Per Pupil (\$4,367 instead of \$4,400) and a 1% reduction in special education. Federal stimulus money is still being used. Revenue projections are due mid-April and the governor still has the option to veto.

District Outlook – Meadowlark Elementary School opening cost \$300,000, increased enrollment (estimated 100) is unknown but would add \$328,000. This year’s budget reduction is \$209,000 and next year’s budget reduction is 240,000 (209 is the \$33 off bsapp, plus a 1% special ed reduction of \$31,000). These numbers total \$421,000 in required reductions, however, the committee’s prioritization target is 600,000 at this time. He emphasized the board will only go as far as they need to but an exact amount won’t really be known until late May or June

3. Prioritization of the first group ratings

a. Advocating for items to move.

Mr. Freeman gave Advocating Rules.

- Comment only on the item being considered.
- No bashing – be as factual as possible.
- If more than one person wants to advocate for the same item, do not be repetitive. If you don’t have anything new to say, just voice your support.
- 2 minute time limit (unless committee agrees to extension by consensus).

Mr. Freeman would like to stay with the “1s” to start with, but when we move to “2s”, if there’s something in the twos that should move to the ones, we’ll talk about that then. The goal is to get through the ones, then determine where we are with prioritization and with dollars. The ones as prioritized (with eliminations, no reductions – 100 % on everything) is \$480,000. Jim noted he was halfway into the twos before he got to the reduction goal of \$600,000 but there were many of the items that the committee would need to decide what the percent of reduction was going to be.

Jim asked if anyone wanted to remove anything from the ones.

Mrs. Dare expressed concern for the **implementing fees for transportation**. Many parents seek that as an assurance their children get home safely when they're not able to be there. Mrs. Fritze expressed concern for additional cars at each school every day. Principals noted that they didn't feel additional cars would be a problem. Mr. Templin and others felt it should be moved to a two because several people had a concern about it. Mr. Freeman asked that members consult the handout sheets and see the item in more detail. Mr. Randolph noted that we should decide whether we only transport those students for which the state reimburses before we decide this issue. The committee came to consensus about moving it to the same rating as #72 – only transporting students for whom the state reimburses.

Dr. Koenigs commented on #78. He said we delayed **textbook purchases** this year, and if we wait another year, that puts our cycle out nine years . He also added that it doesn't mean we'd have to transfer. We could still collect fees from textbook rental (enrollment fees). Business was delayed last year. Technology is up as well. We may lose some vocational funding if we don't do this. The transfer would just be used if needed, he noted. The committee agreed to move this to a 2.16 – it's already at zero reduction.

b. Consensus on percents to use

- 1) **#30 - Eliminate the transition administrator position** – done. Already planned for elimination.
- 2) **#81 - Eliminate Chinese**. Committee agreed.
- 3) **#124 - Eliminate off year testing for Social Studies**. Agreed – state already had made this decision for us.
- 4) **#31 - Reduce or Eliminate the School Resource Officers (SROs)**. Andover Police Department Chief Mike Keller applied for a grant regarding the SROs. Unfortunately the grant pays for 1.0 position, not 2 as originally thought, so the chief recommends we pay for .5 fte for three years, and the grant would pay 1.0 (the city pays the other .5). The committee agreed this is worth it. Instead of saving \$70,000 we would save \$46,000. In the past we've paid \$35,000 per SRO (this is 75% of each of their salaries). The city pays the rest. At the end of the grant period, we'll go back to this original payment plan.
- 5) **#108 - Increase summer school fees**. The committee wondered about grouping this with summer academy and anything else related – because they need to decide if they'll be eliminated or not before raising fees. Others felt the prioritization has already been made and it should be left. Summer school is enrichment at elementary and middle and credit recovery at high. It's a significant fee increase to make it self supporting. Only the driver's ed (already Board of Education [BOE] approved) and the new credit recovery plan (to be looked at by the BOE this month) will be self supporting. Everything else costs the district. The credit recovery and summer academy with newly raised fees would be expected to make \$29,788, which will save the district \$11,915. Mr. Graham clarified the differences between summer academy, summer school and credit recovery

for the group. Some parents said they'd pay much more for some of the enrichment programs. The enrichment programs lost \$24,000 last year. To keep all of summer school, Mr. Freeman noted we need to generate about \$26,000 in additional fees. It would be difficult to develop the proposals, figure out how much was needed to pay the teacher and cover all other costs. The committee decided to leave it as is on the list. The Board of Education will be making decisions regarding summer school at the April 13 meeting.

The committee took a brief break.

- 6) **#122 - Eliminate Arts Partners. The committee agreed to the elimination of Arts Partners, a reduction of \$10,000**
- 7) **#101 - Reduce or eliminate all travel expenditures for employees (in state, out of state). The committee agreed to a 35% reduction to this item, a reduction of \$17,500.**
- 8) **#104 - Reduce expenditures for the Admin and Board retreat.** This money is spent for supplies and meals. This total is for both retreats. One day for board, two for administrators, and more people are at administrators retreat. It was asked about using the Lodge in lieu of other locations such as Terradyne. This has been done in the past. A 63% reduction was the average between the two people who responded about an amount for reduction. The committee came to consensus at a 50% reduction.
- 9) **#84 - Eliminate the string program.** Mr. Gray noted the teacher who does this program would prefer it be fee based – it creates more ownership on the part of the students. The committee agreed. This will save approximately \$4,000.
- 10) **#77 - Enforce stricter energy consumption guidelines.** Mr. Randolph noted that it would be difficult to estimate the savings that could come from this. We're currently at about 25% cost avoidance. Having the buildings shut down more and lowering the set points are the two things that save the most money. Enforcement would have to come through the energy manager. Mr. Sanderson said we could probably get another 2% in cost avoidance estimated to save \$29,137.
- 11) **#103 - Reduce or eliminate expenditures for Leadership Academy.** Administrative team meets for half a day once a month. Supplies such as books and lunch are covered in this cost. Mr. Wilson suggested the Chamber or Parent Teacher Organizations or other organizations or groups sponsor some of these smaller items such as board or administrative retreats or leadership academy. It was suggested to at least keep the book portion, so it will be reduced by 27.5%, a savings of \$330.
- 12) **#78 - Delay or eliminate textbook purchases.** WAS MOVED.
- 13) **#112 - Increase activity pass fees.** The only way the General Fund saves money through this is to reduce the building budget by this amount. It would need to be taken from school budgets based on how many passes were sold. Mr. Templin noted that the activity fund runs out each year. It was also noted that the Athletic Directors have asked to raise the fees – not because of the budget issues – but just to help cover the costs involved each year and put more in that fund. The committee recommends that the board increase these fees but not take any funds from the building budgets.
- 14) **#105 - Increase facility use fees.** It was felt it needs to be at a level to recoup our costs. At those events that don't involve students it probably does cover costs because we

charge 100%. Those events that do involve our students are only charged a percentage and we probably don't cover all our costs. It would be difficult for some groups to pay more, some noted, while others said other facilities would be more expensive than ours are. The local Recreation Commission will still get facilities for free. Costs of our facilities vary by room, requirements, etc. The committee chose to increase these fees by 20% an estimated \$5,260 increase in revenue.

- 15) **#17 - Freeze all salaries and wages.** No dollar impact. A negotiated agreement issue.
- 16) **#12 - Eliminate committee pay.** Currently more than \$26,000 budgeted for this. Only the rate is negotiated. Whether we use it or not is not a negotiated item. The committee reduced it by 20%, a savings of \$5,313.
- 17) **#2 - Increase district fixed operating costs - natural gas, electricity, motor fuel, etc.** Mr. Freeman noted that whether or not we increase this item in the budget, the costs will increase. This is a cost item of \$160,000.
- 18) **#116 - Implement fees for transporting students not subsidized by transportation state aide.** WAS MOVED
- 19) **#9 - Eliminate transfer to Textbook fund.** Left alone.
- 20) **#109 - Increase class fees.** These are fees charged for elective classes at the secondary level. The committee agreed this is not worth the effort. It was left as is.

The committee got through the ones.

The committee took a brief break.

Prioritization of second group ratings

a. Advocating for items to be moved

- i. Mr. Randolph noted #8 - property and work comp insurance – increase the deductible on these policies. The committee agreed to move this up to the ones and it will be a 25% reduction of the premium, approximately \$125,000 in savings.
- 1) **#86 - Eliminate summer academy.** Mr. Graham asked that this be moved out of this category. It meets the district's mission for students and he would like to continue it. The proposal that will be presented to the Board at their next meeting is for \$20,000 for the elementary school, and \$20,000 for the middle school – a savings of \$38,000. Dr. Hummel suggested a modified amount to be more consistent with what our criteria is. These students are served during the year as well, but Dr. Koenigs noted that those 20 days are critical because of the small class size and special one on one attention for these students. Modified summer academy was agreed upon by the committee to recommend to the board. The board must decide this at the April meeting.
- 2) **#1 - Increase staff at the high schools to accommodate enrollment growth.** Mr. Tempin added there have been 100 students added at the high school level in the last two years but they haven't added teachers. There are classes we won't be able to offer and some overly full classes because of this. It was agreed to do this at the 100% level.

- 3) **#50 - Evaluate how bus drivers are paid.** Is guaranteed hours the most cost effective way of paying drivers? A time clock would be necessary. This is a standard way of paying. It was agreed to change the impact to 0.
- 4) **#129 - Evaluate purchasing procedures to maximize bidding opportunities.** This is actually a cost factor. We will study it – no cost or budget affect.
- 5) **#8 - Increase the deductible on all insurance policies.** Already discussed. Moved to the first grouping with a savings of \$125,000.
- 6) **#96 - Reduce or eliminate professional development expenditures.** This is for certified staff – primarily teachers – for professional development – as well as when we bring in training staff at the district level. It was noted the money for subs does not come from here – that’s a different line item. Half of this line item goes to the buildings, half is for district level professional development. 25% cut was agreed upon, a savings of \$20,000.
- 7) **#123 - Add MS Technology upgrades (Curriculum).** This is software costs. Mrs. Fritze and Mrs. Ralston noted this would be a great Andover Advantage Foundation (AAF) special project – it impacts lots of students, is a one time cost. The committee left it at zero (no cost, no savings) but recommended it be an AAF special project.
- 8) **#83 - Eliminate Parents as Teachers.** This falls outside the parameters of AAF, it was noted. It is funded through a grant from the state that we then match. You pay per student per slot and we currently fund a certain amount of slots. Mr. Wilson noted it is critical and helps pick up issues that children may be having, as well as help prepare them for school and help them to start on track or even ahead. It was noted that there may be other programs that we wouldn’t have to pay for that we could encourage. It was asked if it could be reinstated later, and the answer was probably yes. Mr. Freeman noted that everything on this list has value, and if funding returns, it should all come back. Mr. Freeman called for a show of hands on all or nothing for eliminating Parents as Teachers. 12 hands out of 23 people present voted to recommend eliminating the program at this time, a savings of \$18,400.
- 9) **#91 - Eliminate Teacher Insight.** It is helpful to narrow down applicants if there were many, many received. It was agreed to cut this, a savings of \$6,593.

The next meeting will take place – IT HAS BEEN MOVED – at 6 p.m. on Monday, April 20, at the District Office.

Meeting was adjourned.