

LINCOLN-SUDBURY REGIONAL HIGH SCHOOL

LINCOLN TOWN MEETING PRESENTATION

SCOTT CARPENTER, SUPERINTENDENT/PRINCIPAL
MAY 24, 2012

Lincoln-Sudbury School Committee

Mark Collins	Kevin Matthews
Radha Gargeya, Vice Chair	Nancy Marshall, Chair
Elena Kleifges	Patricia Mostue

The following are Scott Carpenter's presentation and notes to Lincoln Town Meeting, held May 24, 2012.

A SPECIAL PLACE

CORE VALUES

- Cooperative & Caring Relationships
- Respect for Difference
- Purposeful & Rigorous Academic Program



PERSONALIZATION

I want to share with you some of the factors that make Lincoln-Sudbury special. First are the Core Values that guide our school. We foster cooperative and caring relationships. We emphasize tolerance and a respect for differences. And, we strive for a purposeful and rigorous academic program. In the end, we generate well-rounded graduates, ready for college, ready for a multicultural workplace, ready to excel in life.

Second is a school culture that strives best to personalize education for 1,600 students. Sir Ken Robinson wrote a book called “The Element: How Finding Your Passion Changes Everything.” In it he writes, the key to transformation “is not to standardize education but to personalize it, to build achievement on discovering the individual talents of each child, to put students in an environment where they want to learn and where they can naturally discover their true passions.” This type of personalization describes Lincoln-Sudbury.

Third is the dedication of volunteers within our community who step forward in many ways to support our schools and our children. I want to thank Mark Collins (who will be leaving the L-S School Committee after Sudbury Town Meeting) for his dedication over the past nine years, serving our community and children on the L-S School Committee.

THIS IS LINCOLN-SADBURY

- Moving forward – Naviance
- Diverse offerings of humanities
- STEM preparatory
- 12% of graduates are National Merit Scholars
- Strong & diverse extracurricular program
- 93% "approval" rating



Class of 2012 National Merit Scholars

Despite some budget challenges, we continue to move forward with new initiatives. This year we rolled-out the Naviance system, which is an invaluable web-based tool supporting students and families with the college selection and application process.

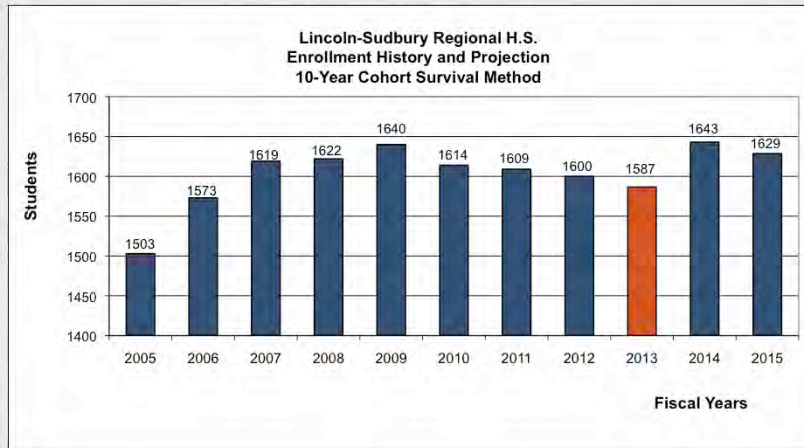
L-S has long been known for its diverse offerings in the humanities, and our students experience a curriculum in English and History comparable to that of many liberal arts colleges. The long-term economic strength of our nation depends on our schools also preparing students for careers in Science, Technology, Engineering, and Math – commonly referred to as STEM careers. I have had the pleasure this year of working with 20-some Lincoln-Sudbury engineering-minded students building a robot for the FIRST Robotics tournament. It's not just the L-S Engineering Team that will head off to STEM careers. From an alumni survey conducted this year, 1/3 of our recent L-S graduates are currently majoring in STEM fields in college.

Results matter and 12% of our graduates qualify as National Merit Scholars.

We offer a wide array of extracurricular offerings. There are club and activity opportunities for all to discover their passions, and we have an athletic program that annually produces state champions.

Students generally cherish their Lincoln-Sudbury experience. In our alumni survey 93% of our graduates rated their experience as excellent or good, with the vast majority of these students rating their alma mater as excellent.

ENROLLMENTS



With enrollments holding relatively flat again for FY'13 the High School could manage with the current staffing levels. However, in FY'14 the large cohort currently in the 7th grade from both Lincoln and Sudbury will arrive at the High School and we will not be able to schedule with current or reduced staffing.

Our enrollment next year is projected to dip slightly to 1,587 – and, we are bracing for a significant enrollment jump in 2014.

BUDGET ASSUMPTIONS

- Level Staff, moved up on steps
- No COLA is included in this budget. Negotiations are in process and will dictate the cost of living percentage in the final budget.
- Known and projected costs for utilities, Special Education, and other contracts as of January 13, 2012
- Health Insurance projected with plan design changes and estimated mitigation plan.
- Level funding of general expenses
- Athletic, Activity and other Fees continue at same amounts
- Level State Aid



The budget numbers I will be sharing presume our staff will move up on steps but will not have a Cost of Living (or COLA) increase in compensation for next year. Negotiations are in progress between the Teacher's Association and Lincoln-Sudbury School Committee and will dictate any compensation adjustments.

All known costs and expected revenues are included in this budget. State Aid is presumed to be level.

HEALTH PLAN DESIGN CHANGES

- Agreement reached with L-S Teacher's Association on January 17, 2012
- Agreement keeps L-S with the stability of the Minuteman Nashoba Health Group with GIC-like plan design changes, consistent with state mandates
- Negotiated a broader spectrum of issues that could not have been addressed had the School Committee simply gone with the GIC
- District realizes **\$437,000 in cost avoidance** over the next two years
- Agreement holds contribution rates at 70/30% employer/employee for plans excluding indemnity plans
- Indemnity plans will have contribution rates shift from 70/30 to 60/40 to 51/49 over the next two years for any employee choosing these more expensive plans
- A one-year, one-time only incentive will be offered to employees who shift to a less-expensive health plan



This budget also includes a significant savings on employee health insurance because of an agreement reached with our teachers that allows the district to avoid \$223,000 in cost for FY13.

All totaled, this agreement provides \$437,000 in cost avoidance over the next two years, with our teachers shouldering the burden of these savings by incurring higher copays for medical treatment. In addition, this agreement better positions the district for cost avoidance in future years by increasing employee contribution towards more expensive indemnity-type plans from 30% to 49%.

**FY13 L-S BUDGET
WITHIN SUDBURY'S 2.5% GUIDELINES**

	SUDBURY 2.5% No Override
FY'12 Operating	20,475,660
FY'12 Pensions/Insurance	4,076,956
Total FY'12 Budget	24,552,616
Increase / (Decrease)	\$ 613,815
Total FY'13 Budget	25,166,431



The L-S budget is always limited by the budget of one town or the other. As with recent years, the Sudbury budget is limiting growth of the L-S budget – which is why you see Sudbury's 2.5% no override increase referenced on this slide.

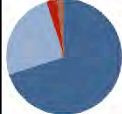
Our FY13 budget is \$613,000 or 2.5% more than the previous year, resulting in a \$25.2 million budget.

In a nutshell, the cost of running a quality high school increases more than 2.5%, even when the budget has no cost of living increase for the teachers and significant savings on health insurance.

There does not seem to be an appetite in Sudbury for an override to further support the high school's FY13 budget.

NO OVERRIDE BUDGET SUMMARY BY CATEGORY OF EXPENSE

	FY11 ACTUAL	FY12 BUDGET (adjusted)	FY13 NO OVERRIDE	\$ CHANGE	% CHANGE
Salaries	15,283,305	15,442,651	15,322,721	-119,930	-0.7%
Insurance & Pensions	3,485,520	4,076,956	3,663,688	-413,268	-10.1%
Expenses	4,835,005	5,994,837	6,775,206	780,369	13.0%
Supplies & Materials	542,773	518,358	513,378	-4,980	-0.9%
Utilities & Contingency	801,984	772,664	791,186	18,522	2.3%
Offsets	-1,176,004	-2,252,850	-1,899,748	353,102	-15.7%
TOTAL	23,772,583	24,552,616	25,166,431	613,815	2.5%



Our budget by category:

70% of our budget is the personnel cost of salaries and health insurance. Both of these costs are decreasing due to the cost avoidance from the health insurance settlement with the teachers and layoffs in a no override budget.

25% of our costs are fixed or mandated expenses – the bulk of these expenses come in the form of out-of-district tuitions for children with profound learning needs. As a community we are morally and legally compelled to fund the tuitions and transportation for these children.

2% of our budget goes towards the supplies and materials needed to run the educational program.

The final 3% of the budget largely covers the utility costs for the school.

NO OVERRIDE BUDGET OUT-OF-DISTRICT COSTS

	FY09 ACTUAL	FY10 ACTUAL	FY11 ACTUAL	FY12 BUDGET adjusted	FY13 NO OVERRIDE
Tuition Cost	\$2,140,177	\$2,488,544	\$2,549,780	\$3,905,314	\$4,611,376
# of Placements	29	34	39	50	64 +
Avg. Cost per Placement	\$73,799	\$73,192	\$65,379	\$78,106	\$66,831 - \$72,053
Transportation Cost	\$457,728	\$523,947	\$559,057	\$559,620	\$576,409



The number of OOD students has swung upward precipitously since FY09, when the OOD numbers were more typical of the annual outplacements.

The number of children with profound learning needs has doubled in the past few years, as has the cost to educate these children. To put this budgetary challenge into perspective, the \$700,000 increase in our out-of-district budget line for next year exceeds the total 2.5% no override budget increase by over \$70,000. The impact of this out-of-district increase is profound. In just the past two years, this budget line to educate students outside of L-S has increased by over \$2 million, resulting in \$2 million less in the budget to support the learning needs of the 1,600 students educated under the roof of L-S.

To better serve the needs of all students, many of our regular Ed teachers have been involved in Special Ed professional development this year and we are emphasizing similar Special Ed professional development for regular Ed teachers this summer. By having Special Ed trained teachers in all departments we hope to limit the number of students seeking out-of-district placements in the future and hopefully we can bring some of these outplacements back in-district.

EXTRAORDINARY RELIEF

- State program to provide additional funding to districts who experience an increase in Special Education costs that exceeds 25% of the prior year costs
- Applications in February/March
- Determination and receipt of funding in late Spring
- Funding could be as much as \$621,366



The unprecedented \$1.3 million increase in out-of-district expenses from FY11 to FY12, includes a number of unanticipated students requiring outplacements that did not come up through our K-8 feeder systems. This increase has left L-S running a \$438,000 deficit for this fiscal year. Because our out-of-district costs have increased in excess of 25%, the high school qualifies for a special type of State aid, known as Extraordinary Relief. We could receive as much as \$621,000 in Extraordinary Relief – whether we receive all or a portion of this relief will depend on the needs of the other 40 Massachusetts school districts which also qualified for this relief.

EXTRAORDINARY RELIEF

How it could help in FY13:

FY12 Extraordinary Relief	\$621,366
FY12 Budget Deficit *	<u>-\$438,021</u>
Relief in Excess of Deficit	\$183,345

Would spend all Extraordinary Relief in FY12 and rollover Circuit Breaker money into FY13



* after adjustments in other areas of the budget

Extraordinary Relief has the capacity to fill our FY12 budget deficit, and if we receive the full amount, we could carry-over up to \$183,000 to support the high school's FY13 budget.

If the Extraordinary Relief is less than \$438,000, the high school will have to use its modest excess and deficiency reserve or monies that would typically be reapportioned to subsequent fiscal years to balance the FY12 budget.

**BUDGET SHORTFALL
IF NO EXTRAORDINARY RELIEF CARRIED**

Level Staff Budget	\$25,702,840
No Override Budget	<u>\$25,166,431</u>
Shortfall *	\$ 536,409

* Equivalent to approximately 7.9 FTEs



A no override budget for L-S will leave the high school with an appreciable shortfall which will result in some staff layoffs.

If Extraordinary Relief is insufficient to be carried over to FY13, our shortfall will be \$536,000 – which could lead to the loss of 7.9 FTEs. The loss of this many FTEs, coupled to the cumulative FTE losses over the past five years, will make scheduling all students into classes they need potentially unfeasible. Something will need to be done to buffer some of these FTE losses.

**BUDGET SHORTFALL
IF EXTRAORDINARY RELIEF CARRIED TO FY13**

Shortfall	\$ 536,409
Potential Carryover of Funds	<u>\$ 183,345</u>
Revised Shortfall *	\$ 353,064

* Equivalent to approximately 5.4 FTEs



Potential Carryover is based on receiving the full \$621,000 estimated for Extraordinary Relief in FY12, allowing the District to carry over Circuit Breaker funds into FY13

If we receive the maximum amount of extraordinary relief, the high school will still have a \$353,000 budget shortfall, which would require the reduction of 5.4 teachers and support staff to close the gap.

ASSESSMENT ASSUMING REAPPORTIONMENT

FROM FY'11 OF \$251,876

	Total	Lincoln Share 14.96%	Sudbury Share 85.04%
Total Budget	\$ 25,166,431	\$3,764,898	\$21,401,533
Revenue Offsets	- 3,050,033	- 457,998	- 2,592,035
Assessment within Levy	\$ 22,116,398	\$3,306,900	\$18,809,498
Debt Service	\$ 2,514,432	\$ 376,159	\$ 2,138,273
Total Estimated Assessment	\$ 24,630,830	\$3,683,059	\$ 20,947,771
Total Estimated Assessment without reapportionment*	\$ 24,882,706	\$3,722,453	\$ 21,160,253



*A possibility if Extraordinary Relief does not close FY12 budget deficit.

The assessment is the bill each town pays towards the operation and debt service of the high school.

The assessment is based on a three-year average of student enrollment from each town, with Lincoln paying roughly 15% of the cost of L-S and Sudbury 85%.

If Extraordinary Relief is sufficient to close the FY12 budget deficit, the total bill to Lincoln for L-S, including the debt service for the construction of the high school, will be \$3,683,000.

If the \$251,000 in funds remaining at the end of FY11, which typically under our regional agreement would be reapportioned to FY13, are needed to stabilize the FY12 budget deficit, the assessment to Lincoln would increase by \$40,000 to \$3,722,000.

CUMULATIVE IMPACT OF REDUCTIONS

Reductions	FY09	FY10	FY11	FY12	FY13*	Since FY08
Teachers & Admin FTE	2.16	6.18	2.27	2.72	4.83-7.33	18.1-20.6
Support Staff FTE	0.87	2.794	-0.663	2.08	0.57	5.7
Total Staff	3.03	8.974	1.607	4.8	7.9	23.8-26.3
Reduction in Department Expenses \$	-\$196,118	-\$128,229	-\$11,533	-\$85,818	-\$2,624	-\$424,322
Reduction in Department Expenses since FY08 %	-14%	-23%	-24%	-30%	-30%	-30%



*FY13 staff reduction range depends on the extent to which Extraordinary Relief could be carried forward.

I know many are concerned about the reductions L-S has seen in recent years. Cumulatively, over the past five years, L-S has experienced the loss of over two dozen staff members. To put this loss into perspective, our five year teacher reduction is greater than the total number of teachers currently employed in any department.

Take a high school, remove the equivalent of every science teacher, and expect the same outcomes for the children – this is what is being asked of Lincoln-Sudbury.

To save teachers, I’ve slashed department budgets, but this drastic reduction in department purchasing now has the high school deferring updates of technology and textbooks to future fiscal years. Our students have need for these updates now.

Something has got to change.

EDUCATIONAL CONCERNS

- 5 consecutive years coming to our communities and speaking about shortfalls
- 5 years of staff reduction
- Impact on delivery of services to all students
- L-S is a great school and it is in the best interest of our students and property owners in our towns that we keep L-S great



Like many of you, I am frustrated with five years of shortfalls and five years of layoffs. Lincoln-Sudbury is still a great school but due to staffing cuts it is slowly losing what has made it special. As teacher, counselor, and housemaster loads increase, the personalization that made Lincoln-Sudbury special begins to erode.

Your children and my children deserve a personalized learning environment where achievement is bolstered because faculty understand the individual talents and capabilities of each child in their caseload. Our children deserve to attend a school where they want to learn and where they have curricular and extracurricular diversity to discover their passion.

I am frustrated with the loses and I promise to continue to fight until adequate funding is restored to our school so that every child may experience the personalized education they deserve.

Scott Carpenter
Superintendent/Principal
Lincoln-Sudbury Regional High School



THANK YOU FOR YOUR SUPPORT

