

Dover School District

City Council

Fiscal Year 2012–2013

Budget Presentation



April 18, 2012

“Education is the Best Provision for Old Age”

Aristotle

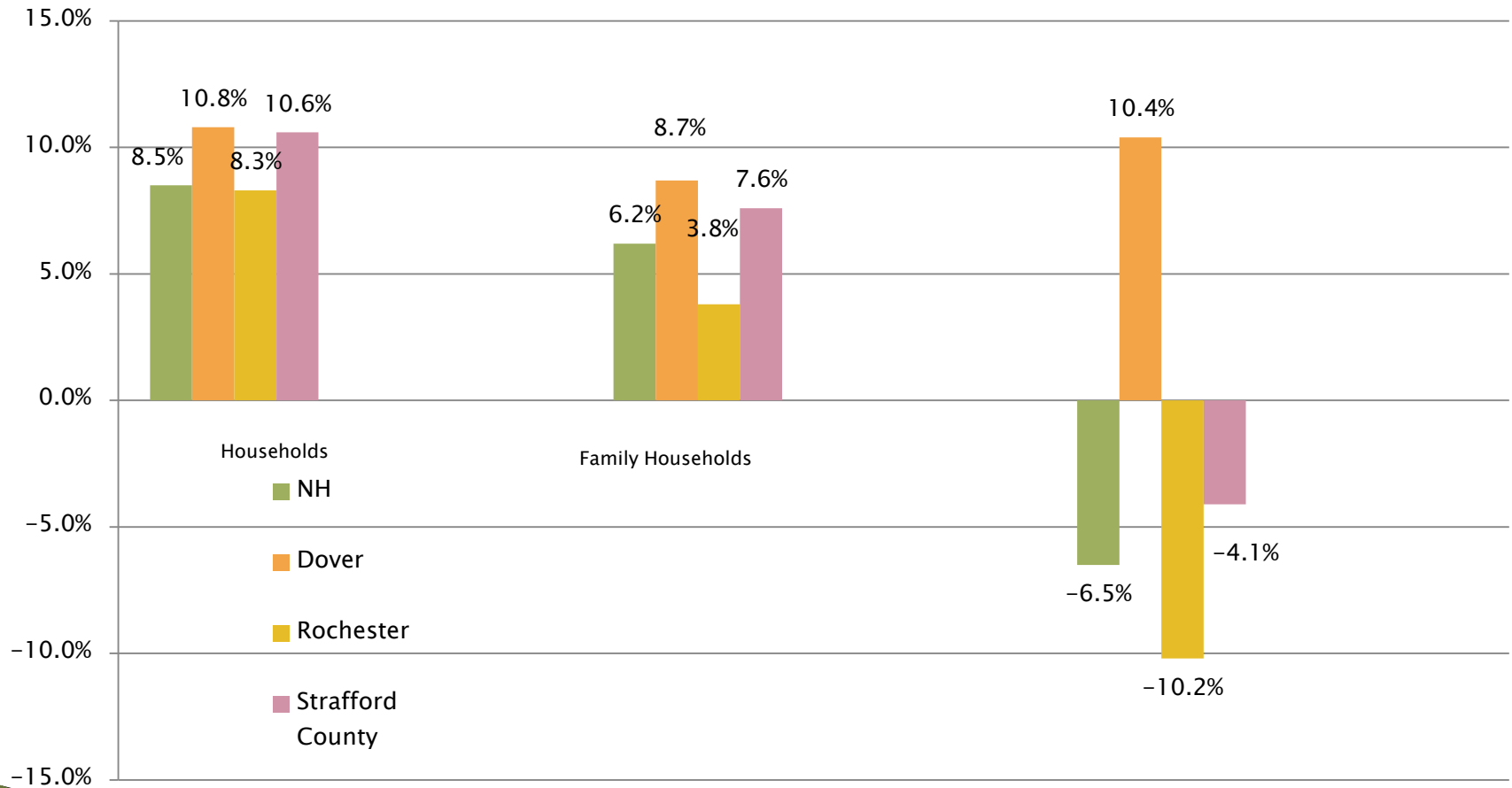


The Dover Chamber of Commerce held a March Breakfast forum in which economist and Dover resident Brian Gottlob was the keynote speaker. He addressed the changing demographics of Dover and made the following points about our city

- ▶ Dover is top in absolute population growth among NH's 50 largest communities.
- ▶ Dover is at the top of most NH communities in job growth since the recession of the early 2000's.
- ▶ Growth in wages also reflect employment and industry mix trends and transitions in Dover's economy.
- ▶ Private sector wage growth shows Dover has been adding higher quality jobs at a faster rate than neighboring communities ... "up-scaling."

- ▶ Population growth in Dover is highest in the 25–34 year old resident(s).
- ▶ Rapid growth among families with children distinguishes Dover from surrounding areas and in state.
- ▶ The educational attainment of Dover’s population (age 25+) is rising faster than it is in most NH cities and towns... “up–skilling.”

Growth Among Families (Especially Families W/Children) Distinguishes Dover's Population Growth



“The most valuable resource in the 21st Century is brains. Well educated people tend to be mobile. Watch where they go because where they go robust economic activity will follow.”

~Brian Gottlob

As people and businesses elect to move to a community, the first question asked is often, “How are the Schools?” – the link between economic vitality and education is evident. Supporting a strong school system helps house values stay high and the community remains attractive to new residents and opportunities.

Dover School District Mission Vision and Goals



Dover School District

Mission and Vision Statement 2010–2015

Mission

Strengthening our community by educating every child, every day!

Vision

Teachers and students will be held accountable to a standard of excellence, emphasizing collaboration, innovation and best practices in teaching and learning.

Dover School District Goals 2010–2015

I. Curriculum

All Students will be provided with aligned, rigorous and research-based instructional materials to prepare for the 21st century learning and post secondary opportunities.

II. Instruction

All educators will partner with colleagues to create an instructional climate that values coaching, modeling and a collaborative culture to improve teaching practices.

III. Assessment

All educators will use assessment information to improve achievement of all students.

IV. Environment

Educators, students and parents will partner to create a positive, engaging and safe school environment.

V. Technology

Teachers and students will use technology to enhance learning.

“Education is simply the soul of a society as it passes from one generation to another.”



G.K. Chesterson

The following is this year's budget picture in review ... facts, figures and historical overview.

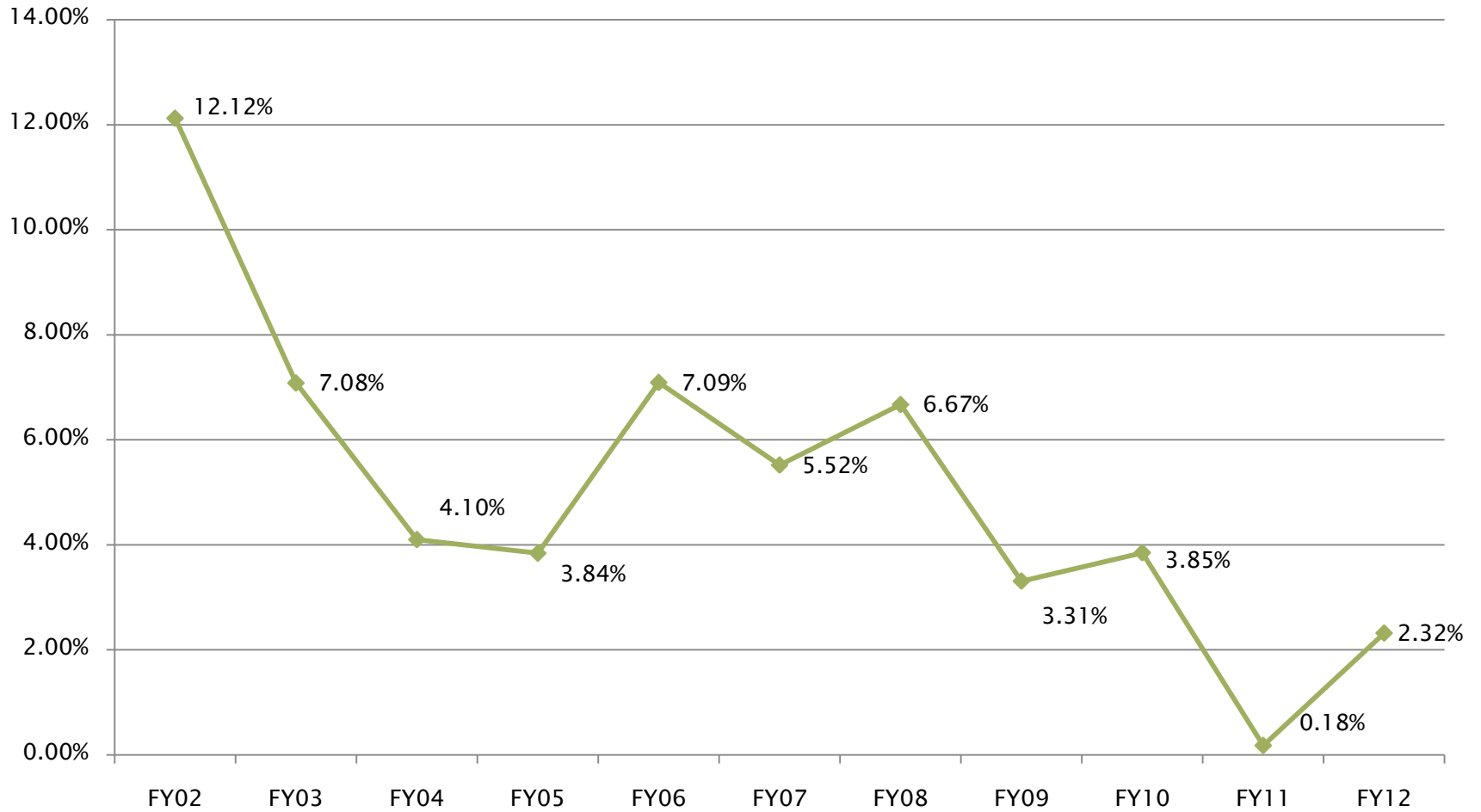
Fiscal Year 2011–2012 School Appropriations

School Revenues	\$ 6,702,834
Adequate Education Aid	\$ 6,051,542
State Property Tax	\$ 6,389,999
2012 School Tax Levy	<u>\$26,608,346</u>
FY2012 Appropriations	\$45,752,721
Net Appropriations	\$41,677,206
Debt Service	<u>\$ 4,075,515</u>
FY2012 Appropriations	\$45,752,721

Dover School District History of General Fund Appropriations

	School Board Appropriations	Debt Service	Total Appropriations	Increase from Prior Year
FY12	\$ 41,677,206	\$ 4,075,515	\$ 45,752,721	2.32%
FY11	\$ 40,468,900	\$ 4,245,221	\$ 44,714,121	0.18%
FY10	\$ 40,699,081	\$ 3,934,140	\$ 44,633,221	3.85%
FY09	\$ 39,216,997	\$ 3,761,338	\$ 42,978,335	3.31%
FY08	\$ 37,912,706	\$ 3,689,854	\$ 41,602,560	6.67%
FY07	\$ 36,203,218	\$ 2,799,270	\$ 39,002,488	5.52%
FY06	\$ 34,363,074	\$ 2,598,888	\$ 36,961,962	7.09%
FY05	\$ 32,065,504	\$ 2,448,119	\$ 34,513,623	3.84%
FY04	\$ 30,922,459	\$ 2,316,331	\$ 33,238,790	4.10%
FY03	\$ 29,751,613	\$ 2,178,843	\$ 31,930,456	7.08%
FY02	\$ 27,670,695	\$ 2,148,055	\$ 29,818,750	12.12%
FY01	\$ 24,653,632	\$ 1,941,623	\$ 26,595,255	
			Average Growth of Budget:	5.10%

History of General Fund Appropriations, Including Debt Service



Average Growth of Budget is 5.1%

Dover School District 2012-2013 Budget Presentation

2011/2012 School Year

Appropriations with Debt Service

\$45,752,721

Growth: \$ 1,038,600
or 2.27%

2012/2013 School Year

School Board Approved Budget with Debt Service

\$46,923,286

Growth: \$ 1,170,565
or 2.56%

Budget Comparison

	2011-2012 Appropriations	School Board Approved 2012-2013 Appropriations	\$ Change
Salaries	\$22,744,221	\$22,865,886	\$ 121,665
Benefits	\$ 9,420,071	\$ 9,783,042	\$ 362,971
All Other	<u>\$ 9,512,914</u>	<u>\$10,277,349</u>	<u>\$ 764,435</u>
<i>Total (Excluding Debt Service)</i>	<i>\$41,677,206</i>	<i>\$42,926,277</i>	<i>\$ 1,249,071</i>
Debt Service – Principal and Interest	<u>\$ 4,075,515</u>	<u>\$ 3,997,009</u>	<u>\$ (78,506)</u>
<i>Total General Fund</i>	<i>\$45,752,721</i>	<i>\$46,923,286</i>	<i>\$1,170,565</i>
Total Percent Increase			2.56%

School Board Approved Fiscal Year 2012–2013 Appropriations

School Revenues	\$ 6,308,434
Adequate Education Aid	\$ 6,051,542
State Property Tax	\$ 6,568,079
2013 (Proposed) Tax Levy	<u>\$27,995,231</u>
FY2013 Appropriations	\$46,923,286
Net Appropriations	\$42,926,277
Debt Service	<u>\$ 3,997,009</u>
FY2013 Appropriations	\$46,923,286

Comparison of School Tax Levy

Budget Increase Allowed per Estimated Capped Tax Levy Using OLD METHODOLOGY

School Tax Levy 2011-2012	FY2013 Amount Allowed to be Raised by Taxes	\$ Change	% Change
\$26,608,346	\$27,665,013	\$1,056,667	3.98%

Budget Increase Allowed per Estimated Capped Tax Levy Using NEW TAX CAP CALCULATION

School Tax Levy 2011-2012	FY2013 Amount Allowed to be Raised by Taxes	\$ Change	% Change
\$26,608,346	\$27,124,864	\$ 516,518	1.95%

School Tax Levy with 2012–2013 School Board Approved Budget

School Tax Levy 2011–2012	School Tax Levy (Proposed) 2012–2013 School Board Approved Budget	\$ Change	% Change
\$26,608,346	\$27,995,231	\$1,386,885	5.21%

6-3.1 Limitation on Property Tax Levy Increase

The City Council shall adopt the annual municipal budget for city and school purposes to limit the property tax levy on taxpayers to the property tax levy from the previous tax year increased by the amount of inflation calculated from the Consumer Price Index-Boston and the net increase in new construction. Enterprise funds, dedicated funds, capital reserve funds, grants, county tax, state property tax, and revenues from sources other than local taxes shall be excluded from the limitation on the property tax levy. Appropriations in the annual municipal budget shall not exceed the property tax levy increased by other revenues generated by the municipality.

A. The "amount of inflation" means the average of the thirty-six (36) month changes for the calendar years immediately preceding the budget year as stated in the Consumer Price Index-Boston published by the United States Department of Labor.

B. "Net increase in new construction" means the total value of building permits minus the total value of demolition permits for the previous calendar year based on information provided from city departments.

C. The "property tax levy" means the amount sought to be collected from property taxes.

D. The budget limit provisions on the total property tax levy may be overridden by a two-thirds (2/3) majority vote of all elected members of the City Council."

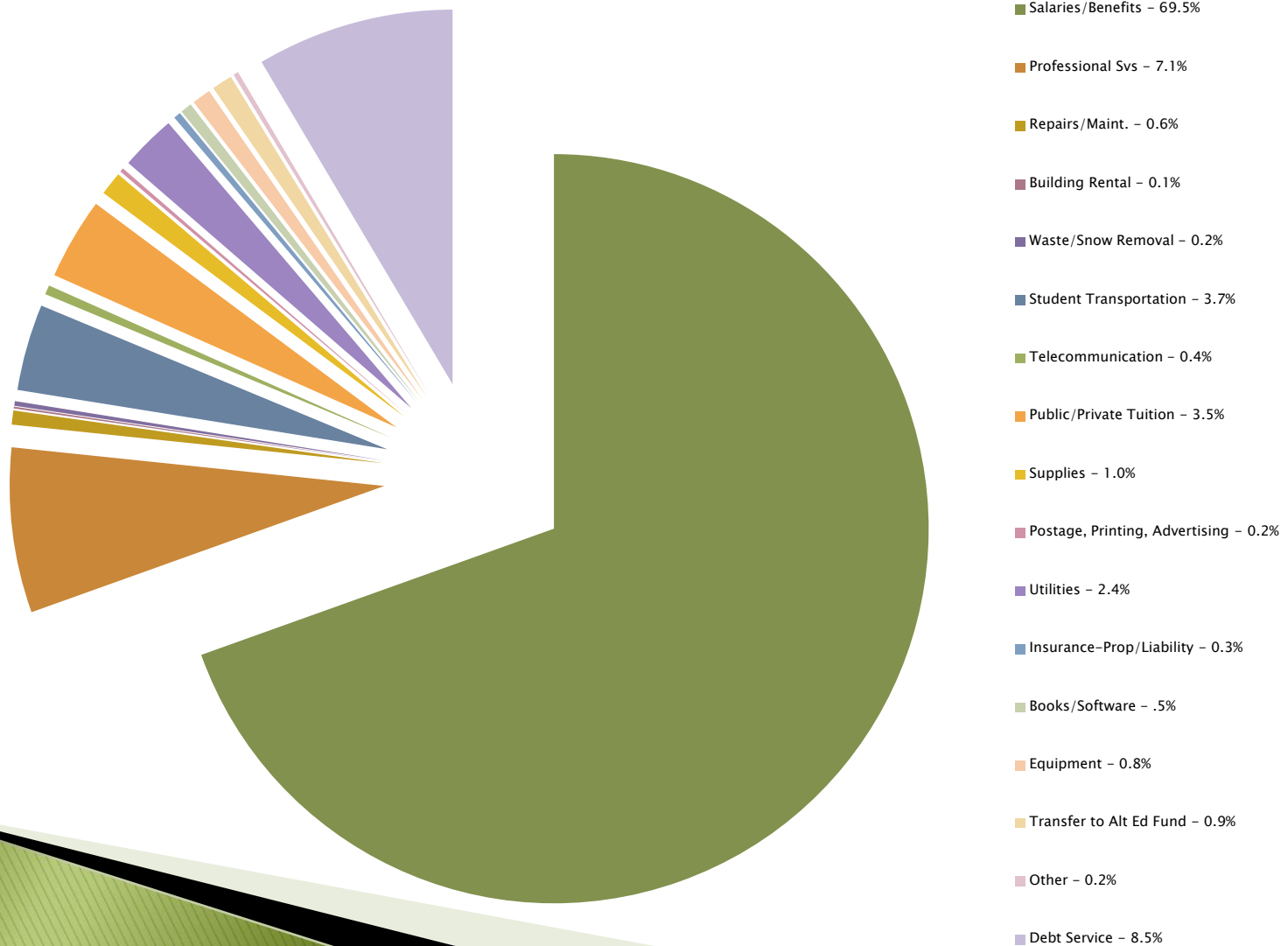
E. If any provision of this section is invalidated in proceedings before a court of law, the remaining provisions consistent with the general law and constitution shall remain in full force and effect.

Explanation: This charter amendment changes the existing tax cap provisions by substituting in the whole and replaces with new substituted language. The new language is consistent with new state legislation. The amended language limits budget increases to a three year inflation formula with exclusions.

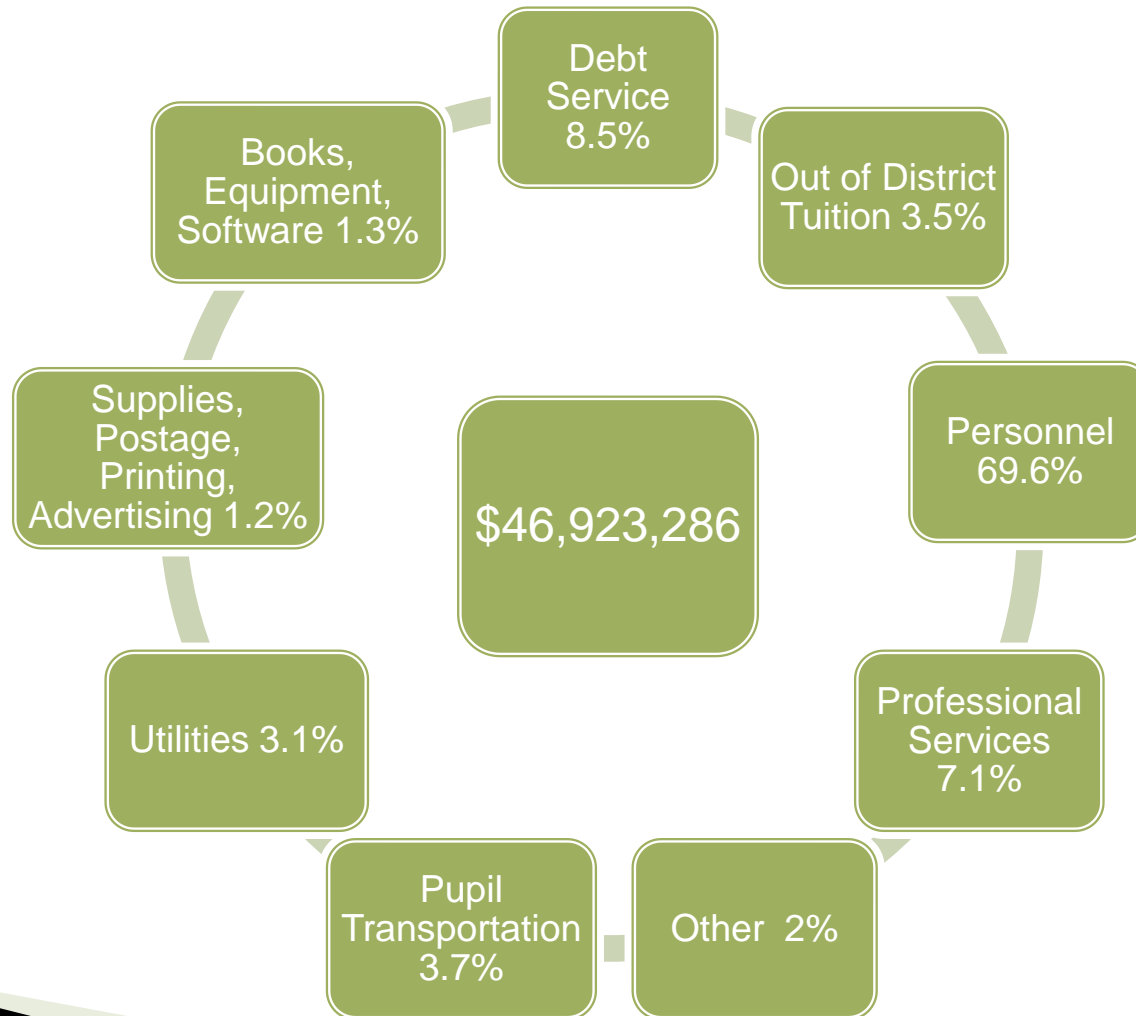
Impact to the Property Owner

School Board budget as approved on March 12th would result in approximately a \$99.87 increase to the average assessed residential taxpayer (based on an average house value of \$211,935).

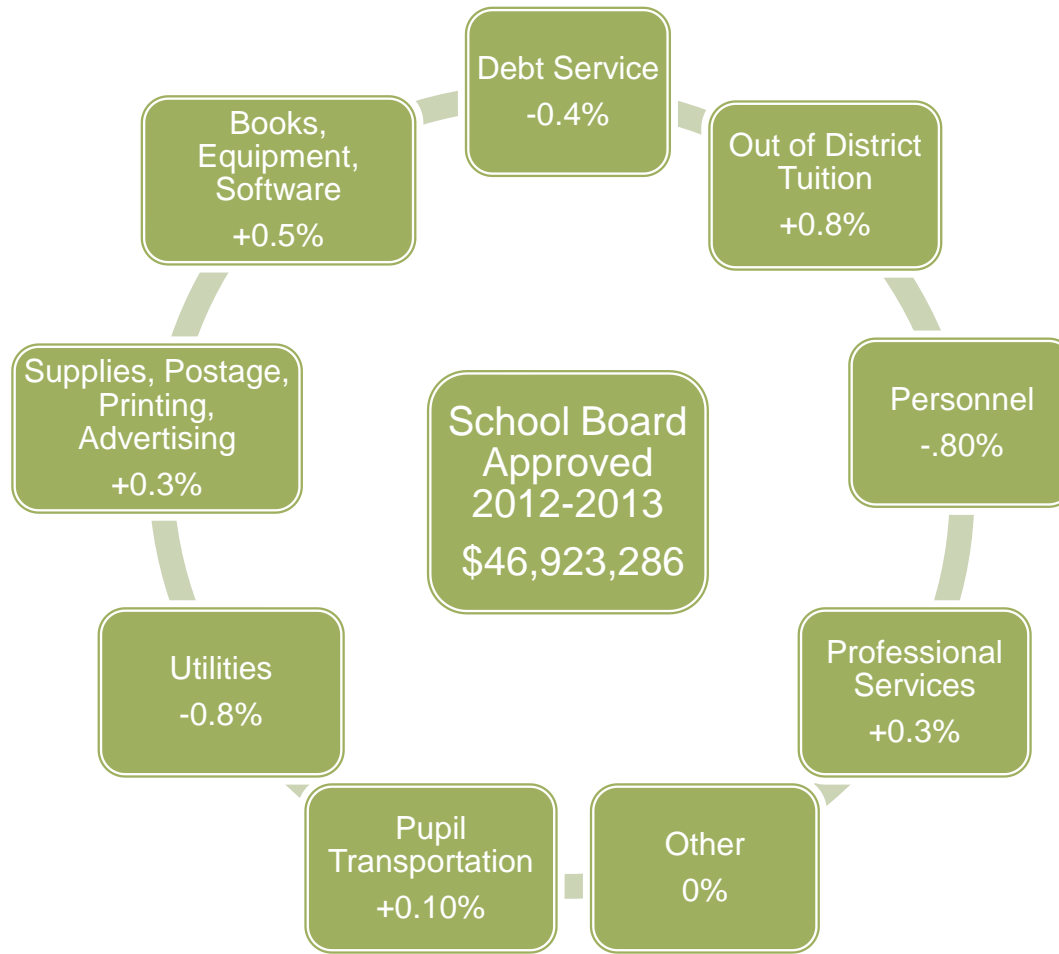
Budget Breakdown by Major Categories, 2012-2013



School Board Approved Budget 2012-2013



Budget Breakdown, Growth and Decline by Major Categories



Growth of School Tax Rate

	Appropriations 2011-2012	School Board Approved Appropriations 2012-2013	\$ Change	% Change
Local Tax Rate	\$10.26	\$10.71*	\$ 0.45	4.4%
State Tax Rate	\$ 2.50	\$ 2.55	\$ 0.05	2.0%
Total Tax Rate	\$12.76	\$13.26	\$ 0.50	3.9%

*Estimated tax rate and includes increase of \$870,367 (or 0.33 cents) in the school property tax levy that is above the tax capped levy.

How do we compare to other communities
on education spending?

Comparison of Local Education Tax Rates, 2011

	Local Education Tax Rate	Local Education Tax Percentages	Town/City Tax Percentages
Durham	\$15.69	55.64%	26.84%
Merrimack	\$14.53	62.01%	22.36%
Somersworth	\$13.58	48.80%	33.09%
Keene	\$13.32	43.22%	38.22%
Bedford	\$12.90	62.80%	20.59%
Rochester	\$11.17	44.93%	33.39%
Dover	\$10.26	40.84%	37.98%
Salem	\$ 9.39	46.62%	36.40%
Hudson	\$ 8.35	50.24%	31.17%
Portsmouth	\$ 5.34	17.27%	48.76%

All municipalities that pay a local education tax also pay a statewide education property tax (SWEPT). When SWEPT is added to the local education tax, the median percentage allocated to education goes from 51.6% to 63.9%. Dover goes just under 41.0% to 50.8% which places the City at the 10th percentile in proportion of property tax allocated to education.

Comparison of Cost Per Pupil of Dover to Surrounding and Similar Size Districts, 2010–2011

	High	Middle	Elementary
Oyster River Coop	\$16,084	\$15,639	\$15,913
Portsmouth	\$14,574	\$15,036	\$14,669
Keene	\$13,132	\$15,702	\$16,476
Somersworth	\$12,774	\$11,064	\$11,590
Merrimack	\$12,551	\$12,772	\$13,085
Bedford	\$11,225	\$11,060	\$11,289
Salem	\$11,060	\$ 8,671	\$10,931
Rochester	\$10,917	\$10,943	\$13,074
Dover	\$10,640	\$ 9,098	\$ 9,601
Hudson	\$10,278	\$ 9,244	\$ 9,153

“It is a greater work to educate a child in the true and larger sense of the word, than to rule a state.”

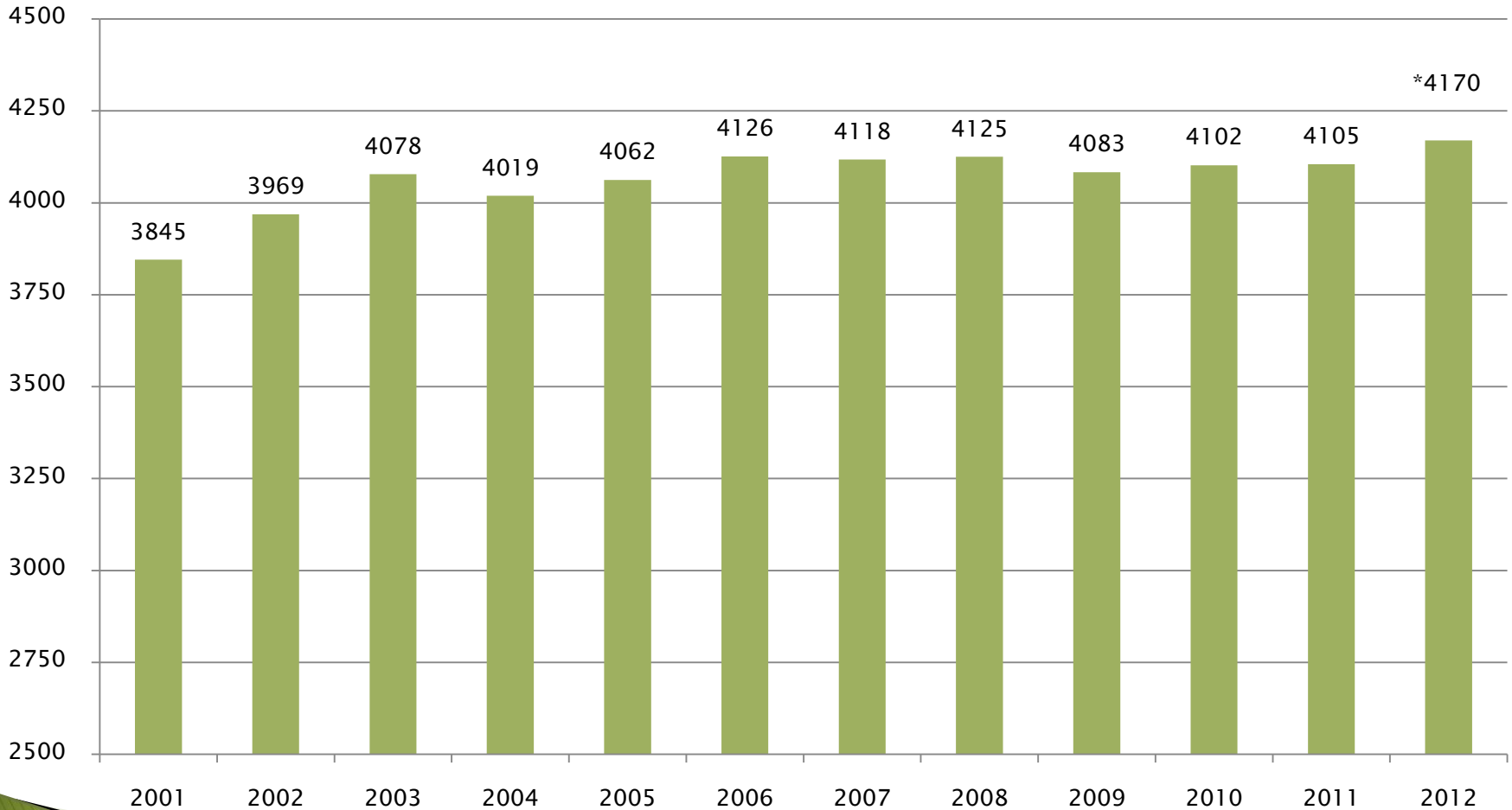


William Ellery Channing

What do our schools look like?

- ▶ Enrollment
- ▶ Assessment
- ▶ Achievement

Dover Schools Historical Enrollment, PK-Grade 12



New England School Development Council * 508-481-9444 * www.nesdec.org

*4170 represents current enrollment as of 3/31/12.

Free and Reduced Lunch Eligibility as of October 1, 2011

	PK-12 Enrollment as of 3/31/12	Free/Reduced Eligible, Grades 1-12	Percent Eligible, Grades 1-12
Garrison Elementary School	467	49	13%
Horne Street Elementary School	495	86	22%
Woodman Park Elementary School	594	193	49%
Dover Middle School	1,127	331	29%
Dover High School	<u>1,487</u>	<u>292</u>	20%
Total	4,170	951	
		District Average	27%

*Anticipated Enrollments/Class Sizes, Elementary Schools, 2012-13

	Garrison			Horne Street			Woodman Park		
Grade	Pupils	# Classes	Ratio	Pupils	# Classes	Ratio	Pupils	# Classes	Ratio
K	85	4	21:1	100	5	20:1	118	6	20:1
1	98	5	20:1	105	5	21:1	129	6	22:1
2	98	4	25:1	109	5	22:1	112	5	22:1
3	94	4	24:1	113	4	28:1	107	5	21:1
4	93	4	23:1	86	3	29:1	102	4	26:1

**Figures are based on current enrollments with current staffing as of April 13, 2012.*

*Anticipated Enrollments, Middle School, 2012-13

Grade	Pupils	# Classes	Ratio
5	263	12	22:1
6	299	11	27:1
7	286	12	24:1
8	259	12	22:1

**Figures are based on current enrollments with current staffing as of March 31, 2012.*

*Anticipated Enrollments, High School, 2012-13

Grade	Pupils
9	338
10	368
11	353
12	340

**Figures are based on current enrollments as of March 31, 2012 and includes Barrington and Nottingham projected incoming 9th grade students.*

Advanced Placement Courses Offered at Dover High School

Year	# AP Courses Offered	# Pupils Enrolled	# Pupils Taking AP Exam	% Scoring "3" or Above
2006-2007	6	79	68	89%
2007-2008	6	93	98	81%
2008-2009	6	112	112	82%
2009-2010	6	86	86	88%
2010-2011	8	88	84	88%
2011-2012	8	99	Pending	Pending

Comparison of SAT Verbal Scores

	Dover	New Hampshire	United States
2005	518	525	508
2006	503	520	503
2007	518	521	502
2008	512	521	502
2009	497	523	501
2010	500	520	501
2011	495	523	497

Comparison of SAT Math Scores

	Dover	New Hampshire	United States
2005	516	525	520
2006	504	524	518
2007	520	521	515
2008	517	523	515
2009	507	523	515
2010	508	524	516
2011	501	525	514

NECAP *Reading* Proficiency Over Time, Percent of Students Scoring Proficient or Better

Grade	Fall 2007	Fall 2008	Fall 2009	Fall 2010	Fall 2011	NH 2011
3	75%	78%	74%	74%	78%	81%
4	77%	73%	74%	72%	72%	79%
5	65%	70%	77%	83%	74%	77%
6	72%	77%	82%	86%	89%	80%
7	78%	82%	80%	82%	87%	77%
8	69%	74%	78%	85%	90%	82%
11	72%	63%	74%	73%	64%	77%

NECAP *Math* Proficiency Over Time, Percent of Students Scoring Proficient or Better

Grade	Fall 2007	Fall 2008	Fall 2009	Fall 2010	Fall 2011	NH 2011
3	77%	73%	69%	73%	78%	76%
4	69%	74%	76%	75%	74%	76%
5	70%	73%	80%	79%	70%	76%
6	74%	71%	80%	79%	74%	72%
7	72%	76%	69%	77%	72%	68%
8	62%	72%	74%	69%	73%	68%
11	23%	25%	32%	37%	32%	36%

Comparison of Dropout Rates

School Year	Dover	New Hampshire
2004-2005	3.3%	3.4%
2005-2006	3.1%	3.1%
2006-2007	3.6%	3.2%
2007-2008	3.1%	2.5%
2008-2009	2.8%	1.7%
2009-2010	1.09%	0.97%
2010-2011	1.88%	1.19%

Comparison of Students Entering Two and Four Year Colleges and Universities

School Year	Dover	New Hampshire
2004-2005	65.8%	71.8%
2005-2006	60.5%	71.9%
2006-2007	66.4%	74.5%
2007-2008	65.8%	73.0%
2008-2009	67.7%	73.6%
2009-2010	68.6%	73.3%
2010-2011	62.2%	73.7%

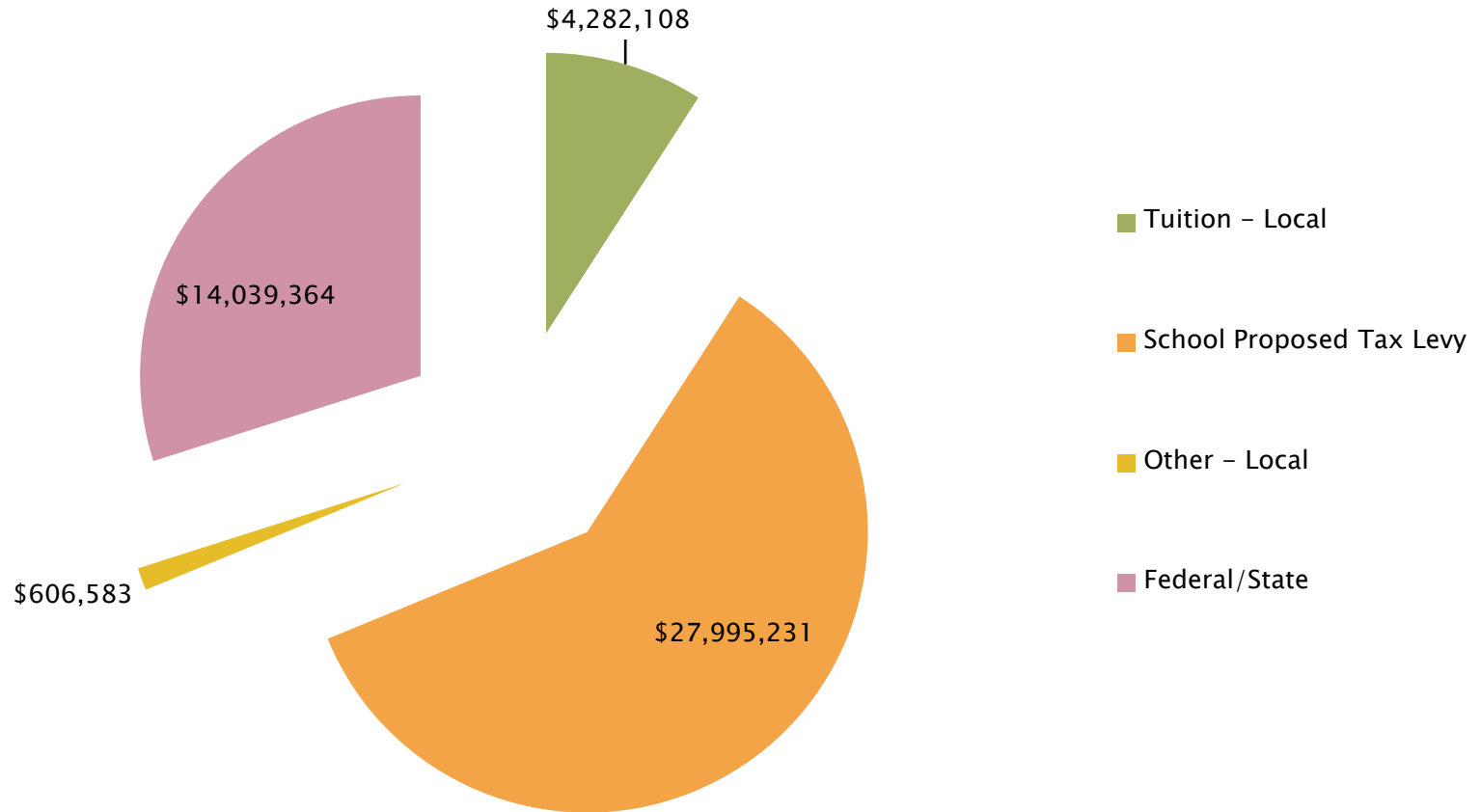
“Next in importance to freedom and justice is popular education, without which neither freedom nor justice can be maintained.”



James E. Garfield

Revenue Picture and Budget Drivers

General Fund Revenue Sources



General Fund Change in Revenue

- ▶ Estimated Capped Tax Levy ↑ of \$516,518
- ▶ Local Revenue Sources ↓ of \$844,742
- ▶ Federal/State Revenue Sources ↑ of \$60,439
- ▶ Other Revenue Sources ↑ of \$567,983*

*Includes the use of \$566,583
in Impact Fees

FY13 Contractual Obligations (Salary Only)

	COLA	Contractual Obligations
Teacher (DTU)	\$0	\$357,018
Para Educators (DPA)	\$0	\$134,322
Office Staff (DEOP)	\$0	\$ 12,054
Administrators	\$0	\$ (48,624)*
Non-Union Personnel	<u>\$0</u>	<u>\$ (1,064)</u>
Total	\$0	\$453,706

Contractual Obligations include step increases, stipends at top steps, reassignment of staff

*Curriculum Director Salary Reduction

Comparison of Teacher Salaries in New Hampshire Districts, 2011–2012

District	# of Students	Teacher Salary
Exeter Region Coop	3,061	\$64,670
Oyster River Coop	1,994	\$62,936
Portsmouth	2,705	\$62,706
Salem	4,320	\$57,722
Manchester	15,536	\$57,349
Nashua	11,894	\$56,579
Merrimack	4,185	\$53,342
Keene	4,145	\$52,077
Dover	4,104	\$49,421
Bedford	4,389	\$49,171
Rochester	4,383	\$48,541
Hudson	4,052	\$46,981
Somersworth	1,780	\$42,778

Health Care Costs

Budget

2011–2012 School Year \$5,076,736

Anticipated Cost

2012–2013 School Year \$5,334,571

Overall Cost Increase \$ 257,835

Total % Increase 5.08%

NH Retirement Employer Contribution

Budget

2011–2012 School Year	\$2,039,117
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Anticipated Cost

2012–2013 School Year	\$2,116,042
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Overall Cost Increase	\$ 76,925
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Total % Increase	3.78%
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Special Education – Out of District Tuition

Budget

2011–2012 School Year \$1,240,219

Current Year-to-Date

2011–2012 School Year \$1,538,209

Anticipated Cost

2012–2013 School Year \$1,616,882

Overall Cost Increase \$ 376,663

Total % Increase 30.37%

“Education is more than a luxury; it is a responsibility that society owes itself.”

Robin Cook



Reductions from the FY13 Budget Approved at the March 12th Board Meeting

↓ \$1,521,522

Budget Reductions – Impact on Dover Schools

- ▶ Elimination of Freshman Academy
- ▶ Elimination of Middle School Library Aide
- ▶ Elimination of High School A/V Aide
- ▶ Elimination of Culinary Aide, CTC
- ▶ Elimination of Intramurals, Grades K–8
- ▶ Elimination of DHS Gifted & Talented Program
- ▶ Adoption of 177 Day Calendar
- ▶ Reduction to Professional Development
- ▶ Reduction to Library Supplies, All Schools

Budget Reductions – Impact on Dover Schools, Cont'd

- ▶ No Curriculum Adoption for K–4 STEM
- ▶ No Curriculum Adoption for K–12 Social Studies
- ▶ No New Math Curriculum, Grade 7, Algebra II
- ▶ No New Guidance/Health/Wellness/PE Curriculum
- ▶ Reduction to Overtime for JBC/SB Secretary
- ▶ Reduction to Mileage for Superintendent and Business Office

Budget Reductions – Impact on Dover Schools, Cont'd

- ▶ Reduction to Special Education – Staff Development, Reference Materials, Supplies, and Evaluations and Testing
- ▶ Reduction to SAU Staff Development
- ▶ Reduction to SAU Tuition Reimbursement
- ▶ Reduction to Transportation Costs

Additional **Reductions** / Savings to 2012–2013 Budget

- ▶ Anticipated Debt Service Payment for DHS Auditorium Project – Renovation Delayed
- ▶ Reduction of Full–Time Curriculum Director to 50% – Local Funds
- ▶ Fees Added for All Criminal Background Checks–Volunteers/Interns/Chaperones
- ▶ Estimated Savings from Teacher Retirements

“Education is a better safeguard of liberty than a standing army.”



Edward Everett

In Conclusion:

- ▶ Dover schools are headed in the right direction. Dover's Growing Readers and Math in Focus Programs are showing most promising student academic growth.
- ▶ Meeting federal and state mandates for educating disadvantaged and handicapped students is increasingly expensive.
- ▶ Dover has invested in full-day Kindergarten and expansion of our Career Technical Center causing these costs to rise over the past 5 years.

- ▶ Dover School District cost increases have not kept pace with most other NH school districts, spending far below the state average and less than surrounding communities.
- ▶ The loss of federal and state funding puts a larger burden on the local property tax for school funding.
- ▶ The unanticipated loss of tuition revenue has created a significant budget shortfall for FY13.

- ▶ The Dover School Board is doing its best to provide a budget that balances the needs of the students to the fiscal reality of the community.
- ▶ The City of Dover is at a crossroads. We must be flexible to the unique circumstances that face the school district for FY13 and respond to the realities with a thoughtful and long range solution to this fiscal challenge.

“Education’s purpose is to replace an empty mind with an open one.”



Malcolm Forbes



We appreciate the ongoing support of the Dover City Council, School Board, Administrators, Staff and the Dover community to ensure an excellent education for our youngest citizens.

