



HOPKINTON SCHOOL DISTRICT School Administrative Unit 66

204 MAPLE STREET · CONTOOCCOOK, NH 03229
TEL: (603) 746-5186 FAX: (603) 746-5714

Superintendent's Report Hopkinton School District

Submitted: Friday, October 29, 2010 for a Tuesday, November 2, 2010 meeting.

As November is budget development month, the request was made to utilize the budget development process as the theme of this month's administrator reports.

A board member's comments about the budget process that it seems "same old, same old" continues to resonate.

The traditional budget development process has merit. Those closest to the implementation of a budget have proprietary knowledge of what is needed to implement instructional goals and needs. Site-based management/local decision-making makes sense. A superintendent, somewhat removed in an ivory tower, does not have all the knowledge of what is needed in the trenches. The teachers/department chairs prepare instructional area budgets, the principal, the next closest level of oversight, acts as the critical friend ensuring value and need of the proposed budget. The next phase is district oversight. How does the building level budgets support the accomplishment of district goals with an additional litmus test (affordability)?

As this process is implemented a second time, possible improvements have surfaced. Does the process lead to an adversarial relationship between central office and teachers? Is the process as efficient and effective as it could be? These questions are raised, as the teachers simply do not have all the information necessary to prioritize their budget.

The budget process begins in early October. Direction about general increases is provided, but the most significant budget drivers become evident after teachers begin their budget development process.

There may be a disconnect between the rank and file and those in administration about the economic conditions that are faced. This disconnect is reasonable to assume as the full scope of the current challenges has not been communicated:

- A guaranteed maximum rate health insurance increase rate of 14.2%
- A decrease in revenue, due to a projected lower unreserved fund balance of \$250,000 or more.
- A potential decrease in state adequacy aid (the budget number will be provided on November 15, 2010. The state faces an incredible challenge to meet Constitutional and/or current funding levels (approximately \$440,000,000 in new revenue over the next biennium budget.) There seems to be little chance of an additional round of ARRA funds to support the state's obligation.

Steven M. Chamberlin
Superintendent

schamberlin@hopkintonschools.org

Michelle R. Clark
Business Administrator

mclark@hopkintonschools.org

Dr. Valerie S. Aubry
Director of Student Services

vaubry@hopkintonschools.org

Matthew P. Stone
Director of Technology

mstone@hopkintonschools.org

- A NH Retirement System mandated increase in employer contributions (1.93% for the employee classification, 1.05% for the teacher classification). This does not take into account any future state downshifting of retirement costs. This increase is an actuarial required increase to adjust the funds to meet current and future obligations.

With richer information about the economic conditions, the earlier drafts of the budget may be more conservative. Reflection about priorities prior to the budget build may yield stronger participation as opposed to stronger disappointment. Providing accurate information about the budget drivers will be a part of early budget preparation in the future.

Perhaps earlier engagement of the community should also be included in the budget process. Most of the community is unaware of the economic conditions impacting school district budgets. Early engagement may increase understanding and activism (attendance at school board meetings, budget committee meetings).

Prioritizing is an incredibly important skill in system management. Whether time or resources, successful prioritization is of utmost importance. The Leadership Team and the school board will be required to prioritize resources; it is clear that the ability to meet all educational wants and needs is not possible in this current economic climate. The discussions will be rich, with the focus, as always, to do what is best for kids.

Thank you for your continued support.

Respectfully submitted,

Steven M. Chamberlin
Superintendent of Schools