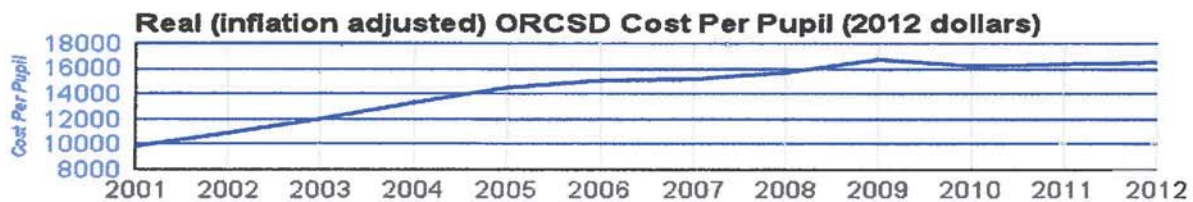


Goal 3: Financial prudence should guide all of our decisions to be among the best performing schools in NH

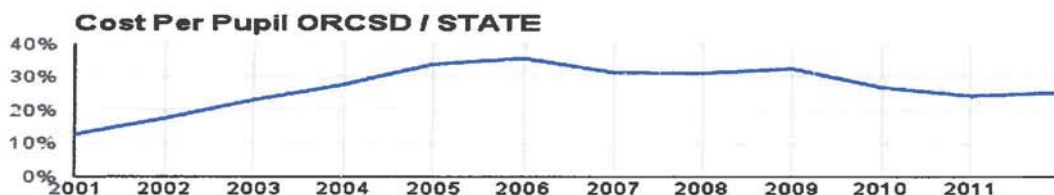
A community holds no greater responsibility than the education of its children. Given we have New Hampshire's flagship public university within our borders, it's no surprise that there is broad community support for public schools in Oyster River. Consistent with the community's aspirations, this support has systematically led to high achievement from our students. For example, ORHS boasts a miniscule dropout rate, sends graduates to four-year college one third more often than the state average and scores 12% above the national average on the SAT.

No one should be surprised that achieving these results comes at a higher than average price. The major financial burden for funding the school system falls on local property owners. Every effort must be made to optimize the use of each tax dollar collected. We owe it to the taxpayers to maintain and improve our great outcomes for the least possible cost. In order to do that we have to measure both outcomes and costs, and compare ourselves to other districts in the state.

Objective measures of our performance (NECAP, SAT, AP, college attendance rates, awards, national rankings, etc.) while not everything, are necessary to assure us that we are indeed achieving outcomes among the best in the state. We must prioritize projects that improve outcomes. The entire community benefits from maintaining Oyster River's status as an excellent school district.



We must also compare our costs to common metrics such as the CPI. As you can see, our real cost per pupil has decreased slightly since the peak of 2009. We agree with the administration's proposed FY15 goal of zero real growth, a continuation of our belt-tightening trend.



Our achievement is even more impressive when you consider that school costs generally climb much faster than the broader CPI. Compared to the state average, we have been declining since our peak in 2006. We encourage the board and administration to continue to grow at a rate substantially below the state average.

Cost Per Pupil (as defined by the state) does not reflect transportation costs and debt service costs, which nonetheless we should of course attempt to minimize, nor does it account for non-tax revenue, which we should attempt to maximize. This plan does not recommend actual targets for cost controls as

the committee feels the board needs flexibility so it can make the judgements not to sacrifice education or capital improvements in pursuit of reducing the taxpayers' burden.

Financial prudence means spending the taxpayers' money wisely. The ORCSD can be commended for bending the cost curve down recently through implementing a retirement incentive program resulting in a savings of \$565,000; an energy savings program yielding \$92,000 and a reduction in health insurance costs in FY 2014. To their great credit, all unions agreed to some form of reduction in benefits, most recently the union representing the custodians and secretaries. Economies were realized in the Transportation Department which now operates with fewer staff, consolidated routes and common pick-up points. We encourage the administration and board to continue to seek cost reductions. Increasing non-tax revenue is also encouraged, including facility rental fees, aggressively seeking grants and tuitioning.

Attracting and retaining a high quality teaching staff, which now includes about a third more masters-qualified teachers than the state average, results in an average teacher salary about that much higher than the state average. Our current (unofficial) policy is to hire the best possible person without regard to price. If we want our staffing costs to rise at the nominal rates in the various contracts, we need to hire staff at the lower rungs of the seniority ladder as more experienced staff retires, in an effort to keep the average seniority constant. We recommend a focus on the *potential* of new hires and leveraging our current staff's experience by having them mentor new staff.

Prudence also dictates we attempt to maximize class size up to the limit of our policy (generally 22 per class). We made some strides with the retirement incentives. If we carefully determine the correct staffing needs, tuitioning offers an opportunity to get closer to the upper limits without morale-sapping layoffs and elimination of programming.

Declining enrollment, if it happens as predicted, should lower the burden on taxpayers, as there are fewer students to educate. Tuitioning is an opportunity to gain revenue from unused seats, lowering the burden on taxpayers and increasing the efficiency of the schools all while enhancing the educational opportunities for our students. The necessary hiring for an increased student load already allows us to expand educational opportunities for students. We encourage the board to use any revenue above these costs to help reduce the burden on taxpayers.

Our local community is an incredible source of volunteer labor and expertise. We endorse efforts to encourage more volunteer participation. Our talented neighbors, including those at the university, are wonderfully willing to donate services and skills many of which we could never reasonably hope to purchase. An extra bonus accrues when the students get involved. By graciously accepting the community's generosity, we can save money and maybe learn a few things too.

Particular recommendations from the detailed plan include goals-based budgeting, multi-year budgeting, prioritizing important items in the CIP, adding transportation and food service in the CIP and encouraging students to use the food service and bus transportation, the latter by increasing the parking rate, which simultaneously leads to increased sustainability.

We need to trumpet our accomplishments and to make efforts to involve the greater community in the schools, through theater, concerts, lectures and so on. These make the district a more enjoyable place to live and have the serendipitous effect of increasing property values.