

**West Chester Area School District**

**Minutes of Work Session Conducted on July 13, 2011**

**8 am – Henderson High School**

**Attending:** **Board members;** Dr. Ricky Swalm, Mr. Sean Carpenter, Dr. Maria Pimley, Ms. Terri Clark, Mr. Jim Davison, Mr. Jeff Seagraves, Ms. Karen Miller

**Administrators;** Dr. Jim Scanlon, Dr. Suzanne Moore, Dr. Marc Bertrando, Dr. Sara Missett, Mr. Jack Hurd, Dr. Robert Fraser, Dr. June Garwin, Mr. Kevin Campbell, Mr. Rob Partridge, Mr. John Scully

**Public;** Approximately 10 members of the public were in attendance

Dr. Rick Swalm, Board president, opened the meeting at 8:05 AM and reviewed the purpose of the work session. Ultimately the Board and Administration need to know what the **priorities and process will** be for the 2012-13 budget. He explained that today's session will involve dialog about priorities and the board will need to give some direction to the administration about what those budget priorities are.

- A. **Review of financial data:** Dr. Suzanne Moore, Director of Business Affairs presented an updated forecast model that included revised assumptions about revenue and expenses for the 2012-13 budget year. The administration has already started working on making some reductions in expenses and details of those changes were reviewed and provided in a spreadsheet. The projected budget gap ranges from \$3.1 million to \$ 6.3 million if the following assumptions are used:
- a. \$3.1 million – assumes a 2.5% tax increase (using 1.76 million in exceptions to the Act 1 Index)
  - b. \$4.9 million – assumes a 1.4% tax increase and not using Act 1 exceptions
  - c. \$6.8 million – assumes no tax increase
- B. **Review of program vs. non-program expenses:** Dr. Moore reviewed the analysis of all 2011-12 budget amounts categorized by “program” or “service” including regular classroom instruction, regular education instructional support, extracurricular activities, pupil services (including special education), district support services, technology, facilities and debt service. To advise the board members on the budget reduction initiatives that have been implemented starting with the 2009-10 year, she also reviewed a comparison of the changes in expenses and headcount from 2008-09 to 2011-12 for all categories.
- C. **Review of mandated vs. Non mandated programs:** Dr. Jim Scanlon, Superintendent, reviewed mandates as part of state and federal regulations for special education and

gifted education. Dr. Robert Fraser, Director of Curriculum and Instruction, reviewed mandates for curriculum regulations under the PA school code. To show an example of mandates related to budget areas that are perceived as “administrative overhead”, Dr. Moore reviewed the costs related to school code, state and federal regulations for essential school board and business office operations and reporting.

- D. **Brainstorming Ideas:** The Board and Administration broke up into three groups to brainstorm ideas for where expenses can be reduced, or revenue can be increased. The following list summarizes what each reported back to the full Board:

**Group One: (R. Swalm, K. Campbell, S. Carpenter, R. Fraser, R. Partridge)**

1. **Revenue** – pay to play, fee structure (lab, computer)
2. **Class Size** – bigger is better than not at all
3. **Program offerings**
  - not all electives are considered equal
  - Magnet school concept
4. **Sale of land** to offset budget shortfall
5. **Re-districting** as a way to consolidate space use, how it affects programs

**Group Two: (S. Missett, S. Moore, J. Davison, M. Pimley, J. Hurd)**

1. **Class size** (year 1 implementation)
2. **Revenue Enhancements** (year 1 implementation)
  - Before/after school programs (music, art, child care)
  - Advertising
  - Extra-curricular
  - Building use/field use fees
  - Full day Kindergarten – pay for service
  - SAT Prep (high school)
3. **District Programs/Services** (year 2 implementation)
  - Use of technology
  - Extra-curricular programs
  - Pay for services (non-instructional and instructional)
  - Electives
  - Capital Program??
  - Facility use/building capacity

### **Group Three (J. Seagraves, J. Scanlon, J. Garwin, M. Bertrando, K. Miller)**

#### **1. Transportation**

- Reduce cost
- Parents/voucher

#### **2. Revenue**

- Activity fees
- Lab fees

#### **3. Delivery of Instructional Programs**

- Outsourcing vs. in house (mandated vs. non)
- Standards vs. credits

#### **4. Delivery of Non-Instructional Programs**

- outsourcing (ex. Landscaping, legal fees)

#### **5. Class Size** (analyze impact)

#### **6. Space Consolidation** (attendance areas, use of time/space)

E. **Summary of Outcomes:** - The board gave a range of cost reduction findings of between \$3.1 million and \$6.8 million to reduce in the 2012-13 budget. The board also discussed target areas to review and gave the administration direction to begin to formulate task force committees in the following areas:

1. Class size Committee – analyze impact and potential cost savings if class size was increased
2. Revenue Committee – analyze possible ways to increase revenues in areas such as activity fees, advertising, before and after care programs, summer programs.
3. Delivery of Instructional programs – review ways to deliver programs in a more efficient manner. Determine if the program is mandated, essential, valued, and can be implemented in an alternate manner
4. Delivery of non-instructional programs – review ways to deliver services that are outside of the classroom. Are there ways to deliver services in a more efficient manner? Determine if program is mandated, essential, valued, and can it be implemented in an alternate manner?
5. Space Consolidation – Review use of space, but let program decisions drive how space is going to be used. This committee will be a long-term planning committee that most likely will not realize savings in the 12-13 school year.
6. Establish a suggestion box on the web site for ideas from the community, staff, students, and others on cost savings.

The board and administration discussed whether there was a need for establishing cost reduction target amounts or percentages. Dr. Moore explained that the same cost reduction

target percentage (and dollar amount as a percent of the task force study committee's respective budget category) was provided to each committee for the 2009 Task Force Committees. Most felt that it was not necessary to establish targets for the 2011 Budget Task Force Committees. The board and administration briefly discussed the complexity of dealing with the overlapping issues and decisions in each of the study areas, and of managing the allocation of human resources and expertise needed for each committee. Dr. Scanlon advised that we should have Board decisions by December 1<sup>st</sup>. Dr. Swalm stated that he was encouraged by the results of the meeting and he expected that the Board members would not be critical of the results of the administration and community task force decisions as long as they were based on the outcomes of this meeting.

F. **Board Agenda Development:** The forming of committees will be an agenda item for approval at the July 25<sup>th</sup> Board meeting

The meeting ended at 12:20 PM.