

LNSU/LN MUUSD
Budget Committee Meeting
December 14, 2017

Members Present: Amanda Tilton-Martin, Laura Miller, Andrew Beaupre, Sue Prescott, Deb Clark, Jennifer Stevens

Minute Taker: Sue Trainor

Call to Order and Approval of Agenda: Prescott called the meeting to order at 6:04 p.m. Beaupre made a motion to approve the agenda, seconded by Miller. Clark requested that the Student/Staff/Faculty Class Ratio item be removed from the agenda. The motion to approve the revised agenda passed unanimously.

Consent Items: Approve Minutes of the November 30, 2017, Meeting. Beaupre made a motion, seconded by Miller, to approve the minutes. The motion passed unanimously.

Discuss Special Education Funding: Jennifer Stevens, Director of Student Services, reported to the Board that 301 Pre-K through Grade 12 students currently received special education services, or approximately 16% of the student population. Stevens was responsible for developing the special education budget for the LNSU where a majority of the special education costs were housed. These costs included special education, teacher salaries and benefits, tuition to out-of-district placements, contracted services, behavioral interventionists, psychologists, etc. Following that, Stevens reviewed the budgeting for the modified Pre-K through Grade 12 for Cambridge. The District costs for Cambridge were for paraeducators only.

Stevens explained that she was required to provide the service plan to the State by October 15th. The AOE then reviewed the submitted plan and forwarded it on to the Legislature who would authorize reimbursement to the District. Last year's reimbursement rate for special education teacher salaries and benefits and contracted services was 56.6% and that was expected to remain the same. Expenses for State-placed foster care students were reimbursed at 100%. The District was responsible for the first \$50,000 for students who incurred "extraordinary costs" and then paid 10% of any additional costs. The State would pay the rest of the expenses. Out-of-district placements could be expensive but the majority of the students who were placed at Laraway or East Meadow were Medicaid-eligible. The Medicaid-eligible rates for a placement was \$45,000. The cost for students who didn't qualify for Medicaid was approximately \$65,000. Currently there were six students that qualified under the "extraordinary cost" reimbursement structure. Stevens noted there were four revenue streams for special education and a lot of moving targets. The revenue streams were: a special education reimbursement, an extraordinary cost reimbursement, a state-placed reimbursement, and a block grant.

Stevens repeated Rebecca Holcombe's mantra of reducing the number of paraeducators and teachers, and noted Gov. Scott's interest in reducing costs. Stevens stated there was a nation-wide culture of reliance on paraeducators that was driving up costs, with the District itself having quite a few paraeducators. Stevens had recently implemented a guidance tool that all IEP teams needed to use before considering putting a one-on-one paraeducator or behavioral interventionist in place and this tool had worked well. The goal was to exhaust all available services before adding a staff member to the IEP. Stevens was also working on a way to measure positive student outcomes as a result of having access to a paraeducator. Currently, consolidated federal grant programs were requiring outcomes based on paid interventions and Stevens was hoping to be able to develop something similar with paraeducators. Special education costs were continuing to rise and Stevens was exploring how to offer these services in a different way to reduce costs.

Prescott asked Stevens if she was reviewing behavioral interventionist costs as well. Stevens stated BI's were paid on a contract basis and worked with students who had significant behavioral issues. The work being done by those individuals was tracked very carefully each day. What wasn't being tracked as well was a way to measure student progress on IEP goals as it related to having a paraeducator. Stevens wanted to be able to see what the efficacy of a paraeducator working with a small group of students or working one-on-one with an individual was. She wanted to be able to see growth in IEP goals if a student had access to a paraprofessional.

Beaupre asked for more information about the reliance on paraeducators for primary instruction. Stevens stated it wasn't happening in every single case but it was happening more than it should. This was primarily due to a time issue, as caseloads were getting so big and special educators were being spread thin with paperwork. A special educator could spend 40% to 50% of their time on required state and federal paperwork, evaluations, IEP's, progress reports, and planning time. Therefore, paraeducators were picking up more of the primary instruction. Ideally, Stevens stated she would like to exchange three paraeducator salaries for one additional special educator.

Beaupre asked if the District was above average in student caseloads. Stevens stated the high school had the highest number at between 19 and 23 kids. The elementary schools had 12 on average and the middle school had between 17 and 20 students. The high school tended to get more state-placed students, so that increased their numbers. Stevens noted that there were some Pre-K students coming in at 3 and 4 years of age with high needs. These needs revolved around behavioral, social and emotional functioning. The District was struggling with how to meet the needs of these students. Over the past two years the numbers of Pre-K students coming in with very complex needs had increased. Stevens noted that discussion was taking place statewide on what to do to help this age group.

Prescott asked if 504 students fell under Stevens' purview. Stevens stated 504's fell under the general education budget but she did provide support to those who managed cases. She noted that the high school and middle school special educators case managed 504 students. The nurse and guidance counselor case managed at Johnson Elementary School. The guidance counselor case managed at Eden and special educators provided the service at Hyde Park Elementary School. Due to the funding requirements, having guidance counselors' case manage at the elementary schools made sense. The high school guidance department was unable to take on case management as they were swamped. Additionally, some students might have complex issues and guidance may not have the skill set to manage the case.

Beaupre suggested hiring another special educator under the general fund budget and have that person be responsible for the 504 funds. Miller stated if someone were solely responsible for 504's, there would be no reimbursement for their work. Stevens noted Beaupre's suggestion could be considered but couldn't be put in place until FY20.

Stevens was asked about the finances involved with students who were tuitioned out or in. She responded that very few students receiving special education services chose to go elsewhere. Excess costs were billed back to the school when that happened and then ultimately reimbursed. Miller asked if the District's Pre-K special education students currently receiving instruction outside of the District were ever seen. Stevens stated that Act 166 was quite problematic. Geographic boundaries were not allowed. A student requiring special education services through a partner program was not required by law to be addressed by the District. However, Early Education teachers visited and provided support to any partner program located within the Supervisory Union. Stevens stated many thought this made the law inequitable. The Committee discussed special education services for students who were homeschooled. Stevens stated she received proportionate share dollars based on the number of homeschooled children. Parents could receive some of those funds to purchase math or reading software programs to help with a disability. There were very few homeschooled children that were special education eligible.

The Committee discussed Act 166. The ten hours a week attendance at pre-school was designed to provide access and equity to all students. Stevens believed it was causing reverse discrimination because, across the state, students coming from more difficult circumstances would attend a particular center, while students with more resources would go to centers where the parent could pick up the cost for the additional daycare service.

Committee members expressed appreciation for the work that Stevens was doing. Stevens stated she was very fortunate to work with a great group of special educators, service providers and paraeducators.

Receive the LNMUSSD First Draft Budget: Clark stated the non-special education net expenses were increasing by 2.63%. Miscellaneous revenue was estimated to increase by 10.68%. The total net change was 2.37%.

Tech was reduced by \$17,000, with some technology projects potentially being funded through capital reserves. Clark reported that Eden Elementary had decided there wasn't an urgent need to purchase a third bus. That item could be revisited next year

Clark noted the benefit line item, which included health care, worker's comp, social security, life insurance, etc., seemed to be a bit high and needed more analysis. The Committee asked about attrition and class size. Clark stated she would present that information at a later meeting. Beaupre asked if there was a budget that allowed for students to engage in a capstone project. He didn't believe there was a great deal of focus on where that requirement was going. There was no information available to address Beaupre's question.

Miller confirmed with Clark that staff ratio information would be available to the Committee. Prescott confirmed that the budget included the health insurance recapture. Clark also confirmed that the assessment of the SU Administration were included in the budget under other expenses and assessments. Prescott asked Clark if she was surprised by the amount of the increase in salaries. Clark stated she was surprised it wasn't more.

It was then noted that Special Education services was increasing 21.5%. Clark noted there were no official revenue figures from the State included in the initial budget. Prescott asked Stevens if she was surprised by the amount of the increase. Stevens stated it was missing revenues, but she was a little surprised it was that high. Stevens then stated there had been an increase in tuition to out-of-district placements, some unexpected move-ins in September that required a contracted BI in their IEP, and paraeducator increases.

Beaupre asked where out-of-district placements were sent. Stevens stated students were sent to Laraway, East Meadow, and, very rarely, Project Soar in St. Albans. Beaupre asked if the cost for Laraway was in line with other placements. Stevens stated all three locations were in line. There was a formula the facilities had to use to meet their requirements under federal regulations for mental health programs. Beaupre asked about the outcomes of these organizations. Stevens stated in her previous position she had developed a relationship with Laraway. They worked very hard to get students back into the classroom. Some students in 7th through 9th grade needed the support of Laraway, and then were slowly able to transition fully back into the school program. Some students, however, would only be able to graduate from Laraway because their disability or behavior required the structure and class size provided there.

Beaupre asked when the final numbers for state funds would be available. Stevens stated in the past they received the information in January. However, the AOE was a bit of a mess right now and it was unclear when the information would be available.

Clark then reported that the combined education expenses would increase by 4.39%, with the budget coming in at \$24.5 million. She noted this was a result of the change in special education. Last year there was a large drop in special education costs across the state. Prescott stated this was going to be a hard sell, especially if the tax rate was going up, and she felt it was too high. Clark confirmed this would be in addition to the six-cent increase, which effectively erased any Act 46 incentives.

The Committee asked if principals could be asked to reduce their requests. In discussing capital reserves, Clark noted that a healthy budget would grow and a 2.5% CPI was anticipated. Clark noted the pressure of the State taking away incentives was a problem and the Committee agreed that needed to be made clear to the voters. Beaupre asked if the school boards could report to the Legislature that they needed to stop taking the incentives away or the boards wouldn't vote on their budget. While this was the role of the VSBA, Beaupre thought the organization didn't do enough.

Clark stated she would review the budget to see if the 2.63% could be reduced. In particular, the benefit number seemed too high. The Committee asked if they could receive a snapshot of what each school had requested. If the budget were to be reduced, they wanted to be equitable and didn't want to take more money from one school than another.

Clark reported that this budget did not include any reserve funds being used to reduce the budget. Last year \$345,000 was used from the reserve fund to reduce the overall budget. There would be a MUUSD reserve available. Clark asked the Committee if they wanted to use reserve funds to lower the budget. Miller said yes. Prescott didn't want to shortchange the capital reserve.

Miller asked about an addition to Eden Elementary that had been discussed. Clark stated that would be paid for through Eden's existing capital and some bond money. Belvidere School needed to repair their septic system, but they believed there were enough funds in the current operating budget to pay for that. Clark also noted this was year one of three of the deterioration of the small school grant.

Adjourn: Beaupre made a motion, seconded by Miller, to adjourn the meeting at 7:32 p.m. The motion passed unanimously.