Concord School District
Finance Committee Minutes

School Board Committee: Finance Committee
Date: October 2, 2013
Committee members present: Clint Cogswell, Chair
Other Board members present: Kass Ardinger, President, Tom Croteau
Administration: Superintendent Chris Rath, Business Administrator Jack Dunn

Finance Committee Chair Clint Cogswell called the meeting to order at 5:30 p.m. Substitutes in the absence of Finance Committee members were Kass Ardinger and Tom Croteau. Mr. Cogswell explained that the purpose of this meeting was to discuss amending the existing Deerfield Tuition Agreement under which Deerfield students attend Concord High School. This amended agreement runs through the year 2024. Mr. Cogswell then turned the meeting over to Superintendent Chris Rath.

Superintendent Rath began by explaining that Concord School District was approached by Deerfield in 2002 asking if Concord would be willing to educate their high school students who live in Deerfield. At that time, Deerfield did not have a good system in place and they were looking for a high school to accept all their students. She explained that although enrollment at CHS had climbed to 1,829 in October 2003, a decline in elementary enrollment meant that Concord High School enrollment would come back down after peaking, and it was agreed to enter into a tuition agreement with Deerfield School District.

In FY 2004-2005, the base tuition was at $8,900. The method for determining tuition during the length of the agreement was based on either a percentage of increase of high school expenditures or the Boston Consumer Price Index, whichever was higher. Over the last decade, as enrollments around the state have declined, Deerfield was approached by a number of different districts with more competitive tuition rates, and so they requested a negotiation to amend the current agreement with the District.

The Deerfield Board met with the Executive Committee of the Concord School Board and both sides proposed amendments to the existing agreement that would mutually benefit the students and taxpayers. Negotiations had been ongoing since the spring of 2013, and on Monday, September 30, 2013 an agreement was reached.

Mr. Cogswell went through the amendments as outlined in the draft of the October 2, 2013 press release. The amendments are as follows:

Under the existing contract, Deerfield was required to send 95% of its students to Concord High School each year. In the amended agreement, beginning in 2014-2015, Deerfield School Board agreed to send at least 90% of its students to Concord High School. In exchange, the Deerfield Board agreed that by February 15th of each year,
Deerfield will provide Concord with a guaranteed number of students who will attend Concord High School for the upcoming school year, and tuition for this number of students will be guaranteed for the upcoming school year. If fewer students attend than the guaranteed number, Concord will credit the amount of tuition for the additional students to the Deerfield tuition bill in the next year. If the number of students is more than projected, Deerfield will pay the additional tuition.

The method of calculating the tuition rate will change. Currently, the tuition that Deerfield pays to send students to Concord High School is calculated on a baseline tuition cost that was negotiated in 2004 with annual increases based on either the percentage increase costs at the high school or the Consumer Price Index, whichever was higher. Beginning in 2015-2016, the tuition will be based on the actual net expenditures of the high school for the previous fiscal year, with a negotiated annual increase and a capital fee. This new method of calculating tuition is projected to result in lower annual tuition cost for Deerfield students as of 2015-2016.

The amended agreement includes an annual report to the Deerfield School Board in August of each year. It also includes a provision to ensure that Concord High School maintains its high standards. If Concord High School does not maintain its status as a school approved by the Department of Education, in the amended agreement, Concord would have two years to correct any deficiency. If Concord is not approved by the New Hampshire Department of Education after this time, the agreement allows Deerfield to withdraw all its students at the beginning of the following school year.

Many other aspects of the agreement remain the same. As the high school’s special education costs are not part of the calculation for the regular education tuition rate, the costs for special education services for Deerfield students will continue to be billed separately. The agreement continues a Joint Committee as provided for in the original agreement; however, the Joint Committee will have a role in any dispute resolution process. If the Joint Committee can’t resolve the dispute, the districts agreed to work with a professional mediator.

Business Administrator Jack Dunn than explained that in FY 2014-2015, Deerfield would pay the same rate they pay this year, which is $14,163 per student; however, in FY 2015-2016 the rate will drop to approximately $11,500.

Mr. Cogswell added that the district will be evaluating the methods it uses in allocating expenses for each of the schools in the district and its proration of district costs, in order to more accurately determine actual high school expenditures.

Ms. Ardinger explained that Deerfield students are treated as if they were Concord residents; for example, if they choose to attend CRTC, there is no extra cost. This has been the case since the agreement began and will remain the same. The Deerfield Board, parents, and students appreciate this opportunity.

Mr. Croteau asked what would be in the report as described in the amendment, paragraph 3, to which Superintendent Rath replied that Tom Crumrine wrote a report in the past year detailing grades and attending colleges for Deerfield students.
Deerfield parents, students and the Deerfield district liked the report so much they wanted it written into the agreement.

Mr. Cogswell stated that the negotiation process was productive, and the District would have a mutually beneficial arrangement with Deerfield. He added that Superintendent Rath and Mr. Dunn were well prepared for the negotiations. He noted that Deerfield is also meeting with their board this evening for final approval. He suggested that the Finance Committee recommend to the full Board to approve the amended contract.

The Finance Committee voted 3-0 (motioned by Ms. Ardinger, seconded by Tom Croteau) to recommend to the full school board to approve the amended tuition contract with Deerfield.

Superintendent Rath will issue a statement to the Concord Monitor and noted that she has asked Deerfield to issue a statement to the Union Leader.

The Committee voted 3-0 (motioned by Ms. Ardinger, seconded by Mr. Cogswell) to adjourn.

The meeting adjourned at 5:48 p.m.

Respectfully submitted,

Clint Cogswell, Chair
Jack Dunn, Recorder