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- What Are District's Challenges?
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- Impact of Proposed Spending Reductions

# SCHODACK

## CENTRAL SCHOOL DISTRICT



MAY 2013

## BUDGET VOTE

Tuesday, May 21

6 a.m. — 9 p.m.

High School Gym



As part of the community's advocacy efforts, seniors Valeria Quint and Emily Rose Whitman visited Assemblyman Steve McLaughlin in Albany to hand deliver letters written by Schodack CSD students and express concerns about school funding.

### 2013-2014 SCHOOL BUDGET:

## Community's Advocacy Efforts Restore Programs

The Schodack Central School District community will vote on a \$20,773,047 proposed 2013-14 budget on May 21 that increases spending by 2.6% and requires an estimated 4.49% increase in the tax levy.

The proposed budget largely preserves student programs with no increases in class sizes. The budget also preserves all current co-curricular activities and sports, although the Booster Club will once again raise \$25,000 to support modified sports.

The district had faced significant staffing reductions but a partial restoration of state aid was directed to preserving student programs, reducing staffing cuts. No teachers would be laid off in the proposed budget. However, there would be partial reductions and restructuring of teaching assistants (see page 4).

Superintendent Bob Horan credited the community's advocacy efforts, along with regional and statewide efforts, for raising awareness about the impact of continued state aid cuts through the Gap Elimination Adjustment (see page 2). As a result, state legislators restored some education aid in the final state budget.

"We asked our community to write letters, make phone calls and visit Albany to make sure their elected representatives understood the fiscal crisis facing public schools," said Mr. Horan. "Schodack came through like they always do. We truly appreciate their efforts. They preserved opportunities for their students."

The district will continue to encourage community advocacy, Mr. Horan noted, in an effort to persuade state lawmakers to reform state mandates and end the Gap Elimination Adjustment.

"We appreciate the state restoring some aid to schools. However, Schodack schools will still lose nearly \$1 million in revenue next year," Mr. Horan said. "We need to continue to work with our elected officials to restore aid to schools and provide relief from state mandates."

New York's property tax cap law sets the district's tax levy limit at 4.49%. The district decided to raise the tax levy by that amount to reduce the impact to student programs.

The district continues to explore all possible grant opportunities to minimize the district's reliance on state aid. Schodack CSD is one of the only schools in the region to receive the state's efficiency and competitive grants. Grants will pay for nearly \$400,000 in salaries for the 2013-14 school year (see page 3).

The main cost driver of the budget is retirement costs, something the district has little control over because the two pension systems school employees belong to are run by the state. Contribution rates for employees and employers are set by the state so schools have no ability to negotiate these pension costs.

New York State is collecting nearly \$1.7 million from the district to fund retirements next year, a 27% increase. The \$357,056 increase in state-mandated retirement costs accounts for two-thirds of the entire school budget increase.

## WHY IS A 4.49% TAX LEVY INCREASE UNDER THE CAP?

**When New York passed a property tax cap last year, elected officials touted the new state law as a "2% tax cap":**

But the law they passed instead requires schools to use an eight-step formula to determine how much they can increase their tax levy by. In fact, only 5 of the nearly 700 school districts in New York State had a tax cap of 2% last year.

The reason is the state's formula allows exemptions for certain school expenditures that are outside a school's control – such as contributions to the state retirement system – as well as allowances for growth in a community's tax base. Schools can also carry over increases from the prior year.

In Schodack CSD, the state allows the district to increase its tax levy by 4.49% and still be within the cap. The district decided to raise the tax levy by that amount to reduce the level of cuts that would be required to programs.

## Q. What are Schodack CSD's financial challenges?

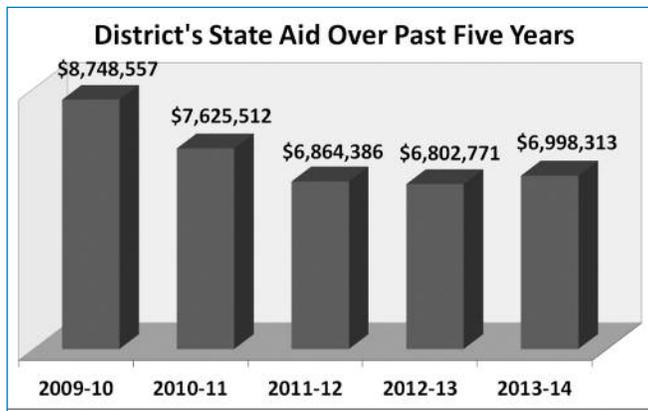
### State Cuts Aid Through Gap Elimination Adjustment

While local and regional advocacy efforts helped encourage state lawmakers to restore some state aid to schools, New York continues to cut funding to schools that they would otherwise receive through the Gap Elimination Adjustment.

The Gap Elimination Adjustment was first proposed four years ago by Governor David Paterson as a one-time cut to education aid to help close the state's budget deficit. But the state has used it each year to cut billions of dollars that would otherwise go to schools.

Below is how much state aid has been withheld from Schodack CSD through the Gap Elimination Adjustment, using the state's own figures.

- 2010-11 - \$750,527
- 2011-12 - \$1,419,006
- 2012-13 - \$1,262,584
- 2013-14 - \$979,321



*Grades 4-8 could hardly contain their excitement for Science, Technology, Engineering and Math at this year's MHMS STEM Day which featured dozens of hands-on activities.*

### Mandated Retirement Costs Increase

The biggest cost driver for school budgets continues to be retirement costs, which schools have little control over because the two pension systems school employees belong to are run by New York State.

New York State sets pension contribution rates for both employees and employers so schools have no ability to negotiate these pension costs.

The state bills the district for employer contributions to

the Employee Retirement System while money is taken directly from the district's state aid for contributions to the Teacher's Retirement System.

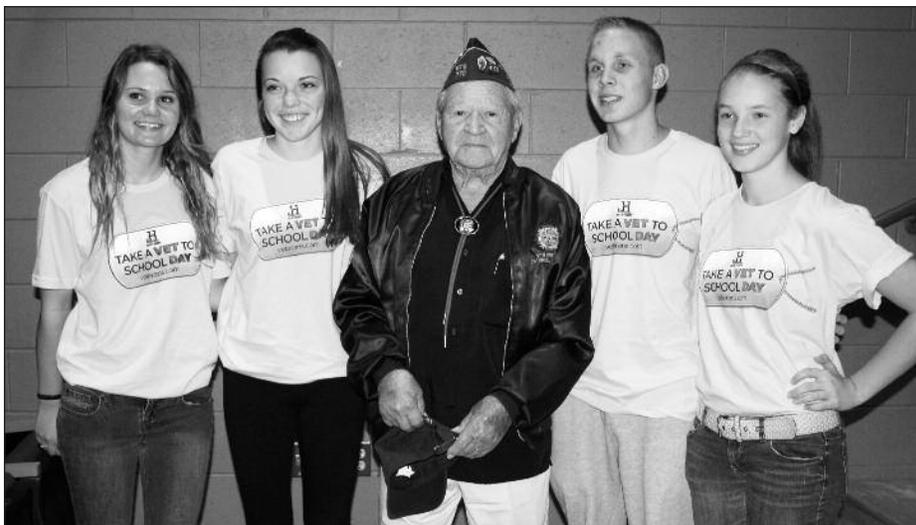
New York State is collecting nearly \$1.7 million from the district to fund retirements next year, a 27% increase. The \$357,056 increase in state-mandated retirement costs accounts for two-thirds of the entire school budget increase.

### Enrollment Decline Starting to Slow

This past school year, the district's enrollment dropped below 1,000 students for the first time in recent memory.

After hovering around 1,200 students for years, the district started to see a steady decrease in enrollment starting in 2006-07. In 2013-14, the district projects to have 924 students.

However, according to enrollment projections, the decline in the number of students attending Schodack schools appears to start to ease in the next few years.



*Schodack students honored the community's veterans for Veterans Day this year by organizing a "Take a Vet to School Day" event.*

# Q. What is Schodack CSD's response to challenges?

## District Secures Grants and Other Revenues

To help offset the loss of revenue through state aid cuts, school officials continue to apply for grants and seek other revenues to fund student opportunities and building improvements.

Schodack CSD, for example, is one of the only districts in the Capital Region to be approved for New York's efficiency and competitive grants.

The state efficiency grant will provide nearly \$300,000 over the next three years to make improvements such as bringing wireless internet to school buildings and the installation of energy efficient lighting.

To qualify for the grant, the district had to show improvements in the overall efficiency of management operations that resulted in sustainable savings in

future years. The district detailed actions such as eliminating an administrator, secretaries and other support personnel with duties now shared by others.

The state competitive grant provides \$600,000 over three years to fund additional opportunities for Middle School students. The funding is being used for the WRAPS program, which provides opportunities such as this year's Science, Technology, Engineering and Math (STEM) Day.

The district also works with local groups such as the Booster Club to help support student opportunities. Once again this year, the Booster Club has agreed to donate \$25,000 so the district can continue its modified sports program.

## Engaging Our Community in Advocacy

This past school year, the district worked with our community to advocate for their schools by engaging state leaders about the challenges we face.

Parents, students and community members wrote letters, made phone calls and visited their elected officials in Albany to ensure legislators knew how important Schodack schools are to our community.

As a result of the local and regional advocacy efforts, the state legislature provided additional education aid in the final state budget.

"There is no question that our community made an impact," said Superintendent Bob Horan. "I would like to sincerely thank everyone who advocated for their schools. The additional state aid we received went directly back to programs for students."

The district plans to continue the advocacy efforts not only to encourage the elimination of school aid cuts and mandate relief but to build stronger relationships with our elected officials year round.



*The boys varsity lacrosse team spent part of their spring recess volunteering at Castleton Volunteer Ambulance helping with spring cleaning and other projects.*

### Student Achievement

The best measure of the education Schodack CSD offers is the success of our students.

Here are some examples:

- 93% of the Class of 2012 went on to a college or vocational school.
- The Class of 2012 went on to attend colleges such as George Mason University, Vassar College, Rensselaer Polytechnic Institute, Rochester Institute of Technology, Clarkson University, and SUNY Binghamton, Buffalo and Geneseo.
- The Class of 2012 was awarded \$3,655,210 in scholarships and awards.
- Jakob Yager '12 received a full NROTC Scholarship and is attending Rensselaer Polytechnic Institute.
- Ian Myers '12 received a full scholarship to attend The Cooper Union for the Advancement of Science and Art, considered one of the most prestigious colleges in the United States.
- For the third time in six years, a Schodack CSD student won New York DEC's Arbor Day Poster Contest. Fifth-grader Tari Civerolo won the 2013 contest, which included entries from 2,300 students across the state.
- Nine of 10 Maple Hill fall and winter sports teams excelled in academics by earning at least a 90% team average for the first and second quarters, respectively. This continues a trend with all 10 teams earning the honor the past two years.

# Improving Education Through Partnerships

Educators are planning initiatives to further improve education at Schodack schools while exploring alternatives revenues to fund education.

Over the past two years, Superintendent Bob Horan and Board of Education members have met with local business, college and state leaders to build partnerships and learn how to better prepare students for college and careers.

"We've already made some great partners with businesses and colleges who are eager to work with us," explained Mr. Horan. "We've also visited schools that are trying different educational models. We're already doing some of the creative approaches these schools are having success with."

For example, Mr. Horan and Principal Ron Agostinoni visited a High School in Ohio where students can graduate with a high school diploma and associate's degree.

Maple Hill High School already offers 21 college credits through HVCC's College in the High School program and many teachers are adjunct professors.

"We are not far off in making this an opportunity for our students," Mr. Horan said.

Educators are also looking at a concept called STEAMM or Science, Technology, Engineering, Arts, Music and Math. "We've heard some parent concerns about what if their children aren't interested in STEM," said Mr. Horan. "I want to reassure parents that we understand the importance of music and arts and it will continue to be a core part of our curriculum."

The district is also working with state officials to change legislative policy to allow more business and education partnerships. In the coming months, the district will share more information about these initiatives with our community.



*Thanks to teacher Leonard Bacon, MHHS received \$14,200 in new laboratory grade equipment for science classes this year at no cost to the district thanks to a Toshiba America Foundation grant.*

## What the Budget Means for Programs

To help our community understand the impact of the 2013-14 proposed budget, here are some additional details.

**Class Sizes** – Class sizes for Elementary and Middle School students will remain the same as last year or slightly smaller. Some classes at the High School may increase slightly but will remain under 25 students for most instruction.

**Athletics/Co-Curricular Activities** – Once again this year, the Maple Hill Booster Club has agreed to provide \$25,000 to the district to continue a modified sports program. There will be no reduction in athletic opportunities or co-curricular activities for students from the previous school year reductions.

**Arts/Music** – There will be no cuts in arts or music at any of the three schools.

**0.4 FTE reduction in Language Other Than English** – This is a continuation of the phasing out of the French program that began several years ago.

**0.2 FTE reduction in Math** – Two small High School math classes that provide additional support will be combined. The class is expected to have approximately 18 students.

**0.2 FTE reduction in Special Education** – With enrollment declining, the reduction from a 1.0 FTE to 0.8 FTE for Special Education districtwide should not have a significant impact in the classroom.

**0.5 FTE reduction in Library Media Specialist** – One of the district's library media specialists will be reduced to half-time. Library media specialists will be shared between the Middle School and High School.

**0.4 FTE reduction in Social Worker** – One of the district's social workers will be reduced by 0.4 FTE. Each school will still have social workers available to help students.

**Teaching Assistants** – With the district currently offering more teaching assistant help than is mandated, the district will reevaluate its needs and place teaching assistants where they are most effective. The district is still evaluating the best way to utilize teaching assistants but expects to adjust staffing to a combination of part-time and full-time staff.

# Board of Education Candidates

This year there are two people running for three open Board of Education seats. Each seat is a three-year, non-paid term. The third open seat will be filled through a write-in candidate or by Board appointment.

### Bruce Romanchak

I grew up in Schodack and I and my daughters graduated from Maple Hill. Like you I am concerned about our ability to continue to provide high quality education to our children without bankrupting our citizens. Schodack faces a very difficult period with declining state aid, loss of commercial tax support and increasing educational challenges. Given all this and a new superintendent I thought that I should offer my 10 years of experience on the Board of Education to work with Mr. Horan and the other board members to find fair and equitable solutions to the problems facing the district.

### Jeanne Strazza

I have lived in Castleton for 10 years. My three daughters are now adults, and have blessed me with six grandchildren, three of which are within the district. Tough decisions lay ahead. I would like to help to ensure that they get a quality education. I come to you with a unique point of view. I have been a registered nurse for 37 years, and I have a Bachelor's in Psychology. For the past 17 years, I have worked as a school nurse. I am now retiring from the Albany School District, and I'm looking forward to the next chapter.



The annual MHMS musical was a big hit with our community as students performed "Little Mermaid Jr."

## Liquid Propane School Bus on Ballot

A proposition on the May 21 ballot will ask voters to approve the purchase of a 66-passenger school bus at a cost not to exceed \$112,000.

The bus purchase is part of the district's long-term bus replacement plan. The district did not purchase a bus last year.

Because the state reimburses the district for 67.7% of the vehicle purchase, the local taxpayers' share of the total cost would be an average of \$9,367 per year for the next five years.

If approved, the district would purchase a bus using liquid propane as fuel. The cost would be the same as a normal bus because the district would receive grant money to offset the cost of the bus and a fueling station.

School districts such as Hoosic Valley have started using propane school buses because they offer many advantages, including:

- Lower fuel cost per mile
- Propane burns cleaner with fewer emissions
- Propane is non-toxic and not a ground contaminant like other fuels
- Fewer mechanical problems than diesel
- Grant funding for vehicles and fueling stations
- Abundant supply of propane in the U.S.

# Community Budget Advisory Team Members

We would like to thank the members of this year's Community Budget Advisory Team. The group met four times over the course of several months, learning about the school's finances and offering advice for the Board of Education to help develop this year's budget. We thank them for all their time and valuable input.

Laura Cook  
Lisa Despart  
Kaylen Fleck

Dawn Gerrain  
Michael Hiser  
Patty McKnight

Robin Perry  
Paul Puccio  
Dawn Renslow

Vicki Roberts  
Tim Ryan  
Pam Timmons

Fred Wolff  
Mary Yurista

## Expenditures

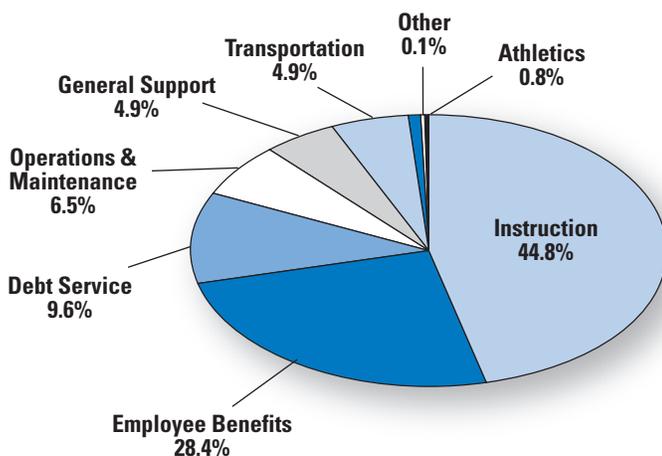
Category	2012-2013	Proposed 2013-2014	Change from 2012-2013	% of Budget
Instruction	\$9,195,189	\$9,304,534	\$109,345	44.8%
Employee Benefits	\$5,364,387	\$5,907,796	\$543,409	28.4%
Debt Service	\$2,136,008	\$2,004,261	-\$131,747	9.6%
Operations & Maintenance	\$1,313,177	\$1,339,074	\$25,897	6.5%
Transportation	\$1,027,376	\$1,019,914	-\$7,462	4.9%
General Support	\$1,022,690	\$1,007,356	-\$15,334	4.9%
Interscholastic Athletics *	\$163,790	\$171,037	\$7,247	0.8%
Interfund Transfers	\$17,346	\$19,075	\$1,729	0.1%
<b>Total Expenditures</b>	<b>\$20,239,963</b>	<b>\$20,773,047</b>	<b>\$533,084</b>	<b>100.0</b>

\*Includes expenses for Lacrosse Program which are fully offset by donations in revenues

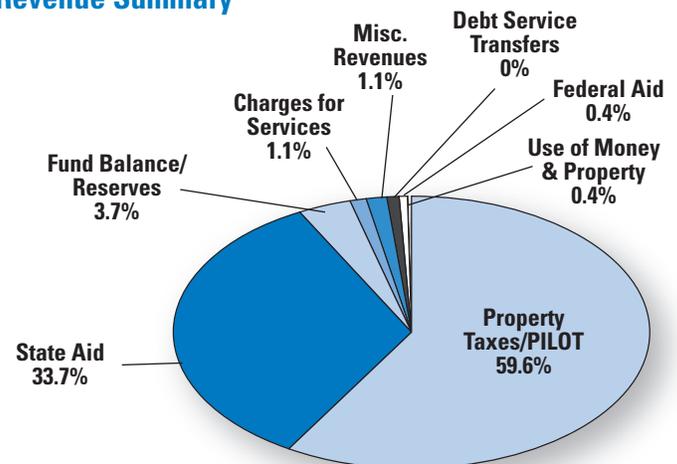
## Revenues

Category	2012-2013	Proposed 2013-2014	Change from 2012-2013	% of Revenues
Property Taxes/PILOT	\$11,876,692	\$12,382,534	\$505,842	59.6%
State Aid	\$6,832,771	\$6,998,313	\$165,542	33.7%
Fund Balance/Reserves	\$750,000	\$775,000	\$25,000	3.7%
Charges for Services	\$234,500	\$234,000	-\$500	1.1%
Miscellaneous Revenues	\$280,000	\$217,700	-\$62,300	1.1%
Debt Service	\$150,000	\$0	-\$150,000	0.0%
Federal Aid	\$80,000	\$80,000	\$0	0.4%
Use of Money & Property	\$36,000	\$85,500	\$49,500	0.4%
<b>Total</b>	<b>\$20,239,963</b>	<b>\$20,773,047</b>	<b>\$533,084</b>	<b>100.0%</b>

### Expenditure Summary



### Revenue Summary



# School District Budget Notice

School districts are required by state law to mail this information to all households within the district.

If you would like additional information about the proposed budget, please call the District Office at **732-2297**.

## Definitions

The state requires school districts to present their annual budgets in three parts: administrative, program and capital.

**1 Administrative costs** include the salaries and benefits of all certified staff who spend 50% or more of their time in administration, plus the salaries and benefits of clerical staff. Also, school board costs, curriculum development, tax collection, legal and auditing costs, central printing, central data processing, BOCES administrative costs, research, planning and evaluation.

**2 Program costs** include the salaries and benefits of all teachers and staff delivering pupil services (health, guidance, library, and athletics). Also, textbooks, instructional materials, equipment, extracurricular student activities, BOCES program costs, and all costs of the transportation program except bus purchases.

**3 Capital costs** include the salaries and benefits of maintenance and custodial staff, plus debt service, bus purchases, utilities, general insurance, tax certiorari and other court-ordered costs.

Overall Budget Proposal	Adopted Budget for 2012-2013	Proposed Budget for 2013-2014	Contingency Budget for 2013-14 School Year
Total Budgeted Amount	\$20,239,963	\$20,773,047	\$20,267,205
Increase/Decrease Over Previous Year		\$533,084	\$27,242
Percentage Increase (Decrease) in Each Proposed Budget		2.63%	.13%
Change in the Consumer Price Index		2.1%	
Total Proposed School Year Tax Levy, including levy to support library dept.	\$11,771,071	\$12,299,777	\$11,771,071
Total Permissible Exclusions	\$463,300	\$758,926	
A. Proposed School Year Tax Levy (without Permissible Exclusion to the School Tax Levy Limit)	\$11,307,771	\$11,540,851	
B. School Tax Levy Limit (without Levy for Permissible Exclusions)	\$11,357,791	\$11,540,851	
Difference: A-B (Positive Value Requires 60% Voter Approval)	\$(50,020)	\$0	
Administrative Component	\$2,566,821	\$2,461,298	\$2,358,762
Program Component	\$13,942,834	\$14,539,466	\$14,184,443
Capital Component	\$3,730,308	\$3,772,283	\$3,724,000

\*Provide a statement of assumptions made in projecting a contingency budget for the 2013-14 school year, should the proposed budget be defeated pursuant to Section 2023 of the Education Law.

Allowable exclusions for capital and debt service payments have been deducted in calculating the limit on Total Spending. In making reductions for a contingency budget, equipment and other non-contingent items would be removed from the proposed budget and the Administrative Cap would be applied in accordance with New York State Education Law requirements.

List Separate Propositions that are not included in the Total Budgeted Amount:  
(Tax Levy associated with propositions not eligible for exclusion may affect property tax levy limit and voter approval requirements)

Description	Amount
1 – 66 Passenger Bus	\$112,000

Budget Proposed for the 2013-14 School Year	
<b>Estimated Basic STAR Exemption Savings<sup>1</sup></b>	<b>\$627.42</b>

The annual budget vote for the fiscal year 2013-2014 by the qualified voters of the Schodack Central School District, Rensselaer and Columbia Counties, New York, will be held at Maple Hill High School in said district on Tuesday, May 21, 2013 between the hours of 6:00 a.m. and 9:00 p.m., prevailing time in the Maple Hill High School gymnasium, at which time the polls will be opened to vote by voting ballot or machine.

<sup>1</sup>The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.

## Postal Customer

Produced by Questar III Communications Service

### IN BRIEF:

## BUDGET CHALLENGES & RESPONSE

### The Financial Challenge:

- District lost \$979,321 in state aid through Gap Elimination Adjustment
- Pension costs, which the district has little control over, increased by \$357,056
- Declining enrollment
- Increased school operating costs

### The District's Response:

- Worked with community to advocate for their schools, resulting in restoration of some state aid
- Applied and received state competitive and efficiency grants
- Educators exploring new college and career ready programs to attract families and possibly tuition students to Schodack CSD
- Leasing classroom space at Middle School to Questar III BOCES
- Working with other school districts to share services and reduce costs
- 1.9 full-time equivalency positions reduced
- Use of \$775,000 in fund balance and reserves
- 4.49% increase in tax levy



## Follow us on Facebook

Receive information about budget news, student success stories and emergency announcements on the district's Facebook page at [www.Facebook.com/SchodackCSD](http://www.Facebook.com/SchodackCSD). Already, more than 440 community members have "liked" our page. Please note this service is at no cost to the district.

## Voter Information

### What am I voting on?

A \$20,773,047 budget for the 2013-14 school year, a proposition to purchase a 66-passenger school bus, and three candidates for the BOE.

### When and where is the vote?

Tuesday, May 21 from 6:00 a.m. to 9:00 p.m. in the Maple Hill High School gymnasium.

### Who is eligible to vote?

Anyone who is a U.S. citizen, 18 years or older, and a resident of the Schodack Central School District for at least 30 days prior to the vote.

### How can I vote by absentee ballot?

Qualified district residents who are unable to go to the polls on May 21 can cast their votes by absentee ballot. For an application, visit the district website or call the district office at 732-2297. All completed ballots must be received by the district clerk no later than 5:00 p.m. on May 21.

### What if I have questions?

For further information, please call the District Office at 732-2297 or visit our school website, [www.schodack.k12.ny.us](http://www.schodack.k12.ny.us), and click on our "Budget Information" link.