

INSIDE THIS ISSUE

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

SCHODACK

CENTRAL SCHOOL DISTRICT



MAY 2012

BUDGET VOTE

Tuesday, May 15

6 a.m. — 9 p.m.

High School Gym

2012-2013 SCHOOL BUDGET:

Continued State Aid Cuts Impact District

After three straight years of lower budgets, Schodack Central School District's proposed 2012-13 school budget totals \$20,239,963, an \$114,916 increase over the current year.

Despite the 0.57% increase in spending, the budget includes reductions in almost all spending areas, which were necessary due to a third straight year of state aid cuts.

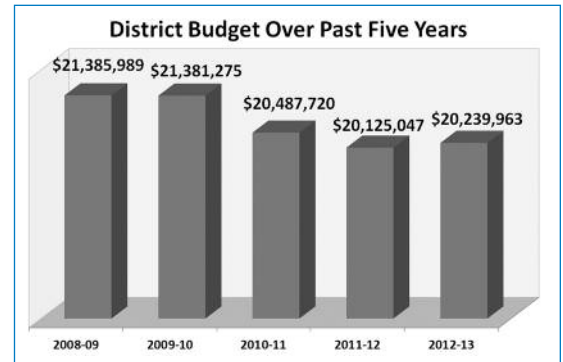
The district has been told it will receive \$61,615 less in state aid next year. That is \$2 million less than the district received just two years ago. To offset the revenue loss, the budget also requires a 2.47% increase in the tax levy.

District residents can vote on the budget on Tuesday, May 15 from 6:00 a.m. to 9:00 p.m. in the high school gymnasium. Voters will also elect three school board members (see page 5).

Superintendent Robert Horan explained that the district started its budget year with a \$1.5 million budget gap which required significant reductions.

"No one wants to continue to make these types of reductions year after year, but we have to work with the revenues we have," said Mr. Horan. "We're doing everything we can to minimize the impact to student programs."

Unfortunately, with personnel costs making up nearly 75% of the district's expenses, the proposed 2012-13 budget would reduce 6.5 FTE (full-time equivalency) positions, including 3 teaching assistants, 2.25 FTE teachers and 1.25



FTE non-instructional support staff (see page 4 for details on reductions).

To help identify areas for reductions and ways to maintain student opportunities at reduced costs, community members again helped the district with their ideas and questions during nine public meetings on the budget.

Mr. Horan thanked community members for their ideas and encouraged anyone with suggestions to please contact the district. He noted the community's involvement has been instrumental not only at budget meetings but in helping out the schools each and every day.

"Last year, we talked about looking at alternative ways of providing opportunities for students. We can't keep doing things the same way," said Mr. Horan. "I'm extremely proud of how our community has stepped up to the challenge. We're seeing volunteers in the classroom, in the libraries and helping improve our facilities like our softball field. I want our community to know their efforts don't go unnoticed."



Ian Myers is just one of the many Schodack students who were honored for their artwork this year. Ian's self-portrait was selected for an exhibit at the College of Saint Rose's art gallery.

WHY IS A 2.47% 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 school districts to use an eight-step formula to determine how much they can increase their tax levy by. As a result, most school districts can raise their tax levies by more than 2% and still be within the tax cap.

The reason is the state's formula allows exemptions for certain school expenditures that are outside a district's control –

such as contributions to the state retirement system – as well as allowances for growth in a community's tax base.

In Schodack CSD, the state allows the district to increase its tax levy by 2.47% 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 Aid Cut Third Straight Year

For the third straight year, Schodack CSD's share of state aid will be cut for the 2012-13 school year.

The state budget projects \$6,802,771 in aid, a loss of \$61,615 from the current year or nearly \$2 million less than what the district received two years ago.

Two years ago, state aid made up 41% of the district's revenues. In 2012-13, state aid will make up 34% of district revenues.

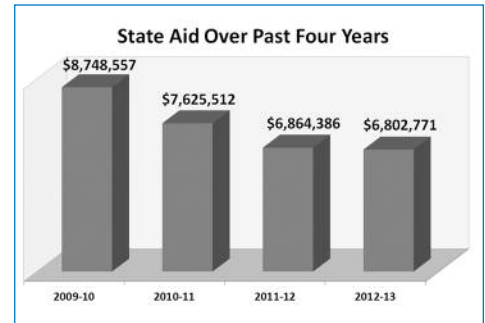
While New York's elected officials touted a 4% increase in overall spending on education when they adopted a state budget, the actual funding each school districts receives varies. This is due to how New York distributes state aid to districts across the state.

Three years ago, former Governor David Paterson proposed a one-time funding mechanism called a Gap Elimination Adjustment to reduce billions of dollars in education aid to help reduce the state's budget deficit.

While it was proposed as a one-time fix, the state has used the Gap Elimination Adjustment in each of the past three years to reduce the amount of aid school districts would otherwise receive.

Below is how much state aid has been cut for Schodack CSD through the Gap Elimination Adjustment, as listed in the State Education Department's own budget projections.

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



Assessment Reduction Shifts Tax Burden

The total assessed value of properties in Schodack CSD is expected to decrease in 2012-13, the third time in the past five years it has decreased from the previous year.

As a result, the property tax burden will shift more to homeowners when tax rates are finalized by the town in August.

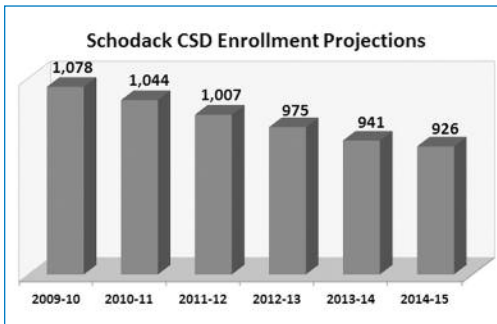
The reason for the tax base reduction is due to Hannaford and the town of Schodack agreeing in December to reduce the value of the company's distribution center on Route 9 from \$38.7 million to \$28.3 million to settle a lawsuit filed by Hannaford.

"Essentially, Hannaford now has a smaller piece of the pie and other taxpayers will have to share a larger portion of the tax burden," explained Monica Kim, Director of Business and Support Services.

In 2010-11, a similar tax base reduction occurred when a tax certiorari lawsuit filed by EPCOR Power on River Street was settled. The company's assessed value dropped from \$40 million to \$10 million.

While the district hopes that the tax base starts to gradually increase in the future, the total assessed value of properties in 2012-13, \$581,620,260, is expected to be less than it was just four years.

Enrollment Continues to Decline



Next year, the district's enrollment is projected for the first time in recent memory to be lower than 1,000 students.

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

In 2012-13 the district projects to have 975 students. Maple Hill High School will have a graduating class of approximately 105 students this year but 94 next year and down to the 80s in the following years.



Thanks to the efforts of MHHS junior Sierra Pizzola, Schodack CSD's softball field received much needed renovations this year. For her Girl Scouts Gold Award Project, Sierra raised \$28,000 for improvements and worked with dozens of community volunteers.

Q: What is Schodack CSD's response to challenges?

Minimizing Impact of Spending Reductions

Faced with three straight years of less state aid, Schodack CSD has reduced its budget in three of the past four years. The 2012-13 budget is the second lowest budget in the past five years.

To minimize the impact to programs, the district identified areas for reductions through the help of its Community Budget Advisory Team and working together district-wide. (see page 4 for details of reductions).

"One of the things that makes Schodack so special is how the district and community works together for our students," said Superintendent Robert Horan. "The easy way to reduce spending would be to simply cut positions. But we don't want to take the easy way. We want to preserve as much as possible of what we have."

Mr. Horan cited examples such as each school building

and district office agreeing to deep cuts in supplies to save the district \$68,350 and faculty agreeing to give back professional development days and funding to save \$62,500.

In some instances of spending reductions, Mr. Horan noted faculty and staff have proposed other solutions to maintain student opportunities. One example is grade 5 band where the music department is exploring possible ways to continue it in an alternative way.

While staffing reductions were unfortunately necessary again this year, school officials attempted as much as possible to make partial reductions that added up to significant savings while minimizing the impact to programs.

"We can't just keep raising our tax levy," said Mr. Horan. "We're working together to find other ways to provide student opportunities."

Finding Savings and Alternative Revenues

To help lessen the impact on property taxes, Schodack CSD continues to seek other sources of revenue and ways to reduce costs. Here are some recent examples:

- Through a partnership with Hudson Valley Community College, MHHS students can take a course in the human genome at the high school. The class is offered at no cost to the district. HVCC also provides supplies and equipment for the class which the district can use.
- Schodack CSD's softball and baseball field were greatly improved this year at no cost to the district thanks to the efforts of dozens of community volunteers. MHHS junior Sierra Pizzola led efforts for the softball field, raising \$28,000 as part of her Girls Scouts Gold Award Project.
- Of the 22 school districts in Questar III BOCES, Schodack CSD was the only district to apply for Governor Cuomo's competitive grant funding that was included as part of state education aid. While there is no certainty the district will receive the funding, school officials felt it was important to pursue all possible funding opportunities.
- Instead of purchasing a \$25,000 new tractor to replace the district's 30-year-old tractor, the district is working with the town of Schodack about possibly sharing their tractor to maintain the district's fields.
- By working with a local company, the district has solar panels installed on all three school buildings at no cost to the district. Schodack CSD expects to save about \$12,000 a year in electricity costs as a result.
- Both Castleton Elementary School and Maple Hill Middle School have been named Energy Star schools by the U.S. Environment Protection Agency for their energy efficiency.

Student Achievement

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

Here are some examples:

- **89% of the Class of 2011 went on to a college or vocational school.**
- **The Class of 2011 was accepted into colleges such as Virginia Tech, SUNY Geneseo, Hobart & William Smith, University of Rochester, Hamilton College, Eastman School of Music and the College of the Holy Cross.**
- **The Class of 2011 was awarded \$3,284,700 in scholarships and awards.**
- **Next year, three MHHS students will start their freshman year of college while they are high school students by earning early admission acceptance to Hudson Valley Community College this year.**
- **MHHS senior Ian Myers has been accepted to The Cooper Union for the Advancement of Science and Art, considered to be one of the most prestigious colleges in the United States. Undergraduates are admitted solely on merit and awards full scholarships valued at approximately \$150,000.**
- **Maple Hill students were selected to perform in a number of prestigious musical concerts including junior Alec Hicks's selection for the Capital District Youth Chorale.**
- **For the second straight year, all 10 Maple Hill fall and winter sports teams excelled in academics by earning at least a 90% teams average for the first and second quarters, respectively. As a result, all 10 teams were named Scholar/Athlete Teams by the New York State Public High School Athletic Association.**

Impact of Proposed Spending Reductions

To help our community understand the impact of reductions included in the proposed 2012-13 budget, here are details of many of the reductions.

0.4 FTE reduction in Art – These are the first reductions to the district’s art program in the past several years of budget cuts. At CES, the extra art class students now receive every 10th day during their intervention period would be eliminated. At MHHS, Studio Art would be reduced from three to two sections and one-half of an elective art class would be reduced. Certified art teachers would be retained at all levels.

0.4 FTE reduction in Music at CES – The district would still offer a K-5 music program with certified music teachers retained at all levels. The extra music class CES students now receive every 10th day during their intervention period would be eliminated. Fifth grade band may also be eliminated; however, our music department is exploring alternative ways to hopefully still provide this.

0.2 FTE reduction in English – Due to decreased enrollment at the High School, one less section of English 11 would be offered with a slight increase in class size.

0.2 FTE reduction in French – This is a continuation of the phasing out of the French program that began three years ago. Next year, French III and IV will be offered as there are no students currently taking French I.

0.2 FTE reduction in High School Social Studies – Due to decreased enrollment at the High School, one less section of Global 10 or U.S. History would be offered with a slight increase in class size.

0.5 FTE reduction in Library Media Specialist – With the lowest enrollment of the three school buildings, MHMS would move to a part-time Library Media Specialist. The MHHS Library Media Specialist would also help by sharing her time between the buildings. The MHMS library would still be available for teachers to bring students to.

0.2 FTE reduction in Math – Due to decreased enrollment at the High School, one less section of Algebra/Trigonometry would be offered with a slight increase in class size.

3 FTE reduction in Teaching Assistants – Three teaching assistant positions would be eliminated. Five teaching assistants would also be reduced from six hours to four hours a day; the district would target their work in classrooms districtwide to maximize their time.

Reduce afterschool bus runs to Tuesdays – Thursdays – Monday and Friday bus runs would be eliminated because they typically have the fewest students. Afterschool programs would be scheduled for Tuesdays – Thursdays.

Reduce athletics budget – The existing modified sports program for MHMS students is still being looked at and could be offered with additional funding from outside sources. Otherwise, the district would change the program into an enhanced, structured intramural athletic program. Students would still have the same opportunities to participate in sports afterschool from 3:00 to 4:30 p.m. five days a week but at a reduced cost due to no transportation costs or officials’ fees.

Reduce co-curricular activities funding - The district would eliminate stipends associated with some co-curricular activities and instead try to provide the same activities with volunteers.

Eliminate all library book and periodical purchases for one year – The district would seek community donations for book and periodical purchases for the library to make up for the reduction. Current subscriptions expire in March 2013.

Eliminate Highly Able Learner program – This would eliminate stipends and fees for programs such as Odyssey of the Mind, Olympics of the Visual Arts and Science Olympiad. However, the district is looking at alternative ways to fund these programs. For example, the district already has discussed the possibility of continuing Odyssey of the Mind without a stipend.

OTHER REDUCTIONS IN PROPOSED 2012-13 BUDGET

Below is a list of other reductions the district made in the proposed 2012-13 budget. For more information, please visit the district website, www.schodack.k12.ny.us, and click on the “Budget Information” webpage.

- 0.4 FTE reduction in Business Office Staff
- Eliminate BOCES Fixed Asset Inventory
- Eliminate districtwide references and periodicals
- Eliminate mentor stipends
- Eliminate OLAS through BOCES
- Eliminate staff development funds
- Eliminate summer planning for CES
- Reduce BOCES services
- Reduce Clerical Staff time
- Reduce District Office Staff time
- Reduce Groundskeeper time
- Reduce Mechanic hours
- Reduce office supplies districtwide
- Reduce Risk Management Services
- Reduce scorekeepers, timekeepers and chaperones
- Reduce supplies districtwide
- Reduce NovaNet
- Reduce tutoring

Board of Education Candidates

This year there are three people running for three open Board of Education seats. Each seat is a three-year, non-paid term.

Michael Charsky

I have been an active member of Schodack's academic, athletic and religious community for 20+ years. I have financial, Information Technology, educational and project management expertise that is beneficial as the future of Schodack Central Schools is discussed. My financial background stems from my experience creating and managing budgets at Sacred Heart Church, Maple Hill Athletic Booster Club and 30+ years of financial IT application expertise. I held certification as a Math Teacher, taught 2nd, 3rd, 7th, and 8th grade mathematics, participated in Schodack CSD's Kindergarten curriculum study project, participated in

the Instrumental classes and coached soccer and basketball for 20 years.

Michael Hiser

My wife, Janet, and I moved to the district in 1990. Our son graduated from Maple Hill in 2007, and our daughter in 2011. My volunteer work with the school has included my current 3 year term on the Schodack Board of Education, and work with Facilities Committees and school Planning Teams. In the community, I have been involved with Boy Scouts, youth coaching, and St. Paul's United Methodist Church, among others. I work as a prosecutor for the NY Department of Health.

George Warner

A Maple Hill graduate, I met my wife, Monica, at Maple Hill. Our four sons are Maple Hill graduates. Educating our sons at Maple Hill was one of the best decisions we ever made. As a community, we have built one of the top districts in the Capital District. The challenges before us are daunting. Key among these are: unrelenting/unfunded state mandates coupled with a state imposed tax cap coupled; a local tax base that has not grown in decades; and imposed obsolete/outdated state education laws and regulations. Addressing these challenges while ensuring that we continue to prepare our students for their future, I ask for your support.



The MHMS musical production of "Annie Jr." was a huge hit this year, with parents, family members and community members filling the MHMS cafeteria for the performance. Students rehearsed after school for months to put on the musical.

Fuel Efficient Minivan Purchase on Ballot

A proposition on the May 15 ballot will ask voters to approve the purchase of a fuel-efficient minivan at a cost not to exceed \$45,000.

Because the state reimburses the district for 65 percent of the vehicle purchase, the local taxpayers' share of the total cost would be an average of \$3,150 per year for the next five years.

The fuel-efficient mini-van would be used for state-mandated out-of-district transportation as well as mail runs between buildings. It would be a more costly alternative to the district's current vehicle used for these purposes.

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.

Gretchen Ashby
Erin Bulan
Laura Cook

Lisa Despart
Dawn Gerrain
Nora Haran

Michael Hiser
Carolyn Konig
Patty McKnight

John Myers
Robin Perry
Dawn Renslow

Victoria Roberts
Lisa Stiles-Roy
Pam Timmons

Brian VanVliet
Fred Wolff
Mary Yurista

Expenditures

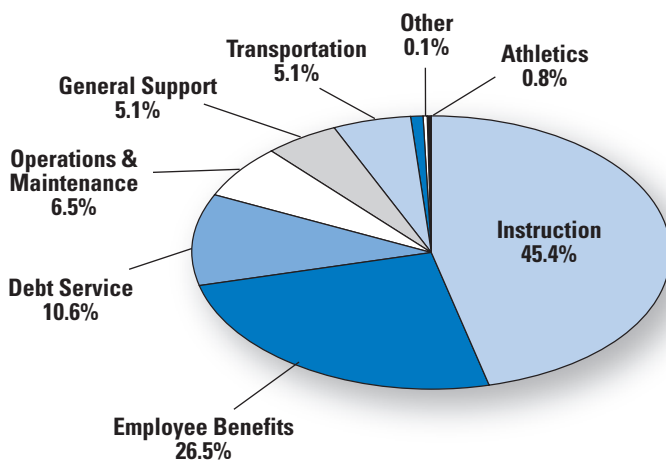
Category	2011-2012	Proposed 2012-2013	Change from 2011-2012	% of Budget
Instruction	\$9,337,130	\$9,190,582	-\$146,548	45.4%
Employee Benefits	\$5,020,763	\$5,364,387	\$343,624	26.5%
Debt Service	\$2,165,246	\$2,136,008	-\$29,238	10.6%
Operations & Maintenance	\$1,313,938	\$1,313,177	-\$761	6.5%
Transportation	\$1,013,829	\$1,027,376	\$13,547	5.1%
General Support	\$1,063,401	\$1,022,190	-\$41,211	5.1%
Interscholastic Athletics *	\$190,459	\$168,897	-\$21,562	0.8%
Interfund Transfers	\$18,062	\$17,346	-\$716	0.1%
Community Services	\$2,219	\$0	-\$2,219	0.0%
Total Expenditures	\$20,125,047	\$20,239,963	\$114,916	100.0

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

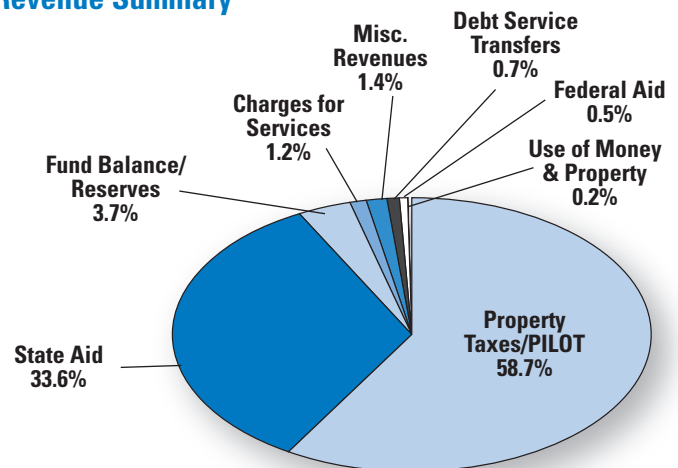
Revenues

Category	2011-2012	Proposed 2012-2013	Change from 2011-2012	% of Revenues
Property Taxes/PILOT	\$11,581,418	\$11,876,692	\$295,274	58.7%
State Aid	\$6,864,386	\$6,802,771	-\$61,615	33.6%
Fund Balance/Reserves	\$772,313	\$750,000	-\$22,313	3.7%
Charges for Services	\$210,809	\$234,500	\$23,691	1.2%
Miscellaneous Revenues	\$359,221	\$280,000	-\$79,221	1.4%
Debt Service	\$150,000	\$150,000	\$0	0.7%
Federal Aid	\$135,000	\$110,000	-\$25,000	0.5%
Use of Money & Property	\$40,400	\$36,000	-\$4,400	0.2%
Sale of Property/Insurance Recovery	\$11,500	\$0	-\$11,500	0.0%
Total	\$20,125,047	\$20,239,963	\$114,916	100.0%

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 2011-2012	Proposed Budget for 2012-2013	Contingency Budget for 2012-13 School Year
Total Budgeted Amount	\$20,125,047	\$20,239,963	\$19,954,051
Increase/Decrease Over Previous Year	-\$362,673	\$114,916	-\$170,996
Percentage Increase (Decrease) in Each Proposed Budget	-1.77%	0.57%	-0.85%
Change in the Consumer Price Index		3.2%	
School Tax Levy Limit		\$11,357,791	
Proposed School Year Tax Levy (Without Permissible Exclusion to the School Tax Levy Limit)		\$11,357,791	\$11,357,791
Total Permissible Exclusions		\$463,300	
Proposed School Year Tax Levy (Including Permissible Exclusions to the School Tax Levy Limit)	\$11,485,159	\$11,771,071	\$11,485,159
Administrative Component	\$2,607,884	\$2,566,821	\$2,536,713
Program Component	\$13,749,309	\$13,942,834	\$13,733,718
Capital Component	\$3,767,854	\$3,730,308	\$3,683,620

*Provide a statement of assumptions made in projecting a contingency budget for the 2012-13 school year, should the proposed budget be defeated pursuant to Section 2023 of the Education Law.

Should the proposed budget not receive voter approval, a contingent budget would require substantial administrative, teaching and support staff reductions totaling \$285,912. These changes could increase class sizes, and reduce athletics, music, extracurricular activities and other non-mandated programs. Additionally, a contingent budget will require the elimination of all non-essential equipment purchases from the proposed budget and the administrative cap would be applied in accordance with New York State Education Law requirements.

	Budget Proposed for the 2012-13 School Year
Estimated Basic STAR Exemption Savings ¹	\$607.15

The annual budget vote for the fiscal year 2012-2013 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 15, 2012 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.

¹The 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:

- State aid cut for third straight year
- \$2 million less in state aid than received two years ago
- Increased school operating costs
- Declining enrollment
- Tax base expected to decrease for third time in five years

The District's Response:

- Reduced \$1.5 million budget gap to \$114,916 spending increase
- Applied for state competitive grant funding; only district in Questar III's 22 component districts to apply
- Involving community to provide opportunities at no cost to district
- Working with other districts and municipalities to share services
- 6.5 full-time equivalency positions reduced
- Use of \$750,000 in fund balance and reserves
- 2.47% 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. Already, more than 230 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 \$20,239,963 budget for the 2012-13 school year, a proposition to purchase a fuel-efficient minivan, and three candidates for the Board of Education.

When and where is the vote?

Tuesday, May 15 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 15 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 15.

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, and click on our "Budget Information" link.