

# Ichabod Crane Central School District Valatie, New York



*DRAFT Budget  
March 2, 2010*

# Budget Status, 2010-2011

## Background Information

**District has worked hard to maintain fiscal stability by:**

- **Developing Long-term plans for facilities, IT-technology, transportation, music, technology program, science, physical education, etc.**
- **Using Reserves for Long Term Expenditures**
- **Using EXCEL monies to complete much needed projects related to health and safety, accessibility, energy savings**
- **Aggressive Energy Reduction Program (reduction of energy use, 20.1% , fuel oil, 15.5%, total savings \$678,405)**
- **Establishment of the Kinderhook Educational Foundation**
- **Use of Grants in Aid wisely**
- **Long-term budget planning and fund balance management to offset difficult years:**
  - **Example 09-10 School Year**

# Budget Status, 2010-2011

## Background Information

- **2009-2010 school year, foundation aid flat**
  - **2009-2010 total aid reduction-~~\$101,916~~**
  - **District was able to address aid reduction and cost increases without program reductions by:**
    - **Increasing appropriated fund balance by \$500,000**
    - **Reducing spending in non-essential areas (IT, Facilities etc)**
    - **Money from the American Recovery and Investment Act was used to fill a significant cut in state aid.**
- District was well positioned to handle aid freeze, minor decrease, not a major decrease**

2010/11  
GOVERNOR'S PROPOSAL HIGHLIGHTS

- **Governor's Budget Proposal**

- Statewide reduction of \$1.1 Billion (5%) in state support for public schools
  - Impact for ICC: Aid reduction of \$822,012 or 6.42% (\$432,670 reduction in Building Aid, \$389,342 reduction in all other categories)  
(Local Estimates)
- Foundation Aid frozen for an additional year, through 2011-12
  - Impact for ICC: No additional operating aid to support district programs for a second year (frozen in 2009-10 at \$9,649,940)

BOARD OF EDUCATION  
2010/11

GOVERNOR'S PROPOSAL HIGHLIGHTS

- **Governor's Budget Proposal**
  - No formulas changes to BOCES, Transportation, Building, Instructional Materials Aids, High Tax Aid, Public and Private Excess Cost Aids
  - Gap Elimination Adjustment
    - Bottom line reduction to formulas aids based on district wealth, student need, administrative efficiency and residential tax burden
    - Impact for ICC:  $-\$1,622,471 = -2,456,506 + 834,035$

BOARD OF EDUCATION  
2010/11

GOVERNOR'S PROPOSAL HIGHLIGHTS

- **Governor's Budget Proposal**
  - STAR Program
    - STAR floor would be lowered from 89% to 82%  
Prior year –reduction was from 90% to 89%

BOARD OF EDUCATION  
2010/11

GOVERNOR'S PROPOSAL HIGHLIGHTS

- **Governor's Budget Proposal**
  - Summer Special Education Placements
    - Change in the reimbursement formulas from 80% of approved cost to State Sharing Ratio for Foundation Aid
    - Impact for ICC: Lowers reimbursement from 80% to 59%

BOARD OF EDUCATION  
2010/11

GOVERNOR'S PROPOSAL HIGHLIGHTS

- **Governor's Budget Proposal**
  - Preschool Special Education
    - Beginning in 2010-11, any increase in county share of costs exceeding 2009-10 base year cost with a 2% inflationary adjustment, would be shifted to school districts
    - Impact for ICC: Additional expense for preschool special education students of about \$15,000

BOARD OF EDUCATION  
2010/11

- **Governor's Budget Proposal**
  - Other
    - Elimination of the SRO program
- New Legislation (currently in Senate and Assembly)
  - 55/25 to NYSUT members
  - Mandatory for Districts
  - Estimated Cost, \$15,000

ANALYSIS OF EXECUTIVE PROPOSAL ON AID TO ICC  
1/22/10 - GG

2009-10 EXECUTIVE BUDGET PROPOSAL

UNDER SECTION 3609 PLUS OTHER AIDS

	2008-09 EXEC	2008-09 ACTUAL	2009-2010 EXEC	2009-10 Aid % of ACTUAL	2010-2011 EXEC	Collectible Est.	
ESTIMATED AIDS:							
FOUNDATION AID	9,548,146	9,639,323	8,336,025	9,649,940	9,649,940	9,649,940	0.0%
FULL DAY K CONVERSION			-				
UNIVERSAL PRE-KINDERGARTEN	106,392		-				
BOCES + SPECIAL SERVICES	534,950	746,274	732,891	749,290	844,697	746,697	-0.3%
PUBLIC HIGH COST SPECIAL EDN	213,968	258,672	195,489	251,379	236,400	236,400	-6.0%
PRIVATE SPECIAL EDUCATION	365,236	339,662	384,435	410,114	414,866	414,866	1.2%
HARDWARE & TECHNOLOGY	7,520	33,847	30,869	31,015	29,492	29,492	-4.9%
SOFTWARE, LIBRARY, TEXTBOOK	176,532	179,178	177,389	175,633	98,732	170,000	-3.2%
TRANSPORTATION INCL SUMMER	1,788,737	1,680,836	1,874,564	1,529,886	1,929,988	1,554,988	1.6%
BUILDING + BLDG REORG INCENT	1,610,661	1,525,326	1,529,644	1,501,746	1,096,974	1,096,974	-27.0%
HIGH TAX AID	0	224,558	224,558	224,558	224,558	224,558	0.0%
SUPPLEMENTAL PUB SPECIAL EDN			2,199	2,199	2,199	2,199	0.0%
GAP ELIM ADJUSTMENT					(2,456,506)	(2,456,506)	
Federal Restoration					834,035	834,035	
<b>TOTAL</b>	<b>14,352,142</b>	<b>14,627,676</b>	<b>13,488,063</b>	<b>14,525,760</b>	<b>12,905,375</b>	<b>12,503,643</b>	<b>-13.9%</b>

# Budget Status, 2010-2011 Budget

**Contingency Budget Cap, 0%??**

**Have some monies in reserve, which we will access**

**Working to have 4% fund balance, will need for 2011-2012 budget (multi-year planning)**

**We have been planning for tough years (stability has been the goal, no amount of planning can prepare for this crisis)**

**Will see a reduction in debt service (and building aid)**

# Major Cost Increases

## 2010-2011/Without Budget Reductions

<b>Descriptions</b>	<b>Estimated Cost Increases</b>
Salaries, District-Wide	<b>\$900,000</b>
Retirement, TRS/ESS	<b>\$580,000</b>
Health Insurance for Active Employees	<b>\$300,000</b>
Health Insurance for Retired Employees	<b>\$400,000</b>
Other Increases	<b>\$800,000</b>
Total <b>Estimated</b> Increase	<b>\$2,980,000</b>

# Major Cost Increases 2010-2011

Total Estimated Increase	<b>\$2,980,000</b>
Approximate Aid Decrease	<b><u>\$1,600,000</u></b>
Original Estimated Budget Gap	<b>\$4,580,000</b>

# 2010-2011 and Beyond!

## Other Considerations:

- District Likely to see another **\$1,100,000** Reduction in 2011-2012 (ARRA general fund, Title 1, IDEA)
- Additional Increases in TRS/ERS Payments in 2011-2012
- Multi-year planning is necessary to maintain the integrity of the program

## Major Sources of Revenue

<b>State Aid</b>	<b>\$12,503,643</b>
<b>Tax Levy</b>	<b>\$ 19,376,713</b>
<b>Total Revenues</b>	<b>\$31,880,356</b>

# Total Revenues

<b>All Revenues</b>	<b>\$36,193,192</b>
<b>Appropriated Fund Balance</b>	<b>\$ 1,500,000</b>
<b>Total Revenues</b>	<b>\$37,693,192</b>

**Total Appropriations**  
**DRAFT 2010-2011 Budget**

<b>Appropriations</b>	<b>\$37,693,192</b>
<b>Difference from 09-10</b>	<b>\$ (753,910)</b> <b>(-1.96%)</b>

# Implications for 2010-2011

**Increased Cost and Reduced aid = Program Reductions**

**Reductions were made in all areas**

# Guiding Principles for Program Reductions

• **Philosophy**, How can we build the best program, for the available revenues, \$37,693,192?

- Where is money best spent, how does it support the students?
- How can we do business different, reinvent ourselves?
- What is not mandated, NYS and Federal Law and regulations. Also, what are the unwritten mandates (IE student supervision, data warehouse, auditors expectations to safeguarded taxpayer funds etc.)
- How can change our instructional model?
- What makes sense, replace H.S. electives for study halls?
- No plan is perfect, can't reduce the budget by this amount, without significant implications

# **Budget Reductions-DRAFT Budget Central Operations**

**Board of Education, Central Office**

**Board Training**

**Substitutes clerical, central office**

**General Supplies**

**Clerical Overtime**

**Superintendent Conference/Mileage**

**Vacant Assistant Superintendent Position (re-think position)**

**Reduction of part time help, tax liaison and purchasing agent  
(duties to be reassigned to existing staff)**

**Reduction in training for CO staff**

**BOCES public relations service (IE calendar)**

# Budget Reductions

## **Eliminated Positions by Function**

**2 Admin/Supervision**

**29.1 Instructional**

**8 Non-Instructional**

**Total Reduction to Current Program: 39.1\***

**\*\*Not inclusive of transportation\*\***

# Budget Reductions Facilities and Operations

**Total Reduction** **(\$767,828.00)**

**Staffing Reductions**

**Reductions of Planned work per 5 year facilities plan**

**Transfer to Capital, eliminated**

# Budget Reductions Facilities

## **Staffing Reductions:**

**1 maintenance mechanic**

**3.8 Cleaners**

**.5 Courier**

# Budget Reductions

## Facilities and Operations, Implications

**Maintenance of buildings, need to re-think:**

- **Cleaning, Routine tasks, floor treatments etc.**
- **Disinfection of bathrooms, common areas (H1N1 etc.)**

**Building Use (some examples)**

- **Weekend and Field Use, outside groups (1,042 requests since July 2009 for facilities, 103 requests for facilities, exclusive of other grounds work and district events and athletic teams)**
- **Concession stand, 2 to 3 hours per night when used**

# Budget Reductions

## Facilities and Operations, Implications

**Limited resources to handle unknown needs**

**Will need a new plan for facilities use for outside groups**

# Budget Reductions Transportation

## **Transportation**

**Reduction of field trips**

**Reduction/Re-structure of Transportation Supervisor  
(retirement in Sept. 2010)**

**1.0 Reduction, Bus Mechanic**

**Reduction of at least one Special Ed/General Route**

**Reduction in afterschool bus runs by one day per week  
(from three days to two)**

# Budget Reductions Summer Programs

**Elimination of Academic Summer School Program**

**Elimination of Invitations Program**

**Note:** Driver Education will remain intact-Program self sustaining

# Budget Reductions Instructional Programs

**Total Reduction** (\$1,243,592)

**Reduction of 29.1 Instructional Positions from Current Program**

- 15.1 Teachers
- 13 Teaching Assistants

**29.1 Positions\*\***

# Budget Reductions Instructional Programs

## **Primary School**

**.5 Special Education Teacher**

**1 Teaching Assistant, Enrichment Coordinator Position  
(k-12)\*\***

**3 Special Education Teaching Assistants**

**1 General Education Teaching Assistant**

**1 Clerk Typist**

**Total Positions = .5 Teacher**

**5 Teaching Assistants**

**1 Clerk Typist**

**Total**

**6.5 Positions**

# Budget Reductions Instructional Programs

## **Elementary Schools**

**2 Special Education Teachers**

**2 Special Education Teaching Assistants**

**2 General Education Teaching Assistants**

**Total Positions = 2 Teacher**

**4 Teaching Assistants**

**Total**

**6.0 Positions**

# Budget Reductions Instructional Programs

## **Middle School**

**2 Special Education Teachers**

**2 Grade 6 Teachers**

**3 Teachers (7&8) science, ELA, Social Studies**

**1 Language than Other English (Spanish), Gr. 6 Exporatory F.L**

**.2 Health**

**.4 Instrumental Music**

**3 Special Education Teaching Assistants**

**Total Positions = 8.6 Teachers**

**3 Teaching Assistants**

**Total**

**11.6 Positions**

# Budget Reductions Instructional Programs

## High School

**1 High School Business Teacher**

**1 High School Math Teacher**

**1 Music/Theater Teacher \*\***

**1 High School Science Teacher**

**1 General Ed Teaching Assistant**

**Total Positions = 4 Teachers**

**1 Teaching Assistant**

**Total**

**5 Positions**

# Budget Reductions, Other Program Implications

## **Special Education**

- **Proposal to bring back out of district students:**

**1 Middle School 9:1+2**

**1 High School 8:1+1**

**Approximately 16 students will not be sent to out of district placements**

**Approximate savings, \$550,000**

**Note: Two Special Education Teachers and Three Teaching Assistants will be retained to provide instruction. The District will use the current counseling staff, and School Psychologists and other related area staff to provide related services.**

**Also, current related service to pick up CPSE evaluations (new revenue source)**

# Budget Reductions Other Program Implications

## **Athletics**

**Maintain Current Interscholastic Athletic Program (Varsity and J.V.) with the exception of Swimming**

**Eliminate Modified Athletic Program (grades 7&8) and Swimming:**

Modified Coaching & Officials \$38,674

Transportation \$16,975

Coaching and **Transportation** for Swimming: \$12,187

Reduce contracted athletic trainer to one day per week: \$5,900

**Total Proposed Reduction for Athletics: \$56,761.00**

# Budget Reductions Other Programs

## **Extra-Curricular**

### **Reduction of Marching Band**

- *Approximate total savings (**transportation** & advisor) \$15,545*

## **Food Service**

- **Removal of Transfer \$45,000 (\$0.40 per lunch)**
- **Additional Reduction in hours (effective 09-10)**
- **Continuation, shared service agreement with New Lebanon**

# Considerations

- **Significant aid restoration, not expected (Governor pledged \$1,000,000.000.00 from federal govt. to close state budget gap)**
- **State's fiscal situation is dire, additional aid cuts are possible**
- **Kept staffing reductions to the absolute minimum, originally had 4 to 5 more positions**
- **Affected employees, determined by specific law (education law and civil service law (reverse order by seniority))**
- **Next year, very conservative in spending to make this work**
- **Must remember, additional state aid **reductions** are eminent next year (multi-year problem)**
- **Budget contains revenue and appropriations for football (no taxpayer or state funds)**
- **Question was raised about the potential to close a building?**
- **Does the Board wish to restore all or part of the transfer to the food service, or, is there a way we can do business differently**

# Considerations

- **Many questions to be answered about teacher assignments, implications of budget reductions (will be worked out once final budget is adopted and passed)**
- **Is the 2.5% levy increase assumption acceptable.**
- **Must continue to Re-Think, and Re-Examine the entire operation (how can we do with out, or we don't know how to make this work etc.)**
- **Must continue to underperform budget by 1.5 million for appropriated fund balance, necessary to avoid a spike in the levy in 2011-2012**
- **Must stay within spending targets to maintain un-appropriated fund balance for 2011-2012.**
- **New “FTE sheets” now available**

# Timeline

## **Budget Development Meeting**

**Remaining Budget Development Meetings: March 23 and 30.**

April 1, Deadline for State budget

April 13<sup>th</sup>, Board scheduled to adopt budget

May 11, Budget Hearing

May 18, Budget Vote and Election

# Opportunity for Questions/Dialogue