



Gardner-Dickinson School

Wynantskill Union Free School District
Budget Workshop
March 3, 2010
Library Media Center, 7PM

We have two significant problems facing us as we develop our school budget for 2010-2011 and beyond:

1) We continue to have declining enrollment in our district and most notably at Gardner Dickinson.

- Over the past 5 years, 28% decrease in enrollment in K-6
- Over the past 5 years, 20% decrease in enrollment K-8
- Within the next 2 years, we project that we will have 32% less students attending Gardner Dickinson than we did in 05-06
- Within the next 2 years, we project that we will have 40% less students in our K-6 Grades than we did in 05-06

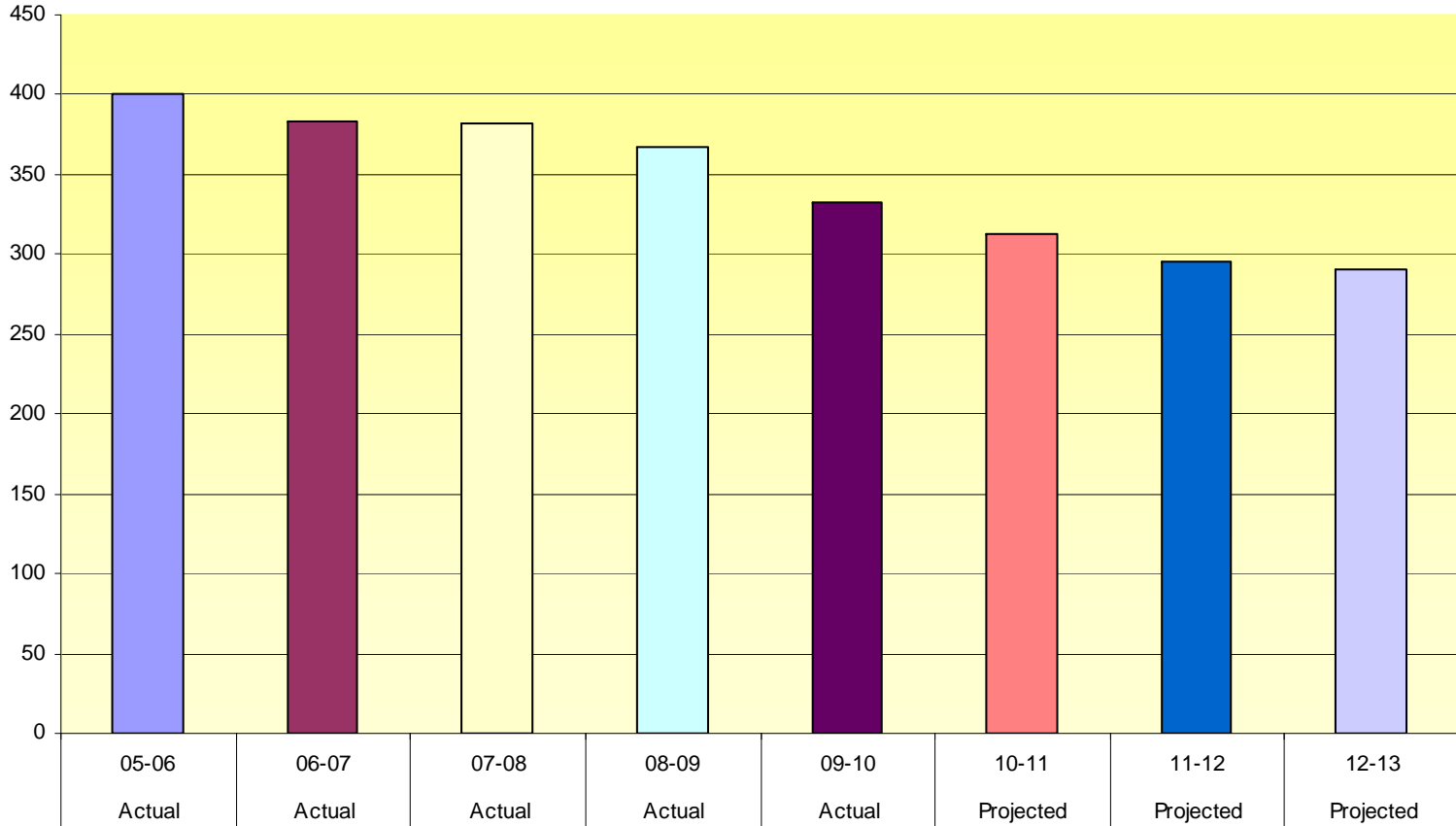
2) The State and Federal financial crisis continues

- The State deficit projections are dire:
 - 2010-11 8.2 billion
 - 2011-12 14.3 billion
 - 2012-13 18.3 billion
 - 2013-14 20.7 billion
- We are projected to receive a significant decrease in state aid in 2010-2011 (\$291,584)
- Future revenue sources are diminishing due to both our decreasing enrollment (equals less aid) and the current economic crisis.
- Federal stimulus money expected next year has been greatly reduced. (used to offset mid year aid cuts)

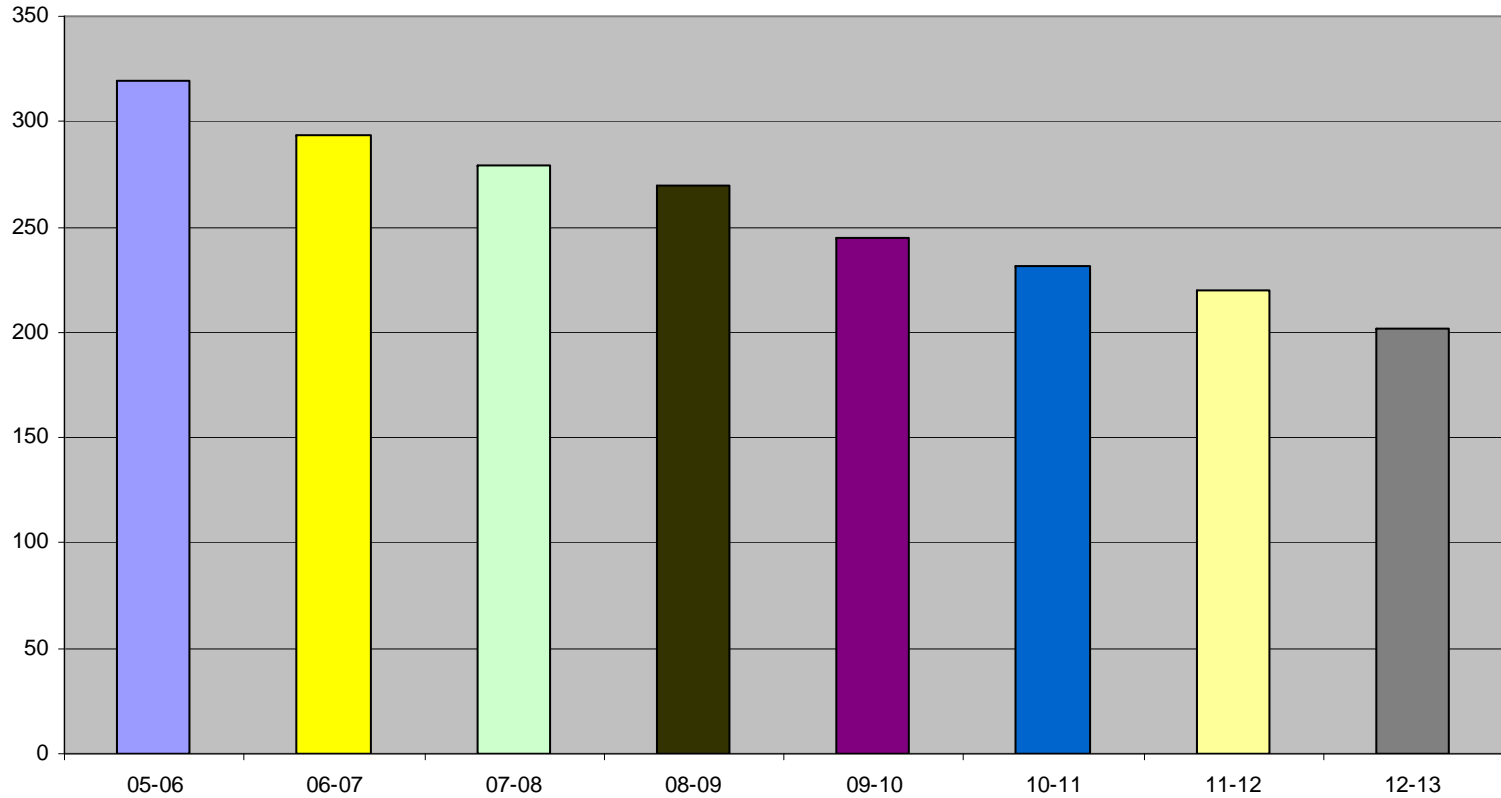
Wynantskill UFSD Enrollment Trends

	4years	5 Years	7 Years
	05-06 to 09-10	05-06 to 10-11	05-06 to 12-13
K-6 Enrollment	-23 %	-28 %	-40 %
K-8 Enrollment	-17%	-20%	-32%
Classified Student	-21%	-26%	-48%
9-12 Enrollment	+23%	+35%	+38%
K-12 Enrollment	-8%		-15%

Total GD K-8 Enrollment Trend



GD Enrollment K-6 Trend



Trend Overview of Budgets for Wynantskill

- Over the past 3-4 years, our “rollover” expenditures increase each year by about an average of \$300,000. (For 2010-2011, that number is \$277,000)
- Our revenue increases each year are about the same; mostly through state aid and property tax increases and the allocation of district fund balance last year. (For 2010-2011, we have a significant decrease in state aid-(\$292,000))
- Revenue projections are also diminishing due to less state aid connected to our declining enrollment and revenues from non-resident tuitions (-\$100,000)
- Our recent tax levy increases have been in the 1.5---3.9% range
- Long term budget projections indicate that, over the next years, the expenditure budget trend is likely to continue, due to several factors such as High School Tuitions, Unfunded Mandates, Salaries & Benefits and “hard to predict” costs for Special Education & Fuel. (See Budget Challenges slide)

Rollover Budget Assumptions

\$7,992,012	2009-2010 Expenditures	\$7,992,012	2009-2010 Revenues	
\$8,269,873	Rollover Expenditures for 2010-11	(\$100,000)	Loss of Revenues from Little Red Tuitions	
	* High School Tuitions - more accurate estimates	(\$291,584)	GAP Elimination Adjustment + Federal Restoration (ARRA)	
Increases	* Rollover contracts for employees		(\$441,473)	Represents 19.4% cut in aid
	* Rollover remaining codes with no changes		\$149,889	Reduces to 12.8% cut in aid
			(\$291,584)	
(\$277,861)	Amount needed to cut to get to 2009-2010 expenditures	(\$391,584)	Amount needed to get to revenues equaling 2009-2010 revenues (8.9%)	

Expense Side

To get to current budget, expenses need to be reduced by:

(\$277,861)

Revenue Side

To get to current revenue levels, need to "find" revenues of:

(\$391,584)

(\$669,445)

The estimated rollover budget plus the revenue shortfall means a 15.21% projected tax levy increase

Cutting the rollover budget by \$277,861 means we have a projected tax levy increase of 8.9%

Budget Expenditure Challenges

High School Tuitions---Higher Numbers & Higher Tuitions (next slide)

Unfunded Mandates

- Increased Audit Requirements
 - Increased scope of External Audits, Internal Claims Audits
 - Internal Control Audits
 - GASB 45—Employee Liability Audits now required
- State Student Achievement Reporting, including Data Warehouse
- Pre-School Special Education Cost Shifting to School Districts

Special Education Costs/Predictability

- 20% Service---Average is \$28,000 per student
- 60% Service---Average is \$68,000 per student

Salaries & Benefits —We are a people business & most of our expenses are for people

Fuel---Unpredictable (forecasters are suggesting a 28% increase over next 2 years)

Challenge of High School Enrollments

School year		Average Tuition (reg Ed)	# students		Actual Tuition paid
2003-2004		\$5,085.50	115.3		\$ 889,225
2004-2005		\$4,977.67	122.4		\$ 840,113
2005-2006		\$5,198.75	121.6		\$ 806,668
2006-2007		\$5,456.50	118.8		\$ 825,389
2007-2008		\$6,127.00	125.5		\$ 989,451
2008-2009		\$6,233.67	129		\$ 1,123,495
2009-2010	estimate	\$6,648.33	142	(156 actual)	\$ 1,365,000
2010-2011	estimate	\$6,980.75	159		\$ 1,487,000
2011-2012	estimate	\$7,100.00	163		\$ 1,629,951

The Good News

- Since 2003-04 school year, we have been redefining our district priorities by implementing specific and continuous improvements in the quality of our educational program and in providing proper and reasonable fiscal support for those improvements.
- We have moved from a “close to” not meeting NYS standards, as measured on the NYS Assessments, to a high performing district
- We have expanded our course offerings to students, cleaned up our schedule structures to better provide and protect our instructional program
- We have re-allocated resources to provide better services for more students
- We have added focused staff development and training of our staff and added technology to enhance our students’ learning
- We have balanced our budgets by continuously streamlining expenses and maximizing revenues
- We have developed broad fiscal accountability standards for both our budgets and for the functioning of our Business Office
- We have been able to stabilize our fiscal status and bring modest (in the 3% range) tax levy increases for the past 4 years
- We have been able to support a large infrastructure project to secure our building; bringing it up to code, replacing internal systems that are beyond their useful life and adding value through securing better energy efficiencies in the future (with no additional tax impact on our community)

Going forward, we need to continue to:

- Improve the quality of our instruction
- Support the programs & services that provide the most benefit to our students
- Balance our budget---with 0% increase for 2010-2011, reflecting contingent budget cap requirements
 1. Making necessary cuts to reflect declining enrollments, particularly at the Elementary level
 2. Making cuts in the Special Areas, reflecting enrollment changes
 3. Continue to review each department (Special & Compensatory Education, Transportation, Administration and Buildings & Grounds) for efficiencies & cost savings

We are committed to continuing to improve student achievement by delivering a high quality educational program while maintaining fiscal accountability to our community

Why is our enrollment decreasing?

This is generally a problem in upstate New York as most of our population now lives Poughkeepsie, South. We are not unique but do expect this trend to continue in the future. It will be increasingly challenging for us to maintain our program costs as our state aid is very dependent on our enrollment.

Why is High School Tuition increasing so much next year?

We are sending more students as we have had larger classes graduating from G-D, particularly over the past couple of years. For a number of years, we would send about 125 students and, going forward, we will be sending 163+ students. Since tuitions also tend to go up somewhat, and we are sending more students, our tuition line is up significantly.

Is our current Building Project causing our taxes to go up?

No. Our building project was structured to have no impact on our tax levy, now and in the future. There are corresponding dollars in state aid to offset the entire cost incurred. In fact, the district has worked hard to further limit the borrowing needs by applying fund balance to pay down the debt which means our payments are less than anticipated and the aid remains the same. All of the updates we are completing within this project add value and energy efficiencies to our school, which will help us contain costs in the future.

Given the economic problems “out there”, what else is the district doing to plan for the future?

The Board of Education and the Administration continue to work on developing long term financial projections and planning for the future. The careful work on balancing budgets each year and working to continually develop efficiencies has been a priority for us. The thoughtful planning of the Building Renovation Project has helped us upgrade all of our internal systems, with no additional tax burden on our public.

The Superintendent and the Board of Education are working with the broader community at the Questar BOCES and the County levels in order to review the issues we all are facing and to begin to develop some further efficiencies on a broader scale (such as transportation) through possible partnerships or consolidation of services and programs.

The School Board is finalizing a planning process that will engage the full Wynantskill School Community in the careful study of “what’s best for the Wynantskill School District” in the future. This process is expected to be “rolled out” to the full community later this Spring.