

Schalmont News

CENTRAL SCHOOLS

Financial Health Update:

District in Good Shape, but Challenges Ahead

There is a lot of talk today about planning for a good financial future. Schalmont Central School District started the 2009-10 school year in good health financially, but the Schalmont Board of Education must consider a variety of financial challenges as it begins to shape the 2010-11 school budget proposal.

For several years, the school board has made engaging in long-range financial planning one of its annual goals. Such planning typically means making sure the district has adequate reserves, a sufficient amount of undesignated fund balance, a good credit rating, clean audit reports, and the ability to operate within its voter-approved budget. According to Business Administrator Mark Kellett, Schalmont met all of these markers of good financial health at the start of the current school year.

Next school year is likely to present some challenges, though.

State Aid Cuts

One of the financial challenges that will factor into the school budget proposal this spring is the status of state aid cuts.

The New York State Assembly and the Legislature both recently passed a deficit reduction plan that would avoid cutting state funding mid-year for all public school districts as originally proposed by Gov. David Paterson in October. The plan reduces the state's aid payments to schools without actually cutting school aid by making use of \$391 million in federal stimulus funds that originally were to be distributed to schools in 2010-11.

At the time that this newsletter went to print, Gov. Paterson had indicated he would accept the plan and that he might reduce or delay some scheduled school aid payments during the last four months of the state's fiscal year.

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"If the state delays its aid payments to Schalmont this year, the district will be able to tap into its reserves to fulfill its current financial obligations," said Kellett.

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Renovations to Wrap Up Summer 2010

While the bulk of the Bond 2007 capital project ended in November, next summer will bring some roofing work at Schalmont High School and Middle School, the removal of 52-year-old steam boilers in the high school, and some renovations to existing classrooms at the high school to devote space to multimedia education.

"Most of the roofing on the middle school and the last part of the roofing on the high school is beyond its life expectancy, so this project will help preserve the work that has already gone into renovating the interior of our facilities," said Superintendent Valerie Kelsey.

The majority of the work in the Bond 2007 capital project

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A Season of Success: Congratulations to all Schalmont athletes on a great fall season. Some stand-out high school teams include the: Varsity Football Team (pictured, source: Kathy Pigliavento) – state Class B regional champions for the first time in school history, Boys Varsity Soccer Team – Colonial Council champion, and Girls Varsity Volleyball Team – Colonial Council champion and Section II Class B runner-up.



Schalmont Gives Back:

Students, teachers and staff at all Schalmont schools are finding ways to celebrate the holiday season by giving back to members of their community this year. In this photo, Schalmont Middle School students (left to right) Olivia Desmond, Taylor West and Marlena

Mareno are working on some holiday cards for members of the military who are serving in Iraq. Visit www.schalmont.org/District/homepagenews/seasonofgiving.htm to find out about some of the other things that students, teachers and staff are doing to help others.

Renovations

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took place in the original 1957 wing of the high school, including the: reconstruction of the cafeteria, most of the roof, two restrooms, and some second-floor classrooms; replacement of the original, single pane windows; and replacement of the 52-year-old steam boilers and heating and ventilation system. The old boilers are no longer in use, but are still located adjacent to the high school cafeteria.

“The old boilers are massive, so we’re going to abate them and have them removed to free up a great deal of space that could be re-purposed,” said Kelsey.

Additional renovations at the high school will convert some of the space in the 1957 wing into space more appropriate for multimedia education.

The space will be outfitted with technology such as interactive whiteboards, computers and other resources that will allow for multimedia electives. District administrators would also like to bring in some broadcasting tools, through grants and partnerships with local organizations. Examples of potential multimedia classes include Broadcast Media, Sports and the Media, and Film and Television Production.

According to Schalmont High School Principal Terence Nash, “These classes could help our students discover some exciting new career possibilities and give them hands-on experience with the technology used by professionals in the real world.”

that subscriber will receive any future text messages about emergency school closings and delays. As with the typical SNN e-mail alerts, this is an opt-in system. Subscribers can log in to change or remove their cell phone number or to unsubscribe to SNN at any time.

HS ALUMNI OF DISTINCTION

District seeks nominations for 2010

Do you know some impressive alumni? Nominations for the next group of inductees on the Schalmont High School Alumni Wall of Distinction are due by March 15, 2010.

Honorees serve as role models for students and as symbols of the high caliber of graduates produced by the HS. Their examples are intended to inspire and motivate students to excel, both in academics and in life.

The Wall of Distinction now includes: Margaret (Ryan) Anderton, class of 1978; Gail DeAngelo, class of 1988; Alfred DeCarlo, class of 1961;

Thomas P. Eichler, class of 1962; Dr. Valerie Gaus, class of 1982; Leonard Parker, class of 1971; Christine Patneau-Krahulik, class of 1983; Michael James Mugits, class of 1971; Michael Piotrowski, class of 1970; Michael Saccocio, class of 1979; and David Van Patten, class of 1972.

Visit www.schalmont.org/alumni/alumni.htm to download a nomination form or call (518) 355-9200, x4006, to receive one by mail. Selected nominees, or their representatives if they were nominated posthumously, will be asked to attend an induction ceremony in early June.



SNN Upgrade:

Sign Up for Texts to Your Cell

The Schalmont School News Notifier (SNN) e-mail alert system has been upgraded with a new feature: text messaging.

Those who subscribe to the emergency school closings and delays SNN alert can now add a cell phone number to their account so they can receive alerts as text and e-mail messages.

To sign up to receive text messages about emergency school closings and delays on your cell phone:

- **Current subscribers** – Visit <https://snn.neric.org/schalmont/>, log in with your e-mail address and password, complete the “cell phone number” and “carrier” profile options, and click “Update Profile.”
- **New subscribers** – Visit <https://snn.neric.org/schalmont/>, complete all of the profile options, and click “Create New Profile.”

Once a valid cell phone number and a carrier are on file for a subscriber,

■ Financial Health

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With the state making advanced use of next year's federal stimulus funds, school districts will likely see significant cuts in their state aid during the 2010-11 school year because the state will not be able to substitute federal funds for further reductions in state aid.

In the past, Gov. Paterson has suggested that schools can tap into their undesignated fund balances – typically used by districts to offset the local tax levy and to address unforeseen emergencies – to cover cuts in state aid. Schalmont follows the state guidelines that allow for 4 percent of the annual school budget to be placed in an undesignated fund balance. Using this fund in 2010-11 to make up for state aid cuts and to maintain the current level of district operations would lower the amount available to offset the local tax levy as well as the district's ability to respond to emergency facility needs.

"It would be poor financial planning to so quickly wipe out our fund balance," said Superintendent Valerie Kelsey.

Retirement Contributions

The school board must also factor in the impact of increasing contribution rates, as required by New York State, for the Employees' Retirement System (ERS) and the Teachers' Retirement System (TRS).

ERS covers non-instructional school district employees such as bus drivers, maintenance workers, secretaries, and food service staff members. TRS covers instructional school district employees.

Both systems are funded by a combination of stock market investments, employer contributions, and employee contributions. Employer contribution rates are being increased to make up for recent stock market losses. In 2010-11, the rate for ERS is expected

to increase from 7.4 percent to 11.9 percent of salaries, and the rate for TRS is expected to increase from 6.19 percent to between 8.5 and 9 percent.

"When you consider increases like these and the probability of not just flat, but reduced state aid, you start to see the difficulty of creating a budget that doesn't increase the school tax levy without making significant cuts that could negatively impact students," said Kelsey.

Tax Certiorari Claims

Another factor that will influence the school board's annual school budget proposal is tax certiorari claims.

These claims are court cases brought by businesses or property owners seeking a reduction in their property tax assessments. Tax certiorari cases can go on for years, so each year the district puts money in a Tax Certiorari Reserve Fund in preparation for a possible verdict against the district. One benefit of this strategy is that it lowers the amount of money that the district could potentially have to borrow – and pay interest on – to cover any future settlements.

The district is currently subject to approximately \$5 million in claims.

"Setting aside money for an anticipated liability, like a tax certiorari claim, is an essential part of good financial planning," said Kellett.

Contractual Obligations

Contractual obligations, particularly as they relate to increasing

health insurance costs, are another factor that the school board will consider in creating a school budget proposal.

When negotiating contracts, the school board has to balance the concerns of local taxpayers with the cost of attracting and retaining highly qualified employees. The school board is currently renegotiating the Schalmont Teachers Association contract, which ended in June 2009 though it remains in effect until a new contract is settled. The district's contracts with the Schalmont School Related Professionals Association and the School Administrators Association will both end in June 2011.

"The current negotiations are proceeding with all participants being aware of the difficult financial times that lie ahead," said Kelsey.

As they begin to shape the 2010-11 school budget proposal, the school board and superintendent will continue to focus on maintaining the financial health of the district despite these challenges. Visit www.schalmont.org and click on "2010-11 Budget" for the latest budget news and information.



The Psychology of Combat: Schalmont High School students taking psychology recently learned about post traumatic stress disorder (PTSD) during a visit from Ronald Dean, who served in the military for 26 years before becoming the health systems administrator at Fort Carson in Colorado. He helped the students, who will soon study abnormal psychology, understand PTSD and why there is a greater incidence of it amongst soldiers today when compared to those who fought in World War II or Vietnam. The class is offered to other schools in a distance learning format.



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Schalmont

CENTRAL SCHOOLS

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WHAT'S INSIDE? Update on District's Financial Health, Renovations Wrap Up, HS Alumni of Distinction, SNN Upgrade

School Board Calendar

Schalmont Board of Education public meetings are held at 7 p.m. unless otherwise noted.

Monday, Jan. 11

Jefferson Elementary School
100 Princetown Rd.

Monday, Jan. 25

Middle School LGI Room
2 Sabre Dr.

Monday, Feb. 8

Mariaville Elementary School
9210 Mariaville Rd.
Pattersonville

Reunion Calendar

Planning a high school class reunion? If so, please visit www.schalmont.org/alumni/alumni.htm to share the details. All events listed below will be held in Schenectady unless otherwise noted.

Class of 1985

Nov. 27, 2010, at 7 p.m.
Rotterdam Elks Club
1152 Curry Rd.
rbikowicz2000@yahoo.com

Class of 1986

May 28, 2011
Mallozzi's Restaurant
1930 Curry Rd.
schalmont1986@aol.com

Budget Vote Exit Poll Recap Part II

The annual budget vote exit poll is an opportunity for voters to share their concerns with the Schalmont Board of Education and administrators. Almost 61 percent of those who voted last May chose to complete an exit poll. While reviewing the results, the school board discovered some common concerns and misperceptions. Following is some clarification on issues raised in last year's exit polls.

Q. How is the district preparing for when the federal stimulus funds run out?

A. The district approached the spending of federal stimulus funds with a focus on what would be sustainable as well as what would fall within federal guidelines. According to the federal government, this money is meant to be used to create or save jobs and to improve or add on to existing services, not to replace funding from the state or local taxpayers. Federal stimulus funds from the American Recovery and Reinvestment Act primarily eliminated a one-time deficit reduction assessment (DRA) of \$1,185,149 for Schalmont proposed by Gov. David Paterson in the spring of 2009. By eliminating the DRA, the federal stimulus allowed Schalmont to preserve several jobs, but some cuts were still made through attrition or adjustments due to declining enrollment. The school board and superintendent are considering the end of the federal stimulus funds as they begin to shape the 2010-11 school budget proposal. District residents can take part in that process by serving on the Community Budget Advisory Committee.

Q. What steps have you taken to reduce costs?

A. The district participates in several savings programs and annually evaluates the school budget for ways to reduce costs with the least negative impact on students. For several years, the district has participated in a Schenectady County schools buying consortium for savings on bus parts, cafeteria food and supplies, computer supplies, paper, trash removal, etc. It has also participated in a BOCES energy consortium for savings on natural gas and electricity, and has implemented an energy savings plan at all five school buildings. The 2009-10 school budget proposal included \$878,318 of reductions. That figure was reached by cutting 12.5 full-time equivalent positions, making a 10 percent reduction in instructional supplies across the district, freezing the current five-year bus replacement plan, relocating the district office to existing space at Schalmont High School, and not purchasing sports uniforms. In light of upcoming financial challenges (see pp. 1, 3), the 2010-11 school budget proposal will likely include additional reductions.