

# **School Closure Q&A Document**

**Rev. 3/23/2018**

## **1. Why is the Board looking at a possible school closure?**

The Board has realized that it is difficult, if not impossible to support five elementary schools in a district of our size. The financial burden is causing us to use reserves at a pace that is not sustainable.

## **2. Why was a consulting firm hired? How was the decision about which consultant made?**

The Board was dedicated to making the discussion and research as transparent as possible. They were also committed to making that information as accessible as possible. The consultant firm was chosen based on their experience with similar studies across the state.

## **3. What was the essential question for the committee and the consultants?**

"Now and in the future, is there a better way to arrange the grades and school buildings to maintain, and perhaps enhance, the education of Cortland City School District students while ensuring fiscal responsibility to the taxpayer? If so, how should the grades and schools be organized?"

## **4. Was a community committee required?**

A committee was not required but the district felt that it would promote transparency and community participation in the process.

## **5. Which schools were considered for closure?**

All elementary schools were considered for closure and/or reconfiguration.

## **6. What are the educational benefits of a school(s) closure?**

The provision of a guaranteed and viable curriculum depends on teams of teachers regularly collaborating. In schools that are very small there are often singleton teachers which means that a teacher is teaching a subject alone, with no other teachers to routinely collaborate with. Also in smaller schools, special educators and math/reading specialists are split among different grade-levels, unable to routinely collaborate with and support the work of classroom teachers. A greater number of sections at any grade level makes it easier to balance class sizes.

## **7. Was moving the sixth graders to the JSHS considered?**

The Facilities Study process did consider the idea of moving sixth graders to the Junior Senior High School to become part of the Junior High. The consultants requested an estimate of the cost to renovate the Junior Senior High School to include the sixth grade and reconfigure the building into two, mostly separate, schools. It was determined that renovations would be adequate (no new construction would be required). The consultants concluded that at an elementary school could be closed whether or not the sixth grade was moved.

**8.Can a middle school be achieved with only 7th and 8th grades?**

In New York State, the expectations for middle-level education are described in Commissioner's Regulations 100.4 and the *Essential Elements for Standards-Focused Middle-Level Schools and Programs*. The *Essential Elements* document does recommend that a middle-level school include at least three out of the four middle-level grades (grades 5-8). However, most of the expectations that are spelled out in the *Essential Elements* document can be implemented in a school that includes two grades, such as seventh and eighth grade.

**9.What would it cost to get the JSHS ready for the sixth grade?**

The estimate that the consultants received from King & King Architects included some renovations throughout the building. Several classrooms would be reconfigured into a separate cafeteria. A few classrooms would be renovated for other specialized classrooms (for exploratory subjects such as Family and Consumer Science. Physical boundaries would be established in the school. Necessary site work was also considered, in order to provide separate access and a separate entrance. The estimate also included upgrades and renovations to the High School part of the building such as upgraded classrooms, a smaller cafeteria, and the conversion of the Large Group Instruction room into a more usable configuration. Some repairs that were identified in the Building Condition Survey would be addressed. Whether the sixth grade joins the Junior High School, renovations will have to be considered in order to separate the Junior High from the High School and address items in the Building Condition Survey.

**10.What are the costs associated with closing a school(s)? Not closing a school(s)?**

The minimal costs associated with a school closure qualify for aid. The savings of closing one building are between \$800,000 and \$1.3 million per year, annually.

**11.What happens to the staff?**

Most teachers will move to another school. The reduction in positions will be accomplished through attrition. Typically, we hire 20-30 teachers each year as more experienced teachers retire and some of our younger teachers resettle to different parts of the state or the country. Because of this turnover, we expect to be able to quickly adjust to a slightly smaller teacher roster. For non-teaching positions, staff members would be transferred to other buildings. Similar to teachers, we are replacing employees in most positions. Teaching assistants, clerical positions, cleaners, and custodial positions all turnover relatively frequently. We calculate that we would be able to realize most of the anticipated personnel savings in the first year of a closure. We believe the remainder would be achieved within an additional year.

**12.Is part of this discussion “financial” in nature?**

Yes, the financial situation the district is in requires dramatic action. Given the revenue the district receives compared to the expenditures, the status quo is not affordable. Revenue, such as taxes would have to increase or the state would have to come through on its overdue promise of fully funding the foundation aid.

**13. Why are we under financial stress?**

There are two factors involved in any budget: revenues and expenses. Our state aid revenue is not keeping up with the pace of increasing costs associated with health care, contracts, and other items required to operate a school system. The “tax cap” formula, which is actually a cap on the overall tax levy, required us to stay at 0% change to the tax levy over the past two years. Although we have reduced staffing and other expenses over the past few years, we simply cannot cut expenses fast enough without affecting opportunities for students and staff reductions. These factors forced us to use our savings account (reserves) to balance the budget at an unsustainable pace. The NYS Comptroller and our external auditors concur with this assessment.

**14. How much has the budget increased in the last three years?**

The budget has remained the same for the last two years and the proposed 2018-2019 budget remains at the same level. In order to do this, the district has cut costs and eliminated some positions. While these measures have been adequate to contain the budget, the gap between revenue coming in and the expenditures going out has been closed with reserves that are declining. We will soon run out of reserves.

**15. What is the current status of our reserves (savings accounts)?**

We have been forced to use our reserve accounts to “balance” our budgets due to the fact that we have not received enough in revenue to offset the increases in costs. Our reserves are a finite resource. In order to maintain the financial health of the district we must stop using our savings and replenish our reserves. We currently have approximately 1.5 years worth of reserves before we are forced into drastic measures to reduce expenses, such as the loss of staff and student programs.

**16. What ideas have been discussed to increase revenue?**

A number of ideas have been considered, including the lease of classrooms to BOCES or early childhood providers. We learned that OCM BOCES might be looking for one additional classroom in Cortland County (annual rent to BOCES is \$5500 per classroom). It is possible that one early childhood provider would lease another classroom for pre-Kindergarten (annual rent for a preK room is \$3500 per classroom) if it was available. While grants are sometimes available for specific projects, grants are not available to pay for sustained, year-to-year operating costs. We are constantly working with our legislators for additional aid and full funding of foundation aid. The administrative team is always looking for ways to increase revenue.

**17. What have we done to cut costs?**

The district has cut costs through its partnership with BOCES, an aggressive energy performance capital project, and eliminated some positions as they become vacant through retirement or re-location. Negotiated health insurance concessions with bargaining groups (teachers, administrators, and support staff) have resulted in significant savings.

**18.How much would taxes go up if we didn't use reserves?**

To raise enough to close the gap between expenses and revenue, the tax levy would have to go up approximately 16%. This would stop the use of reserves to balance the budget but would not leave any left to begin to restore reserves to recommended levels.

**19.What is the "tax cap", or Tax Levy Limit?**

The tax levy limit is the highest allowable tax levy a school district can propose for which only the approval of a simple majority of voters (50 percent plus one) is required. The limit is calculated using a multi-step formula that takes into account any allowable exclusions (such as pension costs and capital expenditures). Any proposed tax levy above this limit requires budget approval by a super majority of voters (60 percent). The CECSD BOE has proposed a budget that includes a tax levy below its limit. This requires passage by a simple majority of voters.

**20.How much would we save if we close a school(s)?**

Depending on the building, between \$800,000.00 and \$1.3 million per year for each school closure.

**21.If a school(s) does not close, what programs might be impacted because of the need to close the gap?**

If all of the elementary schools remain open, staffing and program cuts would have to be made in order to close the gap. Wholesale cuts would be expected at all schools, with the burden of the cuts coming at the secondary level. When operating small neighborhood schools it is difficult to consolidate sections in order to reduce staff. At the secondary level, classes could be larger, smaller enrollment electives could be eliminated, and reductions to non-mandated programs and special areas could occur. Athletics would likely be impacted, too.

**22. What are our current staffing levels versus five years ago?**

We have been reducing staff through attrition. When a vacancy occurs we look at student enrollment and section sizes before backfilling.

**23..Does the public vote to close a school(s)?**

There is not a public referendum to decide when a school(s) should be closed. A majority of the Board of Education makes the decision.

**24.What would the timeline be for a school(s) closure?**

The Board hopes to make this difficult decision in April. The next year would be spent coordinating all of the logistics of redistricting, assigning staff, and the physical move. Everything would be in place for the opening of school(s) in September of 2019.

**25.Which families might be impacted by any necessary redistricting?**

Certainly, families that live in the attendance boundaries of a school(s) that is closed will have to travel to a different school. It is also possible that a number of families could be impacted in order to balance numbers given the capacities of the existing schools.

**26. How can the district spend money on capital projects, such as an auditorium renovation and a potential Junior High separation from the High School when it is in fiscal stress?**

Money spent on capital projects (construction and renovation) is separate from the year-to-year, general fund budget of a school district. With voter approval, a school district borrows money for the capital project. Each year, the district pays back a portion of the money that was borrowed. For Cortland, New York State reimburses us for 88% of the costs. The remaining local share, in our case 12%, is paid for over the duration of the loan. Our school district has money set aside, in a capital reserve account to pay for the local share for up to \$20 million worth of projects. That's how the renovation of the auditorium will not have an impact of local taxes; the capital reserve account has more than enough in it to pay the local share. The money on the capital reserve account, which can only be spent on capital projects, could also be used to pay the local share of a renovation at the Junior Senior High School.

**27. What would happen to before and after school programs?**

All before and after school programs would be accommodated in the new structure. Before and after school program partners will work with the district to support all students participation. The current programs are not at capacity and can accommodate additional students. In addition, we can partner with the providers to request State approval for expansion.

**28. How would the closure of a school affect class size?**

One of the ways that money is saved by a school closure is the reduction in the number of sections and, in turn, teachers. It has been estimated that two classes could be eliminated at the elementary level (based on district guidelines for a maximum class size of 22 in kindergarten and first grade and 24 for the other grades). The overall impact on classes would be distributed across the district. Our current estimates are based on class sizes of 20 students per classroom. Our current class sizes at the elementary level range from 14 to 24.

**29. How much money could be saved by moving the district offices into a school building?**

Very little. The Kaufman Center would remain open for district meetings, professional development, and transportation. There would also be a cost associated with renovating existing classroom space in a school to accommodate the district office.

**30. How will attendance boundaries be determined?**

There are several considerations. The boundaries of a school(s) would be adjusted to send students to the school closest to their home that also has room for the student and her/his siblings. It may become necessary to adjust the boundaries of schools that are not closing to

balance numbers and minimize transportation requirements. Attention would be paid to very young students who are not yet school age.

**31. Could one of our elementary schools be converted to a middle school?**

We looked at the capacity of our existing buildings for conversion to a middle school and it was determined that it would require significant renovation and additions to a building. The costs were far above the Level 1 priorities identified in the Building Condition Survey. In other words, we simply do not have enough money in our Capital Reserve to fund such a project.