

**Questions Raised at the March 24<sup>th</sup> Board of Education Open Forum Topics Meeting and  
Board of Education/RCSD Answers**

**Includes Revised Budget Figures from Budget Presented at BOE Meeting 4-14-15**

**Q. What happens if the Superintendent's Recommended Budget, which calls for an override of the tax cap, doesn't pass on May 19?**

And similarly,

**Q. What are the implications of an override failure for next year?**

A. If the Superintendent's Recommended Budget does not receive 60% of the vote on May 19, the community has a second chance to pass a school budget at a second election in June. It is clear that the Board and Administration would then propose a tax cap-compliant budget, which would only require a 50% "yes" (plus one vote) to pass. A tax cap-compliant budget would require substantial cuts to the current program. First, none of the additions in the Superintendent's Recommended Budget would be included: no Full Day Kindergarten; no math, science, foreign language teachers added to meet enrollment needs in the M.S. and H.S.; no additional guidance counselor to meet high school enrollment growth, nor stipend for a Director of Guidance; no support for the elementary literacy initiative, the STEM initiative, and the Writing Mentor program; no additional funding to address technology infrastructure problems and no additional funds for school security.

Additional cuts of approximately \$3.0 million would have to be made. This would mean the loss of 40 Full Time Equivalent employees (FTEs). This would be comprised of some full time teaching positions and some part time positions and therefore would impact approximately 48 RCSD teachers or staff. The cuts would include 8 elementary teachers and 2 middle school teachers, resulting in larger class sizes at those levels, loss of the FLES program, loss of the Writing Mentor program, loss of the ASL program and discontinuation of introductory Latin and Mandarin classes paired with a reduction in French. We would lose all elementary teacher aides with the exception of lunch and recess aides, along with some library and computer aides across the school levels. There would be cuts to Middle School club sports and co-curricular clubs as well as to funding of community programs which benefit students, such as with the Youth Council, the Nature Center, and the Historical Society.

If a second vote in June were to fail, the school district would not be allowed any tax increase at all over current budget. A 0% tax levy increase would necessitate even more program cuts, far beyond those outlined above.

**Q. With regards to the override vote, is it 60% of the population that needs to vote “yes”?**

A. No, an override of the tax cap only requires that 60% of people who vote on May 19, 2015 vote in support of the override.

**Q. Are we closing the structural gap between revenues and expenses?**

A. The Superintendent’s Recommended Budget for 2015-2016 calls for a lowering of the District’s dependence upon reserves to fund the operating budget from \$2.7M in the current school year to a proposed \$1.3M in the 2015-2016 year. In a preliminary projection for the 2016-2017 school year, the use of fund balance is projected to decline further to \$950k. These steps away from using the District’s “savings account” to fund operating expenses are intended to close the structural gap between revenues and expenditures. Over the last several years, the Board has followed community input to spend down some District reserves and to use reserves to minimize tax increases that would have otherwise been required to fund the operating budget. The reserves have reached what the Board agrees is the appropriate level to retain the District’s AAA rating and provide prudent savings in case of emergencies. Additionally, the Administration has made cuts to staffing, found efficiencies in scheduling and uses every measure available to control costs in an effort to close the structural gap. It is important to note that pension costs and other unfunded mandates required by the State are not within local control.

**Q. Can we have more information about the specific costs of the programs in the “to be cut” list, for example, the Writing Mentors program, FLES, etc.?**

A. The estimated costs for the programs to be cut in the event the Superintendent’s Recommended Budget were not pass by a 60% vote are as follows:

Writing Mentor Program \$343,200

FLES: \$346,840

Foreign Language Grades 6 & 9, Latin, Mandarin, French, ASL: \$120,640

RMS Modified and Club Sports: \$157,250

Co-Curriculars (Clubs): \$56,323

Community Programs (Rye Youth Council, Nature Center, Historical Society): \$27,500

**Q. Could the academics remain untouched with the cuts presented in tax cap-compliant budget?**

A. Unfortunately, no. There would have to be cuts to the academic program if the Superintendent's Recommended Budget (the override budget) were to fail. Our allowable increase under a tax cap compliant budget is \$1.73M. State-mandated pension costs for the 2015-16 school budget are \$6.125M. In making previous cuts, the attempt has been to try to keep cuts as far from the classroom as possible. Of course, even then, most cuts ultimately do impact students. There are no "cuts away from classroom" to be made.

**Q. If the teacher evaluation system (APPR) is changed by Albany and the Governor's proposal for outside evaluators would it be possible to reduce administrator head count?**

A. The District must conduct a certain number of employee evaluations each year as mandated by APPR, so we must maintain a head count sufficient to conduct those evaluations as well as to meet all of the other administrative functions required to run schools. Administrative staffing and support in Rye is very lean. Since 2009/10, we have reduced by the equivalent of 61.9 full time employees. We have affected a number of efficiencies, including reductions in secretarial staff and outsourcing security and other jobs to consultants to reduce pension costs.

A recent *Journal News* article highlighted Westchester, Putnam and Rockland school districts with high administrator salaries. The Rye City School District was shown to have fewer administrators than many other Westchester, Putnam and Rockland districts. In the ratio of administrators to students, Rye is in the bottom third -- number 30 out of 53. Moreover, Rye is among the districts with the fewest number of administrators paid at the highest level. To read the complete article, click here: <http://www.lohud.com/story/money/personal-finance/taxes/david-mckay-wilson/2015/03/26/high-paid-school-administrators-lewisboro/70501246/>

On the non-personnel front, Rye participates in consortiums including BOCES to provide student services that would be too expensive for any one district to provide on its own. We also participate in cooperative bidding on a nationwide basis, ensuring we source goods and materials we need at the lowest possible cost.

**Q. Does it make sense to dismantle the language program?**

A. The Superintendent recommends maintaining the current foreign language program in his Recommended Budget, with a small staffing addition to address the growth in enrollment at the high school level and to continue American Sign Language, which also meets the Regents' foreign language requirement. The Board shares the opinion that it does not make sense to dismantle the foreign language program. The FLES program in the elementary schools was 8 years in implementation, and is yielding fantastic results in students' skills, willingness and ability to speak the target language. The first group of students to benefit from the full FLES program in grades 1 – 5 is now in Middle School. Their teachers report the students perform with much greater levels of fluency than students who only began language in Middle School

under the old model. FLES represents a long-term investment to improve student learning, including revision of Middle School Spanish curriculum to meet the students at the increased skill level with which they come to Middle School.

The ASL program has more applicants than we can accommodate, and offers a wonderful alternative for students who have struggled in the traditional language programs. Mandarin and Latin continue to be popular choices, as does beginning French. Many children chose to take more than one foreign language; an option that will disappear if we are forced to enact cuts.

**Q. If you take programs away, can they go back in?**

A. Yes, programs could go back in, if funds can be found to support them. It may not be possible to affect their return immediately, particularly if there has been an extended period of time and new staff needs to be hired, and curriculums need to be re-instated. For example, the FLES program in the elementary schools was 8 years in the making and is only now yielding the results of years of effort – students are coming to Middle School with much greater levels of fluency. That can't be re-created quickly.

**Q. What happens to our bond rating if the Superintendent's Recommended Budget does not receive the 60% majority vote necessary to override the tax cap and how will that affect future borrowing?**

A. It is never possible to predict how the rating agencies will react to any one specific action taken by a school district. However, we know ratings agencies look at a community's ability to fund a school budget and like to see prudent reserve funds (approximately 10% of operating budget). We know that Districts have been subject to a downgrade in bond rating when they have been found to depend too heavily on reserves as a long-term strategy. Should the override fail, and the Board of Education decide to dip into reserves to fill the budget gap, we could be looking at a lower credit rating, which would make it harder and or more expensive for the District to borrow money in the future.

**Q. Actual spends vs. budgets – historically, how have they tracked?**

A. This is detailed information that will be available in the adopted budget document that will be available shortly after April 21.

**Q. Is the District doing everything it can about getting the word out to pass the override?**

A. By law, the District is not allowed to advocate on behalf of the Superintendent's Recommended Budget. All the District can do is provide factual information. Once the Board has adopted the final version of the Budget, the District mails out to every resident in Rye a

Budget Newsletter containing budget information. The Friends of Rye City Schools is a group of Rye citizens who often advocate in support of the schools and works to get information out to the public as well.

## **Pensions**

**Q. The increase in teacher pension costs of \$5.1 million is not sustainable. What will happen next year? Can TRS/ERS go down next year?**

A. We agree the current total pension cost of \$6.125 million is not sustainable, \$5 M in TRS – Teacher Retirement System payments and \$1.25M in ERS – Employee Retirement System payments. It is hard to know what will happen next year, given that it has taken years for the Teachers and Employees Retirement System funds to begin to respond positively to the improvement in the markets. Even if the stock market performs well and the TRS/ERS pension fund benefits, those gains may be offset by cash outlays to retiring teachers. The Board expects and hopes that pension costs will go down slightly, but they cannot be sure.

**Q. How much of our TRS expenditures was rate increase and how much was payroll count and/or scale increase?**

A. Approximately \$77K of the estimated TRS expense is related to anticipated new staff for 2015/16 to meet enrollment growth.

**Q. Can we effect change regarding the pensions?**

A. The District has no control over costs related to the TRS/ERS pension fund. We are handed a bill by Albany and must, by law, pay it. The only way to affect change is through advocacy to bring about pension related legislation in Albany. Interested parties should lobby the Governor directly and through our State Assemblyman, Steve Otis, or State Senator, George Latimer.

## **Tax Revenue**

**Q. What happens when big new houses get built in Rye? Does the school district get more revenue?**

A. This is a common misperception – that new houses mean an increase in tax dollars for the Schools. In reality, the School Tax Levy is a fixed number adopted by the community at the May budget vote. If someone buys a big new home, which now has a higher assessed tax rate than the old house on the lot had, it redistributes that fixed School Tax Levy dollar amount and slightly decreases portion other households in the School District are responsible for. As a practical matter, since the levy doesn't stay flat, it lowers the amount of everyone else's

increase. The new houses do not result in more dollars for the schools. The taxpayer for the big house pays, and we all pay a little bit less.

**Q. What have been the tax increases over the last 20 years?**

A. This historical information will be available in the adopted budget document which will be available shortly after April 21.

**Q. How much is the school district getting from the utility tax?**

A. The District believes it will receive approximately \$700,000 from the utility tax for 2015-16.

**Q. Is the utility tax in place forever?**

A. The utility tax is in place until and unless it is revoked by a majority vote of the Board of Education. The City of Rye has had a utility tax in place since the 1940s.

**Q. How much does the school district pay in tax grievances/ tax certiorari proceedings?**

A. The amount the District pays in tax grievances varies annually. Thus far, the District has paid \$393,591 for 2014-2015.

**Q. Can we charge a family per child to attend the Rye City Schools?**

A. It would not be legal in New York State to charge a family per child. That would be considered a “pay for play.”

**Q. When will the City re-assess taxes? It hasn't been done since 1973.**

A. We do not know the answer to this question. The School District and the City have discussed this matter as recently as April 11<sup>th</sup> at their joint meeting. Ultimately, it is the City Council's decision as the municipal governing body with that authority.

**Q. Some residents in Rye who qualified received tax rebate checks last year. Could we get them again this year?**

A. The Governor's tax rebate plan is a two year proposal. In order for Rye taxpayers (who fall within the income-eligibility requirements of the Governor's plan) to receive a tax rebate, the school district must decrease by 1% our operating budget through efficiencies, cuts and consolidation with City government, in order to qualify. Given that we are already as lean as we can be, this is not possible. This proposal only serves districts with more “fat” in their budget better than it serves Rye. Taxpayers will not receive the rebate, regardless of whether or not the school budget passes on May 19.

## State

### **Q. What advocacy is being done in Albany?**

A. In March during the State Budget process, the Board passed a resolution which we have sent to the Governor and to our legislators requesting that the Governor to withdraw many of his recent budget proposals which added new unfunded mandates to be carried out by local school districts at cost to local tax payers. The Board opposed the proposal for outside evaluators to evaluate Rye's teachers and the increase in weighting of state tests to 50% of teacher evaluations. Both State Assemblyman Steve Otis and State Senator George Latimer have been strong advocates on behalf of the School District. Our Superintendent and Board members participate regularly in local forums to advocate against Albany's mandates and for restoration of our GEA funds. The Board and the group Friends of Rye City Schools have asked parents to write to the Governor, Assemblyman Otis and Senator Latimer, and to the Board of Regents. Additionally, the Board's leadership and the Administration are continuously advising our local representatives on all school-related concerns.

### **Q. Can we have the list of 151 unfunded mandates?**

A. Please click [here](#) to link to an Excel spreadsheet of the mandates.

### **Q. How much do the 151 unfunded mandates cost the District?**

A. It is very difficult to assign a dollar figure to the cost of the mandates. But for instance, pensions alone will cost \$6.125 million of the 2015-2016 budget.

### **Q. We are owed \$2.2 million in State school aid because the state withheld that money via the Gap Elimination Adjustment ("GEA") process – what is the Board doing to change that?**

A. In March, the Board passed a resolution which we sent to Albany and to our legislators asking for the restoration to full funding of all school aid allocated to the Rye City Schools as well as the return of all funds withheld under the GEA and used to balance the State budget. Both State Assemblyman Steve Otis and State Senator George Latimer have been strong advocates on behalf of the School District. Our Superintendent and Board members have participated in local forums to advocate against Albany's mandates and for restoration of our GEA funds. The Board and Friends of Rye City Schools have asked parents to write to Albany, to Assemblyman Otis and Senator Latimer. Additionally, the Board's leadership and the Administration are continuously advising our local representatives on all school-related concerns.

### **Q. I've seen articles about test refusal. What is going on in surrounding districts, and what are the implications for the School District if test refusal increases?**

A. If 95% of students at each school do not participate in federally mandated state testing, it is possible that that school will be identified as failing to make required Annual Yearly Progress and labeled a “School in Need of Improvement,” or a school that is “not meeting expectations.” The designation will force us to file a corrective plan, endure increased monitoring at the state level and dedicate funds towards perceived needs. Given that we are all very proud of our schools, the Board does not imagine anyone in the District would like to see us labeled as “in need of improvement. “ In addition, failure to comply with federal law may result in a loss to the District of Title I and IDEA fund monies that could amount to over \$750,000 (based on this year’s figures), the equivalent of 10 teacher’s salaries.

### **Middle School**

**Q. The cuts in club sports from two years ago were supposed to be filled by the Rye Recreation Department and intramural sports and we haven’t seen that happen – 6<sup>th</sup> graders are not being served well at all. What can the PTOs and other funding sources do to fill the gaps?**

A. The POs and other funding sources can only serve as boosters for the clubs. Any salary costs must be budgeted for by the Board of Education. The Board of Education and the District recognize that the gap has indeed not been filled, feels this particular cut has not been effective and is seeking a way to restore the funding for modified sports.

### **Elementary Schools**

**Q. Can we get rid of the 6 half-day conferences? They are very disruptive for parents and for instruction time.**

A. This would be an item which is subject to collective bargaining and therefore must be negotiated with the Rye Teachers Association (“RTA”). It is something we plan to discuss during the course of this year’s contract negotiation.

**Q. Where does fixing Midland fall in the District’s planning?**

A. Midland School, as an aging building at capacity, is high on the District’s 5 Year Facilities Plan. That being said, the District has many needs, both those known to us and perhaps some as yet unknown so it is difficult to commit to a timetable for any one facility or program. For the present, the District remains focused on winding up its most recent large project, the new science wing at the HS/MS campus.

### **Kindergarten**

**Q. Will there be a Gateway Kindergarten program at Osborn next year?**

A. There are currently no plans for a Gateway Kindergarten program at Osborn, or any of the elementary schools. There was one planned at Milton, but we did not have the cohort for it.

**Q. Is this the right time for Full Day Kindergarten, in this tough environment?**

A. The District believes this is the right time for Full Day Kindergarten. If we cannot do it with this override budget, it is likely we will not have a chance to do it for several years to come. Full Day Kindergarten is an educational and developmental best practice; moreover it has become the norm. Our district is one of only two in Westchester County who do not have a full-day Kindergarten program.

**Special Education**

**Q. Does the increase in the budget for Special Education reflect an increase in services provided?**

A. The Special Education budget is constructed differently from any other budget in the District. It is created IEP (Individualized Education Program) by IEP – built for each specific student – and depends on the needs of those individuals. IEPs are mandated by the Individuals with Disabilities Education Act (IDEA).

**Q. What can we do about the increase in this line item?**

A. There's not much we can do. Special Education services are mandated by law. These are fixed costs based on the number of special education students we have, and on their individual needs as reflected in their IEPs.

**Transportation**

**Q. What can we do about the increase in the transportation line item?**

It is mandated by law that the District must provide transportation for our Special Education students to and from their programs, e.g., BOCES, if we do not provide those services within the District. The transportation line item increased because we used to procure transportation for our special education students through Southern BOCES. This was one example where the district benefited from participation in a consortium to achieve better pricing than would otherwise be available. BOCES has since gotten out of the transportation business, so the District has had to pay for transportation through private companies, which has proved to be much more expensive. This is essentially a structural change in the way the District has to pay for transportation. One positive note is that this type of major structural change can be thought of as a one-time additional expense due to the nature of private versus consortium bidding.

## **Rye Fund for Education**

### **Q. Where does it stand so far and where will it be spent?**

A. The Trustees of the Fund believe it is prudent to wait and see what happens with the budget, given that the “ask” from the School District may be very different if the budget override does not succeed. Dr. Alvarez as Superintendent in the spring will present a list of things it would be good for the Fund to pay for and the Trustees of the Fund would vote on those requests.