

Feasibility Study Committee
Meeting #3 Notes – May 31, 2017
19 Committee members; 3 Observers

1. The building tour of Clymer, led by Principal Ed Bailey, began at 5:15pm. Highlights of the tour included the music suite, technology and agriculture shops, libraries, physical education areas and a variety of elementary and high school classrooms. It was mentioned during the tour that we did not see some of the same rooms in Panama such as the music suite, so we will try to stop in those immediately prior to the next meeting.
2. The group returned to the cafeteria and had the opportunity to ask Architect Steve Sandburg any questions they had. When asked what renovations are planned, Steve noted that there is a list of needed projects including improving drainage and paved areas, replacing the front steps and remediating moisture penetration problems, replacing the roof, replacing carpeting in the libraries and administrative offices, improving the science labs, replacing some interior lighting with LED lighting, repairing some plumbing systems, replacing the temperature control system. All of these, plus some not named, will cost around \$2M. This work has not been scheduled, awaiting a decision on the merger.
3. Tom asked the committee members to summarize the focus group feedback to date.
 - a. It was pointed out that each community expresses pride in the same things, including pride in their caring community, pride in their children/students, and pride in the programs offered in the district.
 - b. As for concerns, again, the responses were almost identical. Transportation, loss of the community/family feeling that exists, and potential loss of businesses. This latter possibility was challenged by one committee member who questioned how a successful (during school hours) business would fail. "Every time I drive through town, there are cars parked in front of the two businesses (Dutch Village and Necker's), and business seems to be good."
 - c. There were mixed reactions to the question about whether or not students are prepared for life outside of school. Many said, "Yes, but the schools could do better;" some said "no"; and some thought that if students were in a vocational program they would do alright.
 - d. For the most part, people do not understand the student programming needs for future success.
 - e. Most replied that taxpayers do not have a good grasp on the districts' financial status. Most acknowledged that their understanding comes from the budget information mailed to all homes prior to the May budget vote.
 - f. The positives of a merger include more challenges for students; more classes available; more social interactions.
 - g. The negatives are potential job losses, transportation, an empty school, the Panama fine.
 - h. In general, Panama seems to be more in favor of the merger, and Clymer more negative. Panama had very few people attending focus groups.

- i. John Shifler noted that the number in parentheses in his summaries of the focus group results reflect the number of focus groups at which a particular comment was made. His summaries denote the frequency of comments.
 - j. One committee member asked why residents believe that an event or activity would cease if there is a merger. "There would be more people to participate, so why would they cease?" Students are more positive about the merger than adults are. Also, people are mistaking town activities for school activities. A Memorial Day parade is not school sponsored.
4. Marilyn responded to questions from the first meeting. Use of primary classrooms in Facilities Report (later in the agenda); Music in 7th and 8th – In Clymer, general music is taught in grade 7, and in Panama it is taught in grade 8. Both schools meet NYS requirements. Home and Careers Requirement is not being met in Panama; Computer labs for both districts in Technology Report; Electives in other districts of around 900 students – See handout with information about Chautauqua Lake and Frewsburg; some answers are to be found in Tom's Technology Report; Class periods in Panama are 43 minutes -(Every minute of time = 3 hours of contact time in 180 days of school); Additional aid if a 3rd district joins down the road? Yes, HOWEVER, if the merger is successful, a whole new 14 year incentive program would begin. No double-dipping (meaning that the first incentive aid award would cease should there be a second merger.)
5. Dave provided an overview of the work that has been done in the last week by Dr. O'Rourke, Dr. O'Connor, the school district accountant, Mr. Lictus, Roy McMasters of Capital Advisors, and himself, in consultation with the NYS Education Department to understand a Clymer state aid deduction in 2016-17. Dave then introduced Mr. Lictus who provided the details. Every 5 – 7 years, the NYS Comptroller's Office does audits of school districts. Both Panama and Clymer were cited for having fund balances that are too high (4% of the annual budget is the state limit). Clymer was also cited for the manner in which busses were purchased over three years, since the purchases were budgeted in the regular budget but paid for by borrowing (bond anticipation note – BAN). As a result of this practice, extra funds went into the fund balance. The third finding for Clymer included an overpayment in state aid in 2008-09 for a building project In 2003. After finding this error, the state deducted \$519,484 in two state aid payments during 2016-17. The district was required to pay back the overpayment in this way – through a deduction in state aid, resulting in a loss of that amount in the school budget. That will affect the fund balance going forward. (See attached press release and spreadsheets handed out at the meeting.)
Dave then handed out budget worksheets with budgets from 2016, 2017, 2018, and projections for 2019 - 23. He noted that the Clymer deduction of \$519,484 is reflected in their budget for 2017; that the Clymer budget MAY have surpluses in the categories of General Support, Transportation, and Benefits for 2018. He pointed out that Clymer's fund balance for 2016 was \$2,929,942; for 2017 the estimate is \$2,010,145; and for 2018 it is estimated at \$1,100,436. IF the projection holds true, Clymer will have a negative fund balance of -\$29, 202 by 2019.

Panama's fund balance in 2016 was \$3,564,707; at the end of 2017 it should be \$3,245,320; and the estimate for 2018 is \$2,655,348.

In other words, Clymer is burning down its fund balance faster than Panama is at this time. Panama's negative numbers start in 2022, IF nothing is done to change the current status.

ALL numbers reflect an assumption that nothing will be done to change current spending patterns. In other words, no cuts in spending.

In examining the budgets themselves (shown in categories of spending, not details), Dave noted that for the projections, he used 4.3% as the anticipated increase in state aid, which is based on recent non-election year actual aid to districts. (NOTE: In election years, the percentage rises.) In all cases, the line for debt service shows actual amounts.

When looking at years 2019 – 2023, the projections on paper reflect absolutely no changes to current budgeting (and taxing) practices. In other words, if you go forward as you are now, the projected amounts would be as shown on the 12x14 worksheet with yellow and blue columns. **On the same sheet, the third column starting in 2019 and moving forward, is a merged district budget amount, using the same anticipated guidelines for revenues and expenses.**

On the sheets with bar graphs, you will find the 2 individual district sheets from 2013 – 2023, and a separate page for a merged district from 2019 - 23. In the explanation below the graph, you will find revenues, expenses, and the amount of money TAKEN FROM the fund balance each year to make up the anticipated or real deficit. NOTE: This is NOT the fund balance number.

If the districts were merged, changes would have to be made in budgeting so that a fund balance would remain after incentive aid ends. *See also #4 above re: a third district in a future merger.

If the districts do not merge, the districts will either have to raise taxes by about 12% to maintain a fund balance, and/or make significant cuts in spending to continue with a fund balance.

Questions: What is included in the "miscellaneous" field (re: aid?)

What is the cost of state mandates? (Answer – no one has made that calculation, and we can't do that either.)

Dave asked groups of 4 to respond to two questions:

Based on these projections, what needs to be done?

Cut instructional costs; "How do you keep running two schools that need capital improvements, according to the 5 year plans?"; cut sports programs; consolidate more positions (share jobs as is done now with superintendent, etc.); review current transportation processes, etc.; raise taxes; use more distance learning (remember that you can only use the one D.L classroom for the number of periods in a day when the courses are offered); tighter contract negotiations; eliminate all but state required subjects.

How can the district return to a balanced budget? Basically, this question was answered in #1.

Marilyn asked Dr. O'Rourke if SED is now allowing students to take courses on-line, either as blended (some face-to-face instruction and some Internet

only) or straight Internet. The answer is yes, for certain courses for which the principal must give permission to grant graduation credit.

6. Tom provided a comprehensive report on the uses of technologies in each district. By examining the chart that Director of Technology Brynne Hinsdale helped complete, it is apparent that the two districts are extremely closely aligned in the technologies in use, and in their uses in the classroom. Since the districts share a technology coordinator with a very strong vision for technology and its uses, the two districts are already becoming as one, with the exception of Smart Boards which Clymer uses extensively and Panama uses minimally. One committee member asked if Panama would add more Smart Boards, since they are being replaced by other technologies. There are currently no plans to increase the number of Smart Boards in place. Other committee members asked about the cost of repairing and replacing the many I-Pads in use, and district people responded that the students are all extremely protective of their I-Pads, as they value them. They take care of them and charge them themselves. The districts do hold insurance policies on them too. Current uses of I-Pads include as text books, for tests, for homework, for Google searches through Google Classroom. Internet use is limited to "safe sites" (for example, Facebook is blocked). Both school districts have mobile computer carts that can move from room to room when needed, and both still have stationary computer labs. As for distance learning, Clymer students take JCC History (which is taught by a Panama teacher), music theory, and sign language. Panama students take JCC history (2 time slots) and JCC statistics. It costs about \$10,000 to bring in a DL course, and that amount is BOCES aidable. If a district "hosts" (teaches) a course, it receives \$6,000 for that course.

There are MACs and PCs in both districts, and Panama is moving toward the use of more PCs in the offices.

Each district has a full-time technology staff person, with each one in different unions due to the classification of the job. They also each have one, one-day-per-week BOCES technician who deals mostly with the networks.

The strengths of the two programs include a strong vision for technology and the use of I-Pads for instruction. No major improvements are needed, and the current uniformity would make a merger much easier than in some situations.

Textbooks on I-Pads can make the learning more interactive, and messages can go out via I-Pad, not just robo calls.

7. Marilyn presented a report on Extracurricular Activities with information provided by the building principals in each district that showed that Clymer offers 15 of them during the school year, and Panama offers 19. Committee members asked about a couple of activities that were not listed. Other committee members explained that those are not school-based or sponsored activities, but that other community groups hosted them in the schools. Possibilities in a merged district include the following: Continue to offer the same things; no losses of activities, but expansion of them; new opportunities for students. One member asked about cheerleading, and Mr. Lictus explained that a few years ago it was categorized a sport, which means that it has many requirements, such as a

certified coach, and that there really was not enough interest since so many girls participate in other sports.

BOCES Career and Technical Services report shows that each district sends students to BOCES during their junior and senior years for courses if they request to do so. Mr. Lictus said that there is no limit placed by the district on the number of students who can attend these programs. The total number is 17 in Clymer and 19 in Panama. While attending school there (for ½ day), students receive a unit of credit for technical math, technical writing, and technical science, all of which are incorporated into their coursework.

Marilyn explained the Special Education Report, which lists the numbers of students in each classification area, the grade levels for all students, and the general locations (in-district or out-of-district) numbers. She reminded everyone that the provision of special education services is legislated by both federal and state statutes; that each district's classification rate is below the state average; that each district has higher classification numbers in one area or another; and that each district is too small to be affected by accountability requirements, but each one probably meets them anyway.

The report on Resident Pupils Attending School Elsewhere shows similarities in the number of families that are homeschooling their children; in the number attending other public schools (that number is yet to be verified); in the number of full-time BOCES students. The area of greatest discrepancy is in the number attending parochial schools, and that is due to the large Amish population in Clymer.

8. Marilyn's report on Student Achievement included test results for grades 3 – 8 in ELA and math. Since the goal is to achieve 100% proficiency (meaning scores at Levels 3 and 4), you can look at the chart and calculate that if the current status is 37% proficiency, there would be 63% not proficient. In any district, that score would mean that 63% of the students are required to have Academic Intervention Services (AIS) to remediate whatever learning deficiencies exist. In both Clymer and Panama in grades K-4, when these students are identified both throughout the year and/or on NYS tests, they are placed in skills groups in the classroom (or between classrooms) to help them acquire necessary skills. It is only in grades 5 – 8 that they may (depending on the severity of the learning deficit) be provided AIS in a separate setting. IN GENERAL, scores are higher in Panama than in Clymer, and much of this may be due to the longer use of the intervention program described above. Now that there is a shared Director of Curriculum and Instruction, programs are being aligned and results are becoming stronger in Clymer.

The number of Opt-Outs, meaning those students who do not take the tests, has seen a slight decline in the two years studied. There are more opt-outs in Clymer than in Panama, and that COULD affect the final results.

Regents exam results are reported in two formats, reflecting the "old" Regents scoring methods and the new ones for Core Learning on the Regents ELA and required math exams. She distributed two handouts to help explain some of the issues surrounding passing the exams and graduation. Under the "old" Regents format, a student must achieve 65% on the exam in order to receive credit for the

course, unless the student (usually classified with a disability) is aiming for a local diploma, not a Regents. Those students can pass with a 55%-64% result. For the Core Learning exams, a student would have to achieve at Level 3 for a Regents diploma or Level 2 for a local diploma. Results in each district vary somewhat, with one district being stronger in one area and the other in another area. Overall, the results are very strong in both districts. When asked if larger classes would result in a decline in scores, Marilyn responded that if the teacher maintains a close eye on individual progress and provides engaging learning experiences, the students should do very well. An engaged learner is a successful learner. Also, even if there were a merger, class sizes would most likely still be small in comparison to very large districts since the new district would still be small.

The graduation rate is exemplary in both districts! According to the information provided, there were no dropouts in either district in 2015-2016, or 2014-15.

9. Dave distributed handouts for 2016-17 – Staffing, and Summary of Classrooms/Offices/Special Ed. Rooms. These will be added to the agenda for our fourth meeting.
10. After discussing communications, all information will be released following the distribution of a press release about the state aid deduction from Clymer (which took place on June 1, 2017 (see attached).
11. Meeting ended at 9pm.