

Notes Meeting #5
Feasibility Study Committee
July 12, 2017

1. Dave reported on 2 pieces of legislation that are now on the Governor's desk for his signature. Bills 6779 S and 8302 A would repeal the penalty assessed against Panama for the late filing of one capital project report. This would effectively wipe out the remaining Panama debt if the Governor signs it. Committee members received an e-mail attachment that had a generic letter that they can customize if they wish to lobby for this legislation.
2. He then showed some different options that the Panama board has before it should the bills not be signed. **Option II** – Excess Fund Balance Reduction In 2018-19, Panama would use part of their fund balance to pay down the fine. **Option III**– Alter Payment Schedule Under legislation previously adopted by Senator Young, Panama would continue the same payment plan as before, using funds provided by Senator Young for the 2017-18 year. This payment would reduce the penalty to \$2.4M.
 - A. Panama could reduce their fund balance by \$2.4 to pay off the full penalty.
 - B. Panama could budget \$500,000 payment for each of the next 5 years.
 - C. Another possibility is that the district would work with financial planners to secure voter approval to take out a BAN (Bond Anticipation Note) for up to 5 years to establish a repayment of this penalty. **Option IV** – Fund Balance and Pay Down from 2018 - 2024Yet another option is that Bill S2009-C, A3009C would have the district pay nothing in 2017-18, but in 2018-19 any monies above the 4% limit in the fund balance at the end of the 2017-18 school year would be paid to the state to reduce a portion of the penalty. The amount Senator Young gives Panama for 2017-18 would be part of the fund balance. The district would then have a yearly repayment plan with the State. The district would have to raise taxes or reduce programs to pay this yearly reoccurring financial obligation. This is the suggested yearly 2019-2024 payment plan called for in this bill:
2018-19 - \$2,339,095
2019-20 - \$263,037
2020-21 - \$263,037
2021-22 - \$263,037
2022-23 - \$263,037
2023-24 - \$51,643
3. Dave then distributed information created by 2 committee members to cut \$1M from the budget. Each proposal took different perspectives to accomplish this, with one wishing to keep both schools open and the other closing one school entirely.
4. Dave next commented on the information in the packets about BOCES services. Panama contracted for more career tech services than Clymer (Career and Technology Education); Panama has a shared business office through BOCES. For all BOCES services, the districts recover about 82% of the amount spent through BOCES aid the following school year, so it is seen as a revenue in the next year's budget.
5. Dave then commented on the contracts for support staff and for individuals in each district. There are more similarities than differences.

6. A long staffing chart was distributed and Dave noted that each district counts some professional positions differently, with some positions listed as faculty and others in administration. The hand-out points this out.
7. Tom pointed out that the biggest difference in cafeterias between the two districts is that one is in-house (Clymer) and one is contracted out (Panama). You can see in the information provided that Clymer serves about 1/3 more meals than Panama does, but that Panama makes some money on its cafeteria, while Clymer loses some each year. You will also note a difference in staffing as a result of the 2 different services. Also, there are more free lunches in Clymer than in Panama (a symptom of the poverty rate there). Mel said that Panama meals are of lower quality, perhaps since they use mostly government subsidized foods and lack the variety of the more robust Clymer meals. In Clymer, students are offered a second option for the main meal on Thursdays that they sign up for in class. Clymer's lunches are at a lower cost, and the cafeteria caters special meals at holidays and for superintendent's days. Tom pointed out how controlled the menus are by State and Federal regulations. If merged, the new district could select the type of school meal program it preferred. Most committee members would want an in-house cafeteria program. John O'Connor noted that BOCES is exploring a variety of shared services ranging from cafeteria manager services to shared menus. With BOCES aid, this would control costs.
8. Marilyn led attendees in a 4 corners exercise to respond to the question, "Should the districts merge? Assuming they merged, what should class sizes be? What about staffing? How should incentive aid be used? What type of food service? Which building should be used and what configuration?"
 - Responses were all in 2 categories – Strongly Agree and Disagree.
 - Staffing ratios (class size limits)
 - Administrative staffing
 - Possible cuts or additions
 - Uses of incentive aid
 - Building usage
 - Transportation policies
 - Food service

| Category | STRONGLY AGREE | DISAGREE |
|-------------------------|---|---|
| Staffing ratios: | K (18); 1-2 (18); 3-6 (22); 7-8 (25); 9-12 (25) Current avg. is 1:9 | K (15 max.20); 1-2 (15 max.20); 3-6 (18 max. 23); 7-8 (18 max. 23); 9-12 (20 max. 25) |
| Administrative staffing | 1 superintendent and 1 principal if in one building; or 1 principal per building in 2 buildings | If merger, 1 superintendent and 1 K-12 principal; No merger, ½ superintendent and 1 K-6 principal and 1 7-12 principal |
| Use of Incentive Aid | Programs – 50%- Keep all programs and add AP courses, another language, and expand electives 20% to reduce taxes | Programs: Add home and careers; agriculture, another language, computer science, more business classes; use most to balance salaries Not much to balance taxes |

| | | |
|------------------|--|---|
| | 30% capital projects-Use money to make Clymer the “athletic center” sports complex with stadium, fields; | Use of capital aid depends on what happens with buildings |
| Cafeteria | Keep food service in-house; | Keep food service in house |
| Use of buildings | IDEAL – 1 school POLITICALLY CORRECT – use both buildings Configure the district to be UPK – 5 Elementary; 6-8 Middle School; 9-12 High School | IDEAL – UPK – 6 in each district; 7-12 in one building FINANCIALLY APPROPRIATE: One building. Either build a new school; house in Panama; or add to Clymer |
| Transportation | Use routing software “Zone” pick-ups Smaller busses for distant students Create a Maximum time on the bus policy – 40 minutes Students actually like their bus rides. Time on the bus is more of a parent concern. Purchase more busses of the appropriate size if needed | 2 schools – 2 runs Likely different school start times Keep the “local runs” and then transport secondary students to Panama Maximum time on bus – 45 min Keep 2 bus garages. |

9. What are the possible impacts on the communities? Residents listed the following businesses that would be impacted by their school closing or not used as the high school:
Clymer: Neckers, Dutch Village; the Hardware store; the flower shop; Lictus Oil and Propane
Panama: the diner; Crouch’s Auto Repair
10. Possible uses of closed schools: Committee members were asked to look at the list compiled following a request at the last meeting to provide such a list. A wide variety of possibilities exist for the use of school buildings as evidenced by other districts’ successes.
11. Committee members were asked once again to stand in one of the 4 corners to show support or lack thereof for a merger, based on the critical question that began our study:
Will... Creating a new school district via the merger process in NYS provide enhanced or maintained educational opportunities, and at the same time increase long term efficiencies and lower costs for the taxpayers of both Clymer CSD and Panama CSD?
This time, one person left the Disagree corner and moved to the Agree corner. All those who were in the Strongly Agree corner stayed there. There were 6 Strongly Agree, 1 Agree, 6 Disagree. The following comments were made about a possible merger:

PRO: Financially, it would be scary if there were no merger; a merger would bring more money to the new district, more classes. Also, if no merger, there will be higher taxes and lower property values. What would have to be cut if there is no merger?

Educationally, there could be more classes to choose from, higher quality learning with greater diversity in the classroom; students would have more than the basics; better prepared students for the future, and all would have more opportunities to learn from and about other people than the ones they have always gone to school with or worked with.

CON: There would not be enough in savings in transportation to make it worthwhile. The Clymer tax rate is 35% less than in Panama. It would take \$900,000 to make up the difference to equalize taxes. Incentive aid won't balance it out based on the costs for teacher salaries, busses, cafeteria, transportation. Retaining staff will be hard without balancing teacher costs. There could be a strike if teachers' pay is not equalized; the district will lose teachers. Students might leave the district and the census will drop. There are too many students to eliminate any teachers.

Pro -7; Con -6

Possible uses of buildings from handout packet:

Uses for Old School Buildings

Olean City School District:

Closed 2 Elementary schools and sold to private businesses.

Southwestern Central School:

Closed elementary school -Town is using it.

Chautauqua Mayville School district:

Closed Mayville Central building. Chautauqua County is using the facilities as offices and court.

Some space is donated to not-for-profit agencies by the county.

Chautauqua Elementary and High school buildings sold.

Pioneer Central School District:

Sardinia Elementary -used by Town of Sardinia

Silver Creek Central

Built a new K-12 building,

Elementary building converted to Senior Citizen housing,

High school sold to a local developer.

Dunkirk

School 2 – used by Veterans of Foreign Wars

School 3 – Apartments

School 5 - warehouse

Other sites other than New York State:

Danbury School, Sioux City, Iowa

Created a recreation center for a small community.

Castana School, Iowa

After no interest was shown for the school building, the board put it on E-Bay, to sell. A technologies company purchased it to expand their business. New jobs for the area. Company paid \$10,000 for the building.

Other ideas:

| | |
|-----------------------|------------------------------------|
| Community Center | Rooms for food pantry, thrift shop |
| Senior Citizen Center | Meeting rooms for community groups |

| | |
|--|--------------------------------|
| Housing | Offer to Amish for school uses |
| Day Care Center for Adults and Children | Church services and meetings |
| Government offices, including town court | |
| Highway Department | |
| Substation for county Sheriffs and State Police. | |
| Medical Center for the Area | |