



DeRUYTER Central School

2012-2013 BUDGET UPDATE

A Call For Action: Our Children's Future Is At Stake

Public education in New York State has reached a cross-road. Never before have we had to make the choices we are being forced to make today. Up to this point, we have been fortunate to be able to offer a quality educational program filled with opportunities that allow our children to succeed. True, we do not have as many programs as some of the larger districts with greater wealth, but we do have more educational opportunities above the basic level than some of our peer districts in New York State.

Over the past three years DeRuyter Central School has streamlined programs and reduced expenses. Two main factors drove this change: A slightly declining enrollment and a reduction in public school aid (State Aid) from New York State. Through all these changes we have been able to maintain quality programs and keep the tax burden on the community to a minimum. By working together with our partners in the legislature, our teachers, staff, students, Board of Education, OCM BOCES, surrounding districts and you, our community, we met the challenge and are getting the job done.

We are now facing a newer, much more challenging hurdle as we plan our budget for next year. In the past, as our district grew in size and expenses continued to grow, the State of New York often sent schools more money to help offset increasing costs. If a bit more was needed, this community, which has always valued its school and the education of our children very highly, stepped up to achieve a balance in the budget. Now, the reality is the state has no more money to allocate for education. Newly enacted laws restrict raising taxes greater than a district's allowable tax cap limit on the levy without having 60% plus one or more voters in agreement. Please be aware that our intention is not to ask for more than 2% for the 2012-13 school year.

We have been successful keeping the spending within the approved budget levels over the last 4 years and in fact, reducing our budget. There have been no new costs, (unless mandated by New York State) only reductions. However there are required costs that we have no control over, for example increasing pension costs, rising health care coverage costs, contractual salary increases and rising costs of commodities such as natural gas and diesel fuel. We are mandated by law to meet these increased costs. In the past we have been able to offset these costs by reducing staff and reducing budget expenses such as supplies, materials, equipment and conferences to name a

few. We have also been successful in lowering our expenses by working closely with the two Associations within our district, the DeRuyter Faculty Association and the DeRuyter CSEA Unit. Both of these unions have worked closely with the Board of Education to create new contracts that will save the community significant monies this year and in years to come.

Here is a list of what we are proposing to adjust in the 2012-13 school year budget to save money and balance our budget while still maintaining a great educational program for our children:

Expenses Description of Change	2012-13 Rollover Budget Costs		Proposed Change	
	Direct	Indirect	Reduction	
French (0.5 to 0.4 FTE)	36,559		18,921	Insurance Savings and 0.1 FTE
Assistant Superintendent	119,805		119,805	Replace with BOCES Service
BOCES Cut	50,000		50,000	Exp. Tech Leases
Materials and Supplies	128,388		25,678	20% Cut
Equipment	57,000		11,400	20% Cut
Afterschool Program		25,310	12,655	Still 2 Days per Week
Conferences/Memberships	35,300		30,005	85% Cut
Medical Insurance increase to 2%	1,100,00		22,000	Recommended Rate
CSEA Tentative Agreement	34,573		34,573	CSEA Settled Contract
Field Trips	14,300	8,605	11,256	50% Cut in Budgeted Amount
Maintenance Contract HVAC	33,000		33,000	Remove
TRS Rate Change from 12.5% to 11.84%	23,770		23,770	Rate Guidance on 1/31/12
Swim/Rec Program	15,000		15,000	1 year authorization, must remove
Salary Breakage	16,776		16,776	1 DFA Retiree
Revenues				
Increased BOCES Aid	12,000		12,000	For Administrator Shift
Permanently Shifting to F Fund	76,632		76,632	1 Teacher and Portion of Principal

Please Give Five Minutes of Your Time to Tell Albany to "Send that \$250 Million to Schools that NEED it Most!"

- ➡ **\$\$\$ MUST Go Directly to Schools in Need, Not to an Unproven Grants Program**
- ➡ **New, Easy-to-Use Tool Lets You Compose and Send Letters to Governor/Legislators**
- ➡ **TIME IS SHORT - State Budget Completion is Just Three Weeks Away**

A 2% tax levy increase in DeRuyter only raises approximately \$66,000. Increases in the MANDATED retirement system costs are \$130,000 alone. It is easy to see that a 2% tax increase does not even begin to cover the cost increases that we will be face this in 2012-13.

With a proposed tax levy increase of 2% and the above listed reductions (and transfers of funds from the federal fund to the general fund) we can present you with a balanced budget for 2012-13 and not lose any opportunities for our children.

We do need your help. There is money that is being set aside in the Governor's proposed budget for grants that schools can apply for and receive. The amount set aside is \$250,000,000. This money can be better spent helping the districts with higher needs, like ours, with our expenses. Instead of setting aside this money for schools to apply to receive, please urge your representatives to move that \$250 million dollars into the state aid that districts receive to operate each year. The portion we would receive will help us to continue to maintain a quality program next year and in the future.

How can you help? You can call or send a letter to your representatives and urge them to consider redistributing the educational funding to those districts that truly need it for our children's future. Working together, we can make a difference for our community.

The State Senate and Assembly have targeted March 19 to 22 to vote on the 2012-13 NYS Budget.

With this deadline at hand it's critical for us to keep the heat on Albany - especially the \$250 million in new state aid that the Governor has earmarked to fund a vague, untested performance grants program.

Instead those dollars **MUST** be directly sent to the at-risk districts that are fighting for survival! One way to

keep the heat on is to barrage our leaders with letters that clearly state our expectations for the \$250 million.

A new, easy-to-use tool has just been added to the SSFC website that will allow you and all of your school district's supporters to both prepare and send a letter in about five minutes time. Go to the www.statewideonline.org website and next to the flashing 'ACT NOW' button click on the blue 'Click Here' button.

The first campaign for this new tool will focus squarely on the redirection of the \$250 million. If these funds are reallocated, 202 school districts would receive enough money to offset the loss of federal jobs funding in June 2012. If the money is not reallocated, only 35 districts will benefit from aid to offset the loss of federal jobs funds.

While not a cure-all for our state aid concerns, this move would clearly provide some much-needed relief to many districts at a crucial time.

Members of the Legislature appear to be supportive of our position on this issue, but at this time the Governor does not. We need to clearly let the Governor know where we stand and encourage our legislators to stand strong on this matter that deeply impacts the communities they represent.

Please take five minutes to add your voice to this critical and timely advocacy campaign, and feel free to edit/adapt the wording of the original letter we prepared to fit the needs and specific circumstances of your school community.

Difficult times require that school district officials, board of education members, parent groups, faculty members, community stakeholders and others with an interest in the success of our children and future of our schools show the Governor and the Legislature that **WE NEED RESULTS** and we are unified.

When is a Cap Not a Cap?

The widely publicized 2% property tax cap is neither a cap nor is it limited to 2%. The law allows districts to determine a total tax levy amount for the entire school district that will allow it to pass the budget with a 50% plus one vote. If there are 100 voters, a proposed budget with a proposed tax levy that comes under the “cap” only needs 51 votes to pass. If the school board decides to put up a budget where the proposed tax levy exceeds the “cap”, the vote would have to be 60 for the budget with the same 100 voters. Since it can be breached, it is not a true cap.

The calculation of the tax levy amount has many parts. You start with the 2011-12 total levy amount. You multiply this by a tax base growth percentage, determined by the state. For DeRuyter, the multiplier is 1.0061. Then, you add PILOTs (Payments in lieu of taxes). These “substitute” taxes are usually for large businesses. There are no PILOTs for DeRuyter CSD currently. You subtract “exemptions” from the prior year. Since it was not in place for 2011-12, this is also zero. That calculation gets you to an amount that they refer to as the “Adjusted Prior Year Tax Levy”.

This adjusted prior year tax levy is then increased by the famous 2%. Then, you subtract the PILOTs that will exist in the upcoming year (again, zero for DCSD) and add “exemptions”. These exemptions are for the increase in the RATE of the Employees’ Retirement System (ERS) or Teachers’ Retirement System (TRS) above 2% and for the local share of capital project expense. The effect on the budget of a 2% rate increase in both ERS and TRS is almost \$100,000 for DeRuyter CSD. This, alone, is over a 3% increase to the tax levy without considering the contractual increases in salary and health insurance and none of it will be exempted from the cap.

The end result of all of the needless complication is that the tax levy increase that will trigger the 60% requirement is anywhere from 2% to 10% (or more). Our current estimate based on the data available is that our trigger will be about 2.77%. This is completely used up by the state mandated (and not exempted) increases in TRS and ERS leaving any cuts in state aid, contractual increases in salary, increases in health insurance costs, and increases in fuel costs to be cut from the current programs of the district if we are to stay below the “cap.”

Correcting Recently Released Information

In a recently released article in the Syracuse Post Standard, it was reported that DeRuyter Central School has a student population of 389 students. This was reported inaccurately as it does not take into account DeRuyter Central School students who are “our students”, but attend full day BOCES programs and students who are in the Pre-K program. When all students are included, the total number of students is enrolled 430, not the 389 reported in the paper.

DeRuyter Central School Ranking in Performance in New York State

In October of 2011, the Buffalo Business First Journal published a list of the academic performances of 431 public school districts in the 48 counties of Upstate New York, based on four years of test data from the New York State Education Department. We will continue to improve our program and our academic standings each year and continue to ensure DeRuyter Central is a place students are proud to attend. Listed below are a few of the area schools and our standings. For a complete list please go to: <http://www.bizjournals.com/buffalo/feature/schools/2011-wnyschools/2011/10/2011-upstate-school-district-rankings.html?page=all>

9. Cazenovia (Madison County, Syracuse Area)
41. Fabius-Pompey (Onondaga County, Syracuse Area)
64. Tully (Onondaga County, Syracuse Area)
160. Homer (Cortland County, Syracuse Area)
246. Cortland (Cortland County, Syracuse Area)
276. Stockbridge Valley (Madison County, Syracuse Area)
286. Madison (Madison County, Syracuse Area)
- 288. De Ruyter (Madison County, Syracuse Area)**
311. Cincinnatus (Cortland County, Syracuse Area)
331. Marathon (Cortland County, Syracuse Area)
337. Georgetown-South Otselic (Chenango County, Binghamton-Elmira Area)
372. McGraw (Cortland County, Syracuse Area)
390. Canastota (Madison County, Syracuse Area)

DeRuyter Central School
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DeRuyter Central School
Non-Profit Organization
US Postage Paid
DeRuyter, NY 13052

PERMIT NO. 1



**Please remember the following important
dates and please remember
to Vote on May 15th.**

MAY 7th

**Annual Meeting
6:30 in LMC**

MAY 15th

**Budget Vote and Board of Education Election
from 12:00 pm until 9:00 pm**

DCS = DISTRICT COMMITTED TO SUCCESS

**DCS Mission Statement: The DeRuyter Central School District accepts the responsibility of assuring that
students reach their educational, physical, and emotional potential in a safe environment.**