

# Planning for Our Future

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## Slated for School Board Discussion March 22, 2018

Our school community faces an important choice: Maintaining Westport CSD as a school district or merging with Elizabethtown-Lewis CSD. This report is intended to support the school board's efforts to focus decision-making with the future of its public school community in mind. This report includes:

1. An **executive summary**.
2. **Side-by-side comparison**: Westport CSD and a merged school district.
3. **List of the key elements** used to construct a five-year budget forecast for Westport CSD.
4. A Westport CSD **five-year budget forecast**.

**Thank you** for your consideration!

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**This public report to the Westport CSD Board of Education was constructed by A. Paul Scott, Interim Superintendent.**

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# Executive Summary

All progressive school districts and school boards plan for the future. At Westport CSD, we are at an extraordinary moment in time, in regard to planning for our future: It's very likely that later this year, residents will go to the polls for an advisory vote on whether or not there should be a merger of Westport CSD and Elizabethtown CSD.

I've received requests during recent months for a comparison: **merger** or **no merger**. This report offers such a comparison in regard to student enrollment, curriculum, student achievement, finances, transportation and facilities.

## **If there's no merger:**

Westport CSD's finances will be further stressed in the years ahead. Forecasted annual cost increases outpace forecasted annual revenues. Efficient operation of instructional programs is problematic for Westport CSD: We enroll only 174 resident students, K-12. And only 63 of those students are at the high school grade levels. Continued reductions to curriculum and program staffing are highly likely, as part of balancing income with expenditures.

## **If there's a merger:**

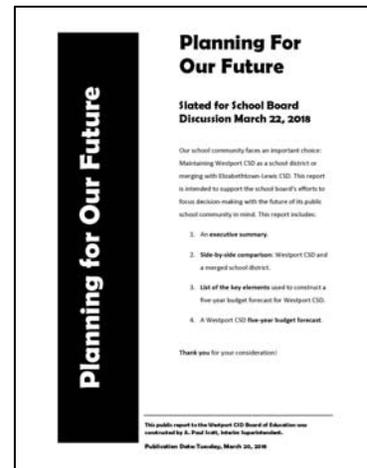
A merged district in New York State is provided with substantial additional operating aid, often referred to as merger incentive aid, across fifteen years. A merged district would experience the enviable position of having a fifteen year window of time to bolster programs and services, stabilize or lower tax rates, while simultaneously establishing reserve funds to sustain good financial footings for school year 2034 forward. The middle school and high school class sections could be scheduled to feature class sizes that would be more normal in size for middle school and high school class sections. That would offer a more efficient scheduling model, resulting in capacity to expand the range of courses.

## **As to facilities:**

Westport CSD's vintage 1933 schoolhouse and 1958 transportation garage require extensive repairs, renovations and modernization to sustain safe, hygienic and adequately updated spaces for instructional programs and support operations reliably for the near-term future. A merged district would launch with continued use of the existing schoolhouses. And a merged district receives substantial additional merger aid monies for voter-approved facilities repairs, renovations and/or new construction during its first ten years.

## **In a nutshell:**

A merged district would offer our school community substantially greater capacity to stabilize curriculum, instructional programs, support services and employment.



# AN IMPORTANT CHOICE AHEAD FOR THE WESTPORT SCHOOL COMMUNITY: MERGER OR NO MERGER?

Topic	No Merger	Merger
<b>Student Enrollment</b>	Westport CSD enrolls 174 resident students. Last school year we were the 36 <sup>th</sup> smallest school district of the 721 districts in New York State that report student enrollment. Our teacher to student ratio is 8.5 students per teacher, compared with the statewide average of 12.5 students per teacher. Three-dozen non-resident students attend here, as well. The non-resident tuition rate covers nine percent (9%) of our \$12,483 per-pupil cost as calculated last year by the State Education Department’s fiscal accountability office.	A merged district would enroll approximately 450 students, K-12. The middle school and high school class sections could be scheduled to feature class sizes that would be more normal in size for middle school and high school class sections. That would offer a more efficient scheduling model, resulting in capacity to expand the range of courses.
<b>Budget Reductions</b>	Westport CSD budget reductions since year 2000 include teacher positions such as library media specialist, business teacher, and elementary guidance counselor. Multiple high school elective courses, student clubs and after-school activities have been cut.	A merged district would be in a strong position to restore high-interest instructional programs, student clubs, extra-curricular activities and academic electives that were the casualties of budget reductions due to insufficient monies to sustain those program elements at Westport CSD.
<b>Facilities</b>	Westport CSD’s vintage 1933 schoolhouse and 1958 transportation garage require repairs, renovations and modernization to sustain safe, hygienic and adequately spaces for instructional programs and support operations reliably for the near-term future.	A merged district would launch with continued use of the existing schoolhouses. And a merged district receives substantial additional merger aid monies for voter-approved facilities repairs, renovations and/or new construction.

# AN IMPORTANT CHOICE AHEAD FOR THE WESTPORT SCHOOL COMMUNITY: MERGER OR NO MERGER?

Topic	No Merger	Merger
<p><b>Curriculum, Instruction and Student Achievement</b></p>	<p>Westport CSD exceeds most statewide benchmarks for student achievement and performance on Regents examinations.</p> <p>Our curriculum has been diminished somewhat, due to budget reductions and the practical limits when high school enrollment consists of 63 students.</p>	<p>Elizabethtown-Lewis CSD also exceeds most statewide benchmarks for student achievement and performance on Regents examinations. The merger study consultants have determined that curriculum, student achievement and graduation rates are more similar than different between the two school districts. It's highly likely that student achievement at a merged district would continue to exceed state benchmarks for student graduation and achievement.</p>
<p><b>Transportation</b></p>	<p>Westport CSD has a durable model and schedule for school bus routing across the school district.</p>	<p>A merged district would likely launch with a shuttle bus that would transport middle school students from the former ELCSO campus to the former WCSO campus. And another shuttle bus would transport high school students from the former WCSO campus to the former ELCSO campus. It's anticipated bus routing would be "tuned up" during the first year(s) of a merged district.</p>
<p><b>Operating Aid</b></p>	<p>Westport CSD is disadvantaged by small annual increases to state operating aid (foundation aid) that reflects our comparably small student enrollment.</p>	<p>A merged district in New York State is provided with substantial additional operating aid, often referred to as merger incentive aid, across fifteen years.</p>

## AN IMPORTANT CHOICE AHEAD FOR THE WESTPORT SCHOOL COMMUNITY: MERGER OR NO MERGER?

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Topic	No Merger	Merger
<b>Annual Budgeting</b>	Westport CSD annual budgets typically have very modest funding for classroom supplies, instructional technology, custodial supplies, equipment, maintenance and updating of classroom door locking mechanisms, program spaces and continued updating of safety/security systems.	A merged district would receive an additional \$6.24M of merger incentive operating aid across the initial fifteen years of operation. That would allow for a brighter and more solid academic program and solid capacity to maintain facilities during those fifteen years. Also, there would be vastly increased fiscal capacity to establish and fund reserve accounts for the longer haul, following the initial fifteen years of the merged district.
<b>Operating Efficiencies</b>	Westport CSD has a dedicated faculty, support staff, operations supervisors and program administrators. The scale of operation at Westport CSD is generally less efficient than a school district with larger student enrollment. That is a byproduct of serving only 174 resident students.	A merged district would allow for the two former districts to decrease operating costs totaling \$7.62M across the initial fifteen years of operation, reflecting the employment of one less superintendent, two fewer teachers, one less operations supervisor and one less clerical position, all recommended to be via attrition.
<b>Fund Balance</b>	Westport CSD's finances will be further stressed in the years ahead. Forecasted cost increases outstrip forecasted revenues. Continued reductions to curriculum and program staffing are highly likely, as part of balancing income with expenditures.	A merged district would experience the enviable position of having a fifteen year window of time to bolster programs and services, stabilize or lower tax rates, while simultaneously establishing reserve funds to sustain good financial footings for school year 2034 forward. There would be substantially greater capacity to stabilize curriculum, programs, services and employment.

# KEY ELEMENTS

## THE FACTS AND NUMBERS I USED FOR THIS REPORT:

- A. State aid (called foundation aid) forecast: two percent increase annually.
- B. Most of Westport CSD's fund balance consists of accounts reserved for specific uses like unemployment insurance and employee benefits.
- C. Roughly \$400,000 of the fund balance is currently unassigned to any specific purpose.
- D. Shared services with Elizabethtown-Lewis CSD continue for Director of Student Support Services, School Psychologist and Speech Pathologist.
- E. Salary rates: Forecasted at three percent increase annually.
- F. Other categories: Forecasted at two percent increase annually.
- G. Health insurance increases by 13.5% for 2018-19. Each school year after that is forecasted to increase at eight percent annually.
- H. Employment contracts with the teachers' union and the support staff union are in place through June 30, 2019.

## And the budget figures in this report:

- I. Include only enough monies to continue having a school superintendent employed on a part-time, per-day basis without any paid sick leave or personal leave or paid holidays or vacation leave or health insurance.
- J. Do **not** include monies to buy new school buses.
- K. Do **not** include monies to buy more than a few desktop computers or audio-visual equipment items each school year.
- L. Do **not** include monies for the big-ticket, top priority repairs, upgrades and modernization of our K-12 schoolhouse and transportation garage.
- M. Items J, K and L (above) will need attention in the years ahead, whether or not there's a merger with Elizabethtown-Lewis CSD.

	A	B	C	D	E	F	G
		Current Yr 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
1							
2	July 1st Fund Balance	\$1,781,428	\$1,971,676	\$1,720,359	\$1,343,110	\$765,934	\$30,303
3	<b>Income</b>						
4	Property Taxes	\$3,507,096	\$3,591,906	\$3,660,867	\$3,735,919	\$3,808,489	\$3,875,415
5	State Aid (annual operating aid)	\$2,001,463	\$2,012,552	\$2,044,061	\$2,076,201	\$2,108,984	\$2,142,422
6	Other Income Categories	\$580,597	\$458,270	\$463,080	\$405,139	\$403,330	\$289,765
7	Total (including fund balance)	\$7,870,584	\$8,034,404	\$7,888,367	\$7,560,369	\$7,086,737	\$6,337,905
8	Change (by percent)		2.08%	-1.82%	-4.16%	-6.26%	-10.57%
9	<b>Expenses</b>						
10	Instruction	\$2,994,096	\$3,047,607	\$3,129,811	\$3,214,295	\$3,301,126	\$3,390,371
11	Support Functions & Operations	\$916,580	\$930,002	\$951,734	\$973,995	\$996,798	\$1,020,157
12	Student Transportation	\$252,980	\$226,338	\$232,471	\$238,775	\$245,255	\$251,916
13	Health Insurance	\$1,087,423	\$1,386,550	\$1,497,474	\$1,617,272	\$1,746,654	\$1,886,386
14	Employee Retirement System Payments	\$286,753	\$300,295	\$307,424	\$316,647	\$326,146	\$335,931
15	Social Security, Workers' Comp., etc.	\$264,729	\$235,891	\$233,956	\$241,363	\$249,023	\$256,942
16	All Other Expenses (such as debt service)	\$286,596	\$187,363	\$192,388	\$192,088	\$191,431	\$55,569
17	Total	\$6,089,157	\$6,314,046	\$6,545,258	\$6,794,435	\$7,056,433	\$7,197,272
18	Change (by percent)		3.69%	3.66%	3.81%	3.86%	2.00%