

April 26, 2010

Memo to: J. McDonald, Superintendent TCS

Subject: Notes from the Budget review in Hague

John, I want to thank you for presenting the budget to the folks here in Hague. As you can see from the turnout and questions, there is a lot of interest, and frustration, in the process and results. As we agreed, you will schedule Hague as part of the normal review cycle prior to adoption.

I have summarized my notes below:

- **Class size:** We need to understand the implications of class size versus staff size throughout the 5 year strategic period.
 - § With the student population projected to decline over the next 5 years it becomes more urgent than ever to investigate the staffing model starting with the lower grades and working up through the upper grades.
 - § A staffing matrix showing the student distribution for Ticonderoga, Hague, and Putnam, by section highlighting the number of students and the number of staff over the 5 year period would make a good starting point for consolidation discussions to begin.
- **Bus route consolidation:** Given the projected reduction in student population, the need to optimize the purchase of new vehicles, as well as the need to optimize staff, a detailed update of routes, time of travel, and population demographics is suggested.
- **Health care contributions:** While progress has been made increasing the staff contribution to their healthcare as well as a change in plan selection, the general feeling was that the Board needed to be more demanding in their negotiations to increase the staff contribution.
- **Special education breakdown:** What is the class size breakout for special education students? What resources in terms of teachers, teacher's aids, and program demands are required to comply with State / Federal mandates?
- **District / Services consolidation:** While consolidation of districts at any level is a very difficult subject to broach, there is a general feeling that the current model is unsustainable and unaffordable in the long term. It is strongly recommended that discussions take place between the appropriate school board members and superintendents in Ti, Putnam, and Crown Point to explore options to more cost effectively provide the current level of education excellence today and into the future.
- **Contingency budget implications:** If the adopted budget gets defeated and the contingency budget comes to pass, the only viable options require the elimination of positions and programs. This

work should start immediately and the results made available prior to the district vote.

- **Mandate breakout:** To help put the budget better in perspective, it would be helpful to demonstrate the financial impact of the 144 Federal and State mandates.
- **Custodial services:** There was some confusion on the financial breakout of custodial services. Line item detail would help. Also as a benchmark, it might be helpful to secure a quote for services. That would provide a good reference base and aid in contract negotiations at a minimum.
- **Interest rate on debt:** The question was what the interest on the debt is and whether it could be negotiated lower based upon economic conditions and credit rating of the District.
- **Hague Board of Education representation:** There currently exists no representation from Hague on the District Board of Education. The makeup of the District Board of Education should more closely reflect the financial support of its providers.

The possibility of defining Hague as a special District for voting purposes with a defined number of seats on the Board should be explored.

My General Comment:

- To get real change, we all must take a more active role in the **BUDGET PROCESS** as well as **PROPERTY TAX REFORM EFFORTS**
 - § You can follow and participate in Property tax reform efforts by logging on to the following site.
<http://www.omnibustaxsolution.org/index.html>
- While it is important to become involved in the early stages of the formal budget process, attend the meetings, and challenge the data. It is also important to recognize that:
 - § The budget process is a continuous process
 - § It is a process that requires the exploration of alternative scenarios
 - § It is a strategic process that requires a multi year outlook
 - § It is a process that requires “out of the Box” thinking.
- The challenge is how to best address these issues.
 - § As part of the normal budget process?
 - § As part of a Board created budget committee?
 - § As part of a citizens advisory committee?
 - § All of the above?