



East Ramapo Central School District

105 South Madison Avenue, Spring Valley, NY 10977

A Unified Community Educating the Whole Child ...

Dr. Deborah L. Wortham
Superintendent of Schools
845-577.6011

Yehuda Weissmandl
President, Board of Education

Harry Grossman
Vice-President

Mark Berkowitz
Bernard L. Charles, Jr.
Sabrina Charles-Pierre
Joel Freilich
Pierre Germain
Jacob Lefkowitz
Yonah Rothman

MEMORANDUM

Date: June 26, 2018

To: Board of Education Members

From: Dr. Deborah L. Wortham, Superintendent of Schools
Mr. Valter Paci, Assistant Superintendent for Finance

Subject: Contingency Budget **ABSOLUTE FINAL REVIEW (POST)**

When school Districts are faced with a situation of a contingency budget, the first expenditures to be considered are non-contingent expenses, those that least affect the educational program, especially in the classroom. With this as our guiding principle in this contingency budget process, we are presenting the following plan for consideration. The plan represents the budget gap closing approach that has the minimal impact on the classrooms in our public schools and takes advantage of a legally-permitted reduction of a non-contingent expense by paying the minimum amount required on the principal of the Capital Bond.

The contingency budget represents the elimination of **\$4,375,787** from the Board-approved 2018-2019 budget.

Strategy

Our contingency budgeting strategy represents the approach that has the least impact on the classrooms in our schools. The first recommendation in this plan, asks the Board to finance part of the budget gap of \$4,375,787 with a transfer of **\$959,000** from the Fund Balance. As a result, it will reduce cuts from other areas from \$4,375,787 to **\$3,416,787**.

The District's second recommendation is for the Board to reduce the amount of payment of the principal of the Capital Bond to the minimum amount required. Repayment of the Capital Bond requires payment of both principal and interest. The District has budgeted \$2,356,000 in principal, interest payment, and transfer to Capital Fund in the 2018-2019 budget. We are obliged by law to pay the interest fully. However, the District has an option of paying only the required minimum amount of the Capital Bond principal. The total amount of required principal and interest is **\$1,192,258**. The recommended strategy will provide a savings of **\$1,163,742**, serving to reduce cuts needed to meet the contingency budget requirement, keep cuts far from the classroom, and allow us to continue to make progress in meeting the goals of our Comprehensive Academic Strategic Plan. Applying this strategy results in reducing the budget gap by an additional **\$2,253,045**.

As a unified community, the East Ramapo Central School District is committed to educating the whole child by providing a healthy, safe, supportive, engaging and challenging learning environment.

The remaining funds represent reductions to the costs of staff and services. We have confirmed retirements of 29 teachers and three teaching assistants for the 2018-2019 school year. Our adopted budget accounted for 15 retiring teachers. Accounting for the savings from the three teaching assistants, 14 additional retiring teachers, and a Director adds **\$432,062** to the savings.

Finally, the last consideration in this category concerns cuts and attrition, which were required to bridge the final gap of **\$2,253,045**.

- **Elimination of the Director of Secondary Education and the conversion of the position of Director of Elementary Education into Assistant Superintendent for Professional Development K-12**

Total Savings \$259,003

- The administrative/clerical staff will be reduced by two positions, representing a savings of **\$231,352**.
- **Reduction of one nurse position (vacancy) represents a savings of \$67,123.**
- **Reduce 15 Special Education teaching assistant positions (plus two resignations)**

Total Savings \$679,404

- **Elimination of (one newly created) position for a Social Worker**

Total Savings \$134,000.

- **Create a new Middle School Leadership Model:**
 - **1 Principal**
 - **1 Assistant Principal (reconvening the 1 Assistant Principal model)**
 - **1 Academic Standards Facilitator (grant funded)**

Total Savings \$312,539

- The retirement of the Safety Supervisor in the Transportation Department contributes **\$131,508** to the total savings because we are not filling the position.
- Reducing central administration non-salary/contractual expenses results in **\$6,054** savings.

Sources of Funds to Meet the Contingency Budget Reduction of \$4,375,787		
Fund Balance	Reduction in Principal Payment to Capital Bond (*Deducted from Adopted Budget)	Reductions to Staff, Services, and Retirements (*Deducted from Adopted Budget)
\$959,000 = 22%	*\$1,163,742 = 27%	*2,253,045 = 51%
Original Adopted Budget		\$237,334,978
*Capital Bond Debt Service and Reductions		-\$3,416,787
Contingency Budget Total		\$233,918,191

Figure 1. REDUCTION CATEGORIES and AMOUNTS

Cc: Cabinet