



Olean City School District

2008-2009 BUDGET BULLETIN

Budget
vote & election
are May 20!

Balancing spiraling costs with fiscal realities

**Board votes to further
reduce local taxes by \$90,000
... tax levy now 3.9%!**

**By Mark J. Ward,
Superintendent**

Good news for taxpayers!
With the passage of the State budget, the Board of Education has further reduced the local tax effort by using approximately \$90,000 in additional state revenue. By using the additional funds the Board has reduced the tax increase from 4.7% to 3.9%.

Over the past four months the Board of Education and administration have been working on the District's 2008-09 spending plan. There is little doubt that the U.S. economy is showing troubling signs while the cost of daily living continues to spiral upward. We are sensitive to the various tax burdens that all citizens are facing and we have worked diligently to devise a responsible plan the community can support.

The Board is faced with a variety of decisions concerning student programs, utility increases, insurance premiums, transportation, and contractual obligations. Providing effective programs and educational opportunities for our students that are financially responsible is a challenge that we face each year. The Board of Education believes that we have developed a budget that addresses the needs of our students while understanding the fiscal limitations that residents/taxpayers are operating under. We have worked diligently to examine all areas of our operation in an attempt to deliver a more cost effective system.

I am pleased to announce that effective the end of April, Olean will be the only City in New York State with a "free after school program" that will run until 6:00 PM at each of our four elementary buildings. This is a collaborative effort involving the school

district, as well as the Olean YMCA, and several State grants that we have received. This is a truly remarkable milestone that will enormously benefit our students and families.

The educational spending plan will include:

- Maintaining small class sizes at the elementary level
- Maintaining Reading First in an effort to get all students reading on grade level by the end of third grade
- Using "district testing data" to assist us in making decisions on programs, funding, and professional development
- Using "inclusion" to integrate more of special education students into general education classrooms for instruction
- Allowing us to make many improvements and upgrades to our existing facilities through our Capital Project to be voted on June 17
- Expanding technological resources for our students and teachers by creating a long range funding mechanism
- Researching a new elementary math program that we plan to start implementing this year
- Maintaining recent program additions, including: Project Lead The Way (pre-engineering), high school business program and summer STAR Program
- Transitioning toward a district-operated, integrated educational program for our autistic children
- Continuing to use the North Hill savings to support after-school programming
- Offering summer school programs for middle and high school students

(continued on page 2)



BUDGET HEARING: TUESDAY, MAY 13

7 p.m., Olean Middle School (large group instruction room)

**BUDGET VOTE & SCHOOL BOARD ELECTION:
TUESDAY, MAY 20**

7 a.m. - 9 p.m., Olean Middle School

*Voting for all qualified residents will take place
at Olean Middle School, 401 Wayne St., Music Suite, 1st floor*

Balancing spiraling costs, continued from page 1

- Funding field trips
- Maintaining all academic programs
- Expanding further our Universal Pre-Kindergarten (UPK)

Why is the budget up?

- 80% of the budget contains expenditures that are either mandated or out of our control
- Health insurance costs are projected up 20% (\$242,000)
- Employee contracts (\$965,665)
- Special Education increase (\$600,000)
- Transportation increase based on new contract (\$158,000)
- BOCES Capital assessment (\$113,000)
- Rising utility costs (\$74,000)
- Add indoor boys' and girls' track (\$10,000)

What are we doing to reduce costs?

- Two retiring teachers will not be replaced (\$174,000)
- New Windows student data system replacing an antiquated system that is far more costly (\$71,000)
- We are currently applying for several competitive grants (Elementary 21st Century, Early Reading First, Liberty Partnership, Full Service Community Schools, State Adult Literacy and Basic Adult Education) that, if successful, will immensely improve our educational programs
- Hired Personal Touch to manage the cafeteria operation to reduce local costs and improve the product offered
- Reduced the cost of our phone system (\$20,000)

Two propositions on May 20th ballot

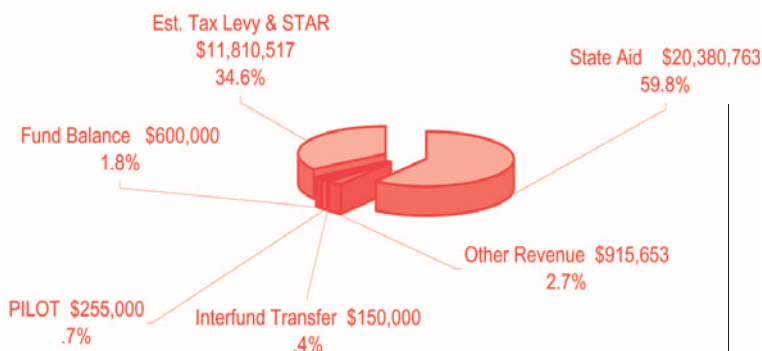
PROPOSITION #1 is the basic budget (\$34,111,933) for the Olean City School District for fiscal year July 1, 2008 and ending June 30, 2009.

PROPOSITION #2 seeks voter approval for the Olean Board of Education to purchase approximately 0.36 acre portion of real property located at 212 17th Street North which is adjacent to Washington West Elementary School. The maximum total cost is estimated to cost \$20,000. The District intends to use the property to create a safer one-way exit for traffic and will add some additional parking. The District will use proceeds from the sale of North Hill to fund the purchase, therefore, there will be no tax impact.

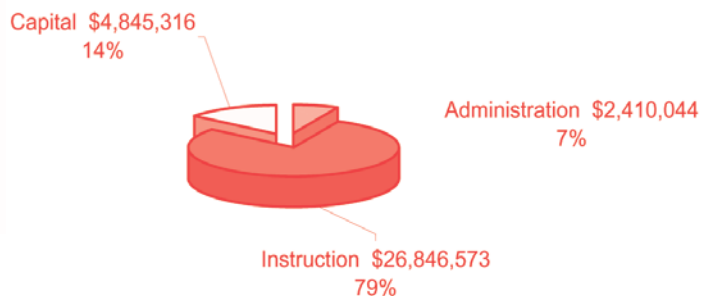
- Reduced .4 position in speech (\$16,000)
- Installed a new boiler dedicated to run the pool and new controls designed to reduce energy costs

The 2008-09 spending plan being brought to the voters carries an estimated 3.9% increase in the tax levy over last year, based on current assessments. We believe the budget reflects a conservative spending plan that maintains programs that are working, reflects a number of cost reductions, incorporates new ideas, manages spiraling cost centers, and uses creative thinking to stretch our limited resources. Over the years, Olean voters have always recognized the value of a quality education, and we ask again for your confidence and support in providing our children with the "tools" they will need to compete in the 21st century.

2008-2009 Revenues & Other Funding Sources



2008-2009 Uses of Education Funding



Summary of Revenues & Other Sources of Funding

	2007-2008 Budgeted	2008-2009 Proposed	Inc (Dec) Over Prior Year
State Aid	\$ 18,562,709	\$ 20,380,763	\$ 1,818,054
Other Revenue	783,500	915,653	132,153
PILOT (Payments in Lieu of Taxes)	254,778	255,000	222
Estimated Tax Levy & STAR Reimbursement	11,362,619	11,810,517	447,898
TOTAL REVENUE	\$ 30,963,606	\$ 33,361,933	\$ 2,398,327
Interfund Transfer of Debt Service	200,000	150,000	(50,000)
Appropriated Fund Balance	600,000	600,000	-
TOTAL REVENUE & OTHER SOURCES	\$ 31,763,606	\$ 34,111,933	\$ 2,348,327

2008-2009 Proposed Budget

	Budget Components			2008-2009	2007-2008	Inc (Dec) \$
	Administrative	Capital	Instructional	Total	Total	
GENERAL SUPPORT						
Board of Education	34,800	-	-	34,800	33,200	1,600
Central Administration	210,020	-	-	210,020	201,300	8,720
Finance	320,127	-	-	320,127	313,354	6,773
Legal/Personnel/Public Info	229,953	-	-	229,953	236,273	(6,320)
Operations & Maintenance	-	2,969,157	-	2,969,157	2,833,406	135,751
Central Storeroom and Printing	56,698	-	-	56,698	46,578	10,120
Insurance/Refunds/Dues/Unclassified	205,319	-	-	205,319	198,859	6,460
BOCES Central Data/Admin/Capital	1,199,122	-	-	1,199,122	1,067,456	131,666
TOTAL GENERAL SUPPORT	2,256,039	2,969,157	-	5,225,196	4,930,426	294,770
INSTRUCTIONAL SUPPORT						
Curriculum/Supervision/Inservice	-	-	1,496,748	1,496,748	1,281,047	215,701
Instruction - Regular School	-	-	11,372,504	11,372,504	11,115,754	256,750
Instruction - Special Needs, Summer, Occ Ed	-	-	5,399,566	5,399,566	4,797,516	602,050
Instruction - Media/Technology	-	-	944,001	944,001	608,378	335,623
Guidance/Health/Psychological	-	-	879,388	879,388	724,208	155,180
Co-Curricular/Interscholastic Activities	-	-	408,787	408,787	389,594	19,193
TOTAL INSTRUCTIONAL SUPPORT	-	-	20,500,994	20,500,994	18,916,497	1,584,497
STUDENT TRANSPORTATION						
District Transportation	-	-	102,921	102,921	53,906	49,015
Contract Transportation	-	-	818,318	818,318	675,203	143,115
TOTAL STUDENT TRANSPORTATION	-	-	921,239	921,239	729,109	192,130
EMPLOYEE BENEFITS						
TRS & NYS ERS/Retirement	33,791	88,834	1,309,064	1,431,689	1,513,500	(81,811)
Social Security	35,973	92,370	1,217,293	1,345,636	1,289,000	56,636
Worker's Compensation	3,475	8,924	117,601	130,000	101,985	28,015
Unemployment Insurance	-	-	20,000	20,000	20,000	-
Health Benefits	80,766	202,253	2,665,382	2,948,401	2,684,060	264,341
TOTAL EMPLOYEE BENEFITS	154,005	392,381	5,329,340	5,875,726	5,608,545	267,181
DEBT SERVICE						
Serial Bonds - Building	-	1,402,632	-	1,402,632	1,402,882	(250)
Electrical Performance Contract	-	81,146	-	81,146	81,147	(1)
TOTAL DEBT SERVICE	-	1,483,778	-	1,483,778	1,484,029	(251)
INTERFUND TRANSFERS						
Transfer to Special Aid	-	-	65,000	65,000	65,000	-
Transfer to Cafeteria	-	-	30,000	30,000	30,000	-
Transfer to Capital Fund	-	-	10,000	10,000	-	10,000
TOTAL INTERFUND TRANSFERS	-	-	105,000	105,000	95,000	10,000
TOTAL PROPOSED BUDGET	2,410,044	4,845,316	26,856,573	34,111,933	31,763,606	2,348,327

Explanation of Three Part Budget Presentation

Chapter 436 of the Laws of 1997 require public school boards of education to present the proposed budget in three parts. As a result, this presentation is organized around the following components; administrative, capital, and program:

Administrative Component: Includes expenses associated with the operation of the school board, superintendent's office, and business office. Includes salaries and benefits for all certified administrators and supervisors who spend a majority of their time performing administrative duties, consulting costs not directly related to instructional programs, and all other activities that are administrative in nature.

Capital Component: Includes debt service for all facilities financed by bonds and notes of the district, lease expenditures, costs resulting from judgments in tax certiorari proceedings, awards from court judgments, administrative orders and settled claims, cost of construction, acquisition, reconstruction, rehabilitation, and improvements of school buildings, all expenses associated with custodial and maintenance salaries and benefits, service contracts, supplies, utilities, maintenance, and repair of school facilities.

Program Component: Includes salaries and benefits of teachers and any school administrator or supervisor who spend a majority of their time performing teaching duties, and all transportation operating expenses.

OLEAN CITY SCHOOL DISTRICT

410 W. Sullivan St.
 Olean, NY 14760
 www.oleanschools.org

NON PROFIT
 ORGANIZATION

U.S. POSTAGE PAID

Permit No. 73
 Olean, NY 14760

ADMINISTRATION

Mark J. Ward, Superintendent of Schools
 Ann O'Brien, Business Administrator
 Barbara Lias, High School Principal
 Jeffrey Andreano, Assistant High School Principal
 Gerald Trietley, Middle School Principal
 Joel Witcher, Assistant Middle School Principal
 John White, Boardmanville Elementary Principal
 David Olson, East View Elementary Principal
 Connie Pound, Ivers J. Norton Elementary Principal
 Cheryl Vecchio, Washington West Elementary Principal
 Lynn Corder, Director of Personnel/Reading First Coordinator
 Judith Creeden, Director of Curriculum (K-5) & Testing, & C.I.O
 Marcella Richmond, Director of Special Education
 Csobanka Woodworth, Technology Administrator

POSTAL PATRON LOCAL

BOARD OF EDUCATION

Michael Martello, President
 Ira Katzenstein, Vice President
 John Bartimole
 Laurie A. Branch
 Gordon E. Cross
 Eric M. Garvin
 Steven H. Hamed
 Michiko H. McElfresh
 George Pancio

Federal, State & Special Grants

School Year 2007-2008

The following program dollars are used to support and enhance our local educational programs offered to all students of the Olean City School District.

Reading First	\$ 989,536
Title I	\$ 646,687
Sec. 611 Special Education	\$ 551,825
Universal Pre-K	\$ 461,942
Even Start	\$ 300,000
21 st Century	\$ 220,266
Title II - A	\$ 183,394
Extended School Day	\$ 100,000
Youth Bridge	\$ 31,759
Placement Prevention	\$ 87,250
Adult Education/WEP	\$ 45,118
Sec. 619 Special Education	\$ 47,068
Family Intervention	\$ 43,513
VATEA	\$ 19,000
Employment Preparation Ed.	\$ 34,166
Drug-Free Schools	\$ 13,741
CPSE Special Education	\$ 11,838
Title IID, Technology	\$ 6,781
Title V, Innovation	\$ 1,919
Total Grants	\$3,795,803

ESTIMATE OF 2008-2009 SCHOOL TAX INCREASE FOR PRIMARY RESIDENTIAL PROPERTY

	Tax Bill Last Year	Tax Bill This Year	Increase
<i>Market Value of Property \$30,000</i>			
<i>Assessed Value of Property \$2,400</i>			
With Enhanced STAR	\$ 0	\$ 0	\$ 0
With Basic STAR	\$ 0	\$ 0	\$ 0
<i>Market Value of Property \$50,000</i>			
<i>Assessed Value of Property \$4,000</i>			
With Enhanced STAR	\$ 0	\$ 0	\$ 0
With Basic STAR	\$ 396	\$ 412	\$ 16
<i>Market Value of Property \$70,000</i>			
<i>Assessed Value of Property \$5,600</i>			
With Enhanced STAR	\$ 262	\$ 272	\$ 10
With Basic STAR	\$ 793	\$ 824	\$ 31
<i>Market Value of Property \$100,000</i>			
<i>Assessed Value of Property \$8,000</i>			
With Enhanced STAR	\$ 856	\$ 890	\$ 34
With Basic STAR	\$ 1,388	\$ 1,442	\$ 54

** Assessed values are for the City of Olean only. For the Town of Portville and Town of Olean, reference market values.

Percentage Increase in the Tax Levy over Prior Year Is 3.9%.