



Board Nears Decision on Consolidation

For the past two years, the Chatham Board of Education has taken an in-depth look into the possibility of closing one of Chatham Central School District's school buildings and consolidating the District into two schools. The Board, whose overarching goal is to provide a quality program at the most affordable cost, has undertaken this important study in response to a number of concerns the District is facing – state funding has shrunk considerably over the past five years, mandated costs have skyrocketed, and the

schools' ability to make up the difference through taxes is now hampered by a property tax cap. Additionally, the number of school-aged children living in our community continues to shrink, leading to a long-term downward trend in enrollment. It has become more and more challenging for the Board to meet more rigorous requirements for students and preserve the programs and opportunities that make Chatham unique within a budget that is affordable for the community. These concerns are not unique to Chatham, and many schools throughout the region face similar challenges.

Chatham has responded to these economic difficulties with an ongoing focus on increasing operational efficiency. Over the last five years, the District has successfully cut millions of dollars in expenses by implementing dozens of efficiency measures, such as "one bell" transportation, reducing staffing levels to match declining enrollment, sharing services with other schools, and increasing the energy efficiency of its buildings. The savings these measures have provided, along with the use of reserves, have allowed the District to stretch its limited resources to preserve instructional program and help students meet the ever increasing demands of education in the 21st century. However, the economic pressures the District faces are not going away anytime soon. The fact is, if new areas of savings are not found, the District will eventually run out of reserves, it won't have enough money to operate our schools, and the Board will need to begin making cuts to programs our students and community value.

The Board entered into the consolidation study with the above in mind – as part of an overall effort to explore all possible areas where expenses could be reduced without cutting program – and has kept its focus on the educational needs of students throughout the process.

In 2011, the Board hired a consultant team from Questar III to gather data regarding the financial and logistical possibility of consolidating. Their study looked at all three buildings, determined that consolidation was feasible, and identified CMS as the clear choice for closure. The study also provided information on potential cost savings and identified the impact and challenges of relocating the additional grades at the other buildings.

Since the completion of the facilities study in June, 2012, the Board has been deeply involved in exploring the conclusions drawn by the report, including determining how grades seven and eight would be configured at CHS, how grade six would be configured at MED, and what construction would be necessary at both those buildings.

Letter from the Board President

Just like all Boards of Education, in Chatham we have been grappling with the issue of providing the best education possible for our students in a time of dwindling resources. For that reason, we have explored a number of options for operating more efficiently, including consolidating our three buildings into two.

The decision about whether or not to consolidate is a complex one, and we have been studying it for over two years. The Board has gone to great lengths to inform the community and solicit input throughout our process. Through regular Board meetings, Town Hall meetings, focus groups, surveys, newsletters, and the District website, we have shared information as it has become available. We are aware, however, that there is still some misinformation in the community.

This newsletter is intended to provide you with accurate information concerning the details of a possible consolidation and our reasons for considering it. In addition, we will be hosting our seventh Town Hall Meeting on this topic on June 11 at 6:30 pm in the Chatham High School auditorium. I invite you to attend to get accurate facts, get your questions answered, and provide your input to the Board.

Melony Spock, *President*
Chatham Central School District
Board of Education

BOARD TO DECIDE ON CONSOLIDATION JUNE 25

The Board of Education will decide whether or not to consolidate the District by a vote of its membership at the June 25, 2013 Board of Education meeting, 6:30 p.m. in the High School library.

The Board has sought public participation along the way, hosting numerous community discussions, organizing stakeholder focus groups, and soliciting feedback from parents through a survey. This input has played an important role in helping determine the best actions for our students and our schools.

The decision whether or not to consolidate the District will have important ramifications for our students and community. As the Board nears its decision, all District residents are encouraged to attend a final Town Hall Meeting concerning the study, taking place June 11. The Board will be making its decision on consolidation on June 25.

What is the proposed plan for consolidation?

- Relocate grade six in the MED Elementary School and relocate grades seven and eight in the High School in September, 2015
- Repurpose the Middle School building
- Make capital improvements at the High School and MED to improve program spaces and address safety concerns and traffic issues.
- Preserve our educational program and improve the District's long-term financial viability by realizing savings and cost avoidance.



How will consolidating schools save money?

The savings realized by consolidating to two buildings would come from eliminating positions that duplicate certain services, as well as some reduction in operating costs.

• MS Office Staff (Principal, 2 Secretaries)	\$ 231,560
• MS School Librarian	49,664
• MS Nurse	37,781
• MS Custodians (3)	96,074
• MS School Food Service	34,967
• Teacher (Consolidation Efficiencies)	49,664
• Teacher Aide (MS Greeter)	19,018
• Benefits	234,653
• Reduced Operating Expenses (Heating, Electricity)	44,428
• Total Annual Savings (at 2015-16 expense levels) from closing the MS	\$ 797,809

With an annual capital construction debt service estimated at \$438,000 (consolidation project), as well as \$91,900 in annual cost avoidance (non-consolidation project) the District can expect a **total annual consolidation savings and cost avoidance of approximately \$450,000.***

*Savings are conservative estimates, and do not take into account any additional revenue the District may generate if it rents space to tenants.



What would be the program impact of a possible consolidation?

The most significant programmatic impact of consolidation would be that the District would be able to improve the programmatic spaces in our two remaining schools with no tax impact, as well as see approximately \$450,000 each year in savings and cost avoidance. Savings of this nature would go a long way in helping preserve programs as outside financial pressures on schools continue to increase. For example, it would be enough to pay for our entire athletic and extracurricular program or our entire art program, and then some.

The consolidation proposal allows us to maintain all the programs, traditions, and experiences that are such an important part of Chatham. It maintains current class sizes and team teaching. It also increases scheduling flexibility by reducing the number of traveling teachers and offers more options for mentoring, enrichment, and collaboration between and among students and teachers.

What will happen to the Middle School building if it no longer houses students?

The District has no plans to abandon or sell the building. Instead, district offices currently housed at MED would be relocated to the Middle School, and the building's fields, gymnasium and auditorium would remain available for athletics, performing arts, and community events. Maintenance of the building and its landscaping would continue, including the preservation of cherished Arbor Day trees. The Board is also exploring alternative uses for any unused space, including expanding the Chatham Public Library, renting space to local businesses, and coordinating with a community college to offer college courses to both Chatham students and community members.



Why is the District considering capital construction as part of consolidation?

Consolidating buildings offers the District the opportunity to update program spaces to better serve our students and improve the safety of our buildings while at the same time providing monetary savings. At current enrollment levels, there is enough room to fit the students from the Middle School into the High School and MED. However, fitting the Middle School grades into those buildings is not just about the number of students, it is also about program needs.

The facilities study determined that the 6th grade program would fit comfortably into the space available at MED, but upgrades to the school's cafeteria would be needed to provide enough seating for the additional students. Also, upgrading the MED gymnasium to regulation size would provide space suitable for fitness based

instruction, increase our currently stretched ability to accommodate the District's and community's athletic programs, and provide seating and more flexible space for assemblies and whole school meetings at MED.

In order to fully integrate the 7th and 8th grades into the High School, provide for separation of the younger grades from the older grades, and improve specialized learning space throughout the building, four additional classrooms, more music education space, a fitness room replacement, science/technology classroom renovations and high school office renovations would be needed.

If the Board decides to consolidate, the project plans would be finalized during the summer and presented to the community for a vote in the fall.

Why is the Middle School the best choice to close?

After looking at all three school buildings, the facilities study team determined the Middle School building was the best choice for closure, for a number of reasons, including the facts that the Middle School:

- Is the smallest school building with the lowest square footage and the fewest number of classrooms
- Houses the fewest grades, meaning the fewest students would be need to be relocated
- Is located apart from the other schools, which requires all busses to stop both there and at the main campus each morning and afternoon, staff who share time between the Middle School and the buildings on the main campus to travel, and middle school students taking classes at the High School to be bussed between the two buildings for certain courses
- Is on a public road where traffic safety patterns are difficult to control or alter
- Has almost no parking space available
- Is the most easily adapted to alternate use, due to its location and layout.

Who was the facilities study team?

The Board of Education hired a team of three consultants from Questar III BOCES to perform an objective and impartial study of all three of our buildings, with the intent of identifying if the District could be consolidated into two school buildings, and if so, which building would be best to close. The team was comprised of retired school superintendents Daralene Jewell and David Sicko, and retired school business administrator Frank Nizer. All are professional consultants and were selected by the Board of Education from a number of candidates the Board interviewed because together they represent expertise in school facilities, finance, and education, and have done this type of study before. The Questar III team was unique among the consultants interviewed because of their focus on academic programs.

FACILITIES STUDY PROCESS

2011

FEBRUARY

- Board announced its intent to undertake an exploratory study into the possibility of consolidating the District, citing dwindling financial resources, shrinking enrollment, and the District's focus on exploring efficiency measures as deciding factors in why it was undertaking the study.

SPRING

- Board held multiple discussions to determine the parameters of the study.
- Team of educational staff, students and community members identified and cataloged the set of skills and knowledge students would need to be successful. This "21st Century Learning Model" was adopted in June 2011, and has been used as a guiding principle for the consolidation study.

SUMMER

- Board solicited proposals for consultants to perform facilities study.

AUGUST

- Board president, vice president and superintendent interviewed consultant candidates for the facilities study.

SEPTEMBER & OCTOBER

- Board refined study parameters based on information gleaned from interview process.
- Board retained an independent contractor (F.A.C.T.S.) to perform a ten-year enrollment projection study.

NOVEMBER

- Board hired an independent consultant group from Questar III BOCES to perform the facilities study. The study group was tasked with answering the following questions:

1. Can Chatham's educational program be delivered in two of the existing three buildings?
 2. If so, which two buildings should be utilized?
 3. How should the program, grade levels, and space be configured to best achieve District programmatic goals?
 4. Will there be any cost savings to such a move?
- Six independent milestones were laid for the study to achieve over the next several months.
 - F.A.C.T.S. completed the enrollment projection study, which showed that enrollment in Chatham would continue to decline over the ten-year period the study covered.

DECEMBER

- Facilities study team provides Board with update detailing completion of first milestone.

2012

FEBRUARY

- Facilities study team provided the Board with a mid-study update detailing the completion of the first three milestones.

eighth be located to CHS. The report also recommended certain construction and modifications to address the impact closing CMS would have on the other buildings.

program specifications for a 7-12 building, design specifications for a capital project, and the solicitation of input from stakeholder groups.

SPRING

- Facilities study team completed their study and the report was made public in June. The team identified that consolidation was possible and that the Middle School building was the best candidate for closure, and provided potential cost savings closing the school would realize. If CMS were to close, the report recommended that sixth grade be located to MED, and grades seven and

AUGUST & SEPTEMBER

- The District held two Town Hall Meetings to share the findings of the facilities study and solicit public input on the issue.

OCTOBER

- Based on the report and feedback from the community, the Board opted to expand its exploration of consolidation. It developed a timeline with specific goals pertaining to

NOVEMBER

- Board facilities committee began working with an architect to develop design renderings and cost estimates for a capital project. Public feedback, which brought to light a desire for grades seven and eight to have separation from the older grades and concerns about traffic and parking, helped shape the design process.

2013

JANUARY

- Board held its third Town Hall meeting to share information on enrollment projections and financial challenges facing the District.
- Board conducted focus groups with teachers, parents, students and community members to gather input from these stakeholders.

- Board held its fourth Town Hall meeting to discuss possible 7-12 program options.

MARCH & APRIL

- District held two Town Hall meetings to share initial design options for the capital projects. Also at these meetings, the 7-12 study team presented their program specifications for a 7-12 program at CHS.
- Building principals and guidance staff simulated scheduling scenarios for a 7-12 program at CHS and a K-6 program at MED to identify any possible areas of conflict in room usage and to assess the "fit" between the capital project and program needs.
- Board held a second focus group session with similar groups of stakeholders.

- Based on the 7-12 program specifications and feedback from building principals and other staff, the Board's facilities committee revisited certain aspects of the capital project.

MAY

- Superintendent Cheryl Nuciforo provided the Board with her recommendation that the District move forward with consolidation.

FEBRUARY

- Team of teaching staff visited five schools in our area with operating 7-12 school buildings, to determine what worked best for students and make recommendations on how a grade 7-12 building could best be implemented in Chatham.
- Board gathered additional feedback by asking parents to respond to a consolidation survey.

JUNE

- Board will host its final Town Hall Meeting on its consolidation study process, June 11, 2013 the 6:30 p.m. in the HS auditorium.
- Board will make its decision whether or not to close the Middle School at the regular June 25, 2013 Board of Education meeting, 6:30 p.m. in the CHS Library.

What capital construction work is proposed?

A capital project is necessary regardless of whether the District consolidates schools or not. The Board is currently exploring two capital project options; one that would be proposed if the District does not consolidate, and one that would be proposed if the District consolidates. The Board retained the services of the architectural firm SEI Design Group to provide design renderings and construction cost estimates for these projects. Certain details of the projects have been updated since earlier proposals were shared with the public in March, based on feedback received from the community and from staff members.

Non-Consolidation Project: If the Board decides not to consolidate and CMS remains open, an approximately \$5.66 million project that would have an estimated \$91,900 annual impact on the District's tax levy* would be needed to properly maintain and provide necessary updates to all three schools.

**No consolidation savings will exist to offset annual project expenses (debt service).*

The work would include:

- MED cafeteria renovations
- HS auditorium data/power/seating upgrades to meet the state's new online testing requirements
- HS cafeteria renovations
- MS security upgrades
- MS repairs identified by a building condition survey
- Safety/traffic flow improvements to the HS/MED campus drive/parent & bus drop-off/parking
- MED security upgrades
- HS security upgrades

When would the construction take place?

Any capital project must be approved by the voters of the District. A referendum for this project would be put before voters in the late fall of 2013, and if passed, construction would likely begin in the summer of 2014.

How will the District save money consolidating buildings if it needs to spend millions on construction?

The District will save money because the construction options being explored will cost significantly less per year than what closing the Middle School would save. School capital projects are subject to state aid, therefore, approximately fifty percent of the construction costs would be paid for outright by the state. Also, the District has approximately \$2 million in a fund established to pay for capital construction expenses. The District will bond the remaining money it needs for the project. Interest rates are currently very low, and the District's share of the annual loan payments will be in the area of \$438,000. With projected annual consolidation savings at \$797,809 and cost avoidance of \$91,900 (non-consolidation capital project debt service) the District will see overall savings and cost avoidance in the neighborhood of \$452,000 per year.

Why is enrollment declining?

Student enrollment is dropping here in Chatham and throughout Columbia County and the greater Hudson Valley Region for the simple reason that fewer and fewer school-aged children are living in our communities. Columbia County has a high percentage of older individuals with grown children, many of the young people who grow up here move away to attend college and find work, and parents who choose to raise their families in our communities have fewer children overall than in decades past.

The decline in student enrollment is not just hitting public schools. Within the District, records indicate homeschooled students and students attending non-public schools has dropped as well, from 196 in 2010, to 146 in 2013.

Consolidation Project: If the Board decides to close the Chatham Middle School building to students, the Board is exploring an approximately \$13.8 million project that would have NO tax impact* and give the District appropriately configured space to offer the same level of programs we currently offer with three buildings, absorb the additional students at CHS and MED, and improve overall how our facilities are used to support our academic mission.

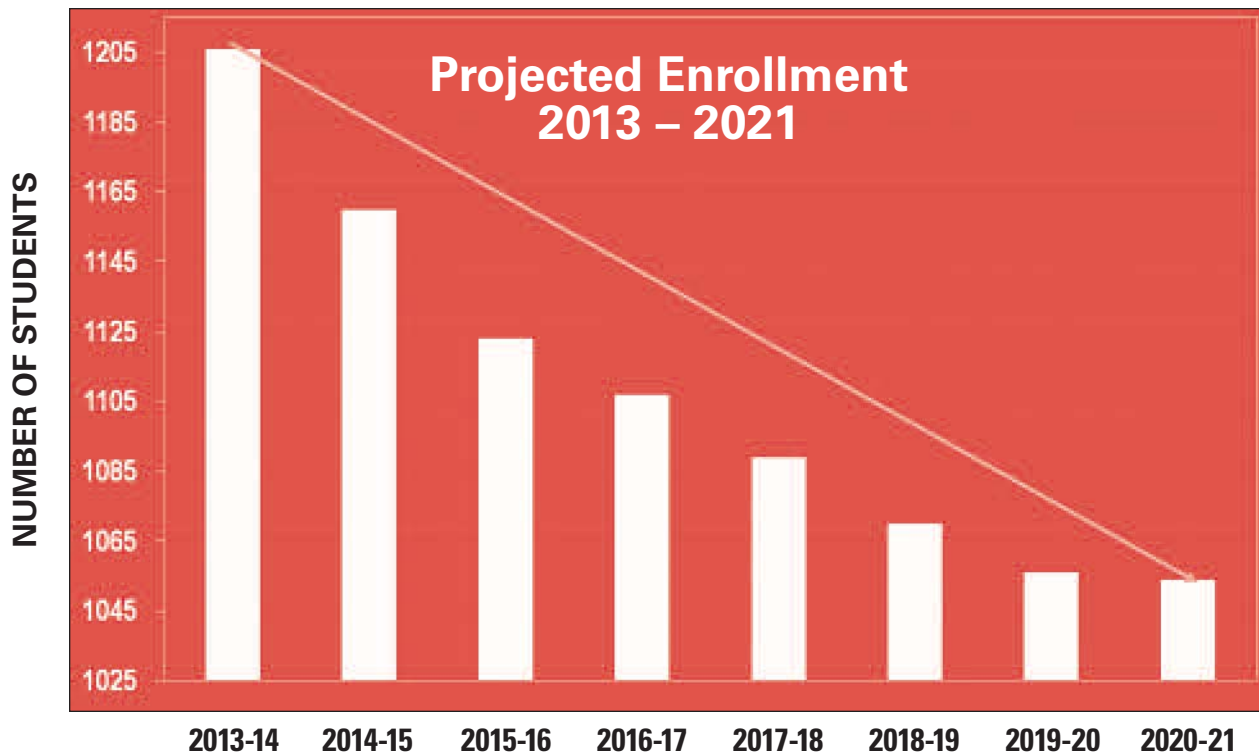
**Consolidation savings will be larger than annual project expenses (debt service).*

The work would include:

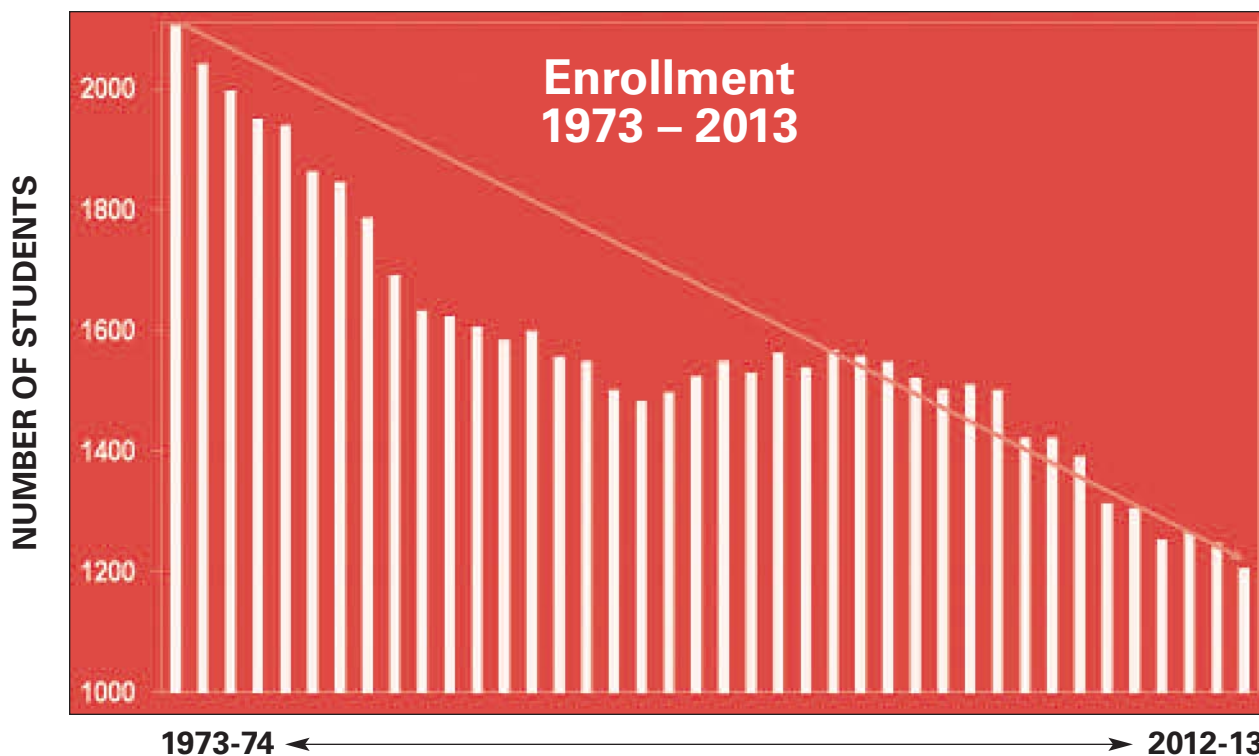
- MED cafeteria renovations
- MED gym addition & renovations
- New flooring in five MED classrooms (space currently used as District offices)
- HS music room addition & renovations
- Four classroom addition at HS
- Fitness education room addition at HS
- HS technology room renovations
- HS teachers' work room renovations
- HS auditorium data/power/seating upgrades
- science room/classroom renovations
- HS main office/guidance/nurse room renovations
- HS toilet room renovations
- HS cafeteria renovations
- Campus security upgrades
- Address safety/traffic flow issues at the HS/MED campus drive/parent & bus drop-off
- MS HVAC Zoning Controls
- Additional parking at HS & MED

How does the District know that enrollment will decline?

In 2011, the District completed an enrollment study that projected student enrollment levels for the next ten years. The study looked at birth rates, housing levels, and population trends, as well as current and historical enrollment levels. According to the study, Chatham will continue to see a decline in enrollment through at least 2021, which was as far into the future as the study projected. (See Chart)



Also, the District closely tracks and keeps record of its enrollment numbers. The numbers show Chatham's enrollment has been steadily declining for more than forty years. In 1973, enrollment stood at 2,106 students – as of May, 2013, enrollment has shrunk to 1,206. (See Chart)



What other efficiency measures or cost saving initiatives has the District explored?

Over the last five years, Chatham CSD has realized millions of dollars in savings by aggressively seeking efficiency measures, carefully adjusting staffing to match declining enrollment and program need, and other cost saving initiatives. This has allowed Chatham to avoid program cuts and steep tax increases despite shrinking resources for schools.

Below are just some of the areas that the District has either explored or implemented to realize savings and avoid costs in a way that does not harm programming for students.

Regional Consolidation and Shared Services

The Board explored consolidating Chatham CSD and New Lebanon CSD into a single district. However, the Board determined that the challenges of consolidating the two Districts at that time outweighed any benefits such a move would realize. Instead, the Board has explored shared services with New Lebanon, including shared staff and distance learning opportunities.

- Chatham shares a Director of Special Education with New Lebanon CSD, with both Districts splitting the cost of the position.
- Following a retirement in 2011, business office staffing was consolidated and the vacant position eliminated.
- Following a retirement in 2012, one janitorial position and one part-time maintenance position were consolidated into a single maintenance position.

Financing

The District refinanced its existing debt to take advantage of lower interest rates. This refinancing provided a total budgetary savings of \$680,000 over the seven years remaining on those bonds.

Energy

- By using the buying power of an energy consortium, this year the District was able to lock in lower electricity rates for a savings of over \$40,000.
- In 2010-2011, a voter approved capital improvement project increased energy efficiency through the installation of energy efficient lighting and equipment in cafeterias, gymnasiums and classrooms.
- Solar panels installed on the roof of the MED building in April, 2011 have provided the District with approximately \$10,000 in energy savings so far. The panels were paid for entirely through a grant the District applied for from NYSERDA.

Supplies and Equipment

- In 2011, the District consolidated its copy equipment into a central location, thereby reducing the overall number of copy machines needed.
- In 2012, the District purchased its own copy machines. By owning this equipment instead of leasing it, the District will see a total of \$359,184 in savings over a five-year period.
- The District consolidated its telephone system by reducing its number of outside lines, which realized approximately \$30,000 in annual savings.
- The food service department purchased reusable trays for the High School cafeteria, reducing both waste and the need to continually purchase disposable trays.
- This year, the District realized \$21,000 in savings by reevaluating its uniform and energy performance contracts.

Transportation

- The District implemented a “one bell” bussing system, eliminating the need for separate bus runs for each school.
- The District undertook a comprehensive study of its transportation system, the results of which were used to maximize efficient use of the District’s fleet and decrease fuel consumption. With fewer students riding the bus, the District was able to eliminate two bus runs, reduce the number of busses in its fleet, and reduce transportation staffing levels.
- The District currently “carpools” with Taconic Hills CSD for an out-of-district student transportation run.

Personnel

- Over a five year period, teaching staffing was reduced to match declining enrollment and program needs.

What happens if the Board decides not to consolidate?

If the Board decides to keep the Middle School open to students, the District would continue operating as a three-school district. The Board would propose a \$5.6 non-consolidation capital project to address traffic issues at the main campus and provide necessary upgrades to CHS, CMS, and MED. A referendum on the project would likely go before voters in late fall, 2013, and if approved, construction would start in the late spring/early summer of 2014. Without any savings realized from consolidation, the project would have a slight tax impact. Also, the District would have to realize savings in other areas to address the economic pressures facing our schools. With many efficiencies already achieved, options for finding additional savings are limited and the District will have to look at cutting programs.



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ADMINISTRATORS

Cheryl Nuciforo <i>Superintendent</i>	392-1501
Michael Chudy <i>School Business Administrator</i>	392-1534
Jean Scheriff <i>Director of Pupil Services</i>	392-2417
Tamara Thorpe-Odom <i>Director of Special Education</i>	392-3104
Kristen Reno <i>Mary E. Dardess Elementary School Principal</i>	392-2255
Annemarie Barkman <i>Chatham Middle School Interim Principal</i>	392-1560
John Thorsen <i>Chatham High School Principal</i>	392-4142
Amy Potter <i>Chatham High School Assistant Principal</i>	392-4142

BOARD MEMBERS

	<i>Term Expires</i>
Melony Spock <i>President</i>	2016
James Toteno <i>Vice President</i>	2014
Michael Clark	2015
Gail Behrens Day	2014
Muriel Faxon	2016
Jennifer Lindberg	2015
James Marks	2014
David O'Connor	2015
Craig Simmons	2016
Emma Roberts <i>Student Representative</i>	2013

Town Hall Meeting – June 11

On Tuesday, June 11, 6:30 p.m. in the High School auditorium, the board will host its seventh Town Hall Meeting concerning consolidation. This will be the final public forum prior to the Board making its decision whether or not to consolidate school buildings.

All residents are encouraged to attend the important meeting, where the Board will detail its entire facilities study process, share the findings of its study, and answer questions concerning the possible consolidation of our schools.

For more information about the June 11 Town Hall Meeting, contact the office of superintendent at 392-1501.

What happens if the Board decides to consolidate buildings?

If the Board decides to consolidate schools, the Middle School building would not be closed to students until 2015. In the time between the June, 2013 decision and the end of the 2014-15 school year, CMS would operate as it currently does. During this time, the Board would finalize a proposed capital project that would support the consolidation, address traffic issues at the main campus, and provide necessary upgrades to CHS and MED. A referendum on the project would likely go before voters in late fall, 2013, and if approved, construction would start in the late spring/early summer of 2014, with a targeted completion by September of 2015. At that time, grade six would be located to the Mary E. Dardess Elementary School, grades seven and eight would be located to the High School building, and the District offices would move to the former Middle School building. The Board would also develop plans to repurpose the remaining Middle School building space.

Information about the Facilities Study is available online at:

www.chathamcentralschools.com