Unatego Central School District

Otego, New York

A Study to Examine the Utilization of the District's Schools

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EXECUTIVE SUMMARY

(To be developed after study is finalized)

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ACKNOWLEDGEMENTS

A study with this purpose and magnitude would not be possible without the support, cooperation, and encouragement of many individuals. We would first like to express our appreciation to the members of the Advisory Committee appointed by the Unatego Board of Education. The members of the committee included:

Terry Brown	Jeanne Butler	Heather Coleman
Ron Decker	Ed Frazier	Scott Garno
Kim Gascon	Patti Hoyt	Katie James
Lew Keyser	Ernie Kroll	Elaine Lowe
Katherine Mazourek	Kelly Poje	Tyler Post
Melanie Ruff	Fran Secor	Kim Trask

These committee members gave generously of their time to help ask the right questions and to provide direction in finding answers. Without their assistance this study would not be nearly as complete and responsive to the information needs of the Board of Education and residents of the Unatego Central School District.

Superintendent David Richards, his most helpful secretary Colleen Cioccari, and his staff were also generous with their time as we continuously requested information. Without their willingness to accommodate our requests, the timeliness of this study would not have been achieved.

Finally, we wish to thank the members of the Unatego Board of Education. As all responsible school leadership teams, they took the risk of examining the use of district facilities knowing full well that simply asking questions about how to better use district buildings might raise some very uncomfortable issues. Despite this, they supported the study and actively followed the progress of the study, while always ensuring that all members of the community would be heard on this most important issue. This was no easy task, but they accepted the challenge!

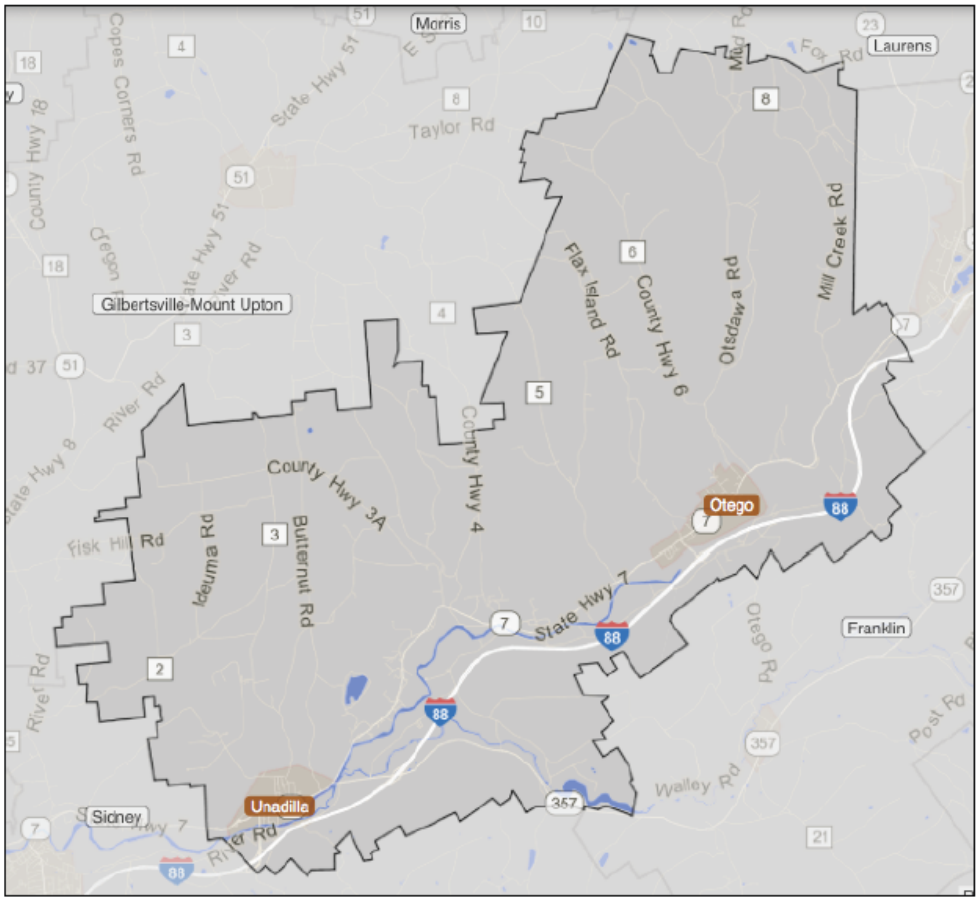
CHAPTER 3

BACKGROUND AND PURPOSE

This first chapter provides background as to the need for the study. It offers a context within which to place the consideration of various grade/facility options and associated costs and benefits. This context offers perspective for the decisions the Unatego Central School District Board of Education has before it over the next few years.

Background

The Unatego Central School District is located in Otsego County and covers 94 square miles serving primarily the townships of Franklin, Sidney, Butternuts, Laurens, Oneonta, Otego, and Unadilla. The district's facilities include the Otego Elementary School (K-2), Unadilla Elementary School (3-5), Unatego Middle School (grades 6-8), and Unatego High School (grades 9-12). A map of the district follows.



The Unatego school community has consistently shown its support for the education of resident students as noted in the historical voting pattern in the following table. Residents have passed school budgets each year for the past ten years as shown in Table 1.

Table 3.1
District Budget Vote History

Year	Yes Votes	No Votes	Total Votes
2015	215	74	289
2014	161	59	220
2013	196	82	278
2012	434	187	621
2011	216	102	318
2010	215	172	387
2009	205	73	278
2008	233	106	339
2007	374	151	525
2006	372	168	540

The Unatego school community has consistently shown its support for education

Nevertheless, finding the balance between the provision of a good education and the ability of a local community to provide the financial resources is an on-going challenge for any board of education and administration. Given the current economic condition of our country and our state and the continuing pressures to educate all children to higher levels, this challenge has become even more daunting over the past few years. It is the Board's appreciation and understanding of the fundamental significance of this challenge that served as the stimulus for this study.

As with all good boards of education, the Unatego Central School District Board of Education chose to examine possible ways to organize grades and buildings in the district in light of the challenges mentioned above.

The main focus of this study was framed by the following two "critical questions" the Board of Education and Administration asked that the consultants address:

- ***Is there a better way….educationally and fiscally….to reconfigure the grades to provide a sound instructional program now and in the future?***
- ***If so, how should the grades and facilities be arranged?***

The timeline called for initiation of this study in mid-October 2015 with the final report due to the Board of Education around February 1, 2016 or as soon as possible thereafter.

The Board of Education selected Castallo & Silky, an educational consulting firm from Syracuse, New York. Mr. Alan Pole and Dr. William Silky led this study for the firm. Castallo & Silky has extensive experience in working with school districts in New York State that have considered a variety of reorganizational options.

To answer the "critical study questions", a study design, which is presented in the next chapter, was developed with the express purpose of being open and complete. In order to emphasize the openness of this process, the consultants committed to the following guidelines for the study:

1. The study will be conducted in an open and fair manner;
2. All data will be presented to the Board of Education; and
3. Recommendations will:
    a. benefit student learning,
    b. be sensitive to the unique cultural context of Unatego Central School District,
    c. not be influenced by special interest groups,
    d. be educationally sound,
    e. be fiscally responsible and realistic, and
    f. provide a five to seven year perspective.

The study concludes with this final report to the Board of Education. The recommendations contained in this document represent those of the consultants only and are presented as a vehicle for engaging the Board in discussion regarding the best organization of the district, its programs, and its facilities.

CHAPTER 4
STUDY METHODOLOGY

The methodology for this study was based upon what is commonly known as "responsive evaluation." In essence, this methodology requires the design of data collection methods *in response to* a critical study question. In this specific study, the Board of Education posed the question that drove this study.

- ***Is there a better way….educationally and fiscally….to reconfigure the grades to provide a sound instructional program now and in the future?***
- ***If so, how should the grades and facilities be arranged?***

The following is a summary of the major activities undertaken as part of the study design. The consultants gathered considerable data from the district and other agencies. These data were summarized and analyzed as they were received. The data gathering was focused by the questions that drove the study. In addition, the consultants conducted interviews with key district staff to gather perspectives on the various issues under study and to understand completely the meaning of the data that was gathered. A Board appointed advisory committee met with the consultant team on three occasions to review data that had been gathered, share thoughts and opinions, and to critique tentative recommendations before the study was concluded. Finally, a draft of this report was shared with the Advisory Committee to seek final thoughts.

The final report was presented to the Board of Education in a public session on ????????????.

CHAPTER 5
STUDENT ENROLLMENTS AND POPULATION TRENDS IN THE AREA

This section of the report provides a picture of the current status of the Unatego Central School District's student enrollment as well as an overview of the population trends in the area.

Student Enrollment History and Projections

Accurate enrollment projections are essential data for district long-range planning. Virtually all aspects of a district's operation (educational program, staffing, facilities, finances, etc.) are dependent on the number of students enrolled. For this reason, updated enrollment projections are crucial for this study and serve as the launching pad for our analysis.

The procedure for projecting student enrollments is referred to as the Cohort Survival Methodology. This methodology is highly reliable and is the most frequently used projective technique for making short-term school district enrollment projections. To calculate enrollment projections, the following data and procedures are used:

--Six-year history of district enrollment by grade level

--Calculation of survival ratios by grade level

--Kindergarten enrollment projections based on resident live births

A survival ratio is obtained by dividing a given grade's enrollment into the enrollment of the following grade a year later. For example, the number of students in grade 3 in any year is divided by the number of students in grade 2 of the previous year. The ratios indicate the proportion of the cohort "surviving" to the following year. Cohort refers to the enrollment in a grade for a given year.

Using grade-to-grade survival ratios, an average of these ratios for each cohort progression is obtained. This average is referred to as an average projection survival ratio. This ratio is then multiplied by each current grade enrollment to obtain the projected enrollment for the next successive year. The multiplicative process is continued for each successive year.

Survival ratios usually have values close to one, but may be less than or greater than one. Where the survival ratio is less than one, fewer students "survived" to the next grade. Where the survival ratio is greater than one, more students "survived" to the next grade. Grade-to-grade

survival ratios reflect the net effects of deaths, dropouts, the number of students who are home schooled, promotion/retention policies, transfers to and from nonpublic schools, and migration patterns in and out of the school district.

Since estimating births introduces a possible source of error into the model, it is advisable to limit enrollment projections to a period for which existing data on live residential births can be used. This means that enrollment projections are possible for five years into the future for the elementary grades, which is usually sufficient for most planning purposes. Beyond that point, the number of births must be estimated and the projective reliability is greatly reduced. Enrollment projections for grades 7 and 8 and for grades 9-12 can be projected for ten years into the future.

The methodology considered for this study was to extrapolate to kindergarten enrollment cohorts from live birth data. Live birth data for Unatego from 2002-2012 is shown in the following table:

Table 2
Number of Live Births, 2002 -2012

Calendar Year	Number
2002	66
2003	69
2004	65
2005	63
2006	64
2007	65
2008	70
2009	64
2010	85
2011	52
2012	68
2013	59

Live births are then compared with the kindergarten enrollment five years into the future….babies born in 2010 will be in kindergarten in 2015-16, babies born in 2011 will be in kindergarten in 2016-17, and babies born in 2012 will be in kindergarten in 2017-18. An average ratio of live births to kindergarten enrollment five years later is then calculated. This ratio is then used to project future kindergarten enrollments from actual and estimated live births.

Now that we can predict future kindergarten enrollments we are able to complete the full table of future school enrollment as shown below.

Table 3
Unatego K-12 Enrollment History and Projections-2010-11 to 2022-23

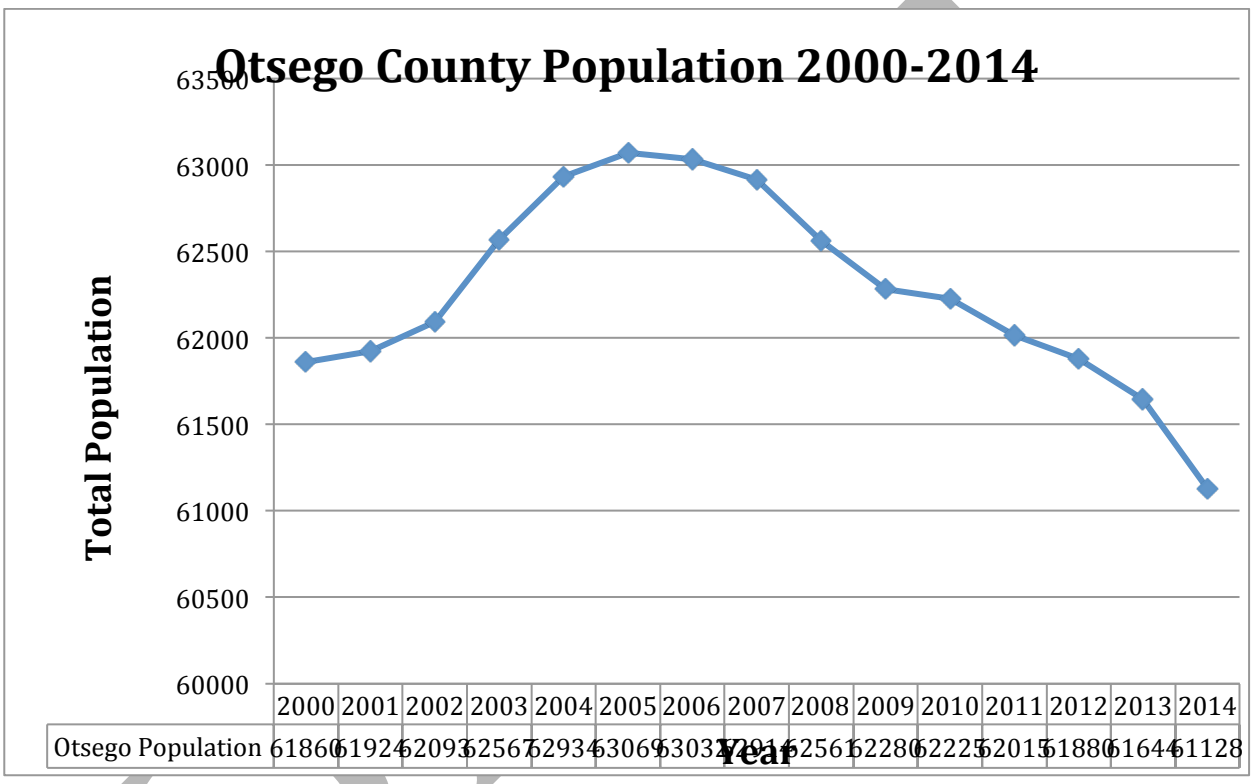
Grade	2010 -11	2011 -12	2012 -13	2013 -14	2014 -15	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23
Birth Data	64	65	70	64	85	52	68	59	66	66	66	66	66
PreK	0	0	0	0	0	0	0	0	0	0	0	0	0
K	72	66	73	79	66	74	54	71	61	68	68	68	68
1	62	70	65	62	78	65	71	52	67	58	65	65	65
2	78	63	69	64	66	74	65	71	52	67	58	65	65
3	65	78	69	64	66	59	73	64	70	51	67	58	65
4	83	66	78	65	63	64	58	72	63	69	50	66	57
5	89	78	63	77	67	62	63	57	70	62	67	49	64
6	73	79	84	60	77	61	60	61	55	68	60	65	47
7	89	77	82	81	59	76	61	60	61	55	68	60	65
8	77	84	74	83	82	66	77	62	61	61	56	69	61
9	95	69	85	82	81	85	66	77	62	61	62	56	69
10	89	82	68	75	62	71	74	58	67	54	53	54	49
11	86	80	73	53	78	58	65	67	53	61	49	48	49
12	84	79	76	63	63	80	57	64	67	52	61	49	48
Total K-12	1042	971	959	908	908	895	844	835	809	789	785	773	774
K-2 Total	212	199	207	205	210	213	190	193	180	194	192	199	199
3-5 Total	237	222	210	206	196	185	194	193	204	182	184	172	186
6-8 Total	239	240	240	224	218	203	198	183	176	185	184	194	173
9-12 Total	354	310	302	273	284	294	262	266	249	229	225	207	215

Notes: 2018-19 to 2022-23 births are the average of the five previous years. Consequently, from 2018-19 to 2021-22 the early grade estimates are quite speculative.

As is apparent from the above table, K-12 enrollment has declined considerably over the past six years (1,042 in 2010-11 to 895 this year; -147 students/-14.1%) and is projected to continue to decline through 2022-23 (-121 students/-13.5%). The majority of the enrollment reduction will occur at the middle and high school levels while the two elementary schools will remain relative steady.

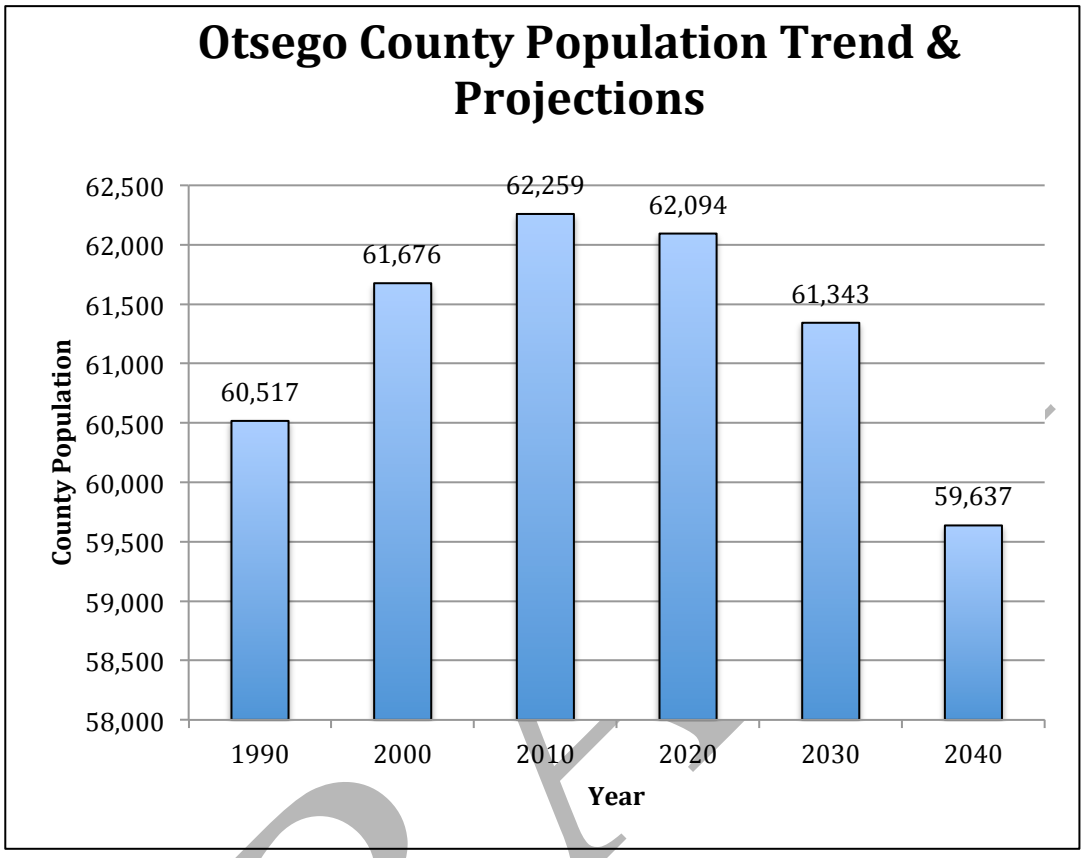
The recent decline in school district enrollment and the projected decline in future school district enrollment is not surprising in considering the overall Otsego County population trends. As Graph 1 below shows, the total county population increased from 2000 to 2005 then began to decline, however the actual number of fewer residents is relatively small.

Graph 1: Otsego County Population Trend



Additionally, as the following graph shows, the recent decline in overall county population is projected to continue, perhaps even more so than shown in Graph 1. The above actual numbers show that between 2010 and 2014 the overall county population is declining more rapidly than the projections would indicate in graph 2.

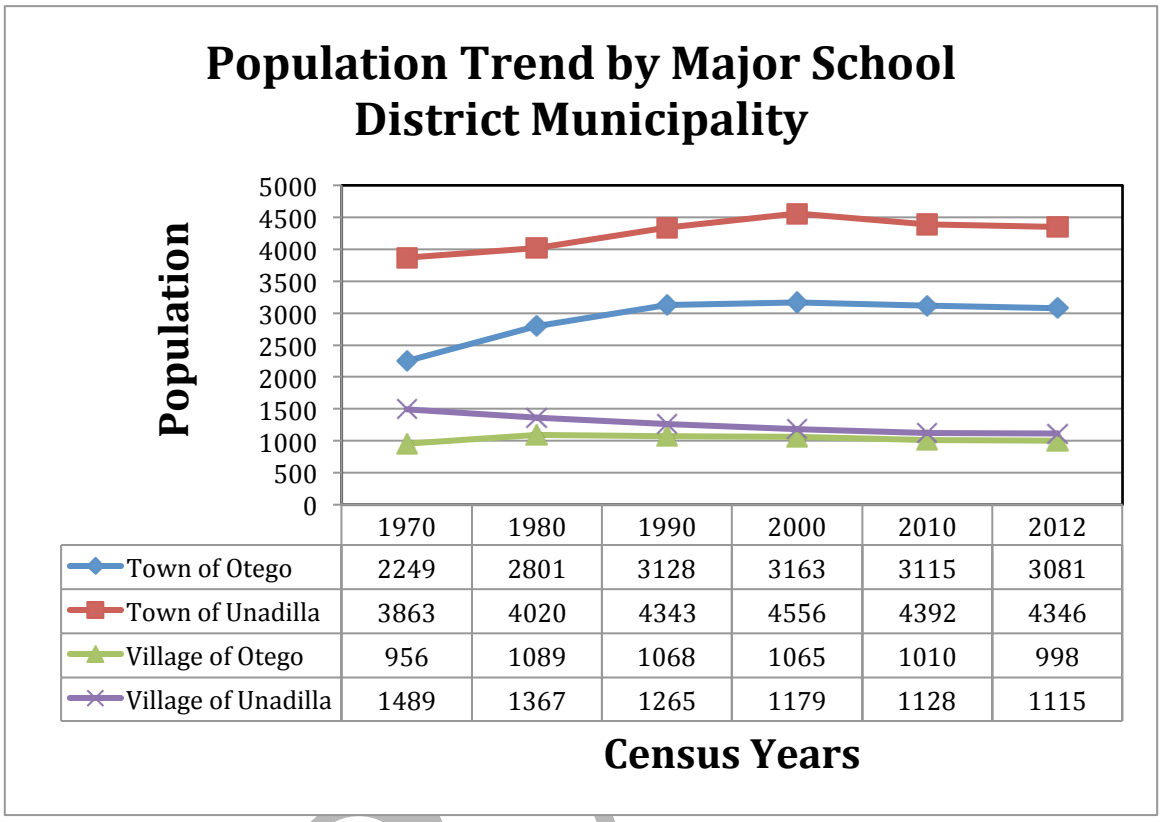
Graph 2: Otsego County Total Population Trend and Projection to 2040



Examining recent trends at the sub-county level, it is instructive to study the population trends in the major towns of Otego and Unadilla and the villages of Otego and Unadilla for they comprise nearly all the tax base of the school district. The following graph represents a view from the 1970 U.S. census through 2012 (the 2012 figures are estimates at this time). All four municipalities have experienced a slight dip in population between 2000 and 2012. These trends mirror that of the county as a whole.

It is instructive to study the population trends in the major towns of Otego and Unadilla, and the Villages of Otego and Unadilla for they comprise nearly the tax base of the school district

Graph 3: Population Trend-Towns & Villages in School District

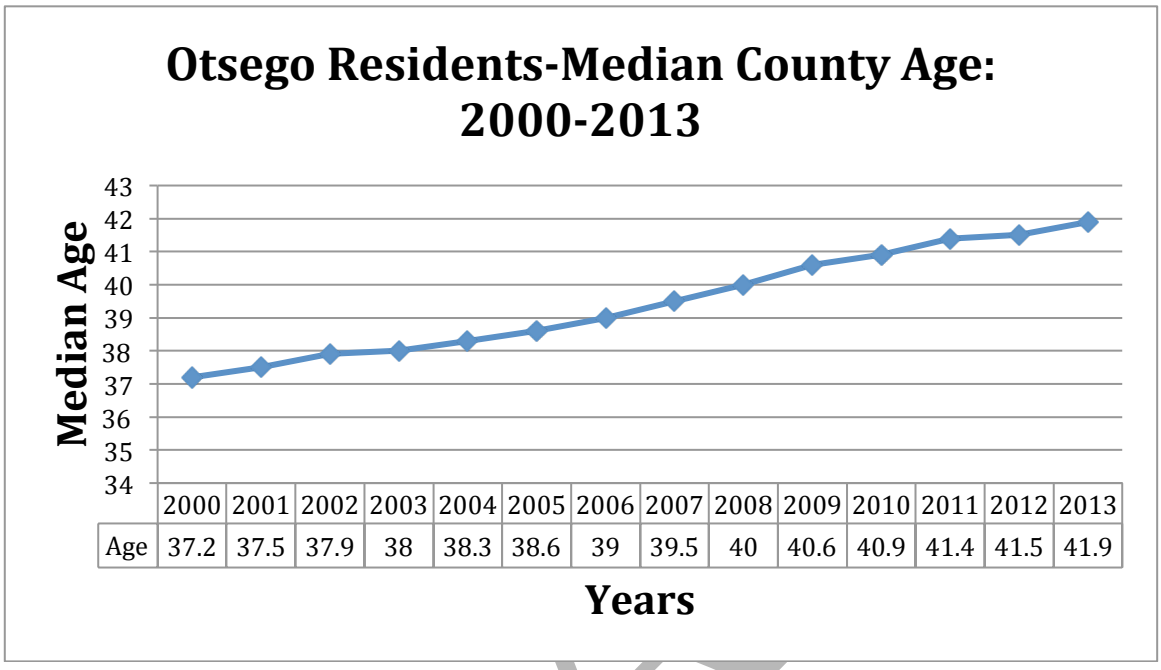


	1970	1980	1990	2000	2010	2012
Town of Otego	2249	2801	3128	3163	3115	3081
Town of Unadilla	3863	4020	4343	4556	4392	4346
Village of Otego	956	1089	1068	1065	1010	998
Village of Unadilla	1489	1367	1265	1179	1128	1115

It is important to also examine the median age of Otsego County residents for this provides some insight into future school enrollments. Populations that are aging generally mean that there is likely an out-migration of younger residents, hence fewer families that likely will have children entering the school system. In upstate New York, it is very common to find most communities that are experiencing this type of out migration and hence aging local populations.

Graph 4 below presents the trend in Otsego County's resident median age. Spanning 2000 to 2013 we can see that the median age of county residents rose from 37.2 to 41.9—a four year and seven month increase. Clearly the county population is aging.

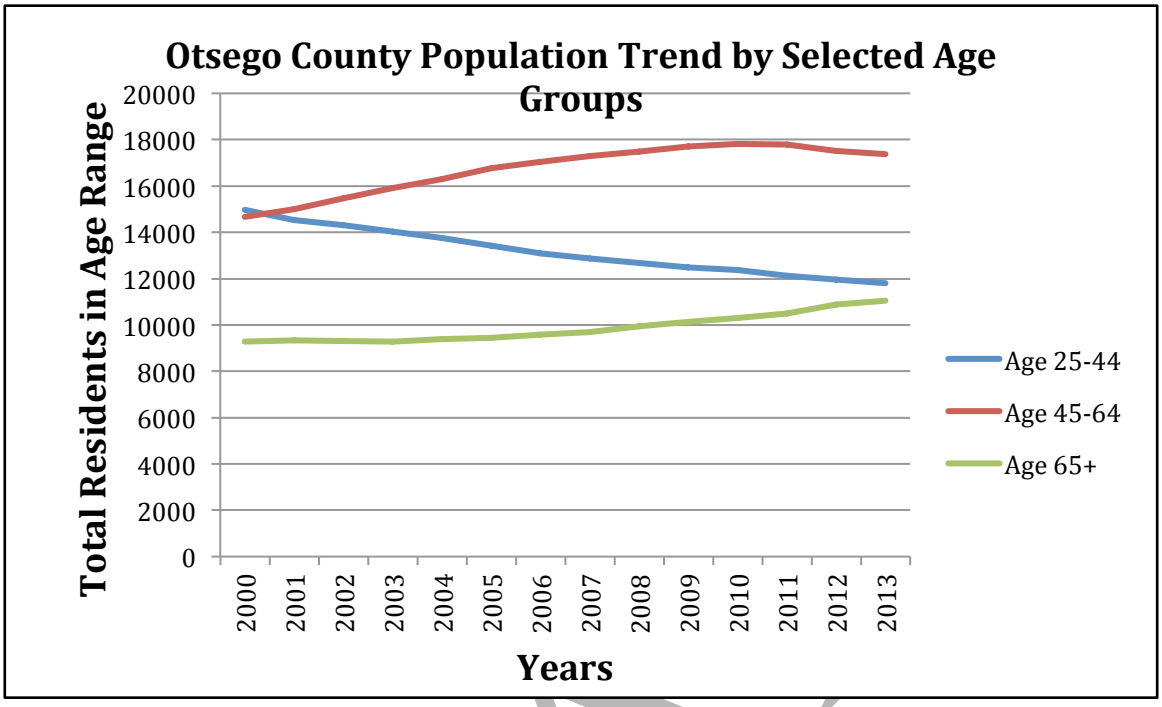
Graph 4: Median Age of Otsego County Residents 2000-2013



Lastly, it is also important to examine the cohort of adults in various age ranges. Most importantly those adults in the childbearing age span, typically 25-44 years of age. As the graph below illustrates, the number of Otsego County residents in this critical age range has been declining over the past 13 years while at the same time county residents in the 45-64 and 65+ age ranges have been increasing consistently. This indicates a trend that does not bode well for the Unatego Central School District's future enrollment.

The number of Otsego County residents in the 25-44 age range has been declining for the past thirteen years. As members of this age group are typically of childbearing age, this trend does not bode well for future school enrollments in Unatego

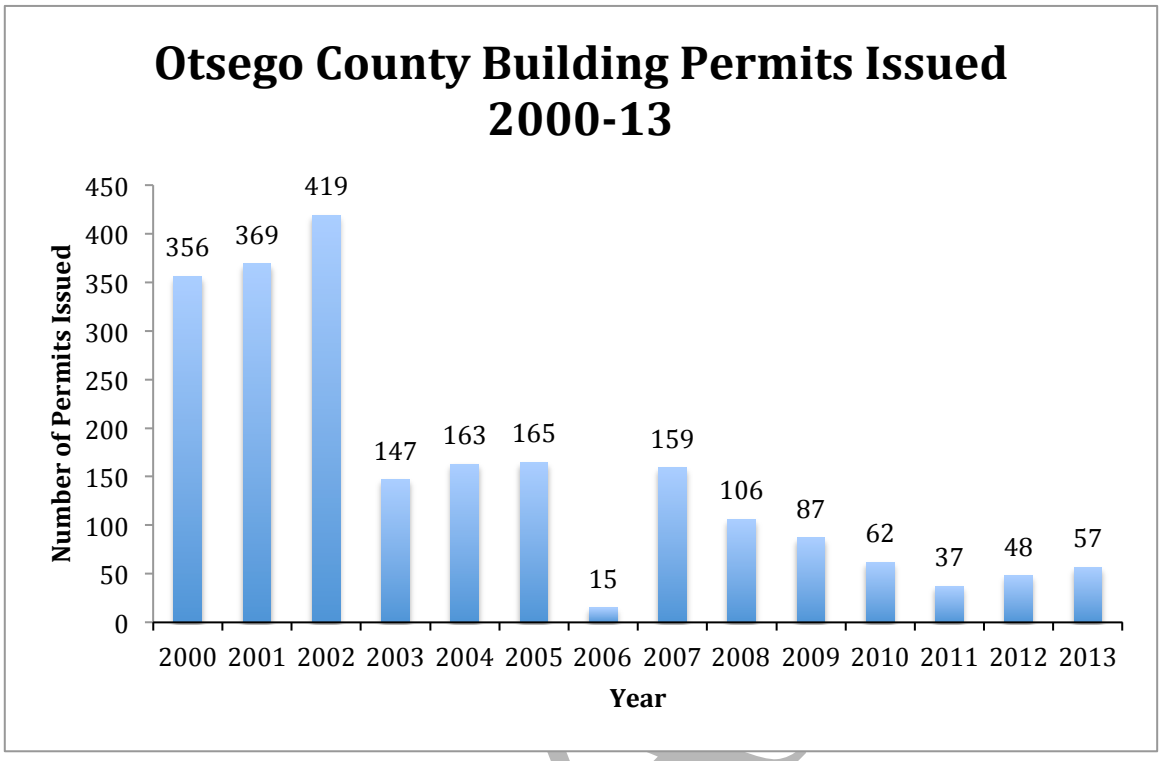
Graph 5: Otsego County Population by Age 25-44 Cohort-2000-2013



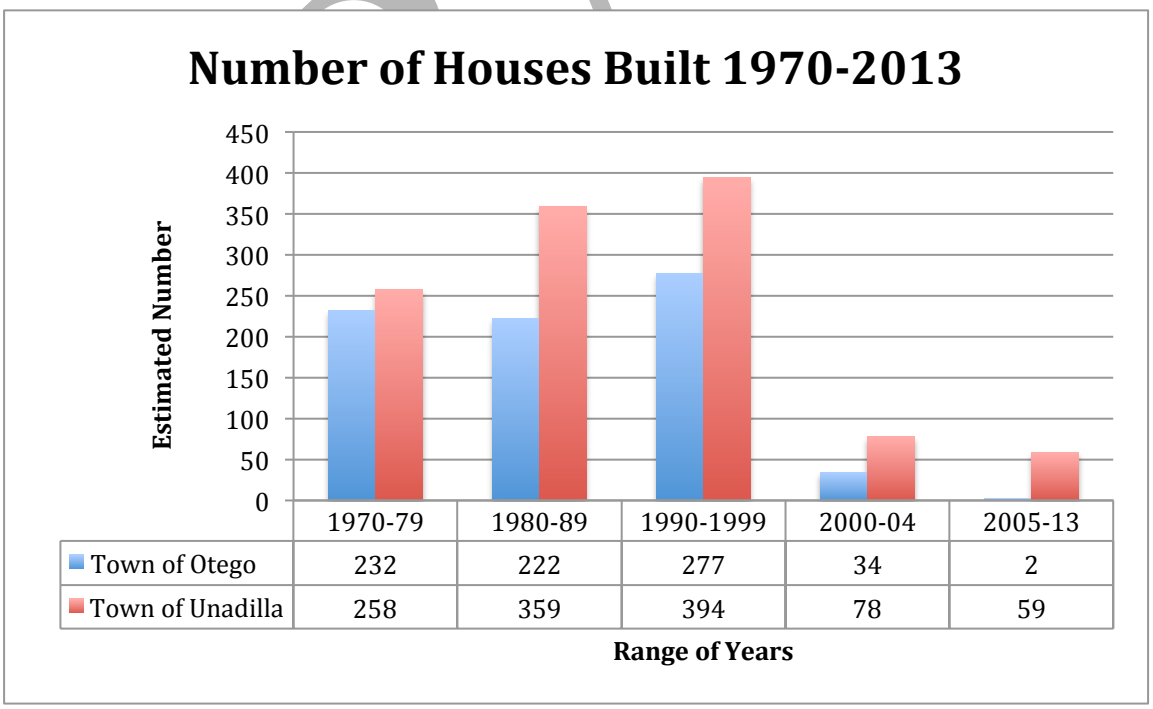
We also examine the overall housing stock in a community to determine if building is occurring. The chart that follows shows the trend in building permits (not just homes) in Otsego County from 2000 to 2013. As is evident, from 2006 to 2013 the number of building permits issued has declined quite significantly. Although the number of building permits issued annually fluctuates quite a bit from year to year, the overall trend is quite clear—there has been a sharp decline in permits issued since 2002. This decline is representative of a geographic area that is not growing in population or economic activity.

It is very clear however, that in nearly every instance, municipalities issue many more building permits than actual structures (homes and commercial businesses) erected. Therefore, for school enrollment purposes, we also explore whether the area housing stock is increasing or not for an increasing number of housing starts is indicative of a growing area. Graph 7 summarizes the number of houses actually built in the towns of Otego and Unadilla from 1970 to 2013. Consistent with all other data, it is clear that fewer homes have been constructed in both municipalities in recent years.

Graph 6: Trend in Number of Building Permits Issued in Otsego County



Graph 7: Number of Houses Built in the Towns of Otego and Unadilla-1970-2013



Another variable that occasionally can result in school enrollment fluctuation is the number of students that are home schooled by parents. In some regions of New York State these numbers are significant and growing. Consequently we always examine the trend locally in these numbers. The table that follows shows the number of students that have been/are home schooled in Unatego from 2011-12 to the present year. It is quite clear that these numbers are relatively small and stable. Consequently, we see no need in making adjustments to our enrollment projections as previously shown.

Table 4
Number of Resident Students Home Schooled
2011-12 to 2015-16

School Year	Number
2011-12	26
2012-13	31
2013-14	30
2014-15	32
2015-16	22

The district averages about 28 students each year that are home schooled

Occasionally districts have sizeable numbers of non-resident students that attend district schools either on a tuition basis established by Board policy or due to contractual agreements with various district bargaining units. Unatego currently has a Board policy that permits some non-resident students to attend district schools if certain conditions are met such as "there is sufficient space to accommodate…." and "no increase in size of faculty or staff will be necessary." The tuition rate is based on the New York State formula commonly known as the Seneca Falls formula. The Board policy also permits non-resident students to attend district schools on a tuition free basis if they are the children of families that have signed a contract to buy or build a residence in the school district and will enroll that semester, foreign students who are living with district residents, students whose families move from the district during the school year, and others at the discretion of the Board. In a few instances these non-resident students attending district schools can be quite large in number and if the Board policy changes can significantly impact student enrollments. In 2014-15, there were 9 students that were tuition eligible and in 2015-16, there are only 4 students. Therefore it is apparent that even if Board policy changes, this would have little impact on enrollments in the district.

Two other possible variables that occasionally cause enrollment projections to be adjusted include resident students that go to school in nearby other public schools (last year the district had 22 of these students at Afton, Charlotte Valley, Franklin, GMU, and Sidney) and resident students that attend non-public schools (last year the district had only 8 at Oneonta Community). In both cases we do not believe we need to make adjustments to our enrollment projections for there is not indication that these students will be returning to Unatego due to other district policy changes or closure of private schools.

CHAPTER 6
BUILDING ORGANIZATION

Since this study focuses on a possible grade and/or building reconfiguration, the current utilization of district buildings is studied. It is first important to examine how the schools are being used this academic year, and to gauge how enrollments may impact them in the future. Table 6.1 provides an overview of the district's schools.

Table 6.1
Overview of School Buildings

Schools	Otego Elementary	Unadilla Elementary	Middle/High School
Address	353 Main Street Otego, NY 13825	265 Main Street Unadilla, NY 13849	2641 Highway 7 Otego, NY 13825
Year of Original Building	1933	1935	1967
Sq. Ft. in Current Building	34,196	63,458	139,910
Number of Floors	2	2	2
Grades Housed	K-2	3-5	6-12
Students Served	213	185	497
Architect	BCK-IBI Group		

NOTES: All information was taken from the NYS Building Conditions Survey completed in 2010 except the enrollments that were drawn from the 2014-15 academic year.

In addition to an overview of each of the district's buildings, it is also important to determine how each of the buildings is being utilized. Table 6.2 that follows shows the grade alignment by building

Table 6.2
2015-16 Grade Configuration by Building

Building	Grade Levels
Otego Elementary	K-2
Unadilla Elementary	3-5
Unatego Middle/High School	6-12

At the current time, the district does not operate a universal pre-K program. From all accounts, the program is not offered simply because of the cost of implementation. The district has submitted a grant to fund a pre-K program for 18 four-year old students. The amount of the grant proposal is $87,607. Should the district ever secure the funding, it is anticipated that the pre-K program would be started requiring an additional classroom in the primary building.

Given the capacity of the buildings involved in this study, the consultants then determined the current use of the regular classrooms with respect to class sizes and numbers of sections at each grade level. This analysis produced the following table for the elementary school grades.

Table 6.3
Class Sizes-2015-16

Grade	Number of Sections and Class Size of Each	Average Class Size
K	15,14,13,15,13	14.0
1	22, 22, 22	22.0
2	19, 19, 19, 19	19.0
3	19, 20, 20	19.7
4	20, 20, 20	20.0
5	20, 20, 20	20.0

It is important to understand the impact of table 6.3 above with respect to the way that the current grades are configured. Unatego is currently organized on what is called the Princeton Plan. This plan eliminates the use of geographic district lines to assign students to schools and instead puts all same-age kids together. As a result, all of the K-2 students attend Otego and all of the 3-5 students attend Unadilla regardless of where they reside. This approach is the most cost effective way to structure the elementary grades. For example, Unatego has 66 students in first grade. Under the current Princeton Plan, the district is able to have three classrooms of 22 students each. If the elementary grades were organized by geography, it can be assumed that 33 first graders would go to Otego and 33 first graders would go to Unadilla. Since the district would probably not want 33 students in each first grade section, the district would, in all probability, have sections of 16 and 17 in Otego and sections of 16 and 17 in Unadilla. This would mean that the district would have four sections of first grade instead of the current three sections. This extra sections would require the hiring of an additional teacher and the use of an

additional classroom. Applying this example to all of the elementary grades, it is easy to see why the district has implemented the current structure and the cost efficiencies that have resulted.

As different grade level configurations are considered, it is important to understand the thinking behind grade level organization. It is clear that most school districts consider reorganization due to changes in available space and that virtually any grade configuration can be found somewhere. The most common grade configuration pattern in New York State is K-5, 6-8, 9-12. Over the past 30 years there has been a shift from the K-6, 7-9, 10-12 grade pattern to a K-5, 6-8, 9-12 arrangement due to the middle school movement. However, given all the options that exist, researchers agree there is no "one best way" to arrange the grades. "What" a district does with the grade configuration, not "which" grade configuration is used is what determines student success.

In addition to the grade alignment by building, it is important to determine how each of the district's current buildings is currently being utilized. Table 6.4 that follows shows the current year utilization of the Otego Elementary School.

Table 6.4
Otego Elementary School Classroom Usage 2015-16
(Includes Gym, Cafeteria, Library, Music Room, & Art Room)

School Building	No. Full-Size Rooms	Grade Level Classrooms (12)	Other Usage of Full-Size Rooms (9)	Usage of Small Rooms, Not Full-Size, Other Than Administration
Otego Elementary	21	K-5 1-3 2-4	Special Ed-8:1:1 Sp Ed Resource-Movement Room-1 Special Ed AIS-1 Grade 1 AIS-1 Grade 2 AIS-1 Computer Room-1 OT/PT-1 Speech/ESL/Storage-1 Faculty Room-1	Health Office DSS Counselor

Table 6.4 shows that, of the 21 full size classrooms in the building, 12 are used for regular grade-level classrooms and 9 others are used for related classroom functions and a faculty room. Based on this analysis of the space and based on the building tour that was conducted as part of the committee meeting process, it is generally agreed that there is little to no extra room in the Otego Elementary School.

Table 6.5 that follows shows how the space in the Unadilla Elementary School is currently being used.

Table 6.5
Unadilla Elementary School Classroom Usage 2015-16
(Includes Gym, Large Multi-Purpose Room, Cafeteria, Library, Music Room, & Art Room)

School Building	No. Full-Size Rooms	Grade Level Classrooms (9)	Other Usage of Full-Size Rooms (17)	Usage of Small Rooms, Not Full-Size, Other Than Administration
Otego Elementary	26	3-3 4-3 5-3	Special Ed Resource-2 Physical Therapy-1 Occupational Therapy-1 Computer Lab-1 Study Hall-1 Empty-2 Faculty Room-1 AIS-3 LTA-4 Book Room-1	Conference-1 Work Room-1 Speech-1 Lounge-1 Music Lessons-1 Primary Library-1 Padded Room-1

As can be seen from table 6.5, there are 26 full size classrooms but only 9 of them are being used for regular grade level classrooms. There are six other classrooms that are being used for related instructional services and a faculty room; however, there are two empty classrooms, one study hall, 3 AIS rooms, and four rooms for teaching assistants. In many instances, full size classrooms are being used for small group instruction, simply because the room is available. This is not at all an unusual occurrence since it is very common for people to occupy vacant space. However, it is not the most efficient use of the space. Given this data and the tour of the building that was conducted as part of the committee process, it is clear that there is a significant amount of underutilized and vacant space in the Unadilla Elementary School.

The Unatego Middle/High School is located on Route 7 approximately halfway between the villages of Unadilla and Otego. Table 6.6 that follows shows how the space in the middle/high school is currently being used.

Table 6.6
Middle/High High School Classroom Usage 2015-16
(Includes 3 Gyms, Cafeteria, Auditorium, Library, 2 Music Rooms, 2 Art Rooms & the District Offices)

School Building	No. Full-Size Rooms	Core Academic Classrooms (30)	Other Usage of Full-Size Rooms (23)	Usage of Small Rooms, Not Full-Size, Other Than Administration
Middle/ High School	53	English-7 Soc. Studies-6 Math-6 Science-8 Spanish-3	Special Ed-6:1:1-1 Special Ed Resource-6 Business-2 Computer Lab-3 Health-1 Family/Consumer Science-1 Tech Shop-1 Testing Center-1 Computer Storage-1 Board Room-1 Faculty Room-1 Empty-4	Weight Room-1 Nurse-1 Tech-1 Lunch Detention-1

Table 8 above shows that 30 of the 53 full size classrooms are used for core academic classrooms. In addition, another ten classrooms are used for related academic instruction and a faculty room. In addition, however, there are four empty classrooms, a boardroom, a computer storage room, a testing center, and six full size classrooms that are being used as resource rooms. Once again, we see a school building with an abundance of space due to underutilized and vacant rooms and six resource rooms that could be located in much smaller rooms being located in full size classrooms. This excess space was also confirmed in the tour of the facility that was provided for the advisory committee.

Another method for measuring the effective utilization of the middle/high school is to look at the use of the major rooms on a period-by-period basis. Table 6.7 that follows shows that analysis.

Table 6.7 High School & Middle School Room Utilization-2015-16		
Room #	Use	# of Periods/Day Occupied
61	Tech Shop	4
62	Tech	3
63	Lunch Detention	3
64	Middle School Art	2
72	High School Art	4
76	Empty-Faculty Room	
82	Family & Consumer Science	6
83	Science	7
86	Social Studies/Reading	7
88	Special Ed Resource	5
89	English	7
90	Math	7
93	Empty-Board Room	
94	Computer Lab	3
101	Math	7
102	Science	6
103	Science	6
105	Spanish	6
108	Computer Storage	
110	English	6
111	Empty	
112	Empty	
113	Social Studies	6
116	Math	6
117	Special Ed Resource	5
118	Social Studies	6
119	Special Ed-6:1:1	7
120	English	7
122	Special Ed Resource	3
123	Spanish	6
131	Health	7
204	Math	6
205	Empty	
206	English	7
207	Social Studies	6
208	Social Studies	6
209	English	6
210	Biology	9
212	Biology	7
214	Chemistry	7
218	Physics	7
220	Earth Science	7
224	Computer Lab	3
225	Business	4
226	Empty	
227	Business	6
228	Special Ed Resource	4
229	Special Ed Resource	8
230	Testing Center	9
231	Special Ed Resource	4
235	English	5
242	English	6
244	Social Studies	7
245	Spanish	7
246	Empty	
247	Math	6
248	Math	6
	TOTAL % USAGE (49 CLASSROOMS)	64.4% (5.8/DAY)

Table 6.7 shows that 57 classrooms were studied. On average, the 49 classrooms that are used for classes are used 5.8 periods per day out of a 9 period day. No school can ever schedule its facility so that it is used 100% of the time. However, an average usage rating of 64.4% clearly demonstrates that even those rooms that are being used for classrooms are not being utilized to their maximum efficiency.

As the district considers options for organizing its schools, understanding the current utility costs for each building is important.

Table 6.8
2014-15 Utility Costs

	Otego Elementary	Unadilla Elementary	Middle/High School
Electric-NYSEG	12,853	18,030	38,154
Electric-Direct Energy	14,863	26,166	52,778
Heating Fuel-Reinhardt	59,001		163,997
Propane-Mirabito		55,735	5,891
Water-Villages	933	1,409	
TOTAL	$87,650	$101,340	$260,820

In considering the possible closure of one of the elementary schools, it is important to calculate the utility cost savings that might accrue to the district. It is assumed that the district will maintain ownership of the closed school, will not be renting the facility, and will be responsible for the cost of the utilities for the closed building. Assuming that the district maintains ownership of the closed building, it will be necessary to continue the utility costs so that the building remains in good repair. As a rule, it is estimated that savings of 40% will accrue to the district when comparing an open building versus a closed building. Given this assumption, the district could expect to save utility costs of $35,060 (40% of $87,650) if Otego Elementary were to close and $40,536 (40% of $101,340) if Unadilla Elementary were to close.

One final area of savings that would accrue to the school district should it decide to close one of the elementary schools is in the area of staffing. Table 6.9 that follows shows possible staff savings if one of the elementary schools were to close. The savings would be the same regardless of which elementary school were to close.

Table 6.9 Possible Staff Savings by Closing One Elementary School	
Principal	$80,000
Secretary	$25,000
Registered nurse	$30,000
Computer Lab LTA	$20,000
Music Teacher	$55,000
PE Teacher (.5)	$28,000
Custodial (1.5)	$33,000
Cafeteria	$15,000
SALARY TOTAL	$286,000
+37% Fringe	$105,820
TOTAL	$391,820

Staff savings raise a number of complicated issues. Generally speaking, districts are reluctant to involuntarily reduce staff. Rather, districts often prefer to realize staff reductions as a result of attrition. Should Unatego choose that option, the staff savings identified in table 6.9 would still be realized but rather than having the savings be immediate, the savings would accrue over time as staff leaves the district and is not replaced.

In addition to space utilization, another important aspect for determining future facility use is the overall physical condition of the buildings themselves. The New York State Education Department requires all school districts to conduct a Building Conditions Survey every five years. The surveys are required to be updated in 2015. The following tables summarize the improvements and related estimated cost for each of the district's schools and the bus garage.

Table 6.10 2015 Building Condition Survey Otego Elementary (1931) 34,196 Square Feet	
Item	Cost
Replace septic system *	$625,000
Replace pavement	241,000
Replace some sidewalk panels	15,000
Replace pavement in play area	23,000
Update athletic/play fields	125,000
Replace sections of fence	27,000
Repair foundation	47,000
Repoint exterior wall *	457,000
Repair chimney	13,000
Repair exterior steps at cafeteria	13,000
Replace 1998 roof	275,000
Replace floor tile	141,000
Replace terrazzo floors	232,000
Refinish stage floor	25,000
Replace ceilings *	551,000
Replace interior doors and frames	113,000
Provide rated stair enclosures	250,000
Provide backflow plumbing preventer	5,000
Provide mixing valves for hot water heaters	13,000
Upgrade water cooler service	4,000
Provide boiler backflow preventer	3,000
Install classroom exhaust system	25,000
Provide CO detection system	3,000
ADA accessibility parking upgrades	188,000
ADA accessibility *	557,000
Replace lighting *	25,000
Upgrade communications system *	94,000
Upgrade fire alarm system *	110,000
TOTAL COST	$4,200,000
* Indicates highest priority ranking	

Table 6.11 2015 Building Condition Survey Unadilla Elementary (1934) 67,400 Square Feet	
Item	Cost
Replace septic system *	$688,000
Replace pavement	235,000
Replace sidewalks *	61,000
Replace asphalt play area	55,000
Masonry restoration on foundation	57,000
Replace wall joints on exterior wall columns	54,000
Replace chimney and repoint masonry	19,000
Replace wall caps and re-flash roofing on parapet *	68,000
Exterior stair access replacements	52,000
Refinish interior wall paneling	13,000
Replace tile flooring	80,000
Replace hard flooring	275,000
Refinish stage flooring	25,000
Replace ceilings *	357,000
Replace lockers	65,000
Replace interior doors	225,000
Provide arc flash study	9,000
Upgrade lighting	263,000
Upgrade plumbing system	386,000
Upgrade plumbing fixtures *	37,000
Add AV units & CO detection	11,000
Replace cabinetry	50,000
ADA accessibility upgrades *	260,000
Upgrade fire alarm system *	111,000
Upgrade communications systems *	169,000
Provide are of rescue *	5,000
Electric upgrades *	116,000
TOTAL COST	$3,721,000
* Indicates highest priority ranking	

Table 6.12 2015 Building Condition Survey Middle/High School (1967) 139,910 Square Feet	
Item	Cost
Replace pavement	$651,000
Repair foundation	7,000
Repoint exterior walls	19,000
Repair masonry	13,000
Replace loading dock *	25,000
Replace glass block	5,000
Replace roof on 1998 wing	916,000
Replace wood corridor paneling	188,000
Replace tile flooring	42,000
Refinish stage flooring *	13,000
Replace ceilings *	755,000
Replace lockers	175,000
Replace interior doors	303,000
Replace stair railings	17,000
Replace plumbing valves	7,000
Replace boilers	378,000
Upgrade cooling/AC generating systems	20,000
Replace HVAC equipment *	1,101,000
Replace piping *	1,127,000
Replace ductwork *	738,000
Replace control system	563,000
Provide CO detection	12,000
Music/band room acoustic upgrades	44,000
Corridor ventilation	75,000
Refinish library shelving	13,000
Accessibility upgrades	108,000
Upgrade interior electrical distribution *	275,000
Upgrade communications system *	220,000
Replace fire alarm system *	200,000
TOTAL COST	$8,010,000
* Indicates highest priority ranking	

Table 6.13 2015 Building Condition Survey Bus Garage (1950) 5,860 Square Feet	
Item	Cost
Fuel tank upgrades	$40,000
Replace fence sections	22,000
Replace cap on chimney	2,000
Replace overhead doors *	90,000
Replace windows	19,000
Replace aged interior doors	6,000
Replace non-GFI receptacles	5,000
Water piping upgrades	44,000
Upgrade fire alarm and CO detectors *	7,000
ADA Accessibility *	35,000
Accessibility upgrades	47,000
TOTAL COST	$317,000
* Indicates highest priority ranking	

CHAPTER 7
STAFFING, TRANSPORTATION, & FINANCE

Staffing

Education is a people intensive business. It is quite common for 65-70% of any school district budget to be spent on employee salaries and benefits. For this reason, any discussion about having schools operate more efficiently must include a discussion about the staffing levels of the district.

Unatego, like nearly all other school districts in New York State, has experienced severe financial challenges over the past eight years. Because such a significant portion of the school district budget is devoted to staff salaries and benefits, Unatego has reduced positions in order to deal with its fiscal challenges. The following table identifies the cuts in positions that have been made since 2011.

Table 7.1
Position Cuts Made Since 2011-12

Year	Cuts
2011	1.0 Special Education Teacher 1.0 Art Teacher 1.0 Psychologist 1.0 Administrator
2012	5.0 Elementary Education Teachers 1.0 Psychologist 1.0 Technology Teacher 1.0 Elementary Principal……Create 1.0 K-2 Principal/ CSE Chair 9.0 Teacher Aides

Transportation

Unatego transports many children to school on a daily basis just like most upstate, rural districts. The district employs a single trip daily routing plan to get to in-district students to and from school, which means all students in grades K-12 ride the same bus each way. There are 10 in-district runs daily that transport students to and from the elementary, middle and high schools. The earliest bus pickup is approximately 6:40 a.m.

All buses arrive at either the Unadilla or Otego elementary schools. After the K-2 students exit, many students arriving on the five buses at the Otego school transfer to other buses. Three of these buses take the middle and high school students while two buses take the grade 3-5 students to their respective schools. All K-12 students that arrive at the Unadilla school remain on the bus after the grade 3-5 students exit and are driven to the middle/high school where the grade 6-12 students exit while the grade k-12 continue on to the Otego building.

In addition to these regular in-district bus runs, each day Unatego sends one bus to Springbrook, one bus to the Norwich BOCES campus, four buses to the Harold BOCES campus, and one bus to the Oneonta Community Christian School.

District Finance

Effective management of finances is an important requirement of any school district. It is particularly important in a challenging national and state economy as we have seen over the past six or seven years. Fortunately, prudent financial management of the Unatego Central School District has been a hallmark for many years.

One important measure of a school district's Board of Educations ability to balance the quality of education that the community wants for its children with its ability to support is the annual school district budget vote. The following table summarizes the results from school district budget votes from 2006 to 2015. As can be seen and mentioned earlier in this report, the budget has passed every year shown.

Table 7.2
District Budget Vote History

Year	Yes Votes	No Votes	Total Votes
2015	215	74	289
2014	161	59	220
2013	196	82	278
2012	434	187	621
2011	216	102	318
2010	215	172	387
2009	205	73	278
2008	233	106	339
2007	374	151	525
2006	372	168	540

A second window into the district's current fiscal situation is through examining the current general fund balance sheet. At the end of each fiscal year (June 30th), all school districts have to file a final year financial report. The following table shows Unatego's final report for the year ending June 30, 2015.

Table 7.3 District Balance Sheets as of June 30, 2015	
ASSETS	
Cash – Unrestricted	$794,085
Cash-Restricted	$240,332
Accounts receivable	$0
Due from other funds	$1,997,596
Due from State and Federal	$870,355
Due from other governments	$0
Total Assets	**$3,902,368**
LIABILITIES	
Accounts Payable	$83,508
Accrued Liabilities	$81,789
Revenue Anticipation Notes Payable	$900,000
Due to other funds	$110,907
Due to employees' retirement system	$85,102
Due to teachers' retirement system	$1,066,511
Deferred Revenue	$0
Total Liabilities/Deferred Revenues	**$2,327,817**
FUND BALANCE	
Restricted Fund Balance	
Workers' Compensation Reserve	$0
Unemployment Reserve	$0
Reserve for Retirement Contributions	$0
Reserve for Liability Claims	$0
Reserve for Tax Certiorari	$0
Reserve for Employee Benefits & Accrued Liabilities	$240,332
Total Restricted Fund Balance	**$240,332**
Assigned Fund Balance	
Assigned Appropriated Fund Balance	$1,000,000
Assigned Unappropriated Fund Balance*	$53,494
Total Assigned Fund Balance	**$1,053,494**
Unassigned Fund Balance	
Unassigned Fund Balance	$280,725
Total Unassigned Fund Balance	**$280,725**
*Includes encumbrances that are not reported in Committed and Restricted Fund Balance.	

To assess the district's overall fiscal position, it is important to focus on several items in the above general fund balance sheet. Specifically, the number and amount of reserve accounts in the restricted fund balance is an indicator of long-range fiscal planning. As can be seen, on June 30, 2015 the district only had $240,000 in reserves for employee benefits and accrued liabilities. This does not position the district well for future costs such as workers compensation claims, earned retirement payments, potential liability settlements, or to settle tax certiorari (assessment challenges). Compared to most districts with which we work the restricted fund balance is very low.

A second indicator of fiscal health is the amount of unassigned fund balance a district maintains. While state law restricts a school district to carrying only 4%of the subsequent year's budget in its unassigned fund balance, at the end of last fiscal year Unatego only had $280,000 set aside or 1.26% of this year's general fund budget ($22,114,446). This is exceptionally low.

Third, we examine the amount of money a school district uses to hold down the tax rate each year; that is, money the district has in hand at the end of the previous year that it applies to the revenue side of the ledger for the coming year. From the 2014-15 general fund budget Unatego applied $1,000,000 to hold the tax rate down. If it had not done so, the district would have had to raise this additional revenue from the local taxpayers to support the 2015-16 school year operation. The end result however is that the district will again have to have at least $1,000,000 excess revenue next year to do the same procedure or the local residents will have to make up any difference that is short of this amount.

In summary, from our analysis we have concluded the district is in very poor fiscal condition as of June 2015. This option is shared by the New York State Comptrollers office in its January 2015 report, based on 2014 data, that indicated Unatego was a district in "moderate fiscal stress" (see Appendix A) and in its January 2016 Report of Examination on the district's fiscal condition (see separate document).

CHAPTER 8
RESEARCH AND LITERATURE ON GRADE REORGANIZATION

Before the feasible options are presented, a brief overview of the relevant research and literature that were fundamental to the study is presented. Grade configuration study is common for school districts around the country; thus substantial research and literature exist. Key research findings were presented to the Advisory Committee. The Appendix contains a more in-depth summary of the research.

First, it is important to note that most school districts that embark on grade configuration study do so because of too much or too little capacity in their schools. In other words, space rather than educational considerations drives the decision. Unatego is the exception. It approached the study of grade configurations with one primary purpose in mind—how the district can arrange the K-12 schools to achieve more positive educational outcomes for students while balancing the community's ability to financially support any new grade/facility arrangement. The Unatego Board of Education and Superintendent are to be commended for addressing grade configuration for the right reason.

Examination of school districts around the country finds virtually any possible grade configuration somewhere. For example, a K-4, 5-8, 9-12 pattern is common in suburban school districts. Some districts like Unatego have adopted a grade center plan, with, for example, all K-3 students in one building and all 4-6 students in another. The K-8, 9-12 grade arrangement is still found in many small rural districts and is a recent trend in the urban areas. The oldest grade configuration is K-12, and is still seen in many small rural districts, even in New York State. The most common pattern of organizing grades in New York State today is K-5, 6-8, 9-12.

Over the past thirty years there has been a trend by districts to change from the K-6, 7-9, 10-12 configuration to K-5, 6-8, 9-12. The impetus for this large scale and pervasive shift has been due to what is commonly known as "the middle school movement." The middle school movement is an effort to provide a transition phase of schooling—taking children from the cloistered setting of an elementary school to the less structured environment of a high school. Middle school age children have unique needs during this rapidly changing phase of life that may not be adequately addressed in either the typical elementary school or high school.

Unfortunately, school district planners cannot look to the research for the "one best way" to configure the grades. While there is evidence that one can locate to support any grade configuration, there is no conclusive research that indicates one alignment is necessarily any better than another. A general conclusion that most researchers have reached is that it is "what" a district does with the grade configuration that ultimately determines success or failure, rather than "which" grade arrangement is endorsed. For example, many districts that changed their grade configuration to either a 5-8 or 6-8 middle school never adopted the philosophy and necessary practices to have a true middle school (for example, team teaching, advisor-advisee programs). Consequently, these districts have been unsuccessful in achieving the positive outcomes advanced by middle school advocates.

Finally, the research indicates that school districts studying grade configuration typically must confront a set of common issues. Indeed, some of these surfaced as this study progressed. Specifically, the cost and length of travel for children to get to and from school; how long will students be on the school bus is always a concern that must be addressed if a reconfiguration is to occur. The favorable or unfavorable impact of parent involvement in a child's schooling is an element that arises in every instance. The manner in which students will be grouped for instruction (i.e., teaming at the middle school level) is a frequent issue.

Research has found that the number of transitions during a student's K-12 experience should be considered. Each time a student moves from one school to another the educational process is disrupted. Although the student recovers, it is important to minimize the number of transitions in a student's education.

Interaction between various age groups and the influence of older students on younger is usually a significant consideration for districts considering reconfiguration. How will fifth or sixth graders be impacted by proximity to eighth graders?

And finally, the relationship of a building's design for accommodating the instructional program of different grade configurations must be examined. This, too, was a focus of Advisory Committee consideration.

CHAPTER 9
OPTIONS FOR MAINTAINING AND/OR RECONFIGURING THE BUILDING/GRADE ORGANIZATION OF THE DISTRICT

When evaluating the current status of Unatego's grade and facility organization, the consultants first attempted to identify "feasible" options—in other words, how *could* the grades/facilities be arranged. Following this, the next step was to identify the "desirable" options—among the feasible ways, what is/are the option(s) that make the most educational and fiscal sense. Following is a discussion of the "feasible" options with advantages and disadvantages of each followed by the consultants' selection of the "desirable" options.

Feasible Grade/Facility Options

The consultants identified several feasible options along with advantages (pros) and disadvantages (cons) of each when compared to the other possible choices. These options were then the focus of discussion with members of the Advisory Committee. The Advisory Committee was asked to critique the options, either agree or disagree with the options, and critique the pros and cons. The Advisory Committee was also asked to add additional advantages and disadvantages to each option. The following tables show the result of these discussions. In addition, supplemental data to support many of the pros and cons has been included.

Remaining as is, that is, keeping the schools and grades organized as at present, is always an option. Therefore, this was the first possible future course shared with the committee. As can be seen in the accompanying table, some of the major advantages the consultants and the committee noted included keeping everyone happy and avoiding community turmoil over any change. Also, given projected declining enrollment and current space in the schools, this option would permit adding pre-kindergarten if it comes available. Finally, the district would not have to deal with one or more empty school buildings as considered in the other options. On the other hand, the committee identified several disadvantages to maintaining the existing arrangement. These included the inefficient use of space in the schools, no financial savings would be realized as with the other options being considered, and instructional time is lost due to the shuttle

transportation system currently in use. The following table 9.1 shows a complete list of advantages and disadvantages associated with option 1.

Table 9.1
Option 1: Remaining As Is (K-12, 3-5, 6-8, 9-12)

Pros	Cons
*will not create turmoil (no disruption): keeps everyone happy * *fifth grade can remain where they have recess* **fifth grade would not be mixed in with high school students; keeps age groups separate* **PreK can be housed at Unadilla* **don't have to deal with maintaining an empty building* **room for growth* **maintains property values in village "desirability"* **keeps enrollment up?????* **needs of age groups are being met*	*inefficient use of space in the schools *does not offer any financial savings **if nothing changes now, nothing will change* **instructional time is lost at the end of each day for busing* **annual repair costs* **future costs are unpredictable*
NOTE: Regular text indicates initial thoughts of the consultants while *italics* represent additions made from discussion of the Advisory Committee members.	

A second option presented by the consultants and discussed by the Advisory Committee members was to close the Otego Elementary School, have the Unadilla building hold all students in grades K-4, and move the fifth grade to the middle school. While the following table contains the complete list of pros and cons that were generated, some of the major advantages included making better use of excess capacity in the schools, achieving considerable financial savings, providing more opportunities for teachers to collaborate, saving parents with elementary students from having to go to multiple elementary schools for concerts and parent meetings, and eliminating the shuttle bus system thereby increasing instructional time.

Table 9.2 **Option 2: Close Otego Elementary School, Make Unadilla K-4, Move 5th Grade to the Middle School**	
Pros	Cons
*makes much better use of space *offers considerable financial savings **no shuttle buses like we have now so instructional impact won't be great like it is now; improves transportation overall* **more opportunities for teachers to collaborate* **more accommodating for parents not to have multiple elementary buildings* **more opportunity for student interactions among grade levels (buddy reading, writing, etc.)* **easy for service provider schedules (i.e., counselors)*	*backlash due to emotional attachment to the Otego Elementary School. *K-2 students from the Otego Elementary School would have to ride the bus longer *there would likely be some staff members that would lose jobs **fifth grade is too young for our current building set-up at MS/HS; maturity level of students; how did moving 6th grade to the middle school work?* **after school program—those families that live in Otego will have to travel to Unadilla to pickup students* **loss of room for growth* **question of impact on home values of taxpayers and therefore loss of tax revenue to school district; desirability for home buyers and maybe lose families to other districts* **Unadilla floods* **cost of perhaps relocating the bus garage* **lack of extra gym and field space* **more difficulty scheduling specials, lunches, etc.* **lessens possibility of PK* **less space for tier groups and accommodating test mods*
NOTE: Regular text indicates initial thoughts of the consultants while *italics* represent additions made from discussion of the Advisory Committee members.	

As school districts all over New York State look to optimize student programming with limited resources, consolidation of services and staff reductions are options that are often chosen. Since seventy to seventy-five percent of most school district budgets are devoted to paying staff salaries and fringe benefits, significant savings can only be realized by reducing staff. If staff reductions, either through lay offs or through attrition, are inevitable, districts generally want to make changes by reducing their instructional program only as a last resort. In consideration of Option 2 staff savings by closing one elementary school are summarized in the following table (these amounts are based on 2015-16 data). Of course, if the district were to choose this option

the Board may well decide to reduce staff through attrition rather than cause some employees to lose their jobs.

Table 9.3 Possible Staff Savings by Going to 1 Elementary School	
Principal	$80,000
Secretary	$25,000
Registered nurse	$30,000
Computer Lab LTA	$20,000
Music Teacher	$55,000
PE Teacher (.5)	$28,000
Custodial (1.5)	$33,000
Cafeteria	$15,000
SALARY TOTAL	$286,000
+37% Fringe	$105,820
TOTAL	$391,820

In addition to financial saving due to staffing efficiency, Option 2 would also provide some financial benefit due to reduced utility costs associated with closing the Otego Elementary School. The table below summarizes the utility costs for all three district schools during the 2014-15 school year. As can be seen, the Otego Elementary school's total was $87,650. After conferring with the district's architects, it is estimated that a closed building would likely yield approximately 40% savings in utility costs, or about $35,060 per year if the Otego building is closed.

Table 9.4 2014-15 Utility Costs			
	Otego Elementary	Unadilla Elementary	Middle/High School
Electric-NYSEG	12,853	18,030	38,154
Electric-Direct Energy	14,863	26,166	52,778
Heating Fuel-Reinhardt	59,001		163,997
Propane-Mirabito		55,735	5,891
Water-Villages	933	1,409	
TOTAL	$87,650	$101,340	$260,820

Finally, as it relates to cost estimates due to implementing this option, a bus routing plan was developed that would cost the district approximately an additional $1,800 per year (after

transportation aid is received). The table that follows summarizes the cost for this option as well as for routing plans for all three options under consideration. However, it is important

Table 9.5
Comparison of Impact on Transportation for All Options

Criterion	Feasible Options		
	Option 1	Option 2	Option 3
No. of Student on the Bus over 60 minutes		A.M.=19 P.M.=36	A.M.=19 P.M.=24
Driving time cost per year	$663,300	$681,300	$643,476
Difference in cost/year routes	Same	+$18,000/year	-$19,824/year
Additional buses needed	None	None	None
Additional drivers needed	None	One	One
Additional cost after state transportation aid	None	Approximately +$1,800/year	Approximately -$1,982/year
Student wait time for other students to arrive	Same	Less	Less

Notes: The following assumptions were used in designing routes and arriving at the above observations:
- Current students were used to design routes
- Student drop off location at the end of the day are the same as at present

to note that the major stumbling block to implementing this option from a transportation perspective is in finding the additional driver needed as the district struggles to hire and maintain enough bus drivers currently. It is also significant in light of discussion by the committee that with this option the transportation plan would reduce, but not eliminate, the amount of time students wait for other students to arrive at school, thus increasing instructional time. This wasted instructional time could be reduced by perhaps 50%.

Significant disadvantages of this option noted in the table included the backlash due to the emotional attachment to the Otego Elementary School. In addition, there could be some staff members that might lose their jobs. Also, families living in Otego would have to travel to Unadilla to pick up their elementary children from the after school programs. Finally there would be a possible loss of room for growth of program.

One of the major discussion points by the committee was whether closing the Otego Elementary School would adversely impact local property values. To explore this issue, the consultants reviewed the professional literature regarding the closing of a school and its impact on home values and the research on any link between a school district reputation and home values (see Appendix B for a summary of this literature review). After reviewing the literature, the consultants concluded that Otego Village property values *could* be negatively impacted because the elementary school children would be attending school further from their home. On the other hand, the research indicates that there is a strong positive correlation between a school district reputation and home values—the better the district's reputation, the higher the home values. Consequently, if closing the Otego Elementary building results in an improved perception of the quality of school district, home values could be positively impacted. In summary, the consultants have concluded that if the Otego Elementary School (or any school in the district) were to close, it is unclear if local property values would be affected negatively.

A second window into the possible impact of school closure on local property values was through examining two rural school districts--one in Oswego County (Altmar-Parish-Williamstown Central School District) that fairly recently closed three elementary schools and a nearby district (Sidney Central School District)—and the history of property values before and after closure. The following tables illustrate either the assessed or full value of property in the townships surrounding the closed elementary schools in both districts.

Table 9.6
A-P-W Closed Elementary School Townships and Total Assessed Property Value in the Townships Before and After Closing the Elementary Schools

	Schools			
Year	Altmar	Parish	Williamstown	Total Assessed Value
2007-08	$71,003,677	$93,663,049	$55,530,142	$220,196,868
2008-09	$76,149,128	$93,609,716	$58,193,389	$134,342,517
2009-10	$89,177,362	$94,497,871	$65,829,816	$249,505,049
2010-11	$89,868,246	$93,596,737	$65,879,683	$249,344,666
2011-12	$77,210,580	$117,707,782	$58,874,237	$253,792,599
2012-13	$92,084,907	$140,318,700	$66,303,225	$298,706,832
2013-14	$89,952,721	$138,048,935	$66,526,050	$294,527,706
2014-15	$92,978,097	$141,411,076	$66,574,411	$300,963,584
2015-16	$92,208,868	$141,727,312	$67,458,888	$301,395,068
NOTES: (1) Shaded cells indicate the years prior to school closure				
(2) The Village of Altmar dissolved in 2012				

Table 9.7
Sidney Closed Elementary School Townships and Total Full Property Value in the Townships Before and After Closing the Elementary Schools

	Schools		
Year	Sidney Center	Masonville	Total Full Value
2005-06	$209,221,400	$66,435,559	$275,656,959
2006-07	$220,668,979	$67,159,626	$287,828,605
2007-08	$240,746,919	$81,273,627	$322,020,546
2008-09	$244,505,811	$83,694,640	$328,200,451
2009-10	$291,626,555	$85,069,757	$376,696,312
2010-11	$287,215,522	$85,407,851	$372,623,373
2011-12	$288,394,869	$86,381,182	$374,776,051
2012-13	$272,879,487	$79,327,490	$352,206,977
2013-14	$256,064,237	$85,458,041	$341,522,278
2014-15	$250,725,145	$82,652,328	$333,377,473
2015-16	$245,705,322	$82,899,307	$328,604,629
NOTES: (1) Shaded cells indicate the years prior to school closure			

In examining these tables, one can see that local assessed or full property values do not appear to have declined following the closing of the elementary schools in either district. Of course, this picture is related to the next issue to be discussed.

Although it is not included in the tables above as a possible disadvantage of implementing this option, the committee discussed the issue of what to do with the Otego building if it were closed. Specifically, could the school be sold and put into productive use and

perhaps placed on the tax roles? If not, would it simply decay and become a community eyesore? And, if the vacated school is not put to productive use but rather sits idle, would this negatively impact local property values. These are serious concerns and so the consultants again revisited the above two districts' examples to illustrate what two other school districts had experienced that closed elementary schools.

The first example was that of the Altmar-Parish-Williamstown Central School District in Oswego County. Working with a consulting group from the lower Hudson Valley, the district was fortunate to find buyers for its three shuttered elementary schools. Specifically, the Parish Elementary School sold June 30, 2012 for $245,000 to become a high tech manufacturing facility and the Altmar School sold on the same date for $400,000 and has been repurposed as a luxury salmon fishing resort. The Williamstown Elementary School sold on May 2013 for $55,000 (purpose unknown as of now). The second example cited above is the Sidney elementary schools in Sidney Center and Masonville. These buildings were closed after the 2005-06 school year. Full property values were used to show the comparison since one township went through revaluation that would show skewed data if we used assessed values. Nevertheless, as can be seen from the table, the full property values in both townships did not decline following closing of the schools in each community.

Table 9.8
History of Full Property Values in Townships Where Schools Closed

Year	Schools		Total Full Value
	Sidney Center	Masonville	
2005-06	$209,221,400	$66,435,559	$275,656,959
2006-07	$220,668,979	$67,159,626	$287,828,605
2007-08	$240,746,919	$81,273,627	$322,020,546
2008-09	$244,595,811	$83,694,640	$328,200,451
2009-10	$291,626,555	$85,069,757	$376,696,312
2010-11	$187,215,522	$85,407,851	$372,623,373
2011-12	$288,394,869	$86,381,182	$374,776,051
2012-13	$272,879,487	$79,327,490	$352,206,977
2013-14	$256,064,237	$85,458,041	$341,522,278
2014-15	$250,725,145	$82,652,328	$333,377,473
2015-16	$245,705,322	$82,899,307	$328,604,629

Finally, a question arose from a meeting observer about Gilbertsville-Mt. Upton and the vacant elementary school in Mt. Upton in the Town of Guilford. The observer wondered if there

was any adverse impact on the property values in the town following the closing of the elementary school. Despite some difficulty accessing the information (for the merger occurred in 1990), we were able to secure the following assessed property value information.

Table 9.9
G-MU Closed Elementary School and Total Assessed Property Value in the Town of Guilford Before and After Closing the Elementary School

Year	Assessed Property Value
1989	$18,142,679
1990	$18,637,522
1991	$18,504,400
1992	$18,509,400
1993	$22,831,950
1994	$23,108,552
1995	$23,459,052
2015	*$51,784,896*

Notes: (1) The district merger took place in 1990 and the new school opened in 1994

As can be seen, the elementary closed in 1994 and there does not appear to have been any negative impact on assessed property value in the township.

After sharing the above information with the committee as it pertained to sale price of the elementary schools in the case study districts, the current appraised value of the Unatego school buildings was provided to the committee. The following table summarizes the current appraised values.

Table 9.10
Appraised Value of Unatego School Buildings and Grounds

Location	*Building*	*Yard and Outside*
Otego Elementary School	$9,053,464	$65,927
Unadilla Elementary School	$13,465,274	$70,154
Unatego Jr-Sr High School	$36,679,542	$85,847
Bus Garage	$641,319	$11,814

NOTE: These data were provided by the New York State Insurance Reciprocal for the 2015-16 academic year. The yard and outside column does not include other structures such as storage buildings, concession stands, dugouts, etc.

As can be seen, the Otego Elementary School is currently appraised for $9,053,464. It is important to note that this appraised value is what is commonly referred to “replacement value”.

That is, if the school were to be completely destroyed, this is the cost to build the structure again. Importantly, however, despite the figures quoted in the table, if the Otego Elementary School is closed, and if the district is fortunate enough to find a buyer for the school, the sale price would not nearly approach the appraised value of the building. See the Altar-Parish-Williamstown school district example and what the district realized from sale of its buildings.

To examine the overall financial impact of option 2 we must first summarize the additional cost savings and increases presented previously. The table that follows illustrates this summary.

Table 9.11
Estimated Financial Impact of Option 2

Fiscal Year Ending 2018	Object of Expense			
	Staffing	Utilities	Transportation	Total Impact
2017-18	-$392,000	-$35,000	+$1,800	-$425,200
2018-19	-$399,840	-$36,050	+$1,836	-$434,054
2019-20	-$407,837	-$37,132	+$1,873	-$443,096
2020-21	-$415,994	-$38,246	+$1,910	-$452,330
2021-22	-$424,314	-$39,393	+$1,948	-$461,759

Assumptions:
1-All staff savings occurs in the first year of implementation; uses 2015-16 salaries for calculating savings to be conservative.
2-Staff salary increases 2.0% per year
3-Utility savings are estimated at 40% per year
4-Utility savings increase by 3.0% per year
5-Transportation loss increases at 2.0% per year
6-All cost estimates in 2017-18 are based on 2015-16 estimates

The table represents a total financial impact for the first five years following the closing of the Otego Elementary School. Notice the assumptions that all staff positions in this example are assumed to have been eliminated in the first year of the closing and that these salaries are based upon 2015-16 actual rates to be conservative in our estimates. Also note the other assumptions in the footer of the table. In total, the district would realize approximately $425,000 in the first year of implementing option 2 with the assumptions given.

Using saving noted above, the following table represents the impact on the full-value tax rate in Unatego for the first five years following implementation. The furthest column to the right compares the estimated full-value tax rate comparison between implementing this option or

the district choosing to remain as is (option 1). Again, please note the assumptions in the table footer upon which these projections are based. As is evident and expected, there is a full-value tax rate reduction for residents of the district if this version of option 2 is adopted.

Table 9.12
Impact of Financial Savings on Full Value Tax Rate for Option 2

School Year	Estimated Tax Levy	Estimated General Fund Savings	Tax Levy Less Savings	Full-Value Assessment	Full-Value Tax Rate With/Without Savings
2017-18	$7,388,018	$425,200	$6,962,818	$338,066,043	$20.60/$21.85
2018-19	$7,535,788	$434,054	$7,101,734	$331,541,369	$21.42/$22.73
2019-20	$7,686,504	$443,096	$7,243,408	$325,142,620	$22.28/$23.64
2020-21	$7,840,234	$452,330	$7,387,904	$318,867,368	$23.17/$24.59
2021-22	$7,997,038	$461,759	$7,535,279	$312,713,228	$24.10/$25.57

Assumptions:
1-Estimated tax levy for 2017-18 is 2.0% higher than the current 2015-16 fiscal year ($7,101,132)for each successive year.
2-Estimated tax levies for 2018-19 through 2021-22 will increase by 2.0% per year.
3-Full-value assessments for calculating the tax rates are based upon the 2015-16 fiscal year full-value assessment of all district property and the average decrease in FV over the past six years (1.93%) for each successive year.
3-The notes General Fund savings are taken from Table 9.11.

Finally, and primarily because most residents wish to know how implementation of this option or any option might impact their actual tax bill, we present the potential impact in the first year of implementing this version of option 2 in terms of assessed tax rates. As the table that follows illustrates, the owner of a home assessed as $100,000 in each of the townships that are either all or partially located in the Unatego Central School District would see a tax reduction in 2017-18. One can also easily extrapolate from the above table (which uses full-value tax rates versus assessed value rates) that an actual reduction in resident tax bills will also be realized in future years.

Table 9.13 2017-18 Estimated Taxes On A $100,000 Home in Each Township With and Without Fiscal Savings from Option 2			
Township	*Taxes-No Savings*	*Taxes-With Savings*	*Difference*
Franklin	$2,262.47	$2,132.26	-$130.21
Sidney	$2,543.63	$2,397.24	-$146.39
Butternuts	$1,837.63	$1,731.87	-$105.76
Laurens	$1,886.90	$1,778.31	-$108.59
Oneonta	$2,104.09	$1,982.99	-$121.10
Otego	$1,783.42	$1,678.82	-$104.60
Unadilla	$3,237.06	$3,050.76	-$186.30
Assumptions: :1-The assessed property values for each township were those in 2015-16 2-The equalization rates in each town are the same as in 2015-16			

A second analysis is shown in the table below. In this example of the financial impact of option 2 however, is based upon the assumption that all staff positions would be eliminated in the first year of implementation *except the music and physical education positions; these teaching positions are assumed to be reduced in year two (2018-19).* Again, also notice the other assumptions in the table footer that underpin this analysis.

This table, like the first example discussed, shows that there would be considerable savings in each year starting in 2017-18. However the savings would not be quite as large as in the example where we assumed all staff positions would have been cut in the first year. Specifically, in our first example for 2017-18 the staff savings are estimated to be $392,000 versus in this example for the same year they are only $271,260.

Again as in our first example, we present how these savings would impact the full-value tax rate for five years after closing the Otego Elementary School. This is illustrated in the table that follows.

Table 9.14 Impact of Financial Savings on Full Value Tax Rate for Option 2					
School Year	Estimated Tax Levy	Estimated GF Savings	Tax Levy Less Savings	Full-Value Assessment	Full-Value Tax Rate With/Without Savings
2017-18	$7,388,018	$304,460	$7,083,558	$338,066,043	$20.95/$21.85
2018-19	$7,535,788	$426,883	$7,108,905	$331,541,369	$21.44/$22.73
2019-20	$7,686,504	$435,781	$7,250,723	$325,142,620	$22.30/$23.64
2020-21	$7,840,234	$444,869	$7,395,365	$318,867,368	$23.19/$24.59
2021-22	$7,997,038	$454,148	$7,542,890	$312,713,228	$24.12/$25.57
Assumptions: 1-Estimated tax levy for 2017-18 is 2.0% higher than the current 2015-16 fiscal year ($7,101,132)for each successive year. 2-Estimated tax levies for 2018-19 through 2021-22 will increase by 2.0% per year. 3-Full-value assessments for calculating the tax rates are based upon the 2015-16 fiscal year full-value assessment of all district property and the average decrease in FV over the past six years (1.93%) for each successive year. 3-The notes General Fund savings are taken from Table 9.11.					

We see in this table that the full-value tax rate will be reduced (but not quite as much as in our first example) for each of the five years following implementation.

Now we again represent how this option with the assumptions give might impact a taxpayer in the first year of the closing.

Table 9.15 2017-18 Estimated Taxes On A $100,000 Home in Each Township With and Without Fiscal Savings from Option 2			
Township	*Taxes-No Savings*	*Taxes-With Savings*	*Difference*
Franklin	$2,262.47	$2,169.23	-$93.24
Sidney	$2,543.63	$2,438.81	-$104.82
Butternuts	$1,837.63	$1,761.91	-$75.72
Laurens	$1,886.90	$1,809.15	-$77.75
Oneonta	$2,104.09	$2,017.38	-$86.71
Otego	$1,783.42	$1,707.93	-$75.49
Unadilla	$3,237.06	$3,103.66	-$133.40
Assumptions: 1-The assessed property values for each township were those in 2015-16 2-The equalization rates in each town are the same as in 2015-16			

Again we see that an owner of a home assessed as $100,000 would realize an actual dollar reduction in their tax bill in 2017-18 once Otego Elementary is taken off line.

In summary, there are some advantages and disadvantages, as well as some unanswered questions, if the Unatego Board of Education chooses this option 2 as the future course of action.

A third feasible option was discussed at length with the Advisory Committee. This third possibility proposes the closing of both current elementary schools (Otego and Unadilla) and constructing a new K-5 elementary school on the current Middle/High School campus. And as with the previous two, a table of pros and cons was created.

Table 9.16
Option 3: Close Both Elementary Schools and Build a New K-5 Elementary School on the Middle/High School Campus

Pros	Cons
*would most likely make better use of district space *would ensure an up-to-date elementary school for 21st century learning *transportation would be shorter for some elementary students; *bus transferring issue disappear* **gaining 20 minutes of instructional time* **more accommodating for parents not to have multiple elementary buildings* **more opportunity for student interactions among grade levels (buddy reading, writing, etc.)* **easy for service provider schedules (i.e., counselors)* **No Otego vs. Unadilla—nobody wins; no more Otego vs. Unadilla mentality* **there would no longer be flooding concerns* **makes it easier to share services between the elementary and MS/HS*	*backlash due to emotional attachment to both the Otego and Unadilla elementary schools *there is a local cost to building a new school ($18,200,000) *transportation would be longer for some elementary students **empty buildings and what to do with them in both towns* **length of time before a new school is built (5 years) and difficulty having to get a proposition passed* **bus garage is still at Otego* **the parking lot is already an issue at the MS/HS so it would need to be redesigned*
NOTE: Regular text indicates initial thoughts of the consultants while *italics* represent additions made from discussion of the Advisory Committee members.	

Reviewing the advantages and disadvantages in the previous table, many of these are similar to Option 2 (closing just the Otego Elementary School). However, two significant

differences are noted—first, the district would have an elementary school that is constructed to provide a 21st century education to local students and second, there is a considerable cost of constructing a brand new K-5 elementary school on the Middle/High School campus. Should both of the elementary schools be closed and a new elementary school constructed on the middle/high school campus, the district's architects have programmed the new elementary school as shown in the following table.

Table 9.17
TENTATIVE Building Program-K-5 Elementary School

Space	Quantity of Rooms	Estimated SF/Room	Estimated Total SF
INSTRUCTIONAL USAGE			
Kindergarten	4	1,100	4,400
Grade 1-5 Classrooms	16	820	13,120
Remedial Classroom	2	500	1,000
Gym	1	5,000	5,000
Art Room	1	1,000	1,000
Computer Room	1	850	850
Special Ed 12:1:1	1	820	820
Special Ed Resource	1	400	400
OT/PT Classroom	1	820	820
Music/Band Room	1	1,200	1,200
SUPPORT USAGE			
Library	1	3,500	3,500
Kitchen	1	1,800	1,800
Cafeteria	1	3,000	3,000
Nurses Office	1	1,000	1,000
Principal's Office	1	180	180
Conference Room	1	250	250
Reception/Secretarial Area	1	800	800
Teachers' Lounge	1	800	800
SHARED USAGE SUBTOTAL			40,640
OTHER SPACE			
Storage	1	1,000	1,000
Mechanical/Electrical	1	1,500	1,500
Circulation/Ancillary Space (20%)			8,100
TOTAL BUILDING SQUARE FOOTAGE			**51,240**

Assuming a new elementary school of slightly more than 50,000 square feet, the architects have also provided a cost estimate for the new facility that is described in the following table.

Table 9.18 **TENTATIVE Project Cost-New Elementary School**	
BUILDING	
Building Envelope-52,000 sq ft X $200/sq ft	$10,400,000
Equipment/Furnishing	1,500,000
Contingency/Inflation of 10%	1,100,000
BUILDING COSTS	13,000,000
SITE WORK	
Mass Grading	$300,000
Parking Lot	400,000
Bus Loop	150,000
Sidewalks	75,000
Playground	200,000
Play Fields	100,000
Septic System	250,000
Electric Service	150,000
Well System	100,000
Storm Drainage	200,000
Erosion Control	50,000
Landscaping	25,000
Contingency/Inflation	200,000
SITE COSTS	2,200,000
TOTAL CONSTRUCTION COSTS	15,200,000
INCIDENTALS @ 20%	3,000,000
TOTAL PROJECT COSTS	**$18,200,000**

The estimated the cost is approximately $18-20,000,000 before state aid is returned to the district. The current state building aid ratio is 83.9% meaning that the local taxpayer would be

liable for a local share of approximately 16% (this is the aid ratio on "approved" costs and may vary depending on what the district wishes to include in the project). It was also determined that there is site space to build such a school on the existing campus immediately behind the current high school/parking lot without having a substantially negative impact on existing playing fields.

The district's architects were asked to project about how long it would take to design, get state approval, and construct such an elementary building. Given current projects the firm and others are working on with districts, it was estimated that between five and seven years would be needed to complete all the necessary steps. This time span raises some questions concerning how this option might relate to the two previously discussed possibilities.

Following is a similar financial analysis of implementing this third option. The first table shows the overall financial impact of moving forward in closing both elementary schools and building a new elementary on the current middle/high school site. This table assumes that a new school could be constructed and occupied by 2020-21, all staff positions would be eliminated in the first year of implementation, and that the number and staff positions would be reduced as in option 2. Major differences when comparing options 2 and 3 revolve around utility savings (these savings are now realized from both current elementary schools closing) and increased capital costs due to building a new school (these additional capital costs begin in 2019-20). Also, there is some slight transportation cost difference.

Table 9.19
Estimated Financial Impact of Option 3

Fiscal Year Ending 2018	Object of Expense				
	Staffing	Utilities	Transportation	Capital Cost	Total Impact
2017-18	-$0	-$0	+$0	+$0	+/-$0
2018-19	-$0	-$0	+$0	+$0	+/-$0
2019-20	-$0	-$0	+$0	+$100,000	+$100,000
2020-21	-$432,997	-$87,567	+$2,188	+$267,169	-$251,207
2021-22	-$441,456	-$90,194	+$2,232	+$267,969	-$261,449

Assumptions:
1-All staff savings occurs in the first year of implementation and a new school could be built by 2020-21
2-Staff salary increases 2.0% per year with the 2015-16 salaries as a base
3-Utility savings are estimated at 40% per year
4-Utility savings increase by 3.0% per year and are based on 2015-16 estimates
5-Transportation loss increases at 2.0% per year and uses 2015-16 as a base loss
6-All cost estimates in 2017-18 are based on 2015-16 estimates

A major increase in capital construction cost repayment beginning in 2019-20 and staff and utility savings do not kick in until the next year. So in 2019-20 the district would have to come up with an extra $100,000 to pay the local share of principal and interest on the new borrowed money. However, beginning in 2020-21 when the current elementary schools are closed, savings begin to more than offset the additional capital cost. The next question to be answered is how will this net saving impact the full-value tax rate of the district. The table that follows illustrates this impact.

The table tells us that there will be a tax benefit in each of the five years following the Board's decision on closing of both elementary schools and building of a new single school. As can be seen, there is not impact in 2017-18 or 2018-19 because the schools are not closed nor is the new elementary finished and occupied. However, beginning in 2019-20 principal and interest repayment begins so in the first year the full-value tax rate is higher. Starting in 2020-21 the tax rate is lower that it might otherwise be due to the salary, benefit and utility savings.

Table 9.20
Impact of Financial Savings on Full Value Tax Rate for Option 3

School Year	Estimated Tax Levy	Estimated GF Savings	Tax Levy Less Savings	Full-Value Assessment	Full-Value Tax Rate With/Without Savings
2017-18	$7,388,018	-$0	$7,388,018	$338,066,043	$21.85
2018-19	$7,535,788	-$0	$7,535,788	$331,541,369	$22.73
2019-20	$7,686,504	+$100,000	$7,786,504	$325,142,620	$23.94/$23.64
2020-21	$7,840,234	-$251,207	$7,589,027	$318,867,368	$23.79/$24.59
2021-22	$7,997,038	-$239,217	$7,757,821	$312,713,228	$24.81/$25.57

Assumptions:
1-Estimated tax levy for 2017-18 is 2.0% higher than the current 2015-16 fiscal year ($7,101,132) for each successive year.
2-Estimated tax levies for 2018-19 through 2021-22 will increase by 2.0% per year.
3-Full-value assessments for calculating the tax rates are based upon the 2015-16 fiscal year full-value assessment of all district property and the average decrease in FV over the past six years (1.93%) for each successive year.
4-The notes General Fund savings are taken from Table ?.

Lastly, we present the first year impact on a homeowner with a house assessed at $100,000 in each township. As the table that follows illustrates, there would be a real dollar reduction in one's tax bill regardless of where one lives in the school district. However, it is important to keep in mind that in the first year of this option a new school is not yet constructed

and therefore the district has not yet begun to repay borrow money. That being said however, as the previous table that uses the impact on the full-value tax rate in the district, it is apparent that the local tax bill will go down for all residents even after the new principal and interest payments begin starting in 2020-21.

Table 9.21
2020-21 Estimated Taxes On A $100,000 Home in Each Township With and Without Fiscal Savings from Option 3

Township	*Taxes-No Savings*	*Taxes-With Savings*	*Difference*
Franklin	$2,401	$2,324	-$77
Sidney	$2,699	$2,613	-$86
Butternuts	$1,950	$1,888	-$62
Laurens	$2,002	$1,938	-$64
Oneonta	$2,232	$2,161	-$71
Otego	$1,890	$1,830	-$60
Unadilla	$3,435	$3,325	-$110

Assumptions:
1-The assessed property values for each township were those in 2015-16 since there has been little percentage change up or down in any of the townships over the past five years.
2-The equalization rates in each town are the same as in 2015-16

In summary, if option 3 (closing both current elementary schools and building a new elementary school on the central campus) is adopted and fully implemented in 2017-18 there will be enough financial savings in utility costs and staff savings to offset any additional tax rate increases at least for the first five years following the closing of the two schools. Looking out past the first five years, it is important to see how the additional capital debt from building this new school would impact the amount of revenue the district would have to raise to repay all principal and interest. To see this, the following table includes the current debt the district already has on its books plus additional repayment of new principal and interest from borrowing to build the new school.

The new capital debt assumed because of the new elementary school would not start to be repaid until 2019-20, thus providing the Board of Education an opportunity to possibly fund a capital reserve between 2015-16 and 2018-19 without raising taxes. To accomplish this, the Board would take any reduction in the local share of principal and interest payments between 2016-17 and 2018-19 (an amount up to $276,774) and fund a capital reserve fund. This would

not impact the tax levy in either of the years and could be used to help pay for the new capital debt that will have to start being repaid in 2019-20.

Table 9.22
Debt Service Analysis

Year Ending	P&I	Local Share @ 17%	Add to Capital Fund	Local Share of New Debt	Total Local Share
2016	$3,011,581	$511,969		$0	$511,969
2017	$2,564,663	$435,993	$75,976	$0	$435,993
2018	$2,567,100	$436,407	-$414	$0	$436,407
2019	$2,274,900	$386,733	$49,674	$0	$386,733
2020	$2,273,100	$386,427		$100,000	$486,427
2021	$2,290,650	$389,411		$267,169	$656,580
2022	$2,278,700	$387,379		$267,969	$655,348
2023	$2,298,200	$390,694		$268,169	$658,863
2024	$1,357,700	$230,809		$267,769	$498,578
2025	$1,332,350	$226,500		$266,769	$493,269
Total			$125,236		

Assuming the positions that could be reduced are in fact eliminated in 2020-21, the district would save approximately $432,997. This would more than cover the additional local share of principal and interest the district would assume that year. And, while the additional capital debt repayment schedule covers a 30-year period, the elimination of these positions is also a recurring savings each year from that point forward. It would even be possible if some of these positions were reduced to cover these additional principal and interest payments.

In conclusion, if the Board chooses to implement this option there will clearly be significant capital debt taken on because of building a new elementary school. However, with prudent planning, the district could financially afford to cover the cost of the additional debt service.

At the final Advisory Committee meeting, the committee decided to add a fourth option to the study. Option 4 is defined as: Close Unadilla Elementary School, make Otego K-4, move 5th grade to the Middle School. This option 4 is really the same as option 2 except that Unadilla Elementary School would be closed and Otego Elementary School would remain open as the district's one elementary school. The financial and staffing impact would be the same for option 4 as for option 2. The only major difference to be considered is whether or not Otego Elementary School is large enough to add grades 3 and 4 to the building.

Both of the elementary schools were constructed in the mid 1930's. Otego Elementary has 34,196 square feet and Unadilla Elementary has 63,458 square feet. Of the 21 full size classrooms in Otego, 12 are used for regular grade-level classrooms and 9 others are used for related classroom functions and a faculty room. Based on this analysis of the space and based on the building tour that was conducted as part of the committee meeting process, it is generally agreed that there is little to no extra room in the Otego Elementary School.

There are 26 full size classrooms in Unadilla but only 9 of them are being used for regular grade level classrooms. There are six other classrooms that are being used for related instructional services and a faculty room; however, there are two empty classrooms, one study hall, 3AIS rooms, and four rooms for teaching assistants. In many instances, full size classrooms are being used for small group instruction, simply because the room is available. Given this data and the tour of the building that was conducted as part of the committee process, it is clear that there is a significant amount of underutilized and vacant space in the Unadilla Elementary School.

Both option 2 and option 4 call for the 5th grade to be moved to the middle school. In addition, they both call for one elementary school in the districts that would house grades K-4. Otego Elementary School currently houses grades K-2 and has little to no extra room. There are currently three sections of third grade and three sections of fourth grade meaning that, at a minimum, there would have to be six vacant classrooms in Otego Elementary School to house the third and fourth grades. These classrooms simply do not exist.

There are currently five sections of kindergarten, three sections of first grade, and four sections of second grade in Otego Elementary that would have to be moved to Unadilla Elementary under option 2 if Otego Elementary School were to be closed. An analysis of the current building usage, the tour of the building with the committee, and moving the firth grade to the middle school would provide more than sufficient space in Unadilla Elementary School to house grades K-2 that are currently located in Otego Elementary.

CHAPTER 10
FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

In a study such as this, consideration must be given to several school related factors. These include student enrollment history and projections, instructional programs, staffing, student transportation, facilities, finances, and the emotions associated with the possibility of realigning school buildings. While hard data, such as numbers, facilities, and grade configurations contribute significant facts to study findings, it is important to recognize that emotions contribute as well. The fabric of schools and communities is directly related to the emotional connection people have with them. These emotions are as much "fact" as are hard data. Accordingly, our recommendations are made with mindful consideration of all the facts associated with the study process.

Key Findings

The following are key study findings.

Finding 1: District enrollments have been declining and are projected to continue to decline. This is consistent with other demographic indicators regarding the area in general.

Finding 2: Considering all schools in the district and in light of declining enrollments, there is excess capacity for housing more students than is currently being used. This excess capacity is primarily at the Unadilla Elementary School, the Middle School and the High School.

Finding 3: The current district grade level pattern (K-2, 3-5, 6-8, 9-12) is one of the most common found in schools today for the middle grades. However, researchers agree there is no "one best way" to organize the grades that improves student learning.

Finding 4: The district's current transportation plan to get students to and from school uses a shuttle system and, as a result, there is a considerable loss of instructional time due to this shuttle system.

Finding 5: Although the community consistently supports the school budget put forward by the Board of Education, the district is in very poor financial condition.

Finding 6: The most recent (2015) building conditions survey indicate it would take $3,325,000 at Unadilla Elementary School, $3,971,000 at Otego Elementary School, $7,315,000 at the Middle/High School, and $317,000 at the bus garage to implement all the recommended changes.

Finding 7: The architects estimate it would cost approximately $18-20,000,000 if the district chose to build a new elementary school and house all the grade K-5 students in this new building.

Finding 8: The closing of any school in the district may or may not impact housing values in the area. Research is inconsistent on this topic and from at least two cases examined it does seem to have adversely impacted local assessed or full property values.

Finding 9: If the district chooses to close any school it is highly unlikely it would be able to sell the building at a price any where near the appraised value of the school.

Finding 10: Although the district has made a number of recent staff cuts, if the district did close one of its elementary schools this would create more staffing efficiencies and save the district approximately $392,000 recurring each year.

Finding 11: Closing one elementary school would also result in approximately $35-40,000 in annual utility savings.

Finding 12: The district's outstanding debt service will be paid off after 2025. Over the repayment period remaining the district could use some of the reduced principal and interest amounts each year to add to a capital fund or to pay off new debt.

Finding 13: To implement either option 2 or 3 that the committee has discussed would result in negligible impact on transportation cost. However, the district would need to find additional drivers.

Finding 14: There would be a tax benefit for all residents if Otego Elementary School were closed and all K-4 elementary students attend the Unadilla school with the 5th graders moving to the middle school.

Finding 15: If the district chooses to close both elementary schools and build a new elementary school, there would be increased capital debt starting in 2020. However, with prudent fiscal planning, this additional debt service would not necessarily adversely impact local taxes.

Conclusions

With these findings in mind, the following conclusions—or answers to the key questions that focused this study—have been reached.

- *Is there a better way….educationally and fiscally….to reconfigure the grades to provide a sound instructional program now and in the future?*
- *If so, how should the grades and facilities be arranged?*

The consultants have concluded that there is a better way educationally and fiscally to reconfigure the grades to provide a sound instructional program. While several "feasible" options were explored in depth, only one provides maximum fiscal benefits while at the same time enhancing the educational environment for local area students.

Recommendations

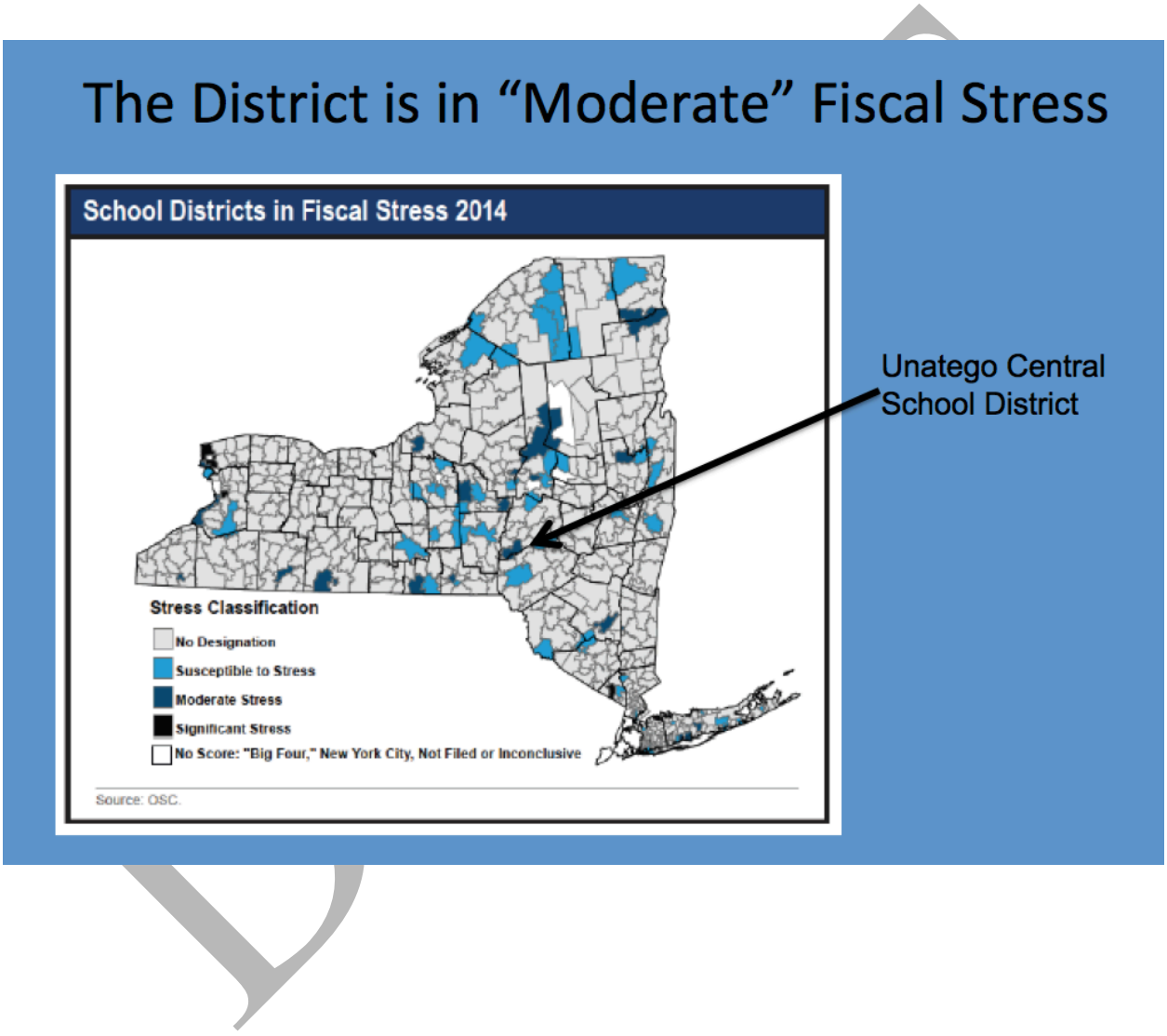
1. It is recommended that, effective with the 2016-17 school year:
    a. The Otego Elementary School should be closed;
    b. Grades K-2 should be moved from the Otego Elementary School to the Unadilla Elementary School;
    c. Grade 5 should be moved from the Unadilla Elementary School to the Unatego Middle School.
2. It is further recommended that, upon closing the Otego Elementary School, the school district should implement the staffing savings identified in this study using attrition.
3. It is further recommended that the district secure voter approval to establish a capital reserve account at its earliest convenience.
4. It is further recommended that the district fund its capital reserve account with the monies that are saved from the staffing reductions in #2 above, with any reductions in the district's debt service ($75,976 in 2016-17, $414 in 2017-18, and $49,674 in 2018-19), and any other surplus finds that are generated at the end of the fiscal year.

5. It is further recommended that the district convene a facilities planning committee whose role it will be to develop a long term facilities plan for the district including the design of a new elementary school to be located on the middle/high school campus.
6. It is further recommended that the Unadilla Elementary School be closed in the same year that the new elementary school is ready for use.
7. It is further recommended that the district should immediately explore the possible sale and/or leasing of the Otego Elementary School.

APPENDIX

Appendix A

New York State Comptroller's Report of January 2015 on school districts in fiscal stress based on 2014 district data.



Appendix B

Survey of Research Related to School Closure and Impact on Property Values

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