

Here We Go (Again)

The school district has held two public sessions recently to discuss their budget travails and, supposedly, to get input. Only one person attended the second one. I'm not surprised. What can one do at these sessions since you haven't had the opportunity to analyze the detailed budget in advance so that you could ask pertinent questions and/or make suggestions. To me, these meetings are just "social safety-valve" exercises so that the district can say, "we gave the citizenry the opportunity to weigh in." They accomplish nothing towards the goal of balancing the budget. We're told that the district (read: taxpayers) face a \$7 million shortfall that has to be eliminated either through higher taxes, reduced programs, or both.

The district isn't alone. Sunday's Buffalo News had an article about how many of the area districts have financial issues this year. Being curious, I created the table below. It is reasonably self-explanatory: the 1st column lists the districts; the 2nd the number of students in the district; the 3rd, the budget shortfalls; and the 4th, the shortfall per pupil. Grand Island has the 3rd largest shortfall and the 2nd highest on a per pupil basis. This is not a ranking where one wants to be at or near the top.

District	Students	Shortfall	per Pupil
Niagara Wheatfield	4114	\$10,000,000	\$2,430.72
Grand Island	3236	\$7,000,000	\$2,163.16
Kenmore -Tn Tonawanda	8684	\$9,100,000	\$1,047.90
Tonawanda	2223	\$2,000,000	\$899.69
Clarence	5115	\$4,000,000	\$782.01
Frontier	5546	\$4,000,000	\$721.24
Sweet Home	3818	\$2,070,000	\$542.17
Starpoint	2884	\$1,500,000	\$520.11
East Aurora	2035	\$1,000,000	\$491.40
Alden	1961	\$800,000	\$407.96
Williamsville	10594	\$2,400,000	\$226.54
Lancaster	6297	\$1,200,000	\$190.57
Amherst	3048	\$500,000	\$164.04
Maryvale	2391	\$341,000	\$142.62
Lockport	5368	\$700,000	\$130.40

Sloan	1604	\$200,000	\$124.69
Orchard Park	5165	\$328,700	\$63.64

I will take this opportunity to say I told you so about this crisis coming to a district near you. In a January 29, 2009 letter to the editor at Isledegrande and one on January 30 to the Dispatch I wrote,

‘Chuck Schumer is trying to get stimulus or TARP funds to plug the funding gap for schools this year. What about next year? There won’t be any TARP or stimulus funds available but NY’s deficit problem won’t have disappeared. In fact, due to the ability to ignore it for one more year, it will be worse. If the Board is at all responsible they will use any of these funds that we may get to make extra debt reduction payments rather than use them to bolster spending.’

In a letter to Isledegrande posted on December 13, 2009, I wrote:

‘And now the piece de resistance: Lt. Governor Ravitch’s comments. On page A8 [Buffalo News , 12/8/2009] Matthew Spina reports on Mr. Ravitch’s remarks. Now Mr. Ravitch is not one who is given to hyperbole, so when he makes the statements that he does we should take notice. Let’s start with the last sentence of the article: “New York State is in very, very serious trouble,” he said. Only the public sector unions and the deniers on school boards believe otherwise. As Ravitch points out the “legislature will seek re-election in 2010, as the [Federal] stimulus money burns away and government leaders face a deficit that, in his opinion, could widen to \$18 billion if the federal government ends stimulus aid completely.” He also noted that the existence of the stimulus money has made the problem appear less serious than it is in reality.

I’ve said on these pages before that the stimulus money has only pushed the day of reckoning back, not eliminated it, and will have caused the problem to be even worse so that the correction will be that much more wrenching. With the State’s finances dissolving like an ice cream cone in New Orleans in July, what thought process can animate our school board to be so obstinate in their desire for all of these expenditures? Most of which are unnecessary since they are associated with the IBC boondoggle.’

The district (and others) acted as if this day would never come. I am reminded of a magazine that was published in the 1990s called “Derivatives.” It was about financial markets. At the back of every issue was a cartoon. One particularly memorable one had a couple of nutcases conjuring up some scheme. Step 3, of 4, was “a miracle occurs”, which, of course, solved everything. The same mindset appears to have been at work on Ransom Rd.

While I don’t believe the age of miracles is passed, it isn’t going to happen with this budget or future ones, for that matter. This year’s proposed budget is \$54 million, up from last year’s \$52 million; a 3.8% increase. Here’s a news flash: the tax base on Grand Island isn’t going to grow at 3.8% per year or anything close to it, nor is state aid going to grow at that rate. Ergo, our taxes will have to go up or programs will be cut. Given the obsession with the International Baccalaureate program by the

administration, (I understand the faculty is opposed to but won't speak out due to fear of retribution) other programs that benefit a much greater proportion of the students (and taxpayers) will bear the brunt of the cutbacks.

There are plenty of places to save:

- 1) Why does the superintendent need an assistant? None of the others had one. The district size has been remarkably stable over the years.
- 2) Are there other administrative or other non-teaching positions that could be eliminated? In the real world they would find ways.
- 3) What about (my favorite) the International Baccalaureate program? What is the student-teacher ratio here? I'll bet it is taking too many resources away from other programs.
- 4) Why did we just hire a new assistant superintendent of curriculum? The state sets the curriculum. We have a superintendent, principals, department heads and teachers. No private business would have replaced Dr. Karmazin when she left.
- 5) The district has to get the staff to have the same health care plans that those who are paying for theirs have. Call a private company and ask for a copy of their plan and its costs, including employees' contributions. If the staff doesn't like it, cancel the plan entirely and give them the cash and let them fend for themselves. The disparity has to be eliminated.
- 6) Do what GM just did: it froze the defined benefit pension with all future contributions being in the form of a 401K. Again, this is what happens in the real world.

While I have others, one gets the idea. One last suggestion that was recommended to me by an irate (and I mean IRATE) taxpayer: stop having school district staff cutting and manicuring the land at the Staley Rd. baseball fields (it is school district property) so that model airplane enthusiasts can fly their planes! The amount spent gets lost in the rounding but it is symptomatic of the cavalier way our hard-earned tax dollars are spent.

The sooner the district stops spending money by cutting unnecessary frills, the quicker it will get its budget under control. Every year that passes the base gets larger and the necessary cuts become larger and harder to do. Don't forget that in 2-3 years that the new athletic complex will start requiring maintenance. It is going to cost much more than is currently being spent. Where is that money coming from?

The board has to dig their heels in today and say, Stop!