

HARBORFIELDS CENTRAL SCHOOL DISTRICT
GREENLAWN, NEW YORK

Kind of Meeting	-	Special Meeting/Budget Work Session
Date of Meeting	-	March 9, 2013
Place of Meeting	-	OMS Auditorium
Board Members Present	-	Mr. Giuliano, Dr. McDonagh, Mr. Banks, Ms. Boba, Mr. Mastroianni, Mr. Schoer, and Mr. Toles
Board Members Absent	-	None
Others Present	-	Ms. Todaro, Mr. Nimmo, Mr. Sallie, Ms. Whelan and Community Members

Mr. Giuliano called the meeting to order at 9:05 a.m. He then led the audience in the Pledge of Allegiance, and instructed those in attendance where to exit the building in case of an emergency.

Mr. Giuliano welcomed everyone to the special meeting. He explained that the focus of this meeting was for the Board to review the first draft of the 2013-2014 proposed budget and decide on the best approach going forward. He noted four pivotal factors in this year's budget development: the tax cap, state aid, employee benefits, and declining enrollment. He stated that the tax cap is somewhat of a misnomer in that it is widely published as a 2% cap, yet it is calculated through a rather complex formula that may actually yield a higher percentage rate. For the 2013-2014 school year, the allowable tax cap for Harborfields would be 3.18%. He continued that it is anticipated the district will receive a decrease in state aid this year while experiencing an increase in the cost of employee benefits. Additionally, the district is projected to face a steep decline in student enrollment over the next five years that will force the Board to deeply rethink the shape of education.

SUPERINTENDENT'S REPORT

Ms. Todaro gave an overview of the draft 2013-2014 proposed budget with a PowerPoint presentation. She stated that the goal of today's special meeting was to identify the 2013-2014 budget scenario that best meets the needs of our school community and addresses the important question: *"How do we achieve the district's mission to ensure that our students continue to receive a sound, basic, and meaningful education?"*

Ms. Todaro provided a quick overview reflecting on the 2012-2013 budget development process and discussed the comparison of a rollover budget with a budget that remains within the allowable tax levy cap. Ms. Todaro noted that a rollover budget, which maintains all of the current programs, would represent an increase in the tax levy of approximately 5.63%; a figure she felt the Harborfields' community could not sustain.

Ms. Todaro then discussed the five-year enrollment projections and state/federal aid. She noted that the stimulus aid the district received from the Federal government for the past few years is no longer applicable.

Ms. Todaro continued that the tax cap legislation provides two options to consider in developing the budget: put forth a budget that remains within the allowable tax levy cap of 3.18%, or put forth a budget that exceeds the allowable levy. She explained that passage of these two options would require a simple majority, or a 50% margin, for staying within the cap and a super majority, or a 60% margin, for exceeding the cap. She stated that since 2005 when the district was on a contingency budget, the percentage by which the budget has passed has consistently exceeded 60%; noting that the 2012-2013 budget passed by a margin of 77%.

Ms. Todaro stated that two budget scenarios were developed for the Board's review; a budget that remains within the allowable tax levy cap of 3.18% and a budget that exceeds the tax levy cap, coming in at 3.75%. Ms. Todaro noted that the cuts required to stay within the tax cap are substantial, amounting to approximately \$1.4 million; while the budget scenario that exceeds the tax cap at 3.75% would require approximately \$1.1 million in cuts and would provide for the reinstatement of some programs such as middle school athletics, forth grade music program, and the L.E.A.P. program. Ms. Todaro noted that in developing both scenarios, the district chose to apply \$200,000 from reserve funds.

Ms. Todaro continued that the Board would also be considering whether to put a separate proposition on the ballot that would allow the district to access the funds in the Capital Reserve Fund. This fund is separate from the district's operating budget and would be used to support identified capital projects or initiatives such as wireless connectivity throughout the district and replacing the gymnasium bleachers and gym floor at the high school.

Board Comments and Questions

Board members offered several comments and questions regarding the proposed budget. Mr. Toles requested more cost details regarding the projects proposed through the use of Capital Reserve Funds. Ms. Todaro responded that the estimated cost of wireless connectivity was between \$160,000 and \$200,000 and the bleacher project was estimated at roughly \$160,000.

Mr. Mastroianni stated that he could not support a budget that includes the cuts he is looking at. He stated that the district needs to find a way to support these programs even if it means breaching the tax cap. He further stated that he'd like to seriously explore the district's participation in the governor's recent proposal on a fixed contribution rate for both the TRS and ERS pension plans should it receive legislative approval.

Mr. Schoer emphasized the need to closely examine the budget line by line to identify areas that may have been overlooked regarding spending reductions, such as postage or paper expenditures; noting that while these represent a small segment of the budget, every dollar we save can be put towards saving a program. Mr. Schoer further noted that the district should investigate the benefit derived, if any, from self-insuring on some insurance costs such as pupil benefits.

Mr. Banks noted that while the question posed at the beginning of the presentation involved maintaining a “basic” education, Harborfields is not about basic education, it’s about outstanding education. He stressed the need to get creative in our budget planning; noting that the district has one of the lowest per pupil spending rates. He also acknowledged the efforts of the “Get Out The Vote” committee.

Ms. Boba stated that the district should seriously consider charging fees for use of the facilities noting that back during the contingency budget the district had to charge some fees and was able to secure a significant amount of money. She noted that the Board has discussed the topic at length, and a decision should be made on this issue.

Dr. McDonagh questioned the staffing reductions being proposed and inquired as to how many of them were driven by declining enrollment. Ms. Todaro responded that the district was looking at a reduction of 3-4 teachers based on enrollment. He further inquired about obtaining an estimate on the savings that might be realized by eliminating the buses for the early music program and early dismissal high school buses. Mr. Nimmo stated that eliminating these buses would not reduce our contractual costs for transportation since we contract for a six-hour day, but it certainly might impact our fuel consumption costs, and he would look into it. Dr. McDonagh also inquired about the health insurance costs. Ms. Todaro noted the district is billed for its health insurance costs on a calendar year basis; we have the costs for 2013, but we will not know the costs for 2014 until at least the fall.

Additional topics were discussed by the Board including overtime costs, transportation mileage limits, sale of district property, and dissemination of budget materials to the public. Ms. Todaro noted that a decision was made not to increase the mileage limits for transportation at this time.

A comprehensive report on the 2013-2014 proposed budget is on file in the office of the Superintendent.

Mr. Giuliano asked that a brief recess be taken at 11:00 a.m. The Board reconvened the special meeting at 11:15 a.m.

PUBLIC PARTICIPATION

A resident suggested that the district put together a task force that could explore different ideas for generating revenue. She suggested that the Board consider renting

our facilities to individuals or groups for certain activities such as tutoring, athletic practices, and clubs.

A resident thanked the Board for the work they do on the budget, noting the fact that they are uncompensated. She stated that she is concerned for the future; as a taxpayer she wants Harborfields to continue to be a desirable district to live in. She was supportive of the idea of a fixed contribution rate for the pension system and encouraged the Board to give it additional consideration. She also suggested that the Board not lose focus on the shrinking enrollment issue; look at it objectively and give serious thought to the possibility that we don't need four school buildings.

A resident stated that many factors go into a quality education, but most important are the teachers. She suggested the district consider a retirement incentive. She further stated that class sizes are way too large. She is pleased to see Treasure Cove coming to Washington Drive, and she suggested that the Board rethink how their meetings are conducted since public participation doesn't occur until near the end of the meeting.

A resident suggested that the Board look at offering a retirement incentive, and she stated that she supports going over the tax cap, perhaps even a little more than the suggested 3.75%. She also acknowledged the importance of the guidance program at the high school.

A resident thanked the Board for the work they do and for taking the time to hear from the community to address issues. He suggested that the Board consider altering how they present the budget information to the public. Rather than speak of percentage increases, he suggested that the Board put it into simplified terms the community can understand, such as illustrating that the cost of the tax increase on a daily basis may equal the price of a cup of coffee. He stressed that the Board needs to show the community the value in the district, stating that losing programs will cause the district to lose value.

A resident stated that parents should be contacting their elected officials. She expressed concern that we will be giving our students less opportunities. She inquired about the use of reserve funds stating that she understood that the district needed a "savings account" but questioned whether more reserve funds could be put towards the budget.

A resident stated that she understood the reluctance to charge building use fees to some of the grassroots organizations, but she encouraged the Board to consider charging fees for certain types of usage. She noted that a neighboring school district was receiving a substantial amount of money for use of their stage for several nights and suggested this as a possibility for Harborfields.

A resident stated that she was astounded that the district would consider cutting summer academy or middle school sports, stating the it would decimate the high school program because by then the kids won't want to engage. She appreciated the

suggestion about going over the budget line by line, stating that she felt that the cuts were focused more on the younger kids.

A resident stated that the cuts presented today in the allowable tax cap budget would really change the quality of education at Harborfields. She noted the difference between the two proposals today (3.18% and 3.75%) amounted to roughly \$4.00 per month and thinks most residents would support the higher amount, especially when you consider that it would probably cost more to pay privately for those activities that would be lost by staying within the cap.

A resident stated that cuts should be educationally sound. She wouldn't mind paying more taxes if she's seeing more for her money. She noted that current class sizes make it challenging to meet the standards and the Board should strongly consider lower class sizes. She suggested the Board consider holding a "town hall" meeting with the public. She further stated that career-ready kids are not coming out of the high school and suggested bringing in retired community members as volunteers to talk to the students about their former careers, as it may help kids decide what they want to do after graduation when they hear first-hand about different careers.

A resident stated that there's not a great deal of taxes coming in from the business side of the community since we are a small community. She was discouraged by the reduction of the L.E.A.P. program, and she encouraged the Board to present information to the community in honest, easily understood terms.

A resident expressed her concerns over the loss of positions. She encouraged the Board to think outside the box. She noted that class size is extremely important and the current levels are not good. If a decision to exceed the tax cap is made, make it count.

A resident asked about the property known as Carpenter Farm and whether it's generating tax revenue for the district. Ms. Todaro responded that, to her knowledge, the property is not slated for development, as it was purchased by the Town of Huntington and was earmarked to be preserved as parkland.

Direction from Board of Education

Board members offered their final comments on the first draft of the 2013-2014 Proposed Budget. The overall consensus among the Board was that they could not support the budget necessary to stay within the tax levy cap of 3.18%, citing that it would be too detrimental to our programs. Board members unanimously agreed that it was in the best interest of the district to develop a budget that pierces the tax levy cap.

FINANCE

4.1 Special Education Services Agreement

Upon motion duly made by Ms. Boba, seconded by Mr. Schoer, and carried unanimously (7-0), and upon the recommendation of the Superintendent of Schools, the following Special Education Services Agreement between the Harborfields Central School District ("Receiving District") and the Elwood Union Free School District ("Sending District") was approved. Under the Education Law, the "Sending District" is authorized to contract with other public school districts for the instruction of students with disabilities if the "Sending District" is unable to provide for the education of such students.

- One (1) student from the Elwood Union Free School District will be attending Harborfields Central School District from March 11, 2013 through June 30, 2013.

EXECUTIVE SESSION

Upon motion duly made by Mr. Mastroianni, seconded by Dr. McDonagh, and carried unanimously (7-0), the Board and district office administrators moved to Executive Session at 12:35 p.m. for the purpose of conducting confidential discussions on personnel staffing as they relate to possible reductions of positions.

ADJOURNMENT

Upon motion duly made by Mr. Schoer, seconded by Mr. Mastroianni, and carried unanimously (7-0), the Board adjourned the special meeting of March 9, 2013 at 1:58 p.m.

Respectfully submitted,

Sharon M. Whelan
District Clerk