

HARBORFIELDS CENTRAL SCHOOL DISTRICT  
GREENLAWN, NEW YORK

Kind of Meeting	-	Special Meeting
Date of Meeting	-	April 13, 2016
Place of Meeting	-	OMS Auditorium
Board Members Present	-	Dr. McDonagh, Ms. Gaughan, Mr. Giuliano, Mr. Lee, Ms. Lustig, Mr. Mastroianni and Mr. Steinberg
Board Members Absent	-	None
Others Present	-	Ms. Todaro, Dr. Ianni, Mr. Nimmo, Mr. Cox Ms. Whelan and Community Members

Dr. McDonagh called the meeting to order at 6:00 p.m.

**EXECUTIVE SESSION**

Upon motion duly made by Mr. Giuliano, seconded by Mr. Lee, and carried (7-0), the board and central office administrators moved to Executive Session at 6:00 p.m. to discuss collective bargaining matters and to review the employment history of certain individuals.

The board reconvened the regular meeting at 7:00 p.m., and Dr. McDonagh led those in attendance in the Pledge of Allegiance. Ms. Lustig left the meeting at 7:00 p.m.

**COMMUNITY FORUM – 2016-2017 PROPOSED BUDGET**

Dr. McDonagh welcomed everyone to tonight's special meeting, which is intended to provide the community with an update on the budget development process now that New York State has finalized its budget.

Dr. Ianni opened discussion of the 2016-2017 proposed budget by presenting three options that the Board of Education will consider prior to adopting the official budget at next week's meeting. He explained that the approved New York State budget provides for full restoration of the Gap Elimination Adjustment (GEA) which for Harborfields amounts to \$1,007,520. These additional funds have been applied to the revenue portion of the three budget options currently under consideration by the board. The first option provides for a budget which remains within the tax levy limit of 0.37%. The second and third options provide for budgets that exceed the tax levy limit but provide for several budget additions to staffing and programs, including the establishment of full-day kindergarten, a full-time librarian, BOCES Cultural Arts Program, etc. The budget under options 2 and 3 would result in tax levy increases of 1.32% and 1.52%, respectively. Option 2 utilizes half the conversion aid (\$250,000) the district would receive by converting to a full-day kindergarten program, whereas option 3 utilizes one quarter of the conversion aid funds (\$125,000). By taking this approach, the district would defer some of the conversion aid for use in future budgets. If either option 2 or option 3 is adopted by the board, it would

require a super majority of 60% voter approval and residents would not be eligible to receive the \$130 rebate check for 2016-2017.

Dr. Ianni spoke of the challenges faced during the budget development process. He reminded everyone that the revenue portion of the budget is comprised of state aid, fund balance and reserves, and we must exercise prudence in using our reserve funds so as to not create a level of fiscal stress for the district. Additionally, deferring some of the conversion aid to future budgets will help create a way to sustain our programs going forward in future years. Dr. Ianni pointed out that for the past few years, district voters have passed budgets that have stayed within the tax levy limit, and he noted that the tax levy percentages associated with those budgets were higher than what is being presented for the 2016-2017 budget. Under budget options 2 and 3, the district's mission of restoring, maintaining and enhancing remains at the forefront of the budget development process so we may continue to provide programs that are necessary for the success of our students and ones that will advance our curriculum through the 21<sup>st</sup> century.

### **PUBLIC PARTICIPATION**

A resident commented that 95% of the school districts on Long Island are staying within the tax levy cap. If full-day kindergarten is not included, would we have a budget that allows us to stay within the cap? Dr. Ianni responded that it would be possible to stay within the cap if we removed full-day kindergarten along with some additional minor cuts. The resident further commented that he's heard Ms. Todaro say in the past that as much as we may want full-day kindergarten, it's not essential. Ms. Todaro responded that this is not the first time that full-day kindergarten has been addressed; it's been addressed on two other occasions during her tenure here at Harborfields. Currently, our students do exceptionally well and it's the district's goal to ensure that they continue to do so and have Harborfields remain one of the top school districts. Our half-day kindergarten program is a great program, but when she looks at our district and our mission, especially in light of the fact that we have received full restoration of the GEA, she believes the time may be right to consider a full-day kindergarten program. Ms. Todaro further noted that if the budget were to fail on the first vote, then full-day kindergarten would be removed along with other items, and the district would present a budget for revote that remains within the tax cap limit. The board and administration do not want to put the community in a situation where we'd be placed on contingency.

A resident thanked the board for holding this additional meeting. He questioned the accuracy of the 95% figure for Long Island school districts not exceeding the tax cap and further commented that other districts are not facing the same challenge as we are in trying to implement a full-day program since all but Harborfields already have one. The resident also questioned what the GEA would be for next year. Ms. Todaro explained that the GEA is now eliminated since we are receiving the full amount owed to us. It will now become part of the annual state aid we receive.

A resident commented that the district could certainly choose a budget that stays within the tax cap, but at what cost? Throughout New York State, only nine districts still have half-day kindergarten. With curriculum standards getting increasingly more difficult, our

students would benefit even more so with a full day program. Our teachers do a wonderful job, but we are losing our competitive edge by not implementing full-day kindergarten. She further commented that it is important to look at our transportation costs, and she urged the board to consider option 3. Mr. Nimmo briefly addressed the resident's comment on transportation costs.

A resident and member of the WDPS PTA, commented that they recently held kindergarten orientation and there was an outpouring of support from the community for full-day kindergarten. She further commented that maintaining class size is crucial and wondered if an increase in kindergarten students would jeopardize that. Ms. Todaro noted that we are within 1% on our enrollment projections and class size should remain within the 20-22 range.

A resident questioned if the conversion aid must be used within a certain period of time and also inquired that if the budget passes with a 1.52% tax levy, how does that help us going into next year? Dr. Ianni responded that there is no restriction on when to use the conversion aid. He further explained that the 1.52% tax levy would help start next year's levy at a higher point, but we may also have higher expenses to address.

A resident questioned the status of the lease with Treasure Cove. Ms. Todaro explained that we are continuing to work with them; they are committed to being in Washington Drive next year. The resident further inquired as to how many kindergarten students receive AIS. Ms. Todaro did not have the exact numbers readily available, but believes the numbers have remained stagnant. Lastly, the resident inquired if there had been any decision about the Universal Pre-K program. Ms. Todaro stated that the district will be preparing a resolution for next week's meeting to appoint a new provider.

A resident thanked the board for holding this meeting. She expressed her concern that if full-day kindergarten doesn't make it into the budget this year, it's unlikely to happen in the future, and she urged the board to go with either option 2 or 3. She asked if the budget doesn't pass, would there be additional meetings to determine a new budget. She further questioned the need to indicate that we're piercing the tax cap. Ms. Todaro responded that additional meetings would be held if a budget revote is necessary. Additionally, she explained that the law requires very specific language to be included on the ballot if a district is presenting a budget that exceeds the tax cap limit.

A resident commented that we keep using the word "allowable" in describing the tax levy. Everything on the state's website indicates that we're allowed to have any budget we want, so why use that language? Ms. Todaro explained that when the property tax cap legislation was introduced, that's the language that they used.

A resident suggested that the budget material indicate that Harborfields is the only school district on Long Island without full-day kindergarten. She further suggested that we highlight those items on the list of enhancements that are mandated items.

A resident suggested that our budget material place emphasis on the fact that over the last five years our budgets have remained within the tax levy cap and the corresponding

tax levy percentages have been more than we're asking for now. Ms. Todaro responded that the district has presented that information at board meetings and while community organizations can certainly get the word out about that fact, she would be uncomfortable placing that language in the district's budget newsletter.

A resident asked what the tax rate increase was last year on an average assessment. Mr. Nimmo responded that it was around \$164 for the year.

Ms. Lustig returned to the meeting at 7:40 p.m.

### **BOARD OF EDUCATION BUDGET DISCUSSION**

The board members offered their input and asked questions on the budget options being considered.

Ms. Lustig noted that the most important thing going forward is the partnership with the community. Unlike the restrictions placed upon the district and Board of Education, the community can coordinate a grass roots effort to get the word out on supporting the budget. Personally, she understands that there's risk in the future for sustainability, but we could talk ourselves out of many of the programs. If you compare us to surrounding districts, being competitive is something we need to do to ensure that our kids have the best opportunities. She believes we should take a leap of faith that we can do this and present a budget that exceeds the cap.

Mr. Steinberg noted that the tax cap was put in place to provide property tax relief by capping annual increases to 2% or the rate of inflation, whichever is less. Since its inception, the growth rate has steadily decreased which has placed us and many other school districts in a difficult situation. If we stay within the cap this year, we can't consider full-day kindergarten and our programs as a whole would be threatened. Several of the items on the list of additions have been identified as necessary to continue our mission to restore, maintain and enhance. We're looking to add programs in a responsible and sustainable fashion, and we're trying to develop a budget that accomplishes that and puts us in the best possible position. If we stay within the cap, we'll still be faced with that same dilemma. Staying within the cap doesn't guarantee that we won't face tough decisions next year, neither does piercing it. It is Mr. Steinberg's personal belief that for 2016-2017 we should present a budget that exceeds the cap.

Mr. Mastroianni commented that the difference between options 2 and 3 is that we're placing additional money in reserve, and we're doing so because we recognize going in that it might be difficult to sustain the programs we have in place. Most everything on the list has some cost increase associated with it. Mr. Mastroianni further commented that if full-day kindergarten is implemented and we have to make cuts in the future, it is unlikely that full-day kindergarten would be removed; it would be cuts to other programs. Ms. Todaro confirmed that if cuts are required in next year's budget, it would be difficult to remove full-day kindergarten. Cuts would no doubt be made to those programs that we included this year and possibly programs we've restored in the past. Mr. Mastroianni continued that the capital bond includes improvements to a number of grass fields. Given

that grass fields are more costly to maintain, have we accounted for the additional cost in this budget? Mr. Nimmo stated that it's been determined that the impact on the 2016-2017 budget would be minimal; we can take care of it with existing funds, but it will need to be addressed in the 2017-2018 budget.

Mr. Mastroianni further stated that he's examined the numbers. The projected budget for both options 2 and 3 is the same which equates to a budget over budget increase of 2.96%. Given that enrollment is projected to decrease by 3%, he takes issue with a spending increase of 3%. It's not sustainable. Mr. Mastroianni's personal opinion is that many of the programs included in piercing the cap will cause us to decrease programs down the road, have higher class size and elimination of other programs. He cannot support piercing the cap given all the information at hand. We need to wrap our heads around how we're going to sustain this. He doesn't want to saddle another Board of Education with difficult decisions.

Ms. Gaughan stated that we've heard it tonight and at other meetings; this is not an easy decision, it's a difficult decision. She believes that in the long term we'll see many challenges come our way, and we won't know the true impact of something until we implement it. The board has made some effective changes in recent years, and she believes that we have a board, administration and community that can figure out how to meet the challenges we may face in the future. Ms. Gaughan is personally in favor of exceeding the cap; she supports option 3 and believes in all of the programs that have been added.

Dr. McDonagh commented that sustainability is a valid concern, but issues will present themselves year after year. Based on discussions with administration, it is unlikely that full-day kindergarten would be eliminated if cuts are necessary in future budgets. Further, it is less likely that currently existing programs or class size guidelines would be impacted and much more likely that newly added programs would be affected. The board is charged with the task of identifying the components that fit within maintain, restore and enhance. Once identified, they then need to know that the tax levy is affordable and that's where it gets difficult since affordability is different for everyone. In terms of sustainability, no one can accurately predict what will happen going forward. Option 3 provides a minimal level of comfort going forward, but it is the best attempt. Dr. McDonagh's personal viewpoint is to go with option 3.

Mr. Giuliano asked if we added full-day kindergarten and no other added programs, would we remain within the cap. Mr. Nimmo responded that we would. Mr. Giuliano expressed concern that we're looking to put in programs with the knowledge that they might be taken out going forward. He'd rather not do that. He'd rather go with the bare minimum and face the dilemma of what we can add going forward, not what we can take out. The conversion aid will run out at some point. Mr. Giuliano's approach would be to include full-day kindergarten but not the other items and bring in a budget within the cap. The tax cap forces communities to take a hard look at their budgets and determine what it is they really need. It's important to consider our spending even if it's \$20 or \$30 more. Let's do something significant now and see what we can possibly add in the years going forward. Mr. Giuliano noted that he would, of course, support option 2 or 3 if the majority of board members are in favor of doing so.

Mr. Lee stated that he truly believes in the district's mission to maintain, restore and enhance and believes all the programs contained in the budget are necessary. While sustainability is a key concern, he thinks we need to listen to our community. The district's spending plan is an investment in the community and our children's education. It is his personal viewpoint that option 3 is the way to go. With the tax rebate amount increasing in subsequent years, this is the year to attempt exceeding the tax cap limit.

### **PUBLIC PARTICIPATION**

A resident asked if neighboring districts were also experiencing a decline in enrollment. She also asked how much wiggle room there is in the actual budget and what would happen if we had two budget votes and both failed. Ms. Todaro responded that she didn't have the actual percentages for enrollment in neighboring districts, but she knows that most school districts are facing the same situation. She further advised that if two budget votes fail, the district is placed on contingency with a zero percent increase. Mr. Nimmo explained that roughly 20% of the budget is discretionary. The resident stated that all things considered, we should not be the last district to implement full-day kindergarten, and she encouraged the board to pursue piercing the cap.

A resident thanked the board for the transparency throughout the budget process. She commented that even though enrollment is going down and spending is increasing, we have to look at what we're getting with this budget.

A resident commented that he keeps hearing that we need full-day kindergarten to be competitive, yet our district is already ranked very highly without this enhancement. The question becomes is it a want or a need, and he thinks it's a want. We should understand what the superintendent has been clear about; that we're a great district with or without it.

A resident commented that she understands the concern of sustainability; however, she thinks that residents also understand the need to maintain the Harborfields we have today. Does declining enrollment mean our educational opportunities should decline as well? We've made cuts in the past and now we're rebuilding. She hopes that we can move forward and continue to build Harborfields; it's been chipped away at.

A resident commented that perception is a very strong factor. A half-day kindergarten program is a chink in the armor of Harborfields. People looking for a home are looking for a school district with full-day kindergarten.

A resident commented that he believes in a good education, and he supports a full-day kindergarten program. If cuts need to be made, look at other items on the list to reduce what you can, but keep full-day kindergarten in the budget.

Dr. McDonagh thanked everyone for their input this evening. The board will adopt the finalized budget at next week's meeting on Tuesday, April 19, 2016.

**EXECUTIVE SESSION**

Upon motion duly made by Mr. Steinberg, seconded by Ms. Gaughan, and carried (7-0), the board and district office administrators moved to Executive Session at 8:47 p.m. to meet with district counsel on labor negotiations and to discuss the employment history of particular individuals.

The board reconvened the special meeting at 10:15 p.m.

**ADJOURNMENT**

Upon motion duly made by Mr. Mastroianni, seconded by Mr. Steinberg, and carried (7-0), the board adjourned the special meeting of April 13, 2016 at 10:15 p.m.

Respectfully submitted,

Sharon M. Whelan  
District Clerk