

**Horseheads Central School District
Public Hearing of the Board of Education
High School South Wing(Multi-Media Center)
May 9, 2013**

Present: Brinthaupt, Buck, Conklin, Jacobus, Johnson, Lynch, Miller, Strollo

Also Present: Abrunzo, Bailey, Bradley, Christiansen, Donahue, Hillman, Holloway, Marino, Scaptura, Sotero

Absent: Apgar, Clark

Call to Order: President Brian Lynch called the Public Hearing to order at 6:00 PM.

Board President's Remarks:

Board President Brian Lynch welcomed everyone to tonight's Public Hearing of the 2013-2014 School Budget. Brian stated that Superintendent Dr. Ralph Marino will begin the meeting by presenting the proposed 2013-2014 School Budget. At the conclusion of Dr. Marino's presentation, the floor will be open to hear Questions/Comments from the Public, followed by a time period for Questions and Comments from the Board, ending with the introduction of Board Candidates. Brian explained the guidelines and format of the Workshop as per Board Policy 2370: Public Participation at Board Meetings for Board of Education Community Budget Meetings including to state your full name, address and to conduct yourself in a civil manner.

Brian further explained that the Superintendent will present the proposed 2013-2014 School Budget consisting of an Overview, Review of the Property Tax Cap Calculations, Expenditures by Component, Staffing and Enrollment, Budget and Tax History and Five-Year Budget Projections.

Preliminary 2013-2014 School Budget Presentation

Superintendent Dr. Ralph Marino welcomed everyone to our Annual School Budget Hearing. Ralph stated the Hearing is required under New York State law. The Board approved the Preliminary 2013-2014 School Budget at its April 25, 2013, Board of Education Meeting with it going to the voters on May 21st. Ralph stated it is very important for the people to understand what has occurred in the District during the past five years and that things will continue to change. Dr. Marino presented the background on how the 2013-2014 Proposed Budget was planned and developed. Ralph stated planning for the proposed budget began in September 2012 with the Board of Education Finance Committee. The Five-Year Budget Projection and Reserve Fund Report were first developed four years ago and have been updated yearly. The Board has held three Community Workshops to discuss the proposed budget. Ralph stated that it should also be noted that even after Governor Cuomo presented his budget proposal and the Legislature passed the State Budget on time, providing \$1,033,937 in additional State Aid to Horseheads, the District is still receiving less State Aid than it received in the 2007-2008 school year.

Dr. Marino presented the 2013-2014 Proposed Budget which includes an increase in State Aid of approximately \$1 million with the District still using \$6 million from Reserves. The Results with a Proposed Spending Increase of 3.06%, proposed tax levy increase of 2.90%, the allowable increase under the Property Tax Levy Cap. The District will continue to maintain programs and services at all levels (academics, arts and athletics). Twenty-five positions will be eliminated through retirements, resignations and layoffs. Eight positions will be replaced at lower salaries. This Budget also includes a \$1.3 million Safety/Security Capital Project which would include the reconstruction of main entryways in each school to provide a secure vestibule and the installation of new locksets on classroom doors so teachers can lock their doors from inside the classrooms. Ralph stated that this came back at \$12 million but we were able to pull back \$1.3 million which upon approval by the voters the project will take place next summer.

Dr. Marino presented the 2013-2014 Budget figures. The 2013-2014 Total Proposed Budget is \$71,640,654, Spending Increase is \$2,128,983 which is an increase of 3.06%, Tax Levy Increase of 2.90% and an Estimated Average Tax Rate Increase of 2.90%.

Dr. Marino reviewed proposed reductions for 2013-2014 which total \$1,979,333. These reductions include replacing 8 positions vacant due to retirements at lower salaries, eliminating 9 positions vacant due to retirements and resignations, eliminating 16 additional positions (layoffs) and reducing building/department budgets by 25%.

Dr. Marino reviewed the Property Tax Levy Cap Legislation and Property Tax Cap Calculations. Ralph stated the Tax Cap Formula is a very complex formula. The maximum allowable levy growth factor is 2%, but there are several exemptions a District must factor in to determine the maximum allowable tax levy increase.

Dr. Marino stated that we do not control the Tax Base Growth Factor. This is a number that is given to us by the State and is specific to our school district. He also stated that the Base Year Levy plus PILOTs are numbers that fluctuate. This is an incentive for businesses to build in our school district and is payment in lieu of school taxes. As of today the PILOTs are about \$750,000 with a Total Tax Levy Limit Before Exclusions at \$33,200,291. The Total Exclusions are \$1,321,940 with a Total Tax Levy Limit at \$34,522,231 with a Proposed Increase at \$973,289 which equals a 2.90% increase. Ralph reviewed the Expenditures by Component which equals a 3.06% increase over the 2012-2013 budget. He also presented the Five-Year Budget Projection. Ralph stated the original deficit for fiscal year 2012-2013 was estimated at \$5 million. We now estimate it at \$2.7 million. Staffing and Enrollment History was presented with an estimated 620 staff for 2013-2014 with a Student Enrollment estimated at 4,269 in comparison to eleven years ago in 2001-2002 when staffing was at 695 with student enrollment at 4,550.

Ralph reviewed the Budget and Tax History since 2003-2004 noting that the District is always conservative because we don't know what the Tax Levy will be. Ralph noted that our community is still becoming wealthy which enables us to spread out the tax burden.

The Budget Tax History, Estimated Average Tax Rate, Tax Impact New York State Report Card for Fiscal Accountability – 2010-2011, Tax Rate Comparison and History Proposed Budgets for Districts in New York State with Similar Enrollment(+/- 100 students), Statewide Budget Comparison were presented.

Dr. Marino presented the propositions that will be on the ballot: Proposition 1: Adoption of the 2013-2014 Budget, Proposition in the amount of \$71,640,654, 2: Purchase of five(5) 65-passenger school buses and one(1) 39-passenger bus with a wheelchair lift at a cost not to exceed \$695,000 and stated Voters will elect three members to the Board of Education who will be elected to three-year terms beginning July 1, 2013. Ralph noted there are seven candidates.

Board of Education and Public Questions and Answers Regarding the Presentation

There were no questions or comments from the Public.

Questions and Comments from Board Members

Board President Brian Lynch thanked Dr. Marino for presenting an excellent, very comprehensive and detailed budget presentation. He also thanked him for an excellent historical summary of what has happened in the last six to nine months. Brian stated it is good to see the historical information of the Budget. Brian also thanked Dr. Marino for keeping the three A's(Academics, Arts, Athletics) intact again this year. Brian stated it is amazing to see the two-year comparison as we are able to make the reductions and compare to similar schools around the State. Once again, Brian thanked Dr. Marino, the Finance Committee and the Board for putting the budget computations together, for working through the Tax Cap and for going out into the community. He stated he realizes how challenging and time consuming this Budget was as it is very important to protect Horseheads' brand. Brian stated he is very appreciative of all the work that was done in preparing this Proposed Budget. Superintendent Dr. Ralph Marino stated that there were a lot of people behind the scene who also helped make this budget. He stated it was truly a team effort.

Board Member Mark Brinthaup stated this is one of the best Budget presentations he has seen in years and he is most appreciative of the time and effort that Dr. Marino and the Finance Committee put into the creation of this budget. Mark stated that he can not thank Superintendent Dr. Ralph Marino and his Team for all the time that they devoted on the development of this budget. Mark stated that fortunately for us, Dr. Marino started working on the District's financial status six years ago which has led us to where we are today so that our programs are not negatively affected.

Board Vice-President Pam Strollo stated when you look at the complexity of this budget, we also need to thank our building principals and teachers who have been asked to do more with less and yet they have still been able to meet these challenges and provide the students with a quality education. Our principals need to be commended for coming up with cutting another 25% from their budget and yet not allowing it to negatively impact their programs. Pam also thanked everyone for being able to accomplish this.

Introduction of Board Candidates(If Present)

Board President Brian Lynch stated voters will elect three candidates to the Board of Education for three-year terms beginning on July 1, 2013. There are seven candidates running, David Sadler, David Geintiz, Eric Leland, Karen Boulas, Ruth Miller(Incumbent), Daniel Staight and Jim Jacobus(Incumbent). Brian thanked them for putting their name on the ballot and volunteering their time to become a member of the Board of Education.

Adjournment

Moved by Brinthaupt, seconded by Miller.

RESOLVED, that the Horseheads Central School District Board of Education Meeting adjourned from its Public Hearing of the Board of Education at 6:30 PM.

<u>Ayes</u>	<u>Noes</u>	<u>Absent</u>
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Brinthaupt

Buck

Conklin

Jacobus

Johnson

Lynch

Miller

Strollo

MOTION CARRIED

Respectfully Submitted By:

Candy L. Maine,

Candy L. Maine,
District Clerk

