

**Horseheads Central School District
Community Budget Workshop
Broad Street School Cafeteria
April 9, 2015**

Present: Apgar, Boulas, Conklin, Jacobus, Johnson, Lynch, Sadler, Strollo

Also Present: Bracy, Buzzetti, Christiansen, Donahue, Holloway, Kelly, Marino, McDonough, Moyer, Patterson, Scaptura, Sechrist, Sotero, Williams

Absent: Brinthaupt

Call to Order: Board President Brian Lynch called the final Community Budget Workshop to order at 6:00 PM

Board President's Remarks:

Board President Brian Lynch welcomed everyone to the third and final Budget Workshop of the year. 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. He further explained that School Business Administrator Katy Buzzetti will present an Update on the 2015-2016 School Budget Planning and Development Process first, then there will be an opportunity for the Board to ask questions at the end of the presentation and then the floor will be open to the Public for comments/questions at the conclusion of the presentation.

Update on the 2015-2016 School Budget Planning and Development Process

School Business Administrator Katy Buzzetti presented a history of where we have been since 2008, a Summary of Reductions since 2009 through 2014, Reductions, State Aid Projection, State Aid Breakdown, an Explanation of the Gap Elimination Adjustment(GEA), Property Tax Levy Cap Calculations, Property Tax Freeze, Revenue and Expense Projections as of April 9, 2015, Budget Breakdown, Budget Additions and Considerations, 2015-2016 Preliminary School Budget, Preliminary List of Propositions on the May 19th Ballot and the Five-Year Budget Projection as of April 9, 2015, to the Board.

School Business Administrator Katy Buzzetti stated we are in our seventh year of the economic downturn in our country and state. The Horseheads District has been working for the last seven years to combat the downturn while continuing to provide our children with a quality education.

School Business Administrator Katy Buzzetti reviewed the previous reductions of May 2009–May 2014 which reduced the total District Budget by more than \$14 million in six years. Some of those reductions included 147 positions eliminated through retirements, resignations and layoffs, reduction of department/building budgets by 62.5%.

2015-2016 Budget Figures

School Business Administrator Katy Buzzetti presented the Preliminary 2015-2016 Budget figures. Katy stated the State Aid Projection as of April 1st is \$2.4 million or 8.43%, noting the increase also includes a partial restoration of GEA funds, approximately \$1.8 million. However, in order for the District to receive

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the State Aid increase, the District must negotiate the optional components of the teacher evaluations with their local unions and each district must submit a Plan for State approval by November 15th as the State Aid increase is tied into the teacher evaluations. Katy noted if the Plan is not submitted and approved, the District will lose its' State Aid.

GAP Elimination Adjustment

School Business Administrator Katy Buzzetti stated the good news is that this year, the 2015-2016 State Budget restores approximately 64% of the District's GEA for 2015-2016. Katy followed-up with a full review of the GAP Elimination Adjustment stating that the total 6-year reduction is \$24,628,858, the Total Tax Levy Limit Before Exclusions is \$35,114,955, PILOTS receivable FYE June 30, 2015 is \$1,025,983, the Total Exclusions are \$810,015, the Total Tax Levy Limit Before Exclusions is \$35,323,834, with a Proposed Increase for the 2015-2016 School Year at \$208,879(0.59%-Proposed Property Tax Levy Percentage Increase).

Budget Breakdown

School Business Administrator Katy Buzzetti reviewed the State Aid Breakdown for the 2015-2016 school year, and the Revenue Projections for 2015-2016 which total \$69,106,062. Katy reviewed Proposed Reductions for 2015-2016 consisting of the retirement of nine positions which we were able to replace at lower salaries which saved the District approximately \$207,965, the Reduction in TRS/ERS Contributions(\$1,888,005), Retirement of Bus Bond Debt(\$172,019) and Reduction in Construction Debt Payments(\$9,398) for a grand total of \$2,277,387 in Proposed Reductions. Katy also reviewed the Budget Additions and Considerations that were updated since the March Budget Workshop.

Five-Year Budget Projections

School Business Administrator Katy Buzzetti presented the Five-Year Budget Projections and History consisting of the Property Tax Levy, State Aid, Use of Fund Balance and Reserves, Other Revenue, Total Budget and the Actual/Projected Budget Deficit. Katy stated that the deficit for fiscal year 2015-2016 is estimated at \$4.5 million and noted there is approximately an estimated \$4 million deficit for the next four years.

Board of Education and Public Questions and Answers Regarding the Presentation

Board President Brian Lynch commented it is good to see the numbers spelled out at this point. The Tax Levey is very low and the reductions we did not want to do, but were forced to do. Brian stated it is important to see the breakdown and stated the Finance Committee looked at the Considerations that the Board discussed at the March Budget Workshop in order to complete this List. The idea was to bring the final numbers to the Board with a \$4.5 million deficit. Brian stated he is okay with the List as presented and is pleased to see the State Aid number has increased.

Board Member David Sadler inquired regarding the increase of the Budget Additions. Board President Brian Lynch stated that the first four items on Slide 16 are the mandated ones that we agreed upon at the March Budget Workshop. The remaining additions were ones that were added after the Finance Committee

reviewed the List of Considerations that the Board agreed upon at the March Budget Workshop. Brian noted the purchase of the buses was included in the budget this year instead of as a separate proposition which saves on future interest rates which could be hefty.

Board Member Karen Boulas inquired for clarification of the Tax Collection Service – BOCES(Net Cost – Eligible for BOCES Aid) and why the Occupational Therapist and ESL Teaching Positions are not BOCES aidable. School Business Administrator Katy Buzzetti stated that the Occupational Therapist and ESL Teaching Positions are eligible for excess aid which is different from receiving BOCES Aid. Karen stated after reviewing the List there are a number of different additional items that she would consider taking out but the amount is minimal so it wouldn't make a difference. Karen stated the Finance Committee came up with a good budget and thanked them for their hard work.

Board Member Doug Johnson stated he has gone on record as being critical of the State in the area of State Aid, however, the State is getting closer to giving the District back what it is owed and maybe next year, we will get all of our money back. Doug stated he is happy to see the deficit come down and stated it is good that we spent all the money that has been allocated to us(referring to Slide 25) and it is also nice to see the reductions. Doug stated we are trending in the right direction and hopefully State Aid will continue to come in like it should.

Board President Brian Lynch stated that he is happy to see the State Aid was restored as he had some massive concerns regarding the previous deficit. We are working our way forward and stated he is fine with the Preliminary Budget and List of Additions. We have made some reductions, even though there are important things on that List that should be added that we are not able to at this time.

Board Vice-President Pam Strollo thanked the Finance Committee and Katy Buzzetti for all of the time and hard work they have spent in preparation of the Preliminary 2015-2016 Budget. She stated it is great to see the increase in the area of instruction and the fact that the nine positions were able to be replaced as it is so beneficial to the kids.

Board Member Warren Conklin stated he is fine with the Preliminary Budget and List of Additions as presented.

Board Member Rose Apgar stated she also agrees with Board Vice-President Pam Strollo and also thanked the Finance Committee and Katy Buzzetti for doing an excellent job in the preparation of the budget.

Questions and Comments from the Public

Rance Sechrist, homeowner of 4 Woodside Drive, Big Flats, spoke on behalf of the Horseheads Building Administrators Association which represents the Principals and Assistant Principals of the District. Rance thanked the Board Members for their dedicated service to our community in this difficult time in public education and wished them well in the search for a new Superintendent. On behalf of the Administrators, Rance expressed their support for a couple of the Budget Considerations and also made a request for a future Budget Consideration.

Rance stated the Administrators are in support of the return of a Full-Time Athletic Director and noted that with the current part-time Director, even with the shared Director this year, the Building Administrator at the High School and Middle School have taken on some of the responsibilities of this position that the Director would normally handle. Rance also spoke in support of the return of a full-time High School Assistant Principal for the 2016-2017 school year.

Rance also stated the importance of maintaining four Administrators at the Middle School/Intermediate School Complex, noting that in 2011 Bobbi Brock was asked to be the Principal of both the Middle School and Intermediate School and Robin Doubrava became Interim Principal of the Intermediate School that same year. Throughout the transition of that school year, the need to have four Administrators was apparent.

Rance also expressed his support of granting tenure to the three Principals who will be brought to the Board for tenure this spring and take into consideration the contribution the Administrative Group has made over the past several years in support of the school district.

Terry Malloy, 3308 Markle Hollow Road, Big Flats, stated that he is in favor of the Budget Consideration to restore the Redesigned/Restructured Grade Level and Department Teacher Leaders as well. Terry stated due to the complexity of the APPR and its' requirements and the amount of time it takes from the Administrator's workload, the connection that the staff used to have is lost. If Grade Level and Department Teacher Leaders were brought back, there would be better communication among the staff and the opportunity for new ideas to be exchanged.

Kathleen Crimmins, 5 Orchard Drive, Big Flats, stated that it is imperative that the Registered Nurse Contract Substitute Consideration is approved by the Board. Kathleen stated that we have very few substitutes due to the rate of the substitute pay and most of the substitutes that we do have are elderly and have health issues of their own. Kathleen stated that this year we have had to take one nurse from another school to cover as we did not have a substitute and we are afraid that there will be a day when school is in session there will not be a nurse in the office to take care of the daily needs of the students or staff or available for any emergency that may arise. Kathleen stated Health and Safety is very, very important which is why this Consideration should be pushed to the top of the List. The Board needs to decide what would occur if there was no nurse to cover a school.

Final Board of Education Discussion and Questions

Board Member Doug Johnson stated that out of all of the Considerations, the Nursing Issue is the most tempting to add back in, however, he realizes that nurses are extremely difficult to find and if we put it back in the budget, we may not find someone who wants the job.

Board Member Karen Boulas asked for clarification as to what exactly does it mean to have a Contract Nurse Substitute? Director of Human Resources Judy Christiansen stated it would be like a person who is not assigned to a particular building. That person would be assigned on a daily basis to go to the building where the need is. The person would be a regular, full-time employee of the District.

Board Member David Sadler inquired as to what the hourly rate would be. Judy Christiansen stated the starting salary would be \$20,000 for a full-time employee and the person would also receive benefits. A Substitutes Nurse is paid \$16.00 per hour.

Board President Brian Lynch stated he is definitely on the fence with this Consideration and would like it to go back to the Finance Committee to review at its' meeting next Monday and how it will impact the Budget. Brian stated that Health and Safety is very important to us and we need to ensure that all students and staff are safe.

Board Member Karen Boulas inquired for more clarification regarding the Redesigned/Restructured Grade Level and Department Techer Leader. Is this person an Assistant? Superintendent Dr. Ralph Marino stated the positons would be stipend positions for more than one District employee.

Board Member Warren Conklin inquired if we cannot find a Substitute Nurse for a particular building, would that building truly go without a nurse and what is the liability to the District? Director of Human Resources Judy Christiansen stated no building would ever go without a nurse. We have two nurses at the High School and if necessary, one nurse could be used from there if we had to, however, that would be a last resort as we do have other people we can pull from like we have in the past. We are able to pull from the private schools and we also have a BOCES Contract Nurse. Judy stated we have never had a building without a nurse. Judy stated if we were to approve this and have one Contract Substitute Nurse and if we have seven nurses call in sick, it would not help us any way. We cannot plan for when a nurse is going to be absent.

Board President Brian Lynch stated the point is if someone had to be pulled from the High School, there would be one nurse for twelve hundred students which would not do. Brian stated that this will be brought back to the Finance Committee to review and stressed that we want to stop at \$4.5 million deficit for the final budget.

Adjournment

Moved by Apgar, seconded by Sadler.

RESOLVED, that the Horseheads Central School District Board of Education adjourned from its Budget Workshop of the Board of Education at 6:41 PM.

<u>Ayes</u>	<u>Noes</u>	<u>Absent</u>
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Apgar		
Boulas		
Conklin		
Jacobus		
Johnson		
Lynch		
Sadler		
Strollo		

MOTION CARRIED

Respectfully Submitted By:

Candy L. Maine,

Candy L. Maine, District Clerk

