

## Budget Community Forum

### Summary

March 14, 2015

*Present:* Sandy Anzalone, Thomas Murphy, Brenda Burgstahler, Mike Byrnes, Rose Heckathorn, Barb Henry, Jennifer Horschel, Kathy Klopp, Patty Krouse, Loran Carter, Marisa Fallacaro, Marc Graff, Shawn Johnson, Kelly LaRosa, David Martin, Pat Menkiena

*Next Budget Advisory Team Meeting:* Wednesday, March 18, 2015, 5:45 p.m., Jr./Sr. High School Cafeteria

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#### **I. Community Forum began at 10:14 a.m. – Mrs. Anzalone**

- ✌ Mrs. Anzalone thanked everyone for attending the second of two community forums. There will be some review and then some new information regarding budget, revenue, expenditures, tax impact, and enrollment. There will be a question and answer session at the end.
- ✌ Wednesday evening, March 18<sup>th</sup> at 6:15 p.m. there will be a rally in front of the Jr./Sr. High School to bring awareness for the impact to Eden for the lack of State aid runs and why that is causing reductions, as well.

#### **II. Community Forum Presentation – Mr. Murphy**

##### **A. Welcome**

- ✌ Mr. Murphy thanked everyone for coming. Everyone was there for the same reason – to have the best budget for next year. He was impressed with the number of students in attendance.
- ✌ There will be discussion regarding the coming year and how we got where we are.

##### **B. Foundation Aid**

- ✌ Foundation Aid is the bulk of funding that the district receives from the State. The State has been withholding some of this funding each year since 2007-2008.
- ✌ Since 2007-2008, the District has received \$52 million. The State should have given the District \$69 million for that same period. That is a shortage of Foundation Aid alone of about \$17 million. Last year alone, there was a \$1.3 million deficit.
- ✌ We receive less State Aid today than we did in 2008-2009. That has a dramatic impact on what we are able to deliver in services.
- ✌ The funding received by the District is just over \$11.5 million out of a \$26-\$27 million budget.

##### **C. Gap Elimination Adjustment**

- ✌ The State had a budget gap they wanted to eliminate, so they adjusted school district budgets.
- ✌ Each year since 2010-2011, they have taken money from each district. It was supposed to be temporary, but it is still going on. Because the State is in a better financial position than they were before, they decided to “give money back to districts”; however, they are not giving money back, they are just taking less away.
- ✌ Since 2010-2011, the State has taken \$7 million in Gap Elimination funding from our District.
- ✌ Between the Foundation Aid and the Gap Elimination funding, there is a total of \$23 million in funding that Eden did not receive.

#### **D. Governor's Impact**

- ✌️ Last year, there was a total State Aid shortfall of \$2,354,236. If the District had received the full amount of State Aid, there would have been no deficit last year.
- ✌️ This year, the Governor has failed, for the first time, to release State Aid calculations, because he wants to tie it into the State plan to change the APPR. This means that revenue projections are frozen from last year and are, at best, inaccurate projections.
- ✌️ Traditionally, in January, the Governor will release his budget. There will be school runs for all districts. That would be the worst case scenario. By March, the legislators look at it to see what they can restore or give back. The final State Aid runs are then available.
- ✌️ State Aid is frozen at \$6.6 million. GEA is left intact at a \$1 million shortage for a total of \$2.3 million. That is the starting point of State Aid funding for this coming year. That impacts everyone in the room. The whole budget of \$26 million is based on State funding, the tax levy, and any other revenue sources we receive. We do not know what State funding will be received, as a whole. It impacts the tax levy. The tax levy can only be raised so much, but it puts more pressure on the tax payers, because the budget must be made up somewhere else.

#### **E. Contact the Governor and Your Elected Officials**

- ✌️ Twitter: @NYGovCuomo,
- ✌️ E-mail: Gov.Cuomo@Chamber.state.ny.us
- ✌️ Facebook
- ✌️ Call: [1-518-474-8390](tel:1-518-474-8390)
- ✌️ Mail: The Honorable Andrew M. Cuomo  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224
- ✌️ Emphasis on Twitter and E-mail.
- ✌️ Assembly member David DiPietro – 655-0951, 655-0970 (fax);  
[DiPietroD@assembly.state.ny.us](mailto:DiPietroD@assembly.state.ny.us)
- ✌️ Senator Patrick Gallivan – 656-8544, 656-8961 (fax); [gallivant@nysenate.gov](mailto:gallivant@nysenate.gov)
- ✌️ Last year, districts sent a clear message that they wanted the GEA eliminated, which led to the restoration of \$229,000. The message put pressure on the State government to give something back. This year, the message is split between Foundation Aid restoration and GEA elimination.
- ✌️ Mrs. Anzalone stated that all of the addresses are on our web-site. There are districts that are in fiscal stress. In 2013, the Eden Board of Education took a radical change in how reserve funds were used. Because of this, we are not a district that is in the top schools in fiscal stress. Three local school districts are in moderate or severe fiscal stress. Credit goes to the Board for the way it has handled money along the way. We need to continue to be smart and careful with our money, or we could be in severe trouble by 2019-2020. Write and call your legislators. An impact of \$23 million over seven years is huge. April 1<sup>st</sup> is the time for the State to give out budget numbers, if the budget passes on time.

#### **F. Deficit Trend**

- ✌️ For the last few years, we have ended the year with surpluses. That is because spending has been cut off early, as early as September in some cases. If you are using reserves and not getting your full State Aid, you need to try to spend less. All the administrators and staff members have had to live with frozen budgets.
- ✌️ The District has been deficit spending for years. Each year, when we end with a balanced budget, the revenues have to equal the expenditures. We use fund balance and reserves to balance the budget. We use our savings.
- ✌️ If nothing else changes, the deficit is expected to grow to just under \$5 million by 2019. Revenues hold flat, while expenses keep going up each year.

## **G. Reserves**

- ✌ Reserves hit a high of just about \$8 million. Reserves are our savings accounts. Most of our reserves, about 98%, are restricted. There is a retirement reserve for ERS. You can only use it for its intended purpose. There is a reserve for sick and vacation time. For the past couple years, a combination of that has been used to balance the budget.
- ✌ During last year's budget process, we increased our use of fund balance and reserves from \$700,000 to \$1.1 million. It was necessary to balance the budget. You want to use your savings accounts to balance your budget cautiously.
- ✌ With the current forecasted trend, by 2018-2019 there will not even be \$3 million in reserves. With a \$26 million budget, that \$3 million will go very quickly. Within three years, we would not have any reserves left. By the end of the year, if there is money left, you put it back in your "savings account" – reserves.
- ✌ Mrs. Anzalone said most districts are in financial decline by intent. Governor Cuomo has stated that NYS is one of the most expensive states funding education. His plan is to cut the number of school districts (approximately 670 districts) in half. The intent to cut them in half, to consolidate, to close, to merge is by intent. Most mergers attempted in the past four years in NY State have failed. There is very little tax incentive to merge. The town's culture is lost. Children would be on the school bus much longer. Usually one of the two districts will vote it down. In order to cut the number of districts in half, there must be an incentive to make it work. There has not been a good plan to incentivize districts to merge, so that is when the tactics began – i.e. tax caps for districts, rebates for parents, incentives not to go over the tax cap with a supermajority. If the current trend continues for the next four or five years, we may not be able to offer the programs that are currently being offered. By 2018-2019, the districts that are in fiscal stress right now, will not be able to function.

## **H. Enrollment**

- ✌ In some nearby townships, there has been overall population growth, but that growth has not been seen in the schools. We either will see an enrollment increase at the younger grades first, or we will not see one at all.
- ✌ Eden intends to conduct a census in the next few years. In 2007-2008, the enrollment started to decrease. Overall, it amounts to about 40-50 students per year – mostly at the younger level. Two years ago, the graduating class was about 150, and the incoming first grade class is about 80-90. That is a significant difference. Fewer students = less State Aid. Even with fewer students, some of our expenditures do not change, and some of our work load continues to increase. It costs more to run a smaller district than a larger one in terms of efficiency.
- ✌ Enrollment numbers show a significant drop from fourth and fifth grade to Kindergarten through third grade in 2015-2016. Each year at the Elementary level, we will need one less classroom. This year, there are five fourth grade classrooms, but in a few years, we will need only four fourth grade classrooms.
- ✌ Part of the budget planning process for next year is to eliminate one second grade classroom and one third grade classroom. Class sizes will stay much the same. The average class size will be between 19 and 20. With the elimination of one third grade classroom next year, the class size will be 20-23. These are projections, which could change.

## **I. Budget 2014-2015 Recap**

- ✌ The current year budget is \$26.4 million, which was a spending increase of \$676,054 over the previous year or 2.62% increase. The tax levy (what the taxpayers pay) went up 1.78%. What the taxpayers pay in a percentage of increase is not the same as the overall budget increase.
- ✌ The community came together very well last year. It is not easy to discuss the budget when people's jobs are involved.

## **J. Appropriations**

- ✌ For 2015-2016, \$27,228,076 is the proposed budget, which is an increase of \$831,596, about a 3% increase.
- ✌ An increase of 3% is not the same for the tax levy.

## **K. Calculating the Tax Cap**

- ✌ The State will allow us to increase our tax levy 2.21% up to a maximum of \$13,571,363.
- ✌ Mrs. Anzalone stated that 2.21 is over 2%. The tax cap does not allow a district to go over 2% without going to a supermajority. Mr. Murphy said that 2% is not 2%. There are exclusions that every district and municipality can have. It is also tied into the consumer price index. The 2.21% is within our range and stays under the tax cap. Not all taxpayers may have the same percentage increase.

## **L. Tax Levy Increase**

- ✌ The 2015-2016 tax levy is \$13,571,363. Last year, it was \$13,276,679. The difference is \$294,684.

## **M. Revenues**

- ✌ Revenues have remained fairly static. Total revenue is going up about \$300,000, which is about a 1% increase. Most of that is the increase from the tax levy.

## **N. Adjustments (Budget Neutral)**

- ✌ Changes that are recommended due to needs, not due to the deficit for 2015-2016 are: the addition of two classroom aides at Eden Elementary, one clerk typist, one (.5 FTE) Special Education Teacher at GLP, two classroom aides at GLP (1.5 FTE), one sander/salt truck, one Guidance Department chairperson, one Elementary Homework Club advisor, one Model UN advisor.
- ✌ Reductions are two Elementary School Teachers due to retirements, one second grade Teacher, one (.33 FTE) Science Teacher.
- ✌ Additional reductions recommended are: One third grade Teacher position and the related special areas – Art, Music, PE, and .33 FTE Technology (these would not be program cuts, because there are no students to go into those classrooms), English (.33 FTE), Director of Transportation, bus drivers (about 20 hours per week), bus attendant (7.5 hours per week), some JV sports, three Special Education private placements and BOCES reductions.

## **O. Appropriations vs. Revenue**

- ✌ The 2015-2016 Appropriation Budget is \$27.2 million, and the revenue budget is \$25.7 million, a difference of \$1.5 million, which is the deficit.

## **P. Closing the Gap**

- ✌ Last year, \$1.1 million in reserves was used to close the budget gap. We propose the same for next year. There are proposed reductions of \$437,964.
- ✌ Approximately a million dollars is not restricted.
- ✌ Rallies are being held around the State in hopes that some money will be restored. If that happens, not all the cuts will need to be made.
- ✌ On Wednesday, March 18<sup>th</sup> at 6:15 p.m., Eden will hold a rally in front of the JSHS to let the State know to stop the funding cuts. It is not a picket of the District.

## **Q. Thinking Out of the Box**

- ✌ Mr. Murphy invited the public to share constructive ideas.
- ✌ He asked for ideas that were not related to staff or student programming.
- ✌ Long-term solutions vs. a quick one-time fix were encouraged.
- ✌ If preferred, people can drop off ideas in an envelope.

### III. Questions

- ✌ Don Loretto – In last year’s budget, we had a deficit, yet we put over a million dollars in reserve funds last August. Is that built into this budget, too? A reserve fund? The contribution?
- TM – In terms of what? What was put in there? Yes.
- ✌ Don Loretto – Last year. Was that also built into this year’s budget?
- TM – Yes.
- ✌ Don Loretto – Are we going to have over a million dollar reserve fund contribution?
- TM – We do not know at this point. We will know at the end of the year, because as I mentioned, what happens is we cut off spending. This year, we cut it off in December, so at the end of the year, if we spend less than what we planned to, that is what we are able to put into the reserves.
- ✌ Don Loretto – What I am more interested in is what is the process, because in my mind, the process was faulted that led us to have a 13<sup>th</sup> of our levy as a reserve. So we really did not have a \$2 million deficit. We had a \$1.5 million deficit.
- TM - \$1.1.
- ✌ Don Loretto – A \$1 million surplus. So do we know what the process was that led to that million or million one? Are we going to eliminate that, so we do not have the million dollar reserve donation in August? Do we know exactly what it is or is it still unknown?
- TM – It is still unknown, because we are only at March at this point. So what happens is, as I said, you do not know when you are creating the budget, what you will end the next year at. If you do things right, you are not going to end the year in a deficit situation. You are not allowed to end in a deficit situation. It is illegal, actually, to end in a deficit situation. So when you create a budget, you say here is our spending money. It is a \$26 million budget. To spend exactly \$26 million is almost impossible to do. But, what we also wanted to do, we wanted to end with some money left over at the end to be able to help us with our reserves, so we could actually use it in the budget process. Now, if we could actually not cut spending off until March or April, then that would be less, absolutely, but it would make our budget process the next year all the harder. So you are asking how we got to \$1.1 million, we cut off the budget spending in December, which allowed us to underspend by a million dollars. There is no guarantee, in any way shape or form, that we are going to underspend. If we have a Special Education student come in, for instance, that could be about \$150,000. Sometimes you put a little extra hoping things will not happen. If we do not get extra Special Education kids, that allowed us to have a little bit extra at the end, which we did. So, it did allow us a little extra. You do not know at the beginning of the year where you are going to end the year. There is just know way of knowing that before the year even starts.
- ✌ Don Loretto – No estimate? You do not have an estimate?
- TM – Before the year starts at where you are going to end your spending? You wouldn’t know that, because you do not know what bills are going to come throughout the year. Water main breaks, you get a bill there. You cannot predict...
  - SA – A really good example of that is this winter we spent \$15,000 on snow removal. That was just on the snow removal company. The actual dollar amount from that storm far exceeded that in terms of damage to the district. Another big piece in this one in ending the year, having been pretty frugal, which is what we are attempting to do, is being able to put money into our capital reserve, so that when we try to do some maintenance items on the district, it does not have a tax impact. It is intentional. You have to have a certain percentage, just like you would in your operating budget at home, that you use just in case a crisis comes up. We are trying to be incredibly frugal, so that we can put the money where we need to, after we have been able to go through the school year. But, I agree, one student with high needs being transported could easily be \$150,000 above and beyond.
- ✌ Don Loretto – But not \$1.1 million.
- TM – No.
- ✌ Don Loretto – So, I mean my question is was it intentional, and if it is intentional to have a surplus at the end of the budget? But the amount is always in question.

- TM – Correct. But, what I would say is this to you Don, what you have seen, and I think the Board has also heard this, as well, what we used to put in reserves was far more than a million dollars. There were years when we were putting about \$2.5 million in reserves. So, what we have done is we are ending the year with less surplus.
- SA – But is the intent to over-estimate expenses? Absolutely.
- ✌ Don Loretto – Well, because if we are, seeing the reserves that are posted on the web-site is pretty inclusive, but it ends. Right? It ends at the year 11-12. If you could please update that with 12-13, 13-14, 14-15, and if there is a projection. I understand you cannot end your budget to the penny.
  - TM – I wouldn't put a projection up there, because we cannot project that. I will try to update it.
- ✌ Don Loretto – I want to be clear and fair. If I say it, that it is built into the budget to have a reserve.
  - SA – I think it is a really fair question. I will say from a lay person in terms of not at the level that Tom understands it. In my home, I can always go into my credit account if I really need to do something. We do not have a credit account, so we have to overrate our expenses, just in case there is a problem.
  - TM – But let me also clarify, we do not go and say we do not plan on spending that money. We *hope* we are not going to spend the money. We make the best plan that if something were to happen, we are covered.
  - SA – You have to be covered.
  - TM – You have to be covered, because you cannot go into deficit spending. But we do not say we want to end the year with \$1 million or \$2 million left over, because that is not our intent. Our intent is to make sure that if an emergency comes up, we are covered. That is it. We try. We make every effort. That is why we cut it off in December, to say what can we actually do to spend less than what we actually budgeted for. Because by mid-year, you start knowing if you are going to have extra students, and if you are not ok, so let's cut off spending, and if we can actually, maybe we will not have to do that if there is no more Foundation Aid from the State.
- ✌ Don Loretto – Maybe my question is better put to the Board. Do we intend to go to reserves each year for the next five years or two years or ten years? Does the Board have a specific plan of going to reserves? Maybe it is better put to them.
  - Barb Henry – I would like to say something about that. The capital building project, and we are looking at the last ten years, we have done no maintenance on the building.
  - SA – Well, we have not done "no maintenance." We have done no big maintenance.
  - Barb Henry – Nothing, at all, and we have not put any money into the building.
  - SA – We put some – not a lot.
  - Barb Henry – We need to just maintain the buildings, and it is very involved. We do not have it. Look at the ceilings in here.
- ✌ Don Loretto – But it is half a million dollars in the capital reserve last August.
  - TM – Last August, we put a half a million aside.
  - Barb Henry – Now, was it restricted? That we had to put it in?
  - TM – It is in the capital fund, and we made the recommendation last year that as we were looking at a capital project, it made sense to build that one up. That was the intent of putting it specifically into that reserve, so what happens is, with the capital reserve, you want to have little tax impact on the taxpayers for a capital project, so that was a very decided...
  - Barb Henry – And Don, I think it is because we have been delinquent in that area for a long time. You want to know my opinion on it? I will put the money into the capital. I just sat in a meeting and looked at all the delinquencies at GLP and just the bus garage alone, so...
- ✌ Don Loretto – I just think it is a fair question for the levy and payers of the levy.
  - TM – Our reserves are going down though, not up. So if you take a look, it now is in a downward trend. So we are not putting more in, it is actually going downwards. I do need to point that out.



- ✌ Don Loretto – That is a projection.
- TM – No, 14-15 went down. That is this year. So, it actually went down.
- ✌ Don Loretto – If we do not know what the reserve amount that we are going to put in is, like I asked, then we do not know if that is accurate and that is the question.
- Paul Shephard – But the 14-15 is from August.
- ✌ Don Loretto – Is accurate?
- TM – That is accurate.
- ✌ Don Loretto – Future ones are just projections if you do not know what will change. I guess the real question is to the Board, do we intend to keep the capital reserve or any reserve,
- ✌ Laurie because the Board decides where the reserve money is going to be put? If we intend to have a reserve, and how much it is and how you are going to accommodate. I mean, it has to be in the budget process somewhere.
- TM – And it is.
  - Michael Byrnes – Two minutes has gone on to ten minutes.
  - Barb Henry – Every year is different.
- ✌ Sandel – I would like to know how it is possible to release a teacher in English and Global that is for our students to have New York State credit by, and a teacher that has done miracles for our children behind us, and she is going to be released. I would like to know why.
- Mike Byrnes – You are talking about Mrs. Wilhelm. She is not being released. She is being reduced as of right now. I agree with you. I had her as a teacher. She is by far one of the best teachers we have in this district, so what I'll say to you is we are going to find out what the State is going to bring back to us, and that would be my recommendation once we figure out what money is coming back from Albany, that \$18,000 for a .33 FTE is restored. Until we know what we are getting, that is going to remain there, but I can assure you that once we figure out where the money is coming from, the money that we are going to be getting from Albany, that will be the first place I will put money back- that I would be in support of putting back.
- ✌ Laurie Sandel – Is there a definite? Is she staying or is she going?
- Mike Byrnes – She is staying, but as of right now, she is a .33 reduction. She is not going to be gone. She will still be in this building, but she is being reduced at this time.
- ✌ Laurie Sandel – So, addressing the Board this morning and the parents that are still here, how can we raise more money with the situation that the Board is in with this school? How do parents and families come together to cope?
- SA – Come Wednesday night.
  - Mike Byrnes – Come to the rally. Call your senator, Senator Gallivan, who has been to this District, and who understands what we are going through, and David DiPietro.
  - Barb Henry – And write your own senators. One of our parents has a whole list of them on our web-site. Copy it and send it out to every one of them, even if they are not in Erie County. If they are in Warsaw County or wherever, send it out, because they affect us.
  - SA – They can increase the money that comes to us. They've tied our hands. They have absolutely tied our hands.
  - Patty Krouse – And I would make sure all you parents here and the children and grandparents do this. It is very mind-boggling when you hear something like this that a teacher who has gone over and beyond...
  - Barb Henry – She is not the first one. We have lost a lot of really great teachers.
  - Mike Byrnes – Mrs. Bossert, Mrs. Cooper.
  - SA – I think it is important for us to recognize that the State of New York creates laws on how teachers are released for budgets. It is the least senior that goes first. We do not pick and choose who. It is the least senior in terms of whichever certification or tenure area. So in English, that is Mrs. Wilhelm. In Social Studies, it is a particular person. That is why you may have heard me earlier say, that as sad as we are about Sheila Harris and Janice O'Brien retiring, they have saved two other Elementary teachers from being cut. Otherwise, we would have seen a 2.0 decrease up there for two other teachers, as well.

✌️ Amanda Krouse – I was just wondering with your budget increases, why then, because your money limit that you had before is now increased, so then why are teachers getting reduced in pay? They will not be able to stay here. You cannot reduce their pay to have a teacher be able to stay. They will not be able to live off that. And I do not understand why if your budget is increasing, why the money towards the teachers is decreasing.

- TM – Fair question. In a nutshell, the reason why is our expenses are rising more than what our revenues are. So, we have contractual expenses we are obligated to pay no matter what. It has gotten that they are rising too fast for our revenues.
- SA – So each person that you keep each year, cost more each year. That makes sense. The more experience someone has, the more money they should make. But the more money that someone makes, the more expenses go with it in terms of health insurance, social security. The more experienced your teachers are in a school district, each year, those expenses will go up.
- Colin Campbell – What is a good ballpark on the annual increase of expenses that we have to deal with?
- SA – Per person, per district?
- Colin Campbell – Across the board per district. Is it 10% or something that expenses are going up that we have no control over?
- TM – As a whole, you are going to see salaries going up about 2.5 – 3%, healthcare is going up 3%, so it just depends on what category you are actually looking at.
- Barb Henry – These expenses are in contracts that we are obligated to pay increases in everybody else's salary. The Board does not get to make that happen.
- SA – Did that answer your question?

✌️ Amanda Krouse – In a way. I understand what tenure is and how you would get locked in a job for how long you are here, and it goes by seniority, but I feel that the Board should decide who gets that and go on more so the quality of teaching. I know personally, that Miss Wilhelm helps everyone and the quality of a teacher when she should be the one staying.

- SA – There is a law, so we cannot break the law - ok? But that does not mean that you cannot write letters. And that is exactly what we have been talking about today. You can write to your legislators, because if you, as a student, feel that current laws in New York State or in State Ed are not fair to you, there are actually two lawsuits across the country that are about the same thing – it is not tenure. The last one who comes is the first one who goes. That is what you are saying. That is what you do not agree with.

✌️ Amanda Krouse – Yeah, and that all of us are here for Miss Wilhelm today, and I do not think it is fair for you guys to decide this.

- Barb Henry – Amanda, we are not deciding. Somebody already decided for us. It is in the contract.
- SA – The best thing that you can do is to take your sadness and your emotion, and put it down in writing and write to Senator Gallivan. Write to the Governor. Write to DiPietro, because they can restore money to schools. That is what they can do. This District has lost \$23 million in entitled revenue since 2008. You can make a difference, and everybody sitting here can make a difference.

✌️ Amanda Krouse – Well, I would just like you guys to maybe try to reconsider a different way to redistribute the money to a way to keep the teachers that are really important.

- Colin Campbell – Nothing has been decided. These are just proposals on the table.

✌️ Colleen Kot – President of ETA. Kids, we have your back. We understand this. I just want to clarify what tenure is all about. It is not a job guarantee. We need to educate everybody as to what it is. It is due process. So if you are going to get rid of a teacher, we have a process as to how that happens. So please understand that. Sue Wilhelm is awesome, but everybody is being impacted, which is why they are holding this educational rally on Wednesday. Governor Cuomo is holding the schools hostage. He is not releasing financial money unless they follow his educational reforms, and you are all being impacted by it. It is horrible. It is horrendous. Please come out Wednesday. We are all in this together. I feel for you. I do. It will be at 6:15. We just need to send a message to Gallivan and DiPietro. We have to be in this together. It is going to be here at the high school. We are going to walk out in front. We just did not have time to switch this back to Main Street,



which would have been more public. You have seen these rallies all over the State. My husband is out of a job – OK – he has been teaching 18 years, and his program has been completely cut. It is impacting everybody. I feel it. It is horrible.

✌️ Rodney Pierce – I live here in Eden. I would like to make some comments that really do not have so much to do with Governor Cuomo or any mistakes that I think we could do between now and 2020 that would help us regardless of what is going on at the State level. I do not think my comments are going to be original with me. It is something that some of us have talked about many times before. I have lived in the Town of Eden since 1971. I have observed Eden's growth, and I can tell you that the number of houses in Eden are significantly greater than they were when we moved here. Not only are they greater in number, they are greater in size. They are more expensive houses than Eden had when I first came to Eden in 1971. The size of the house is related to taxes that come on a house. The amenities on a house, the size of the property all relate to taxes. That stands to houses that are in Eden now in 2014-2015 are more expensive related to the tax level than they were when I came in 1971. There is something about Eden that is unique and beautiful and wonderful. We have talked, and everybody talks about it, what a lovely little community it is, how nice it is that it is like walking back to the 1950's. It is sort of nice, but the fact is there is room for growth in Eden. It is something that I think that now, when things are getting to the consequence that they are that perhaps the school board and the town board need to come together. Any town that loses its school has lost its identity. That is even true if a town loses its post office. It also loses its identity. We can point to towns that are around us very close or villages or hamlets that have that type of thing happen to them. It is a disaster. I think if between now and the next five years would start to do some cooperative thinking to say how can Eden grow, how can Eden grow by numbers of persons coming into town, which would increase our tax base. How can Eden grow by industry, which comes into the town, which would increase our tax base? We have been laid back a little on the comfort that, well, this is an agriculture town, so we cannot touch certain things, but I think some very good constructive thinking to find out that there is space for a housing development to come to this town. Districts like Frontier that you mentioned that are in terrible shape right now, they are growing and growing and growing. They do not have much room to grow anymore, but Eden does have the room. I would like to see some cooperative thinking and innovative thinking along this line, because I think I think it will behoove us regardless of what the Governor says.

✌️ Eleanor Hale – 9<sup>th</sup> grade student – In your presentation, I saw that up on the board was Model UN. I was not sure if it was going to be funded or if it was being considered for being funded. I just wanted to reiterate that if you were to fund the club, it could be funded for under \$1,000. It falls on curriculum, which would be that the research and evidence based clear and understandable and consistent, aligned with college and career expectations based on rigorous content and the application of higher ordered thinking skills and informed by top performing countries to prepare all students for success in our global economy and society. Earlier this year, we went to a meeting in Chicago – the Chicago International Model United Nations. We brought back an award that I brought back, which was the Most Outstanding Delegate. That was out of 8,000 students. It was international, so it was all around the globe. Model UN is extremely important for me and for everyone else. I had a presentation. It was a Power Point, but the person, my counterpart could not make it to show you, but I do not have any visuals, but we went and we saw monuments in Chicago. We stayed for four days. We stayed in a hotel. We put ourselves in places of people. When we think about in one of those points, it says that it is based on rigorous content and application of higher learner and thinking skills, that is exactly what it is. We are higher order thinking. We are thinking outside the box in terms of some places where other people cannot be in. I was the third vice premier of China. I clearly do not look like the third vice premier of China. It was putting myself in that place where I was running the actual country. It is an important after-school activity. I know I was extremely happy to see that it was being considered by the Board. My proposal is just asking if you could fund the club. It would be able to be funded for under \$1,000.

- Mike Byrnes – It is being funded.
- SA – It is proposed to be funded, if the Board adopts it. Would you talk about the award that you won?

✌ Eleanor Hale – Yes. I actually have it with me. This is the fancy triangular glass award. What it looks like, is nothing for what it means. When we went there, it was four days of 14 hour conferences. We got almost two hours of sleep a night, and it does not sound like fun. You get two hours of sleep, and then you basically do school work when you are on a break, but we stood in these rooms with over a hundred people, some of us had less, some of us had more, and we debated on world issues, which was, mine was about islands in the South China Sea, and energy uses in Asia, which is not something that we learned in Global or Geography or anything. It is something that we go out and research, which was about 60 hours of research. We had to write papers. We have to do...it is when I think higher order thinking, it really is. It is like we are real politicians and real diplomats sitting in rooms, racking our brains about how to make this world better. So when we sat in our awards ceremony, and my name, not my name, but the third vice premier of China was called for the Most Outstanding Delegate Award that was when I stood up in front of 8,000 people when everyone clapped for me, that was extremely exciting. More people got awards, but being that one person that stood out, that is when I knew that this club was extremely important to me.

✌ Sue Schnauffer – Parent, Teacher, Musical Producer. So thinking outside the box, and Tom, I really address this to you. Last year, with the musical cuts, we were charged with creating a music booster's club, a 501(C)(3) not-for-profit to try to help fund music in the District. I'm addressing this to you because I know we had this conversation before. Parents are asked to think outside the box. We have a lot of parents here. Is there a 501(C)(3) that we could, as a community, establish to help with funding of the school?

- TM – Let me talk a little bit about my experience in another district. That would be Tonawanda. You and I spoke about this, but no one else here has heard a lot about that. A 501(C)(3) is a separate entity than the school. There is an arm's length in operation. A 501(C)(3) is a not-for-profit, but also, the school cannot be part of that 501(C)(3), because what our part is has to be a totally separate entity; however, that being said, in Tonawanda, they found themselves very similar to us in terms of being in a situation of not being able to fund everything they wanted to. The community members came together and said, we want to form a 501(C)(3) to raise money for things that we cannot afford in the budget. So what they wanted to do is create a general boosters program, so it was not music, it was not sports, it was not anything specific. So that group can say each year, here is what is important for us for next year, the next five years, the next ten years, and then, we want to donate it back to the school district, so if it is the lights outside, if it is a musical, whatever the case may be. So as a whole, that community came together to form a not-for-profit foundation. I still sit on that foundation, which I know you do not.

✌ Sue Schnauffer – And I believe Clarence, when they were in dire straits, was it last budget year, didn't they also form one of the community based not-for-profits?

- TM – Williamsville has one.

✌ Sue Schnauffer – So, it is something we could do. The community has to do it. That is what I wanted to bring out at the meeting here. Thinking outside the box, if our community wants to do something to help the school, there could be a group of people who would get together, form this, just like the sports boosters, just like we are trying to do with the music, more for general education.

- TM – Correct. As a foundation, you can raise money for what you want. The Board then would accept or not accept the funds that you actually want to give. Say, for instance, if you wanted to fund a position, you could actually say you wanted to provide funding for an aide position, the board would say yes or no, then that money would be set aside for what purpose it was that it was intended to be funded for.

✌ Sue Schnauffer – So, the reason I wanted to speak today is that I wanted to make sure that people know that there are other options out there besides depending on Albany. We want Albany to fund our school, but we also want to help ourselves, so that we are not always dependent on raising taxes or what the Governor's going to give us. We want to be able to say, we want Mrs. Wilhelm, we are going to fundraise for Mrs. Wilhelm.

- TM – It is a community coming together. Absolutely.

✌ Sue Schnauffer – Thank you. Thank you for the information.

- ✌️ Barb Henry – On that note, if we did that community fundraiser, would it affect our state aid in any way?
- TM – No. No, because it would be considered an additional revenue source, and it is an organization outside of the school.
- ✌️ Mike Byrnes – Don't we already have this with the Community Foundation that we have?
- SA – It is very similar. So you have an Eden Community Foundation that does exactly the same things within the community. This would be specific to the schools. It is the same concept, though. Mike, you are right.
- ✌️ Sue Schnauffer – If there are community members who would like more information on what we would like so that the music boosters could get established, I would be more than happy to talk to somebody about some of the processes and some of the things we have learned. I think that it is a really good option for us and a worthwhile thing to look at, but like you said, it is separate from the school, so it has to be community-based.
- ✌️ Karen Hall – I am a parent of two children in the District. Some things that I have certainly talked about over the years, and I recently joined Sue and a group of people on music and arts boosters, so I wanted to continue to stress the importance of music in our District. I think we are looking at creative thinking and creativity in school, and that is one place where a lot of students thrive and really get a lot of enjoyment from that part of school. It is important to keep it there and maintain it, especially with lots of talk about career and technical ready, as they go out into the workforce or college. Creative thinking is a very, very important part of that. I feel that music and art needs to maintain and be strong here in the district. A couple of other things, just support for enrichment, gifted and talented. I know that position was lost last year. All students, no matter what academic level they are at, need assistance, no matter where they are. These students also have academic needs. Classroom size, I understand the reduction in enrollment, I understand it makes sense as the kids moving forward. If we are going to differentiate within each of the classrooms, I think it is important to keep the classroom sizes next year, certainly talking about the challenge by keeping classroom sizes small, so that the teachers are better able to do that. Then just one thing that I have been working on a lot is Agriculture in the District. We have a strong agricultural community here in Eden, so we have done a lot. This is sort of thinking outside the box, but a group of us within the District and community volunteers working to bring...I see it as so positive. It is such a wonderful thing that I see happening in Kindergarten through 12<sup>th</sup> grade. One example, next week Mary Banko, and I are working with Kindergarten through second grades. We are talking about sheep and the collection of wool. All of those classrooms are going to have a 45 minute demonstration on the importance of that. Not my expertise, but I am learning. Certainly, Kelly LaRosa is helping to bring that to the teachers and offering that.
- SA – Agriculture in the classroom has been successful. Senator Gallivan is working together with the Wyoming County co-op and Erie co-op to see if we can't be doing the same type of thing, since there is so much funding that goes into Wyoming County. That is really exciting. On top of that, too, is there are a number of committee members who are going to be creating raised beds to grow something with a quick turn-around – lettuce, spinach – I am not sure what it is - at the Elementary School this year. Karen is involved. Paul Zittel is involved. 4H is involved, and Tech is involved. This is a very wonderful opportunity.
- ✌️ Karen Hall – Thank you for your support.
- ✌️ Abby Young – I am a senior at Eden – I also have a message from Mrs. Nicastro, who is a teacher in our school, but she is at a Technology conference this morning in Buffalo. She asked me to relay this message for her. "Having the opportunity to work with Susan Wilhelm has made me a better teacher. She makes connections with students that go beyond the lesson. She will always help students find their way to graduation when otherwise they would have dropped out or given up. Susan lent her efforts and creativity to every District endeavor, not limited to Embers, Raiders Respond or the making up new curriculums for everybody. She makes herself available to Eden learners around the clock, whether she resets the APEX at midnight or helps with a research paper during dinner hour. It is imperative with the reign of this Governor that we come together and support education in every way; making cuts to programming weaken. Programming weakens a school district whereby weakening a community. Please do not reduce Susan Wilhelm's

hours, because she is an asset to our District.” And I have something to say off of that. What Mrs. Nicastro said was true, and Mrs. Wilhelm went and thought about the learning lab that recently...she thought of the learning lab, which is a very helpful thing, and I am down there during my study halls. There are a couple of seniors who have been struggling to graduate, and they are down there every day with her. She is down there every day getting them to write their research papers, getting them to finish their APEX, getting them to even come to school on time. She is there for them to push them to get to school and finish what they have to do, because she wants nothing but the best for us, and she...I do not know how else to say it, she just cares a lot about everybody, and it is sad to hear that she is even up to reduce her hours. I know tenure and stuff like that, but she cares wholeheartedly, way more than I think anybody ever could care about a student.

- SA – So what I heard you talk about is seniority, it is not tenure. You are talking about seniority.



Abby Young – Yeah. I agree with what Amanda said about the seniority. I think that the tenure is a little crazy, because teachers that have been working for ten years have been working for ten years, but the new teachers that have been coming in have fresh ideas, fresh knowledge, fresh things to teach, fresh ways to teach students and stuff like that. They have new ideas that maybe could work out better than the old ideas, so I just think that she should definitely...I do not know, I am just rambling now. I also have another question. I was under the impression that students that are not inside our District are not allowed to attend our school. Say a Hamburg student would like to come to Eden. Why is that? Why can't they pay the school taxes to come to Eden if they choose to come to Eden.

- SA – There are some school districts that have open enrollment to students from other districts, and there are some school districts that do not. But there are laws that are wrapped around having students come from other districts. A few years back, when school boards started looking at their policies, what they realized is that it was impossible to charge a student the actual cost for coming. So, it actually costs us more to educate students than what we actually could charge.



Abby Young – Even if other schools do that?

- SA – Some school districts will do it, because their numbers are in such a way that it actually works to their advantage. Let me give you an example from the secondary level – grades 9-12. If I had 32 students that want to take a class, I need to push two classes to get 32 kids. So I end up with 16 and 16. That becomes a very expensive venture. We would be better off with 20 and 20. In some cases, in some districts, it is worth it for them to bring the students in. It boosts their student number, so that their class-sizes are less expensive per kid.



Jennifer Horschel – I am a parent in the District, and I am also a member of the PTA. Before my young people leave, I would just like to make one statement. With parents' permission, it is great to see all these young faces here. It is great to see all of you in the crowd, concerned about your school. It is wonderful to see. My suggestion to you, with your parents' permission, there is that name that went up here to contact your representative. I do not know how old each of you are. You may not be old enough to vote, but that does not mean that with your parent's permission, you are definitely old enough to write a letter to one of these representatives. It does not matter that you cannot vote. The laws that are being put in place by these adults have a direct impact on you. I do have packets with me. These are packets that the Eden PTA and the Eden Teachers' Association put together. These are letters that the New York State PTA wrote about current issues in education. There is a date for the rally. There is an advocacy alert, and there are names on the back. These are all the representatives. The first three are the Governor and the two state representatives that directly impact you. You can also friend Mr. DiPietro and Mr. Gallivan on Facebook. I send Mr. DiPietro messages all the time. I am going to strongly encourage you to ask your parents first. Do not say Mrs. Horschel said to do it. I am just saying, it is definitely an option for you, and they will listen. If anybody needs packets, I have them.

- TM – Is there anyone else who wanted to get up and make a comment?



Don Johnson – Parent, taxpayer, resident – I noticed from 2007-2008, enrollment went down dramatically, roughly 40% to this day. What has the amount of staffing done, because at the last forum, from what I understood 75% of costs are employee costs? Has staffing gone down any of that amount?

- SA – Sure. We are a service-related industry. In a service-related industry, our costs are going to go towards service, not towards things. Our costs, whether it is 75 or 80%, whatever it will be, is definitely going to be about people. When we start to take a look at the staff in the District, what you will immediately see is that at one point, there were five or six classrooms at the primary school. We are now down to four. Yes, there have been staffing cuts, and you are starting to see that even more so. This year, we are cutting a second grade classroom. Next year, we are cutting a third grade classroom. If nothing changes in enrollment, the following year fourth grade, the following year after that fifth grade. We will start to see what happens as we come up the line. The same thing is happening at the secondary level. That is what you are hearing the students talk about. We are under State Education Law that the last person in as a teacher is the first person to go - the least senior. The emotion and the impact that you are seeing is the least senior English Teacher. It will start to fall through again into the least senior Social Studies, the least senior Math. This is exactly what will continue to happen as enrollment declines, because we do not need as many teachers over time. The year I came, we did do a big impact on teachers. It would be somewhat right-size that year. We changed our scheduling from block to traditional knowing two things: That in a traditional schedule that we have smaller blocks that we can fit better, knowing that we were declining our enrollment as well. But as time goes by, what you saw here today will continue to happen, is because we will each year know we have fewer students all the time. Forty does not make for one teacher cut. It takes more than 40 kids. Over time, you will start to see me making recommendations that are hard recommendations, but that is exactly what is happening.

✌ Don Johnson – I would think that we would want to do it through more of an attrition than through... I know that is extremely difficult.

- SA – I do, too. It is happening this year, which is wonderful. You have two senior, wonderful teachers retiring, but it is saving two other teachers. I agree with you about attrition.

✌ Don Johnson – My fear within New York State is our taxes are so high that we are driving people out of the State, and I really wanted those kids to hang out for a little bit. They are going to be the ones that are going to have to move somewhere else. It is economic reality. Where is a business or a person going to want to go – Where they can get a job, make a living, or if a business, make a profit and pay out as little as they can.

✌ Don Johnson – The other thing that I wanted to touch on was the capital project. What is going to be the economic impact after the State pays their share? I know each town, city, village, or whatever, the State reimburses you a certain percent...

- TM – We are about 80%.

✌ Don Johnson – Eighty percent, so you are going to have a 20% cost on whatever you decide that capital improvement cost is, and with other expenses, I agree with Barb, we have not done anything. The schools are looking kind of rough, but before we do wish-list type items, we should try to keep our economic house in order.

- SA – We are working on the number for a capital project that will have a zero tax impact. That takes a little bit of work, and we are not there yet. Tom has been working on that all week to try to get to those numbers. We do not have that number just yet. Then it will be up to Board to determine what it believes the community would want or can handle in terms of a tax impact above and beyond that number. The other thing that we have turned around is trying to answer to some extent Mr. Loretto is smart school districts put \$100,000 or \$200,000 each year to capital outlay projects, so that each year, they are doing some maintenance that is not considered big, but it is big enough to make an impact on us. Our District has not put that money aside, it has not had the money to put it inside. In our second year, and I give Tom a lot of credit and the Board of Education, for attempting to switch the way we spend and how we save our money and where we put our money, so it has less of an impact on the taxpayers. If you see a recommendation for \$250- or \$300,000 to go to a capital reserve, that means that it is less of an impact on you, as a taxpayer. What I would love to see is Eden Central School District having \$2 million in their capital reserve. We said that last year at



one of our board meetings, because then I can have a major...I can have a zero tax impact on residents with a major project. We are not there. We cannot do that.

- TM – One of the things I would say with a capital project is that we mentioned that right now we are at about 80% reimbursement rate from the State. That changes every year, so that will fluctuate a little bit. One thing I would advise everyone and caution everyone on, we mentioned a couple times of a tax neutral project, I think we need to be very careful when we say a tax neutral project, because people will expect it will not cost them anything. When we go on record and say it will not cost you anything, if it ends up costing people something, they will be back here saying, wait a minute, you said tax neutral. I would be very cautious of really ever going out and saying it will be tax neutral. We can say we are aiming for, but to say it will be is very dangerous.
- SA – We are working on what that number would be.
- TM – We are working on what that target would be. That 20% that we have left over really would not cost us 20%, because you have things like reserves and stuff like that. So if you structure your debt service in the best, most advantageous way, that 20% may not cost us 20%. It may not be tax neutral, but it also may not be 20%, as well. That is what we are trying to work on right now.

✌ Don Johnson – Tom, on the future budget for next year, how much is figured in there, or needs to be figured in there for the school bus situation? And is that being looked at with a fine-tooth comb?

- TM – Absolutely. This board, I will give them a lot of kudos, has spent months looking at the busing situation. What we are actually looking at is not only to get through this year, stabilize next year, and look at the long term plan. At the last meeting, the Board had said we are looking at a seven to nine year replacement plan for our buses. Now we are starting to, and actually will go out next year and beginning that replacement schedule. Next year, after this point, we are looking at purchasing three buses and leasing three buses. We are going to see how we can structure them the best way possible, that we are keeping the dollar level consistent over the years. We are looking at about a \$450,000 level. Right now, we have the money in our capital reserve to take out \$450,000 for buses for next year. There will be no general fund impact next year on taxpayers for the buses.

✌ Barb Henry – I have one more question. I have a question for Kelly LaRosa. How many languages do we have here in Eden? And what is normal for our size district, which we are about 1,500...

- SA - A little under – 1,460.

✌ Barb Henry – How many languages do they usually have?

- KL – It varies from district to district.
- MG – East Aurora has five.

✌ Barb Henry – Five languages?

- SA – It just depends on how they are structured, as well. Some school districts can offer their languages from Kindergarten on up. Other districts may not offer a second language until 11<sup>th</sup> or 12<sup>th</sup> grade. One other committee that we talked about in board meetings that will be starting up this coming summer and fall is a community-based committee to take a look at our foreign languages based on enrollment. We have to look down the line. Not where we are now, but where we predict to be in 2018 or 2019, it appears in 18 or 19, we really will not have enough students to even put them in three different languages. We will be asking our parents to tell us what foreign languages, world languages right now, they want us to be offering, so that we are not sitting up here trying to make that decision for them.

✌ Tom Murphy – Thank you everyone for coming out. It is just a little bit after 12. We appreciate your patience. Please feel free to call, e-mail or text. Write your Governor, write your official.

✌ Sandy Anzalone – And come Wednesday night.

#### **IV. The Community Forum ended at 12:09 p.m.**