

## **Budget Advisory Team**

### Meeting Minutes

March 18, 2015

*Present:* Sandy Anzalone, Thomas Murphy, Brenda Burgstahler, Mike Breeden, Mike Byrnes, Rose Heckathorn, Scott Henderson, Barb Henry, Jennifer Horschel, Shawn Johnson, Kathy Klopp, Lucinda Karstedt, Patty Krouse, Nicole Lauer, Paul Shephard

*Next meeting:* Tuesday, April 7, 2015, 5:45 p.m., Jr./Sr. High School Cafeteria

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#### **I. Called to Order 5:50 p.m.**

#### **II. Budget Advisory Team Meeting**

##### **A. Opening Remarks – Mr. Thomas Murphy**

- ✌ There is a lot going on tonight. The rally begins at 6 pm and will continue throughout these proceedings. The rally/protest is not a protest of the district but rather the funding cuts made by NYS. There may be people walking out of the meeting to participate in the rally.
- ✌ There have been two community forums. We will give an overview of the Community Forums.

##### **B. Overview of Community Forum Presentations – Mr. Murphy & Mrs. Anzalone**

- ✌ There has been a total of about \$24 million withheld from the District since 2007-2008. Please write or call your local representatives to urge them to restore funding to schools. If nothing else is changed over the next four years, a deficit of \$10 million is projected. We cannot count on what the State will do.
- ✌ Reserves and enrollment projections are decreasing.
- ✌ Last year's budget was about \$26.3 million, which was an increase of 2.62%. The tax levy went up 1.78%. This year, the spending plan is \$27.2 million, which is an increase of 3.51%. The revenues from the tax cap are 2.21% or \$294,000. The year to year difference shows a gap of \$1.5 million. Some fund balance and reserves will be used for a new deficit of \$437,000.
- ✌ Changes will be made from year to year according to program requirements. More students with higher needs would mean more money must be allocated to their program requirements.
- ✌ Proposed changes for next year are the addition of two classroom aides at the Elementary School, one clerk typist, one .5 Special Education Teacher at GLP, two classroom aides at GLP, one sander and salt truck, a guidance department chairperson, an Elementary Homework Club advisor and Model UN advisor.
- ✌ There are proposed reductions of a second grade teacher and a third grade teacher due to enrollment, but because there are two retirements, no elementary teachers will be laid-off. There is a proposed reduction of .33 FTE in Science due to declining enrollment and a .33 in English due to budget and enrollment. With the reduction of a second and third grade class, there will be associated reductions in specials – i.e. Art, Music, Physical Education, Technology, and Library. Cuts were made across the board in 2013. This year, the cuts will be a combination of enrollment and budget. There cannot be cuts at the GLP or Eden Elementary anymore, or clerical, equipment, or buses. The only thing left to look at is staff, but it will not be at the Elementary level.
- ✌ There are proposed cuts of the Director of Transportation and twenty hours per week in runs, including a reduction in bus driver hours. Other proposed cuts include JV Sports. The total cost savings for eliminating JV Sports is \$51,000.

### **C. General Discussion**

- ✌️ Mr. Breeden asked why JV sports would be cut rather than Modified sports. Mr. Murphy stated that Miss Fallacaro would address that at the Board Meeting.
- ✌️ Mr. Byrnes asked Mrs. Klopp if she thought attendance would be better in the High School Office. Mrs. Klopp prefers that attendance be in the Athletic Office near the nurse. She said it should be done by someone who has the time to pay attention to it.

### **D. Appropriations vs. Revenues – Mr. Thomas Murphy**

- ✌️ Right now, the budget is \$27.2 million. Revenues are \$25.07 million, which is a difference of \$1.5 million. In terms of closing that gap, a placeholder of \$1.1 million in fund balance and reserves is contemplated, with the remaining \$437,000 coming from cuts. We can close the gap, but we are still deficit spending.
- ✌️ Last year, we put \$1 million into reserves. In past years, we have put \$2.5 - \$3 million into reserves. This is because spending was cut off at some point during the school year. Of the money that was put back into reserves last year, it was split among others, between the Capital Reserve, the Employee Retirement System Reserve and the Unemployment Reserve. The Capital Reserve is now just under \$1 million. About \$450,000 may have to come out of the Capital Reserve for buses this year.
- ✌️ The PTA is finding that they have less in their savings accounts than they would like. They fund field trips and other activities at all three levels. The District may have to make a choice about funding activities that would have been funded by the PTA or not offer them.
- ✌️ Our position is better this year than it was last year, but we would still have to make cuts that will not be easy.
- ✌️ Last year, the GEA restoration was \$229,000. The State Aid increases per year for the past couple years has averaged out to \$20,000. At this point, the maximum we would see is \$229,000.
- ✌️ The 2% tax cap is not really 2%. There is a formula to calculate the tax cap. Starting with the lesser of the 2% or consumer price index, you can then add certain exclusions – overage of 2% on the retirement system, PILOTs (payments in lieu of taxes), Capital Project exclusions, etc. Last year, we were at 1.78%. This year, we are at 2.21%.

### **E. Questions – Mr. Thomas Murphy**

- ✌️ Mr. Breeden asked how the community feedback was after the community forum. Mr. Murphy stated that he felt the community was very supportive. The biggest question was whether projected cuts were due to budget or enrollment. There were no comments about the sports cuts.

### **III. Closing Remarks – Mr. Murphy**

- ✌️ Last week, a representative spoke to school business officials, school board officials and other constituent groups. When the school deficits were discussed, an elected official said school business officials do not understand budgets, because the State has to balance their budget – they cannot have a deficit budget. The business official responded that they do understand budgets, because schools have to live with the same rules. The State balances their budget by taking away from schools. Schools have to take away elsewhere.
- ✌️ Mr. Breeden commented on the push for consolidation of schools in New York State. He asked if there had been any efforts lately. Some of the Cheektowaga Schools discussed it, but backed out.

### **IV. Meeting Adjourned at 6:48.**