

MEMBERS PRESENT: **DEIRDRE BURNS**
 DEIRDRE d'ALBERTIS
 MARK FLEISCHHAUER
 STEVE JENKINS
 DIANE LYONS
 LISA ROSENTHAL (arrived 10:09 am)
 LAURA SCHULKIND

OTHERS PRESENT: **JOSEPH PHELAN, TOM BURNELL,**
 ED DAVENPORT, JOHN KEMNITZER, BRETT KING,
 MARVIN KREPS, FERN LOX, STEVE JENSEN,
 MEMBERS OF THE PUBLIC

1.0 Call to Order

President Fleischhauer called the workshop to order in the Bulkeley Middle School cafeteria at 9:09 am.

2.0 Introduction

Superintendent Phelan outlined the workshop process and ground rules, explaining that this is the Board's opportunity to meet and focus on a single topic, the development of the budget. The Board will review, in public, the budget process to date. District administrators were available for information and questions. Superintendent Phelan stated that a final decision on the budget will be made at the April 18 Board of Education meeting with an annual vote to adopt the budget on May 16, 2017.

3.0 Budget Process Overview

3.1 Discussion of the process for the "Rollover" Budget with fixed costs

Superintendent Phelan gave a brief description of the rollover budget.

3.2 Discussion of the process for subsequent budget drafts

Superintendent Phelan gave a brief history of the draft budgets to date. The Board has reviewed several iterations of the draft budget, most recently looking at a budget to budget increase of 3.16% that would drive a projected tax levy increase of 4.31%, versus this coming year's tax levy limit of 2.18%; leaving a gap of \$571,673.00. Superintendent Phelan explained the simple majority vs. super majority vote of 60% to pass a budget that exceeds a district's tax levy limit. In terms of process, should the Board put up a budget that exceeds the tax cap, it must pass by an affirmative vote of at least 60%. Should the budget not pass, the Board has the option of putting the same vote up again, putting up a modified version, or putting up a budget under the tax levy cap. Should that vote also fail, regulations state that the District will be held to a 0% levy increase/contingent budget which will mean cutting over \$1 million from the budget. The implications of that in terms of budget reductions would be much more serious than anything we are talking about at this point. The question the Board faces is whether to put up a budget at or below the tax levy cap or

to exceed the tax cap. Unfortunately, the tax cap limit is driving decisions around the budget.

4.0 Tax Levy Cap Limit

Mr. Burnell briefly reviewed the formula for the calculation of the maximum tax levy. For the 2017-2018 school year, the maximum allowable tax levy is 2.18% to maintain the budget without exceeding the tax cap which is higher than last year's 1.26%. The tax based growth measure for Rhinebeck has increased with new structures and/or additions to properties which has been good in the calculation of the tax levy. Even so, the percentage allows for an increase of \$585,000 over last year's budget without exceeding the tax cap limit.

5.0 Overview of the Budget Process To Date

Superintendent Phelan explained that two of the biggest drivers of expenses for this coming year are health insurance cost increases and special education costs increases. Special education services are mandated by law, so the District does not have much flexibility there. In terms of health insurance, the rates are increasing 15% to the tune of approximately \$730,000. He added that nothing in this budget scenario has anything to do with the capital project voted on in December.

6.0 Revenue Projections To Date

6.1 State Aid

This budget proposal is based on the Governor's current proposal which only gives the District an \$18,000 increase in Foundation Aid over last year. The legislatures have submitted their proposals, which include additional state aid over the Governor's proposal. Once they have finalized the budget (on or about April 1), we will find out what the District is slated to receive. Although the District is hopeful that the aid will increase, we are fairly certain that it will not be enough to close the current gap entirely. We are using the worst case aid scenario for budgeting purposes, hoping for additional state aid.

6.2 Other Revenues

The largest portion of revenue comes from the tax levy.

7.0 Discussion and Review of Current Budget Proposal and Potential Adjustments

Superintendent Phelan stated that state regulation prohibits Board members from advocating for the passage of the budget.

Discussion turned to how to overcome the \$571,673.00 gap in the budget.

Deirdre Burns shared that the Board wishes to explore potential budget cuts to get the District under the tax levy cap as well as the possibility of piercing the tax cap. She added that the District has made cuts in the past five years, and now we are down to staff. It is not what the Board wants to do, but will the community accept a budget that exceeds the tax levy cap? Additionally, the challenge of being a high wealth district in the tax cap era is that the tax cap limit does not allow for additional funding without a super majority vote.

Dr. Davenport reported that some of the budget cuts for the high school include a reduction in ELA. The courses listed on the Options for Budget Reductions are for illustration purposes only. For next year, it could mean a reduction in sections of courses, an increase in class sizes, and/or a reduction in electives offered every year. It could mean more students in study halls, late arrival and early dismissals due to the limitations within the master schedule.

Superintendent Phelan explained that the fact that the District will need to cut such a large amount, the administrators were asked to put together options for budget reductions that would have the least impact on programs. He added that these things were suggested very reluctantly, as they all have value.

Dr. Davenport added that the courses cited in the Options for Budget Reductions are not necessarily the actual courses to be cut, as decisions will be based on actual enrollment and historical enrollment/projected enrollment trends.

Discussion turned to athletics and Steve Boucher reported that similarly to the high school, athletics are request-driven by students. As enrollment declines, the high school will have fewer students to participate in teams. When a particular team has not run in 2-3 years, it is removed from the budget. Currently, the participation level is 45% of the student body. The athletics department is anticipating the same percentage of participation but with fewer teams. The athletics department has already cut in the past and there isn't much left to cut while maintaining current programs. Uniforms are getting reconditioned every 7-8 years instead of new ones being purchased. Transportation is a big part of the budget. Additionally, he has seen a lot of JV programs in the area being cut due to low enrollment.

Lisa Rosenthal arrived at 10:09 am.

Discussion turned to the AIS Math position, and Brett King reported that the implications would be larger classes as well as more pull-outs.

Mr. Kemnitzer reported that the reduction in Science and English is due mainly to low enrollment. The middle school proposes to eliminate a section going from 5 to 4 sections for grade 8, as was done for grade 6 two years ago and grade 7 last year. The individual teachers affected could help fill needs in the high school or AIS in order to continue to be 1.0 FTE.

The principals reported on the reductions in non-instructional staff. Mr. King reported that at CLS, a classroom aide will cover the duties of a proposed reduction of a lunch/recess aide. Mr. Kemnitzer reported that aides support high needs students and he has been working with Dr. Davenport to share aides to work in both buildings. Dr. Davenport reported that the high school will lose a monitor after 3:10 pm. As far as clerical work, most of the impact will be felt in the summer. The athletic department needs support, as well as guidance aide work on the master schedule over the summer.

A short discussion was held on the impact the reductions will have on increased numbers of students attending study halls, due to not having time in their schedule to take singleton courses. The Board briefly discussed virtual courses. Dr. Davenport shared that the high school is currently offering Educere (BOCES online learning platform) that needs to be augmented and supervised by a member of the staff.

Emily Davison reported that the teaching assistant position elimination is due to retirement, so it is not affecting a person. She reported that although the District can sustain the loss of the position, it will have implications. Special Education teaching assistants provide general support for special education students. She added that all instructional cuts, general education, or special education, will impact special education students because of increased class size.

President Fleischhauer called for a short recess at 10:47 am.

The meeting reconvened at 11:01 am.

The Board discussed co-curricular activities and how many students is too small in order to cancel a particular activity. Dr. Davenport reported that the decision is not based on just student participation but also on the need for the club, as some clubs are important due to social-emotional needs and the impact a club can have. It appears that cuts in this area will affect 4-5 clubs depending on what is budgeted for each.

Dr. Davenport reported that the reduction in supplies, textbooks, field trips, etc. means deferring textbook replacements/purchases, field trips for students and faculty, and deferring purchases for iPads for PE.

The Board discussed the proposed reduction in a custodial worker. Sheldon Tieder reported that reduction will impact summer work as well as have a "lower" level of cleanliness in the buildings without it being a health or safety issue.

Brett King shared with the Board the implications of reducing high school art and how that reduction will decimate the specials program at CLS. The District will not be able to keep good faculty in .4 positions due to no benefits and lower pay. Rhinebeck will be used as a stepping stone for faculty to move to other districts. Lisa Rosenthal stated that every positional change we make has an impact over the next several years. Once you take money out of the budget it is hard to put it back and every year we are reducing levels. Can we make it work monetarily to cut people? Probably...but does that serve the students? Probably not.

The Board discussed administrative reductions. At CLS, the assistant principal responsibilities over the summer include AIS work which is very data driven, 504 Accommodations Plans, and APPR evaluations. Setting up the master schedule and AIS takes place over the summer with a lot of scheduling and logistics to set up for the coming year. At the middle and high schools, the assistant principal chairs 504 committees, manages student attendance, discipline, and conducts all unannounced APPR observations,

oversees instruction for students not attending school for medical reasons, student crisis management, positive school climate, and coaches. In terms of summer work, the assistant principal develops 504 Plans and works on the master schedule. The APPR has significantly increased workload for all administrators.

President Fleischhauer gave the public a chance to speak.

Michael Sikula suggested that the Board look at alternatives to cutting currently staffed positions. Teacher aides provide supervision and positive experiences for students, which is important.

Kathy Giles stated that the Art department has been working together to create new classes to keep students in District programs such as the Theatre course with 17 students enrolled. A section of Studio Art was dropped but she proposed bringing back Studio Art to three sections and flip-flop electives instead. She asked that the District consider that we are educating students and we need electives to keep children in school engaged in meaningful courses...not study halls and leaving early/arriving late.

Howard Mackie stated that the proposed cuts seem counterintuitive, with most cuts at the high school level. He stated that he favors piercing tax cap and would like to see the sharing of the "pain" between buildings and district level.

Victor Britton stated from experience that electives can change a student's life at school and keep them in school.

Frank Seldin implored the Board to step back and rethink the incremental budget process. Should the Board continue to cut every year, the District will eventually "fall off the cliff." The family moved here because of the quality of the education.

Pat Sexton expressed her concerns at taking away Art and ELA, which gives so much opportunity for creative expression. Creativity adds to academic success. This is not just a school problem, but a town problem. Property values will go down. If we do this every year, what will the schools look like in a few years?

Katelin Grande explained the impact on vulnerable/at-risk students. Historically, the District had modified courses to help those students. As class sizes go up, it will be more difficult to help support students.

Ali Hammoud shared concern on getting a super-majority vote passed. He suggested that it would be helpful if the community can get the sense that the district is the correct size in regard to staffing.

Rebeca Lewitt shared that the Rhinebeck schools are an asset and incentive for people to move here.

Sahara Williams stated that her family moved into this district because of the school program. The schools are really special and so are the teachers. She suggested that it is not a coincidence that graduating students are attending Ivy League colleges - it's because of the schools.

Alex Salchert stated the joy he receives when he is making things in art class. He would not be the person he is today if it were not for art and self-expression.

Jaclyn Savolainen expressed her struggles as a high school student because these kinds of programs were not available which keeps students in school and give opportunity for creative expression. She questioned administrative salary increases, health care costs, contractual issues and negotiating of health care plan options. She suggested that the District look into successful campaigns that have pierced the tax cap to model.

Pamela Ellis stated that there's a big disconnect between no administrative cuts and things that affect students.

Superintendent Phelan reminded everyone that the Board will be meeting on April 18 to adopt a budget with a hearing at 7:00 pm. The Board will be discussing budget development at the April 4 board meeting. The annual vote is Tuesday, May 16, 2017.

President Fleischhauer reiterated that no final decisions have been made with regard to the budget. He encouraged everyone to get involved, write legislators to support a State budget that provides more aid to schools, and tell them what they think about the tax cap. He asked Board members to come prepared to discuss potential cuts to the next board meeting and be prepared to express an opinion if you wish to pierce the tax cap and by how much.

The Board wished to thank the people that came and those who expressed their opinions.

8.0 Adjournment

Motion by d'Albertis, seconded by Rosenthal, the Board voted to adjourn at 12:40 pm.

VOTE: 7 AYE (Burns, d'Albertis, Fleischhauer, Jenkins, Lyons, Rosenthal, Schulkind); 0 NAY; 0 ABSTAIN; 0 ABSENT
MOTION CARRIED

Respectfully submitted,

Mary Ann Torres
District Clerk