

Preliminary Public Hearing

A Special Meeting of the Board of Education of the Northport-East Northport Union Free School District was held on Monday evening, April 2, 2012, beginning at 6:22 p.m., in the Faculty Dining Room at Northport High School, 154 Laurel Hill Road, Northport, New York, with Mr. Stephen V. Waldenburg, Jr., Chairperson, opening the meeting and presiding.

Members present: Ms. Julia Binger, Mrs. Kristen Gavin, Mrs. Lori McCue, Mrs. Donna McNaughton, Mr. Andrew Rapiejko, Mr. Joseph Sabia, Mrs. Jennifer Thompson, Mrs. Tammie Topel, Mr. Stephen V. Waldenburg, Jr.

Members absent: None

Also present: Dr. Marylou McDermott, Superintendent of Schools  
Dr. Terry Bouton, Assistant Superintendent for Human Resources  
Ms. Kathleen Molander, Assistant Superintendent for Business  
Mr. Matthew Nelson, Assistant Superintendent for Instruction and Administration

1. President Waldenburg called the meeting to order.

Motion was made by Trustee Sabia, seconded by Trustee McNaughton, to convene into Executive Session to discuss matters pertaining to current litigation and matters pertaining to the employment history of particular persons and matters pertaining to contract negotiations.

Unanimously carried.

At 7:50 p.m., the Board reconvened in public session in the Large Cafeteria at Northport High School.

Public attendance: There were approximately 85 persons present.

2. Mr. Waldenburg led those present in the Pledge of Allegiance; and
3. Pointed out the emergency exits.

Dr. Marylou McDermott, Superintendent, presented on the fund balance, reviewing the difference between an assigned fund balance and unassigned fund balance. Dr. McDermott stated that the assigned fund balance includes purchase order encumbrances for bona fide obligations and the amount of fund balance used to lower the tax levy. Dr. McDermott noted that there is \$4.1 million in the assigned fund balance (\$3.5 million to lower the tax levy and \$600,000 in encumbrances). The unassigned fund balance is money available for contingency expenses. The legal unassigned fund balance cap is 4% of a district's budget. Dr. McDermott noted that the District is at 3.99% which is approximately \$6 million. Contingency expenses include increases in student population, mid-year State Aid cuts, additional Special Education costs, emergency maintenance of ten buildings, unanticipated overtime expenses, unfunded mandates, acts of nature, unanticipated energy costs and unanticipated medical support for students. Ms. Kathleen Molander, Assistant Superintendent for Business, reviewed the revenue projections by source and the assessed valuation and tax rate history and projections.

There was a discussion regarding ARRA money, costs per student, tax levy, unrestricted and restricted reserves.

Dr. McDermott reviewed the District's six restricted reserves, EBALR, ERS, Unemployment, Workers' Compensation, Capital Reserve and Insurance Reserve which total \$15.5 million. Dr. McDermott noted that these reserves can only be used for their intended purposes. Dr. McDermott stated that the 4% fund balance is approximately \$6 million, which falls in the middle when compared to other districts. Dr. McDermott noted that the long term goal is to continue to reduce the assigned fund balance to ultimately

only have a rainy day fund. The District has been doing long range fiscal planning while preserving programs and staff and keeping the District healthy in programs and finances.

In response to a question, Ms. Kathleen Molander, Assistant Superintendent for Business, stated that the State Aid number has gone down from what the Governor proposed in January. Ms. Molander stated that many aids are expenditure driven based on estimates and that one of the estimated aids when down by \$188,000, foundation aid went up by \$117,000, and any increase was negated by Special Education expenditure driven aid.

4. BOARD AND COMMUNITY DISCUSSION OF SUPERINTENDENT'S PROPOSED 2012-2013 BUDGET

4.01 Communications to the Board relating to the budget:

4.01.1 E-mail from Ms. Holly Guerrero, received March 19, 2012

President Waldenburg stated that Ms. Guerrero was in favor of the 2% tax levy increase.

4.01.2 E-mail from Mr. Dominic Varrialle, received March 20, 2012

President Waldenburg stated that Mr. Varrialle was in favor of the 2% raise in budget.

4.01.3 E-mail from Mrs. Carrier Pearlman, received March 22, 2012

President Waldenburg stated that Mrs. Pearlman was in favor of the 2% tax increase for the new budget.

4.01.4 E-mail from Ms. Margaret Gibbons, received March 27, 2012

President Waldenburg stated that Ms. Gibbons was not in favor of a 0% budget.

4.01.5 E-mail from Mr. and Mrs. Longo, received March 29, 2012

President Waldenburg stated that Mr. and Mrs. Longo were in favor of a 0% budget increase.

4.01.6 E-mail from Mr. and Mrs. Liebeck, received April 2, 2012

President Waldenburg stated that Mr. and Mrs. Liebeck were in favor of a 0% budget increase.

4.01.7 E-mail from Mr. Kenneth Rodgers, received April 2, 2012

President Waldenburg stated that Mr. Rodgers was in favor of a 0% budget increase.

4.01.8 E-mail from Mrs. Patricia Rodgers, received April 2, 2012

President Waldenburg stated that Mrs. Rodgers was in favor of a 0% budget increase.

4.02 Opportunity for public input regarding the school budget for 2012-2013

Name

Comment

David Chinitz  
Resident

Mr. Chinitz commended the Board on diligently reviewing the line by line budget and the transparency. Mr. Chinitz stated that the District's website has excellent information. Mr. Chinitz also stated that there should be more transparency showing the difference between a 2% and 0% budget and that assembling a 0%

budget with cuts to student programs affects everyone's emotions and is not an accurate way of doing it. Mr. Chinitz asked for more transparency in what the community is paying for.

Henry Murer  
Resident

Mr. Murer stated that he has been a resident for 25 years and asked the Board to think of the people that they represent when making decisions, to take into consideration the best interests of the community, and to be humble.

Curtis Smith  
Resident

Mr. Smith stated that he has been a resident since 1980 and he is unable to stay in town any longer because the taxes keep eating at revenue. Mr. Smith stated that there are places where the District can reduce spending and be more effective. Mr. Smith stated that he thinks there is a lot of rubber stamping going on which is old fashioned.

Steve Brown  
Resident

Mr. Brown stated that the next college graduates are moving away from town and that as property values go down, taxes are going up. Mr. Brown stated that the doom and gloom has to stop along with stopping the \$10,000 raises for principals and vice principals. Mr. Brown stated that the community needs a 0% budget increase and that the private sector does not have the lucrative salaries, pension plans, sick days, holidays, and reserves.

Jennifer Lau  
Resident

Ms. Lau stated that she has been to several Board meetings and gets a sense of Dr. McDermott's vision for the school district. Ms. Lau stated that she bought her house because of the school district and supports a 2% increase. Ms. Lau stated that she appreciates Dr. McDermott's comments about continuing the District's good, sound financial position.

Jennifer Labruna  
Resident

Ms. Labruna stated that she has been a lifelong resident in the district, going through the schools along with her husband. Ms. Labruna stated that she is in full support of a 2% budget. Ms. Labruna stated that she had the opportunity to talk to residents of other districts and many districts are looking to cut programs and teachers. Ms. Labruna stated that this past year 8<sup>th</sup> graders have been bused to the high school for math class and that this is an upheaval to those students.

Dr. McDermott stated that the District will make accommodations at both middle schools for the math classes.

Thomas Shortell  
Resident

Mr. Shortell asked what the attendance runners do and why the guidance counselors couldn't do that job, why the department heads do not teach, the status of the teachers' contract, will teachers be replaced if they retire, and the number of students in each school.

Ms. Irene McLaughlin, Northport High School Principal, stated that the attendance teams is a group of teachers who, during a period when they are not assigned to a teaching role, assist the Assistant Principal's office by making visit to classrooms to speak to students about illegal absences. Ms. McLaughlin noted that each counselor has approximately 210 students and the cost for the attendance team is approximately \$45,000.00.

Dr. McDermott stated that the instructional leaders guide teachers in best practices and that the directors and chairpersons are K-12. Mr. Matt Nelson, Assistant Superintendent for Instruction and Administration, also stated that there are new standards nationwide and statewide as well as the new APPR that are the responsibilities of the directors and chairpersons.

President Waldenburg stated that an MOA had been reached but was not ratified by the UTN, and it has now gone to fact finding.

Dr. McDermott stated that the District is always looking at student enrollment and constantly looking for places where the District can streamline. Dr. McDermott stated that they do look at enrollment trends and at this point some buildings are at capacity.

Armand D'Accordo  
UTN-EN Stated that the District does not need to cut expenses to get to 0%, they just need to cut the budget. Mr. D'Accordo stated that it is unconscionable to present a budget that increases taxes. Mr. D'Accordo stated that as of June 30, 2011 the District had \$29 million in total fund balance and this year is expected to under-spend by \$10 million. Mr. D'Accordo stated that a number of lines in the budget are inflated and that the unassigned fund balance has never been used and it is raining in the community so it's time to use it. Mr. D'Accordo stated that the bottom line is that it is an inflated budget and that a 0% tax increase is absolutely achievable without any cuts.

Nina Dorata  
Resident Stated that the Board needs to balance the desires of the community and academics. The District has made statements regarding the relationship between property values and the school district and it is true that the school district is part of the community and contributes to the value of property. Dr. Dorata stated that a homeowner can only control that it does to the physical appearance of a home and can't control value of location. Dr. Dorata stated there is an assumption that increased spending leads to improved academic outcomes but in actuality improved test scores add value to property. Dr. Dorata stated that the Board and the District should ask how does the proposed budget improve academic outcomes, what is the long range plan to improve academic value, how is the district going to increase test scores, and how is a \$154 million budget justified to the community.

Dr. McDermott stated that academic standards are not just about test scores but about the whole child and student growth. Dr. McDermott stated that the budget encompasses an IEP for every child. Mr. Matt Nelson, Assistant Superintendent for Instruction and Administration, stated that the District is concentrating more on individual assessments and the needs of individual students and they are seeing student growth.

Tom Gulemi  
Resident Stated that there is a runaway train going on across the State and in Nassau and Suffolk Counties and the district needs to get teacher salaries under control. Mr. Gulemi stated that if the teachers dressed in black are not happy with the contract then let them quit. Mr. Gulemi also stated that the teachers need a dress code.

Jen Montgomery  
Resident Thanked the Board of the last few meetings stating that they were very informative. Ms. Montgomery stated that the district has incredible teachers and it is very frustrating that the contract has not been settled. Ms. Montgomery stated she supports the 2% budget and that in the current economic times the District needs to be fiscally responsible.

Debbie Sullivan  
Patch.com Asked what the costs are for the IB program.

Mr. Matt Nelson stated that the majority of IB costs are in training and that next year \$100,000 has been budgeted for training. The remaining IB costs are for annual subscription fees, exam registration, registration amendments, performance reports, music accompaniment and postage. Mr. Nelson noted that IB is not a computerized testing system and that all tests are sent out to evaluators to be read.

Janet Weber  
Resident Stated that she has been a resident for 18 years and supports the 2% tax increase. Ms. Weber stated that she is personally willing to cut back \$15-20 per month to preserve quality education. Ms. Weber stated that the District is very smart in having reserves and preserving financial stability and preserving the reputation of the District.

Tom Papell  
Resident Stated that he appreciates the Board's commitment and that he doesn't understand the need to add to the reserves. Mr. Papell stated that he was bothered by the statistics on the actual number of people who vote for the school budget stating that only 15% vote. Mr. Papell stated that he doesn't believe that more money will help education and what matters is getting the community involved.

President Waldenburg stated that the District does send out information regarding the vote and tries to communicate what the budget is about.

Susan Ronde  
Resident Stated that she is a teacher in another district and that it is a very challenging job. Ms. Ronde stated that the benefits the district has provided for her family are tremendous. Ms. Ronde stated that she appreciates the fiscally sound job the District has done and her family supports the budget.

Rob Ingraham  
Resident Thanked the Board for their tireless efforts. Mr. Ingraham stated that his children have also benefitted tremendously by passing through the District's educational system. Mr. Ingraham stated that there are exceptional teachers in the District along with outstanding and diverse educational opportunities. Mr. Ingraham stated that he has studied the dynamics of this year's proposed budget and because the proposed 2% budget preserves educational opportunities and preserves teacher staffing he is in favor of it. However, given the fact that the District has had good fiscal management and built up reserves, perhaps the Board could think about reducing the 2% to 1.5% by tapping a little more into the reserves.

Frank Cavagnaro  
Resident Stated that he was raised in Northport and that the economy is in bad shape and asked that the Board keep the budget at 0% until the economy turns around.

Trisha Fricke  
Resident Stated that it is about 50/50 on supporting the 0% or the 2% budget. Ms. Fricke stated that she supports the teachers and is concerned about what is holding up the contracts. Ms. Fricke asked what is available for the 7<sup>th</sup>, 8<sup>th</sup> and 9<sup>th</sup> graders in the IB program since the G&T program stops in the 6<sup>th</sup> grade.

Dr. McDermott stated that the IB program is only available for 11<sup>th</sup> and 12<sup>th</sup> graders but that the IB training will permeate through to 9<sup>th</sup> and 10<sup>th</sup> grades. There was a brief discussion regarding challenging and engaging differentiated instruction at the middle schools, the Gifted and Talented Program,

Armand D'Accordo  
UTN-EN Stated that in order to do a 0% budget the difference is \$2.8 million. Mr. D'Accordo stated that it is indicated that the reserves are being built up because of LIPA but if LIPA is a concern why isn't there a reserve being built up specifically for that. Mr. D'Accordo also inquired if the District has looked into different health plans to lower costs.

Dr. McDermott stated that reserves are funded if there is under-spending and that when school districts do their budgeting there are many unknowns, in addition to LIPA. Dr. McDermott stated that the District is trying to remain conservative and cognizant of the fact that if there is some type of settlement the District will be able to absorb that. Ms. Kathleen Molander stated that the District was able to secure lower rates on dental insurance has continually received lower rates on disability insurance and life insurance. Ms. Molander stated that in regards to the health insurance, BOCES did a study which showed that there was

nothing available that would be a cost saving for the District.

James Maloney Resident Asked if there has been any thought process on how to plan for LIPA, if there has been any dollar to dollar forecasting done, and what the impact would be for the taxpayer and the reserves.

Dr. McDermott stated that reserves can only be used for their intended purpose and that the District has been watching and working with the Town in regards to the tax certiorari.

President Waldenburg stated that the Town and the District have brought suits to block the tax filings that LIPA has done on the grounds that it is in violation of the Service Agreement back in 1997. Mr. Waldenburg noted that if there is some settlement it is not the responsibility of the District but of the Town.

Craig Mooers Resident Stated that he is hearing a lot of comments about the teachers and Northport and that value is the key. Mr. Mooers stated that what we have here is immeasurable and he is in support of the 2% budget. Mr. Mooers stated that the value in the community is shown with how many graduates come back to live in Northport.

Motion was made by Trustee McNaughton, seconded by Trustee McCue, to approve all items under 5. and 6., including Supplemental 5.01.1 (Schedule A #24-25), Supplemental 5.01.3 (Schedule D #6), and Supplemental 6.02

#### 5. SUPERINTENDENT'S REPORT, GENERAL

5.01 Personnel Schedules, each dated April 2, 2012, and each attached and made part of the official minutes:

- 5.01.1 Schedule A – Certified Staff (including Supplemental A #24-25)
- 5.01.2 Schedule B – Non-Instructional Staff
- 5.01.3 Schedule D – Extra Pay (including Supplemental D #6)
- 5.01.4 Schedule K – PDC NASA
- 5.01.5 Schedule L – PDC UTN

5.02 Receiving for a first reading the following textbooks:

- 5.02.1 On Core Mathematics 7 Math 7, Grade 7  
Houghton Mifflin Harcourt
- 5.02.2 On Core Mathematics 8 Algebra 8, Grade 8  
Houghton Mifflin Harcourt
- 5.02.3 On Core Mathematics, Algebra 1 Algebra (Special Education Self  
Houghton Mifflin Harcourt Contained) Grade 10-11

#### 6. SUPERINTENDENT'S REPORT FINANCIAL

6.01 Approving transfer of general fund appropriations in the 2011-2012 budget

6.02 Approving an Agreement with The OMNI Group for participation in the Preferred Provider Program (P3) for the 2012-2013 fiscal year

Vote on Trustee McNaughton's motion to approve all items under 5. and 6., including Supplemental 5.01.1 (Schedule A #24-25), Supplemental 5.01.3 (Schedule D #6), and Supplemental 6.02 was unanimously carried.

7. SUPERINTENDENT'S REPORT – FOR INFORMATION ONLY

7.01 Schedule H – Use of Facilities

7.02 Schedule I – Home Instruction

8. UNFINISHED BUSINESS

Motion was made by Trustee McNaughton, seconded by Trustee Gavin, to remove from table and approve item 8.01.1 Schedule A (#11-12)

8.01.1 Schedule A – Certified Staff #11-12

Unanimously carried.

9. NEW BUSINESS

President Waldenburg stated that the Board needs to make decisions regarding capital expenditures before the next meeting so that the SEQRA resolution can be voted on at the meeting.

Ms. Kathleen Molander stated that the five year capital plan includes two boilers with gas conversion at Dickinson Avenue Elementary School estimated at \$600,000 and a similar project at Bellerose Avenue Elementary School estimated at \$600,000.

Mr. Waldenburg stated that the univents at both middle schools at \$245,000, univents at Pulaski, Ocean and Bellerose at \$400,000, repairing and painting the ceiling of the high school auditorium at \$150,000, air conditioning in the high school auditorium at \$385,000, and replacement of the high school auditorium seating and flooring at \$727,000 were also part of the five year capital plan.

Ms. Molander stated that several projects came from more than one year in the district-wide five year plan. Mr. Molander stated that there is currently \$1.1 million in the capital reserve fund. There is also an additional \$200,000 remaining from the capital reserve fund established in May of 1997 that is available to use. The Board can elect to use the \$200,000 from the old capital reserve and \$600,000 from the new reserve. In addition, there is the interfund transfer line item in the budget of \$1,125,000 of which \$125,000 is earmarked for gas conversion at the Brosnan Building for the purpose of a backup generator. That leaves the Board with \$1 million to decide which projects they would like to tackle. The replacement of the windows at East Northport Middle School came in significantly under budget and there is approximately \$250,000 that could be returned to the general fund in the form of an interfund transfer in the 2012-2013 school year. The Board has two options to either take the \$250,000 and use it as an additional source of revenue or could chose to take the \$250,000 and increase the interfund transfer in order to do additional capital projects around the District.

Ms. Molander stated that excluding the \$125,000 for the generator, there is \$800,000 in the capital reserve, \$1 million in the interfund transfer to capital for a total of \$1.8 million. In addition, there is the \$250,000 that could either increase the interfund transfer to \$2 million or decide to use as a source of revenue.

At 10:30 p.m., motion was made by Trustee Thompson, seconded by Trustee McNaughton, to extend the meeting.

Unanimously carried.

Dr. McDermott stated that Senators Flanagan and Marcellino have secured a grant of \$100,000 for the air conditioning in the auditorium that would then be subtracted from those costs.

There was a long discussion regarding that condition of the District's buildings, including lavatories, roofs, boiler systems, univents, high school auditorium, window replacement, and what repairs fall under maintenance and capital improvements.

In response to a question, Mr. Tony Resca, Assistant Superintendent for Buildings and Grounds, stated that the bathrooms at Ocean Avenue Elementary School are in most need of renovations. President Waldenburg requested that Mr. Resca obtain cost estimates, not exceeding \$113,000, for the renovations of the bathrooms at Ocean Avenue Elementary School to be included in the capital projects resolution on April 16<sup>th</sup>.

Motion was made by Trustee Waldenburg, seconded by Trustee Sabia, to direct the administration to prepare resolutions for capital projects as follows: replacement of two (2) boilers with gas conversion, and associated mechanical systems at Bellerose Avenue Elementary School, estimated at \$600,000; replacement of Univents at East Northport Middle School estimated at \$125,000; replacement of Univents at Northport Middle School estimated at \$120,000; repair and paint High School Auditorium ceiling estimated at \$150,000; replacement of auditorium seating and floor at High School estimated at \$727,000; Installation of air conditioning in the High School Auditorium estimated at \$385,000; and renovation of the bathrooms at Ocean Avenue Elementary School.

Vote on Trustee Waldenburg's motion was unanimously carried.

#### 10. ADJOURNMENT

President Waldenburg reviewed the upcoming meetings of April 16<sup>th</sup>, April 24<sup>th</sup> and May 7<sup>th</sup>.

Motion was made by Trustee Thompson, seconded by Trustee Topel, to adjourn the meeting.

Unanimously carried.

At 12:20 a.m. the Chair declared the meeting adjourned.

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Beth M. Nystrom  
District Clerk

bmn