

A SPECIAL MEETING of the Board of Education of the West Babylon Union Free School District, of the Town of Babylon, Suffolk County, New York was held on Tuesday, November 29, 2011, in the Performing Art Center of the West Babylon Senior High School.

Those present: Trustees James F. Bocca, Wendy DeGaetano, Patrick M. Farrell, Cathy Gismervik, Kathleen Jennings, Diane Klein, Peter Scarlatos and Diane Thiel

Trustee Diane Klein was absent.

Also present: Mr. Anthony Cacciola, Superintendent of Schools; Dr. Dominick Palma, Assistant Superintendent for Curriculum and Student Services; Mrs. Yiendhy Farrelly, Assistant Superintendent for Human Resources; Mrs. Jennifer Buscemi, Executive Director for Finance and Operations; Mrs. Amy E. Jones, District Clerk; Mr. William C. Morrell, Attorney; and residents.

The president opened the meeting at 7:05 p.m. and led those present in the Pledge to the Flag.

TAX CAP PRESENTATION:

Mr. Cacciola and Ms. Buscemi provided a PowerPoint presentation discussing the impact and ramifications of the tax cap. Mr. Cacciola said that this evening the discussion would not be about cuts to programs. He added that in November and December the administrators will be putting their budgets together. Mr. Cacciola explained that the cap became effective June 24, 2011 and is in place for the 2012-2013 school year. The cap is scheduled to expire June 15, 2016. However, as long as there is rent control, there will be a cap. Mr. Cacciola added that the information from this evening will be on the district's website. He also noted that in today's newspaper the Commissioner discussed school consolidations. In addition, the Governor is retreating from his promise of an increase to state aid. He said the district can expect flat state aid for the next 2-3 years. He discussed spending down the fund balance which he believes is the government's intention for all school districts. He added that he hopes the government has a plan to help out school districts when they spend down their fund balances. Mr. Cacciola noted that the district can override the tax cap. However, the budget would have to pass by a 60+ % margin instead of the current 50+ %. Ms. Buscemi reviewed strategies that the Board may wish to consider.

STATEMENTS/QUESTIONS OF THE BOARD:

In response to Trustee Thiel's question, Mr. Cacciola said that Budget Draft #1 would still be presented to the Board as drafted by the administrators. He said that he would like the Board to consider not reviewing the budget line by line this year and instead review it programmatically basing changes on the value of each program. However, he will do whatever the Board would prefer.

STATEMENTS/QUESTIONS OF RESIDENTS:

In response to resident Bill Smith's question, Mr. Cacciola said that \$4.5 million of the reserves have been used from 2009 to the present and these funds were used to offset taxes.

Resident Daienna Edmunds said that she does not believe that tapping into reserves is the answer. In response to her question, Mr. Cacciola also explained that unfunded mandates, increases to the contributions to retirement and health insurance, the new MTA tax, as well as new programs caused the budget to increase each year.

Mr. Cacciola clarified his response for resident Kristen Catapano stating that it was not he who wants to run down the reserves, it is the government that wants the districts to run down their reserves. He added that he agrees with Ms. Catapano 100% that running down the reserves would not be in the district's best interest.

Resident Nancy Walsh-Smolenski said that many in the community are hurting financially. In response to her statement Mr. Cacciola said that foreclosures are not affecting the school districts because the town still pays the tax receipts for the foreclosures. However, the foreclosures do affect the taxpayers.

In response to resident Lucy Campasano's question, Mr. Cacciola said that the district would recoup an additional 2.48 million dollars if the district overrides the tax cap and goes to a 4% increase. Mrs. Campasano said that she is in favor of overriding the cap because not doing so could devastate the district. She said it is a vicious cycle the district is in right now. She said reducing programs would affect home values. Mr. Cacciola said that the cuts that will need to be made will be totally on the expenditure side.

In response to resident Cindy Power's question Mr. Cacciola said that class sizes are contractual and the numbers do not warrant closing a building at this time. Dr. Palma added that as per our recent BOCES Demographic Study, four of our elementary buildings are operating at 60% capacity and South Bay is at 90% capacity. However, in the next few years enrollment could decline enough for a closing to happen.

In response to resident Lisa DiGeloromo's question, Mr. Cacciola explained that if any reserve is over-funded at the end of a school year, within sixty days the money can be moved to another reserve which will enable the district to release more reserve money out of the reserve. He noted that a million dollars less in fund balance is like a million dollars less in state aide.

Mr. Cacciola said that the district's payroll is \$52 million dollars and the district is roughly in the black by \$500 thousand dollars which is pretty good and is not a fluff or slush. He thanked everyone for attending this evening. All of the information from this evening will be on the district's website.

Trustee Bocca seconded by Trustee Galletta made a motion to adjourn at 8:40 p.m.

The motion was **CARRIED** by all present

Attested to: _____
District Clerk