

5/27/2010 Special Meeting of the Board of Education of the Berlin Central School District, held at the Berlin Middle School/High School

Present: Frank Zwack, Gina Goodermote, John Greene, Elizabeth Miller, Thomas Morelli, Beverly Stewart
Absent: Jeffrey Paine
Also Present: Charlotte Gregory, Cathie Allain, Cyril Grant, Jennifer Morris, Sandra Owens
Guests included: Approximately 35

President Zwack convened the meeting at 7:00 PM with six board members present and immediately turned it over to the Leadership Advisory Committee for report out on their findings.

Glenn Giumarra introduced the purpose of the committee and their findings.

Subcommittee A: Cost of Grafton – Atsushi Akeru, Heinz Noeding

Objective

- Minimize costs of keeping GES open through novel solutions for at least one year

Financial Target

- Reduce incremental cost of keeping GES open to \$300,000
- Current operating cost is around \$880,000/year
- Consolidation estimated to result in \$627,888 savings
- \$327,888 additional savings is required

Observations

Cost reductions may be possible through

- Requesting waiver for GES principal requirement and replace with head teacher stipend
- Substitute certain personnel with volunteers
- Sharing certain positions with BES staff and/or shift to less expensive staff categories
- Grounds maintenance outsourced to community
- Transportation (Grafton only) could be restructured from door-to-door to designated drop-off sites – reduce 1 route

Recommendations

- Additional budget savings across the district should be developed or additional tax levy integrated into budget proposal to offset the estimated incremental \$400k cost of keeping Grafton open
- Community involvement could become a model for BES and CP
- Keeping GES open forestalls use of modulars and related cost at BES, restacking students to BES capacity limits, and unnecessary use of capital reserves
- Long term plan (with possible multiple options for a referendum) would be voted upon by district in May 2011 providing legitimacy to key future Berlin Central School District decisions
- Assess comparative cost of SES+GES versus BES only as part of this assessment

Committee Discussions

- **Massing students at BES would have more heterogeneous population for diverse learning styles**
- **Questions exist over feasibility/legality of volunteer option**
- **Savings from principal waiver may not be realizable**
- **All school buildings have issues**
- **GES is focal point for community**
- **All community schools help strengthen parent involvement**
- **There are issues of what this district can afford**
- **Concerns to proposed reductions to health office**

Subcommittee B: Modular Installation – Glenn Giumarra, Craig Mosher
Objectives

- **Determine the full cost and feasibility of installing modular units at BES**
- **Assumption that GES is closing**

Financial Target

- **Avoid \$400,000 expenditure**

Observations

- **BES student capacity is 400**
- **Projected Enrollments (BES+GES) - 431-430-420**

Overview of Modular Units

- **2 units – 28’x70’ each**
- **Each provides 2 - 750 sq. ft. classrooms**
- **Each is equipped with 2 ADA compliant restrooms**

Cost Breakdown

• Setup/Site	-	\$253,960
• Up Front Fees	-	\$82,600
• Lease/Annual Costs	-	\$108,000
• Removal	-	\$11,780
• Total 1st Year Cost	-	\$358,160
• Total 5 Year Cost	-	\$456,340

Recommendations

- **Move 5th grade to MS/HS**
- **Use existing modulars for specials – move administration to MS/HS**
- **Put art, music, and computers at BES on carts, freeing classroom space**
- **Move Pre-K out of BES**

Committee Discussions

- **Tuition students to New Lebanon - this may be expensive**
- **Feasibility of moving Pre-K to alternate site**
- **Is there room at MS/HS for 5th grade**
- **With specials on carts, does BES meet legal capacity requirements**
- **Possible negative consequences by combining 10 year olds and 17 year olds**

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Subcommittee C: BOCES – Dianne Mosher, John Nash

Objectives

- Reduce current BOCES/Questar III in year 2010-2011
- Investigate services that might be offered in house

Financial Target

- Reduce BOCES budget by \$180,000

Observations

- BOCES/Questar III agreement signed prior to May 1 deadline
- Binding contract; programs can be added but no subtracted
- Pre-K budget not signed as of yet, it is separate contract
- Local state aid is frozen, BOCES aid is not frozen yet

Proposed Reductions

- DISCOVER Guidance/Career Program - \$3,272
- Principal Coaching - \$12,000
- Odyssey of the Mind - \$1,250
- Total - \$16,523

Possible Reductions

- Pre-K (\$224,256)
- \$77,000 grant
- Remainder is 50% aidable
- Plus extra monitor on bus Sept.-Dec.
- Distance Learning (\$119,500)
- \$74,500 Classroom & Programming
- \$45,000 Lease/purchase of equipment
- \$100,000 already invested from grant
- Tech Valley High (future - \$108,000)
- We are committed for this year
- 3 additional students this year, 9 total in program
- \$12,000 per student

Financial Information

- Instruction from Questar III - \$778,403
- Special Education - \$719,333
- Total Instruction - \$1,497,736
- Total Questar III Budget - \$2,006,904
- Minus Instructional Component - \$1,497,736
- Non instructional Questar - \$509,168

Committee Discussions

- Closer scrutiny of funds spent through Questar is needed
- Consider in-house services
- Should insist on measured outcomes, academic standards, career development
- Are there alternative placements or in-house program options
- Investigate use of GED programs in neighboring districts
- Need better explanation and analysis of the increase in funding

Subcommittee D: Transportation – Jen Burhans, Uriah Burhans

Objective

- Save money on the budget

Financial Target

- \$50,000

Observations

- Board charged department with providing shortest bus ride for students
- Route constraints; road conditions, bus maneuverability, size of district, door-to-door drop offs/pick-ups
- Department already decreased budget by 3% from last year
- Without purchase of full-size handicap bus, department can not meet this decrease
- Meeting state mandates

Recommendations

- Better explain handicap bus proposition and put back up for vote; cost of bus is aidable by 77.5%, inclusion of handicapped students/personnel on routes/trips
- Recommend change of handling half days for middle school students; hire half day subs, transport students home at regular time; approximate savings of \$6,000
- Reduce sports/field trip transportation budget; approximately \$9,000 amount left over in budgets from each of last 2 years
- Recommend Board review/change policy regarding transportation home of sick/disorderly students; approximate savings \$10,000
- Better handling of Regents Exam transportation

Committee Discussions

- Reset/reorganize structure of bidding procedure/seniority considering overtime for drivers on non-route trips; fold into contract negotiations in 2012
- Reduce late-runs to 3 days a week; not desirable because impedes with education
- Examine rerouting versus seat time

Subcommittee E: Administrative Salaries – Karen Day, Julie Harrell

Objective

- Review administrative needs of district
- Reduce the amount of money spent on administration

Financial Target

- Reduce cost of administration by \$150,000

Observations

- Currently spending \$97,00 on interim principal
- Currently spending \$143,000 on interim superintendent
- Currently spending \$89,900 on elementary school principal
- If Grafton closes and 5th grade is relocated to MS/HS, must have separate principals; HS - \$89,000; MS - \$89,900

Recommendations

- **Aggressively conduct search for permanent superintendent**
- **Utilize one principal for the MS/HS at a cost of \$85,000 and a dean of students for discipline at a cost of \$55,000**

Committee Discussions

- **Committee took stance on finding qualified replacements for the interims immediately**
- **Need to restore position of transportation coordinator; elimination of that position is not working**

Subcommittee F: Non-Administrative Salaries – Atsushi Akera, Julie Harrell, Tom Morelli

Objective

- **Given lack of consensus on committee...try to identify the underlying issues and...determine Board options on instructional salaries**
- **Non-Instructional salaries were not considered by this subcommittee**

Financial Target

- **Undetermined**

Observations

- **Preliminary remarks; LAC is advisory only to Board; no authority to negotiate; contract negotiations must occur in accepted forum; background research on salary profile and history as advisory**
- **History is significant; concerted effort to develop “competitive” salaries; retention of young faculty; contract negotiations immediately before recession**
- **If correct data, district average salary is currently among highest in region; retention strategies were “effective”; high average teaching experience (19.5 yrs vs. 14-15 yrs) contribute to higher average; teaching experience versus longevity**

Recommendations

- **Affirm board’s intent to uphold competitive salaries**
- **Define clear reference point for median; Capital District Region, Rensselaer County, neighboring rural/peripheral-suburban districts**
- **Conduct negotiation with eye to long-term salary profile**
- **Study longevity and academic merits; adjust if no compelling reason found**
- **Board options for current budget; no change, discuss minor changes (voluntary in scope); reduce non-mandated programs; early contract renegotiation; deferred raises; full adjustment over 6-8 years; keep salaries where they are for reasons of new levels of professional service**

Committee Discussions

- **Thorough research needs to be completed to better understand comparative salary statistics; may be helpful in BTA contractual negotiations next year**
- **Need to make sure not to pit community against teachers**

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- Recognize it is the largest cost component of the budget
- BTA/CSEA fairness
- Recognize stipends received for extracurricular are often spent on students/activities

Subcommittee G: Miscellaneous – Alan Webster, Rebekah Hartman

Objective

- Optimize funds of unrelated targets

Financial Target

- \$100,000

Observations

- Noticed non-budgeted increases in legal and auditing fees
- Other costs seemed negotiable downwards

Recommendations

- Request voluntary reductions in travel reimbursement
- Oversight of legal expenses; all billable hours pertaining to legal expenses recorded and delivered to Board monthly
- Renegotiate legal and auditing contracts; reduce by 10-20% in exchange for new five year contract
- Estimated savings - \$20,000

Committee Discussions

- Board and administration need budget flexibility
- Is attorney needed at every meeting
- Instead of detailed line item evaluation, could target a flat percentage reduction in specified categories

Summary of Findings:

Budget Reductions by Subcommittee

Subcommittee	Targeted Reductions	Reductions Deemed Feasible
A-Cost of Grafton	(+\$3000,000) Increase	(+\$400,553) Increase
B-Modular Installation	400,000	358,160
C-BOCES (Questar)	180,000	16,523
D-Transportation	50,000	25,000
E-Administrative Salary	150,000	44,900
F-Non-Admin. Salary	(undecided)	(undecided)
G-Miscellaneous	100,000	20,000
Total (net change, defeated AY10-11 Budget)	\$476,265 or higher for a 0/0 budget (2.53%)	64,030 (-0.34%)
Total reductions including @ Grafton	\$500,000 - \$1 million	\$691,918

Major Recommendations

- Re-propose the two propositions that were on the ballot; bus proposition; ADA compliance proposition

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- Clear do not want to go to contingency budget
- Board should put forward a budget in which they have confidence

Major Board Budgetary Options

- Keep Grafton open with reductions to produce a 0%/0% increase budget
- Keep Grafton open with increase in tax levy offset by reductions recommended by this committee
- Put forward revised budget as proposed by the administration with Grafton closed
- Put forward a revised budget with reductions recommended by this committee, with Grafton closed

Additional Comments: Heinz Noeding - Alternative Business Practices Objective

- Implement Board policy changes to develop and review alternative business practices which may contribute to future cost savings

Financial Target

- Undetermined

Observations

- Maximizing the impact of financial commitments
- Staffing needs in relation to student levels and relative costs remain point of contention
- Out-of-district placements among most expensive services offered by district with no measured outcomes
- Effectiveness of academic programs should be reviewed
- Purchasing policies should be reviewed
- Independent district review; Third party consultant (not affiliated with district or BOCES engaged; school efficiency study measuring staffing needs relative to student populations; out-of-district placement alternatives and cost comparisons; operating efficiencies; analysis of academic program strengths/weaknesses; comparisons to adjacent and similar sized districts
- Operations and Maintenance Review; purchase policies with regards to fuel oil and similar energy and utility expenses; assess alternatives; enhance district risk management by reducing budget cost variability

Recommendations

- Working capital management review; payment policies for contractual and non-contractual payables (excluding personnel); assess approval processes; efficiency versus risk management; determine effectiveness of proactive negotiations to seeking payment discounts; compare participation in state run purchasing programs to independent vendors

Committee Discussions

- Only brief discussion was held on these recommendations
- Second and third recommendations were affirmed by general assent

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- **The first item regarding independent district review requires further discussion, with attention to the cost of such a review;**
- **Need to acknowledge work that Cyril Grant and Sandy Owens and many others have done in terms of reducing the cost of operations within the district**

After the presentation of the committee discussion centered around starting budget development process early, feasibility of Principal acting as Superintendent also, legality of providing medical assistance at all times, feasibility of bringing 5th grade to MS, costs of using modular units, need for 2 separate administrators for MS/HS, costs if money was taken out of Questar, policy on transportation of sick/disorderly students, transportation door-to-door vs. pick-up points – safety, current job responsibilities of the GES Principal, and the need for LAC, Board and Administration to have working meetings.

On motion of Gina Goodermote, second by Tom Morelli, executive session for legal advice from counsel was entered at 9:05 PM, with public session resuming at 9:20 PM on motion of Liz Miller, second by John Greene.

Calendar of Meetings

Friday, May 28, 2010 – Special Meeting – Budget Workshop – MS/HS – 7:00 PM

The meeting was adjourned at 9:25 PM on motion of Frank Zwack, second by Gina Goodermote.

Mary M. Grant, District Clerk