

Special Meeting

A Special Meeting of the Board of Education of the Northport-East Northport Union Free School District was held on Monday evening, March 28, 2011, beginning at 6:00 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, Mr. Joe Gannon, Mrs. Lori McCue, Mrs. Donna McNaughton, Mr. Andrew Rapiejko, Mrs. Jennifer Thompson, Mr. Stephen V. Waldenburg, Jr., Mrs. Karen Wills

Members absent: None  
One board seat vacant

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 Gannon, seconded by Trustee Thompson, to convene in Executive Session to discuss matters pertaining to potential litigation.

Unanimously carried.

At 7:35 p.m., the Board reconvened in public session in the large cafeteria at the Northport High School.

Public attendance: There were approximately 200 persons present.

2. Mr. Waldenburg led those present in the Pledge of Allegiance; and
3. Pointed out the emergency exits.
4. SPECIAL REPORTS/ANNOUNCEMENTS FROM THE SUPERINTENDENT

President Waldenburg introduced Board Counsel John Gross of Ingerman Smith LLP to present information and status on negotiations.

Mr. Gross stated that he would review the following topics: The Current Financial Crisis in Context, Negotiating Process – Duty to Bargain, Increment and the top ten State Legislative mandate blunders burdening school district negotiations. Mr. Gross noted the following threats and realities: TRS contributions will increase from 8.6% to 11.11%, ERS average increase will be from 11.4% to 15.6%. Health care costs will increase 13%, Obama aid (Stimulus Aid & Education Jobs Act) ends resulting in a loss of \$750,000, GASB-45 – Accounting for “Other Post-Retirement Benefits”, 2011-2012 State Aid Reductions proposes 15% (\$1.5 million), mandated depletion of reserve funds, and a property tax cap.

Mr. Gross reviewed the Taylor Law which was adopted in 1967 granting public employees the right to organize and bargain collectively with their employer. The duty to bargain in good faith under the Taylor Law means that both parties approach the negotiations table with a sincere desire to reach an agreement. The duty does not include agreement. The Triborough amendment is the duty to continue in effect expired contracts during hiatus period. Mr. Gross reviewed the negotiating process and the steps when negotiations fail.

Mr. Gross reviewed increment, both vertical (step) and horizontal (column) and noted that both are protected by the Triborough Amendment. The cost of increment if granted is 2.98% of base payroll or 1.65 million dollars. Mr. Gross noted that the Northport UTN contract does not require payment of increment upon contract expiration. Mr. Gross reviewed the Government Accounting Standards Board rule that public entities must account in balance sheet for future cost of other post employment benefits with projected costs of millions of dollars for every school district.

The components of an average New York State School District Budget were reviewed with instructional salaries and benefits making up approximately 69% of the budget. Governor Cuomo has proposed a property tax cap on local tax levies of 2% or the inflation rate, whichever is lower, effective July 1, 2012. Mr. Gross noted that if the tax cap is set at the maximum of 2%, school districts will automatically be forced to operate at a minimum of a 10% deficit.

Mr. Gross stated that a wage increase is comprised of three elements: Salary Matrix Increase, Step increment (vertical movement) and Lane movement (horizontal movement). Mr. Gross reviewed the history of increment and the broader impact of the Triborough Amendment. The cost of increment generally costs 3 to 3.5% of base payroll. Mr. Gross reviewed sample teacher step increase under the last contract. Mr. Gross stated a cost saving approach to dealing with increment is to delay effective date from July 1<sup>st</sup> to June 30<sup>th</sup>. Legislative solutions are to amend the Taylor Law by repealing the Triborough Amendment, amend the Triborough Amendment by making it inapplicable to step and lane increase.

The parties in the current UTN negotiations are at an impasse. Negotiations began on February 24, 2010 with 16 negotiations sessions held and 1 mediation session. Mr. Gross reviewed the District's proposal of November 22, 2010 which included the following: Duration – 2 year contract, Salary Year 1 – hard freeze, Salary Year 2 – freeze on base; ½ year increment freeze, plus the elimination of the weighting of students and agreements to the District's annual professional performance review proposal, including the appeals procedure ending with the Superintendent of Schools. Mr. Gross noted that the proposal also stated that any further increases must be paid for by give backs.

The UTN salary proposal delivered August 25, 2010 included the following: Year 1 – 2% plus increment (4.98% total), Year 2 – 2.25% plus increment (5.23% total), Year 3 – 2.5% plus increment (5.48% total), Year 4 – 2.75% plus increment (5.73% total). The total four year cost for entire unit including increment would be \$12,614,000. Mr. Gross reviewed the other UTN proposals.

Mr. Gross stated that the last District proposal was made in November. The UTN indicated a counter-proposal was forthcoming but no counter proposal was ever submitted. On December 15, 2010 a letter to the Superintendent stated that "...the District's financial proposal dated November 22, 2010 has been rejected". A declaration of impasse with PERB was filed on January 4, 2011. Mr. Gross stated there was one mediation session with no results and the possibility that it will move on to fact finding.

There was discussion regarding the contract proposals and Mr. Gross answered questions from the audience. President Waldenburg thanked Mr. Gross for his presentation.

## 5. DISCUSSION OF SUPERINTENDENT'S PROPOSED 2011-2012 BUDGET

### 5.01 Budget Function Code/Description to be reviewed:

<u>Function Code</u>	<u>Description</u>
2250	Program for Students with Disabilities

Ms. Molander, Assistant Superintendent for Business, stated that there is 2.0 fte with the additional fte for the Director of Special Education which is a new position. Ms. Molander noted that there is shifting of fte's between schools in accordance to where services are needed.

In response to a question, Ms. Christina Pulaski, Director of Special Education, stated that she looked at the history to allocated funds more appropriately based on student placement and where services are being used.

2270 Pupils with Special Needs

Ms. Molander stated that 2.8 fte are allocated per elementary school with the possibility of variation of movement of staff within codes.

2280 Occupational Education  
2310 Continuing Education School  
2320 Summer School

There was a discussion regarding the increased fees for summer music, elementary summer school and increased students needing AIS services.

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

Unanimously carried.

2330 Teaching – Special Schools  
2610 School Library and Audio Visual

In response to a question, Ms. Molander stated that the decrease in code was for a teacher who retired last year and was replaced at a lesser salary.

2630 Computer Assisted Instruction

There was a discussion regarding the costs of the technology initiatives and assurance the money spent on technology tools will reach goals.

2805 Attendance

There was a discussion regarding the number of attendance runners and the impact on student attendance.

2810 Guidance

Ms. Cynthia Lore, Director of Pupil Personnel Services, stated that there are ten guidance counselors who service approximately 225 students each in grades 9-12.

2815 Health Services  
2816 Diagnostic Screening  
2820 Psychological Services  
2822 Education Related Support Services  
2825 Social Work Services  
2850 Co-Curricular Activities

In response to a question, Mr. Drew Cronin, Director of Physical Education and Athletics, stated that many other districts have had to drop JV2 and JV9 programs.

2855 Interscholastic Athletics  
5510 District Operated Transportation  
5540 Contract Transportation

Ms. Molander stated that there is a projected increase in CPI this year and codes are budgeted appropriately. Ms. Molander noted that transportation contracts can be extended if both parties agree to it. Ms. Molander also noted that April 1<sup>st</sup> is the deadline to request transportation to non-public schools.

5550	Public Transportation
5581	Transportation for BOCES
7140	Community Recreation

Ms. Molander stated that the recreation program includes summer camp and the drivers' education program.

8060	Community – Civic Activities
8070	Census
9010	State Retirement
9020	Teachers' Retirement
9030	Social Security
9040	Workers' Compensation
9045	Life Insurance
9050	Unemployment Insurance
9055	Disability Insurance
9060	Hospital, Medical and Dental Insurance

Ms. Molander stated that health insurance payments are segregated into pieces, payments to health insurance plans and payments required to be made by law for Medicare reimbursements.

9087	Extended Sick Leave
9088	Accrued Leave Payout
9089	Other Employee Benefits
9710	Serial Bonds – Public Library
9711	Serial Bonds – School Construction
9730	Bond Anticipation Notes
9760	Tax Anticipation Notes

Ms. Molander stated that fiscal advisors suggested using a 2.7% interest rate and they do not feel that we will see the same rates as last year.

9785	Installment Purchase Debt
9789	Other Debt
9901	Transfer to Special Aid Fund
9950	Transfer to Capital Projects Fund

There was a brief discussion regarding the possibility of using the capital reserve fund for field improvements.

6. SUPERINTENDENT'S REPORT, GENERAL - FOR BOARD ACTION
7. SUPERINTENDENT'S REPORT, FINANCIAL - FOR BOARD ACTION
8. SUPERINTENDENT'S REPORT – FOR INFORMATION ONLY
  - 8.01 Schedule I – Home Instruction
9. ADJOURNMENT

At 12:15 a.m., there being no further business to discuss, motion was made by Trustee Gannon, seconded by Trustee McCue, to adjourn the meeting.

Unanimously carried.

At 12:15 a.m. the Chair declared the meeting adjourned.

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Beth M. Nystrom  
District Clerk

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