

**MINUTES OF BOARD OF EDUCATION MEETING**  
**February 24, 2009 – 6:00 P.M.**  
**Honeoye Falls-Lima Central School District**  
**High School Board of Education Conference Room**  
**Honeoye Falls NY 14472**

**Board Members Present:** President Richard Rasmussen, Chuck Allan, C. Harold Gaffin, Linda Hunt, Shawn Krest, Ronald Mendrick, Janet Somes, and Gary Stottler. Student representative Jyothi Purushotham was present.

**Staff Members Present:** Superintendent Dr. Michelle Kavanaugh, Allison Armstrong, Philip Burrows, Ed Johnson, and Renée Williams.

**Others Present:** *Per sign in sheets that are duly made a part of these minutes.*

1. **Meeting Called to Order**

President Rasmussen called the meeting to order at 6:00 p.m.

A. Board Members Absent: Robert Willison

2. **Call for Executive Session**

**Motion** by Mr. Mendrick, seconded by Mr. Stottler, to move to Executive Session at 6:05 p.m. for the purpose of discussion of collective negotiations pursuant to Article 14 of the Civil Service Law and the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

**Approved** unanimously.

Bob Willison out of town

3. **Return to Public Session**

**Motion** by Mr. Mendrick, seconded by Mr. Stottler, to return to Public Session at p.m. **Approved** unanimously.

4. **Approval of Agenda**

**Motion** by Mr. Allan, seconded by Mr. Krest, to approve the agenda as presented. **Approved** unanimously.

5. **Consensus Agenda**

**Motion** by Chuck, seconded by Shawn, to approve the items designated as Consensus Agenda items.

A. Approval of Minutes of the February 10, 2009 Board Meeting

B. Approval of Bill Schedule # 6

The District's Claims Auditor has certified the audit of General Fund Bill Schedule #6, checks in number, in the total amount of \$2,737,241.34 dating from January 9, 2009 through February 13, 2009.

C. Approval of Personnel

CONTINUATION OF LONG TERM TEACHING APPOINTMENT

BONNIE WADACH Speech Therapist

K - 12

7373 Ziegler Drive

Lima NY 14485

Salary: \$49,416 (annual salary to be prorated to effective dates of employment)

Effective: 1.0 FTE: 3/14/09 – 4/5/09 (original appointment was from 9/18/08 – 3/13/09)

0.5 FTE: 4/6/09 – 5/1/09

Education: Nazareth College, MS

SUNY Geneseo, BS

Experience: Honeoye Falls-Lima School District, Reading Teacher, 2002

Honeoye Falls-Lima School District, Special Education Teacher, 2003-04

Honeoye Falls-Lima School District, Special Education Teacher, 1983-88

Certification: Permanent Special Education, Reading

Continuation of long term substitute replacement for teacher on medical leave

NON-TEACHING LONG TERM SUBSTITUTE APPOINTMENT

ANN BAILEY Secretary

High School

13 Locust Street

Honeoye Falls, NY 14472

Salary: \$9.25/hr.

Effective: 2/23/09 – 6/30/09

Long term substitute position for secretarial resignation

EMERGENCY CONDITIONAL NON-TEACHING APPOINTMENT

NICOLE JONES Paraprofessional

Lima Christian School

87 Amann Road

Honeoye Falls, NY 14472

Effective: 2/23/09 – 6/30/09

Salary: \$8.38/hr.

D. Approval of Committee on Preschool Special Education Recommendations

E. Approval of Committee on Special Education Recommendations

**Approved** unanimously.

## 6. Open Forum

There was no discussion during the open forum period.

## 7. Student Board Member Update

## 8. Board of Education Report

### A. Announcements

#### 1. Capital Project Update

Bob Roberts, Christa Construction, applauded the cooperation by teachers and administrators for being able to work during work hours and breaks. It is helpful to stay on or ahead of schedule. One half of kindergarten wing ceilings have been removed. Work will be completed on the A/C. Data drops and crawl space wiring is completed. Work on 13-cameras is ongoing. Much work has been completed at the High School. Demo work and abatement is completed. Locker Room work is ongoing as is auditorium lighting. Buildings & Grounds A/C is complete.

#### 2. Master Facilities Update

Mike Ebertz, SEI Design spoke about splitting the long-range capital project into two equal components, with approx. 5-years in between. He explained that the first phase would be completed in 2012. The second phase would be completed by 2017. The negative is that forecasts now may not be realized later.

Jeff Smith of Municipal Solutions, Inc. spoke about the financial differences in Phase options 6a & 6b. The advantages are that by doing one phase at a time, the District pays a nickel on the dollar, instead of paying dollar for dollar for a full scope project. By doing a large project, the District is not able to maximize state aid. In completing all work in one phase, the District would not be using all of its available capital reserve money. Jeff explained that with this two-phased option, the District can invest and earn more interest earnings. During the project process, the District would bring in more building aid which could be added to the capital reserve fund. There are a number of years where debt service decreases. This provides another opportunity for savings. Jeff explained that a number of districts have used the phased project schedule and debt service remains stable. Bond ratings are more positive, as a result. Jeff further explained that multi-year capital budgeting is heavily encouraged in the industry. It is positive to show that a district is thinking long-term. This would give time for rapidly emerging green energy technologies to find their way into projects, such as green-house gas initiatives which could allow extra funding. Geo-thermal technologies and fuel cells will have time to be tested before the District actually begins to use them. The ongoing operating and maintenance costs are a large part of capital projects, so becoming efficient with the latest technologies would be beneficial. Keeping existing buildings in good shape will be the goal. The first phase for financing extends over 15-years. SED will be granting approval in 2011. The aid ratio is 95%, so 97% would be aidable.

Jeff explained there are maximum amounts SED would allow to be spent to stay within the ceiling. By doing the first phase, the District is able to get back down below the cost allowances. When ceilings are exceeded, the District would pay dollar for dollar as opposed to a nickel per dollar.

Jeff further clarified that the maximum aid value if the project is 100% aidable, would be 97%. Option 6a is a result of the District looking forward and using capital reserve and leveraging. With 6b, there is an opportunity to rebuild the net local share. Monitoring can take place over the period of 5-years so the District could come back and have the same situation again and ask for authorization from the voters to raise the reserve funds. The cap right now is \$5million. The District will need to raise the cap because it is cumulative. Jeff stated that he will make computations available of how much the District need to ask the voters to raise the reserve funds to. Additions and alterations at some buildings are financed over longer periods of time by state mandates. In response to a question about the Lima school portion of the project, Jeff explained that the cost allowance at Lima is better before the District adds any additions. He clarified that the existing aid rate goes down because Lima has scope that exceeds cost allowance and the best way to realize this is to do renovation work first. Jeff also explained that technology upgrades will remain current if the District does the project in two phases. SED approval granted in 2016, would make the first payment received in the 2016-17 school year. The District would end up with a local share on both projects, the first financed over 15-years, the second over 20-years. Jeff discussed a powerpoint presentation which was handed out, outlining financing options. He explained that the two phase approach provides a smoother set of options. To make 6b fully aidable, the District would have to remove the extra classrooms at Lima. The District needs that space, but the state only allows up to a certain enrollment, lower than our standard. Jeff reported that while Federal stimulus aid is unpredictable now, the state has the ability to use some non-restricted construction programs which are already carved out of its allocations. The state is looking for shovel-ready projects. Dick reported that the Master Facilities will be present next month to continue dialogue and to get feedback with the broader sense of the project and the financial analysis and pros and cons of single vs. multi-stage phasing. The goal of this group was to look at capital projects over a span of time.

#### 3. District-Wide Technology Project Bid Awards

Mike Ebertz, of SEI Design, Inc., spoke about the technology bids accepted on February 10, 2009. Interviews were conducted for the voice over system. The project is under budget.

Many bids were received; approximately ten in each category. Decisions were based on features, and experience.

The Cabling Contract was awarded to: Billitier Electric, Inc.

The Network Hardware Contract was awarded to: Annese & Associates, Inc.

The Telephone (VoIP) System Contract was awarded to: ICS Telecom, Inc.

**Motion** by Mr. Allan, seconded by, Mrs. Hunt, to approve the District-Wide Technology Project Bid Awards, as presented.

**Approved** unanimously.

4. Capital Project Change Orders

Summaries were provided by Christa Construction, Inc., to explain the reasons for Change Orders. It was explained that these summaries will accompany all future reports.

Bob Roberts answered questions regarding changes.

**Motion** by Mr. Stottler, seconded by, Mrs. Hunt, to approve the Capital Project Change Orders, as presented.

**Approved** unanimously.

5. Food Service, Monthly Report

Kathy Palmer, Coordinator of Food Service, presented her January monthly report. Board members commented that Kathy's notes for the report were terrific and appreciated. Kathy reported that the Nutri-Kids online system has realized \$6,000 revenue in the past 6-weeks. Kathy shared that this has been a real convenience to the department and improvements are also realizing a savings in lunch charges. Kathy explained that the vending machines in and around the cafeteria are on timers and are turned off during the lunch program so as to not compete with lunch program. She explained that the District receives 20-25% revenue from the machines. The machines are available during off-hours. Kathy reported that positive numbers are resulting from the new slushy machines, as well as from the salad bar and deli stations. Kathy reported that, recently, some job responsibilities were spread out to reduce the head cooks' hours. This was made possible as some of the clerical duties previously assumed, were removed. She clarified that the salary was prorated without affecting benefits. With the combination of reductions, the equivalent of a .5 FTE was reduced avoiding any layoffs within the department.

**Motion** by Mr. Mendrick, seconded by, Mrs. Krest, to approve the January Food Service Monthly report, as presented.

**Approved** unanimously.

B. Audit Committee

1. Internal Claims Auditor Report

Hal Gaffin, Audit Committee Chair, reported that the claims audit report is still at or around 2% for citations. Corrective actions are taking place to address some repetitive process problems.

2. Status Report – External Audit

3. Status Report – OSC Audit.

**Motion** by Mr. Allan, seconded by, Mr. Gaffin, to approve the External Audit & OSC Audit status reports, as presented.

**Approved** unanimously.

C. Action Items

1. Approval of 2008-09 Board of Education Priorities.

Dick Rasmussen, Board of Education President, commended the efforts of the committee to re-examine Board of Education priorities. It was discussed that the new flow-chart diagram is conceptual. It was decided that the Resource Level should be moved under the QED to show true process. Dick explained that this year, the theory of the QED program is challenged due to funding unknowns. Gary Stottler will update the diagram as indicated and edits will be made to provide a one-page document. Continued QED process discussions were suggested and will be scheduled in the near future.

**Motion** by Mr. Gaffin, seconded by, Mr. Stottler, to approve the 2008-09 Board of Education Priorities, as presented.

**Approved** unanimously.

D. Discussion Items

1. Old Business

a. Second Review 2009-10 School Calendar

Thanks were given to the Superintendent for providing the draft calendar to the community and asking for feedback. An additional alternative calendar was provided, as requested during the first review. Dr. Kavanaugh explained that Labor Day fluctuates in the calendar yearly, but the District still ends up with 9-10 weeks for summer vacation. She explained that opinions vary around beginning instruction prior to Labor Day. A potential change in February break was discussed. It was agreed that, any proposed change to this break will need an ample amount of notification to families as to avoid interruption of family vacations, etc. Dr. Kavanaugh explained that the teachers contractual expectations are involved with an MOU. The contract says that teachers can work the Thursday before Labor Day, if one half day is used for professional development. Concern about compromised curriculum on the days surrounding vacation was discussed. Phil Burrows spoke about approximately 6 students with needs that would be displaced for some instructional days if we don't follow the BOCES calendar. It was explained that 180-days is the minimum number of instructional days, by state law. The number of staff days are contractual of 189 days. The board decided to conduct a 3<sup>rd</sup> review of the calendar as part of the Budget Study Session on March 3<sup>rd</sup>, to include another calendar option, with the intention to get a recommendation by the 10<sup>th</sup>. Dr. Kavanaugh stated that she will get an alternate calendar out to board members and the HFLEA. The focus will be to try to avoid half-days. Further discussion may take place with regard to February break. The next calendar will show a start date after Labor Day and some of the other options discussed this evening.

b. First Review Revised Policies

**Motion** by Mr. Stottler, seconded by Mrs. Somes to **table discussion** on the review of revised Erie I Policies, until the next scheduled Board of Education meeting on March 10, 2009.

**Approved** unanimously.

2. New Business

a. Health Services Contract Agreement

Phil Burrows spoke about the details of the agreement which involves Lima Christian School. He explained that a per pupil rate is calculated to determine the final amount of the contract.

E. Reports and Communications

1. MCSBA Legislative Committee Report

Dick Rasmussen reported that Jodi Siegle is seeking an RSVP as soon as possible with regard to a trip to Albany to meet with Legislators. Any board members interested in attending, please contact Rhonda Schaefer to register.

2. MCSBA Information Exchange Committee Report

Dr. Kavanaugh reported that at the last meeting, the Gates-Chili CSD presented their new high school. Additionally, some technology updates were shared and discussed.

8. **Superintendent's Report**

A. Announcements

Dr. Kavanaugh reported on the following:

- The Mr. HF-L pageant takes place on Friday night, 2/27. She invited all to come to participate. She clarified that, to qualify, any participant must be a HS male student.

B. Business Office Reports

1. Treasurer's Report.

**Motion** by Mrs. Hunt, seconded by Mr. Krest, to accept the Treasurer's Monthly Report for the period from January 1, 2009 to January 31, 2009 as presented.

**Approved** unanimously.

Ed Johnson, Director of Finance and Operations, reported that the Treasurer's reports are now caught up and on time. Ed stated that things are in good order as reviewed and reported during the Audit Committee Meeting earlier this evening.

2. Budgetary Transfers

Ed Johnson explained that in an effort to streamline the number of accounts and to align with the State reporting requirements, the District is proposing some budget changes for payroll accounts. The state has specific code numbers to which we are making the appropriate changes. Changes include: creating a Treasurer's budget line, separating maintenance and custodial payroll, reclassifying Paras, Clericals and Teaching, to the correct codes. Management efficiency and reduction of errors and input will be gained by restructuring some additional line items for library material aids and BOCES accounts.

**Motion** by Mr. Stottler, seconded by Mrs. Hunt, to approve the Budget Transfers, as presented.

**Approved** unanimously.

C. Old Business

There was no discussion of Old Business

D. New Business

1. Consensus Agenda Items to be voted on

Approval of Minutes of the February 10, 2009 Board Meeting

Approval of Bill Schedule # 6

Approval of Personnel

Approval of Committee on Preschool Special Education Recommendations

Approval of Committee on Special Education Recommendations

10. **Questions from Audience Regarding Agenda Items**

There were no questions from the audience regarding agenda items.

11. **Adjournment**

**Motion** by Mr. Krest, seconded by Mr. Allan, to adjourn the meeting at 9:05p.m. and enter into Budget Study Session.

12. **Budget Study Session**

A. Total Review of Operational Plans/Proposed Budget and Communication Plan.

Phil Burrows, Deputy Superintendent, spoke about the realignment and assembly of some budget items, to include some changes in management and mandates for line items.

He provided a staffing summary, which highlighted the teaching and nonteaching staff reductions. Phil reported that this is certainly a challenging time but the administration is proud of how staff is approaching the current dilemmas. Phil reported that process improvements continue in spite of the financial situation.

Dr. Kavanaugh spoke about the federal stimulus. Projected funds of \$299,000 each year will be coming directly to the school district as opposed to going through the state. The deficit is projected to be \$14billion – the NYS stabilization package addresses approximately \$6-billion only. The District hopes to receive some clarity with regard to stabilization as economic advisors are struggling with what appears to be a no-way-out solution. Deficit reduction assessments may be reduced, depending on the outcome. In terms of our tax history, she stated that the District has been able to reduce the tax rate over the past four years, but that is not likely this year. Dr. Kavanaugh pointed out that the District is still the lowest in per pupil spending and has one of the lowest tax rates for the area. The District is well positioned in terms of dealing with its tax position as well as its potential use of some reserve funds. The firm of Ray Wager is assisting the District in appropriate possible use of funds. A scenario will be provided this evening and is based on best information

available at the moment. The District is projecting less interest earnings, about ½ of what has been had in the past.

Ed Johnson, director of Finance & Operations spoke about the property tax levy. Ed reported that the District is restoring sales tax receipts. He further clarified that interest rates are low all around. Phil Burrows explained that federal stimulus monies have been built back in to the budget for the purpose of this scenario. He explained that the bulk of the district's increase in budget this year is its mortgage. Phil explained that the increase in building aid offsets this. Phil reported that the Capital Reserve has been added in to reduce the local tax effect. He stated that Livingston County will do a revaluation next year and that percentages were discussed with local assessors.

Discussions took place regarding the IDEA and what it can be used towards. Phil explained that multi-year projections will protect us in the future. He pointed out the District must protect its reserves and grow them as they move ahead.

Increases in BOCES costs represent another significant factor in this budget. Ed Johnson discovered a BOCES error to our benefit, of \$270,000 in projected BOCES aid and reported it to the state. Ed reported that reductions by leasing some equipment will save approximately two-hundred thousand dollars to help offset other increases. Right pricing and efficiencies need to be balanced with new administration. The hope is that things will stabilize. As more components begin to become more independent, the cost of services may drive even higher.

With regard to ERS/TRS, Ed reported that rates have gone down by 1%. Increases are expected to be 12-13% next year. Ed explained that preparing for this type of increase must be considered and planned for. Until the market changes, the heavy losses must be factored in. An 80% growth is anticipated. Mandate rollbacks still remain to be seen.

Intents toward the Strategic Plan will not change and will continue to be the blueprint for the District.

After meeting with the Leadership Team about the review of DIU's, administration has a number of proposed reductions which are prioritized for reinstatement, if stabilization money is provided. The District is prepared to move in either direction. Further discussions will take place at a joint meeting of the Board and the PBAC on Thursday night. It is anticipated that dialogue across the table will be beneficial. Feedback to discuss themes and rationale will be the expectation. A deeper understanding about the process should be gained. The scenario will be the only new item for the PBAC to review.

A question was asked about what impact the economic situation is having on our community. Some discussion around this should take place on Thursday.

13. **Adjournment**

**Motion** by Mr. Mendrick, seconded by Mr. Stottler, to adjourn the meeting at 9:45 p.m.

*All documents that are "duly made a part of these minutes" are kept in a supplemental file that corresponds with today's minutes.*

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Rhonda Schaefer, Clerk of the Board of Education