

**BOARD MEETING:** Regular  
**DATE:** Wednesday, April 20, 2016  
**TIME:** 6:30 p.m.  
**PLACE:** Naples High School Cafeteria

- I. Meeting Called to Order
- II. Roll Call
- III. Adopt the Agenda of the Regular Meeting of April 20, 2016 (Board Action)
- IV. Executive Session (Board Action)
- V. Pledge of Allegiance
- VI. Public Comments: The Board of Education invites you, the residents of our school community, to feel comfortable in sharing matters of interest or concern that you might have with us. The Board President will be happy to recognize those of you who wish to speak. We would ask that you come forward and please identify yourself before presenting your thoughts.  
Those items brought to the attention of the Board during this time may be taken under consideration for future response or action. (*Individual comments will be limited to three minutes.*)  
As a matter of courtesy, we ask that issues related to specific School District personnel or students be brought to the attention of the Superintendent of Schools privately. Thank you for this consideration.  
Board Response: The Board of Education is committed to keeping communication open and transparent. The Board of Education President will be working with the Board and the Superintendent to make every effort to respond to public comments directed to the Board of Education at previous meetings, during the next scheduled meeting.
- VII. Points of Interest
- VIII. Superintendent Recognitions & Updates
  - NCS Bright Spots
  - Internal Claims Auditor Quarterly Report
  - School Resource Officer
  - Elementary School Math Curriculum Mapping Presentation
  - Grades 3-8 Math & ELA Testing
  - Reserve Plan Review
- IX. Administrative Reports
  - Director of Pupil Personnel
  - Student Representative
- X. Board Reports
  - Budget Committee
- XI. Minutes (Board Action)
  - April 6, 2016
- XII. Contractual Agreements
  - NTA Memorandum of Agreement regarding APPR (Board Action)
  - CSEA Memorandum of Agreement regarding Bus Driver Extra Duties (Board Action)  
(Article XXII, Section 23.2, Number 4)
- XIII. 2016-2017 School Budget (Board Action)
  - Adopt 2016-2017 School Budget & 2016-2017 Property Tax Report Card
- XIV. Business (Board Action)
  - Adopt Naples Central School Board of Education Financial Reserve Plan
- XV. Personnel (Board Action)
  - 2015-2016 Extra-Curricular Appointment
    - Mentor
  - 2015-2016 Department Chairperson
    - Fine Arts K-12
  - Unpaid Leave
  - Vote Workers
  - Approval: Rate of pay for Typist, Tammy Brace
- XVI. Consent Agenda Items (Board Action)
  - Committee on Special Education Recommendations
  - Volunteers
  - Substitute(s)
    - Cleaner
    - School Bus Monitor
- XVII. Adjournment (Board Action)

**Regular Meeting**

**April 20, 2016**

Minutes of a Regular Meeting of the Board of Education of Naples Central School held on Wednesday, April 20, 2016 at 6:32 p.m. in the Naples High School Cafeteria.

Members Present:	Robert Brautigam	Jacob Hall
	Joseph Callaghan: Arrived at 7:15 p.m.	Maura Sullivan
	Carter Chapman	Margo Ulmer
	Brent Gerstner	Elizabeth Friend

Members Absent: Robert Hotchkiss Gail Musnicki

Also Present: Matthew Frahm, Mitchell Ball, Kristina Saucke, and Karen Mead.

Guests: Anneke Radin-Snaith, Diann Payne, Barbara Howard, Dahl Schultz, Carrie Grove, Evelyn Letta, and Rick Jaus.

A quorum being present, the meeting was called to order at 6:33 p.m. by Board President Margo Ulmer.

**Motion: Brent Gerstner**  
**2<sup>nd</sup>: Jacob Hall**

Resolved, that the Board of Education approves the agenda of the Regular Meeting of April 20, 2016 as presented.

**Voting Yes: 6 Motion Carried**  
**Voting No: 0**

**Motion: Carter Chapman**  
**2<sup>nd</sup>: Brent Gerstner**

Resolved, that the Board of Education approves calling an executive session at 6:33 p.m. for the purpose of discussing the employment history of a particular person or persons.

**Voting Yes: 6 Motion Carried**  
**Voting No: 0**

**Time out of Executive Session: 7:03 p.m.**

**Public Comments**

None

**Board Response**

None

**Points of Interest**

Board of Education 2<sup>nd</sup> Vice President Jacob Hall spoke about the third grade Lego Expo noting some of the activities that occurred.

Board of Education President Margo Ulmer talked about a tour of the BOCES Career and Technical Institution that was attended by local Superintendents and Board of Education Members noting some of the departments they visited and experiences they had.

Mrs. Ulmer talked about the BOCES Board of Education Member vote and briefly outlined candidate bios. The Naples Board of Education tentatively agreed that they would support the incumbent members pending approval at a Special Meeting of the Board on April 27<sup>th</sup>.

**Superintendent Recognitions & Updates**

Superintendent Matthew Frahm recognized Teacher Aide and Lego Robotics leader Jodie Schwartz for her recent work with students in Lego Robotics and noted that she is the focus of his “Bright Spot”.

Internal Claims Auditor Evelyn Letta reviewed a quarterly report prepared for the period of January 1, 2016 – April 11, 2016, noting the error rate was less than 1%.

School Resource Officer Rick Jaus spoke about the heroin forum for students; classroom instruction relating to law; community connectivity; internet safety issues; staff safety issues; and ways that he has been able to support students and staff in the district.

Elementary Principal Kristina Saucke, Teacher on Special Assignment Anneke Radin-Snaith, and 2<sup>nd</sup> Grade Teacher Carrie Grove reviewed the Elementary School math curriculum mapping work that has been done using an actual curriculum map to guide the conversation.

Mr. Frahm gave an update on Grades 3-8 Math & ELA Testing noting that the opt out rates were around 22% for ELA and 27% for Math. Mr. Frahm also noted that the district believes in the value of assessments in fostering student learning. Mr. Frahm thanked staff members for their work in preparing for assessment days.

Business Administrator Mitchell Ball briefly outlined a few items as presented in the Financial Reserve Plan Document.

**Administrative Reports**

Director of Pupil Personnel Services Karen Mead outlined items that appeared in the monthly Board of Education Report and spoke briefly about corrective actions that have been enacted since the state audit noting various activities that have occurred.

Student Representative Elizabeth Friend spoke briefly about extracurricular activities; student academics, student activities; and student clubs.

**Board Reports**

Board of Education Budget Committee Member Jacob Hall reviewed items as discussed in the Budget Committee Meeting including a review of the line item budget; the Budget Notice; the Budget Survey; and the Property Tax Report Card.

**Motion: Joseph Callaghan**

**2<sup>nd</sup>: Jacob Hall**

Resolved, that the Board of Education approves the minutes of the following meeting:

Regular Meeting of April 6, 2016

**Voting Yes: 7**

**Motion Carried**

**Voting No: 0**

**Motion:** Brent Gerstner  
**2<sup>nd</sup>:** Carter Chapman

Resolved, that the Board of Education approves the negotiated Memorandum of Agreement between the Naples Teachers' Association and the Naples Central School District, allowing Annual Professional Performance Review observations to be performed by Superintendent Matthew T. Frahm for the 2015-2016 school year only, as presented.

**Voting Yes:** 7 **Motion Carried**  
**Voting No:** 0

**Motion:** Jacob Hall  
**2<sup>nd</sup>:** Joseph Callaghan

Resolved, that the Board of Education approves the negotiated Memorandum of Agreement between the CSEA and the Naples Central School District, clarifying the parties' intentions regarding Bus driver Extra Duties, Article XXII, Section 23.2, Number 4.

**Voting Yes:** 7 **Motion Carried**  
**Voting No:** 0

**Motion:** Joseph Callaghan  
**2<sup>nd</sup>:** Carter Chapman

Resolved, that the Board of Education adopts the 2016-2017 Naples Central School District Budget in the amount of \$19,735,890 and the Property Tax Report Card.

**Voting Yes:** 7 **Motion Carried**  
**Voting No:** 0

**Motion:** Brent Gerstner  
**2<sup>nd</sup>:** Jacob Hall

**Resolved, that the Board of Education approves the Business/Financial resolutions as presented:**

- Resolved, that the Board of Education adopts the Naples Central School Board of Education Financial Reserve Fund Plan as presented.

**Voting Yes:** 7 **Motion Carried**  
**Voting No:** 0

**Motion:** Brent Gerstner  
**2<sup>nd</sup>:** Jacob Hall

**Resolved, that upon the recommendation of the Superintendent, the Naples Central School District Board of Education approves the following personnel item(s) as presented.**

- Resolved, that the Board of Education approves the following Extra-Curricular appointments for the 2015-2016 School Year, salary as per negotiated agreement:
  - Mentor: Amanda Jennejohn, effective on or before May 9, 2016
- Resolved, that the Board of Education approves the following Department Chairperson for the 2015-2016 School Year, salary as per negotiated agreement:
  - Department Chair: District - Fine Arts: Abigail Castle, effective on or before May 9, 2016
- Resolved, that the Board of Education approves the following request for unpaid leave:
  - Margaret Fagnoli, Teacher Aide: April 4, 2016 – Four (4) hours;  
April 5, 2016 – One (1) day; and  
May 19, 2016 – Three and one quarter (3.25) hours
  - Monica Kastner, Guidance Counselor: April 8, 2016 – One Half (1/2) day



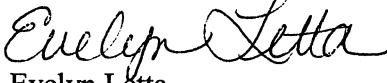
## **Board of Education Auditor Report – April 2016 Board Meeting**

From January 1, 2016 – April 11, 2016 I have approved warrants 0103-0154 for a total amount of \$5,188,563.72 for the third quarter of the 2015-2016 fiscal year. The following errors have occurred and were corrected:

1. (4) Backup paperwork missing information (missing signatures, requisitions)

A total of 4 errors from 599 transactions (0.67%)

Respectfully submitted,



Evelyn Letta



Board of Education  
Financial Reserve Plan Document  
Fiscal Year July 1, 2015 – June 30, 2016

*The Naples Central School District Board of Education believes that there is a strong correlation between the long term financial health of the school district and its ability to provide students the necessary services and facilities to meet its mission.*

## **MISSION STATEMENT**

*The Naples Central School District challenges and supports all students to develop their diverse talents and abilities in a safe environment with rigorous opportunities. Students will graduate with the skills and confidence needed to excel in their chosen pursuits.*

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## INTENDED USE OF RESERVES

Reserve funds, like other savings plans, are mechanisms for accumulating cash for future capital outlays and other allowable purposes. The practice of planning ahead and systematically saving for capital acquisitions and other contingencies is considered prudent management. Saving for future capital needs can reduce or eliminate interest and other costs associated with debt issuances. Similarly, certain reserve funds can be utilized to help protect the budget against known risks (a potential lawsuit) or unknown risks (a major ice storm).

Most reserve funds are established to provide resources for an intended future use. An important concept to remember is that a reserve fund should be established with a clear intent or plan in mind regarding the future purpose, use and, when appropriate, replenishment of funds from the reserve. Reserve funds should not be merely a “parking lot” for excess cash or fund balance. Local governments and school districts should balance the desirability of accumulating reserves for future needs with the obligation to make sure taxpayers are not overburdened by these practices. There should be a clear purpose or intent for reserve funds that aligns with statutory authorizations.

Each statute that authorizes a reserve fund sets forth a particular underlying purpose for the fund. For example, provisions of the General Municipal Law (the GML) and the Education Law allow municipalities and school districts, respectively, to establish capital reserves for future equipment purchases and capital improvements. The GML also authorizes the establishment of an employee benefit accrued liability reserve for the payment of the monetary value of accumulated, unused leave time to employees upon separation from service. Planning today and saving incrementally for expected future events can help mitigate the financial impact of major, nonrecurring or unforeseen expenditures on your annual operating budget. Establishing and funding allowable reserve funds for a clear purpose can help smooth out spikes in the annual budget and in the real property tax levy.

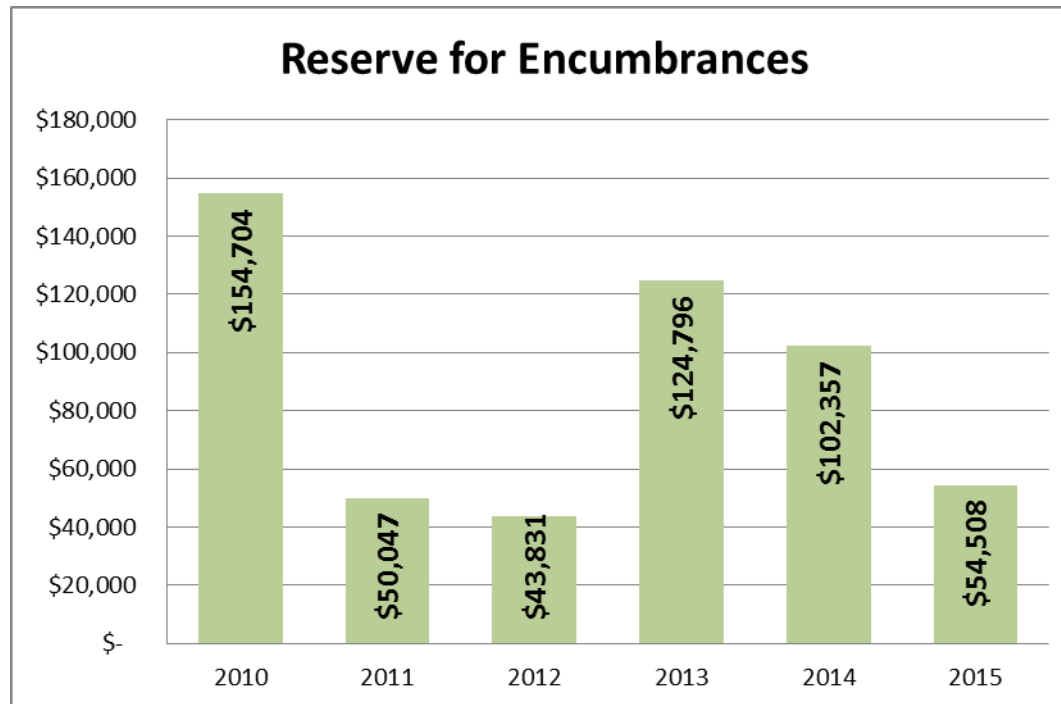
*Source: Office of the New York State Comptroller – Local Management Guide for Reserves*  
<http://www.osc.state.ny.us/localgov/pubs/lmg/reservefunds.pdf>

## Reserve for Encumbrances

### Overview

A “Reserve for Encumbrances” is not a “reserve” in the traditional sense of reserves. This reserve is utilized to hold funds that are committed towards purchases or services from the following fiscal year for which no balance sheet liability exists as the good or services have not been received, or billed. This value will fluctuate from year to year depending on various factors like the regular ongoing purchasing cycle and supplier’s ability to deliver products in a timely fashion.

Significant additions or deletions to this reserve at year end can cause large fluctuations in overall fund balance. The District will try to minimize its use at year end so that balances remain stable and consistent.



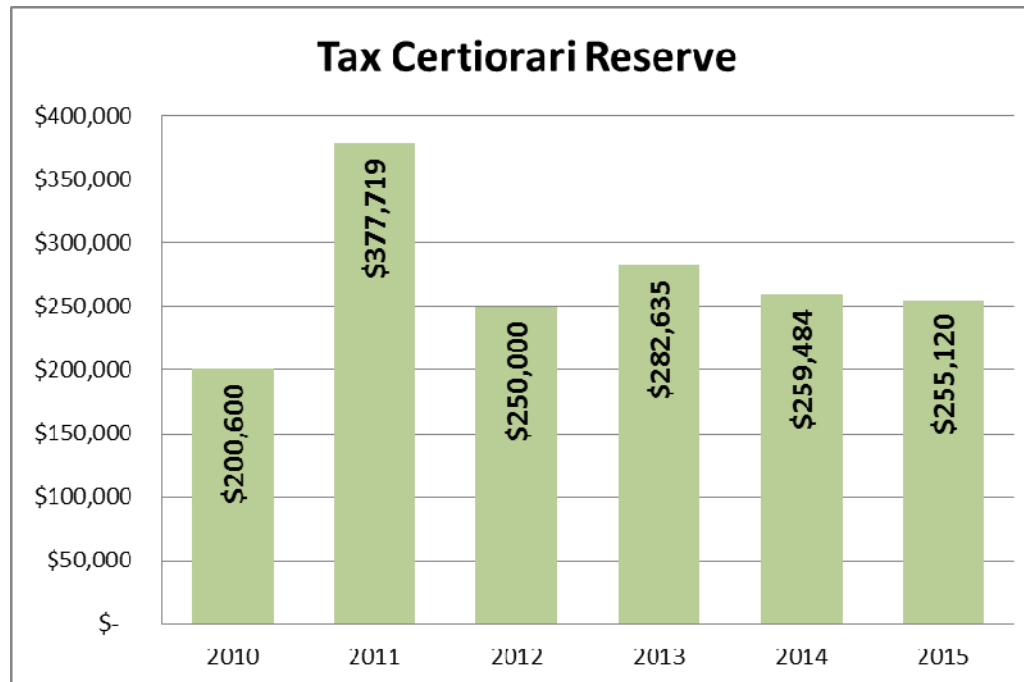
## **Tax Certiorari Reserve [EDN Article 74 §3651 (1-a)]**

### **Overview**

- Established by Board of Education resolution
- Voter approval is not needed to expend funds
- Utilized to pay judgments and claims arising out of tax certiorari proceedings
- Established in the amount which might be deemed reasonably necessary to pay judgments and claims
- Monies not used and/or are not reasonably required to pay judgments or claims are to be returned to the general fund on or before the first day of the fourth fiscal year following deposit into such fund
- Such monies shall be deemed reasonably required to pay any such judgment or claim if the proceeding or claim has not been finally determined, or otherwise terminated or disposed of after the exhaustion of all appeals

### Analysis & Projected Needs

The tax certiorari reserve was established by the Board of Education in September of 2008. The amount of the reserve, capped by the Board of Education, is not to exceed the amount of \$500,000. A portion of the District is situated on Canandaigua Lake which contains lakefront properties that are assessed at high values in comparison to other district properties. As a result the District is extremely dependent upon tax revenues received from these properties. For the 2015-2016 school year approximately 55% of the District's revenues were derived from the tax levy. Approximately 60% of the tax base is located in the Town of South Bristol where the majority of the lakefront property is located and tax certiorari proceedings are ongoing. Current economic conditions in the housing market present many unknowns and it is prudent for the District to protect itself against fluctuations that may occur. As of June 30, 2015 the estimated cost to the district, if all determinations were granted in favor of the landowner, would be \$601,957. The District will continue to monitor and possibly increase this fund in future years to protect itself from major losses in tax revenue.



## **Liability Reserve [EDN Article 35 §1709 (8-c)]**

### **Overview**

- Established by Board of Education resolution
- May be established as separate funds
- Each fund may not exceed 3 percent of the annual budget, or \$15,000 whichever is greater
- Once established funds may not be reduced below amounts needed to cover incurred but unsettled claims other than for payments for which the funds were established
- May be expended without voter approval unless the funds are expended for a purpose other than the one for which it was established
- Utilized to cover property loss and other liability claims

### Analysis & Projected Needs

The District will hold this reserve to fund liability claims that are either not covered by insurance, or are denied coverage by the insurance company as they arise. At 3% of budget, the current maximum amount that can be funded in this reserve is approximately \$587,000. However, there are no plans to increase this reserve at the present time.



## **Insurance Reserve (GML Article 2 § 6-n)**

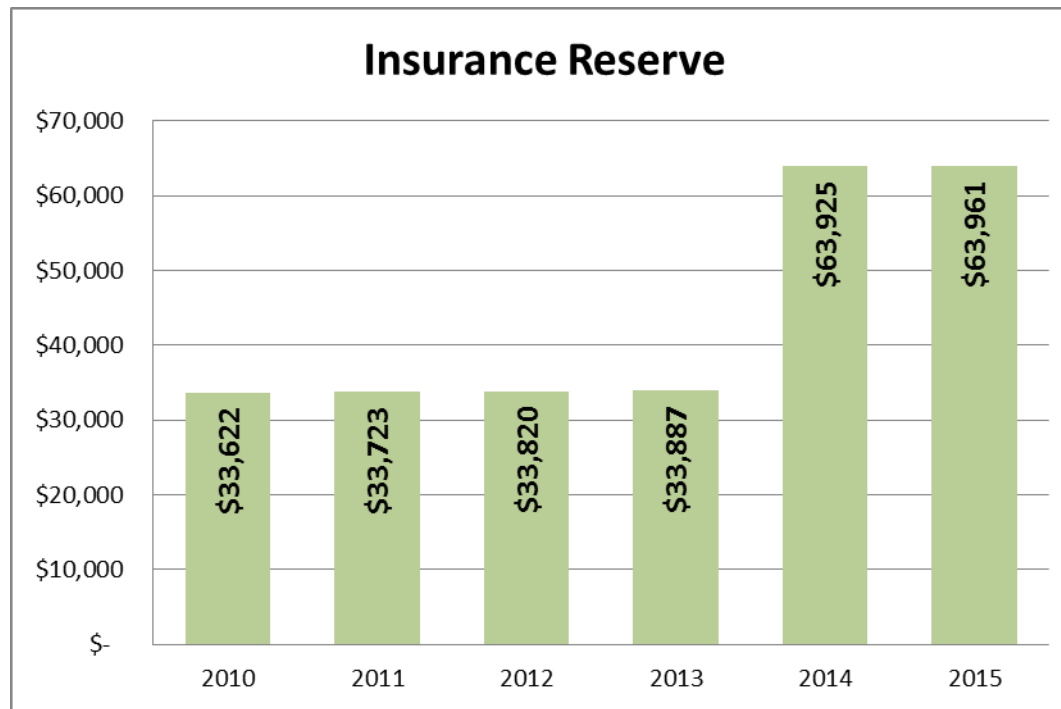
### **Overview**

- Established by Board of Education
- Funded by budgetary appropriations, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate
- Contributions to the fund may not exceed 5 percent of the total budget for that year, or \$33,000, whichever is greater
- Voter approval is not needed to expend funds. A judicial approval is needed to pay settled or compromised claims exceeding \$25,000
- Upon determination that this fund is no longer needed the fund may be discontinued and transferred to another reserve fund as permitted by law



### Analysis & Projected Needs

The District will hold this reserve to fund losses, claims, actions, or judgments as they arise for those claims that are either not covered by insurance, or are denied coverage by the insurance company. At 5% of budget, the current maximum amount that can be funded in this reserve is approximately \$978,000. However, there are no plans to increase this reserve at the present time.



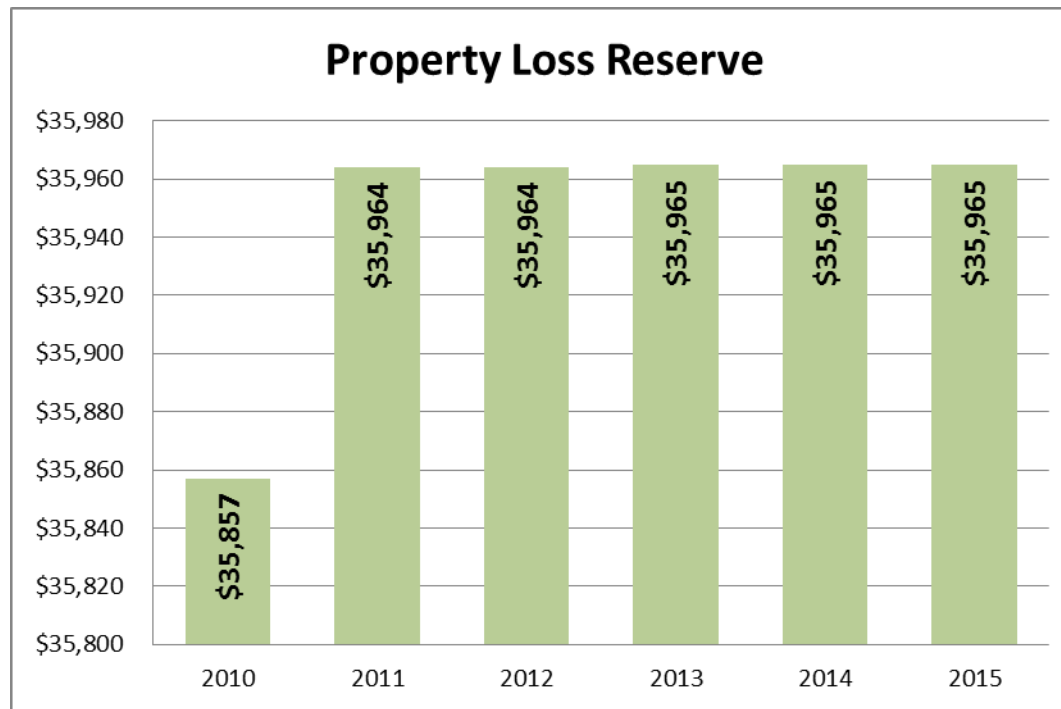
## **Property Loss Reserve [EDN Article 35 §1709 (8-c)]**

### **Overview**

- Established by Board of Education resolution
- May be established as separate funds
- Each fund may not exceed 3 percent of the annual budget, or \$15,000 whichever is greater
- Once established funds may not be reduced below amounts needed to cover incurred but unsettled claims other than for payments for which the funds were established
- May be expended without voter approval unless the funds are expended for a purpose other than the one for which it was established
- Utilized to cover property loss and other liability claims

### Analysis & Projected Needs

The District will hold this reserve to fund property loss claims that are either not covered by insurance, or are denied coverage by the insurance company as they arise. At 3% of budget, the current maximum amount that can be funded in this reserve is approximately \$587,000. However, there are no plans to increase this reserve at the present time.



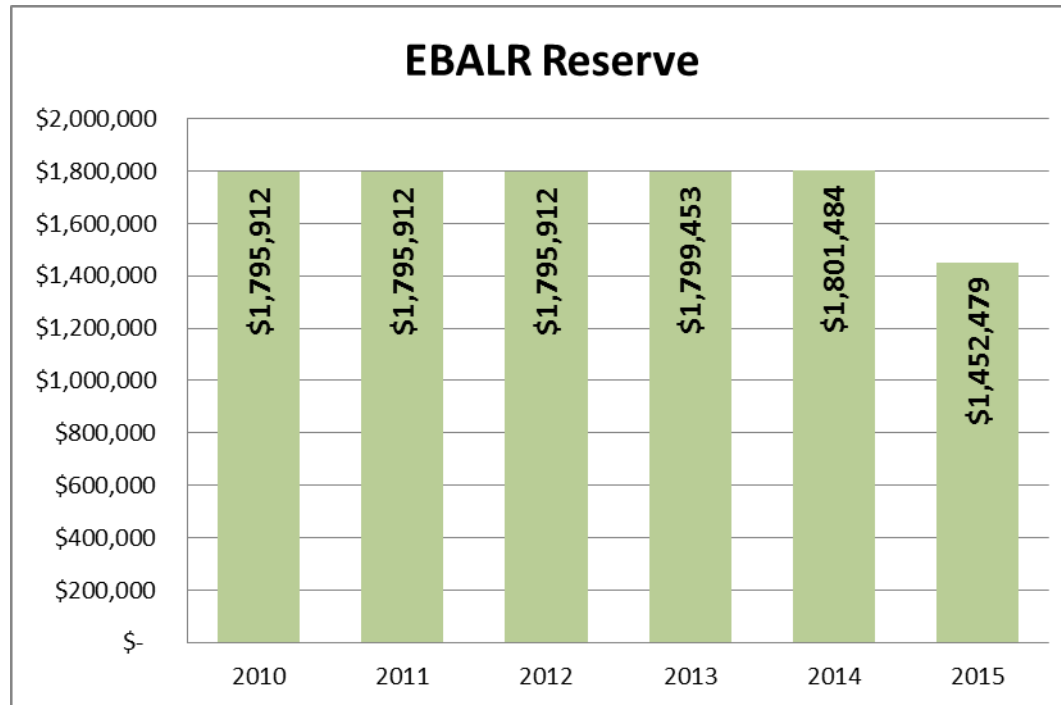
## **Employee Benefits Accrued Liability Reserve (GML Article 2 § 6-p)**

### **Overview**

- Established by Board of Education
- Funded by budgetary appropriations, transfers from other reserve funds as permitted by law, and other funds as the school board may legally appropriate
- Voter approval is not needed to expend funds
- Utilized to pay for accrued and accumulated but unused sick leave, personal leave, holiday leave, vacation time, and other benefits earned by employees and payable upon termination
- Upon determination that this fund is no longer needed the fund may be discontinued and funds may be transferred to another reserve fund as permitted by law
- Funds cannot be used to pay lump sum “retirement awards” calculated as a percent of an employee’s final salary and paid upon retirement under a collective bargaining agreement

### Analysis & Projected Needs

As of June 30, 2011, the District had an estimated future liability of \$3,086,557 for benefits paid to its instructional employees upon termination of employment. This liability is largely made up of accrued sick leave benefits payable to employees in the form of health insurance premiums, at their daily rate, upon retirement from the District. As this liability represents a significant portion of the District's long term obligations, the District continues to monitor this reserve and consider further funding if needed. For the 2015-2016 school year, the District appropriated \$300,000 from this reserve to support retiree health insurance benefits. The District anticipates appropriating additional funds from this reserve in the 2016-2017 budget.



## **Retirement Contributions Reserve (GML Article 2 § 6-r)**

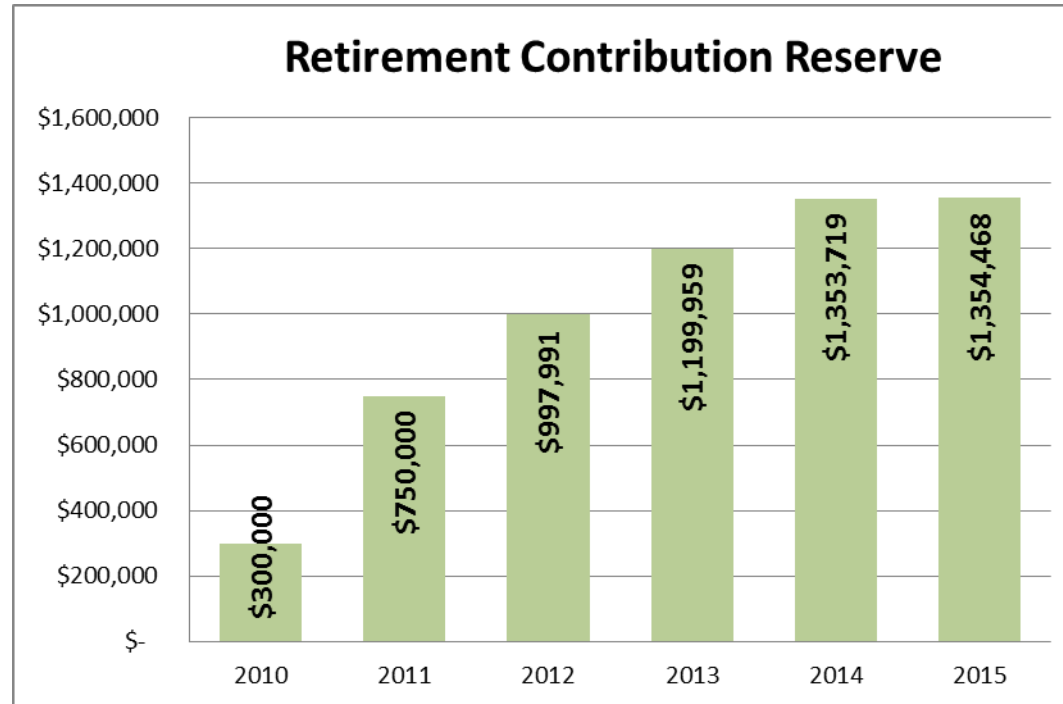
### **Overview**

- Established by Board of Education
- Funded by budgetary appropriations, revenues not required by law to be paid into other funds or accounts, transfers from other reserve funds as permitted by law, and such other funds as the board may legally appropriate
- Voter approval is not needed to expend funds
- A portion of the funds may be transferred to another reserve fund established pursuant to Education Law § 3651 following a public hearing conducted in the manner set forth by in law

### **Analysis & Projected Needs**

The ERS Reserve was established by the Board of Education in September of 2009. In November of 2009, the Board resolved to place \$80,000, received by First Wind Energy, LLC, from the settlement of wind farm proceedings, in the ERS Reserve. In addition to this amount the Board added \$220,000 at June 30, 2010 to further fund this reserve. Additional funding of this reserve can be viewed below. As a result of the severe stock market declines in 2008, the NYSERS (New York State Employees' Retirement System) has steadily increased the employer contribution to ERS. Starting with the 2010-2011 school year the contribution rate increased from 7.1% to 11.4%. The 2011-2012 contribution rate was 15.8%, the 2012-2013 contribution rate was 18.7%, the 2013-2014 rate was 21.13% and the 2014-2015 rate was 20.01%. The District expects to utilize \$200,000 of this reserve to offset NYSERS cost in the 2015-2016 budget.

Given the decline in the stock market, resulting losses, and increased contribution rates, the District will utilize this reserve to mitigate the impact of increased contributions in future years. The District will also use this reserve to protect its financial position in an era of uncertain state aid and property tax caps.



## **Unemployment Insurance Reserve (GML Article 2 § 6-m)**

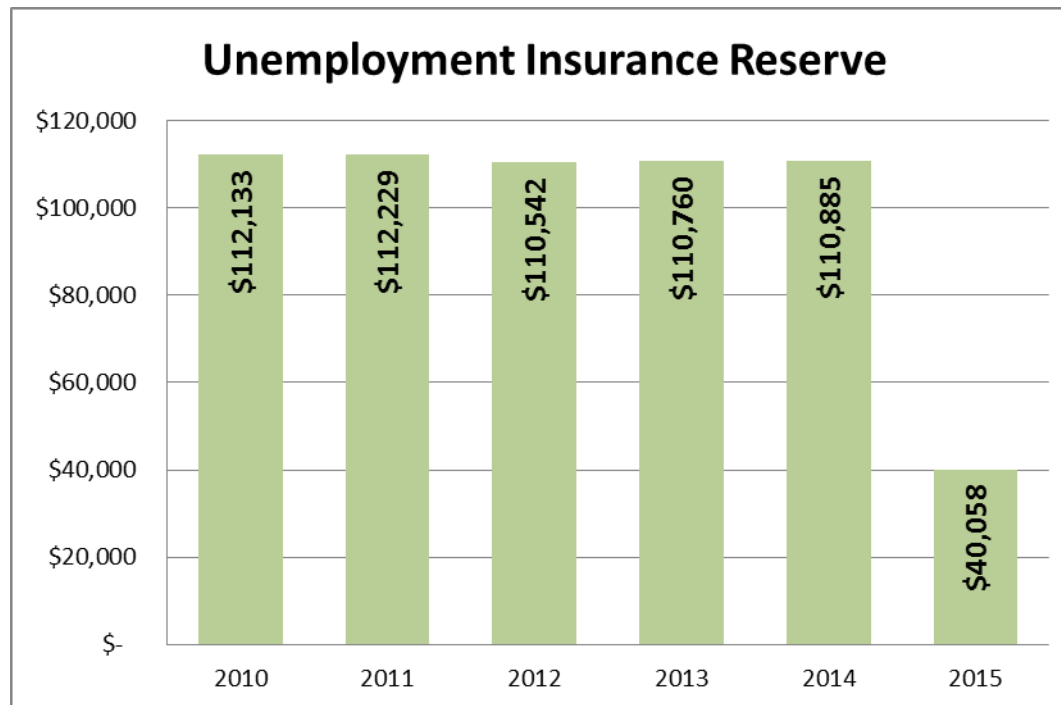
### **Overview**

- Established by Board of Education resolution
- Funded by budgetary appropriations, amounts from any other fund authorized by this chapter by resolution subject to referendum, or other sums that may be legally appropriated
- Voter approval is not needed to expend funds
- Utilized to pay unemployment claims
- Excess funds may be transferred to other reserves authorized by General Municipal Law and Education Law sixty days before the end of the fiscal year



### Analysis & Projected Needs

The District is obligated to pay 100% of all unemployment claims granted by the NYS Department of Labor. Due to recent decreases in state aid and uncertainties regarding future state aid and pending property tax caps the unemployment reserve was increased by \$80,000 at June 30, 2010. Over the last few years, New York State has started to slowly reduce the “Gap Elimination Adjustment” and workforce reduction has become less likely. As a result, on May 6, 2015, the Board of Education approved the transfer of \$70,885 from the unemployment reserve to the capital reserve. The District will continue to monitor and possibly increase this fund in future years as reductions in force may be necessary to balance future budgets.



## **Capital Reserve [EDN Article 74 § 3651 (1)]**

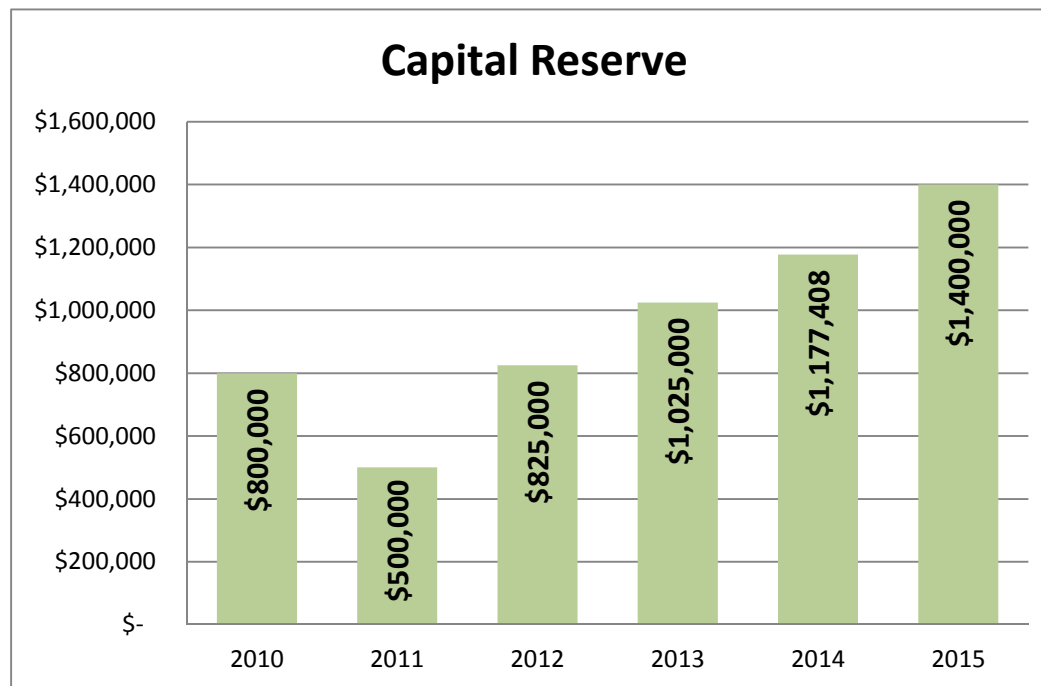
### **Overview**

- Established by voter approval
- States the specific purpose of the fund, the amount, the term of fund, and sources where fund is obtained e.g. budgetary appropriations, unappropriated fund balance, and New York State aid
- Utilized to pay for any object or purpose for which a school district may issue bonds pursuant to Finance Law
- Expended only with voter approval and for the purpose for which the fund was established
- Transferred to other funds only by voter approval
- May be liquidated by approval of voters if determined fund is no longer needed for the original purpose. Proceeds must be applied first to outstanding bond indebtedness than to tax levy

### **Analysis & Projected Needs**

The capital reserve was established by a positive vote of the Naples CSD taxpayers on the 25<sup>th</sup> of February 2010. The reserve is authorized to be funded up to \$2,000,000 plus earnings thereon. As of June 30, 2015, \$2,000,000 has been funded. The purpose of the reserve is to fund site work, additions to, reconstruction, and equipping of its school buildings and facilities. Due to the overwhelming amount of capital construction that is needed and the low building aid ratio of 63.7% (2013-2014 aid ratio) the Board of Education feels that this reserve is critical to its mission, is necessary to maintain health and safety for students and staff, is necessary to preserve school buildings, and should be in place to protect tax payer investment. On January 19, 2011, by resolution, the Board agreed to use \$600,000 of the reserve to support the Phase 2 Capital Project, approved by the voters on March 22, 2011. Since then, the district has been able to appropriate \$1,400,000 (the maximum amount to be funded) for future capital needs.

<b>Capital Reserve: Assessment of Allowable Additional Funding</b>					
<b>Date</b>	<b>Note</b>	<b>Amount Funded</b>	<b>Amount Deducted</b>	<b>Reserve Balance</b>	<b>Remaining Amount Allowable</b>
2/25/2010	Initial Creation				\$2,000,000
6/30/2010	Funded	\$ 600,000		\$ 600,000	\$1,400,000
6/30/2011	Funded	\$ 500,000		\$ 1,100,000	\$ 900,000
6/30/2011	Withdrawal		\$ 600,000	\$ 500,000	\$ 900,000
6/30/2012	Funded	\$ 325,000		\$ 825,000	\$ 575,000
6/30/2013	Funded	\$ 200,000		\$ 1,025,000	\$ 375,000
6/30/2014	Funded	\$ 152,408		\$ 1,177,408	\$ 222,592
5/6/2015	Funded	\$ 70,885		\$ 1,248,293	\$ 151,707
6/30/2015	Funded	\$ 151,707		\$ 1,400,000	\$ -
Remaining Amount to be Funded					



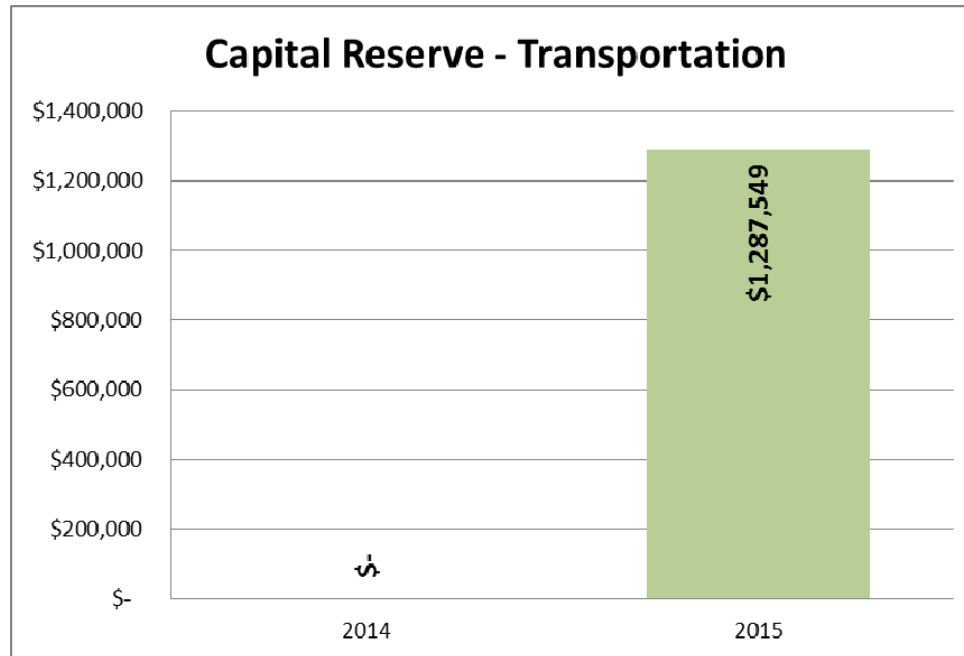
## **Capital Reserve - Transportation [EDN Article 74 § 3651 (1)]**

### **Overview**

- Established by voter approval
- States the specific purpose of the fund, the amount, the term of fund, and sources where fund is obtained e.g. budgetary appropriations, unappropriated fund balance, and New York State aid
- Utilized to pay for any object or purpose for which a school district may issue bonds pursuant to Finance Law
- Expended only with voter approval and for the purpose for which the fund was established
- Transferred to other funds only by voter approval
- May be liquidated by approval of voters if determined fund is no longer needed for the original purpose. Proceeds must be applied first to outstanding bond indebtedness than to tax levy

### Analysis & Projected Needs

The capital reserve for transportation was established by a positive vote of the Naples CSD taxpayers on the 19<sup>th</sup> of May 2015. The reserve is authorized to be funded up to \$3,000,000 plus earnings thereon. As of June 30, 2015, \$1,287,549 has been funded. The purpose of the reserve is to fund site work, additions to, reconstruction, and equipping of the transportation department. Due to the overwhelming amount of capital construction that is needed in the transportation building (as indicated in the five year building conditions survey) and the low building aid ratio of 63.7% (2014-2015 aid ratio) the Board of Education feels that this reserve is critical to its mission, is necessary to maintain health and safety for students and staff, is necessary to preserve facilities, and should be in place to protect tax payer investment. The Board will continue to fund this reserve in future years up to its maximum amount, if necessary.



## **Debt Service Fund (GML §6-1)**

### **Overview**

According to the NYS Education Department:

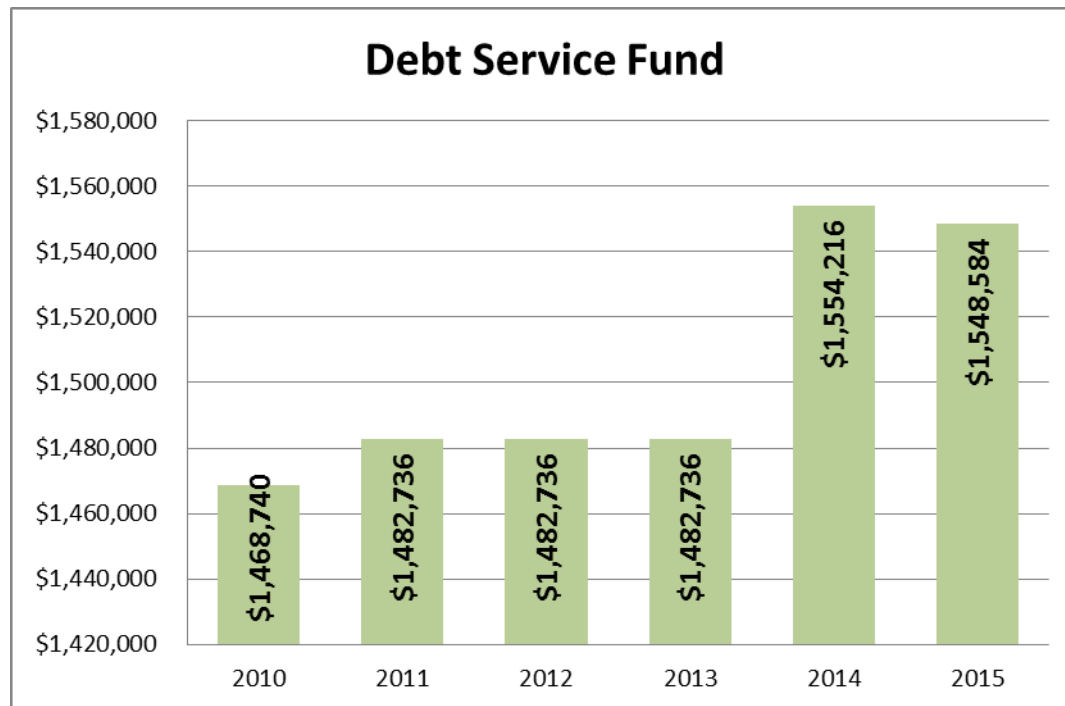
(<http://www.p12.nysed.gov/mgtserv/budgeting/handbook/otherfunds.html>),

“The use of this fund by school districts is optional except where a mandatory reserve for debt service is required as a result of having sold school property on which there is outstanding debt, or where unexpended proceeds of borrowings, earned interest, bond premium, or accrued interest are being retained to offset future payments on principal and interest.”

### Analysis & Projected Needs

For the Naples Central School District, the Debt Service Fund is mandatory as the fund is used to account for “unexpended proceeds of borrowings, earned interest, bond premium, or accrued interest”. Over the years, the district has borrowed funds for various projects. At the end of every project, the district is required to take unexpended funds and use them to offset the cost of debt service principal and interest payments in the general fund.

For the 2015-16 school year, the district plans to use \$250,000 to offset debt service payments through the general fund. The district will continue to expend monies from this fund in future years in an attempt to slowly work this fund down to zero.



### **Assigned Fund Balance/Reserve for Subsequent Year/Designated for Expenditures**

For the 2015-2016 school year the District appropriated \$750,000 of unassigned fund balance towards its budget. This represents approximately 3.8% of the current budget. The District expects to return this amount to fund balance at the end of the fiscal year. Appropriations of fund balance for the 2016-2017 budget are expected to decrease and are dependent on various budgeting revenues including state aid. The District expects to return the majority of this appropriation to fund balance on June 30, 2017.

Beginning in the year 2015-2016 and thereafter the amount utilized will likely be reduced by \$100,000 annually with additional reductions in future years to insure appropriate levels of fund balance are maintained. As the economy regains strength, along with increases in state funding, the District would look to reduce the appropriation of unassigned fund balance, over time, to \$350,000. \*Note: please see "Reserve Fund Strategy" for greater detail.

### **Unassigned Fund Balance**

The District intends to retain unexpended funds in this reserve up to the legal limit of 4% of the upcoming year's budget.



**SUMMARY OF FUND BALANCE ACCOUNTS**

	09/10	10/11	11/12	12/13	13/14	14/15
	6/30/2010	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015
<b>Fund Balance</b>						
Reserved						
Reserved for Encumbrances	154,704	50,047	43,831	124,796	102,357	54,508
Tax Certiorari Reserve	200,600	377,719	250,000	282,635	259,484	255,120
Liability Reserve	20,424	20,485	20,541	20,582	20,605	20,616
Insurance Reserve	33,622	33,723	33,820	33,887	63,925	63,961
Property Loss Reserve	35,857	35,964	35,964	35,965	35,965	35,965
Employee Benefits Accrued Liability Reserve	1,795,912	1,795,912	1,795,912	1,799,453	1,801,484	1,452,479
Retirement Contributions Reserve	300,000	750,000	997,991	1,199,959	1,324,719	1,354,468
Unemployment Insurance Reserve	112,133	112,229	110,542	110,760	110,885	40,058
Capital Reserve	600,000	500,000	825,000	1,025,000	1,177,408	1,400,000
Capital Reserve - Transportation`	-	-	-	-	-	1,287,549
	<b>3,253,252</b>	<b>3,676,079</b>	<b>4,113,601</b>	<b>4,633,037</b>	<b>4,896,832</b>	<b>5,964,724</b>
Unreserved						
Designated for Expenditures (subsequent year)	527,000	600,000	850,000	850,000	850,000	750,000
Unassigned	635,826	645,328	685,054	721,193	789,796	780,130
	1,162,826	1,245,328	1,535,054	1,571,193	1,639,796	1,530,130
<b>Fund Balance &amp; Reserves at 6/30</b>	<b>4,416,078</b>	<b>4,921,407</b>	<b>5,648,655</b>	<b>6,204,230</b>	<b>6,536,628</b>	<b>7,494,854</b>
Debt Service Balance	1,468,740	1,482,736	1,482,736	1,482,736	1,554,216	1,548,584

## **NAPLES CSD RESERVE FUND STRATEGY**

Over the long run the District will continue to use conservative budgeting practices which will likely result in excess revenues over expenditures at the end of the fiscal year. The District wishes to avoid draconian cuts in programs in the midst of a weak economic climate. The District anticipates additional state aid and mandate relief in future years to reduce the amount of fund balance needed to support the budget. Through the management of its reserves the District hopes to achieve the following:

- Maintenance of educational programming during economic downturns
- Cash flows that will eliminate the need to issue Revenue Anticipation Notes in the event state or federal aid is not paid timely
- Cash flows that will allow increased investment earnings
- The ability to take advantage of opportunities as they arise, relevant to school district operations, that could result in better efficiencies, facilities/capital improvements, and instruction that are a savings to taxpayers in the long run
- Consistencies and improvements in its educational program
- A long term plan for preserving its infrastructure and school buildings
- The ability to maintain a stable tax levy
- The ability to maintain and/or improve its bond rating which will save taxpayers money at both the local and state level

In terms of its mission and responsibility to manage its fiscal affairs prudently the Board of Education considers all of the goals above to be critical to its philosophy in managing reserves.

## Long Term Plan for Use of Fund Balance 2016-2021

### 6/30/16

- Excess Revenue over Expenditures: \$500,000
- Reduce by \$100,000 Designated for Subsequent Year Expenditures (Total \$650,000)
- Assume Designated from Employee Benefit Accrued Liability Reserve \$300,000
- Assume Designated from Retirement Contribution Reserve \$200,000
- Add up to \$150,000 to Employee Benefit Accrued Liability Reserve
- Add up to \$100,000 to Retirement Contribution Reserve
- Add remainder of Fund Balance to Capital Fund - Transportation

### 6/30/17

- Excess Revenue over Expenditures: \$250,000
- Reduce by \$100,000 Designated for Subsequent Year Expenditures (Total \$550,000)
- Assume Designated from Employee Benefit Accrued Liability Reserve \$250,000
- Assume Designated from Retirement Contribution Reserve \$150,000
- Add up to \$150,000 to Employee Benefit Accrued Liability Reserve
- Add up to \$100,000 to Retirement Contribution Reserve

### 6/30/18

- Excess Revenue over Expenditures: \$250,000
- Reduce by \$100,000 Designated for Subsequent Year Expenditures (Total \$450,000)
- Assume Designated from Employee Benefit Accrued Liability Reserve \$150,000
- Assume Designated from Retirement Contribution Reserve \$150,000
- Add up to \$150,000 to Employee Benefit Accrued Liability Reserve
- Add up to \$100,000 to Retirement Contribution Reserve

**6/30/19**

- Excess Revenue over Expenditures: \$250,000
- Reduce by \$100,000 Designated for Subsequent Year Expenditures (Total \$350,000)
- Assume Designated from Employee Benefit Accrued Liability Reserve \$150,000
- Assume Designated from Retirement Contribution Reserve \$150,000
- Add up to \$150,000 to Employee Benefit Accrued Liability Reserve
- Add up to \$100,000 to Retirement Contribution Reserve

**6/30/20**

- Excess Revenue over Expenditures: \$250,000
- Maintain \$100,000 Designated for Subsequent Year Expenditures (Total \$350,000)
- Assume Designated from Employee Benefit Accrued Liability Reserve \$150,000
- Assume Designated from Retirement Contribution Reserve \$100,000
- Add up to \$150,000 to Employee Benefit Accrued Liability Reserve
- Add up to \$100,000 to Retirement Contribution Reserve

**6/30/21**

- Excess Revenue over Expenditures: \$250,000
- Maintain \$100,000 Designated for Subsequent Year Expenditures (Total \$350,000)
- Assume Designated from Employee Benefit Accrued Liability Reserve \$150,000
- Assume Designated from Retirement Contribution Reserve \$100,000
- Add up to \$150,000 to Employee Benefit Accrued Liability Reserve
- Add up to \$100,000 to Retirement Contribution Reserve

**NAPLES CENTRAL SCHOOL**  
**NAPLES, NEW YORK 14512**



Board of Education Report

Karen J. Mead, Director of Pupil Personnel

April 20, 2016

On April 7, 2016, Ms. Terri Wood, NYSED Special Education Quality Assurance Regional Associate, returned to our district to review the 2015-16 Special Education Focus Review Compliance assurance Plan with The Pupil Personnel Services (PPS) Office staff. At that time, she and Karen Mead, Director of Pupil Personnel Services reviewed each area of need and the actions/artifacts demonstrating the corrections and improvements.

Areas in need of improvement or correction included Board of Education policy relating to Special Education, Present Levels of Performance aligning more closely to student IEP goals, documenting the provision/offering of parent training for students in a special program, the re-assigning of a program designated as a 12:1+4 program to be more accurately classified as an 8:1+1 program, and the alignment of Functional Behavioral Assessments and Behavior Intervention Plans. These five areas were addressed during Committee on Special Education meetings held between December 2015 and March 2016.

The area of greatest focus for the 2015-2016 NYSED Special Education Focus Review has been the creation of new and highly aligned forms for Functional Behavioral Assessments (FBA) and Behavior Intervention Plans (BIP). These new forms are directly aligned with each component required by Part 200 regulations and include descriptors for each section, encouraging greater fidelity and consistency for quality planning. Functional Behavioral Assessments and the resulting Behavior Intervention Plans are composed and implemented for those special education students demonstrating a pattern of behaviors that impede their learning and engagement in learning activities. The FBA identifies the behaviors and related antecedents, so proactive and preventive steps may be taken. The Behavior Intervention Plan notes, in detail, the proactive measures to be taken whenever possible, as well as the reactionary steps and process to take at times of the impeding behaviors. Consistency is the key in helping the students self-monitor their behaviors and internalize alternative and productive behaviors.

Happily and proudly, the Special Education Department may report that Ms. Wood has found Naples Central School District to be compliant in all areas, and a final report reflecting this finding will be received by Mr. Frahm's office in the coming weeks. It is due to the professionalism and tireless efforts of the entire faculty and staff of NCS that we have received "high marks" and praise from the NYSED SEQA Office for serving our students in an outstanding manner each day!

## **Naples Junior Senior High School Board of Education Report, April, 2016**

### New York State English Language Arts and Math Testing-

'Tis the season-well, testing season that is! The New York State English Language Arts tests were administered to our 7<sup>th</sup> and 8<sup>th</sup> graders on Tuesday, April 5-Thursday, April 7<sup>th</sup>. All days of testing have run very smoothly thanks to the organization of many who arranged testing groups, coordinated testing accommodations, proctored, counted/sorted/ and re-packaged tests, and more. I would like to send a very special thank you to Ms. Kris Saucke for guiding the re-packaging process in the high school. Her help was invaluable and very greatly appreciated!

### National Honor Society Induction Ceremony-

The Naples chapter of the National Honor Society inducted twelve students in a wonderful ceremony on Tuesday, April 12<sup>th</sup>. It was great to see the current members of NHS involved in the induction service as they welcomed the new members. All members of the National Honor Society should be very proud of their membership because all of us at the high school are very proud of them!

### Speaking of NHS-

We would like to congratulate Mr. Adam Robison for being named Teacher of the Year at the National Honor Society induction ceremony. Mr. Robison is a very dedicated teacher in the classroom and on the playing field and has earned the respect of so many students because of his commitment to their success, character, and growth. Our best wishes to Mr. Robison for continued success in the future. Thank you for everything you do on behalf of students, Mr. Rob!

### Spring Field Trips-

There have been, and will continue to be, a number of really engaging field trips for our students at the Junior Senior High School. Art and Technology classes visited the Rochester Folk Art Guild on Friday, April 8<sup>th</sup> to see a great combination of art and tech skills all in one place. The Jazz Band attended an assembly at Honeoye High School on Thursday, April 7<sup>th</sup> to hear noted jazz musician, Mr. Al Chez. Comments from the kids when they returned were so positive it was clear the trip was engaging, enriching, and very worthwhile. A number of our 9<sup>th</sup> and 10<sup>th</sup> graders attended a Health Care Career Day on March 22 while some of our seniors will be attending the Finger Lakes Job Fair on April 19<sup>th</sup> featuring 37 regional employers. What a great opportunity for networking and sharpening interview skills! Finally, the Outdoor Adventure Club (a.k.a. the Hiking Club) is in the planning stages for a number of very special experiences to take place this spring. As you can see, our students have many, many great opportunities to enjoy learning experiences "in the real world"!

### And finally...-

And finally, we are now in the final marking period of the year. The staff in the high school is working very hard to improve on time arrivals to every class as part of an effort to assure the greatest possible student success. Their commitment to student achievement is such a common goal in the Junior Senior High School it's almost impossible to describe. However, it's here, it's huge, and it's powerful!

**NAPLES CENTRAL SCHOOL**  
**136 NORTH MAIN STREET**  
**NAPLES, NEW YORK 14512**



**MEMORANDUM OF AGREEMENT**

By and Between

The Naples Teachers' Association

And

The Naples Central School District

WHEREAS, the Naples Central School District (the "District") and the Naples Teachers' Association (the "Association") collectively (the "Parties") are signatories to an Annual Professional Performance Review (APPR) plan which satisfied the District's statutory obligations under New York State Education Law section 3012-c and sections 30-2 and 100.2(o) of the Rules and Regulation of the Commissioner of Education; and

WHEREAS, the parties collectively bargained and reached agreement on the procedures to be used for observations and appeals and such agreements are outlined in the APPR document; and

WHEREAS, according the APPR, "There will be a maximum of one (1) announced observation that lasts a full class period and one (1) unannounced observation that lasts fifteen minutes for all tenured unit members. There shall be a maximum of one (1) announced and four (4) unannounced fifteen minute observation for all non-tenured unit members."; and

WHEREAS, district administration has indicated that it needs additional time and human resources to complete the remaining 2015-2016 teacher observations in a timely fashion; and

WHEREAS, the parties desire to enter into an agreement in response to District's request that the current Superintendent be allowed to assist in the completion of teacher observations without waiving or otherwise compromising interpretations of APPR between the District and Association; and

WHEREAS, the parties desire to clarify that this is an unusual situation and should be treated as such; and

WHEREAS, the parties have considered, analyzed and found this agreement to be in the best interest of all parties, and

WHEREAS, in mutual consideration, the parties agree as follows:

1. For the 2015-2016 school year only, the Superintendent shall be allowed to perform APPR observations using the methods and procedures for observations outlined in the Naples CSD APPR plan.
2. If an APPR appeal is filed from any teacher whom the Superintendent has observed and the Superintendent finds against the aggrieved teacher using the process outlined in the Naples

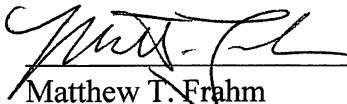
CSD APPR plan, the teacher may appeal the finding to a Panel of Final Appeals. The Panel of Final Appeals shall consist of five (5) members. The Association shall choose two (2) members. The District shall choose two (2) members. The final member shall be any person who is mutually agreed upon by the Association and the District. The final member of the panel may be chosen from inside or outside the district. The Panel of Final Appeal shall study the paperwork, evidence, and findings submitted and generated during the appeals process by any person or part of the process described in the Naples CSD APPR plan.


3. The Panel of Final Appeals shall review the findings and submit a decision within ten (10) days of receipt of all paperwork. The Panel of Final Appeals shall decide by majority vote. If the Panel of Final Appeals upholds the appeal, the District shall take necessary steps to revise the composite score accordingly. If the Panel of Final Appeals denies the appeal, the decision of the evaluator of record stands. The decision of the Panel of Final Appeals is final and binding.
4. For the 2015-2016 school year, the number of unannounced fifteen (15) minute observations shall be reduced by one from four (4) observations to three (3) observations. A fourth (4<sup>th</sup>) unannounced observation shall be conducted if the teacher or the district administrator informs the other party of such desire.
5. This agreement does not alter the one (1) announced full class period observation as required and outlined in the Naples CSD APPR plan.
6. Both parties agree that this agreement is not precedent setting.
7. This agreement shall expire and sunset on June 30, 2016.

**IN WITNESS WHEREOF**, the parties have hereto set their hands on the day and date written below:

FOR THE DISTRICT:

FOR THE ASSOCIATION

  
\_\_\_\_\_  
Matthew T. Frahm  
Superintendent of Schools  
Naples Central School District

  
\_\_\_\_\_  
Andrew Scott Petrie  
President  
Naples Teachers' Association

Dated: 4/13/16

Dated: 4/13/16



# MEMORANDUM OF AGREEMENT

Between The

NAPLES CENTRAL SCHOOL DISTRICT

And The

**CIVIL SERVICE EMPLOYEES' ASSOCIATION, INC.,  
LOCAL 1000, AFSCME, AFL-CIO,  
Naples CSD Support Staff Unit #7853**

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This Memorandum of Agreement is made by and between the Naples Central School District ("District") and Civil Service Employees' Association, Inc., Local 1000, AFSCME, AFL-CIO, Naples CSD Support Staff Unit #7853 ("Association") shall become effective upon signing by the Parties and approval by the Board of Education.

**WHEREAS**, the District and the Association have discussed the matter together and with their respective representatives, and mutually agree to enter into this Agreement to further clarify the parties' intentions regarding Bus Driver Extra Duties (Article XXII, Section 23.2, Number 4).

**IT IS AGREED** as follows:

Section 23.2 - Extra Duties

**Article XXII, Section 23.2, Number 4 will be modified as follows:**

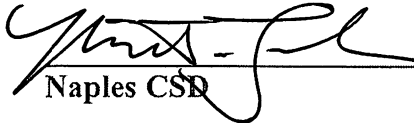
4. In the event that a driver makes an outside trip in substitution for a regularly scheduled run(s), the driver will retain the pay for the regularly scheduled run(s) not driven. For consistency, the extra trip rate will be paid under the following circumstances for the following hours:

- a) If the extra trip is substituted only for a 2:10 PM run only, the extra trip rate will be paid starting at 3:30 PM.
- b) If the extra trip is substituted for a 3:30 PM run (alone or in addition to a 2:10 PM run), the extra trip rate will be paid starting at 4:45 PM.
- c) This agreement will sunset on June 30, 2016 unless the parties mutually agree to continue it.

**NOT WITHSTANDING THE AFORESAID THE PARTIES AGREE;**

All other terms and conditions of employment in effect in the Collective Bargaining agreement dated July 1, 2013 through June 30, 2016, will remain in full force and effect until the successful completion of bargaining for a successor Agreement in accordance with the New York State Labor Relations Act (Taylor Law).

**FOR THE DISTRICT:**

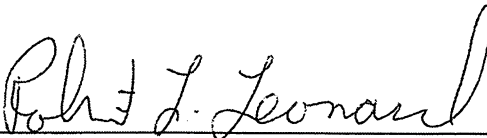
  
\_\_\_\_\_  
Naples CSD

4/15/16  
\_\_\_\_\_  
Date

**FOR THE ASSOCIATION:**

\_\_\_\_\_  
Naples CSD Unit President

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
CSEA Labor Relations Specialist

4/14/2016  
\_\_\_\_\_  
Date

Note: Some data elements of the Property Tax Report Card have been revised or renamed to more closely follow the Property Tax Cap calculations districts complete on the Office of the State Comptroller website. Please see the Help text above for definitions. Additional guidance on the Property Tax Levy Limit is available on the Office of Educational Management Services website:  
<http://www.p12.nysed.gov/mgtserv/propertytax/taxcap/>.

Please also submit an electronic version (PDF or Word) of your school district's 2016-17 Budget Notice to: emscmgts@nysed.gov. This will enable us to help correct any formula or data entry discrepancy quickly.

Form Due - April 25, 2016

Form Preparer Name: MITCHELL BALL  
 Preparer's Telephone Number: 585-374-7902

<u>Shaded Fields Will Calculate</u>	Budgeted 2015-16 (A)	Proposed Budget 2016- 17 (B)	Percent Change (C)
Total Budgeted Amount, not including Separate Propositions	19,569,425	19,735,890	0.85 %
A. Proposed Tax Levy to Support the Total Budgeted Amount, Net of Reserve <sup>1</sup>	10,663,031	10,786,474	
B. Tax Levy to Support Library Debt, if Applicable			
C. Tax Levy for Non-Excludable Propositions, if Applicable <sup>2</sup>			
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy, if Applicable			
E. Total Proposed School Year Tax Levy (A+B+C-D)	10,663,031	10,786,474	1.16 %
F. Permissible Exclusions to the School Tax Levy Limit	808,741	812,360	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions <sup>3</sup>	9,854,290	9,974,114	
H. Total Proposed Tax Levy for School Purposes, <u>Excluding</u> Permissible Exclusions and Levy for Library Debt, Plus Prior Year Tax Cap Reserve (E-B-F+D)	9,854,290	9,974,114	
I. Difference: (G-H);(negative value requires 60.0% voter approval) <sup>2</sup>	0	0	
Public School Enrollment	746	726	-2.68 %
Consumer Price Index			0.12 %

<sup>1</sup> Include any prior year reserve for excess tax levy, including interest.

<sup>2</sup> Tax levy associated with educational or transportation services propositions are not eligible for exclusion under the School Tax Levy Limit and may affect voter approval requirements.

<sup>3</sup> For 2016-17, includes any carryover from 2015-16 and excludes any tax levy for library debt or prior year reserve for excess tax levy, including interest.

	Actual 2015-16 (D)	Estimated 2016- 17 (E)
Adjusted Restricted Fund Balance	5,964,724	6,200,500
Assigned Appropriated Fund Balance	750,000	650,000
Adjusted Unrestricted Fund Balance	780,130	789,435
Adjusted Unrestricted Fund Balance as a Percent of the Total Budget	3.99 %	4.00 %