

**BOARD OF EDUCATION
LEVITTOWN UNION FREE SCHOOL DISTRICT
LEVITTOWN, NY**

DATE: March 20, 2013

SPECIAL MEETING

MINUTES

A SPECIAL BOARD MEETING OF THE BOARD OF EDUCATION, was duly called and held on Wednesday, March 20, 2013 in the Board Meeting Room of the Levittown Memorial Education Center.

CERTIFICATION:

The District Clerk certified that pursuant to Section 104, Open Meetings Law, notice of meeting was sent to the local newspapers, the Public Library and posted on the district's website. Further, all members of the Board of Education had due notice of said meeting.

PRESENT:

BOARD MEMBERS

Ms. Peggy Marenghi – excused absence
Mr. James Moran – excused absence
Mr. Michael Pappas – President
Mr. Peter Porrazzo – Vice President
Mr. Kevin Regan - Secretary
Mr. Edward Powers
Mr. Frank Ward

ADMINISTRATION

Dr. James Grossane – Superintendent of School
Ms. Darlene Rhatigan – Assistant Superintendent
Ms. Debbie Rifkin – Assistant Superintendent
Mr. Mark Flower – Assistant Superintendent

I. CALL TO ORDER

- A.** Pledge of Allegiance
- B.** Mr. Pappas called the Special Board Meeting to order at 6:30 PM. On a motion by Mr. Porrazzo seconded by Mr. Regan and approved (5-0) that the Board adjourn to Executive Session to discuss items on the Executive Session Agenda relating to personnel.
- C.** The Board reconvened in Public Session at 7:30 PM at which time Mr. Pappas asked everyone to stand for the Pledge of Allegiance and a moment of silence for our troops fighting around the world.

II. PUBLIC BE HEARD

(none)

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III. **NEW BUSINESS: ACTION ITEMS**

1. **MOTION:** Mr. Ward moved, "RESOLVED, that the Board of Education of the Levittown Union Free School District, does, hereby, resolve (by a majority vote of all the members of said Board) as follows:

RESOLUTION # 12-13
Refunding of Certain Bonds

Section 1. The District received three (3) proposals for the refunding of all or a portion of the outstanding balance of the district's \$12,500,000 School District (Serial) Bonds-2003 and \$12,000,000 School District (Serial) Bonds-2006, and based upon the advice received from the District's Financial Advisor, New York Municipal Advisors Corp., it is hereby determined that the proposal of Roosevelt & Cross, Inc., is accepted and such firm is appointed to serve as underwriter.

Section 2. This resolution shall take effect immediately."

Seconded: Mr. Powers

NOTE: Mr. Flower explained the reason for this resolution by reporting that we have \$12,500,000 of 2003 serial bonds and \$12,000,000 of 2006 serial bonds that are callable. We would like to refinance these bonds at a lower interest rate which would save the district around \$900,000 over the life of the bond. This resolution allows us to award an RFP to an underwriter for these bonds.

MOTION CARRIED. Five members voting yes.

APPROVED 5-0.

2. **MOTION:** Mr. Regan moved, "RESOLVED, that upon the recommendation of the Superintendent of Schools, it is hereby resolved that the following proposition be placed before the voters for approval at the May 21, 2013 Annual Election and that said proposition be inserted into the previously approved Public Notice as Proposition No. 2:

RESOLUTION # 12-13
Capital Reserve Fund
Proposition

PROPOSITION No. 2
ESTABLISHMENT OF 2013 CAPITAL RESERVE FUND

'RESOLVED, that the Board of Education of the Levittown Union Free School District is hereby authorized, pursuant to Education Law Section 3651(1), to establish the 2013 Capital Reserve Fund for the purpose of financing District-wide capital improvements including site work, construction, reconstruction, renovation and equipping of school buildings and facilities, with the ultimate amount of the 2013 Capital Reserve Fund to be \$25,000,000, the probable term to be ten (10) years and the source of the funding to be (i) amounts from budgetary appropriations from time to time, and (ii) unappropriated fund balance made available by the Board of Education from time to time, and (iii) authorized transfers from other available reserves in accordance with existing law, and (iv) New York State aid received and made available by the Board of Education from time to time'."

Seconded: Mr. Powers

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NOTE: Mr. Flower explained that there are reserves that are established under Education Law and General Municipal Law that allows school districts to be able to set money aside for future expenditures. The Board cannot authorize these Capital Reserves; they need voter approval for authorization. This reserve allows the district to set aside money for specific purposes which in our case is for site work, construction, reconstruction, renovation and equipping of schools and facilities for any type of capital expenditures. Mr. Flower stated that we can fund this reserve for up to ten years or even extend the life of the reserve with additional propositions for up to a maximum of \$25,000,000. The money could come from budgetary appropriations, unappropriated fund balance, authorized transfers from other available reserves or from building aid money. He noted that voter approval is required to establish this reserve and once you have a definite project to work on, voter approval is necessary to take money out of the reserve to spend. Mr. Flower pointed out that one of the benefits of doing this, is that it reduces the requirement for going out for a bond referendum. It helps to keep the tax burden low for capital projects for the residents.

Dr. Grossane commented that establishing a reserve, affords us the opportunity to maintain our buildings in a measured, mannered way and provides the opportunity to create a savings account. He shared that our oldest buildings are in their 60's and will require extensive work to keep them maintained to make sure they are safe, habitable and modern for our student population. Dr. Grossane stated that the community will understand that it is logical to set aside funds to repair our buildings without having to go out every time for a bond which involves paying interest but instead we pay through our savings. He remarked that it is a wise and prudent way to take some money from reserves and appropriate it for this use. This gives the community a measure of being informed about what it is we are doing and let them have a say.

Mr. Porrizzo agreed with what was said. He noted that in the past, the districts took out bonds to pay for repairs. He explained that when you take out bond issues, every year you have to put a certain amount in your budget to pay for it. Mr. Porrizzo advised that the intent of the Board is to prudently manage the budget going out and whatever monies are left over at the end of the year, would be put in the capital reserve. This would not impact the tax levy. Mr. Porrizzo believes this is a step in the right direction. He said the community has to understand that this is not something that will raise their taxes.

Mr. Pappas was also in favor of this resolution. He felt it was very important to get the message out to the community since voter approval is necessary.

MOTION CARRIED. Five members voting yes.

APPROVED 5-0.

III. ADJOURN

MOTION: Mr. Regan moved, seconded by Mr. Powers to adjourn the public meeting 7:46 PM.

ADJOURNMENT

Respectfully submitted

Elizabeth Appelbaum
District Clerk

NOTE: TAPES OF THE MEETING ARE AVAILABLE FOR REVIEW AT THE LEVITTOWN LIBRARY.

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