

Board of Ed Wants Tax Levy Increase Reduced

The Saugerties Board of Education, not satisfied with a proposed tax levy increase of 6.3% over last year, has sent the budget back to Superintendent Richard Rhau and Business Manager Joe Dziadik for reduction. Although the special meeting on Tuesday April 15th included an agenda item to approve a budget - that approval will now have to wait.

The school board was presented with the most recent budget, referred to as budget run #4, by Dziadik, for the 2008-09 school year in the amount of \$52,583,535. The budget represents a \$2.8 million spending increase over the previous year, or 5.63%.

Since the state has not yet set equalization rates, only estimates are available. Using those estimates, it's expected the tax levy in the proposed budget would rise 6.32% over the previous year.

Tax levy increases in prior years were 2005-06 3.2%, 2006-2007 3.16%, and 2007-08 1.9%.

An earlier budget discussed at the meeting, referred to as budget run #3, did not include figures to save salary and benefits for 4 retiring teachers by replacing them with new and presumably lower paid replacements. Such savings are referred to as breakage. That budget also retained a full-time custodial position that had been proposed as a new position in the 2008-2009 budget. This budget would increase spending 5.98% over the previous year, and yield a 7.00% tax levy increase.

Budget run #4 included the savings due to breakage and did not include the proposed new custodial position.

School district superintendent Richard Rhau suggested to the board that they vote on budget run #3, which would allow the board to build up the fund balance since it didn't take into consideration the savings for the breakage, and if it didn't pass, to then vote on budget run #4. Rhau said whether option #3 or #4 was considered by the board "it's going to be critical for the entire board to support the budget."

Board president Don Tucker stated he was looking for an increase "considerably less than what's proposed." Vice-President George Heidcamp indicated that with the bad news in the press over the economy, he could not support even the lower tax levy increase of the two. Trustee Jim Steinhilber suggested Rhau and Dziadik go back and suggest further reductions since the presented budget would cause a strain to taxpayers. Trustee Michael Brennan said "I don't support this either, it has to be under 5%." Trustee Sam Fisco indicated he could not support the budget as proposed. Trustee Robert McCaig asked that the administration come back with a reduced budget run #5. Trustee Mark Tompkins asked for additional option runs "up to the point where the savings would not impact the educational requirements of the kids."

Board members asked numerous questions of Rhau and Dziadik in the hope of finding budget items to reduce. Tucker mentioned the possible consideration of a “hiring freeze on all new employees”. He summarized board suggestions including “the possibility of eliminating summer school, the possibility of eliminating drivers ed, unnecessary equipment that had been proposed,” and some new positions that had been proposed unless they were mandated.

Petramale suggested administration look at savings that could be realized where class sizes had shrunk. He also suggested that an austerity budget be drawn up and then work upwards instead of down to arrive at a final budget.

Rhau asked for a dollar amount that he should seek to reduce. Tucker responded “I’m not going to give a dollar amount. I’m going to ask that the business manager come back, if it’s acceptable to the board, come back with a considerable reduction to the budget, to be investigated again at a special meeting by the board, to see if it’s enough. If it’s not enough, then we’ll tell you at that time that it’s not enough.”

Tucker said another special meeting will be called soon in an attempt to finalize the budget.

A budget has to be presented to voters on May 20th. Three Board of Education seats will also be on the ballot on that date.

(Klaus Gaebel, Saugerties Post Star, April 17, 2008)