

**Meeting Minutes of June 10, 2004**  
**Board of Supervisors Special Meeting**

Chairman McCaffrey called the Board of Supervisors (BoS) Special Meeting of June 10, 2004 to order at 8:00 p.m. and then led those present in the Pledge of Allegiance. Board Members Chairman Thomas J. McCaffrey, Vice-Chairman Carl S. Lindborg, and Supervisor Josef G. Obernier, Sr. were in attendance along with the Township Manager Ronald A. Rambo, Jr. Also in attendance were Eric Brown and Cynthia Quinn of the Coatesville School Board.

Chairman McCaffrey explained the special meeting was called concerning CASD so that the voters who have elected the Township's School Board Members can get the facts from the Elected School Board Members. The School Board Members will in turn hear the voice of the people they represent. Chairman McCaffrey explained that the School Board Members do not represent the children in the school but represent the voters and are responsible to the voters of this Township.

Eric Brown explained that he was not in favor of the 2004-2005 budget, first because of the size of the tax increase and second because there were too many unanswered questions. There was too much additional new spending in a year that we cannot afford it. In prior years he recommended a balance between raising taxes as well as cutting expenses. He felt the best way to remedy the situation would be a long range gradual approach as other school districts have done in the past to resolve their negative balance. He received nearly 200 emails, has read and tried to respond to all of them.

Cynthia Quinn, Chairperson of the finance committee, explained how they arrived at the budget package this year stating that they formed different committees and decided on a five-year plan. They are trying to include the whole framework and also build on the five or ten year plan. This doesn't necessarily mean that the plan will be implemented on the specific due dates. Over the last two years, prior to this budget many cuts were made e.g., promos, teachers, and administration in order to try and cut down on the financial tract. They were able to reduce the deficit by three million each year. They have a plan set in place in which the deficit will be reduced. It might be prudent to try and slow down the deficit reduction, however, the financial integrity in the marketplace is dependent on this. According to the school code they are not allowed to carry a deficit for more than two years. They don't meet the criteria for a distressed school at this point. The School Board met in May to review the budget as a group. Many of the people in that

audience thought that that budget was tendered to the highest point with the intent of bringing it down, that budget came in three mills under what it could have been. The budget represents fifty percent increase in expenditures. A major portion of these increased expenditures were due to a forty-seven percent increase in benefits. They are under contract negotiations with the teachers union (CATA); they cannot build some of those costs in the budget until the contract is done. Retirement and benefits were substantial costs that were included in the budget. There was an increase in some teaching staff positions because when they move from intensive scheduling to traditional scheduling, it warranted some additional teachers for some particular classes. It was mandated by the Board that if certain classes did not have a certain number of students they would no longer operate those classes. They were considering partnering with Delaware Community or combining classes so that those students would be able to continue their special study classes. Cynthia noted that they are under federal and state mandates. They also have contracts and a teachers union. Unfortunately, the CASD is dependent on the taxpayer money. They receive only 27% of the revenues for education from the state instead of the 50 % the state is supposed to provide them with. Costs of educating the students are increasing, especially with the “no child left behind” mandate. They have 71.5 % coming from the residents through earned income tax and through real estate tax.

Cynthia was asked why Downingtown or West Chester’s millage isn’t high. She explained the significance of the commercial base that West Chester and Downingtown have compared with Coatesville. They don’t receive much revenue with the decreased valuation from the businesses in Coatesville.

Cynthia then noted the years and the increases in the millage. In 2002-2003 there was a 3 mill increase and there was a \$12,000,000 shortfall, in order to make up for that deficit you would need an additional 6 mills. If this shortfall had been eliminated right away, they would have only had an increase of 1.18 mill for the year 2003-2004. However, that didn’t happen so what we are looking now is a 6 mill increase. A number of years ago the millage should have been increased over the course of the years in order to cover the deficit and prevent this from happening. The budget should have been balanced, but at that point in time for whatever reason the budget was not balanced. When the audit was finally done there was \$13,000,000 in unapproved vacation, sick time, and benefits that had not been approved.

Chairman McCaffrey stated that the number one question that he received by email was “Why must our family, homeowners, and everyone one live within their means, if the CASD cannot live within their means. Services and programs should be cut, they should consolidate, and they should not be entertaining a building program as populations are projected to decrease and funding is going down.”

Eric Brown explained that one issue that all public school districts are forced to deal with is a tax increase. The biggest struggle of any school district is the costs are growing at a larger rate than the tax base is. Any school board, whether they are republican or democrat, doesn’t have enough discretionary spending within the budget to trim within one year’s time, in order to balance a budget without having a tax increase. This is partly due to the state funding in Pennsylvania, which needs to be reformed. No matter whom you elect to the school board, the chance of having a

budget without having an increase is hard to imagine. The first big issue that is hampering school districts is the funding system.

Cynthia Quinn noted they were considering cutting programs and would like to get the input from the people at this forum to whether they would like to cut programs and which ones they would want to cut.

Chairman McCaffrey stated that he didn't consider cutting programs to be an answer. The fact that funding was going down while the school board is entertaining the TIFF program that could mean millions of dollars of revenue. The School Board has never approached its citizenry with a list of cut programs for an increase in taxes. Chairman McCaffrey reiterated that the School Board Members do not represent the children in the school; they represent people that are above eighteen and can vote.

The next item Chairman McCaffrey addressed was, why the CASD is considering building between \$90,000,000 and \$109,000,000 worth of new schools when the Board of Education has a projected decrease in enrollment.

Eric Brown explained that he did not support building new schools. It is about 5.3 mills that if we didn't approve it, then it could be returned to the taxpayers.

Cynthia Quinn explained that she supported the plan because their studies indicated the amount to bring the buildings up to code would cost about \$85,000,000 and to build new buildings on land they already have would cost about \$109,000,000. If they don't have the money or it seems like it is not within the budget then those building programs should be delayed. She is in support, in theory, of looking at the building projects as a total, not the timing of it.

Chairman McCaffrey stated if they are considering going through with the building plan, then preparing for a bond issue by taxing everyone to this extent doesn't make any sense.

At this time in the meeting Chairman McCaffrey opened the meeting up to comments and questions from the floor.

Supervisor Obernier explained that in order to get as many questions and concerns heard that people not ask the same questions if they were asked previously.

An audience member noted that the administration for CASD claims that the benefits and retiree's have driven the 37% increase. When looking at the budget you can see that the retiree's are not included in that line item. Last year benefits were listed as \$15,000,000 this year it is \$21,000,000. At the preliminary budget meeting the CASB stated that was because they have so many retiree's. Yet retiree's are listed under a different line item at \$3,000,000 that leaves a \$6,000,000 increase. If you already have allowed for a \$6,000,000 increase, then what do you think the negotiators for the teachers contracts are going to ask for? He also asked, if anyone of the CASB Members have received a line item budget on which they are to vote on? Cynthia Quinn answered no they have not.

Cynthia Quinn explained the 37% increase noting the slide that showed the costs for security contribution, payroll taxes, and workman's compensation. There are a number of areas of line items that are not in the same specific areas. Unfortunately, the CASB has not received a line-by-line item budget. Ms. Quinn then commented with regards to the teacher's union negotiators that the negotiation process commenced in January knowing what was going to be asked of them, could have made it very easy to come forward and negotiate and get this over with, but they chose not to.

John Zalesky heard that the school was in the red and asked why the Board, with a few exceptions, voted to hire at least six new positions that includes two chief executives for over \$240,000 per year and asked why they need these positions when they have a superintendent? Mr. Zalesky also asked what Mr. Johnson meant when asked by the Inquire, why these individuals were hired and Mr. Johnson's answer was that he supported them 100%.

Eric Brown explained that he felt that the school board is supposed to act as a "checks and balance" to the administrators and how they spend the taxpayers money. He supported the original plan when it was adopted six months ago, but was unhappy with some of the positions but supported them because of the compromise after working with some of the details. He noted that he no longer has the trust in the superintendent and his decisions that he used to have. Mr. Brown voted no on the three big ones, the Director of Facilities (the one they have not received a resume for), Chief Administrator Officer, and the Chief Instructional Officer. He noted that over the past few years the CASB has cut administrators by eighty percent. Most of the secretaries and head administrators were forced to retire or they were bought out. They have fewer bodies sitting in the administration building; he felt partly that, the adoption of that plan was to remedy the lack of administrators to some degree. The CASB didn't see the information that indicated why the new administrators were placed at the maximum point in the salary range; they don't have an answer to that.

Cynthia Quinn stated that the CASB voted on the reorganization parts and some of those conditions. Some of those conditions are postponed until they reach financial health. During that vote Cynthia Quinn cast a no vote because Donna Urban had not received information to make an informed decision. It is her understanding that it is the administrator's job to interview the candidates and choose the people that will be working and reporting to them and that we as a Board should ask questions and approve their salaries.

Supervisor Obernier then noted that the School Board Members present were Region II that represents WBT. Present were Eric Brown and Cynthia Quinn. Donna Urban was not present due to a prior engagement.

Chairman McCaffrey noted that according to the Department of Education's figure for 2000 – 2001 school year, the school district had 23 administrators, since then the population dropped off and the school administration has hired 7 more administrators bringing the total number to 30. The CASD seems to have the highest number of administrators per student in Chester County and have just hired more. In a time when you need your belt tightened, you don't go out and hire more help, you mow the grass yourself. Perhaps they need to ask the CASB to take a greater part in oversight of how the school district is being run.

Cynthia Quinn explained that according to the General Auditors Report and the CPA's Report that some of their problems came from noncompliance, they lost a lot of money from access funds, they owe the Federal Government money because of noncompliance. They have hired a compliance person that will tighten up control. They have also approved to have a controller in the office because the personnel records were almost nonexistent. She explained that it is difficult to operate an office with this tight budget without help. Brenda Haws had worn a number of hats.

Chairman McCaffrey noted that the Octorara School District has nine administrators and they meet all the states requirements. They were handling this in CASD with 23 administrators that has now increased to 30 administrators with the thought to hire more, when people are being driven from there homes because they can't afford to pay the tax. He also noted there is over \$68,000 going to one particular firm and suggested that they itemize and identify times when attorney's are not needed and perhaps omit two attorney's that are being hired by the hour to attend negotiating sessions for the union.

Eric Brown commented that was a very good idea, especially dealing with the negotiations. The teachers don't have any lawyer representing them. They can reduce their expenses by simply going down to one attorney.

Cynthia Quinn responded that they were looking into employing local attorneys in the County rather than having someone coming from the Harrisburg area to go to West Chester to file papers. Cynthia thanked Chairman McCaffrey for his comment. Unfortunately, the legal costs, if you review the budget, are not all in one particular area.

Michael Remetz asked how the school district is out of compliance. Eric Brown noted that one issue that came to mind were that too many cuts were made and they received some letters from DEE. As far as compliance goes regarding the two-year state requirement for balancing a budget, there was the possibility of getting a waiver. They met with the state representatives who offered a waiver, but unfortunately, the majority of the CASB did not accept that offer.

Cynthia Quinn explained they have federal funds that are coming through the school district and some from the state. Some of their attendance records and transportation records have to be reported in order to substantiate those expenditures. It was found in prior audits that some of the records were not correct. They have since cleaned up their act. One of the situations with the "no child left behind" is a federal mandate without federal funding; there will be some compliance issues there. The compliance officer will be attending to those issues as well as some other special education issues.

Robert Storeman asked if the teachers and administrations have a co-pay included in their health benefits. Eric Brown answered he believes they currently have a minimum co-pay. In the last year or two the Board had negotiated "co-pays" with other unions within the district and have made that a top priority this year and are awaiting the results to find out what is going to happen.

Cynthia Quinn answered that she and Eric are both on the negotiating team. One of the things they are looking at is that if both a husband or wife is working for the school district, one can be insured and insure the spouse independently and the spouse that is not insured will receive cash.

Supervisor Obernier asked, in terms of a millage rate, is there a number the school board feels would be inappropriate to go beyond. Eric Brown answered no; he didn't have an answer to that specific question with a number.

Cynthia Quinn also answered no, that personally as a taxpayer she does not want any increase. She has a responsibility to the school as well as its citizenry, which is why she is in attendance to find out what they want the school board to do.

Matt Kesner asked how much have they have gone back through the budget and cut since the taxpayers have been protesting.

Eric Brown noted they have made several proposals including the land ability program, looking into the 37% increase when compared to what other districts are facing in the same current marketplace. In addition, curtailing the hiring of teachers, which will have a larger tax burden next year or in a few years when some of the grants expire. Those thirteen teachers would then need to be funded by the taxpayers at around \$40,000 - \$50,000 each, plus you have to factor in all of their expenses. The plan to repay the fund balance at 1.5 mills over three years is something that he would like to see changed to a more gradual approach.

Cynthia Quinn explained that she came up with three different scenarios to decrease expenditures, one would be to increase transportation for walking, but due to the rural setting that walking would be hazardous without sidewalks. They could save about \$250,000 if they extend walking distance for another quarter to a half a mile. The community would have to determine what a safe distance is that they would want their children walking to school with the increasing costs of transportation. She noted the argument that some people have with the charter and non-public schools that their children are on the bus the longest and they are also paying tax dollars. They could reduce the amount of textbooks that they are going to buy for children. Some of the classrooms have not had textbooks for years. They could look at the savings of combining equipment; they have not purchased major equipment over the past two years because of the budget freeze in certain areas. Given those measures, they could probably drop 4.75 mills.

Cynthia asked the public what they are willing to let their children walk longer distances. The audience answered yes.

Karen Eason noted that she has been attending the School Board meeting for the past three years and have attempted many times to get out into the WBT community and get parents involved in what they saw was happening in the school district. She noted that Eric Brown voted against the two unbalanced budgets that were responsible for getting us into the circumstance as was shown on the balance sheet, the negative \$2,000,000 and the negative \$8,000,000. She also noted at the time, Board Members were questioning and bringing to light and to the public that we were going to be in this situation that we are in right now. However, Eric went ahead and voted.

Supervisor Obernier stated the point of the meeting was to ask questions. Karen Eason asked Mr. Brown why he voted for the two budgets that got us into this circumstance in the first place.

Eric Brown explained that nobody was aware of this for the first year, it took one and a half years to investigate and terminate the Superintendent and former Business Administrator. It took another year of the search process to hire the existing administrators and only then did this information come out. The entire community had suspicions about what was in the newspapers. They got a new Board elected in 2000. They investigated and got rid of the administrators that were hiding all the numbers from them. They were hoping that the District Attorney and the State Attorney General would do something and to date, they have not. That would be an area where the taxpayers could apply pressure. To sit hear now four years later and play the “blame game” doesn’t solve anything they are currently discussing. His record since the mismanagement came to light has been extremely consistent. He has always supported gradual tax increases.

Walter Cline from N. Hawthorne Lane asked why the cost for the Alternative Education program over a four-year period has increased from \$1.5 million to \$4.6 million and why the benefits have gone from \$266,000 to \$1,228,000 for one program. Mr. Cline commented that he moved from Texas and loves WBT, however, he put his house on the market on Monday because he can’t afford to live hear anymore because of what the School Board has done.

Eric Brown explained that the alternative education program is for students that need to be removed from the mainstream classroom because they are unable to function in a normal environment. The program started in the nineties and has seen tremendous growth. The state has been pushing those types of programs and has provided a number of grants. The program is exclusively funded by state grants.

Cynthia Quinn explained that the alternative education began at the old Synagogue in Coatesville, moved to the old maintenance building, and now will be housed at Benner. They have some students that come from other districts that pay tuition for the program.

Eric Brown noted that there is a facility in Valley Township for students with semi-violent tendencies that come from other parts of the state that are shipped into the Coatesville School District, that they are then obligated to educate. If they were to eliminate that program they would then be educated on the main campus. With the \$1.2 million dollars that was sited by Mr. Cline as an expense, there is close to an equal amount on the revenue side under the state grants funding that program.

Greg Stillwell from Hills Over Pratts Dam suggested a simplistic approach to the budget, he would like to see three simple options, A, B, or C and what to will get for option A the cost, etc. Then they can make a decision.

Eric Brown stated that there were a number of meetings in which they had a number of slides showing the details listed.

Cynthia Quinn felt the question was, A is 6 mills, B is 5 mills, and C is 4 mills. People in the audience said A is zero mills.

Greg Stillwell explained that they want the CASB to start from zero mills and state what you would not get with no increase.

Cynthia Quinn explained that unfortunately the budget has been trimmed to the leanest that it can be, what is lean to one person may not be lean to another. They have to offer educational services. They built the budget based on student population and how many teachers they are going to need to teach those kids and what it would cost per day. If this is what you want, you will have to make that decision for the long term if you are not going to complain about the air conditioning not working, or the plaster falling off the wall. We can get rid of the administration, then who is going to do the job. The audience answered volunteers.

Maria Jakatt of Pratts Dam Road noted her understanding was CASD is in this condition because of previous administration and realizes the school board is trying to make up for it. She asked the school board what the taxpayers can do to get the previous administrators responsible to pay back what they took from us.

Hugh Redditt of Swinehart Road asked why they have not come to the realization that economically that we have to live within our means and that the School Board has to be the ones to tell the administration that they can't afford that. Instead, the administrators tell the school board what they want and asked where the administrators are tonight and why they are not here.

Cynthia Quinn explained the administrators were at a retirement dinner that was planned a while back noting that this meeting was planned last Friday.

Phil Sheldon of Creeks Bend Drive noted that he attended the meeting last week when the School Board voted in two new administrators in excess of \$240,000 to \$300,000 with benefits and then tonight they are stating they cut the budget as lean as it can get, the School Boards credibility just doesn't sell. They increased from twenty-three administrators to twenty-nine administrators; what other school districts do with nine administrators. Eric Brown responded that he didn't support those issues.

A resident asked what was being done to increase the commercial tax base. Eric Brown noted that besides the golf course, the major effort in the community is the redevelopment of downtown Coatesville. With any hope they may be able to reap some of the benefits within the next couple of years.

Cynthia Quinn noted the TIFF program and said they should be seeing the City of Coatesville come before School Board within the next month or two and ask us to partner with them. She heard there has been some commercial activity in Valley Township and Sadsburyville. The state is supposed to fund the education of the students fifty percent; they consistently drop that percentage. Cynthia suggested that the citizens advocate for the referendum that is coming up and also to contact representatives and let them know that the people want something more equitable than real estate tax to support education. There is a bill in legislation that is in the House for personal income tax where Governor Rendell is trying to get gambling passed, some of proceeds will go

toward education. Even if that is not passed they need tax reform. It is unfortunate that real estate tax base is the predominate factor here.

A resident asked what percentage the WBT tax revenue makes for CASD. Cynthia Quinn answered that WBT provides \$10.5 million. CASD receives \$2.2 million in state subsidies from WBT. For special education they receive \$78,000. The transportation subsidy amounts to \$373,000, so combined total for those revenues are \$13 million. The student population from WBT is 384 in the elementary level, the cost of student education is \$6,585 per student, which does not include transportation. The secondary schools 531 students at a cost of \$10,000 per student, WBT has 48 charter school students at \$447,000. One reason for an increase in charter school expenditures is there is going to be another charter school opening this coming year. Non-public transportation and public transportation for WBT students costs \$515,000. These amounts total \$8,000,000. WBT contributes \$4.2 million above and beyond the costs.

A resident said that since WBT is a big customer then why doesn't the School Board want to keep them happy. The audience requested an answer to the question.

A resident who is the president of a Homeowners Association noted he was hearing a lot of questions about accountability. He stated that he is looking at the two common denominators that the School Board has, first, when looking at a budget you are looking at the student body now and the projections forward of the student body. It doesn't take much to teach children if you do it organized and ask our citizens to participate at times. Second, he felt the numbers they were using for the projections of students were grossly inaccurate, as well as the projections from the real estate base as the taxpayer, the numbers there are going to be grossly inaccurate within the next five to six years too. WBT is not going to attract any new developers that some other Townships are getting the benefit of, simply because of the problem with CASD. His four daughters will be sent to private school on top of the taxes he has to pay. He asked if the School Board had discussed hiring a census expert to give them accurate numbers and if the tax increase goes through, then how will it impact on the student body population.

Eric Brown explained they did hire a student enrollment expert and those figures have been a subject of much debate. It is difficult because CASD is losing students each year, possibly because of private school and charter school enrollment. But yet you see more and more homes, there are 1500 more homes in Caln that are coming in. The historical projections are not validated at that point. The expert opinion is that there will be an increase in students.

Cynthia Quinn explained that those figures are based on demographics presented by a Consultant, which also looked at Pennsylvania Education surveys too. The budget was formulated and presented to the Board in May. There was no after consideration except for what the newspapers quoted as far as the building and what effects it would have on it. There is some indication that yes, it will have a definite negative impact on the building of surrounding areas and for commercial businesses wanting to come here.

Tom Greenfield from Sadsbury Township suggested that people attend the next Sadsbury Township meeting on Tuesday night where they will decide to take an eighty-acre industrial site and turn it into high-density houses. And stated this will be a million dollar loss to the school if they do that.

A resident asked the BoS how many new building permits were obtained recently. Manager Rambo answered one new building permit so far this year. Supervisor Obernier stated that in the seventeen years that he has been an elected official in WBT, that has never happened before. Chairman McCaffrey reiterated that in WBT we have never had so few housing starts in the first half of the year, even during the recessions, this is probably due to the tax situation.

Bob Karpovich stated that two new administrators have been hired and there are plans to hire another administrative official. Why is it that every time the budget is discussed and cuts have to be made, the first thing to be cut is the children's sports programs, band, and bussing to school, when one administrator would probably pay for all of those programs?

Eric Brown stated that historically the School Board asked that efficiency be provided by the administration based on what they feel would be most prudent.

Cynthia Quinn noted that neither the sports program nor transportation was cut. The two administrative positions that were just awarded have been in effect for a number of years, they didn't create additional positions.

Linda Neil asked what the budget line item titled "other purchased services" was.

Cynthia Quinn noted that you will see this throughout the budget for professional services that are in the different programs, CCIU, special education, etc.

Another resident questioned why the students have laptop computers. Eric Brown answered that the laptops were purchased through a grant program and that zero came out of the budget for the laptops.

A resident named Liz asked why there are five assistants for one principal at her child's school. Cynthia Quinn noted that some of the assistant principals are assigned to specific areas, e.g. alternative education, etc. Specific assistant principals are also certified to do teacher observations. They have a lot of young staff that have been incorporated into the school organization and have to go through four observations per year. They are spending a lot of time doing teacher observations along with other professional development and things of that nature.

If you drive property values down through the increase in taxes it will sell for less money, that loss in property value will effect the amount of tax the CASD collects, are you then going to raise taxes again because things have spiraled until we all have no value in our home?

Eric Brown stated that it all hinges on increasing the tax base of the commercial, retail, and industrial sector of our community or reforming the state tax system.

Cynthia Quinn explained the reason we have higher taxes for individual homes is due to the lack of commercial base. There are some other components that are a factor. The debt ratio per student is \$2,079 per student, Downingtown's debt ratio per student is \$3,300 and OJR is \$2,895. She

noted that we're in line with a lot of different things, but there has to some other things we can look at and try and drive some of these expenses down.

Mark from Ramblewood asked why repeated offers from the Pennsylvania Department of Education (PDE) and our representatives to assist the School Board have been refused? Cynthia Quinn noted the Auditor General and PDE audits have reported that some of the inefficiencies have been corrected and controls are being strengthened. There are a lot of these controls that need to be implemented or revamped and at this point there is not a real need for the state to come in and do anything for us that we can't do currently under current administration. If the state came in, they would probably check out our internal controls and check our process, and then tell us where we need to improve. The School Board met with Art Hershey, Chris Ross, Jim Rafferty, the assistant to Tim Hennessey, and Curt Schroder as a result of the budget coming out and a number of residents calling Harrisburg. There is nothing they are going to do specifically, they are not going to get them out of a jam, or write a check for CASD.

Bob Moore asked what the savings would be if the CASD employees took on more responsibility for paying some of the benefits cost. Eric Brown stated they have to wait until the current contract runs out to renegotiate the amount and are currently trying to establish those goals, they are starting at zero and will try to negotiate with the Union for them to pay for five or ten percent of it. The Board is committed to doing this, but it is a long process.

Cynthia Quinn explained they are not going to build anything into the budget based on something that has not been established. Eric Brown stated there is no resolution of the teachers contract; they will continue to work under their old contract and terms of their contract. There is nothing that mandates arbitration. They have to continue to work at the mercy of the state.

A resident asked why the debt has to be paid so quickly and what other expenditures are there that we don't know about? Eric Brown explained that they have a two-year limit and would be willing to accept a waiver from the state if given one.

Cynthia Quinn explained that the past expenditures need to be paid. They have a plan that was given to the school's bond rating company to show they have accountability. There was \$3 million dollars that was paid two years ago, \$3 million that was paid last year, and the third installment for 2004-2005 and the following year. They are paying back the same amount each year to slow down the budget deficit. The deficit didn't just happen. The plan from the School Board is to do it on a four-year plan. Cynthia Quinn answered with regards to the question about what other expenditures do they not know about, that the budget that was presented in May is the budget that is currently in place.

The resident asked Cynthia Quinn why she changed her vote for hiring the two administrators at the last school board meeting and what other expenditures are there that they don't know about that they talked about in the executive session. Cynthia Quinn noted that in executive sessions they are only allowed to talk about personnel and legal issues. They didn't talk about expenditures and reiterated that the reason she changed her vote was because her colleague had not received information in order to make a valid decision, so she choose to vote against those two positions,

then they went into executive session and felt that her colleague was given sufficient information she changed her vote.

Jack Conti of Hibernia Road noted that most of the questions he had were already asked, but hadn't been answered. He felt the feedback he was getting from the two School Board members was that the obscene 24 percent increase is inevitable and asked if that was correct.

Eric Brown stated he was not going to vote for it. Cynthia Quinn stated that was not a certainty, she doesn't like the 6 mills, but feels that it is obscene.

Vice-Chairman Lindborg explained what they were trying to accomplish by the meeting was by their dialogue that hopefully that this budget is not inevitable. To come up with a lower tax increase, hopefully by the actions of the Board.

Brian Hurst stated that he appreciated the BoS having the meeting. He said that given the School Board's responses and not showing any emotion, the audience knows which way things are going. He felt the School Board didn't have a sense of the audience's frustration. He then asked who they can address, so that they can look at the budget more closely to make changes.

Eric Brown stated to contact the state representatives to push the state legislature to do something so they are not relying on residential property tax as their sole source of income for the long-term. For this budget there were three members (Eric Brown, Brenda Treadwell, and Donna Urban) who have committed to vote against it. There are a lot of questions that have remained unanswered to the School Board. Currently, the only people that would be affecting the passing of the budget right now are the nine Board School Members.

Cynthia Quinn took offence to the comments that she was not showing any sentiment or emotions. She expressed that she takes this very emotionally and as a public official should remain very calm and collected. She has heard loud and clear the audience does not want a tax increase and that there would be no acceptable tax increase except zero. Most would like to see the tax millage decreased. They can do a lot of things in order to get that budget in line, they will suffer some education programs, but from what she is hearing tonight that is not a criteria. At one point she felt that yes the 6 mill increase was warranted to cover past deficits. As a public official she recognized that she represents her constituents in the township. As an accountant she warrants that this particular budget is at 6 mills and should be 7.5 mills at a minimum. They did their homework ahead of time to bring the budget in at a minimum of 6 mills. She would not state which way she will vote because there is a lot of issues at stake, what her constituents want, as well as state and federal mandates.

A resident of Hunters Glenn stated that he also didn't agree with what Cynthia Quinn had said or her budget, he thanked her for having common courtesy with her convictions and taking the heat. He felt that Eric Brown double-talks and is two faced.

Vice-Chairman Lindborg, Chairman McCaffrey, and Supervisor Obernier stated they don't want any personal attacks.

Another resident from WBT asked how much uncollected outstanding taxes are there due to the CASD? Cynthia Quinn stated she couldn't supply a number and would like that information herself.

Theresa Demsey stated that it is surreal, that she heard about cutting transportation for the kids but hasn't heard anything about cutting administration. Cynthia Quinn stated they have cut administration; they can also cut assistant principals, which would be an option.

Mike Carli from Cross Creek asked the School Board if they plan on meeting between now and when the vote will take place the following Tuesday to discuss cutting the budget? Cynthia Quinn answered no there is no meeting scheduled ahead of time other than the Board meeting. A budget is supposed to be past by June 30, 2004. If the budget is not passed the Finance Committee meets on June 21, 2004. They will have that time up until June 30, 2004 to pass a budget. She thought that if the budget is not passed by June 30, 2004 then they could take it to court.

Chairman McCaffrey stated that they were going to end the meeting with affirmation of some of the points that were expressed.

A resident noted a teacher that was retiring because if they retire this year they have full benefits and asked if this was true. If this is true then could this be changed, Lukens and PECO changed theirs.

Eric Brown stated that this was a subject of negotiation. Cynthia Quinn stated this is under contract.

Chairman McCaffrey stated that the BoS has agreed to four recommendations that were collected from tonight's meeting.

1. The BoS recommended a delay for an application or involvement in a building program. This would make it unnecessary for bond considerations, to have immediate payback; it would look good on paper, and allow them to have extended time to pay the dept.
2. The BoS recommended eliminating rather than hiring new administrators.
3. The BoS recommended the bidding out of services.
4. The BoS recommended the refusal of the TIFF program consideration for any residential development. Review very carefully and thoroughly short term TIFF possibly for commercial or industrial development, five years or less. The TIFF program allows for a rundown property where no one is paying any taxes because it is abandon. It has a certain assessed value, they will keep that assessed value into the future while someone develops it; they would get an incentive to develop it. The taxes would be held at a certain level for a given period of time.

Cynthia Quinn explained the Tax Incentive Program; it allows for development of idle and abandoned properties, currently most of your taxing authorities are not receiving any taxes on these properties. It entices the developers to go in and fix them up, there is an agreement that the tax assessment is held at the current level for ten, fifteen, or twenty years. Once that improvement is made, there is reassessment and there is money that is paid to the school district and the school district would in turn refund some of that money back to the redevelopment authority. It is much

better to get some tax dollars rather than nothing. It will help offset the increasing costs of the surrounding communities.

Vice-Chairman Lindborg was concerned the development may be residential with children involved and then we would actually be paying for their education.

Cynthia Quinn noted that there are certain commercial and residential properties that were mapped out already. The statutory limitation for the program is twenty years. Vice-Chairman Lindborg stated that he didn't feel that answered his question.

Chairman McCaffrey stated there is simplicity about everyone paying his or her fair share. He was in favor of forgiving taxes to get someone to develop the property, but doesn't agree to forgive taxes for twenty years. The City of Coatesville is only 1.6 percent of the school district. To put a burden on all of us for that one area without considering the magnitude of that wouldn't be prudent.

Chairman McCaffrey asked for a hand vote from the audience.

1. Do you oppose the hiring of additional administrators? YES
2. Do you support the release of the recently hired administrators and the release of additional existing administrators? YES
3. Do you support the TIFF Program currently under discussion between the School Board and the City of Coatesville? NO
4. Do you support the removal of programs from the budget even when they affect your child or personal pet programs? YES
5. Do you support the School Board living within its means and proposing a zero percent tax increase? YES

A resident from the audience thanked Cynthia Quinn and Eric Brown for taking the heat for all nine School Board Members. The Supervisors thanked the School Board Members as well as the audience for coming to the Special BoS meeting.

### **Adjournment**

With no other business to discuss, Vice-Chairman Lindborg motioned to adjourn the meeting at 10:04 p.m. Supervisor Obernier seconded the motion. Board Members Lindborg, Obernier and McCaffrey all voted aye in favor of adjournment.

Ronald A. Rambo, Jr.  
Township Manager/Secretary/Treasurer