

A special meeting of the Board of Education of the City of Vineland was held Monday, March 5, 2012, at 5:30 p.m., in the Board Room, 625 Plum Street, Vineland, New Jersey, pursuant to notice with Mr. Ulrich presiding and the following members present: Mr. DiGiorgio, Mr. English, Mr. Fanucci, Mr. Medio, Mr. Mercado, Dr. Mounier, Mrs. Phillips and Ms. Rios. Absent: None.

Also present: Dr. Banks, Superintendent, Dr. Gruccio, Assistant Superintendent, Dr. Schneider, Interim Assistant Superintendent, Mrs. Barber, Interim Board Secretary and Mr. DeSanto, Board Solicitor. Absent: None.

Mr. Ulrich announced that in compliance with the New Jersey meeting law commonly referred to as "The Sunshine Law," the Vineland Board of Education has caused notice of this meeting to be sent to the following, announcing time and place thereof, agenda, etc.: The Daily Journal, the Atlantic City Press, Clerk - City of Vineland, and Administrative Office Public Bulletin Board.

Flag Salute:

Mr. Ulrich apologized for cancelling this meeting that was originally scheduled for last week due to unforeseen medical circumstances of a couple of board members.

Dr. Banks introduced Mrs. Darlene Barber, Interim Business Administration and Mr. Dan Smith, Assistant Business Administrator to present the 2012-2013 budget and a summary of the state aid for fiscal year 2013.

Mrs. Barber welcomed the staff and public who are in attendance this evening. She said tonight we are here to meet as a whole to review the general fund portion of the budget and to review and approve the tentative budget as a whole. Mrs. Barber reviewed the budget calendar with the board. She said if there was no tax increase over last year then school taxes would decrease \$50,000. If there was a 2% increase in taxes there would be an increase of over \$400,000 in the school tax levy and a house assessed at \$100,000 would pay an additional \$23.00 per year in taxes. Mrs. Barber said in the general fund we have a -3.61% in salaries, -21.99% in benefits, 10.19% increase in personnel costs for a total difference of 0.17%. Mrs. Barber reviewed the general fund budget summary. She said the educational leaders were asked to cut their budgets by 5% or more and there are some changes. Mrs. Barber reviewed the changes in non-personnel costs.

Mr. Fanucci asked if it were possible to receive a breakdown of the total budget amount for transportation and a summary of where the money is allocated. Mrs. Barber responded yes.

Mrs. Barber said a large portion of the funding in the general 2012-2013 budget is going to tuition, building maintenance, benefits, salaries and building acquisitions.

Mr. Medio asked if special education is part of the general fund or is it funded separately from the state. Mrs. Barber said part is in the general fund and part in the I.D.E.A. grant funding accounts. Mr. Medio asked how much is in the grant fund. Mrs. Barber said the total grant is around 3 million dollars. Mr. Medio asked if the remaining 3.8 million dollars comes out of the budget. Dr. Barber responded yes. Mr. Medio said the money can be moved to other parts of the budget but if you do not spend this money you lose it. Mrs. Barber said the 6.8 million dollars is just the general fund and cannot be moved into fund 20 account or special funds. Mr. Medio asked if special education has to be 6.8 million dollars. Mrs. Barber said there have been a couple meetings held with Mrs. Polof, the special education director, and we are where we need to be based on the district's special education students needs. Mr. Medio asked if the board has to make cuts can you cut special education personnel. Mrs. Barber said that was looked at across the board. She said we receive categorical aid from the state that is specifically allocated for special education and has to be spent for special education. Dr. Mounier asked how much that was. Mrs. Barber said she does not have the detail but can get it. Dr. Mounier asked if the 3 million dollars is in addition to the number that is shown in the presentation. Mrs. Barber said that is in addition to. Mr. Ulrich asked how much of the classroom size is dictated by administrative code as far as student to faculty members ratio that the district is forced to deal with. Mrs. Barber said the district is forced to deal with any child that has an IEP or a 504 Plan. She said the codes are strict about the type of student you can put in a classroom. She said there are strict numbers of students that can be in each category and if a child needs in-class support the law is very clear about a special education needs teacher being in an in-class environment if needed. Mr. Ulrich asked if the numbers that were presented to the board are projected on the number of students we have currently. Mrs. Barber said the budget figure is a projection for next year based on actual numbers as well as numbers of students expected to come in to the district, which will be a substantial increase. Mrs. Barber stated that the building acquisition /renovation amount is based on student need and is extremely important because the student numbers will be increasing in preschool and elementary schools.

Mr. DeSanto said Dr. Banks has shown him portions of the slides that were involved in tonight's presentation. He said there was some indication that there could possibly be reductions at various levels. Mr. DeSanto said if specific titles or positions are mentioned it is like mentioning the person. He requested for Dr. Banks to ask Mrs. Barber to please indicate potential staffing reductions at the various levels rather than the specific positions. Mr. DeSanto said this would normally be a finance committee discussion. He said there is a privacy rule and we would have to Rice all of the people whose positions are being identified, which we have not done.

Mrs. Barber said this is a tentative budget and you are going to see alternative recommendations made by the district. She said during the last five days a lot of time was spent with all the department heads, supervisors, and principals in coming up with a district wide recommendation. Mrs. Barber said the recommendations between now and the adopted budget could change. She reviewed the job titles and summary of changes that are in the general fund budget. Mrs. Barber said that this information is itemized and given to the county superintendent each year. She said that we are recommending a 9.5% change in Full Time Equivalent Employees (FTE's).

Mr. Medio asked if we are adding nine positions to the budget when the budget was cut 22 million dollars and there is a projected cut for the next four years. Mrs. Barber explained that most of these people are currently working and included in the new budget.

Mrs. Barber said in the Governor's speech he made it clear that over the next five years he will be making adjustments to school aid that will directly affect the Abbott School Districts. She said the districts that were hit dramatically in regards to the school aid this year were the Abbott School Districts. Mrs. Barber said during the next five years we could lose almost 6 million dollars in state aid if the same process is used by the Governor. She said there will be district cuts across the board for fiscal year 2013 and drastic district-wide cuts could occur over the next five years. Mrs. Barber said annual tax rate increases to meet the loss in state aid may be necessary.

Mr. Medio asked if we need to have a special election in April if we ask for more than 2%. Mrs. Barber responded that the budget is below 2% and the election will be held in November. Mr. Medio asked if a partial budget would be in place from July 1<sup>st</sup> to November. Mrs. Barber said that the budget prior to adoption by the board would still need approved by the county superintendent and the State of New Jersey.

Mrs. Barber said during the current year the district budgeted \$8,859,881 from fund balance. We are projecting in next year's budget to help offset some of those differences a \$10,778,125 budget from fund balance. Mrs. Barber said because of state aid and budget decreases, fund balance will continue to decrease.

Mr. Medio asked what the minimum fund balance is that we can transfer into the next budget by law. Mrs. Barber said the minimum is the amount in the district's audit that was above the 2% mandated amount you can keep in surplus. Mr. Medio asked if the 6.8 million dollars in excess surplus is estimated for this year. Mrs. Barber responded yes as of March 1<sup>st</sup> there will be no purchases and there were some additional savings that flowed into fund balance. She explained that the excess surplus of 6.8 million dollars is from the 2010-2011 year and was applied in the 2011-2012 school year.

Mr. DiGiorgio said historically we have seen some dramatic increases in the health care benefits line item and next year could be a devastating figure. Mr. Ulrich said the contract has a two year guarantee cap on it.

Mrs. Barber said the budget is due in the Cumberland County Office of Education today and permission was granted to present the budget to them tomorrow. She thanked all of the staff members in coming up with the best solution for children.

Dr. Mounier said he would like to see representation that shows what the entire budget picture looks like. Mrs. Barber said we are going to look at that next.

Mrs. Barber reviewed the highlights of the tentative budget and where we are with funding. She explained that there was a four million dollar need and a preliminary cut list was put together, which she reviewed.

Mr. Medio asked what our capital account will be reduced to in this budget. Mrs. Barber said it is reduced by one million dollars and decrease to two million dollars. She said we have to keep in mind that there is a five hundred thousand dollar cap for projects to be done without approval.

Dr. Mounier asked what an ICR position is. Dr. Banks said in-class resource. Dr. Mounier asked what an EIP is. Dr. Gruccio said educational improvement plan, which is the budget each supervisor has to put programs in place and provide professional development.

Mrs. Barber encouraged the board to review the budget paperwork and if they have any questions to please contact her.

Mr. Medio asked if all the principals are satisfied with these reductions. Mrs. Barber said the principals were asked to put together their priority cut list. She said the proposed budget effects every department and every area was asked what they could do to help out.

Mr. DiGiorgio asked what central administration is cutting. Mrs. Barber said it is listed under the general fund. She reviewed items that were spent and complete in the budget and items that were removed or included in next year's budget.

Board Solicitor

Comments: None.

Recommendations:

Public Comments: None.

Resolution: Mrs. Barber read a resolution to recess into executive session on **Wednesday, March 7, 2012** and **Wednesday, March 14, 2012** regarding personnel matters, superintendent search, and possible property acquisition.

Motion: Upon motion by Mr. Fanucci, seconded by Mr. English, the resolution was passed. All Members voted “yes.”

The meeting was adjourned at 6:45 p.m.

Respectfully submitted,

Darlene Barber  
Interim Board Secretary

DB:df



