

A special meeting of the Board of Education of the City of Vineland was held Wednesday, March 2, 2011 at 6:12 p.m., in the Board Room, 625 Plum Street, Vineland, New Jersey, pursuant to notice with Mr. Franceschini presiding and the following members present: Mr. DeWinne, Mr. DiGiorgio, Mr. English, Mr. Fanucci, Dr. Mounier, Mrs. Phillips, Ms. Rios, and Mr. Ulrich. Absent: None.

Also present: Dr. Banks, Superintendent, Dr. Gruccio and Dr. Elliott, Assistant Superintendents, Mr. Franchetta, Board Secretary, Ms. Greenfield, Executive Director of Personnel and Mr. DeSanto, Board Solicitor. Absent: None.

Mr. Franceschini 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.

Mr. Franceschini introduced Mr. Franchetta to present the 2011-2012 tentative General Fund and Special Revenue Fund Budget.

Mr. Franchetta said in January the first part of the budget reviewed was the school based budget expenditures and the district expenditure side was reviewed in February. He said the state aid figures came in last week and we are now able to complete the budget. Mr. Franchetta said we have received an additional 1.6 million dollars in aid, which made our budget process easier than in previous years. He said the public hearing on the budget by statute has to be between March 22, 2011 to March 29, 2011. Mr. Franchetta said if the board is in agreement we can hold the public meeting on Wednesday, March 23, 2011. The board agreed to hold the public hearing on Wednesday, March 23, 2011 at 6:00 p.m. Mr. Franchetta said with the additional aid our total budget will be \$191,757,965, which is a slight increase over last year's budget of \$189,226,858. Our local tax levy will be at \$21,731,439 with no tax rate increase. Mr. Franchetta said due to an increase in ratables we will realize an additional \$111,658 from the city, which are additional properties that will be paying taxes. This is keeping the tax rate stable at \$1.018 per \$100 of assessed value. Therefore, an increase of one cent on the tax rate will raise an additional \$213,471.00 of tax revenue for the school district. Mr. Franchetta said the tax rate of \$1.018 that we are proposing is the same as last year's tax rate. He said we are anticipating utilizing 8.8 million dollars of fund balance. Mr. Franchetta said the 2% surplus that was identified in our audit by Mr. Testa that had to be utilized in this year's budget is \$2,059,881. He said if you recall last year the state took that money from us and we were unable to roll it into this year's budget. Mr. Franchetta said if the state was going to do that again an announcement would have been made by now and feels we are safe at this point.

Mr. Franchetta said we are going to generate \$6,800,000 in surplus from this year's budget to roll over into next year's budget. The following areas make up the local contributions: local tax levy \$21,731,439, tuition \$400,000, GED testing center fees \$30,000, miscellaneous (interest on investments) \$442,694, for a total local contribution of \$22,604,133. Mr. Franchetta said the following areas make up the state aid amount that supports the general fund budget: categorical special education aid \$4,564,872, extraordinary aid \$275,500, equalization aid \$84,320,919, categorical security aid \$2,812,928, adjustment aid \$34,091,355, categorical transportation aid \$3,889,237. Mr. Franchetta said the following state aid funds support the special revenue budget: early childhood program aid \$1,285,384, preschool education aid \$17,614,890 and other restricted entitlements \$853,952 with a total of \$149,709,037 of state revenue. Mr. Franchetta said the federal aid received is: Title I \$3,269,460, I.D.E.A. Part B \$2,107,946, vocational education \$81,632, adult basic education \$97,070, other \$752,443, Medicaid reimbursement \$276,363, education jobs fund \$4,000,000 with a total federal revenue of \$10,584,914 and total revenue of \$191,757,965. Mr. Franchetta said the lion's share of our aid comes from the state. He said 47.40% of the money will be spent in the school-based budgets, 12.39% special revenue, 7.57% maintenance/security, 10.29% employee benefits, 3.07% student services, 4.91% transportation, 3.66% district-funded programs, 4.66% tuition, .80% charter school tuition, 1.38% curriculum & staff training, 1.07% central services, .84% admin information technology, 1.19% general administration, .38% capital outlay, .24% special schools and .15% school administration with a total budget of \$191,757,965. Mr. Franchetta said this year we have 1,973 employees and most of the changes in the budget were special education positions. He said we are adding two high school assistant principals along with some clerical aides with a total of 1,988 employees in the district.

Mr. DeWinne questioned the difference in the education jobs fund money from last year to what is anticipated this year. Mr. Franchetta said that although this is federal funds the funding is on a cost reimbursement method. Mr. DeWinne asked if there is anything anticipated to be received for the high school for Title I. Mr. Franchetta said yes that would go under the Title I application, which runs from September 1 through August 31. He said the next application at the high school will be part of Title I. Mr. DeWinne asked if there is an estimate of how much to be expected. Mr. Franchetta said we do not know the allocation that we will receive until August so we utilize 85% of this year's allocation.

Mr. DeWinne asked how we adjust the budget after that money is recognized. Mr. Franchetta said since it is a restricted grant it has to be spent for certain items. Once the actual amount is received the budget is adjusted to the allocation that we are awarded. Mr. DeWinne asked for an explanation of the deduction and carry-over of the pre-k. Mr. Franchetta said the Early Childhood Program is a Special Revenue Program and we make applications to the state. He said the state approves the Early Childhood Program separately and it is a separate budget process. Mr. Franchetta said in the application we were approved for the sum of the two numbers and 1.2 million dollars of that number is left over from last year that we have to roll into next year's budget. He said the one million that was subtracted is for any P3/P4 student who is special education. The state does not consider special education students a P3/P4 student and will not allow ECPA funds to fund them. Mr. Franchetta said they are paid for out of the general fund.

Mr. English said he noticed that we are down 300,000 thousand dollars in technology from last year and 200,000 thousand dollars in maintenance. He said our buildings are not getting any younger and our technology will be growing. Mr. English questioned why we are showing less money in these departments this year compared to last year. Mr. Franchetta said each department chair person met with him and the accountants to review their budgets and requests. In order to make the budget balance there were very little cuts made. Mr. English said we want our students to achieve and the only way to achieve is through technology. He expressed his concern that less money is being used in technology and for the buildings. Mr. English asked if there is a way that we can match last year's numbers. Mr. Franchetta said a budget should be built from the ground up and he does not think that is a realistic way to look at a budgeting process. Mr. DeWinne asked if the amount budgeted for maintenance also includes utilities. Mr. Franchetta responded yes. Mr. DeWinne asked if we back out utilities how much are we really spending in maintenance and how much are we losing. Mr. Franchetta said he would have to do an analysis on the different accounts.

Mr. Ulrich asked if he was correct in saying that although we saw a 1.6 million dollar increase, 500,000 dollars of that went to the charter school. Mr. Franchetta said yes the charter school amount increased. He said when the charter school adds grade levels each year and picks up additional students they are entitled to more aid from us. Mr. Ulrich asked what happens if they do not keep adding the grade levels that they need to have. Mr. Franchetta said every three years they have to get recertified and the state takes a look at them. Mr. Ulrich asked if the charter school is treated separately as far as test scores and standardized testing. Mr. Franchetta said they are a separate entity.

Mr. DiGiorgio asked what the implications are for not having the education jobs fund next year. Mr. Franchetta said we have a one year reprieve. Mr. Fanucci said we have to start working towards that now. Mr. Ulrich asked if that can be addressed through attrition. Mr. Fanucci said it might solve the problem for us.

Mr. DeWinne asked how much we are actually spending each year in summer school. Mr. Franchetta said there is a decrease because last year we only had summer school at the high school for promotion courses not at the middle school. Dr. Banks said is not appropriate the way it is being handled for students who pay tuition to make up a course. She said that she stopped that and will offer physical education this summer for seniors only. Mr. DeWinne asked what the amount is that we are spending on employees on continuing education. Mr. Franchetta said it is in the curriculum and staff training number. Mr. DeWinne said there are several places where the percentage of the increase seems pretty stiff and others that do not make sense. Mr. DeWinne questioned various increases. Mr. Franchetta said alot of the line items that Mr. DeWinne mentioned are related to special education and most of the staff added was in the special education area. Mr. DeWinne questioned why there is no amount listed under undistributed expenditures improvement of instructional services. He also questioned the amount under legal services. Mr. DeWinne said it seems like we are getting more technologically advanced but the amount for technology went down. He agrees with Mr. English and asked if it was wise to knock down technology expenditures. Mr. DeWinne asked why there is nothing listed under salaries of non-instructional aides under custodial services. Mr. Franchetta said the aides that were brought back are being charged to fund #18. Mr. DeWinne said it would be really nice if we could finish some things that were started with buildings and grounds such as the lighting of the baseball field and tennis courts. Mr. DeWinne said it is nice that with this budget we do not have to do what we had feared but thinks there are areas in the budget that may need to be a little leaner.

Dr. Mounier asked how we cover contingencies such as big fuel cost increases. Mr. Franchetta said we do not budget for contingencies and generally we look at other expenditures to cover this.

Public Comments
on Agenda Items: None.

Solicitor's Report: None.

Dr. Banks congratulated Dr. Dina Elliott on the successful defense of her dissertation.

Recommendations:

FRANCESCINI	ULRICH	DEWINNE	DEGLISH	FANUCCI	MOUNIER	PHILLIPS	RIOS
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Vineland Board Of Education
 Report to the Board – March 2, 2011

RECOMMENDATIONS

It is recommended that:

1. The Board approve travel for district members as required by N.J.A.C. 7A:10A-8.3 and school field trips as per lists provided and on file with the Secretary of the Board

No travel submitted.

2. The Board adopt a tentative 2011-2012 school district budget for submission to the voters as follows:

	<u>Budget</u>	<u>Local Tax Levy</u>
General Fund	\$165,695,188	\$21,731,439
Special Revenue Fund	27,075,127	0
Debt Service Fund	0	0
Less: Transfer From		
General Fund	1,012,350	
TOTAL	\$191,757,965	\$21,731,439

All Members voted "yes" except for Mr. DeWinne, Mr. English and Dr. Mounier who voted "no." (6-3-0)

Further, in accordance with N.J.A.C. 6A: 23A-7.3, the Board establish the maximum travel amount for the 2011-2012 school district budget at \$213,850 and the amount spent to date in the 2010-2011 school year for travel has been \$39,806.49. Additionally, the supporting documentation of this budget contains an itemization of certain expenditures required under administrative regulations.

Mr. Ulrich said the budget is a fluid document and can be changed. He said the public needs to know that we are holding the line on taxes with a zero increase and that is one of our primary concerns.

F R A N C E S C H I N I	U L R I C H I	D E W I N N E	D I G I O R G I O	E N G L I S H	F A N U C C I	M O U N I E R	P H I L L I P S	R I O S

Mr. DeWinne said he would really like to see money restored into technology and maintenance. He said that he would like to vote “yes” with the contingency that those numbers are restored. Mr. DeSanto said if you do that with a contingency it is a “no.” vote.

Mr. DiGiorgio said when we were faced with the possibility of a significant cut people from all levels came up with necessary ways. He hopes on an on-going basis we can try to operate in a fiscally responsible way.

Mr. English said his two key points are that the buildings are not getting any younger and technology is huge for student achievement. He would like to see these numbers reinstated so he will be voting “no.”

Dr. Mounier said thinks the district spends entirely too much money in ways frequently that are not very smart so he will be voting “no.”

Public: None.

The meeting was adjourned by voice vote at 7:05 p.m.

Respectfully submitted,

Kevin J. Franchetta, CPA
Board Secretary

KJF:df