

A special meeting of the Board of Education of the City of Vineland was held Wednesday, April 1, 2009 at 6:32 p.m., in the Board Room, 625 Plum Street, Vineland, New Jersey, pursuant to notice with Mr. Giordano presiding and the following members present: Mr. Bernardini, Mr. DeWinne, Mr. Evans, Mr. Fanucci, Ms. Rios, Mr. Spinelli and Mr. Ulrich. Absent: Mr. Franceschini.

Also present: Mr. Ottinger, Superintendent, Dr. Figgs and Dr. Guccio, Assistant Superintendents, Mr. Franchetta, Board Secretary, Mr. Rochetti, Executive Controller, Mr. Smith, Fiscal Analyst, Mr. Musterel, Principal Accountant, Mr. DeSanto, Board Solicitor and Ms. Greenfield, Executive Director of Personnel.

Mr. Giordano 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.

Flag Salute:

The Board recessed to executive session at 6:34 p.m.

The meeting resumed at 6:40 p.m.

Mr. Giordano introduced Mr. Franchetta, to present a brief over view on the 2009-2010 budget.

Mr. Franchetta said the 2009-2010 proposed budget is \$196,170,419 and is the same amount that the board voted on at the March 17, 2009 board meeting. The local tax levy in the budget is \$21,619,781, which increased by approximately \$475,000 over last year's budget and is due to an increase in ratables within the city. Mr. Franchetta said the tax rate will remain at 1.037 per \$100 of assessed property value. He said a home estimated at \$100,000 would have a zero tax increase. Mr. Franchetta said last year we successfully raised the tax rate by two cents, which was the first time this was done in many years. He said in this budget we proposed using 8.6 million dollars of fund balance generated from last year's audit. Mr. Franchetta said this is good but it is a non-reoccurring revenue. Transfers from Other Funds Early Childhood Program Aid (ECPA) are \$771,000. Mr. Franchetta said out of district tuition is \$361,000 and we will be raising \$30,000 for GED Testing Center fees. He said interest on investments is \$475,000 and is reduced from this year's budget because the markets are poor. Mr. Franchetta said the state aid that we are receiving is \$157,000,000 and is about the same as last year. The federal sources that the district has are Title I (No Child Left Behind) and I.D.E.A. Part B, which may change based on the President's Economic Recovery Act.

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Mr. Franchetta said we receive approximately \$400,000 for Medicaid reimbursement. As an Abbott district we are required to submit claims to Medicaid for special education students that we service. He said the total revenue is \$196,000,000. Mr. Franchetta said a little over 80% of our aid comes from the state, 4% from the federal government, 11% is subsidized by the taxpayers and 5% from other sources. He said half of the district's funding goes to the school based budgets and the other half to maintenance, transportation, student services, general administration, employee benefits and special revenue. Mr. Franchetta reviewed the costs of the Comparative Spending Guide for the 2008-2009 school year. He said the Commissioner of Education recently released these costs based on this year's budget and how it compares to the other SDA districts.

Mr. Ulrich said it is important to look at what the state said our tax levy should be. Mr. Franchetta said we are raising about 50% what the state believes we should be raising.

Mr. Bernardini asked if we know that all of the children who will be attending the Charter School came from our district. Mr. Franchetta said the Charter School is allowed to recruit students from other districts in South Jersey but we will only be charged for students who are Vineland residents. Mr. Bernardini asked if the amount we will be paying is the amount for those students. Mr. Franchetta said since there is no history on that school it is the state's estimate of the number of students they anticipate will be served who are Vineland residents.

Mr. DeWinne asked if there is a cost per student that is known for this Charter School. Mr. Franchetta said it does not know but can provide that amount.

Motion: A motion was made by Mr. Spinelli, seconded by Mr. Fanucci, to open the Public Hearing. All Members voted "yes."

Public Comments: Gene Mercoli, Vineland Resident
Mr. Mercoli commented that Mr. Franchetta did a great job in graphically showing how the expenditures and revenues of this budget are derived. He said what the non-reoccurring revenue in fund balance means to him is if you do not produce it then it will need to be replaced in the next year. Mr. Mercoli commented about the amount of money being spent on security aid and how it is shown in the budget detail.

Lee Burke, Vineland Resident

Mr. Burke questioned why the legal reserve amount in the budget increased substantially over the last few years. Mr. Franchetta said that is the money the district has for the Civil Service law suit. Mr. Burke asked if that was one law suit or numerous law suits. Mr. Franchetta responded one law suit. Mr. Ottinger asked Mr. Burke to contact him and he will explain the Civil Service Settlement in detail, which was about four million dollars.

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Mr. Spinelli asked if there was a reason why district travel was on the agenda. Mr. Franchetta said it slipped by us and since we had the meeting tonight we decided to put it on the agenda.

Respectfully submitted,

Kevin J. Franchetta, CPA
Board Secretary

KJF:df