

MINUTES OF THE BOARD OF SCHOOL ESTIMATE
 BUDGET WORKSHOP
 HELD THURSDAY, MARCH 26, 2009 AT 7:00 P.M.
 ATRIUM OF THE GEORGE INNESS ANNEX
 141 PARK STREET, MONTCLAIR, NEW JERSEY

I. The meeting was opened at 7:05 p.m. and the following statement was read:

Let the minutes reflect that adequate notice of this meeting has been provided in the following manner:

1. On Wednesday, February 25, 2009 notice of this meeting was faxed to the Montclair Times, the Herald and News and the Star-Ledger. The time, date and location of this meeting were accurately set forth therein.
2. On this same date a copy of said notice was filed with the Township Clerk and was posted at the public bulletin board in the first floor main hall of the Board of Education building, 22 Valley Road.
3. Copies have also been mailed to all persons who have requested same at no cost.

II. The Pledge of Allegiance occurred at 7:06 p.m.

III. ROLL CALL OF THE BOARD

	PRESENT	ABSENT
Jerry Fried	<u> x </u>	<u> </u>
Renee Baskerville	<u> x </u>	<u> </u>
Rich Murnick	<u> x </u>	<u> </u>
Timothy Barr	<u> x </u>	<u> </u>
Shelly Lombard	<u> x </u>	<u> </u>
Staff Members	<u> 5 </u>	
Members of the Public	<u> 20 </u>	
Members of the Press	<u> 1 </u>	

IV. REVIEW AND APPROVAL OF MINUTES

Mr. Barr moved to approve the minutes from the following meetings:

- A. Budget Workshop Meeting Wednesday, March 18, 2008
- B. Public Budget Hearing Monday, March 24, 2008
- C. Public Meeting April 3, 2008

Seconded by Mrs. Lombard and approved by a vote of 5-0.

V. DISCUSSION OF THE PROPOSED 2009-2010 SCHOOL BUDGET

Dr. Alvarez thanked the Board of School Estimate for their attendance at all of the Board of Education meetings regarding the budget.

The priorities this year are as follows:

1. To preserve the integrity of the magnet schools
2. To continue to improve the minority student academic achievement gap
3. To maintain class size
4. To continue to provide a safe and secure learning environment for all students.

He added that discussions of having a long-term view of expenditures consisted of reviewing areas that are costly to the district primarily special education. The district has been working with the District Management Council from Cambridge University to audit special education expenditures.

Dr. Alvarez noted that there are \$1.5 million in cuts in this years' budget which affects administrative costs, instruction, student athletics/activities, and professional development. Over the last 2 years the district lost \$1 million in state funding which was given to provide additional services and resources to close the minority student achievement gap. He continued that because of fiscal efficiencies during the course of the year, the district is allocating \$2.5 million, part of the fund balance reserve, to the operating budget which will assist significantly with the tax increase. In the beginning of the budget process, the district was above CAP and now is below CAP since reductions were made.

Mrs. Sullivan offered the following comments about the budget:

1. The district remained at the same State aid level as in 2008-2009 school year.
2. The district is appropriating \$2.5 million from the fund balance reserve and, there is a decrease in miscellaneous revenue due to loss of interest income.
3. The operating budget increase this year is a total of \$3.5 million which translates to a 4.1% tax rate increase.
4. School tax translates to an increase of \$340.00 for an average homeowner in Montclair.

Mrs. Sullivan stated that the following reductions were made to the first draft of the budget:

- | | |
|----------------------------------|-----------|
| 1. Central Office Administration | \$150,000 |
| 2. Curriculum Support Specialist | \$240,000 |
| 3. Special Education | \$201,052 |
| 4. Instructional/SPED Aides | \$500,000 |
| 5. Student Activity Stipends | \$ 50,000 |

The following additional reductions were made to the second draft of the budget:

- | | |
|-------------------------------------|-----------|
| 1. Central Office Administration | \$ 45,000 |
| 2. Instructional Staff and Benefits | \$180,000 |
| 3. Technology Support | \$ 40,000 |
| 4. PERS Pension Liability | \$140,000 |
| 5. Consultants/Conference & Travel | \$ 20,000 |

Mrs. Sullivan indicated that changes in the budget from 2008 to 2009 are about \$3.5 million which consists of the following:

1. \$1.8 million is allocated to salaries increases
2. \$847,000 is for out of district and home instruction
3. \$412,000 is for health insurance and other insurance
4. \$406,000 is for transportation and utilities
5. \$187,000 is for social security and benefits
6. \$130,000 is for all other areas

The distribution of the budget is as follows:

1. 83% is dedicated to salaries and benefits
2. 10% is for out of district tuition and insurance
3. 4% is for supplies and materials
4. 2% is for cleaning, repair and maintenance rentals
5. 1% is for consultants and legal expenses

The general categories of staff in the district are:

1. 53% are teachers
2. 23% are aides
3. 10% are school support
4. 6% are building administration
5. 4% are buildings and grounds
6. 4% are central office

Mrs. Sullivan continued that the State of New Jersey Department of Education calculates a comparable cost per pupil for each district. The most recent data is based on actual 2006-2007 audited figures. They gather all of the districts audited financial statements and calculate a cost per pupil. There are certain costs that are subtracted from this calculation that are not comparable from district to district such as out of district tuition. The state average for K-12 districts with over 3,500 pupils is \$12,272. Montclair School District spends a total cost per pupil of about \$13,174. The average cost in other similar districts is \$13,379 which is slightly more than Montclair spends per pupil.

She continued that the District participates in many different programs with the town and other school districts in order to reduce costs and share services.

Mrs. Sullivan updated the Board on the upcoming calendar for the Board of School Estimate meetings as follows:

Monday, March 30, 2009	Public Hearing on 2009-2010 Budget
Thursday, April 2, 2009	Adoption of 2009-2010 Budget

VI. DISCUSSION OF THE PROPOSED 2009-2010 CAPITAL BUDGET

Mrs. Sullivan stated that the capital budget is prepared estimating costs over a period of 5-years. This year the district is asking for approval for one year which is the upcoming 2009-2010 school year. The other four years are there for planning purposes. As the budget is being developed for the upcoming year, the four-year planning budget is reviewed to see existing items are still priority for the district and to get an idea of the total budget. This year it was reviewed very carefully and items were extracted that the Board thought were unnecessary.

The capital budget for next year that is being requested is in the amount of \$5,416,000.00 to be used for the following categories and basis of needs:

1. Roofing Replacement including insulation and related work at Glenfield, George Inness, Northeast, Bradford, and the High School library.
2. Electric Upgrades at Watchung and Edgemont schools.
3. H.V.A.C. Piping/Traps replacements district-wide.
4. Barrier Free Access American Disabilities Act to be in compliance and code at Watchung School.
5. Special projects in the district involving field renovations, classroom additions at Edgemont and Glenfield Schools, Rand Middle School conversion, High School Solar Panels and Woodman Field Storage building.
6. Site Improvements involving landscaping and District Erosion Control.
7. Environmental codes district-wide
8. Furniture and Equipment district-wide
9. Technology upgrades district-wide
10. Facilities Master Plan has been attached for further details.

VII. RECEIVE COMMENTS AND/OR QUESTIONS FROM THE PUBLIC

CONCERNING THE PROPOSED 2009-2010 SCHOOL BUDGET

Alex Zrenin of 77 Buckingham Road expressed his concerns about the personnel expenses, competitive salary rates, yearly increases, compensation for sick days, and special education.

Karen Straim of 196 N. Mountain Avenue and Associate Director of the Health and Wellness partnership thanked the Board, the Board of School Estimate, Dr. Alvarez, and Mrs. Sullivan for their hard work and putting forth the effort to support students during these difficult economic times and supporting the Health and Wellness partnership. She indicated that over the past 8 years the Health and Wellness partnership has succeeded in bringing in \$1.4 million in funding and services to the district. She also stated that they are trying to connect with the community to find out where people can get assistance for medical insurance for their children.

Cary Africk of 2 Erwin Park stated that he appreciates all of the effort and work that the Board has devoted to the school district. He stated that people are in support of salary increases for teachers and the competitive salary issue for new teachers entering the district. He also stated that people are also in support of the New School but that in other areas construction plans are being held back due to the economy. He stated that he is very supportive of technology in the district and was concerned about the reductions made in that area of the budget. He asked if the District Management Council review education alone or other issues as well.

Dr. Alvarez responded that they review an array of issues in the district. They review cost efficiencies or programs that have worked in other districts and how they may be applicable to the Montclair School District.

Andrea Messina of 272 N. Mountain Avenue expressed her comments from her email about non-negotiated pay raises in the district.

Debbie Villarreal-Hadley of 179 Midland Avenue stated that she appreciates the amount of time and effort being put into the budget. She thanked the Board of Education for going through such an effort to provide all of the data that supports the budget. She stated that it is very important to continue to fund the budget and encouraged the Board, Principals, and teachers to continue to collect data because it is very effective when budgets are being discussed.

She also stated that she appreciates the Mayor's involvement in these meetings as well.

Norma Meador of 30 Club Road expressed her concerns about the budget being better thought out for the upcoming years.

VIII. ADJOURNMENT

At 9:10p.m. Mr. Barr moved to adjourn the meeting; seconded by Dr. Baskerville and approved by a vote of 5-0.