

SCHOOL BUDGET JOINT MEETING - OPEN SESSION

The special joint meeting of the Hightstown Borough Council, East Windsor Township Council, and the East Windsor Regional School District Board of Education was called to order by East Windsor Mayor Janice S. Mironov at 7:35 p.m. on May 18, 2006.

Municipal Clerks Cindy A. Dye and Candace B. Gallagher and Board of Education President Alice Weisman each certified in turn that adequate notice and posting of the meeting had taken place in accordance with the requirements of the Open Public Meetings Act. The rolls were called for each body.

Present from Hightstown Borough were: Mayor Robert Patten, Council President David Schneider, Councilmembers Lawrence D. Quattrone, Ryan Rosenberg, Walter L. Sikorski and Patrick Thompson. Also present were Candace Gallagher, Borough Administrator/Municipal Clerk and Frederick Raffetto, Borough Attorney.

Present from East Windsor Township were: Mayor Janice S. Mironov, Deputy Mayor Walter T. Daniels, Councilmembers Hector Duke, Marc Lippman, Alan Rosenberg, Perry Shapiro and Marsha Weinstein. Also present were: Township Manager Alan M. Fisher, Township Attorney David E. Orron and Municipal Clerk Cindy A. Dye.

Present from the East Windsor Regional School District Board of Education were: Board President Alice Weisman, Board members Bruce Ettman, Suzann Fallon, Bonnie Fayer, Robert Laverty, Susan Lloyd and Richardo Perez (who arrived at 7:42 p.m.).

Following the flag salute, Mayor Mironov indicated that this meeting is convened pursuant to the statutory process required following the defeat of the East Windsor Regional School District's budget on April 18. During the time between the meetings, as well as prior to the last public meeting, she said, the three bodies exchanged information and reviewed materials regarding the budget and issues related thereto. Mayor Mironov thanked the Board of Education and Hightstown Borough for their cooperation during this process.

Mayor Mironov noted that there will be time provided later in the meeting for public comments, and said that she would like at this time to review with the public some of the items that have arisen during this process. One of those issues, she said, are the School Administrators. She asked Superintendent Bolandi to provide information in this regard.

Mr. Bolandi explained that there were fourteen administrative positions that were outside of the classroom and outside of the building. He went to the Board, he said, and recommended that they at look at "where we can place those positions to benefit the staff and the students." The administrative staff still numbers fourteen, he said, but has been reshaped. Next year, 75% of the salary of one of those staff members will be paid from community education funds. There is now a full-time Director of Guidance for K-12. This used to be for the high school only, he said, and it was accomplished without a salary increase.

The key development, Mr. Bolandi went on to say, which sometimes is missed and which is more important than the redeployment of funds, is that the basic skills program has been almost eliminated in the elementary schools. Funding from that program and areas around it have been used to develop salaries for six teachers that are in the classrooms every day and do training everyday. "These teachers did not cost one tax dollar," he said. "They are an integral part of the restructuring." He noted that all six staff developers were staff members prior to their redeployment, and they are a resource for the teachers in improving their classroom instruction.

Mayor Mironov stated that the second item that has arisen is the issue of per diem consultants.

Superintendent Bolandi stated that there are two positions which he has purposely not filled -- the Vice Principal at the High School and the dispatching position in transportation. There has been a new Director of Transportation since September, he said, and Mr. Bolandi brought in a former director as a consultant to help restructure that department. The consultant works a maximum of three days a week for a maximum of 120 days per year, will be gone in June will earn \$36,000, representing a savings of \$20,000. The new director and the consulting former director, Mr. Bolandi said, have been able to reduce the District's transportation costs by \$500,000. With respect to the Vice Principal position, Mr. Bolandi said that he opted to split those duties between two veterans. All three consultants together are being paid less than the salaries of the two unfilled positions, he said. Consultants receive no sick time, no vacations, no holidays and no perks. They only get paid for the days they work, which is less than a District employee.

Mr. Bolandi went on to say that the key in bringing in consultants is that they are not brought in on top of other employees. He said that he brings consultants in that are "the best," and the position is not filled until he is ready. Procedures are now in place, and the three consultants will not be returning in July. He is planning to replace the two positions.

Superintendent Bolandi pointed out that, prior to his coming to the District, the administrative cost per pupil was \$941. Today, he said, it is \$925. The state average is \$1,235. The District is spending less than the State average and less than it did three years ago.

Mayor Mironov asked Mr. Bolandi to address the issue of school construction, specifically the delay in completion of the McKnight School.

Mr. Bolandi stated that the McKnight School has been a source of great frustration for everyone. Construction in general has been a great source of problems. The Black, Rogers and Kreps Schools have been completed, he said, and the Drew School is nearly complete. With regard to the McKnight School, the District has entered into a tentative agreement with the bonding insurance company. The contract with the original construction company was terminated approximately one year ago. Work at the McKnight School is approximately 70% complete, Mr. Bolandi said, and he is hopeful that it will be fully complete in the fall or early winter of 2006, and ready for occupancy in September 2007.

Mayor Mironov stated that residents have expressed concern about the incident regarding testing at the Kreps School, and she asked Mr. Bolandi to comment.

Superintendent Bolandi noted that this is a personnel issue and will be addressed. The Kreps School's loss of the test was an unfortunate incident, and very unusual. "It was a horrendous breach in State protocol," he said, and the incident has been evaluated by himself and by the State. This not only cost the District \$26,000 and a lot of administrative time, but it affected 395 students who had to re-take the test, and he said that he has personally apologized to all of them. He added that the test results could be affected by this as well. Mr. Bolandi assured the members of the governing bodies and the community that he will take appropriate actions and hold those responsible accountable for these major violations in protocol.

Mayor Mironov asked Mr. Bolandi to comment regarding the use of \$2.5 million in surplus for the school construction. She asked how that would work and what we could expect.

Mr. Bolandi explained that the District needs \$2.5 million to finish the construction project due to cost overruns, legal fees and consultant fees needed as a result of the major time problems that they had with the contractor. That surplus transfer, he said, would allow the District to finish the project. He said that the School District will be in litigation due to the fire at McKnight School and the delays by the contractor, and the Board of Education has passed a resolution stating that any funds recouped through that litigation will be returned directly to surplus. This could take between one and two years, he said, and he does expect to recoup these funds. He added that the Board will be suing for more than \$2.5 million.

Mayor Mironov thanked Superintendent Bolandi and the Board of Education and expressed appreciation for the information provided. "This is a very difficult position to be in these days," she said, especially with diminishing resources, escalating costs and important missions to be accomplished. She stressed the importance of looking at different ways to economize. As an example, she noted that East Windsor Township has provided an incentive for employees with another source of health insurance coverage to waive those benefits from the Township. The employee receives a stipend and the Township saves money. Savings may also be possible, she said, through the privatization of transportation, joint ventures and cooperative purchasing, and aggressively seeking outside funding and private donations. She noted that the creation of a separate, nonprofit Education Foundation has already been discussed.

Mayor Mironov stated that the Councils are put in this situation by the mandate of State law. The Councils have about two and a half weeks to perform this review, she said, and all three bodies have worked well together to meet their responsibilities. At this point, there is a resolution to be put forward. She noted that the resolutions of the two governing bodies are identical, and she asked Hightstown Borough Clerk/Administrator Candace Gallagher to read the resolution in full.

Ms. Gallagher read Borough Resolution 2006-132 in its entirety, after which it was moved by Councilmember Rosenberg and seconded by Councilmember Quattrone.

Borough Councilmember Thompson stated that, during this process, it was "loud and clear" from the public that taxes are too high. "We cannot impact that tonight," he said, noting that the cuts proposed would represent only about a \$10 reduction in taxes to the average Hightstown taxpayer. "The devil is not in the details," he said, "but in the funding formula." Cutting this budget could send the wrong message, he added.

Roll Call: Councilmembers Schneider, Quattrone, Rosenberg and Sikorski voted yes. Councilmember Thompson voted no. Councilmember Harinxma was absent.

Resolution 2006-132 adopted, 4-1.

**RESOLUTION 2006-132 RESOLUTION REGARDING DEFEATED 2006-07 BUDGET OF THE EAST WINDSOR
REGIONAL SCHOOL DISTRICT**

WHEREAS, in an election held on April 18, 2006, the proposed East Windsor Regional School District budget for the school year 2006-2007, with a proposed general fund tax levy in the amount of \$52,882,851.00, was defeated by a total of 1,171 votes to 947 votes; and

WHEREAS, N.J.S.A. 18A:22-37 provides that if the voters reject any items of a budget submitted at the annual school election, thereafter, the member governing bodies of each municipality within a regional school district shall consult with the board of education and determine the amounts which they deem necessary to provide a thorough and efficient system of schools for the regional district for the ensuing year; and

WHEREAS, joint open public meetings of the Hightstown Borough Council, East Windsor Township Council, and East Windsor Regional School District Board of Education, to hear public comment and to review the defeated budget, were held on May 9, 2006 and May 18, 2006; and

WHEREAS, these budget adjustments are being made by the Hightstown Borough Council and the East Windsor Township Council in consultation with the East Windsor Regional School District;

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Hightstown, County of Mercer, and State of New Jersey, as follows:

The following sum shall be raised by taxation in the East Windsor Regional School District and certified to be necessary to provide a thorough and efficient system of schools:

Current Expenses:	\$52,392,601.00
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This represents a reduction of \$490,250.00 from the 2006-2007 proposed budget. The specific line item reductions are attached as Exhibit A. The line item reductions represent proposed capital expenditures and related funds which can be removed from the 2006-2007 school budget without any negative impact on the education of the children of the East Windsor Regional School District.

The Municipal Clerk shall forward a copy of the Resolution certifying the amounts to be raised for current expenses to the East Windsor Regional School District, the East Windsor Township Council, the Hightstown Borough Tax Assessor, the Mercer County Superintendent of Schools and the Mercer County Board of Taxation, no later than May 19, 2006.

At this time, the East Windsor Township Council considered an identical Resolution, numbered R2006-122. The Resolution was moved by Councilman Shapiro and seconded by Councilman Duke.

Roll Call: East Windsor Councilmembers Daniels, Duke, Lippman, Rosenberg, Shapiro, Weinstein and Mironov voted yes.

East Windsor Resolution R2006-122 adopted, 7-0.

Mayor Mironov thanked all involved in this process, and noted the vital role played in our community by members of the Board of Education. "They do an outstanding job every day of the year," she said, "in seeing that our children receive a quality education. There is little that is more important." She added that East Windsor and Hightstown are here to provide whatever support is needed toward the goal of educating our children, and that she looks forward to working with the Board during the coming year.

At this time, the Board of Education addressed the 2006-07 annual budget. That budget was moved for approval by Mr. Lavery and seconded by Ms. Fallon. Discussion ensued.

Ms. Fallon thanked Borough Councilman Patrick Thompson for his support and said that, while she understands what is going on, she feels that it is detrimental to the School District. She expressed hope for more public support from the governing bodies for next year's school budget.

Mr. Ettman stated that all have worked very carefully and diligently to streamline this budget and make it as efficient as possible, and the Board, through its Administration, has demonstrated the educational improvements that can be made with proper leadership and proper vision. "The real issue," he said, "is the funding formula on a statewide basis and the inability or unwillingness of the State and federal governments to provide funding mandated by law." He added that unfunded federal mandates create enormous expense. Mr. Ettman urged the public to become more involved in the process and attend regular meetings of the Board. He expressed his appreciation to both Councils and to his fellow members of the School Board for the "cooperative spirit" displayed during this process.

Ms. Lloyd said, "It saddens me to find ourselves here again this year." She said that, last year, residents were upset about the test scores, and those have improved greatly. "It's sad that the public feels that they have to use this as a pawn in the budget issue," she said. "We need to send the State a huge message that this can't go on." Ms. Lloyd went on to say that the two Councils should never be put in this position and have just two weeks to review a budget that took a year to put together. She suggested that the public would be better informed about the budget if they became engaged much earlier in the process, and she thanked Councilman Thompson for his support.

Mr. Lavery stated, "It is unfortunate that we are here again this year." He said that he knows that both Councils are pro-education, are in favor of the District's accomplishments and have exercised a great deal of diligence in reviewing the budget. "They came up with what they felt was most fair," he said, and thanked them for their time in doing so.

Ms. Fayer said that sentiments expressed by other members of the Board are hers as well, and she is "saddened by this process." It was a lean and fair budget, she said, and she expressed her frustration with the budget's defeat. She thanked both Councils for their work on this, and said that she will work on changing the system.

Mr. Perez thanked the Board members for their comments and thanked Councilmember Thompson for his support. "We'll be here again next year," he said, "if there is no fix in the State aid. The issue is taxes, not the budget." He urged all in attendance to contact our legislators.

Ms. Weisman noted the frustration in evidence at this meeting, and thanked Councilman Thompson for the "courageous stand" he took in supporting the budget. She said that she feels that the public does not have an issue with the schools, but rather with the high taxes. She expressed her confidence in Superintendent Bolandi and the job he is doing, and said that the current situation has "nothing to do with the way the school is being run." Ms. Weisman added that her vote at this meeting to cut this budget does not mean that she felt that there was any waste in it or that anything could be removed without harm.

Roll call: Board members Ettman, Fallon, Fayer, Lavery, Lloyd, Perez and Weisman voted yes.

The budget was approved by a 7-0 vote.

Mayor Mironov thanked Board Member Bonnie Fayer for the comments that she offered and for her "sensitivity and understanding" as to what a difficult situation this is for all concerned. She explained that voters in both towns defeated the school budget, and suggested that the District and those who support it do more to share information with the residents. She noted that many citizens have questioned whether the School District runs in a businesslike fashion, and have brought those concerns to the governing bodies. That, she said, is why she felt that it was important to review some of those issues at this meeting.

Mayor Mironov went on to object to any suggestion that she and her governing body are "anything but supportive of education in this community." The members, she said, have been there to support events, fund events and attend events and provide support to the Board, the children and the residents of this community. She noted that she had the honor during her public service to be the first and only honoree of the Education Foundation, when it did exist, for her contribution, support and participation on behalf of the School District and the children of the community. She also noted that she feels they have demonstrated their leadership on the funding issue by making available a petition to address many of the concerns that they share. "We will continue to work hard to promote meaningful change in the State of New Jersey," she said. Mayor Mironov encouraged all "to remember who your friends are" and to work to enhance those relationships.

Lastly, Mayor Mironov reminded everyone who had not yet had the opportunity to do so to sign the petition that was made available at this meeting and is also available on the websites of both towns. "I know that everyone sitting here shares the goal that the children of our community receive the best education possible," she said.

Mayor Mironov adjourned the meeting at 8:35 p.m.

Respectfully submitted,

Candace B. Gallagher, RMC
Borough Clerk