



***Barnegat Township  
School District***

**BARNEGAT BOARD OF EDUCATION  
PUBLIC HEARING MINUTES**

**March 26, 2010  
Friday, 6:30 PM**

Barnegat High School  
180 Bengal Blvd.  
Barnegat, NJ 08005

*OUR MISSION: The Barnegat Schools, in partnership with our community, nurture and educate our children in accordance with all core curriculum content standards to prepare them for responsible citizenship and success in life.*

**I. CALL TO ORDER**

Mr. Houser: Would everyone please turn off their cell phones? I hereby call this Barnegat Board of Education Meeting of March 26, 2010 to order.

**II. OPEN PUBLIC MEETING ACT**

The notice of this meeting has been forwarded to the Asbury Park Press, and placed in the foyer of the Barnegat High School, the Municipal Building and filed with the Municipal Clerk, in conjunction with the Open Public Meeting Act N.J.S.A. 10:4-10.

**III. ROLL CALL**

Mr. Adorno	Present
Mr. Davis	Present
Mrs. Pilovsky	Present
Mrs. Sarno	Present
Mrs. Taylor	Present
Mrs. Becker	Present
Mr. Houser	Present

Mr. Scully	Absent
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Also Present: Mr. Jason Bing, Superintendent  
Mr. Dean Allison, Business Administrator/Board Secretary  
Mr. Ben Montenegro, Board Attorney

**IV. FLAG SALUTE**

Mr. Houser: Would everyone please stand for the Flag salute?

All: Pledge of Allegiance

**V. APPROVAL OF AGENDA AND/OR ADDITIONS**

Mr. Houser: We will move on to the Approval of Agenda and/or Additions. Do we have a motion to approve the Agenda?

Mrs. Pilovsky: So moved.

Mrs. Becker: Second

Mr. Houser: All those in favor signify by saying Aye.

All: Aye

Mr. Houser: Opposed? Motion carried.

## VI. PUBLIC HEARING

Mr. Houser: We will move on to the Public Hearing. Mr. Bing?

Mr. Bing: This is on our website as well. You will see our enrollments currently and projected as well. What I want to point out and I point this out everywhere I go, because I think people are quite surprised at the fact that the idea of local control really does not exist anymore and really has not existed since the initiation of No Child Left Behind. I would say over 80-85% of our numbers and what we get, we are told what to do with that money. Meaning, we have no choice but to put the money towards these areas. So in reality, and this is not just Barnegat but the majority of districts around the State, we control locally and depending on the district, anywhere from 10-15% of monies. The rest we are told what to do with, plain and simply through federal programs or state programs. That is the price any district pays and I don't think at this point there is any district in the state that does not take state funding or federal funding.

I know there are a few districts very close to it and maybe only getting 3% state funding and those are your higher economic districts, but your majority, 99.9%, receive quite a bit in funding and therefore they are told what to do with that money. So the idea of local control has really dissipated over the last ten years. In reality we control maybe 10-15% of our monies. There is choice for us with those monies.

You will see our budget revenue and our proposed revenue and I will turn this over to our Business Administrator, Mr. Allison. I do want to point out and I know Dean will hit on this, actually I will give him the pleasure of explaining it, but we started from quite a large whole this year for this budget. Obviously, you have read about the very large one that was thrown upon us two weeks ago?

Mr. Allison: One week ago yesterday.

Mr. Bing: One week ago yesterday the \$2.4M+ reduction in our aid and Dean will explain further obstacles and challenges we had to overcome during this budget.

Mr. Allison: Thank you, Mr. Bing. Welcome everybody. I am going to go through this in some semblance of rationale, but feel free to ask questions. This is the revenue side, this is where we get our money and this is what the prior pie chart, can everybody hear me? Am I speaking in to this well?

This is a pie chart that we just saw and the underlying numbers. In 2009-2010 state aid that we received was \$21,196,917. We also, last year, because the Board had an absolute objective of not raising the tax rate last year, we had money in reserve that we contributed, that is called budgeted fund balance, think of that as our savings account. They wanted to give the taxpayers of Barnegat at least one more year without any tax increase, and they did. The next number is the local tax levy, \$24,229,720. In Miscellaneous Revenue, that is interest on our bank accounts,

money we get from facilities use, we did have a couple of children who came in-district and we charged tuition for them, but as you can see it is a very small percentage and absolute number as well.

Last year for debt service, now the top part is really what the voters vote on, the debt service was established many years ago when the referendums were passed to add to the schools and so forth. So, on the basis of the voter approval of those referendums we issued bonds which have paid for the new high school, the additions to Horbelt and Dunfee and so forth and so on. Now, we have to pay the piper, we have to pay the mortgage, we have to pay that over time and our debt service last year in terms of revenue, we got \$650,000 from the state and again we had a little bit of a savings account for fund balance then of \$55,000 and then the local tax levy made up the rest.

For 2010-2011, Mr. Bing and I sat down with the Board of Education Budget Committee, and they basically said we want to try and do this again. We want to try and have no tax increase in the Township of Barnegat. So we need to look really, really hard at this budget, we need to find cuts and efficiencies and we have. This will become more apparent on the expense side, but let's take a look at what happened to the revenue side because this is what got us into the problem. Otherwise we would not have a tax increase in Barnegat for this year. We are going to and I know that is not good news to anybody.

Look what happened to state aid. Governor Christie is doing the right thing. He is trying to get control of the state's financials. Unfortunately, the financial situation that the state finds itself in has been the product of a number of years of bad decisions. This year I wish he had a little bit more finesse in phasing it in, but he hit us with \$2.3M. You probably saw that in the Asbury Park Press. We lost \$2.3M in state aid. Then, of course, we did not have our savings account money anymore, but we took care of the savings account and again on the next slide that we become apparent to you. We actually cut the budget by the amount of that budgeted fund balance. You will see that.

The budget we are proposing for 2010-2011 is \$1M less than the budget we are operating under this year. We cut \$1M out of the projected budget for next year. The problem is not that we did not cut the budget, the problem is that the state aid dropped by \$2.3M. So, basically, in terms of the total Operating Fund we were down a ton of money and, unfortunately, from our perspective we had already absorbed over \$1.5M in cost increases and the budgeted fund balance, we really absorbed \$2.5M worth of projected cost increases to come up with this budget for 2010-2011. When the Governor hit us with an additional \$2.3M it was all over, we could not do it and that is why you see your local tax levy which we are allowed to do is going to go up by \$2,334,000.

As if that were not enough bad news for us from the state, we found out, and by the way we found this out a week ago and yes, we had advance notice, yes we were told that we should project or have alternate scenarios for budget cuts anywhere from 5-15% of state aid. Now, what really happened is that they took 5% of our total budget and since we get more than one-half of our budget from the local taxpayers, they cut us by \$2.3M. The County BA going into this said we think your worst case if that you will lose \$1.5M. They missed the mark a little bit. I started to say if that was not bad enough, you see below the total operating general fund budget and we found this out exactly two days ago, the State of New Jersey said on the debt service that because we had a lot of SDA projects going on, and the debt service they give us a little bit of aid as you saw each year. The bottom line is that they have been giving us too much over the last ten years, that they overpaid us by \$822,353. So two days ago I found out that we had to ante-up another

\$822,000. I had a sleepless night to say the least. What we did with that, to try and mitigate that, we had a capital reserve which we put away for emergency, if we needed a boiler and we were going to do the lighting retrofit this year, we were going to do some roofing and we had \$400,000 set aside. We absorbed one-half of that assessment for debt service by emptying out our capital reserve. Now we have nothing left to do any capital projects going forward.

The other Non-Operating amount we had to take from the local tax levy. So, again, if somebody says, Barnegat you only lost \$2.3M. No we did not; we lost \$2.334M plus \$822,000. That is how much we lost.

Debt Service is about the same, which was another little nasty surprise. Debt Service has been kind of the protected number. This year, I opened up the Debt Service projection for aid and you can see our debt service payment actually is about the same, the interest goes down as we pay off the principle, but basically the payments are fairly flat over the next few years. Look at the first line that says state aid, last year we got \$650,000 and this year we got \$546,800 which is \$103,453 less. How could that be? I read the footnote and it said everybody is being assessed a 15% "service charge" on this, so good-bye \$103,453.

Let's go to the next slide where the expenses really are. This is how your dollar is broken up. If you have any questions I will try and answer them. Let me go around starting with the most important things which are up to the upper right of the pie chart, Regular Education Program. You want to see most of your money in that category. That is our business to educate the students. In our Regular Education Program that is 34%, almost 35%, of our budget. Or .35 on a dollar that we spend is for Regular Education. We will talk about definitions, I have a few slides coming up on what is included in Regular Education and what is included in Special Ed. In Special Education we spend 11.6%, so basically the two of these, if you add them together, it is just shy of 50% and that is direct instructional expenditures.

Then we have Instructional Support which is the Guidance Department, The Child Study Team, etc. You have School and Business Administration that is the pure overhead which includes the Principals, Vice Principals, me and the Superintendent. Operation and Maintenance which is a big one which includes our insurance, the heat and lights for the buildings, the maintenance and repairs on the buildings and custodial supplies like paper towels and everything of that nature.

Transportation is 5.9%, it looks like a small amount but that is worth \$4+M that we spend on transportation. I want to emphasize that because going forward that is going to be a major area of change in the district. For that I will turn it back to Mr. Bing because he is the expert on that. Employee benefits are about 20%. We did a good thing this year; we converted from a private health care plan to the state employee health plan. Had we not done that we would have spent \$800,000 more for benefits than we currently spend. That is part of the reason we were able to cut the budget for 2010 because we had the foresight and the union had the foresight to agree that we had to go to state health care benefits. We saved a lot of money in the medical expense plan.

Capital Outlay in the proposed budget, I would like to see that be a little bit higher. I would like to have done the lighting retrofit; I would like to buy some more computers; I would like to buy some other capital equipment. We were out of money before we got to that point so we have a very tiny outlay. It is about \$50,000 which is miniscule for a district of this size.

That is how our dollar breaks down and how we spend your money and the state's money.

Mr. Bing: I am not a big proponent of spraying perfume on pigs, but I will note some of the work that has been done in regard to this pie. If you look at the employee benefits, and Dean noted how the Board and the union worked extremely well together over the last year. You will still note if I am correct, and if I am not correct, please correct me, but it is still the lowest increase in Ocean County. Negotiated salaries had the foresight, the Board and the union, to see this coming and you will see a lot of districts laying off a lot of people due to the fact that they did not have the foresight to see this coming and gave 4.5% increases, 5% increases over the last couple of years and now their budgets cannot handle that.

You will also note, and I really do want to point this out, your employee benefits, 20.3% for 2010-2011. It was 19% this year so you have exactly a 1.3% increase in benefits which you almost never see in any district you go to. Again, I will point out that it was because the union along with the Board switched over to the state benefits plan saving a tremendous amount of money in regard to benefits.

Transportation - and you know that is a touchy point for us being that the state has identified us as being over adequacy in that category. Obviously, the Safe Routes to School Program is a hot topic around the town. You will notice that transportation for 2010-2011 is 5.9% in the current year 2009-2010 it was 6.6% so you see a pretty significant drop in transportation and that is the direction we are going to go to in 2011-2012 as well. Not a choice, I want to point that out. We noted that comparable to other districts in our social-economic group with similar budgets with a similar population of students had a lower transportation piece. So from an administrative point of view you have to look at that and ask what can we do to make our system more efficient and effective? Aside from that, as part of our state evaluation, the state came in and said the same thing, listen, you guys are over adequacy, a lot in transportation. You need to do something about it. It was not a choice, plain and simple. That was the mandate they gave us; you need to lower your transportation costs or else. If you have attended any of our Safe Routes to School meetings during the year you would have noted that we kept saying that due to the fact that we are over adequacy we are going to be penalized. The numbers we were throwing around were \$1M or \$1.5M and Mr. Allison just pointed out what the reality was. Reality was we were penalized \$2.4M. We undershot that by \$1M+ because primarily of transportation costs. We will continue to be penalized until our transportation costs are at adequacy that means what the state determines is where our costs should be or below adequacy. So you will see a penalty next year as well. The aid we received this year is based on our 2008-2009 numbers and they were over adequacy. Our 2009-2010 numbers are also over adequacy and we will be penalized next year as well. I will point out again, spraying the perfume on the pig, you will see a huge drop in adequacy numbers from \$3.6M over to I believe \$1.7M over within a year's time. Again, that all goes to this Board and also our staff in this district working really hard together to lower our costs as low as possible. I am expecting even more lowering within the next year or two.

School and Business Administration – We noted this next year and you can go on to the DOE website, I believe, and find the numbers, we are also over adequacy according to those 2008-2009 numbers in administration costs. As you all know, they were significantly cut over the last year. We cut the Assistant Superintendent position, cut a variety of supervisory positions and dramatically decreased our administration costs in this district. Without showing you the numbers, you can go to the Department of Education website or any county office and they will show you a comparable. I have to submit my salary, I have to post my salary on the website and so does Mr. Allison and you will see the salaries of our Director of Special Education, and no

more salary for an Assistant Superintendent, you will see a salary for a Curriculum Supervisor and you will see how they compare to districts with the same amount of kids and in the same social economic group and you don't have to be a mathematician to note that we average about \$30,000 less than what those other districts do, plain and simple in Ocean County and throughout the state.

Special Education – obviously, this will be a hot topic. You will see over the next five years that is the next topic the state is going to attack. It is a big expense for every district and we have been working diligently to lower our costs in that area, especially in the area of transportation and sending kids out of district instead of handling them in-district. We have made some progress in that area and we are going to hope to continue to do that in the next couple of years. Instructional Support and Regular Education Program and as Mr. Allison noted that is our kids. Mr. Allison spoke about our Capital Outlay Program.

This budget and I have talked about it in a lot of my correspondence, it is literally impossible to run an effective and efficient school district alone. It is impossible nowadays for a school district to be an island by itself and try and run an efficient and effective program. It is impossible, you have to be working with the municipality and other school districts, and your staff on a regular basis to make sure what you are doing is efficient and effective. One of the first things we did when we came in and I think Mr. Allison was six months on the job, and if you did not know Mr. Allison then he had a long mane of hair, all the way down to his mid-back. We sat down and literally in about two hours with Karen McKeon, our Director of Curriculum, and Jon was a part of that and our Principals were a part of it knocked out about \$275,000 out of the budget. We then received our ARRA money that was the stimulus money from President Obama, the one shot deal you hear a lot of people talking about. We literally took all that money and infused it into the district directly back to the kids and you will note that we are at about 70% with our classrooms being 21<sup>st</sup> century classrooms which means they have an interactive smart board, video projector, document camera and some even have an interactive student response system; wherein before there was literally, and Jon could note this as the Technology Supervisor, nothing. The only way you can have a productive program is that your program in your school has to reflect what is going on in the business world, which is the reality of it. If we are letting these kids out there after senior year and they cannot assimilate right into college or the workforce, we are not doing our job. We anticipate over the next three years, we will be at the 100% mark, all of our classrooms upgraded and all of our teachers trained, because the technology is great, but if you are not trained in it, it collects a lot of dust. So you will see a lot of the focus has been on training our teachers and staff and setting up some anchors for a quality education program. Do you want to touch on this Dean?

The next slide is the Proposed Budget 2009-2010 vs. 2010-2011 in Expenditures. Mr. Allison already noted the big number there is your total operating general fund in red there which means a decrease. We took a look at this budget. Let's put aside the kidney punches we received over the last two weeks or so including the \$2.4M reduction, the SDA knocking on our door ten years later wanting to collect money that we supposedly owe them, without providing any facts I might say, so I am pretty sure we are going to challenge that. Unfortunately, we cannot do anything about it now. This budget is over \$1M less from what we are operating at this year. So, 2010-2011 and that is including cost of living increases, we cut that budget over \$1M compared to this year which Mr. Allison, our Principals and our staff and our supervisors I think should be extremely proud of.

Dean was talking about your different topics in that pie; he will give you a little background as to what is in each piece. I will emphasize the fact, and I say this in most districts, this budget is not so enormous that you literally could not come down to the Board office and sit down with that budget if you had an hour or so in your day and go through it line by line. If you have an issue with the budget I challenge anyone to do that. I have done that in every district I have been in other than Newark because that is in the billions and you may need a lot more than one hour to go through the budget.

This is only a \$40M+ budget. You can go through this budget just like you go through your household accounts if you know how the breakdowns work. I guarantee that Dean and I can justify any costs that are in that budget. Let me give it over to Dean to explain the pie pieces.

Mr. Allison: I do want to say you can look at me and know that I am not a newcomer to this. This is my second career, I have been doing this about eleven years, before that I was 30 years with a corporation and the last five years with that corporation it was my primary job to figure out how to do more with less and try to chop money out of the budget and yes, let people go which I hated and finally led me to leave and take an early retirement. I have a lot of experience and I will tell you relative to the other, this is my fourth district in eleven years. I am down here because my wife wanted to move to the shore and I love it down here and Barnegat especially.

Seriously, I can tell you and you do not know me so you have no reason to believe me, but we have been chopping and chopping and by the way I am not happy about that but every member on this Board has made it very clear that they want the taxpayers money in this township to be spent well and efficiently and they do not want to pass any tax increase along that is not absolutely 120% necessary. With that, let me move on.

Now you have seen the numbers so now I want to give you a flavor for what is included and also at the end we will talk a little bit about what has gone away because you are probably thinking to yourselves, they said they cut \$1M out of the budget and they have \$1.5M in cost increases that would have been there that means they had to chop out \$2.5M. You know that causes some pain.

Basically, in the Regular Education Programs that is where you want your money to be which includes regular education teachers, school sponsored co-curricular activities and those are coming down even though you saw an increase in the budget there, we have reduced going forward thus far the athletic budgets, assistant coaches, co-curricular activities and there are going to be fewer clubs after school next year. For the other instructional programs we are completely eliminating our community school in the new year and we are going to transition our K-5 summer camp program to operation by Barnegat Township we will not operate that. Both of those things lost money and the county said you cannot continue to do that and have the taxpayers subsidize it.

For Special Education programs, as Mr. Bing said, we really do not have a lot of choice here. I do have to commend our Special Services Director and I should have also complimented in the Regular Education Program, our Director of Curriculum, Karen McKeon; and also, Eileen Ellis because she has been working to try and bring children back into the district. If we send a child in special education out of district, and often we have to, it is necessary because they require very specialized programs. The cost of an individual program can be the same price as a Harvard college education. You could be talking \$50-100,000 a year, not including transportation to send someone out of district. She has worked diligently as you saw in the last

slide, a huge decrease, and part of that we had some students aging out, which means they are graduating and so it decreased, but also due to an effort to try and bring the children back into the standard kind of mainstream with the other students. It is better for them if we can do it. We will not do that if it jeopardizes any special needs that they may have that could be better accommodated out of district.

For Instructional Support again, these are kind of the support troops that directly support the teachers and the students. I did not mention health service, our nurses, and we are required and we absolutely should have a nurse in each building and we do. The extra instruction for speech if children have trouble with speech, they get extra training and extra therapy. The guidance department which is especially important in the high school to try to get the kids pointed in the right direction for their life after elementary and secondary school and so forth. You will see the library and also the training of the teachers where Karen McKeon has done a lot with this. We do have an obligation to train the teachers and we are really trying to do as much as we can to develop our teachers into the high quality category. In doing that we try to do a lot of in-house professional development as well to save your dollars.

For School and Business Administration it takes a lot to run payroll, we have 600-700 people that have to get paid twice a month; we pay hundreds of bills each month and even though we are not a huge district we have a lot of bills we have to pay every month and so forth and so on, we need to carry insurance. The biggest part of that are the principals and vice principals and they are a critical element of efficiently running each of the schools.

Audience: Inaudible

Mr. Allison: Yes, at a certain level and we have a couple of principals here who could answer that or maybe Mr. Bing, he is the expert on the curriculum side. The question was isn't there something that establishes how many students require an Assistant Principal. I know that there is. Actually there are only four assistant principals in the district. We actually had three at the high school a couple of years ago, one of those positions was eliminated and now only two at the high school and two assistant principals at the middle school as well. Keep in mind we have 1,100 kids in high school and over 700 plus special education which makes it 800+ at the middle school. That is a big job for them to do, I don't know the rules but you need to have at least one in that size school.

Operations and Maintenance – As Mr. Bing said we hit this hard. We are doing a couple of things. Our utilities are crazy; we spend \$1.5M a year on electricity. We spend over \$400,000 to heat our buildings. We have brought in an energy consulting firm to do energy audits. They will start this year and as a matter of fact, we have already forecasted savings. We have knocked over \$200,000 off our utility estimate for next year in anticipation that we are going to save it. If we don't I am going to have a hard time making that up out of my paycheck. We have already forecast that and we will work that in, we will achieve it. We are going to make our schools more efficient so we do not spend as much money on electric and heat. That is without spending money by the way because the way this consulting firm works, we do not pay them a dime, they get paid a percentage of the savings for the next five years. We have taken a look at everything we do in terms of paper towels, all the custodial supplies and how we can get better prices for them. We have knocked a total out of operations and maintenance and you saw that probably about \$500,000 this year. That is going to be tough and will make people have to work to make that happen and still have everything that you need.

In Transportation we went after that really, really hard. I am sorry you had a question.

Audience: Inaudible.

Mr. Allison: The answer is yes, we are. We have a major, major strategy going forward to put solar energy in. OK? For Transportation and this is going to be touchy, there will be a lot more walking. In fact, I am going to reserve this for Mr. Bing. It is not because I am afraid of it; it is because he is the much smarter between the two of us in terms of what is going on in transportation because he has been personally involved in that. I think it is a good thing and we are working with the township. Not to steal his thunder, but they are going to be putting in a lot more sidewalks which is good for the township of Barnegat as well as for our students. I will let him comment on that.

These are what is included in employee benefits. I won't go into that we have an obligation to make employer pension contributions and by the way about six years ago our contribution to the pension plan as a school district was zero and next year I will have to write them a check for \$590,000. That is a tax transference in anybody's definition. The state used to pay the employer portion of all the pension contributions and they have phased that out to the local district over the last five or six years.

Medical buyback is one that may stand out. Again, we encourage people if they have a spouse or other family member where they can be covered by their insurance, we will offer them a payment twice a year which is one half of the premium that we save, actually 45%. So if the premium is \$10,000 a year and somebody has benefits through their spouse at another job, we will give them \$4,500 for not taking the benefits. We, then, save \$5,500 and we have a lot of participants in that. I told you the state benefits plan; we saved between \$600-800,000 depending on whether people shift to the buyback. It is 45% for the buyback.

Prescription and Dental plans, I am not going to hide the truth, our dental and prescription plans went up and even our state health benefits plan went up but I am telling you we would be in serious trouble if we had not shifted to the state health benefits plan and saved the money on that.

Capital Outlay – that actually is an obsolete element. We were going to do a replacement of the lights in our gyms next year but unfortunately when we got hit with the \$822,000 bill yesterday this went out the window. We had to use all of our capital reserve to pay one half of that assessment and this is not going to be done next year.

Debt Service – That stays pretty flat over the years, we have bond payments into the year 2034. Basically, it will not jump up and down. In the early years you pay higher interest and lower principle, but as you pay the bonds off the interest comes down and the principle goes up and that is the way the amortization schedules are made.

Next is where you vote, the Dunfee School and the High School. April 20 is a big day from 3-9 p.m. I will turn this over to Mr. Bing and he will go into some of the cost reductions built into this budget. I think that is the rumor in the grapevine that this is where some of your interest is.

Voice from Audience: Inaudible

Mr. Allison: Oh no, these are the ones in our facilities, if you are in a senior community you can vote where you usually vote.

Mr. Bing: We only advertise these two because this is where we place the kindergarten students and the first grade students to hand out the ballots to people. We prefer people going to these two but there are other voting places in town. I will say this, and I say this a lot. I am not much of a budget Superintendent, I do not lose sleep at all on budget night, and I sleep like a baby. My job is to present a budget with what is given to me and something I am comfortable with and something I can lay my head down at night and sleep with. I am not a yes or no kind of guy. You could come up to me the next day and say, Mr. Bing I voted no on that budget because and I will still probably send you holiday cards. Helen knows she is not on that list anymore but she will work her way back on it, I trust her.

My big concern is one as a parent that your child is seeing you vote. They are seeing you get up and leave the house and vote. In three years when my contract is up I want to make sure that our numbers for voting have increased. That is my main concern. I am a big history buff and big on democracy and how special the United States is. Your kids need to see you vote. They need to understand the importance and the uniqueness of voting in this country. So I ask when you go out and vote make sure your kids know where you are going. Make sure they know you are going out to vote and it is unique to this country.

Reductions in Staffing for 2010-2011 and Mr. Allison touched upon the difficult decisions that had to be made due to cuts. You will see a total of 41 positions being eliminated in this budget. Unfortunately, obviously spring break starts today so we will be notifying our staff during break which is not the best way to do it. We had to wait until the budget was approved. We will be meeting with them after when they come in. I have met with a variety of teachers and I made sure they understand I have an open-door policy to come in and talk to me any time. These are your major reductions. Classroom aides and that is one I would like to point out simply because that was an area where we were over adequacy and you will hear that a lot. Aides and paraprofessionals was where we were over adequacy. We were mandated to cut that area. We were not given a choice they were going to be on this list whether we got cut \$2.4M, \$5M, \$10M, whether the Governor came down to the school and gave us \$5M more, that still had to be cut. We were mandated in our last evaluation and were told we had too many paraprofessionals and aides; they need to be cut unless your class size is a certain level or they are one-on-one special ed. We were told that and every other district is being told that as well.

Full-time teaching positions, we have around off the top of my head, 8-9 retirements this year including a variety of positions. Three of those positions we do not need to fill at the elementary level and they will not dramatically increase class size. I am a proponent of small class size. I think it has a major effect on instruction. We will shoot at the elementary level, especially the upper elementary level to keep those class sizes to no more than 22-23 with these cuts. You will see our bus drivers and again that is part of the mandate, that is part of what the county education department came in and said, listen, your pie is too big for transportation, you are over adequacy compared to other districts and you need to cut that. You do not have a choice any more. We were lucky enough to have a Board before my time to have foresight and saw it coming. So for the past year we have been lucky enough to begin to prepare for it before the cuts actually take place. I am looking at you and telling you I work for the state, I work for the Department of Education; I work for the CAPP Department. The CAPP Department is a team of people anywhere from three to six that go into low-performing schools and over adequacy and we cut. I

go into that school, I take their budget and I look at their staff. My specialty is transportation, it is curriculum, it is construction and special education. I go in there and I cut and they do not have one say in it. I have done that with as little notice as one month to at least six districts in this state.

We were lucky enough that the Board before my time presented a plan to the county saying listen; this is what we are going to attempt to do the next year. Give us this time and we will show you results from our cuts. That is what this year has been about. That is what Safe Routes to Schools Program is about and that is what the many meetings have been about. We are preparing for a large cut instead of one just being thrown upon us.

Aides again, lunch aides, custodians, secretaries, confidential secretaries, security guards, you will see Attendance Officer, an LPN, Adult School will no longer be offered, and it will transition to Southern Regional. I have a very good working relationship with Craig Henry and has been absolutely wonderful to me since I have been in district as well as Chris Lohmann from Waretown. We have been working together especially during these extremely rough times and our ROTC program is an example of that. We have worked very well together to provide a great program for our students. Also, a security supervisor is listed. So you are talking 41 positions eliminated in this budget. Difficult times call for difficult decisions. Let's also talk about some of the challenges that will come up; actually who knows what is going to come up. I can be very honest with you since this Governor has taken over, and this is not a political comment whatsoever, we get faxes shot to us out of the blue that dramatically change how we do our business without any notification whatsoever. So I am expecting more of that over the next few months and as I noted previously we are going to get cut again next year. My anticipation is not going to be the \$2.4+, it is probably going to be about the \$1M mark or a little more because we did make that progress of lowering those areas of adequacy and by another year they will be totally gone.

You will see some of these reductions here and you will see some tough decisions that are going to need to be made in 2011-2012 as well. I believe I said this when I came into this district. I do not need you to agree with the decisions that are made; I don't. I say this to our students all the time, you don't need to agree with somebody sitting next to you; what you need to do is understand. That person needs to provide you the courtesy of explaining to you and rationalizing what they are doing and helping you to understand. I am more than willing to have people email me or come into the office or call me. If people come in and say they understand what we are doing and they still do not agree, I am fine with that. As long as I explained where we are coming from and why we are doing what we are doing, I am not always expecting you to agree or suddenly switch your opinion to mine. My goal and the Board's goal and every administrator's goal is to at least have you see our perspective and if we can do that in a courteous and polite way I think we are doing our job. To me that is working together even if we do not agree we are still working together.

Some of the challenges that are going to come up and Mr. Allison hit on that. Obviously, we have a lot of new construction in this district and you have heard about our issues with the SDA which is the State construction department. They are the ones that built all these buildings on your campuses. Obviously, by looking up above the screen you will see those are not holes that robins have nested in, those are holes we had to poke in because the roof was leaking during the Mirage Players when it first happened and then during the Christmas Carol. So, what we did ask our drama teacher to do was incorporate some kind of waterfall scene in her next play. I don't

know how she is going to do that with Fiddler on the Roof, but I am really hoping she works it in somehow. We had to poke holes in that because there was about one-half of foot of water caught in it and the tiles are soaking wet. There are construction issues throughout this district, if you have kids in the buildings especially in the new areas, you will notice there are construction issues. We are lucky enough to have two wonderful buildings and grounds guys, Rich Morrill and Bob Osborne as well as the Board who have put together a comprehensive check list in regard to these problems and we pull the SDA President or Executive Director of SDA in every Board meeting we have for the last five months. We require him to come in and sit down with us and go over point by point the things that are wrong in these buildings. Why is this area still leaking when it has been fixed five times? That is an issue. Why is the Dunfee gym floor still not done? I will note that it is done now. I really want to thank Kathy who came in on weekends with a hammer and she is quite the fixer upper.

Our kids are able to use the new gym after it was sitting there for months not being able to be used due to poor construction. That is the reality of it. That is some of the issues that are going to come up over the next few months and the next year. We are trying to nip them all in the bud by the end of this year. That is our goal; we gave them a 30/60/90 day timeline to do these things. You will see a lot of people around these buildings fixing roofs, doing things of that nature without a dime coming out of our pockets, because it should have been done right the first time. So you will see a lot of that happening throughout the district. That is one of the challenges coming up.

Another challenge is we are up for QSAC again very soon. QSAC is the new state evaluation format. That is where I am getting that adequacy language I am throwing around. That comes out of QSAC. We are rated in five areas and we are told whether we are at adequacy, below adequacy or above adequacy. If we are above adequacy in that area we are losing money. We have to fix it, give me a plan. We are due next year again, I believe. It came around fast.

Energy Audit is also something Mr. Allison mentioned. We sat down and did a comprehensive audit and we are looking at \$600 per student we are spending on energy. The average is between \$250-300; this district is paying \$600 per student. I have not seen any jet packs on any of these students to cause it to be twice as much as the state average. As Mr. Allison noted we brought in auditors and proven auditors. That means if you have been reading the papers you will see that Southern Regional, Central and a couple other districts in the area, the country and state have used this organization. You will see the Asbury Park Press ran a very large article above the \$500,000 Southern Regional has saved in energy costs over the last 16 months using this organization. We are not re-inventing any wheel. I am seeing that it works and I am talking to Craig Henry, we are bringing it in here and laying out absolutely no money. They take their fee out of the money they save; if they save you nothing, they cut you a check. Nothing is coming out of our pockets. It is also being run by a Superintendent who I used to work with many years ago, retired. I have faith in what they are going to do. Mr. Allison noted minimum we should save \$200-250,000 next year. Then you are looking at probably over \$1.5M within ten years in energy saving alone.

He also touched upon our solar initiative. We have had various discussions during Executive Sessions of our Board meetings and presentations from our architect and different organizations in regard to the direction we should go for solar. That is something we will be showing the public over the next four or five months. We will be going into detail on that with you. We have a nice plan to set this district up for the next fifteen or twenty years where we can actually make

money from putting solar in. It is the same concept as with the energy audit, we are not laying out any money. We will make money from putting solar in, guaranteed money. We will be presenting that plan over the next few months. I can guarantee you that we have had many meetings on it; we have had a comprehensive plan presented to us already, the cost, the breakdown and the method we want to go with whether it is third-party leasing; running a referendum, we touched upon everything. We will share that with the public in the next couple of months once we get over this hump.

High School Redesign is another challenge that is coming in. We are in a three-year partnership with Monmouth University. You will be seeing more and more about that. As we survey people and go around, we talked to a lot of parents and you will see the possibility of improvement in our jewel school. Your high school should be your jewel, obviously, above any district crown. Therefore, we partnered with Monmouth University, one of the most respected universities in the state to better improve our curriculum instruction, to better improve how we teach, to better improve our facilities, to better improve how kids move around the building, to better improve our parking. To better improve every aspect of what we do here and you will get more and more details as we go along. I know Joe has sent out a few things to the public. He has meetings with them on a monthly basis and you will be seeing more and more things in regard to the Monmouth influence on Barnegat High School. Their plan is really nice; they will be presenting it at the next April Board meeting. If you get a chance to come to that meeting and see the comprehensive plan, it is a nice plan.

Voice from audience: Inaudible

Mr. Bing: Nothing. Joe and I reached out to Monmouth; I have done it with other districts, and usually partner with Rutgers because I was up north for awhile. We had a partnership with Monmouth coming into our elementary schools to set up model classrooms and we want to replicate that model throughout our elementary schools. During our conversations we said, you know what? We would love it you could come in and work with us on the high school redesign project. They jumped on it. Monmouth has been extremely generous with this; absolutely no cost to us. We are working with some of their top professors; assistant deans and working out a nice plan to redesign this whole high school and make it one of the better high schools in the area.

Voice from audience: Inaudible

Mr. Bing: No, I meet with our new teachers monthly, those that are novice meaning less than three years in the district. We run through some information and teaching strategies and obviously I open the floor to questions. Our last meeting was Wednesday and you can imagine I had quite a few questions from our non-tenured staff, all twenty-two of them that were there. We did not cut into our certified staff other than through retirement.

Regular Aides – The special ed aides are aides that designated through IEP that the child needs to have an aide in the classroom. An instructional aide, as per the state, needs to be put in the classroom when they are over a certain size. That is how the state designates and then you have your lunch and cafeteria aides as well.

You are looking at, I could go down number-wise. You are probably talking salaries with medical and dental because you always have to add on medical which is about \$20,000 for family and \$10,000 for individuals.

Mr. Allison: Inaudible

Mr. Bing: You can get a good picture of the general savings. When looking at the staff you not only have to look at the base salary of what they are making but throw on top the health benefits for full time and what will be saved.

Voice from Audience: Inaudible

Mr. Bing: No, we cut that about one-half? A little more than one-half of the \$2.4M we were hit with. A little more than one-half these cuts address.

Mr. Allison: About \$1M out of Maintenance and Operations and \$500,000 out of Transportation and eight drivers are part of that.

Mr. Bing: We are going back on stage and then you can still ask questions.

Voice from audience: Inaudible.

Mr. Bing: We made cuts within our middle school sports programs; we made cuts within our high school sports programs; we made cuts in regard to after-school activities. I will give you an example. After-school activities at elementary schools with salaries around \$75,000; activities and salaries around \$75,000. So when you cut that and the busing you cut there too.

Coach-wise when we looked at adult per student, I wanted a ratio of 1-25 and we were doubling-up and tripling-up on assistant coaches. So we like to look at models from other districts and see what they are doing. We looked at the list and coach-wise if the average stipend for those coaches was around from \$3,500 - \$5,000, we cut about 20 coaches from the middle school level; and another 15-20 from high school level.

Voice from audience: Inaudible.

Mr. Bing: I am not cutting any activities, those are the coaches. I am talking sports. The clubs at the elementary level were cut; we reduced the amount of clubs at the high school level by around 12 clubs or about 40% of the clubs were reduced at the high school level.

Voice from audience: Inaudible.

Mr. Allison: We have a maintenance reserve left and we have a general reserve. If I lose a boiler I have a few \$100,000 to pay them.

Voice for audience: Inaudible

Mr. Allison: In capital reserve, like if we wanted to replace windows or something? We do not have anything left there.

Voice from audience: Inaudible

Mr. Allison: Yes, I have an emergency maintenance account, but your point is well taken. Did I want to spend that money, no I did not. I did not want to spend that money to do that but we had no choice. We do not want to raise taxes anymore than we have to do it. I am telling you and this Board is committed to that.

The Board wants to reconvene and recognize people formally, but we will continue with this segment.

Voice from audience: Inaudible.

Mr. Allison: None have been cut entirely at this point. We did not mean to give you the impression...oh sorry, her question was which sports have been cut. No sports have been cut at this point. Let me give you an example, and I am making this up so don't quote me. The reporters say don't quote me in the paper. Let's say that we had a sport with three assistant coaches, a primary coach and three assistants. We said eliminate one of the assistant coaches. That is where we are now.

Voice from audience: Inaudible.

Mr. Bing: Some were. Not eliminating any teams. You might have two coaches for varsity and we got rid of one of the assistants. If you have been reading the paper you will note that a lot of schools are totally cutting middle school sports altogether. We are not doing that we were on the phone with Craig Henry from Southern Regional pretty much everyday. He likes to cry to me around 12:00 o'clock every night before he goes to bed over the phone. He is a little stressed. Our district, Southern Regional and a couple of others at this point and I say at this point, are able to keep the middle school sports. You are reading in the paper that a lot of districts are not. I can tell you with this budget, middle school sports stay.

I am going to change up the arrangement right now.

Mr. Houser: In this way we can get it on record because right now we can't hear a lot of the questions out there. I am going to make a statement and then open it up to the public and you can give your name and get on the record because I am sure none of this is on the record and we really should have it on the record.

As Mr. Bing notified you in 2008 the Barnegat School District was \$3.6M over adequacy. In two years the Board of Education has been able to reduce school property taxes, cut positions and cut our school district over adequacy in half to \$1.8M. In a recent article in the Asbury Park Press the Barnegat School District is listed as being 12% below the state average in per pupil spending. This year the Barnegat Board of Education in preparing a flat aid budget was able to produce a budget that was close to \$1M lower than last year's total budget. In this flat aid budget we needed to cut close to \$2.5M to not increase the local tax levy which meant that our flat aid budget would not have increased our local school taxes. In the last two years the Barnegat Board of Education has lowered school property taxes, cut multiple positions including the Assistant Superintendent position, negotiated a medical plan that saved the district close to \$1M, started Safe Routes to School in an effort to cut transportation costs, negotiated the lowest wage increase in the county if not the state, all in an effort to keep from raising school taxes and

keep the Barnegat School district within adequacy which we expected to happen during the 2010-2011 school year.

Now the state has changed everything. The state took \$266,000 from the Barnegat School District for the current year, 2009-2010, and last Thursday we were notified that the state was cutting our 2010-2011 state aid by \$2,334,863 and yesterday we found out that the state was taking an additional \$822,353 from our state aid for an assessment for debt service on the SDA funding for our school construction. So our real total cut in state aid for 2010-2011 is actually \$3,157,216; not the \$2,334,863 as reported in the newspapers and has been told to you throughout the state. This is approximately 15% of our state aid that was cut. If you include the \$266,000 we are losing, the total amount we are losing is \$3,423,200 that is being cut by the state. We have cut close to \$500,000 in transportation, we cut our utilities close to \$200,000, we cut stipends, we cut overtime, we cut our K-5 summer camp and we set up summer camp with the township. We cut adult school being moved to Southern Regional. We reduced school supplies; we reduced school budgets and cut more than 41 positions which you heard tonight that includes not filling some teacher positions. We know that many people are asking us why we just did not cut more additional positions. I know you have heard a lot from the state and a lot you read in the newspaper concerning cutting people's positions. The issue in continuing to cut positions is two-fold. One is that in cutting positions the state requires us to budget for 60% of each employee's unemployment for the entire year. So if you do the math for every three employees who lose their jobs, we can only count two of those employees' salaries as reductions from this year's budget. So for every 75 positions that are eliminated we can only count 50 of those salaries as money cut from the budget. That is one issue and you are not hearing that from the state, but the state is requiring us to make that 60% go towards unemployment because the way the economy is and the way the unemployment is now, people can be on unemployment for an entire year. That would mean we would have to pay that 60% for the entire year.

The other issue is how much we can cut until we start negatively affecting the quality of education of our students. This Board of Education believes that if we make any additional cuts this year that we would in fact negatively affect the quality of education of our students. So, I know you have heard a lot about the Governor needing to do this, but really when you talk about education this was not a plan, it was just a power play and it is not right for the children. It just isn't right. We are not playing politics; this is not about being a Republican or a Democrat or Independent. This is about what is right. We did the right thing. You go back and look through your homework, research our budgets and see what we have done the last couple of years and why your taxes went down and did not go up. We were fully prepared to do that again this year; we have done the right thing and followed the state's example on over adequacy and making all these cuts and a lot of people were not happy. What we did was make a commitment that as people lost jobs there are openings. People do leave the school district and we gave them their jobs back when the openings became available; they were the first ones to be able to fill those jobs. We are making that commitment again today. This Board of Education, if somebody loses their job and somebody leaves between the summer and September or anytime during the year they will be the people to come in and fill. We will bring them back. We do not want people to lose their jobs, but we understand the economic climate we are faced with right now. We have to make changes to the school districts. The problem is how many changes can you make? What is happening right now is a power game and a blame game. The problem is that it is affecting our children and it is not right. What is happening now is the shift is moving from the state, they are plugging their budget in and putting it out for local property taxes. Everywhere you go in the school districts, you will be affected by this. You cannot cut hundreds and hundreds of people

instantaneously overnight and expect not to affect the quality of education of these children. It can't happen.

I am also telling you, and you can go check the facts on this, you can't even do this and budget all that money for the individuals. So with cutting 75 you only get 50 of those positions in your budget. So, yes, the 41 positions will help us, not this year completely, but the following year. Yes, it could make an impact but not even an immediate impact in this year's budget. Here we are looking at what the state took away in state aid being rolled back into your local tax levy. It is not fair and not what we intended to do, we made a commitment to reduce this budget and do the right thing and no increase local property taxes or local tax levy but we are being forced to do this otherwise we don't know what will happen to the school district and these children. That is the facts and the truth. I am not sitting here as a Democrat, Republican or Independent, I am just telling you that we need a better plan. Yes, things need to change but we can change it and we think Barnegat had a change. We knew where we were going; we had a plan and we were going to do things to make the school district right. We have done those things. The administration here, the people who work here are working together with the Board and we are moving in a positive direction and made movements to go forward together and you just need to know the facts. To cut over \$3M in one single swoop was not the right thing to do for Barnegat School district and it was not the right thing to do for any school district in the state of New Jersey. We will open this up to the Public. Do we have a Motion?

Mrs. Pilovsky: So moved.

Mrs. Taylor: Second

Mr. Houser: All those in favor signify by saying Aye.

All: Aye

Mr. Houser: Opposed? Motion carried. Mrs. Clemente?

Mr. Bing: You have two microphones that are working; you can either go up to the front or sit next to me.

Maryanne Clemente, 565 East Bay Ave: I took notes; it was a great presentation. I just want to say at the outset that I think you guys have done a tremendous job over the last two years. Is that how long you are in? You have done a wonderful job. I thank you; I am very impressed with what I see up there.

I just have a couple of questions. I know that in Toms River that there are some cuts with teachers and other staff. Toms River had recently put out to their teachers and their bus drivers, the unions, to take furloughs. Furloughs is a big issue for me; I have it with the township which I am so annoyed at with police and this township is still giving increases and not dealing responsibly with the budget; but I know in Toms River their teachers refused to do the furloughs and they will have layoffs. The bus drivers agreed to taking additional cuts and paying into their benefits, etc. Are we offering that to our teachers?

Mr. Bing: I met with the union two days ago. We got a fax from our Department of Education saying just what MaryAnn said, could you talk to your unions about freezing their pay. Once we

received that fax I probably got a call within one-half second; it was still hot from Craig Henry and Chris Lohmann and we also talked to Mike Ritacco. We met with the union on Wednesday, I believe it was, and asked them what the Governor requested and they said they would meet as an organization after break to discuss the topic. That is where we left it.

Ms. Clemente: What happened with the Stafford cops, they refused the furloughs and the Mayor said if you don't do this jointly then he would have to have layoffs. For me, that is a crazy thing for people to decide to do. I am a proponent of that and I think that we all have to chip in. I am a volunteer in this town and I don't get paid for what I do. We all have to come together to make things work.

The second item I want to talk about is the sidewalk issue. I heard you say today that we are being penalized by the state because we are over adequacy in transportation and part of that is the sidewalks. I have been at township meetings the last four/five years and I have head Jake Taylor get up and talk about sidewalks in this town. I know that you guys have been working with the township to work on cooperatively. What is going on with the sidewalks? Now I hear we will have to go bond for sidewalks at this point.

Mr. Bing: By state law elementary students who live within 2.0 miles of their school should be walking. Middle School and High School students who live 2.5 miles should be walking. If you are busing children that live within that it is considered by the state as courtesy busing. Therefore, you get penalized as I noted, primarily a lot of that \$2.4M that was reduced from our budget was due to the fact that we have a lot of courtesy busing. Only being her for six or seven months, obviously this district has slowly grown over your last five to seven years so kids had to be put in different schools and bused to different schools. Some schools did not exist and some did not have the capacity to handle it. Reality is we are finished building. Now, we have a model where we can go back like the state recommended. I could quote verbatim asking why, Mr. Bing, are you busing a kid who lives across from an elementary eleven to twelve miles to another school? We could then go back to a neighborhood school model. We have been working very closely with the municipality because as Maryanne pointed out a lot of that depends on safety for our kids. We are not going to make our kids walk if it is not safe. I could present that to the state and say, listen, these kids cannot walk here because it is not safe and they will take that into consideration if I present some evidence on that.

We have been working with the municipality and they are going to be bonding for sidewalks, I believe it is \$500,000.

Ms. Clemente: That is outrageous.

Mr. Bing: For areas that were identified in that 2009 pedestrian study. They identified hot areas that needed to be addressed in order for kids to walk. Those are the areas that will be bonded for.

Ms. Clemente: Is this the only budget meeting you are going to have?

Mr. Bing: No, I think it is seven altogether.

Ms. Clemente: Is there a member of the Township Committee here? I think you should require a member of the township Committee to be at each of these sessions because I put some blame on this, and I am not putting blame. I am angry because for all of these years with all of the talk

about sidewalks and nothing gets done. I am venting here right now, not at you guys, it is at the town and you can bet your bottom dollar that come the township committee meeting on the first Monday they are going to hear about it from me. Thank you.

Mr. Houser: We are having the budget presentation at the Township Committee meeting on April 5 at Townhall at 6:30; one at the Public Library at 6:30 on April 6; one at the Donahue School on Wednesday, April 7 at 7:00 p.m.; one at the Horbelt, Tuesday, April 13; Brackman, April 14 and April 14 at Horizons and we are still waiting for some of the other retirement communities to respond to go there.

Ms. Clemente: Did you say the Township Meeting is April 5?

Mr. Houser: Yes.

Ms. Clemente: I just have one more question. Another thing, this community has a lot of resources available and I know with all the cuts you have had, in working on a grant that the Climate Action Committee is working on with the school system, I had the opportunity to spend a lot of time in the schools and observe some students. I sense that there is an opportunity for there to be a connection between this community and some of the students. I was thinking of a mentoring program that I wanted to bring to your attention. I was talking to one of the teachers about that. It seems like now there is even more reason to do that so I suggest that you look into that. There are tremendous resources in this town with all the retirement communities; as much as they moan and complain I venture to bet that you could draw on a lot of that expertise. Thank you and I still think you are doing a great job.

Mr. Bing: As Maryanne pointed out I think you will see a huge kick in volunteerism. It is going to be a must for schools to survive. We are also trying to push that with our students and you will see in our courtyard over the next couple of months we are doing a partnership with the Giving Garden out of Somerset County and we will use that land to grow food for local food banks and donate it. You will see a lot of volunteer and service oriented projects over the next year or two. Obviously, the more volunteers we get from the public as I said with the voting, it is a great example for our students and helps with our fiscal.

Voice from audience: Inaudible.

Mr. Bing: Yes, we plotted out and will not step on any toes. I know where you are going to go; I walked it and will share the information when I get a chance.

Mrs. Becker: Anyone else who has a question?

Mr. Bing: I can comment also that you can make a guess that part of my daily day is someone coming up to me starting the sentence, "have I got a story for you". If I had a nickel for every time that I heard that during the day I would be doing this presentation via phone conference from Turks and Caicos at the moment. I can honestly say...

Voice from Audience: Inaudible.

Mr. Bing: My relationship with the town and what I have seen has been really productive. I truly believe that a school has to work with its municipality and it with its parents in order to be

successful, you have to, you cannot stand alone anymore. Speaking from my perspective and I know there is a billion stories out there, I can only say positive things in regard to working with the town and this particular Board of Education and our staff. If I had anything negative to say I would go right to the Press right here.

Everybody has the same goal in mind to improve our school district. We all understand it is the same pool. What you are paying the town, what you are paying us, it is all the same pool so we have to work together to lower costs and make both organizations more efficient and I think we have been doing a pretty good job of that so far.

Sue Ellen Boyer, 159 Pennsylvania: I just wanted to clarify about the negotiations with Corzine. Did you say they are on hold until after our break?

Mr. Bing: We received a fax from Governor Christie and signed by Governor Christie on Wednesday night saying he is reaching out to all unions urging them to open up their contracts and take a pay freeze. Our County Superintendent gave every Superintendent a call and said, listen, can you meet with your union reps and ask them to do that? Next day, we sat down with our reps, Thursday, and said listen we would appreciate if you would get together all of your folks, and I gave them a piece of paper from Governor Christie and if you could ask your group to take the pay freeze. They are in the loop. Our union rep is in the loop regarding everything we are doing with the budget. As soon as we get a cut like the recent SDA cut that suddenly we owe \$800,000+, they are on my email. I give it to the Board, to them, the principals and tell them what is happening. They said they will meet after break and make some decisions.

Ms. Boyer: So should Christie and the unions come to some sort of agreement and the union agree to do a pay freeze? How would that impact the \$2.4M?

Mr. Bing: Over \$1M in savings (a pay freeze for one year).

Ms. Boyer: That would change the scheme of all of this.

Mr. Allison: A pay freeze for a year is worth, if everyone in the district would take a pay freeze, it would save us \$1M. We got cut by \$3.1M.

Ms. Boyer: So that would change some of the scheme of what we just discussed this evening but not completely.

Mr. Bing: It would make a dent, but anybody and I will say as a footnote, if you did see the Governor's speech, I don't know how strong a bridge he actually built with the unions, but I can comment that our union was open to discussing it when they return from break.

Voice from audience: Inaudible

Mr. Bing: We just got that an hour ago. Any negotiations past May 22 you are now mandated the 1.5, you have to.

Mr. Houser: Anyone else?

Karen Sokel, 6 Jennifer Lane: I was just wondering as far as sidewalks going in, what is the schedule will they be done by September depending on weather?

Mr. Bing: Our discussions with the town and looking at the timeline, they can be finished by September as you just said depending on the weather and easements. If you look at the schedule they laid out they should be done by late August.

Ms. Sokel: Also if the school budget does not pass, but we all hope it does for the sake of our kids, then they will have to have more cuts through the town is that correct?

Mr. Bing: How the protocol works in the state of New Jersey, if your budget is voted down you then have to meet with your town municipality and make more reductions. Those reductions can range anywhere from \$100,000 to \$750,000. It really depends on what the municipality wants to do so if it goes down we will sit down with the municipality and see what they are interested in reducing and see what we can do and come to a decision but we definitely would have to reduce.

Ms. Sokel: Would we reduce more staff?

Mr. Bing: Everything would be on the table.

Ms. Kim Hockren, 3 Tulip Court: I missed the bottom line in all of this along the way. If this budget passes what will our tax increase be?

Mr. Allison: The Asbury Park Press did a pretty good job yesterday. See if your neighbor has the March 25 paper. It is on line; look at yesterday's paper it is a comparison and is pretty close to what most school districts are going to do and it includes not only what the school district lost but also what the municipality lost. The assumption in that and actually they have more information than I do. We do not know what the tax rate is, we in the school district do not calculate the tax rate, the municipality does. To answer your question they are fairly accurate and if your house is assessed for \$312,000 if the municipality raises taxes to absorb what they lost it would be (I am going to look it up, I have it with me).

Ms. Hockren: While he is looking that up, you mentioned that the cuts, you put up the staffing and the elementary clubs, coaching, high school clubs and summer school for K-5. How about the middle school sports camps in the summer?

Mr. Bing: Athletic camps are still running and operating in the black. They break-even or make money for the district. When we look at the camp situation, the K-5 camp which is what the state pointed out to us. For those of you not familiar with the summer camps, before I came here they were offering a free summer camp for how many weeks? Six weeks of free camp for five days a week. The first year it was free and then they charged. According to the state we should not be offering that at all. That was a recommendation from the state so that is why you see our budget reflect that. Unless we are an Abbott district and receiving money for kids, especially your non-IEP kids (non-Special Ed kids), you were receiving money for those kids to go to extended school year and go to that camp, we should not be having a summer camp. That was noted in our over adequacy comments by the state.

Mr. Allison: I have it if you want to see it later. It is from March 25 and says if both the township...the increase if your house is assessed at the average of \$313,000 it would be about

\$260 or .70 a day. So if you go to Wawa for a cup of coffee every day that is what it will cost you.

Ms. Hockren: I have one more small question. The state adequacy report done in 2008 you mentioned we were 3.6% over adequacy; there were only three areas over adequacy, transportation, administration and special education.

Mr. Bing: Not special education, paraprofessionals.

Ms. Hockren: OK. Will these cuts in transportation, do you feel, bring us down so that we are not over adequacy in transportation any more?

Mr. Bing: I can tell you the numbers we presented to our Safe Routes to School Committee on Wednesday and to the town, we are looking at probably anywhere from \$1M to \$1.5M in savings each year. That is what I want to emphasize, transportation is each year we are expending that. So as Marianne noted, if the town is taking out a 10 year \$500,000 bond they will make that back within seven years or less. I understand the history, but that is where we are at. It is transportation costs every year. I can't answer the specific adequacy question until the state comes in. They do not give us a formula that we can figure out on our own, they do it for us. After this budget season is done and we sit down with the County BA, he will give us a more accurate number of where we are in regard to our transportation. We hope this will make a very large dent in where we are and if it also gives us rationale in regard to why we can't have every kid walking, meaning, it is good ammunition that I can use with the DOE and say this is what we did, we took the Safe Routes to School Program and these are some areas we can't help because our municipality did apply for a grant through the state to get money for improving infrastructure and they were denied it. I believe they were denied three times now; this was the third year. I believe that very few districts in Ocean County got any of those monies; it was about a \$26M pot, the transportation grant. I believe it was a \$26M statewide pot. Very few districts in Ocean County that applied for that grant actually got it. That money would have helped us a lot in regard to sidewalks, lights, signage, etc. It would have helped a lot. My understanding is that we cannot apply for it; it can only be applied for by the municipality. They will also be applying for it the next time it comes around as well.

Mr. Houser: Anyone else?

Scott Sarno, 7 Herkimer Court: A couple of things. I know a couple people came up and said about the union working on maybe taking a pay freeze for one year and stuff like that. I read in the paper over the last few days, I think in Toms River, where their superintendent, Michael Ritacco, all of his administrators, principals and people in the central office, all agreed themselves since they are the leaders of the District to take a pay freeze for the year. I do not know if that has been addressed by the Board with our Administration. I know they are in a different union than the teachers so I don't know if it has been broached to you and where you would stand on it. I think my own philosophy is you lead by example. If you want other to follow you have to step up to the plate.

Also, what was not pointed out, I know Dean you pointed out the average home valued at \$313,000 I think you said would see an increase of about \$240 a year. I think you should have pointed out to the public and maybe the public should be aware of. In the last two years this Board has cut taxes I believe by .085 cents. That .085 cents in the last two years they have saved

you on that average home of \$313,000, saved about \$313 over those two years in the taxes. So, going with Dean's formula where your average taxes will go up \$240 this year, you are still at a net gain from two years ago minus \$53.00 on your taxes if all the calculations are accurate like he said. I know over the last couple of years, and I know because I have been at every Board meeting, you have had people stand up and Board members say we should not be making these cuts on taxes like we did last year. They are saying that we should not make cuts we should keep the tax levy as is. Could you imagine what would have happened to the budget if you had kept all that extra fat on, and I don't want to say fat because it is people's jobs, but you would have kept all that extra money on that budget and not cut those taxes over the last two years, we lost you are saying about \$3.1M or \$3.4M, in your best estimate Dean do you think it could have been a lot more severe if all those positions that were eliminated, the Assistant Superintendent, we brought in a Superintendent making one-half of the previous one, and so on down the line. You came in make \$60-70,000 less than the person last in your position; if those positions and that money was still there and not cut what do you think more could have happened to this budget?

Mr. Allison: The answer is yes. I am convinced that would have put us even farther over adequacy and they use that as a stick. The higher you were over adequacy the more they felt that they could take from you. So, you are absolutely right.

Mr. Sarno: So those Board members who sat up here and said no we should not be cutting this and should not be saving taxpayers money, we should just keep it all there, good thing we did not go with that direction otherwise it could have been a lot worse than it is.

Mr. Allison: Yes, it actually does penalize the district when you do not raise taxes because of the cap. When you go forward this is what you can run into, is you are allowed, in fact the Governor is going to change this. You are only allowed to raise taxes unless we get a state aid cut like this time; we are only allowed to raise taxes by 4%. If you keep your tax levy flat over time that 4% does not change. It is really in a school district's benefit and to the credit of this Board they have not taken the bait, it is to the Board's benefit to raise the tax levy a little bit and that way they can raise it a little bit more in the following year. This Board has chosen not to do that.

Mr. Houser: Anyone else?

Mr. Bing: Real quick, and I said this before, if you want any specifics, numbers, whatever, you can call me, stop by the office. Dean and I would be glad to meet you, I would be glad to show you my Elvis collection while Dean gets the data together for you. Anything...you can email me, I will give you specifics. It is a public document; this is a state entity and a public document. This is not a private sector business; everything we do is taxpayer money, it is your money and therefore you have the right to see our books. If you want specifics to see exactly how much we saved by cutting this, I will give it to you. Stop by my office and I will print it off my computer and you can have it.

Mr. Allison: Before you start Mrs. McKeon, I did want to say, though, on Monday and Mrs. Becker reminded me. She asked me, there is a mechanism that once the Board finalizes this and we send it in to the County Election Board after tonight assuming they do not make a change, then I will actually produce what is called a user-friendly budget which has all the detail, like 90% of the details, and we will post that on our website on Monday. So you can go to the

website and if you click around look for something that says user-friendly budget and it will have all the numbers and compare the last couple of years.

Karen McKeon, District Supervisor of Curriculum & Instruction: I just want to say, as I said the last time, I know it has been a very daunting task for each and every one of you but I also want to publicly say that I think we can all say our hearts go out to those 41 people that are losing their jobs. Everyone in this district is a very hard worker and we are a well-oiled machine and without those 41 people it does impact on everything. So, again, I know your hands are tied and with everything going on at the state level it is a very difficult task for everyone involved. Thank you.

Mr. Houser: Anyone else?

Mrs. Becker: If I could just interject, Jason, maybe one of the things you could clarify is Kim had asked about adequacy in the areas. That can change and it did change on us this year, we thought we were going to be much farther ahead, but we had a drop in enrollment and when you lose students the average spending per pupil changes so that is why administration seemed like it went up again in adequacy when in fact we had eliminated a lot of positions and we really thought we were not going to have that issue again.

Mr. Bing: As Lisa said some of that formula is cost per pupil and your enrollment does have a big impact on it. If you lose 15-20 kids it has a major impact on the formula. Ask me to recite that formula; I could not do it, if you asked the Commissioner of Education of the State of New Jersey to recite that formula I doubt he could do it. I have not met a state employee that could recite that formula as of yet or explain it in full to us. We are still waiting on that I believe. In fact, I believe Mrs. Becker sent a recent email to the state about that so hopefully we will get some information.

Mr. Allison: I am going to follow-upon that as well because I do not understand it and I want to understand exactly how they calculate that.

John Cioffi, 123 Freedom Hills: There is a lot of talk about tax assessment on homes and what percentage of the new budget will be of that with the increase. I know also in the news there has been a lot about how we are going to be reassessed and this will affect next year. What are our plans that we are looking forward knowing that already there are certain communities within our community that are fighting the fight for tax assessment. How are we going to sell this budget and what is your follow-up plan to this?

Mr. Bing: In regard to the budget we have probably about eleven or twelve times we are going to talk about the budget with people. We will be proactive and I believe the schools are going to do the kid vote program. It is a simple program that gets the kids out to vote in the elementary schools and brings the parents out. So, while the kids are voting they could run to the booth and also vote. We are legally, from a Board perspective and Superintendent perspective, limited in regard to what we can do. I cannot go out and say vote yes for the budget and put up signs and things of that nature. Your PTOs and PTAs can do that; Booster Clubs can do that. The best thing I can do is present a budget and give the rationale for it and urge as many people as possible to get out there and vote. We will run the numbers in the Leader; you will see them so it gets out to everybody. No school anymore does mass mailings. Back in the day you used to do mass mailings to everybody so they understand the budget and everything. The postal prices are literally through the roof and you lose \$10-15,000 just doing that. So we would run a simple ad

to make sure everybody sees where we are and also the locations of where we will present the budget.

It is difficult to project, meaning if the budget is voted down. I cannot make any predictions on what the town will ask for. That is what it really boils down to. In all honesty, they have to answer to their taxpayers. So they will sit down and say lets take a look at this budget, what do our taxpayers want us to take out of it, how much? They will then present that number to us and we will go line-by-line in that budget and see what we can do. Will it affect students? It is a very good possibility. Will it affect sports? It is a very good possibility. Will it affect facilities; a very good possibility. Again, I am not going to spray perfume on a pig. You read what is going on in these districts; some are cutting 100 people at a time. So, I am not going to lay on the BS, it will negatively impact what we do, but it is our job as an organization to honestly, I hate to sound like a commercial, but it is our job to stay nimble and to make sure that when something is thrown at us we are proactive enough to have an answer for it. I think that is one of the big transitions we are making. I think for a little while there this was a static school. We are trying to get the idea to our parents and our staff that we are now nimble and when challenges come up we are able to answer them and when we see challenges we are able to be a little more proactive instead of waiting for those challenges to hit us when they become actual problems. We are trying to be proactive as possible.

Mr. Cioffi: Ok. Another thing about transportation, how much with the courtesy busing issue when all is said and done will we be down to only the farthest outskirts of our town are going to be bused if this bond goes through? They said 2 miles and 2.5 mile rule is that what the end game is in the state's eyes.

Mr. Bing: In the state's eyes yes and that law has been in the books for some 15 years. We will be presenting our Safe Routes to School plan. Like I said on Wednesday we met with our Safe Routes to School Committee which are teachers, parents, community members, police, town members and presented our final draft on that which our Transportation specialists gave us. Let me make something clear, we did not do it; we brought in a transportation specialist whose objective was to take a look at our town and gave them requirements such as that the schools could hold our increase in population for the next ten to fifteen years and I am not sending out another letter to parents saying we need to redistrict in two years like what has been going on here for the last five or six years where kids are going to three or four different schools. That is one of our requirements that we sent to our transportation specialist. It was presented to our Committee and it is will be presented to our Board upon returning from break and then presented to the public as well. I believe we are looking at the farthest walker in this draft is about 1.7 or 1.8 miles. There is wiggle room in regard to the 2011-2012 budget. We can go out to the 2 and 2.5 miles for more savings. Again, we would need to investigate the safety for our kids. Obviously, west of the parkway there is not much we can do without a very huge grant they will be bused...

Mr. Cioffi: Lastly, part of that Safe Routes, somebody like my wife who having my first grader walk, second grader next year, I know it is not happening. No matter if it is mandated or not. Are there going to be plans on how traffic will be handled in the elementary schools?

Mr. Bing: Police have been part of the Safe Routes to School the entire way. This is an issue that has been raised at our public meetings on a regular basis. We have met with the police in regard to that and also with our principals. We are re-paving some areas in our schools that

parents will have to go through. We will have set traffic patterns and lay them out for parents so they know exactly where to go with drop-off points, etc.

Mr. Cioffi: Thank you.

Mr. Houser: Anyone else? Seeing none, can we have a motion to close Public Session?

Mrs. Pilovsky: So moved.

Mrs. Sarno: Second.

Mr. Houser: All in favor signify by saying Aye.

All: Aye

Mr. Houser: Opposed? Motion carried.

## **VII. VOTE ON SPECIAL RESOLUTIONS PERTAINING TO BUDGET**

Mr. Houser: We will move on to the Vote on Special Resolutions Pertaining to the Budget.

### **1. Resolution to approve the Regular General Fund Tax Levy-Base Budget**

RESOLVED, That there should be raised for General Funds \$26,986,936 for the ensuing FY 2010-2011 School Year.

### **2. Resolution to authorize the withdrawal of \$400,000 from Capital Reserve for the purpose of covering a portion of the 2010-2011 Special Assessment for Debt Service on SDA funding of \$822,353 imposed by the State of New Jersey.**

Mr. Houser: Do we have a motion?

Mrs. Taylor: So moved.

Mrs. Sarno: Second

Mr. Houser: Discussion?

Mrs. Sarno: I would like to say something. If there is anybody out there who doesn't know already. We all up here have children in these schools. Our children will be directly affected by this budget just like everybody else's. The decisions we had to make were very difficult and so we always have the children in our thoughts when we are doing this because they are our children too. Our kids are playing with your kids and a lot of us are very friendly with the teachers so it is very hard to make these decisions, but ultimately that is what we were elected to do and to be there for the taxpayers. Unfortunately, Governor Christie hit us with a bomb here and we will do the best we can for you guys. With that being said I think that is all I have to say.

Mr. Adorno: I have a few comments I would like to make. Last year when we were being faced with some of this I had always said we were ready to roll up our short sleeves and do whatever

we needed to do for the children's education. This was definitely one of the most difficult budgets to take a look at and see what was happening. On another note also the cuts that are there, we are a small community and we know several of those people in this community that are being cut but the one problem is to make sure we understand our Code of Ethics, number 5 and 6. The one thing we will make sure that we will assure you that when there are openings we hope that you are that first person that we pull back into this district. We are a tight community and I would like to see the people stay employed here but there are decisions that are made and we have to live by them and make sure we are not adversely affecting our children's education.

One thing I do want to say on the discussion of sports and middle school sports, one thing I would like to commend and I wish he was here, but this goes for all of our staff, our building principals, our curriculum department, but I will have to say to our Athletic Department, John Germano has done a very, very good job on finding where he could find more money to save without hurting our athletics program. I want to make sure that I state that my children play a lot of sports and probably in five different sports, I am a sports person also but I will go on the record saying here that the first thing I would want us to pull would be any type of sports, stipends, anything to ensure first that our children have the proper education and sports will be secondary always. If there are things and rumors out there with regard to middle school sports, again, we know what we have done to keep them there. If things happen in other towns, I just want to make sure it is understood that if other towns cut some of their sports, we have no choice that our kids will not have someone to play. That is part of the reason. As far as we know right now a lot of our sports are still in tact so we don't want that rumor to go out there. I will support education first before sports and I want that to be known. Again, to our staff who are on that 41 list my heart goes to you, but I can make you the promise if you are the right person to fill that empty space when that opportunity comes again we hope you are the very first person in line for that.

Mr. Houser: Anyone else?

Mr. Bing: Very quickly, if you hear gossip, rumors or anything you want clarified, give us a call or go on line if you click on Superintendent's office you will see something called the grapevine with a lot of questions I heard tonight with answers on them. It is specifically there to answer rumors that you might hear. Send me a question, it is anonymous and I will just put your question up there and I will answer it honestly. Send me an email, I will answer your question within 12-24 hours, I guarantee it. I don't want anyone not believing that what we are doing is transparent. Like what Dean was saying, a user-friendly budget will be on the website and if you are still having issues understanding some of the components, make an appointment and come in and we will go over it with you, I have no problem with that at all.

Mr. Houser: Roll call

Mr. Adorno	Yes
Mr. Davis	With the information given to me yesterday and tonight, I have to say No
Mrs. Pilovsky	Yes
Mrs. Sarno	Yes
Mrs. Taylor	Yes
Mrs. Becker	Yes
Mr. Houser	Yes

## VIII. ADJOURNMENT

Mr. Houser: Do we have a motion to adjourn the meeting at 8:36 p.m.?

Mrs. Taylor: So moved.

Mrs. Sarno: Second

Mr. Houser: All those in favor signify by saying Aye.

All: Aye

Mr. Houser: Opposed? Motion carried. The meeting is adjourned, thank you.

Respectfully submitted,

Dean Allison  
Business Administrator/Board Secretary