

TO ALL BOARD OF EDUCATION MEMBERS:

A Special Meeting of the Board of Education of the Township of Union will be held on March 1, 2014 at 8:00 a.m. at James Caulfield Administration Building, 2369 Morris Avenue, Union, New Jersey.

A Special meeting of the Township of Union Board of Education was held at James Caulfield Administration Building, 2369 Morris Avenue, Union, New Jersey on March 1, 2014 at 8:00 a.m., pursuant to notice sent to each board member.

PRESENT AT ROLL CALL: Mr. David Arminio, Ms. Susana Cooley, Dr. Guy Francis, Ms. Lois Jackson (by phone), Mr. Vito Nufrio (by phone), Mr. Angel Salcedo and Mr. Francis Perkins

ABSENT AT ROLL CALL: Mr. Richard Galante and Mr. Thomas Layden

Mr. Perkins called the meeting to order at 8 a.m.

Dr. Francis led the board and audience members in the Pledge of Allegiance.

The secretary read the statement required under the "Open Public Meetings Act", a copy of which is on file in the office of the secretary.

COMMUNICATION:

REQUEST FOR WAIVER OF FEES – TRI-CITY BRANCH NAACP

Jesse Butler, Chairman, Tri-City Branch NAACP Education Committee submitted a request for waiver of fees for the use of Jefferson School on Thursday, April 3, 2014 for an Educational Forum from 6:15 to 9:15 p.m.

COMMENTS FROM THE PUBLIC ON RESOLUTIONS ON THE AGENDA

None

OPERATIONS COMMITTEE

Moved by Dr. Francis, seconded by Ms. Cooley, that the following resolution be adopted:

O-1. APPROVE WAIVER OF FEES – TRI-CITY BRANCH NAACP

That the board approve request for waiver of fees from Tri-City Branch NAACP Education Committee for use of Jefferson School on Thursday, April 3, 2014 from 6:15 to 9:15 p.m. for an Educational Forum.

DISCUSSION:

Mr. Arminio asked if this group was asking for a waiver of all fees. Mr. Damato said that they were.

- AYE: Mr. Arminio, Ms. Cooley, Dr. Francis, Ms. Jackson, Mr. Nufrio, Mr. Salcedo and Mr. Perkins
- NAY: None
- ABSTAIN: None

MOTION WAS CARRIED

MR ARMINIO LEFT THE MEETING AT 8:10 A.M.

FISCAL AND PLANNING COMMITTEE:

2014-2015 School Budget – Mr. Vieira said that the proposed 2014-2015 school budget is \$123.3 million and that represents the general fund. He said that the proposed budget contains a 2% increase in the municipal tax levy. Mr. Vieira said that increase in dollars is \$1.6 million. He said that the increase for an average homeowner in Union is \$75 annually. Mr. Perkins asked if that was for the \$1.6 million increase. Mr. Vieira said that was correct; he said that this reflects a 2% increase in the current tax levy. He said that the current school year levy was \$80 million; it will be increased to \$81.6 million for the 2014-2015 school year.

Mr. Vieira said that the district's state aid increased \$147,000 which is 1/2 of one percent. He said that the district's state aid is \$30 million annually. Mr. Vieira distributed a summary of the district's revenue and expenditures for the proposed 2014-2015 school year. He said that the total budget was \$123.3 million.

Mr. Nufrio asked if copies of these documents were forwarded to the board prior to the meeting. Mrs. Ditri said that the agenda is posted on the website. Mr. Perkins asked if the presentation which Mr. Vieira distributed is on the website. Mrs. Ditri said it was not. She said that she would e-mail the sheets to Mr. Nufrio and Ms. Jackson so that they could follow along with the presentation.

Mr. Vieira said that the top of the page contains the different sources of revenue. Mr. Salcedo asked Mr. Vieira to explain a draw from the Capital Reserve and from the Maintenance Reserve accounts. Mr. Vieira said that the Capital Reserve is like a savings account. He said that today the district has \$6 million in Capital Reserve. Mr. Vieira said that the proposed budget contains a withdrawal of \$4 million from that account to use as follows: \$3 million for SDA capital projects and \$1 million for required maintenance capital projects. Mr. Salcedo asked when the last time the district withdrew money from this reserve account. Mr. Vieira said that this is the first time in three years that the district has done it. He said that the 2014-2015 budget was a difficult one to balance. Mr. Perkins asked what would happen if the district took the remaining \$2 million out of the capital reserve account; what would the consequences be to that. Mr. Vieira said that if the district withdraws from capital reserve, that money must be used for capital projects. He said that it was good to keep some money in the reserve for emergencies. Mr. Perkins asked if the money could be used for regular maintenance. Mr. Vieira said that the capital reserve funds cannot be used for regular maintenance or salaries. Mr. Nufrio asked if any of the capital reserve money can be utilized for improving surveillance cameras for the high school, the middle schools or any of the schools that may require it. Mr. Vieira said that it could be used for that because it would be a capital purchase.

Mr. Vieira said that in the maintenance reserve account there is presently \$2 million and the proposed 2014-2015 has a withdrawal of \$1 million from this fund which will be used for required maintenance. He said that required maintenance is fixing roofs, plumbing, electrical repairs, etc. Mr. Salcedo asked how much was in the maintenance reserve. Mr. Vieira said that presently there is \$2 million in the maintenance reserve.

Mr. Salcedo said that these withdrawals are being made this year to try to balance the budget this year. He said that going into next year, the district already realizes that it will have the same issue with the healthcare, in two year, what will the district do when there is nothing left in the reserve accounts. Mr. Vieira said that if there is nothing in the capital reserve account, the district would not be able to do any capital projects. Mr. Salcedo asked how the capital reserve account is replenished. Mr. Vieira said that in June of 2014, he will

analyze all of the current appropriations and any money that will not be spent during this school year will be able to be put into the capital reserve account. Dr. Francis asked how much does that usually average per year. Mr. Vieira said that the district made a contribution into the capital reserve last year of \$3 million. Mr. Salcedo said that just because the district is withdrawing \$4 million from capital reserve this year, it does not mean that it all will be spent. Mr. Damato said that was correct but anything that is not spent will be returned to capital reserve. He said that Mr. Vieira has the project list of what the district is proposing to do during the 2014-2015 school year. Dr. Francis asked why the excess general fund has gone down from last year to this year. Mr. Vieira said that the excess surplus is calculated by taking all expenditures for the school year and the district is allowed to keep a 2% surplus of those expenditures. He said that it is approximately \$3 for this district. Mr. Vieira said that anything above that in the fund balance has to be used for future budgets to offset taxes. He said that the fund balance is realized by calculating the unexpended appropriations. Mr. Vieira said that the district has to be careful because the fund balance is decreasing and the district is using its capital reserve money so for future budgets those funds will not be available. Mr. Nufrio asked if these figures include the additional state aid that the district would be receiving. Mr. Vieira said that Union will be receiving an additional \$140,000 for state aid. Mr. Nufrio asked how that amount compared to some of the neighboring districts. Mr. Vieira said that there is a list of the state aid amounts that all of the school districts in the state received. He said that he would send a copy of that to him. Mr. Vieira said that there was not much additional state aid given to schools. Mr. Perkins asked what the \$140,000 represented. Mr. Vieira said that this amount represents additional state aid which was primarily for the PARCC, which is the new student testing program. Mr. Nufrio asked if other neighboring districts received anything near \$140,000 or exceeded this amount.

MR. GALANTE ENTERED THE MEETING AT 8:25 A.M.

Mr. Vieira said that the bottom half of the hand out are the district's expenditures. He said that the salary expenditures in the proposed budget are \$73 million and in order for the district to balance the budget he had to cut some positions. Mr. Vieira said that the positions that are being cut are positions that the district feels are no longer needed; some of the classes that are currently running will be cut for the next school year. Dr. Lishak said that after doing a review of numbers over the past three years, the district has seen a drop in world language classes in the middle schools. She said that the students in the middle school are put into a cycle world language class in the sixth grade and in seventh grade. Dr. Lishak said that in the eighth grade, students have the opportunity to choose the language that they would like to study. She said that

most students are choosing Spanish first; second would be French and third would be German. Dr. Lishak said that the numbers of students taking German and French, the district actually could run both of those programs with one less German teacher and one less French teacher. She said that when students don't take German in eighth grade, that is affecting the number of students in the high school that take German as well. Dr. Lishak said that it was her intent to possibly move one of the German teachers out of the high school and move two of the world language teachers in the middle schools; one French and one German and the district will still be able to cover the number of students that are requesting foreign language.

Mr. Salcedo said that the handout states that five teachers from Burnet and Kawameeh Middle Schools would be eliminated. Dr. Lishak said that she looked at the positions in terms of the secondary school viewpoint which includes the middle schools and the high school. She said that this would include the two world language teachers that she referred to and the other teachers are teachers who are retiring at the end of the school year and based upon class sizes will not have to be replaced. Dr. Lishak said that if there is a math teacher that is retiring, the district will be able to absorb the math position and that would only increase each math class by three students. Dr. Francis asked how many teachers the district is losing by attrition. Dr. Lishak said that at the high school there are approximately eight. Mr. Vieira said that as of today, the district has twelve positions that are retiring. Mr. Salcedo asked if they were all educators. Mr. Vieira said that probably ten were teachers and two are support. Ms. Cooley said that this same thing happened about four years ago when the first budget cuts were made and class size became a big issue, especially on the elementary level where classes became extremely crowded and the district ended up having to add classes and open up additional sections. She said that when the district looked at "numbers" and the district felt it would be okay with class size. Ms. Cooley said that the district did not take into consideration additional students who were registered over the summer and during the first weeks of school. She said that the district was only looking at the number of desks and chairs in the classroom and not taking into consideration the teachers and aides along with the students who were in the classroom and how crowded the classrooms get. Ms. Cooley said that when she walked into some of the classrooms, she felt claustrophobic being there. She said that it was different having twenty-five first graders in a classroom than twenty-five fourth graders in a classroom. Ms. Cooley said that the district needs to worry about how big the class sizes will get; she said that this is most important at the middle school and the high school level.

Dr. Lishak said that she has looked at the number of teachers that are retiring and not being replaced. She said that elementary works very differently than secondary. Dr. Lishak said that at the secondary level there is the ability to add a sixth period class onto an existing teacher's schedule if the class sizes get too big. She said that with the teachers the difference in the number of seats in the class will not be more than two or three. Dr. Lishak said that some classes are running at 18 or 19 students per class so to go to 21 or 22 would still be a manageable level. She said that it is also different when you speak about special education classes because they have completely different rules and those classes are looked at separately.

Mr. Tatum said that he did recall what Ms. Cooley was talking about. He said that this issue has been addressed during the budget discussions and he took it so far as to go to a school and look at some classes to see the number of students and asking teachers how many students were in the class. Mr. Tatum said that the average class size is approximately 22 students at this time in the district. He said that the teaching staff reduction which is proposed right now would allow the district to absorb and maintain the same number of classes as currently in the district without a loss. Mr. Tatum said that he thought there were three teachers that were retiring at the elementary level which would mean that no current teachers would be lost. He said that he will be able to rebuild the sections based upon utilizing other teachers in the district, based upon the number of students that are being serviced through AAP and based upon restructuring classes in terms of a "push in" model versus a "pull out" model at the various schools. Mr. Tatum said that if the teaching staff stays at this number, the district will be fine and class sizes will not increase. He said that even in prior years he looked at reduction in sections and before the district had the massive number of sections that had to be reduced, he steered away from that only because he knew that is what Ms. Cooley said would happen. Mr. Tatum said that if the district maintains the number of sections that it presently has, there is room to grow. He said that when the district re-entered Jefferson School, districtwide there were 27 fifth grade classes and when the students were moved into Jefferson School, that number was reduced to 24 but the teachers were kept and put them in vacancies where other teachers had retired so that all the sections were maintained and all of the teachers, but there was a reduction because when he looked at the enrollment that was going into the fifth grade the following year, he had room for approximately 8 students per class before the class hit 25. Mr. Tatum said that what Ms. Cooley is saying about what happened in the previous years at the elementary level will not happen because "theoretically" the district is able to maintain every section that the district currently has right now.

Mr. Salcedo asked if class size would grow. Mr. Tatum said that class size would not grow and depending on the enrollment and test scores at a particular school, there may be an AAP teacher available to be a classroom teacher. Mr. Salcedo said that would mean at that school students would not get pulled out of the classroom for AAP because there is no AAP teacher. Mr. Tatum said that does not necessarily mean that because the district has an average of 2.5 AAP teachers at each building and what would happen is that staff is put in whatever building they are needed to maintain service to students. He said that AAP and classroom teachers at the elementary level are pretty much interchangeable.

Mr. Perkins asked Mr. Vieira what the amount of the cuts in staff amount to. Mr. Vieira said that it would total \$2.3 million, including salaries and benefits for 29 positions.

Dr. Francis asked if he heard correctly that there would be no cuts in the current teaching staff other than those that are retiring. Mr. Tatum said that was correct and there may be a few more retirements before the budget is finalized.

Ms. Cooley asked about the world language teachers. Dr. Lishak said that she had three positions that are being cut that are not retirements.

Dr. Francis said that on the elementary level it is indicated that there are three general education teacher positions that would be cut and he asked if those were the people who were retiring. Mr. Tatum said that they were. He said that there have been no cuts to the existing staff.

Mr. Salcedo said that on a previous printout there were four AAP teachers being cut and on the printout that Mr. Vieira distributed today, there were none. Mr. Vieira said that the printout that the board has today is the latest but it will change between now and September because there will probably be additional teachers that will retire. Mr. Tatum said that the four teachers that were proposed earlier has changed due to what Dr. Lishak has done at the secondary level, some things were interchanged and funds were moved to allow a position to be transferred to the elementary level. He said that the classes at the secondary level are different than those at the elementary level because at the elementary level a full class must be added if the enrollment increases. Mr. Tatum said that there are also a few part-time teachers on staff presently that could cover some of the internal AAP sections. He said that AAP is determined by testing information and the way the program is structured within the building. Mr. Tatum said that taking everything into consideration, he did not think that what happened three years ago will happen again with this plan because the

most important thing at the elementary level is maintaining the number of sections that are in each building to make sure that class sizes are balanced out. Mr. Salcedo asked about maintaining service to students. Mr. Tatum said that the district has a "2.5 model" that is followed but that does not mean each school must use 2.5 positions as someone could be put in another building if necessary.

Mr. Nufrio asked Mr. Vieira if when he began to do his review to ensure that the district was not going to exceed the budget, were any other aspects of district services looked at other than the retiring teachers and any other aspects of the non-professional staff. He asked if there was anything in the plan or had Mr. Vieira not gotten to it yet. Mr. Vieira said that it is in the plan and the list of the 29 positions that are being reduced includes some secretaries and teacher assistants; there are five positions of individuals not in the classroom included in the 29 positions. Mr. Vieira said that the present plan is subject to change between now and September because things will change and happen. Mr. Nufrio said that his biggest concern is that this should not, if at all possible, impact the professional staff and not to say that support staff is not important, but it is the board's goal and primary objective is the education of students and the board should do everything possible to ensure that the district delivers the best education to the students whether it is extraneous or inherent to the curriculum.

Mr. Perkins said that it has always been his position that if a secretary isn't there to support and help the professional staff provide a good education to the students, that secretary ought not be there. He said that every hand on deck should contribute to the educational effort even if they are not in the classroom. Mr. Nufrio said that he did agree and how that is done should be by the most efficient method of delivery.

Dr. Francis asked when the administration was determining who would be cut, how was it done. Dr. Martin said that central office administrators have been talking about it for some time. He said that Mr. Tatum and Dr. Lishak have been looking at efficiency and would there be a way to take the staff that the district has, after the retirees have been determined, to use these individuals to deliver the same quality instruction without going out and having to hire someone else. Dr. Martin said that one of the factors that actually helps in this matter is that there are a certain number of AAP or basic skills teachers because the students did poorly on the standardized tests and needed extra help. He said that as students did better on the standardized tests, the district needs fewer basic skills teachers, which is a good thing. Dr. Martin said that these teachers are able to be moved into a classroom to take over for a retiring teacher. Dr. Francis asked what if a teacher has more seniority than another

and the district wants to cut that particular classroom, is the teacher with more seniority moved to "bump" someone out. He said that what if you have a teacher that has been a French teacher and the district wants to make a cut there but that teacher has more seniority than someone else in the district, would that teacher be offered another position to take over for a language arts or math teacher that has less seniority. Dr. Lishak said that on the secondary level, teachers must have certifications in particular subjects and if someone is hired as a language arts teacher, that individual would activate their certification as a language arts teacher and that individual is earning tenure as a language arts teacher and if ten years down the road cuts are made to the language arts department, that would go by seniority. She said there may be a math teacher that only has four years in the district and the language arts teacher has ten years in the district, but the math teacher needs to stay in the district because that individual would have tenure as a certified math teacher. Dr. Lishak said that if someone is an elementary teacher, the certification is "elementary" and individuals can be put anywhere on the elementary level.

Dr. Martin said that with regard to moving AAP teachers into a classroom, it is still a hard decision and one that is debated because one could argue "but when you remove the basic skills teacher who has been doing a good job with the students and that is the reason more students are passing the test" won't that come back to bite you.

Mr. Salcedo said that as he looks at the numbers of positions that are being cut, it looked like the district would be doing away with two or three percent of teaching positions and when you look across the board, the maintenance department is only being asked to do away with one position. He said that teachers are going to be expected to do more because they will have more students in their classroom so shouldn't that go across the board and everyone should be expected to do more or was he being unfair to say that. Mr. Salcedo said that it is the mission of the board of education to provide the best education and he would not like to see happen what Dr. Martin is saying. Mr. Salcedo said that his daughter is in AAP because she doesn't do well on tests and he knew that she was not alone. He said that he would not like to see that rebound come back. Mr. Salcedo asked if it was fair that only one custodial position will be cut. Ms. Cooley totally agreed with Mr. Salcedo. She said that her son also is in AAP. Ms. Cooley thought that cuts needed to be made across the board and not only in the classroom. Mr. Perkins said that a reduction in staff is always difficult and determining who stays, who goes, what is really important and what is not important. He said that he felt that education was really important and the students may be the primary beneficiaries, but this is not only being done for the students, it is being done for the society generally. Mr.

Perkins said that the board has constituents that do not have children in school, there are people who are operating, personally close to the margin, living on fixed incomes; he said that he has had discussions with people at Town Hall regarding the tax realization rate which is still pretty good but nonetheless, there is the breaking point. He said that it is easy to say that the district needs three or four more teachers than are being budgeted for and next year's budget only increases property tax by \$75 on the average home but for someone who is on a fixed income, it may be significant. Mr. Perkins said that it is important to look at the overall impact on the community and the board must be sensitive to this to some degree. He said that there has been much discussion about class size.

Mr. Nufrio said that with regard to the improvement in test scores, he was still not thoroughly convinced that (1) the test scores have improved so much that the district can look to shrink the number of teachers who assist in the preparation of the students for these tests. He said that this is not a finite number and it goes up and down but the same students who did well on the test this year, are not the same students that will be tested next year. Mr. Nufrio said that having realized over the years that test scores should never be an indicator as to how many teachers are appropriated to assist the students. He said that when a company is looking to save costs, generally, positions are eliminated that are not going to impact on the production. Mr. Nufrio said that the teachers are the production line workers and if the district is going to continue to improve education that should be the last department that is looked at. He said that the mandate is that the district must provide the best education that it can to the students and if it means that the district must look at other services, then by all means that is where the district has to look and that should also include Central Office staff. Mr. Nufrio urged Mr. Vieira and all the people that the board members depend on, to do the best for the district, never exclude any department and never exclude Central Office.

Mr. Tatum said that if the board will allow him to maintain three brand new teachers, he will gladly take them and maintain the number of AAP teachers. He said that he would caution the board that based upon the number of students in the district, he felt that there was a sufficient number of teachers to service the student population that the district currently has and not increase class size. Mr. Nufrio asked what about new students that may be eligible for AAP. Mr. Tatum said that was a contingency that the district deals with every year. Mr. Nufrio said that the Central Office administrators must be the ones that make the important decisions as to where the cuts need to be made and it is not up to the board to say where the cuts should be made. Mr. Tatum said that he felt the district was in good shape in terms of the people that are presently in the district. Mr. Nufrio said that it has happened in the past that the

board has been asked to "add" staff because the student population in a particular area has grown during the year. Mr. Tatum said that he was trying to avoid splitting classes because the class sizes become too large; he said that as long as the district has room to grow in the classrooms and maintain a decent class size so that there is productive learning going on in the classroom. Mr. Tatum said that sometimes it is more productive to pull students out of a class for extra help and other times it is more productive to have the students remain in the classroom and stay on focus with the pace of the class. He said that numbers are important and he would concede that he would probably feel better not having to cut staff, but the money must be taken from somewhere and maybe the district has to reexamine where the money is coming from. Mr. Nufrio said that would make him a happier board member for sure. He said that there is now an additional supervisor in the maintenance department and hopefully that is money well spent. Mr. Nufrio said that every department needs to be reviewed carefully by the supervisor of that department to determine where there might be an excess or where there might be a shortage.

Mr. Vieira said that an area that Ms. Conti is responsible for is special services which totals approximately one-quarter of the entire budget. He said that when you look at the trend over the past several years, the special services budgets are growing at a greater pace than the general education budget. Mr. Nufrio said that was because the district took a lot of students back from out of district, at a savings. Ms. Conti said that the district saved \$5.5 to \$6 million dollars. Mr. Nufrio said that amount was more than enough to offset the increase of the department because if those students were still going out of district, the district would not be able to afford it. Mr. Perkins said that amount would still be attributable to the special services budget. Mr. Nufrio said that hopefully the special education budget will not be impacted at all because the district has already realized a large amount of savings by bringing back students from out of district.

Dr. Lishak said that when she talked about the positions that she looked at on the secondary level, to be honest, this is a discussion that started last year when she really started to look at some of the courses that were being offered and it had to be decided if the district would continue to offer these courses. She said that some of the courses have continued to rise over the years just because there may have been two or three students who were interested in taking the course but if another student asked for another class and it was not available for their schedule, they were put into another class. Dr. Lishak said that this has been a luxury that the district has continued to maintain for a number of years and perhaps this should have been looked at quite a while ago. She said that if there is a class that only had eight or nine students that are

interested in taking it, it is time to take a look at what else that teacher can teach and put them into another area. Dr. Lishak said that is how she was generating the numbers at the secondary level. She said that on the secondary level it will not impact or have such a great impact on the class size because those students will be put into other courses or that teacher will teach another course. Dr. Lishak said that the positions of those teachers who are retiring will be absorbed. She said that there is the ability at the secondary level, to open up another period of a class without hiring a new faculty member to teach that class.

Mr. Nufrio asked if the district would only be offering Spanish next year. Dr. Lishak said that German, French and Spanish will be offered but what is happening at the Middle School level is in sixth grade there are six week cycles of each language; students do not have a choice on what language they would like to take. She said that in seventh grade, the students are also placed into a language and they do not have a choice of which one they want. Dr. Lishak said that when students have the opportunity in eighth grade to choose which language they would like, some students are choosing German and French, but most students are choosing Spanish and the district has had to place students into a German or French class when they would not have chosen that language on their own. She said that at the high school level, students are not choosing German at all. Dr. Lishak said that the district is able to cover all of the students who are actually interested both French and German in the middle schools even if the district reduces one of those positions. She said even in reducing staff, the district will be able to cover all of the students who are interested in taking German and French.

Mr. Nufrio said that over the years he has learned that the guidance department is the key in pointing the students in the right direction. He said that perhaps the guidance department needs some additional input in allowing students to select from the menu. Mr. Nufrio said that at this level of education, guidance should be a major factor in which way students go or to be pointed, so that given an idea or a concept of where they are headed, the courses that will supplement their education are important and foreign languages are still an important aspect of all of this given that we are in a global economy.

Mr. Vieira said that the 2014-2015 proposed budget is due to the County Executive Superintendent on March 20. He said that originally he was thinking about having the budget adopted for submission by the board of education on March 18. Mr. Vieira asked if the board would like to take action at the worksession meeting on March 11 so that the budget can be submitted earlier. Mr. Perkins asked what the advantage was of voting on March 11 versus March

18. Mr. Vieira said that this would give the county a little more time to review. Mr. Damato said that the problem with doing that was, the adoption is usually done at Union High School Library where the regular meetings are held. Mr. Nufrio said that he would prefer having the public be fully cognizant of what the board is proposing before it is proposed. Mr. Vieira asked if the board wanted to discuss the budget at the worksession on March 11. Mr. Perkins asked if the submission of the budget to the County Superintendent was the final approval of the budget. Mr. Vieira said that the budget must be submitted to the County by March 20. Mr. Perkins asked when was the county required to get it back to the district. Mr. Vieira said that the county was required to get the budget document back to the district by April 20. Mr. Perkins thought that the board should wait until the last possible moment in order to account for variances that may occur between the first thought and the time that the decision actually has to be made.

Mr. Salcedo asked Mr. Vieira if he was going to review the proposed positions to be cut or was that something that would be discussed at the worksession. Mr. Perkins said that he thought there should be a firmer idea at the worksession of what the district will be doing with the cuts based on the board's collective perception of whether the cuts make sense in terms of providing education and also the tax relief that might occur. He said that with the cuts proposed, the tax levy would increase \$75 per average household. Mr. Perkins said that to most people \$75 is worth the education when you look at it in isolation. Mr. Nufrio said that the \$75 does not include the County and Township increases. Mr. Perkins said that there are a significant number of homes in foreclosure in Union and he thought that the board needed to be sensitive to that margin.

Dr. Francis asked if the district was "top heavy" with supervisors and could some of those positions be eliminated. Dr. Martin said that would be something that will have to be revisited and other department cuts must also be looked at again.

Dr. Francis asked why the district takes a "hit" for withdrawal from capital reserve; he thought that \$4 million would be taking away from the budget and why does the withdrawal count against the district. He said that it seems that these accounts must be part of the district's expenditure. Mr. Vieira said that capital reserve can only be used for capital projects. Dr. Francis said that he did not see that in the 2013-2014 or the 2012-2013 budget it counted toward expenditures. Mr. Vieira said that in 2012-2013 or 2013-2014 the district did not have any withdrawals from capital reserve for capital projects. He said that of the \$4 million, there are two large projects that are being proposed one is an electrical upgrade for Union High School which will cost approximately \$1.8

million and a \$1.2 million budget for the air conditioning at Washington School. Mr. Vieira said that these two projects total approximately \$3 million. Dr. Francis asked why this amount did not account toward the district's expenditures. Mr. Damato said that they cancel each other out because there are \$4 million in revenue and \$4 million in expenditures. Mr. Vieira said that these projects are a "one time" expenditure. Dr. Francis said that he looked at it as this money is in reserve and it is the district's money. Mr. Vieira said that it is restricted money and only expenditures from the capital reserve account, that exact amount must be listed as a revenue and it cancels itself out. Mr. Perkins said that one of the hard lessons that was learned a number of years ago with the withholding of some \$9 million from the State is that "it is not the district's money". He said that the State took \$9.1 million and that was after the district had sold its ITFS license for \$17 million which was pure gravy. Mr. Damato said that it was a good thing that the district had that money in a restricted fund balance line and these funds were used to help finance the Jefferson School project. Mr. Perkins said that it is a hard thing to accept that the money does not belong to the board of education.

Mr. Salcedo asked what other reserve funds the district has or what is the amount that the district has in the bank for emergencies. Mr. Vieira said that there is one more reserve fund which is an emergency reserve fund and there is \$1 million in that account. Mr. Damato said that the district also has the 2% regular fund balance that the state allows the district to carry. He said that everything over 2% must go to tax relief. Mr. Salcedo said that the district literally runs from year to year. Mr. Vieira said that was true. He said that years ago, the district was able to keep 6% in the fund balance and it was lowered to 2%. Mr. Damato said that if something major happened, the district could easily blow through \$2 million, especially since the district would be paying for it on an emergency basis.

Mr. Damato asked if the board was comfortable with the tax levy amount or did they want to take it down less than \$75 on the average house. He said that what he is hearing from that board is that they want this budget to have the "least amount of impact" on the students and have the district maintain as many services and programs as necessary for the education of the students. Mr. Damato said that the board needs to give the administration guidelines on what they want to be in this budget. Mr. Perkins said that he needs to know how essential are the positions that the district is proposing be cut. He said that if anyone is non essential to educational effort, they ought to be eliminated but on the other hand, the administration wants from the board some sense of what the constituents think and he was not sure that the board was prepared to give a definitive answer. Mr. Perkins said that the budget is a planning document and

subject to change the day after it is adopted. He said that his visceral reaction was that \$75 per household was bearable. Mr. Galante said that \$75 was a lot less than the group was talking about earlier and to him it was acceptable.

Mr. Salcedo said that the fact is the district is starting the year just with the healthcare costs going up over \$1 million. He said that the cuts in staff was pretty much based upon that increase and the district needs to come up with revenue somewhere. Mr. Vieira said that the levy increase at 2% is \$1.6 million.

Dr. Francis said that if the district proposed an over 2% increase, would that have to go before the voters. Mr. Damato said it might not but it depends on how much over the 2% the board wants to go. He said that there is a thing called "bank cap" where the district, for certain expenditures over the past few years, the district was allowed to go over the cap of 2% if the district wanted to. Mr. Damato said that he did not remember the district ever going over the 2% cap but the district has an amount of money that the district is able to go over the 2% cap. Mr. Perkins said that amount does not appear on the sheet which was distributed. Mr. Vieira said it did not because it was not being proposed at this time. Mr. Perkins asked what the amount was. Mr. Vieira said that the district had \$1.5 million in its "bank cap" right now and that is primarily from the district's healthcare costs that have exceeded the 2% increase. Mr. Damato said that if the board wants to use up the \$1.5 million on top of the \$1.6 million in increased levy right now, the district would be looking for about a tax increase of about \$150 on the average household. Mr. Vieira said that would be a 4% increase. Ms. Cooley said that on a single income, \$150 more would be a lot. She said that educators are no longer just educators that is why she looks at the cuts and gets upset. Mr. Perkins said that the board only has control over a portion of the increase in the tax levy and he thought that the board had an obligation to all of the taxpayers to exercise reasonable judgment based on sound data. He asked the board how they felt about using the 2%. Mr. Perkins said that some of the board members have commented on the quality of education and whether it was worth \$75 per year.

Ms. Cooley said she felt it was definitely worth \$75 per year and when she looked at the proposed cuts it upset her. She said that it will hit her in her pocket but she did not want to see her children struggling and she did not want to see programs get cut.

Mr. Galante said that at the beginning of the budget process the amount of the tax levy was much higher and he felt that \$75 was a more reasonable proposal at this point.

Mr. Salcedo said that he agreed. He felt that there was always a cost to do business and there is always an increase from year to year on that cost. Mr. Salcedo said that he felt the most important thing was that the district deliver to the public. He said that he felt the community understands that there is an increase in costs every year and he felt that 2% was reasonable. Mr. Salcedo said that the board needs to look at the budget cuts and truly cut where cuts are needed. He said that he respected the choices that Mr. Tatum and Dr. Lishak have made with regard to the cuts. Mr. Salcedo said that at the end of the day he would hate to see more people in the classrooms being cut. He felt that the proposed cuts should be reviewed again and if there is someone else that is seen as not as essential, the board should consider that.

Mr. Nufrio said he felt that part of the district's goals should be to look to make the district a leaner, more proficient operation. He felt that if this is done and education remains the foremost priority and the most important goal that the district will achieve, then the board is mandated to look elsewhere to make the district a much leaner, more efficient process. Mr. Nufrio said that the district needs to look at every department. He said that he did not know if any one department was "top heavy". Mr. Nufrio said he felt that this issue has not yet been addressed. He said that he would love to see a report from every department head as to whether they are comfortable with the staff that they have or could they operate more efficiently with a "leaner" staff that doesn't directly impact the classroom. Mr. Nufrio said that would be his goal and contribution to the planning session.

MS. JACKSON LEFT THE MEETING AT 9 A.M.

Mr. Perkins said that the budget discussion will continue at the worksession on March 11. Mr. Damato said that the administrative group will meet and will be prepared to make another presentation at that time. Mr. Vieira said that March 11 will have to be the last date that any changes are made before it is sent to the county. He said that the board will have to vote to approve the budget for submission on March 18.

Mr. Nufrio said that he would look forward to hearing from Dr. Martin as the CEO to report back to the board on March 11, for discussion, a complete review of the departments, both professional and non-professional staff to be sure that the board collectively understands how lean the district is and where the cuts could possibly be made and then the board can proceed from there.

Mr. Perkins said that Mr. Vieira pointed out that the central office administrator must work at coming up with something and that may well be in consultation with other in-house staff and some others outside the house as to what cuts will be done.

ESTABLISHMENT OF BOARD OF EDUCATION GOALS

Mr. Perkins said that Mr. Arminio and he have been having discussions over the past couple of weeks about the School District Board Self-Evaluation document which shows on NJ School Boards Association website. He said that he would send a link to this document to all board members. Mr. Perkins said that Mr. Arminio suggested that the board do the self-evaluation. He suggested that all board members download the document, take a look at it and come up with some thoughts about where the board members are individually and where the board is with respect to what the School Boards Association puts out. Mr. Perkins said that this self-evaluation is a good checklist to the items that the board should be attending to. He said that to get a high score on this evaluation, each board member would have to quit their jobs and spend all of their spare time dedicated to school board activities.

Mr. Perkins said that setting goals has got to be a thoughtful process. He said that he thought the board should start with the mission of the district. Mr. Perkins said that he has drafted what he felt the district's mission was. Mr. Salcedo asked Dr. Martin if he had a mission statement for the district. Mr. Perkins said that he supposed that there could be board mission statement but it should not be different from the district's mission statement.

Our mission as a school district, as a board, as a community as a whole is to provide a thorough and efficient education to all children in the district who are qualified to attend Union Township Schools consistent with the Constitution and the Laws of the State of New Jersey in an environment that is most conducive to learning.

Mr. Perkins said that the district is required by statute to provide a thorough and efficient education. He said that he felt that the district should be getting the most out of the resources that it has. Mr. Perkins said that in an environment that is "most conducive to learning" that includes the contribution by the maintenance and support staffs to make the climate of the school something that is attractive to the people who go there. He said that he and Mr. Arminio attended a NJ School Boards Conference where there was a discussion of studies that say the most important positive contributor to school safety is school climate. Mr. Perkins said that this clearly fits within his own personal view

of what ought to be the case. He said that it also includes safety and security. Mr. Perkins asked the board members to review his mission statement. He said that he was not sure where the district fits with other districts as far as attendance goes. Dr. Martin said that Union is right in the mix and the district is doing better than it had been doing. Mr. Perkins said that increasing attendance rates for both staff and students would be a measurable goal for the board. He said that the district should create environments in the schools that students and staff really want to come to everyday. Mr. Perkins said that this requires many things such as air conditioning in the summer, etc. He said that some parameters can be set such as by a certain date attendance rates will be 97% for staff and 97% for students.

Mr. Perkins said that with regard to school security he thought that the district was doing pretty well but it really is not. He said that he attended a three day course on the assessment of vulnerability risk and threat of each building and there is a lot of stuff to do in an analysis with regard to each building. Mr. Perkins said that staff park their cars adjacent to the building and he found out how easy it is to make a 500 lb bomb with diesel fuel and fertilizer and how much damage they can do. He said that he also learned what the district can do to mitigate the threat and set up some security measures that are researched based and fit within the philosophy of the presentation of education in the district. Mr. Perkins said that Bayonne High School looks like a fortress with metal detectors and he was not sure that this was an image that the district wants to portray to people but the balancing act is how effective is that kind of a security measure against the perception of the school; what risk are you taking when you do that type of thing. He said that the board could say that a security analysis will be done on two buildings in the upcoming year. Mr. Perkins said that they are very time consuming. Dr. Lishak said that Director Ardito and he are also going to attend this assessment course.

Mr. Nufrio said that he heard the board goal but all that has just been mentioned are to be done by the CEO and his staff. He said that they are the ones that propose to the board what will be done to fix problems in the district. Mr. Nufrio said that would be incumbent on the Superintendent and his staff to bring these issues to the board for review and assessment. He said that it is not for the board to determine how security will be improved because the board members are not in the district on a day to day basis. Mr. Nufrio said that the Superintendent is the one who has department heads and building administrators who report to him. He said that there are not enough hours in a day or days in the year for the board to do something like this. Mr. Nufrio said that it is part of the Superintendent's contractual obligation to present goals and objectives for the district. Mr. Perkins said that he thought that he would just

make his presentation as a starting point to the discussion of board goals and the board can also discuss whose job it is to do what. He said that the security assessment of each building is not something that the board members will be doing themselves. Mr. Nufrio said that it is the responsibility of the Superintendent and his staff to do that. He said that he wanted to hear what Dr. Martin's goals and objectives are because he would ask the same of any Superintendent. Mr. Perkins urged every board member to download the School District Self-Evaluation document and take a look at it.

Mr. Nufrio asked if there was a possibility that the worksession next week could be changed in the sense that rather than having committee meetings which may or may not have a very serious agenda, perhaps that would be the time for the board to utilize to collectively discuss some of these items. He said that with so many members of the board not being present, it is pointless to continue the conversation at this time. Mr. Nufrio said that he would be willing to come in at 5 o'clock and spend some time to have this discussion.

Mr. Perkins said that board membership is something that citizens can do without undue interference in their life that cause them to support themselves. He said that he did not have a problem with that. Dr. Lishak said that if this is what the board decides to do, can she e-mail the education committee chair with anything that she wanted to have discussed before the March worksession. She said that her "education" piece has been growing due to the lack of having education committee meetings for the past two months and she did need to discuss some information with the board. Dr. Lishak asked if she could e-mail all members of the board with the information. Mr. Perkins said that she could. He said that decision making in any highly impactful matter should always be done in writing, discussing the pros and the cons, the authority for taking the action proposed and a rationale to support the recommendation of the individual who is writing it.

Mr. Damato said that just one point as far as the meeting and the notice goes, if issues are being discussed in committees before 7 o'clock than it is not with a quorum. He said that individuals would have to discuss it on their own. Mr. Damato said that if issues are discussed as a "full board" than it must be done at 7 o'clock unless the meeting is noticed to begin at an earlier time.

Mr. Perkins said that he and Mr. Damato do not entirely agree about the use of e-mails to discuss matters, but the board must be careful how it is done. He said that a committee chair should come back to the board, preferably in writing, to report what the committee has discussed, considered and is recommending to the full board based upon the input of the staff. He said that

this was a very tall order in terms of time. Mr. Damato said that he and Mr. Perkins have debated this topic many times and he said that he would caution the board not to get involved in back-and-forth discussions with the whole group of board members by e-mail because that could be looked upon as a meeting of the board.

Mr. Salcedo said that Mr. Perkins started this portion of the meeting with a mission statement and the fact that the district does not have one in place. He said that every great organization has a mission statement and he felt that the district needed one. Mr. Salcedo suggested that the mission statement be put on the website. He said that the board should be working on a vision and goals. Mr. Salcedo said that some of the schools in the district do have mission statements.

COMMENTS FROM THE PUBLIC

Mr. Capodice, president of the U.T.E.A., thanked the board of education to have an open, frank and candid conversation about the future of the school district when it comes to the 2014-2015 school budget. He said that he knew it was not an easy thing to do. Mr. Capodice said that he represents a majority of the employees of the board of education and he again wanted to thank the board for taking the time to look at where the district is, look at where the district is going and making tough decisions on a districtwide scale about the best needs of the students and the parents in the community moving forward.

MOTION TO ADJOURN

There being no further business before the board, it was moved by Mr. Nufrio seconded by Ms. Cooley that the meeting be adjourned.

AYE: Ms. Cooley, Dr. Francis, Mr. Galante, Mr. Nufrio, Mr. Salcedo and Mr. Perkins

NAY: None

ABSTAIN: None

MOTION WAS CARRIED

Respectfully submitted

JAMES J. DAMATO
BOARD SECRETARY