

Special Meeting May 4, 2010

**SPECIAL MEETING
MAY 4, 2010
7:00 P.M.**

Mayor St. Amour called the meeting to order at 7:00 pm, noting this meeting is in conjunction with the Mullica Township School Board, read the following statement and requested Board of Education President Dr. Spiros Malaspina to lead the flag salute.

IN COMPLIANCE WITH CHAPTER 231 OF THE PUBLIC LAWS OF 1975, NOTICE OF THIS MEETING WAS GIVEN BY WAY OF NOTICE PUBLISHED IN THE ATLANTIC CITY PRESS, EGG HARBOR AND HAMMONTON NEWS, ON APRIL 28, 2010 AND POSTED AT TOWNHALL.

Roll Call:

Committee Present: Anthony Gabris, Bernard Graebener, William Kennedy, Susan Polk, Mayor St. Amour

Municipal Clerk: Kimberly Johnson

CFO: Dawn Stollenwerk

Presentation: Mullica Township School Board: Dr. Malaspina read the Open Public Meetings Act.

Roll Call:

Members Present: Tom Carl, Mia Jones, Frank Kelly, Walter Lyons, Mary Nevius, Richard Noble, Terence Watson, Dr. Spiros Malaspina

Members Absent: Joy Wyld

Superintendent: Richard A. Goldberg

Business Administrator/Secretary: Lourdes LaGuardia

Solicitor: William Cappuccio

Dr. Malaspina read a prepared statement, thanking Committee and the public for the opportunity to address property taxes and the value of Mullica Township School District. Dr. Malaspina addressed the history of the school, the programs, testing scores, and the efforts of teachers, staff and family. He stated the schools have been hit hard by massive cuts and increasing costs and urged the residents to become more involved to maintain activities and support our teachers in the classroom. Dr. Malaspina referenced our school as a diamond in the rough.

Mr. Richard Goldberg informed Committee and the public of the following facts regarding the budget: budget is down 4.2% from last year, reduction of 15 employees, surplus is down to \$102,000, and loss of state aid and grants is over \$350,000. Mr. Goldberg stated with all of these conditions the Board still proposed a budget under the Governor's request of 2.5% and the total increase would have been \$82,938. Mr. Goldberg explained our district is spending \$748,000 less than the adequacy formula for district calls for. Mr. Goldberg agreed with Dr. Malaspina comments, noted the frustrations of the taxpayers, but urged Committee to take a serious look at implications of severe cuts to this budget as they have already been made.

Mayor opened this section to the public.

Public Discussion:

Mr. Dominick Marchesani, Elwood Road, requested an explanation on how this budget will affect his

property taxes, noting he is overburdened now, and if the increase is for pay raises for the teachers. Mr. Goldberg replied negotiations are still occurring, therefore, the increase is for the programs. Mr. Goldberg added this is a very frugal Board who is working hard to keep costs down. Mayor explained the proposed increase of 2.2 cents on a home assessed at \$110,000 (average assessment) would be approximately \$24.00 a year increase.

Mr. Lee Winterbottom, McCormick Avenue, stated he was present to support the teachers noting they do a wonderful job.

Ms. Janet Forman questioned the surplus which was decreased and stated increases on all the budgets are cumulative, which would result in a larger increase in property taxes. Ms. Forman commended the teachers and agreed people move to Mullica because of our school system, but noted it is becoming expensive to stay.

Mr. Charles Freeland, Sweetwater, asked why the teachers have not frozen their wages along with administration, since this is supposed to be about the children, he stated everyone needs to sacrifice.

Marian Stefanski, Jeans Court, suggested the municipality be re-evaluated so that everyone pays their fair share of taxes. Mayor explained a re-evaluation is triggered at a time depending upon our overall valuation versus our assessed values. Mayor St. Amour reported due to the real estate pull back this has not become a front burner issue for Mullica and further explained the date for this project is determined by the Board of Taxation. Mayor stated this is a very expensive project which is funded by the taxpayers.

Mr. Joseph Fifth stated he appreciates the teachers very much; however, it is difficult to pay property taxes and currently he is on unemployment which has been decreased.

Ms. Joann Vitale, asked how much Greenbank School District pays to Mullica, questioned the hours of work for the administrators, asked if volunteers receive background investigations, questioned if the state could raise the amount to be raised by taxation due to the low surplus. Mr. Watson stated they are paid a stipend and they have additional workload and double the meetings. Mr. Goldberg reported Washington Township contracts with Mullica for various services, which include, administration, child study team, business services, speech, technology and music, and in total they pay Mullica \$200,000.00 and the stipends equals approximately \$100,000.00. Dr. Malaspina stated Mullica is ahead of the game by sharing services and we are looking into additional services. Mr. Goldberg stated the parents who will be volunteering are interviewed by the Principals. As to the State, Mr. Goldberg stated they would not increase the tax burden, but they could restore it.

Mr. Andy Schlee asked when the teachers last received a cost of living increase, questioned what other districts already have their teachers contributing to health costs as our teachers do, questioned the movement of concluding negotiations. Mr. Goldberg stated he did not know, confirmed teachers are working on the old contract and believed two other districts have teachers contributing. Dr. Malaspina stated the teachers contribute approximately \$400.00 towards healthcare costs a year compared to the \$400.00 he contributes every two weeks, noting healthcare costs increased 25%. Mr. Noble stated unfortunately the Board and the Union are close to none, as the teachers last offer was what was submitted about two years ago.

Ms. Jean Evans, Elwood, asked what percent of the tax increase is allocated towards salaries, stated the vote speaks for itself, suggested the health insurance costs be increased such as the Federal Government which pays a percentage based upon the health insurance cost, suggested the pension rules be changed for new teachers and a 401K be offered, spoke on behalf of seniors who cannot afford a property tax increase. Mr. Goldberg replied currently there is no increase as the contracts have not been settled.

Ms. Rhonda Goodrich, Elwood, asked if the teachers forgo a raise and pay towards their health insurance what would the savings be in dollar amounts and to staff. Mr. Noble reported if the teachers accept a pay freeze in 2010-2011 the savings would be \$200,000.00 and the savings would help rehire staff.

Ms. Renee Gooldman, Reading Avenue, active PTA Member, parent and volunteer, stated no one wants a tax increase and no one wants the children to suffer, she expressed her frustration that voters are not well informed to make a proper decision on the vote and urged the Board to better inform the public.

Mr. Dominick Marchesani asked the bottom line on all the tax increases and suggested teachers give back sick days. Mayor stated the \$24.00 he previously reported reflects the School Board Budget. Mayor stated all the increases, school, county, municipal, would approximately be about \$165.00 increase for the year.

Ms. Joann Vitale asked how long negotiations can continue, questioned how the retro-active pay will be funded. Mr. Cappuccio reported they are currently in fact finding and a recommendation will be given by the Fact Finder. He stated negotiations could continue until the Courts become involved and the funding may need to be afforded in a future budget, depending upon the settlement.

Mayor closed the public portion and opened to Committee comments. Mr. Graebener asked if there is funding available in the budget to cover salary increases. Mr. Goldberg stated there is depending upon the salary increases. Mr. Graebener questioned the 1.5% mandate towards health costs which would amount to \$41,500.00 still in the budget. Ms. LaGuardia stated the legislature may re-vote on this issue on May 20th, which is why it was not accounted for. Mr. Gabris asked if this could be utilized to trim the budget down. Mr. Kennedy commented on Administration taking a salary freeze. Mr. Cappuccio stated that is conditioned upon the teachers accepting a freeze. Mayor stated these are exceptional difficult times and stated because of this we have turned taxpayers against teachers, educators against administrators and school boards against governing bodies and urged this community to rise up for the values that we have. Mayor St. Amour stated we are a community that helps each other, a community that comes together and a community where our children come first. Mayor stated this body informs the School Board they deserve no increase the decision will be taken to the State and the full 2.5 cents will likely be reinstated. Mayor requested from the School Board a compromise, which based upon the health care contribution we can lower the increase. Mr. Noble made a motion to enter executive session seconded by Mr. Watson. Yeas: All voted yes. Mr. Graebener made a motion to enter Executive Session to discuss the school budget seconded by Mr. Gabris. RCV: Yeas: Mr. Gabris, Mr. Graebener. Nays: Mr. Kennedy, Ms. Polk, Mayor St. Amour. Mr. Carl made a motion to come back to regular session seconded by Mr. Noble. RCV: Yeas: All voted yes. Mr. Kennedy made a motion to come back to Regular Session seconded by Ms. Polk. RCV: Yeas: All voted yes.

Board President Malaspina reported the Board discussed the compromise offer, which is not unanimous, adding this Board has been working on this budget issues since last year. Dr. Malaspina stated the Board proposes to reduce the tax levy by \$41,450.00, which comes to approximately 1.125. Mr. Graebener stated Committee needs to listen to the will of the voters and he would propose a zero percent increase, as we do not know what the State will do. Mr. Kennedy stated he was in favor of the proposal. Ms. Polk stated she has lived at the school and has personal knowledge of what teachers spend on additional items for their students, the volunteers and their donations, and the way the works frugally, and she appreciates the compromise. Mr. Gabris stated he realizes how difficult it was for the School Board to get the budget where it is based upon loss of state aid, and he appreciates the Board's work. Mr. Gabris agreed the voters need to be represented and they also need to be educated. Mayor St. Amour stated this school is an icon in our community and Committee is working hard to address these budget issues and commended

this Governing Body for their work. Mayor thanked the Board for their effort and stated this compromise should be accepted. Mayor called for a motion to accept the Resolution as put forth by the Board of Education; so moved by Mr. Kennedy seconded by Ms. Polk. RCV: Yeas: Mr. Gabris, Mr. Kennedy, Ms. Polk, Mayor St. Amour. Nays: Mr. Graebener. Mayor thanked the public for their attendance and entertained a motion to adjourn; so moved by Mr. Kennedy seconded by Ms. Polk. RCV: Yeas: RCV: Yeas: All voted yes.

Mr. made a motion to adjourn the School Board Meeting seconded by RCV: Yeas: All voted yes.

Respectfully submitted,

Kimberly Johnson,
Municipal Clerk