

Approved 9-7-04
May 5, 2003

Keyport, New Jersey

Minutes of a Special Meeting of the Mayor and Council, Borough of Keyport, held on the above date in the Central School, Broad Street, Keyport, N.J. pursuant to being called by Mayor Merla, in accordance with the Open Public Meetings Act. Notices were faxed to the Courier, Asbury Park Press, Independent and Two River Times and posted on the Bulletin Boards.

Mayor Merla called the meeting to order at 7:20 P.M. and read the Sunshine Law Notice.

ROLL CALL

On Roll Call the following were present: Councilmembers Bergen, Atkins, Hyer, Stalter, Doyle, Green. Others present: Wesley Kain, Borough Attorney, Board of Education Members Biagianti, Bucko, Christiana-Gunn, De Groat, King-Cote, Langan, Okerbloom, Seigmund, Staeger, McNamara, Mr. Winter, Secretary/Administrator and Mr. Dumford, Supt.

DISCUSSION

1. Defeated 2003 School Budget

Mayor Merla said the Council reviewed the documents after the defeated School Budget. He asked the Board to give an overview as to why there is a need for an increase 2003/2004 school budget. Dr. Dumford said the 2003/2004 school budget is based upon enrollment (slight increase); an increase in State Aid of \$45,000.00; ratables showing a decrease (Verizon revaluation); and slight decrease in tuition. Mr. Winter said the surplus has a 3% threshold. Keyport appealed to the State to appropriate a reduction below 3%. Less Union Beach tuition of \$153,00, employee benefits-\$238,000 increase, 1 new position added: Aid for Special Education Child-\$25,000, upgrade Central School Library Media Center \$12,500.00; and employee benefits of \$14,500.00). Two students are back in our district for a savings of \$63,000.00 and 5 staff positions were cut to get CAP - all retirements = \$300,000.00, increases were offset by retirements. Debt service-no impact, slight decrease offset by decrease in ratables. Mr. Hyer asked 1 Capital Budget - What could not be done this year? Mr. Winter said repair/replacement - only increase on energy management system; fire retro fit - trying to comply and budgeted funds. Central School windows are inadequate and are slated for replacement-\$58,000. 2. Mr. Hyer asked if there were any others slated for retirement and Mr. Dumford said none. Mr. Doyle said he is a teacher and so understand programs which cannot be cut and he looked at the capital budget. Upgrade of library; Mr. Doyle asked could they possibly consider putting it off? Mr. Dumford said the books are outdated, and they have to consider upgrading the text books annually. Mr. Green asked if the decrease in Union Beach students was anticipated? Dr. Dumford said Last year between April and June about 20 started moving out for various areas. Mr. Green asked what was the annual projection? Dr. Dumford said Yes, the big hit threw off the projections, the difference will have to be made up with Union Beach. Mr. Winter: There is a two year delay - charge to pass on to Union Beach will offset some of the funds. \$153,000.00 reduction - Union Beach and Keyport must agree on the dollar amount. Last February an amount was agreed upon and then students left - money owed back in two years. \$153,000 = less students The State is taking the last State Aid payment (\$210,000.00) only 20 payments are being received in the 2003/2004 school year. The Board passed a resolution objecting. The auditor will advise when written off. Mayor Merla said the Borough would pass a supportive resolution regarding the aid that was taken away. He asked if the % of Union Beach tuition was maintained the same? Mr. Winter said the number has been consistent until this year, losing 20 students. Mr. Stalter asked next year one new position is being added, an Aid in Special Education, will this increase benefits? Mr. Winter said It will fall in the middle of the range, the rates are less than State

will fall in the middle of the range, the rates are less than State Plan, the change is equal or better than BC/BS. Mr. Green asked in order to control are you obligated to pass along increase? The Staff pay high contribution, the increase is incorporated. Mr. Bergen asked if there are less students/less revenue doesn't is equal less costs? Mr. Winter said positions have been eliminated, 3 in the High School, and 2 at grammar school, (low/middle grades), they looked at all grade levels. There are 14 to 21 students in a class. Mr. Bergen asked about the Library? Dr. Dumford said the books will be upgraded. Surveys show we are behind and there is a staff change in the library. Mr. Bergen asked about the Aid, it is a full time position. In answer to questions: Page E4, line items 6490-6570, increase from \$299,000.00 to \$340,000.00? Part time to full time counselor in High School. Page 5, line item 6910 \$165,000.00 to \$170,000.00. Mr. Winter said a Grant was eliminated, new title for position, not a new position. Page A2. Legal services \$44,000.00 vs \$27,000.00? Mr. Winter said due to negotiation period. Mr. Green said voting down the budget was a reflection on scores being down, and he asked what plans did the Board and school have for increasing the scores? Mr. Dumford said they are working to improve the scores, weekends and additional staff time to obtain results over last years scores. Last year there were personnel matters - new students (mobility factor) were not up to level - not enough time to remediate. Mayor Merla said the State has to recognize Keyport is a renter community (students move in and out) and it impacts a lot of things (including garbage, etc.) Mr. Bergen asked about the 2003 Comparative Spending Guide? Mr. Winter said the certified per pupil cost is \$7,700.00. The Document says Keyport is at \$10,100.00 per student.; can't figure out the calculation. Mr. Bergen asked has the cost gone up \$1,000.00 each? Mr. Winter said no, on Page A1, we fill in the numbers, down at the bottom are the state's numbers times per pupil cost. Page F2 Special Services - Resource Room Services 8% of Budget. Dr. Dumford said there are handicapped children (221 students). Mrs. Atkins said it is important that the Mayor and Council support the Board on State Aid. The Insurance has increased, the window replacements (if not done heating cost will go up). She asked how much of an increase will the preschool program impact the debt services. Mr. Winter said very little, it is funded entirely by State (grant). It is at the discretion of the legislature to fund. It was asked if the adult school students in Union Beach were supplemented. Mayor Merla said the budget was put out at 15.9 cents- where did it start? Mr. Winter said new positions were eliminated. 1 cent equals \$33,974.00. Mr. Merla asked about the Library survey response. Dr. Dumford said there were 200-300 responses. Mayor Merla asked if the classrooms were overcrowded; No. Students fit comfortably, there are no substandard classes. Next year will be the smallest 12th grade from Union Beach. The tuition situation will be stabilized. Mayor Merla asked about contract negotiations this year? Mr. Winter said they have already settled.

RESOLUTIONS

1. Resolution #175-03 Closed Meeting/Defeated School Budget

WHEREAS, the Mayor and Council of the Borough of Keyport propose to discuss the following subjects:

Contract Negotiations

1. 2003/2004 Defeated School Budget

WHEREAS, the Governing Body has determined that within the provisions of the Open Public Meeting Laws, the Public should be excluded from the discussion of said subjects;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body that a meeting of the Mayor and Council shall be held forthwith in the Central School Anti Room, for the purpose of discussing the following subjects:

2003/2003 Defeated School Budget

BE IT FURTHER RESOLVED that the discussion on Contract Negotiations conducted at said Closed Session shall be disclosed when the matters discussed are resolved, and this meeting shall continue in approximately twenty (20) minutes.
Offered by Mr. Hyer, seconded by Mr. Green

Roll Call Vote:

Ayes: Bergen, Atkins, Hyer, Stalter, Doyle, Green

Council went into Closed Session at 8:40 PM and this meeting was reconvened at 10:15 PM.

On Roll Call the following were present: Councilmembers Bergen, Atkins, Stalter, Doyle, Green. Councilman Hyer was absent.

The Mayor and Council made the following recommendation to the Board which was accepted:

2. Resolution #176-03 - **FIXING LOCAL TAX LEVY FOR SUPPORT OF MUNICIPAL SCHOOLS/BUDGET REDUCTION OF \$50,000.00**

WHEREAS, the voters of the Borough of Keyport did defeat the local school board budget; and

WHEREAS, pursuant to N.J.S.A. 18:A22-37, the Mayor and Council of the Borough of Keyport did meet with the Board of Education in joint open session to review and consider the defeated school budget; and

WHEREAS, the Mayor and Council of the Borough of Keyport did have an opportunity to review the defeated school board budget and obtain necessary relevant information from the Board of Education relative to the current expense account of the Board of Education; and

WHEREAS, the Mayor and Council have determined that the local tax levy to the Board of Education to provide a thorough and efficient education may be reduced by the sum of \$50,000.00; and

WHEREAS, the Mayor and Council have reached an agreement with the Board of Education whereby the Board of Education will make specific line item cuts in their budget in the amount of \$50,000.00; and

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Keyport as follows:

1. The local tax levy for the Borough of Keyport Board of Education shall be reduced from an amount of \$7,174,709.00 to 7,124,709.00.
2. The Mayor and Council further state that the revised school budget is sufficient to provide a thorough and efficient education for the school children of the Borough of Keyport.
3. Copies of the within Resolution duly certified by the Borough Clerk shall be provided to the Business Administrator, Keyport Board of Education, County Superintendent of Schools and Municipal Finance Officer.
4. A copy of the within Resolution shall be maintained in the office of the Borough Clerk for public inspection.

Offered by Mr. Stalter, seconded by Mr. Doyle

Roll Call Vote:

Ayes: Councilmembers Bergen, Atkins, Stalter,

Absent: Councilman Hyer

The Board of Education reconvened their meeting and passed the following Resolution:

4.0 Finance

4.1 The following motion was made by Mr. Biagianti, seconded by Mrs. King-Cote:

Be It Resolved That, the Keyport Board of Education accepts the Keyport Borough Council reduction of \$50,000 and

Be It Further Resolved That, the Keyport Board of Education, following the acceptance of the Borough Council cuts, reduces the appropriation section of the General Current Expense by \$50,000 and an addendum to the meeting of May 5, 2003 will reflect these reductions.

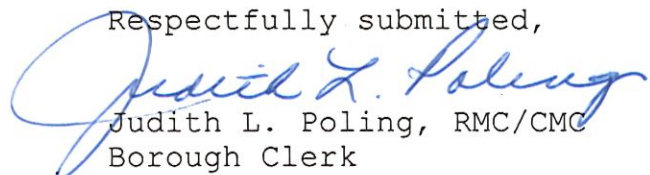
The vote on a roll call vote was seven yes, two no. Mrs. Christiana-Gunn and Mrs. Seigmund voted no. Mr. Bucko was absent. Resolution carried.

ADJOURNMENT

Motion to Adjourn moved by Mr. Bergen, seconded by Mrs. Atkins with Ayes by all present.

Time of Adjournment: 10:27 P.M.

Respectfully submitted,


Judith L. Poling, RMC/CMC
Borough Clerk