

Special Meeting  
Budget Workshop  
South Orange-Maplewood  
Board of Education  
March 14, 2024

A Special Public Meeting of the Board of Education of South Orange-Maplewood was held in the District Meeting Room at the Administration Building, 525 Academy Street, Maplewood, New Jersey as well as utilizing the online video conference platform on March 14, 2024.

Board President Qawi Telesford called the meeting to order at 6:30 p.m.

ROLL CALL: Present: Board Member Callahan, Board Member Duvall Wilson, Board Member Eckert, Board Member Gifford, Board Member Meyer, Board Member Sackett-Gable, Board President Telesford, Board Member Vadlamani, Board Member Wittleder

Absent: None

*NINE VOTING MEMBERS PRESENT*

Pledge of Allegiance

NOTICE OF THE MEETING

Please take notice that adequate notice of this meeting has been provided in the following manner:

- A. That written notice was sent from the Office of the Secretary of the Board at 2:30 p.m. on January 5, 2024.
- B. That said notice was sent via email to Maplewood and South Orange Township Clerks and the Editors of the News Record, Star Ledger, and the Village Green.

SOUTH ORANGE-MAPLEWOOD BOARD OF EDUCATION RESOLUTION AUTHORIZING EXECUTIVE SESSION

**WHEREAS**, while the "Sen. Byron M. Baer Open Public Meetings Act" (N.J.S.A. 10:4-6 et seq.) requires all meetings of the South Orange Maplewood Board of Education to be held in public, N.J.S.A. 10:4-12(b) sets forth nine (9) types of matters that may lawfully be discussed in "Executive Session," without the public being permitted to attend, and

**WHEREAS**, the Board has determined that one (1) issue is permitted by N.J.S.A 10:4 - 12 (b) to be discussed without the public in attendance and shall be discussed during an Executive Session to be held on Thursday, March 21, 2024 at 6:30 PM, and

Any matter which, by express provision of Federal law, State statute or rule of court shall be rendered confidential or excluded from public discussion." The nature of the matter, described as specifically as possible without undermining the need for confidentiality, is **Attorney Client Privilege and Personnel.**

**WHEREAS**, the length of the Executive Session is estimated to be sixty (60) minutes after which the public meeting of the Board shall reconvene and proceed with business where formal action will be taken.

**NOW, THEREFORE, BE IT RESOLVED** that the South Orange Maplewood Board of Education will go into Executive Session for the above-stated reasons only; and

**BE IT FURTHER RESOLVED** that the Board hereby declares that its discussion of the aforementioned subject(s) will be made public at a time when the public's interest in disclosure is greater than any privacy or governmental interest being protected from disclosure.

Motion made by Board President Telesford, seconded by Board Member Eckert to adjourn to Executive Session. Motion unanimously approved.

***Board Members adjourned to Executive Session at 6:32 p.m.  
Board Members reconvened at 8:12 p.m.***

Board President Telesford made a motion, seconded by Board Member Callahan to move up public speaks for any students who signed up to participate. Motion unanimously approved.

HEARING OF INDIVIDUALS AND DELEGATIONS - Students only

Columbia High School Student Will Clifford shared that he has many great teachers who have helped him in many different ways and provide a safe learning environment for himself and other students.

Board President Telesford explained the order of tonight's meeting.

2024-2025 PRELIMINARY BUDGET

Mr. Eric Burnside Business Administrator presented the Tentative Budget for the 2024-2025 School Year. The presentation included the following:

- Budget Development Process
  - Budget Calendar
- Projected Revenue
- Revenue Sources
- Enrollment
- Expenditures
- Salaries, Benefits and Contract Services
  - Budget for salary and health benefits increases
  - Increase funding to contract services areas (custodians, paraprofessionals, lunch monitors)
  - Remove permanent subs
- Tuition
  - Additional funding for increases in Special Education Out of District placement tuition
  - Overall the Tuition accounts have a slight decrease due to County Special Services District Placement.

- Additional funding for increases in tuition premiums for out of district placements
  - Additional funding for special education placement settlements
- Transportation
  - Increase funding in transportation for aid in lieu payments
  - Review and explore shared services options
  - Re-evaluation of all in-district routes to match redistricting.
- School/Department
  - The expenditure chart shows a decrease as the K-5 math initiative was implemented last year.
- Special Services, Technology, Curriculum, etc.
- The expenditure chart shows an increase as the district is investigating more fund in Special Education, especially paraprofessionals.
- Expenditures vs Revenue
  - Budget Challenges
  - Reduction of Fund Balance approximately \$4.2 million
  - Increases in the following areas contributed to the budget deficit the district is facing: payroll, out of district tuition, health benefits, paraprofessionals, custodial, OT/PT, lunch monitors, home instruction, transportation, professional services CST and technology lease finance.
  - Due to challenges listed above the district is facing a reduction in force of approximately 2.7 million.
- Budget Challenges - Reduction of Expenses and increasing revenue assisted in offsetting the deficit.
- Tax impact
- 24-25 Debt Service
- Highlights
  - Technology \$3.8 million (lease purchase finance)

[presentation on file in Board Secretary's office and on the district website]

Board Member comments/questions included but were not limited to the following:

- **Board Member Eckert** - I think what we have discussed internally was the actual budget gap like the deficit is \$9.6 million and you factor in the revenue that showed the savings and that led to the \$2.7 million RIF. I think it would be beneficial for the community to understand that because it was a bit spread out in the presentation.
- **Board Member Sackett-Gable** - I understand there are a lot of hard decisions here and I understand that instructionally with the items being cut we would make due for the 24-25 school year but obviously we wouldn't be operating at an optimal level. So, how do we come

back? How do we rebound from that point to get back to where we want to be to be able to function and run the way our school district needs to instructionally?

- **Board Member Duvall Wilson** - Our transportation costs last year from bidding was approximately \$120,000 per bus are we locked into that same rate per bus for next year or do we have to rebid based on any new routes or placements this year?
- **Board Member Meyer** - Looking at slide 19 which talks about our budget challenges, we list a number of the items that have increased in cost and at the bottom there's a single bullet that discusses the district facing a reduction in force of 2.7. Can you explain in layman's terms what that actually means?
- **Board Member Wittleder** - Given the expectation that the amount of resources available next year will be limited and recognizing that the local taxpayers are financially stressed, what analysis has been done during the budget development process of the major categories of expenditures to determine if the resources are being effectively and efficiently allocated? Have you identified trends in the growth of expenditure and what have you gleaned from this work?
- **Board Member Duvall Wilson** - The withdrawal from maintenance reserve is 1.5 million, last year it was 1 million so is that all we have in our maintenance reserve, 1.5 million or we have more in our reserve but that's what we're pulling out?
- **Board Member Gifford** - I thought we had approximately \$1 million in ARP ESSER funds remaining to be utilized by September 2024.
- **Board Member Eckert** - With regard to ESSER funds, there's always been an end date, can you talk about how the offramp from that started and when it started? It's extra revenue that at some point expires. So, at what point do you start to think we are spending this much on this and that needs to go away?
- **Board Member Wittleder** - We're talking about how specific budget line items under special services continue to rise, e.g. paraprofessionals and transportation, what I would like more clarity around is that while these expenses are going up the district has significantly reduced the per pupil spending for our special education students. Historically that per pupil spend has hovered around \$21 to \$22,000 annually. In 22-23 the per pupil spend was almost \$22,000 and in this year's budget due to cuts the per pupil spend was over \$5,000 lower so it was around \$16,733.34. What will the per pupil spend look like in the 24-25 school year for special education and general education students?
- **Board Member Meyer** - Looking at reducing items for core instruction can you discuss the process that the district goes through? Is Curriculum and Instruction staff involved in discussing how to make these cuts and whether we can afford them educationally.
- **Board Member Callahan** - The expenditure chart is showing that we are increasing spending in special education and then particularly spending on paraprofessionals, but then it's also listed as a challenge, could you talk us through how we square that, where we

are talking about how we've increased spending in there but that it's also listed as a challenge. Where does that leave us on the question of paraprofessionals and our investment in special education broadly as it relates to making these cuts.

- **Board Member Callahan** - Can you provide some context around the landscape of some of our decision making knowing we've had things like ESSER funding that we know has an expiration date and how that's impacted our decision making and our ability to make assumptions about the budget?
- **Board Member Vadlamani** - Maybe it is not clear to everyone that we do not have a hole in this year's budget, this year's budget is fine. We're moving fine with this budget. What has happened is going through a process of looking at what we will spend next year and looking at that and finding a hole so we are actually fixing the hole so that there are no holes one year from today. So, people should understand that this is a budget for next year, not this year. There's nothing happening this year, so curing spending today is not going to help next year.
- **Board Member Meyer** - Talking about this reduction in force, Dr. Gilbert to the degree that you are able to shed light at this point what does that look like in practice?

HEARING OF INDIVIDUALS AND DELEGATIONS

The following community members commented during the Hearing of Individuals and Delegations: Elizabeth Baker and Nathan Marinoff.

ITEMS FOR ACTION

Motion made by Board Secretary Burnside, seconded by Board President Telesford to move resolutions 4585 for discussion and voting. Motion unanimously approved.

4585. Approves the Preliminary Budget for the 2024-2025 school year in the amount of:

	2024-2025 Total Expenditures	Less: Anticipated Revenues	Tax Levy
General Fund	159,550,852	21,383,984	138,166,868
Special Revenue	10,682,363	10,682,363	0
Debt Service	12,384,969	6,448,798	5,936,171
<b>Total</b>	<b>182,618,184</b>	<b>38,515,145</b>	<b>144,103,039</b>

Be it resolved that the Board approves & authorizes the application to the Commissioner of Education to increase the General Fund tax

levy for the 2024-2025 school year by \$700,451 for a health care cost adjustment & \$645,876 for an enrollment adjustment.

BE IT FURTHER RESOLVED that the South Orange Maplewood Board of Education authorizes the Business Administrator to submit the 2024-2025 Preliminary Budget to the County Superintendent for review and approval.

BE IT FURTHER RESOLVED that the South Orange Maplewood Board of Education in accordance with the N.J.A.C. 6A:23A-7.3(a), establishes a maximum travel expenditure for the 2024-2025 school year not to exceed the amount of \$200,000.

ROLL CALL: Motion 4585 PASSED YES: Callahan, Duvall Wilson, Eckert, Gifford, Meyer, Sackett-Gable, Telesford, Vadlamani, Wittleder NO: None

#### HEARING OF INDIVIDUALS AND DELEGATIONS

The following community members commented during the Hearing of Individuals and Delegations: Paul Stephan, Rhea Beck, Carrie Gordon, Tia Swanson and Sun Jackson.

#### FUTURE MEETINGS

The Board of Education will meet in Public Session on Thursday, March 21, 2024 at 6:30 pm in the District Meeting Room, 525 Academy Street, Maplewood, NJ. Immediately following the opening of Public Session, the board will move to go into a Closed Session in the Superintendent's Office, 525 Academy Street, Maplewood, NJ, as well as using an online video conference platform to discuss personnel, matters within the attorney-client privilege, legal, negotiations, and other matters that may arise and require discussion, to be announced at a later date. Immediately following the Closed Session, the Board of Education will meet in Public Session (estimated to be 7:30 pm) in the District Meeting Room, 525 Academy Street, Maplewood, NJ in person, utilizing an online video conference platform which will include Hearing of Individuals. The community can view the meeting by following the steps which will be listed on the agenda. If there are members of the community who would like to attend the meeting in person, please note that masks and social distancing are optional in accordance with the guidance received from the local DOH and the CDC. Action will be taken.

Motion made by Board President Telesdord, seconded by Board Member Vadlamani to adjourn. Motion to adjourn unanimously approved at 9:46 p.m.

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Eric Burnside, Business Administrator