

**MINUTES OF THE PATERSON BOARD OF EDUCATION
BUDGET HEARING AND ADOPTION**

April 6, 2016 – 6:40 p.m.
John F. Kennedy High School

Presiding: Comm. Christopher Irving, President

Present:

Dr. Donnie Evans, State District Superintendent
Ms. Eileen Shafer, Deputy Superintendent
Lisa Pollak, Esq., General Counsel

*Comm. Oshin Castillo
Comm. Chrystal Cleaves, Vice President
Comm. Jonathan Hodges
Comm. Errol Kerr

*Comm. Lilisa Mimms
Comm. Nakima Redmon
*Comm. Flavio Rivera
Comm. Kenneth Simmons

The Salute to the Flag was led by Comm. Irving.

Comm. Cleaves read the Open Public Meetings Act:

The New Jersey Open Public Meetings Act was enacted to insure the right of the public to have advance notice of, and to attend the meetings of the Paterson Public School District, as well as other public bodies at which any business affecting the interest of the public is discussed or acted upon.

In accordance with the provisions of this law, the Paterson Public School District has caused notice of this meeting:

**Budget Hearing and Adoption
April 6, 2016 at 6:30 p.m.
John F. Kennedy High School
61-127 Preakness Avenue
Paterson, New Jersey**

to be published by having the date, time and place posted in the office of the City Clerk of the City of Paterson, at the entrance of the Paterson Public School offices, on the district's website, and by sending notice of the meeting to the Arab Voice, El Diario, the Italian Voice, the North Jersey Herald & News, and The Record.

Comm. Irving: I want to welcome everyone this evening to the conclusion, which is really the beginning, of a very long but necessary month regarding the budget. I want to walk everybody through what we're about to do right now and then make sure we're all on the same page for what's going to happen this evening. In a second, Dr. Evans is going to give some remarks. I met with him today and he has taken the recommendations that many of you shared and the Board voted on last night. He plans and intends to respond to those recommendations for how they've been reflected in the budget. After that, he will then ask the Business Administrator to come forward to do a final presentation of any adjusted line items within the budget. We will then ask any questions of the Business Administrator pertaining to her presentation. I'm going to ask

everyone for there to be questions. If there is any new information that's been recommended, do so there. After that, we will do the motion for the public hearing. We'll hear from the public on the budget, we'll entertain a motion to adopt the budget, and we'll have final discussion. After some time, I will call for a vote so we can move forward. Are there any questions on that process?

Comm. Hodges: Did you mention public comments?

Comm. Irving: I did.

PRESENTATION OF THE 2016-2017 SCHOOL YEAR BUDGET

Dr. Evans: As you mentioned, I'd like to begin by reflecting on some things that I've said to the Board and the public in the past, including the City Council meeting that was conducted last week. Then very quickly I'll segue into Ms. Ayala's presentation. First, let me restate a quote that I shared in the conversation with the City Council. Ronald Ferguson, who is a noted African American economist and educator at Harvard University, said in a presentation that he made to Rhode Island superintendents, and I happened to be in the audience and was a Rhode Island Superintendent at the time a few years ago, that education is the best economic policy there is for any community. I believe that and I know many of you believe that as well. As I've indicated in the past, we have been implementing a number of strategies that unfortunately are now in jeopardy of being cut or they may have already been cut that have generated significantly improved outcomes. That's not to suggest that we don't have a lot more work in front of us to continue to help our students to succeed. But we have and I've provided a list in the past that included such things as restructuring our schools and generating increased academic outcomes, increasing graduation and attendance rates, and those kinds of things. So I won't go back through that list because I think all of you are very familiar with the kinds of outcomes that we've generated. However, as I noted a moment ago, there's much more work to be done and many more conditions in need to changing such as improving our performance on PARCC scores. Even though PARCC was administered for the first time officially last year and it's considered baseline, it ultimately defines for us the charge more clearly to improve student achievement and provides a narrower focus on that, building on the work of Full Service Community Schools and much more. The most unpleasant component, however, in building this budget and many times particularly when you find yourself in a situation where you aren't able to do all of the things that you really need and want to do, is the revenue generation side. We know what we need to do. We know generally how to do it, and if we don't know how to do it ourselves we know who we can get to do it. But as previously mentioned in the joint meeting of the City Council and the Board, the district has had to take some extreme measures as a result of the budget gap that exists in our need and desire to balance the budget.

*Comm. Mimms enters the meeting at 6:45 p.m.

Dr. Evans: Ultimately added to the challenges and the conditions that make this even more challenging as it relates to this budget is the conversations that we've had around increasing the local tax levy to help balance the budget. Before I go any further, I want to thank both the Board for sharing its thoughts and I want to share with those in the community who have appeared in the meetings that we've had over the past couple of weeks and in many cases conversations that we've had prior to the past couple of weeks. You shared your thoughts and recommendations that we have taken very seriously. Recognizing our fiscal challenges, which includes increased costs in benefits, salaries, and deferred maintenance of aging facilities, it is extremely difficult to

make budget reductions that will minimize our chances for helping our students to achieve to their fullest potential. However, the district is charged with submitting a balanced budget and we will accomplish this without further reductions to the classroom in terms of teachers and staff in hopes of continuing to improve our student achievement, at least at that level. That is not to suggest in any way that we would address all of the needs of our students, just the academics in the classroom. In our proposed budget the local tax levy was originally \$10 million, which we reduced eventually. After continuing to look at items in the budget that we could reduce we reduced it to \$5 million, which equated to \$150 per year for the average Paterson household. Average was defined as \$190,000. For the submission that will be sent to the Executive County Superintendent this week and which Ms. Ayala, our Business Administrator, will elaborate upon during her presentation, I have further reduced the amount by half so that the local tax levy would be increased by \$2.5 million rather than \$5 million, or \$75 per household that is valued at \$190,000. That generates \$2.5 million. We accomplished that by reexamining some of our budgets in transportation, facilities, security, and in other programs.

*Comm. Castillo and Comm. Rivera enter the meeting at 6:48 p.m.

Dr. Evans: Now, I would like to clarify some of the other items that we took into consideration that were recommended for reduction by the community and by Board Members and address some of the issues that were raised as well. Although some have expressed concerns with further reductions in guidance and nursing, there will be no additional cuts in these areas. Actually, we did not cut any guidance initially. We had a very thoughtful program review of our guidance department. There were actually a couple of Board members, at least three, on the committee that looked at our guidance department and developed some recommendations. We are implementing those recommendations, including the staffing recommendations that came out of that. We have not reduced staffing in guidance as a function of this budget development exercise. In fact, we will be moving two nurses from the central office to address that need as well. Rather than cut, we're actually adding two to the field. These are two nurses that were at the district office. I believe we had three there. We kept one there and transferred the other two to actually increase our capacity in nurse services by two people. There was also mention about the dental coordinator at HARP. We have not cut that position. A lot of things were suggested in the early stages. A lot of positions were talked about, but we never really cut that position and we still don't intend to. The dental coordinator located at HARP and her program responsibilities remain intact. Further, with regards to our athletics program we will continue the program in its current configuration and we will utilize the coming year with the community involved. One of the things the Board suggested was to involve the community to thoughtfully consider the option of consolidating the programs in future years. I would like to thank Mr. David Cozart who has been leading that effort and has engaged the leaders at both Eastside and Kennedy, as well as our coaches, in ultimately getting them to the point where over the next few months and into next year thoughtful conversation, which will also involve the community, will ultimately lead us to a better place as it relates to what we will and should do with athletics. We're also finalizing alternative plans for the relocation of the Newcomers program and Young Men's Leadership Academy. In fact, the Board President and I talked today very briefly about setting up or scheduling a special workshop to go through and discuss alternatives. My staff and I have come up with three alternatives, three possible scenarios, involving the location of both Young Men's Leadership Academy and Newcomers that has been discussed with implications for some other programs as well. I'll hold any thinking that we have because we're still discussing it and will be right up until the time we have that meeting before we engage the Board and hear your thoughts on the three options that we have laid out. In closing,

it is important to note that the budget does not become final until we receive final allocations from the state in June. What we submit now is close to being final, but once the legislature and the Governor make final decisions and we get our final allocation and make adjustments, particularly in revenues, which will impact expenditures, it is final. Just realize that as we move forward. Again, I thank everyone for their input and their thoughtful suggestions as it relates to our budget. At this time, I will call on Ms. Ayala to share an update on the PowerPoint that she has already shared with the Board and the community in the past.

Comm. Hodges: As we're moving to our new location, I'm just trying to get clarification on the sports program. The contracture is on hold and we're going to be doing conversations. Okay.

Ms. Daisy Ayala: Good evening, Commissioners. We're just going to do a quick overview because we've already presented on this and many of you went to my office and we drilled down at a very detailed level. I'm going to focus more on what is new in this presentation, if that's okay with you.

Comm. Irving: Yes.

Ms. Ayala: There are also handouts if you want to look at it. This is pretty much the process. It starts in the beginning and we have this whole meeting with principals one-on-one. Whoever came to my office was able to take a look at what's in the folder, what is discussed and how it is data driven. We're familiar with the district's priorities. Again, these are some of the achievements that we were able to achieve recently. We work very closely with the principals in preparing the budget. This is just one bullet, but it took us about 20 to 30 minutes to have a discussion on what that really details when going to the school and having that whole conversation. You were able to review the materials. This is our enrollment. As you see, we continue to increase enrollment from 2010. We anticipate growth. They say that we have people moving out, but we continue to see a growth in enrollment. So we anticipate 28,232 additional in growth next year. When you go into the DOE and you look at the budget, page 179 shows you adequacy funding. We talked about this. As you can see, according to the DOE we're under adequacy by \$68 million. This is a breakdown of what the state funding formula should look like and what's projected that we'll be receiving in funds. Again, it's the underfunding. You'll see the third column. For the state it's \$36 million and for local share it's \$41 million. That's pretty much status quo. As you know, according to Dr. Evans the current tax levy will only be increased by \$2.5 million. I didn't make any changes simply because the DOE has this information. It's also posted on our website and after tonight I will go back and make all the necessary changes to reflect the reduction of the \$2.5 million. Again, this slide shows the increase of taxes throughout the past 25 years. We've already gone through that. This is more or less the impact. The proposed tax levy the last time around was \$5 million. Recommended tax levy reduction will impact the following area. This is approximately a dollar amount because we pretty much did this two hours before we came here. Transportation will be reduced somewhere between \$700,000 and \$900,000. Security, facilities, and special education will be reduced. Most of that is according to the discussion earlier. We're going to find ways to bring some of those students back into the district. What is the cost to the community? At the \$5 million, it was \$149.45. Now it's \$66.93 annually. If you look at the bottom, it's a monthly increase of \$5.58. Again, the next slide shows the revenue. However, it does not reflect the reduction in tax levy. That will definitely change to incorporate the \$2.5 million. This will change in some of the areas where we will be doing the reduction. This again is a chart for you to look at as well as the following one. This hasn't changed. This will continue to be the same. The administrative cost per

pupil is lower in Paterson than in any other district in the north region. This has not changed. It's still the same. Paterson contributes more to the classroom spending and cost per pupil. Some of the cost drivers that we need to consider are collective bargaining agreements, salary increases, health, prescription, matters that need to be addressed but are not settled and in negotiations right now. We have pupil transportation because we don't have the courtesy busing, pensions, workers comp, and unemployment. We have two new applications for charter schools. We have one charter school opening up and of course we have Passaic Tech expanding 1,000 seats. We have additional expenses with the new schools that SDA does not pay for and as we continue to grow in our student population we need to take into consideration that our budget does not allow for additional staffing at this point without reducing in other areas. The next is the same thing. You have it at hand. It's showing you a trend of what our fund balance has looked like since 2008. As you see, we anticipate underspending this year by \$13 million. With that we project that is going to help us with the subsequent 2016-17 year, leaving us at the end of this year, everything being equal, with \$5.5 million. Here we go again. It shows you where we are in 2016, the \$13 million we anticipate not spending this year and then carrying that over to the 2017 budget year, leaving you with \$5.5 million. These are some reality checks about our financial situation. We are upon the financial cliff. Limited increase in state aid, resistance to increase in local taxes, unsustainable financial model, we're heading in a deficit structure, the dependency on fund balance, and reserves are no longer available. We need to take a look at that moving forward. Immediately after we close this budget the finance committee and I will be looking at how we are going to budget for the next year's cycle. Seeing that we're going into the local control direction we're doing finance a little differently. That will be part of the budget process early in the year. Paterson having one of the oldest schools, it's a challenge for us as well. Considering we only have \$5.5 million in fund balance if we have an issue or several issues next year that puts us in a really bad position. We have a deductible in insurance of \$500,000. That \$5.5 million could disappear quickly. Our desire is to have stable operations and fund balance as well. That concludes the presentation.

Comm. Irving: Thank you. Can you just help clarify for the Board in the presentation what were some of the key changes that were made to the budget? Clearly, the one that sticks out the most is the reduction of the tax levy. Were there any other line item changes that were reflected in the presentation now that weren't reflected last week?

Ms. Ayala: No. I have not made any changes because this was done late today. In order to do that, we have to go back and sit down with people responsible for that area on where they are going to reduce their budget by the dollar amount set forth.

Comm. Cleaves: If you reduced the tax levy, where is it being offset in the presentation?

Dr. Evans: It was in one of the last slides where she represented \$700,000.

Ms. Ayala: Slide 15.

Comm. Cleaves: Okay. These areas right here were reduced?

Ms. Ayala: These areas will be reduced within the next 48 hours.

Comm. Irving: To cover the \$2.5 million.

Dr. Evans: Correct.

Comm. Cleaves: Dr. Evans, last night Comm. Hodges made a recommendation that we do not cut anything for special education and I see on this list there's a special education reduction.

Dr. Evans: As Ms. Ayala mentioned, there are actually two possibilities. We're sure we can capture it. Otherwise we would not have put it on there. It will be either through reducing or providing services to some of the students that we're sending out of the district and paying in some cases two to three times the funding that they generate and serve them in-house. One of the things that Ms. Coy is doing is building capacity internally so that we won't have to send as many kids out of the district. As a result, it will cost us less. That's one avenue. Yet another avenue is IDEA, the Individuals with Disabilities Education Act, which provides federal funds for special education. We generate \$6 to \$7 million, if I remember correctly, in IDEA money. Most of that is budgeted either for out-of-district placements or for specialized kinds of equipment and services for youngsters with very unique needs that go beyond the norm in terms of special education. Inevitably, at the end of every year there's typically \$500,000 to \$1.5 million left over, depending on the number of students that we send out of the district and pay for from that source, or the number of students who have very unique needs. Rarely does that figure go below \$500,000 to \$750,000. We chose \$700,000 because inevitably we have more than that left over and we can repurpose some of that in advance. It would have to be written into the grant early because it is an entitlement grant for us to be able to do that. But we're confident that we can do that and that does not reduce services for any child.

Comm. Irving: Are there any other questions on the presentation?

Comm. Hodges: Dr. Evans, do you anticipate that the current expenditures that you have for curriculum and instruction are adequate?

Dr. Evans: I would love to have more money to do all of the things that we need to do to treat every aspect of our children's development, particularly as it impacts on education. We will not be able to do some of those things that we've done in the past.

Comm. Hodges: I noticed that the academic portion, which is the primary function of this district, is not considered to be a cost driver. Here you have some very challenging test results. You have to prepare for a brand new curriculum. You have to write a brand new curriculum. You have to adjust for training of new teachers because we lost so many skilled professionals due to last year's layoff. Not all, but we lost a significant number of people who we invested millions of dollars into. That results in a diminution of skills and certainly the loss of that training that we gave them. Yet we don't consider the educational portion to be a cost driver. I'm trying to figure out if that's reflected in your approach to funding.

Dr. Evans: No. It says cost driver on slide 24. However, earlier in the budget packet you see budget development priorities. Priority 1 is having effective academic programs. Perhaps labeling is the challenge and is prompting your question. The cost drivers more specifically, and correct me if I'm wrong Ms. Ayala, are the drivers that are increasing at a very rapid rate and then are creating the challenge for us to reduce other areas. It probably should say more appropriately influences on ultimately balancing the budget, things that are going up dramatically. Health benefits probably is the number one item on that list in terms of how quickly it's going up and impacting on the budget. Am I correct, Ms. Ayala?

Ms. Ayala: That is. These are increases in cost that are beyond our control.

Comm. Hodges: I'm looking for that particular section.

Dr. Evans: It's slide 24.

Comm. Hodges: That one I know. The one that you're talking about, the academic concerns are...

Dr. Evans: Slides 5 and 6.

Comm. Hodges: Those are our goals and I understand that. I guess what I'm trying to find out is are we spending as much money or more to move forward with next year in order to address our needs in the curriculum. Are we increasing the amount of money we spend on curriculum and instruction over and above what we spent this year?

Dr. Evans: No, we're not.

Comm. Hodges: Okay. If that is the case, then I'm finding it difficult to understand how you plan to rewrite the 341 curricula given the existing staff. I'm trying to understand how you plan to create new approaches to address the shortcomings in our current approach to education given the test scores that we have. If you're telling me that we're going to do the same things, we're not going to change and get new results. So, you haven't devoted additional funding to the primary reason we're here. We're not here to be worried about transportation, health benefits, and collective bargaining. We're not here for additional positions. We're here to educate kids, to improve the academic performance of students. That's our primary function. If we don't devote additional dollars to doing that over and above what we're spending now, I don't see how we craft new approaches. I don't see how we deliver new educational services. I don't see how we even keep up what we did in the past. This is what I've been saying consistently and I'm not the only person. There have been other people who have said the same things. That's our primary focus. If we're not able to do that, then I don't see how we advance educationally. My god, we've got to advance. We can't stay where we are. So this budget does not adequately address even where we are right now. Does it?

Dr. Evans: We will not be able to maintain the level of activity based on what we are investing and the level of activity that's resulting from that in terms of the example you gave, curriculum writing. There is curriculum writing going on this year and I want to say more about that in just a second. There is curriculum writing going on right now and will continue. But we won't be able to continue the same level of activity across the board as we are now, particularly when we talk about high-impact interventions for our lowest performing kids. Those are many of the programs that we cut. With regards to curriculum writing, Ms. Peron and her staff have been writing curriculum now for quite some time and it's going to probably take us well into the 2016-17 year to complete that process. We are using existing funds this year to get as much done as we can. Moving forward two sources, one federal money from NCLB to help pay stipends and salaries, but then we will need to prioritize whatever state money we can dedicate to it as well to be able to make that happen. But that's going to take away from something else.

Comm. Hodges: Who decides whether or not we teach kids to read versus whether we teach them to write?

Dr. Evans: How are we going to decide?

Comm. Hodges: I'm being facetious obviously. The question is you're going to make choices between what these students are supposed to learn. The global need is there, not just the particularized needs in one particular area. If you're not funding the improvements and new approaches to what has not worked in the past, then how do we get better? You've already said we're not going to be able to do the same things. In other words, I guess the fine line is we're going to be moving backwards and we're not going to be able to provide the students even what has yet to amount to a thorough and efficient education.

Dr. Evans: Our best hope is the capacity that we have built in the classroom. That was the reasons why I didn't want to impact on the classroom. The research is still very clear and definitive that the number one factor associated with student achievement is the quality of instruction in the classroom. Most researchers will tell you that the second most impactful factor is the quality of leadership in the schools. We have not impacted on either of those and that's why I say the greatest impact is going to be on those extra services that we provide before school, after school, and extended learning opportunities during the day for students who are behind to help them to accelerate and services to help students in the affective domain. They may manifest themselves through behavioral issues or social/emotional kinds of challenges short of special education. Those are the areas that are impacted most and it will have a great impact because we do have significant numbers of kids who need those kinds of services.

Comm. Hodges: And support services in the afternoon.

Dr. Evans: Yes.

Comm. Hodges: Those are going to be affected.

Dr. Evans: Correct.

Comm. Hodges: So ultimately we're looking at moving backwards.

Dr. Evans: We're providing less service.

Comm. Hodges: Thank you.

Comm. Irving: Other questions? I'm going to ask for a motion to go into the public hearing to hear final comments from the public. Then we'll come back and I'll take a motion for the actual adoption. We'll have the final discussion and then the voting on the budget. Thank you, Ms. Ayala.

PUBLIC HEARING ON THE 2016-2017 SCHOOL DISTRICT BUDGET

It was moved by Comm. Simmons, seconded by Comm. Redmon that the Public Comments portion of the meeting be opened. On roll call all members voted in the affirmative. The motion carried.

Comm. Irving: I'd just remind everybody of the three-minute time limit we have.

Mr. Corey Teague: Good evening members of the Board. We are finally here, the night when we're going to take a vote. I apologize if it sounds redundant, but I do want to echo the fact that the state has still shorted us quite a bit of money. I was down in Trenton today watching Commissioner Hespe sell a bill of goods with this test to the State Board and the questions they had for him made it seem like they still don't know

what this test is about. Yet, they're preparing to make it a graduation requirement. They still don't know how some of the things are done with the test. It was flabbergasting when you sat there and watched it. Anyway, the attitude that they have down there towards urban school districts, especially Paterson, is that they really don't care about us. They don't care if we survive or not. I sat right there with other folks. They were sitting right there with me and we were watching him pretty much make jokes about what's going on in our communities. It's very disheartening that the state has a gun to our heads saying they're not going to give us anything else so we have to try to make do with what we have. The problem is in making do with what we have we are not affording the children a thorough and efficient education. In fact, what we are providing them is substandard. There's no possible way that if we're going to be working with less money than what we had previously that we'll be able to give them more services with less money. That's just like going into the grocery store, your bill is \$200, and then you're saying you're able to go back to that same place and buy that same \$200 worth of food with \$50. It just can't work. We need to be able to get the full funding. I'm really going to be happy when this Governor is finally gone and hopefully the next person who gets in office will begin to consider abiding by the law and upholding the law. At the end of the day, what it should really be about is making sure that our children have all of the necessary tools that they need to succeed in life. After all, the theme is to prepare every child for the college and career of their choosing. In order for that to happen, we have to make sure that proper mechanisms are in place. In order for those mechanisms to be in place, we have to be fully funded. I understand that there's a vote that going to have to take place tonight. I don't know which way it's going to go, but I do know that the fight has to continue in Trenton. We have to continue to put the pressure on them and let them know that as long as they're not funding us properly they are depriving our children of what they rightfully and legally deserve. Thank you.

Comm. Hodges: Are we closing the windows in here?

Comm. Irving: Yes.

Comm. Hodges: Is the audience cold? We're burning up in here.

Ms. Victoria Oquendo: Good evening. In sitting here and listening to the discussion about the final budget cuts, it appears to me that the majority of the money is going towards personnel and operations. I haven't heard anything about replacing books that School 6 lacks, school supplies, and things pertaining to being educated. Also, if you're looking to rid yourself of any principals, please think about getting rid of Ms. Dobbs at School 6. She is standoffish. She stays in her office. She does not dialogue with her parents. I think she's a coward, and I'll tell her to her face. She doesn't need to be around our children. She doesn't even like the demographic that she's assigned to. Her disposition and her countenance, she can't hide it. We see it. We're not blind. We had a meeting today at School 6 with respect to the lead exposure. I felt very sad for the gentleman that you sent there to throw under the bus. He didn't even have the information we were looking for about one thing and one thing only – why didn't you tell us. He had all the semantics and this and that. We wanted to know why you didn't disclose that to us. He wasn't the gentleman that should have been there. He took a beating and I thought it was very unfair to let him be the sacrificial lamb. Also, Eastside is selling water to the kids. Come on. Water should be free, especially given the water situation. My son told me there are fountains that have been blocked off for a couple of years so you already knew something was going on with that water at Eastside. The fountains are shut down and they're selling the kids water. If the children don't have 50 cents to buy a bottle of water, what is the recourse? Drinking from the contaminated

fountains? Also, when are you going to officially notify the parents of the City of Paterson about the lead incident? When? I expected and actually thought higher of you when we got into school this morning something would have been there by the end of the day. Again, if you're looking to make any cuts consider Ms. Dobbs. She makes six figures to sit in that office and hide from the parents at School 6. I don't think that's right. Poor Mr. Stanley Sumter! He is accessible. He is awesome with those children. You'll find him on the corner before and after school. That's who you need to consider as your principal. Again, you're too top-heavy in a lot of this. A lot of the money is not going towards educating our children. It's going towards operations and administration. When are the books coming? When is the quality education going to come? When are you going to teach our children? Also parents, there's a quote which says "A child educated at school is still an uneducated child." We have work to do at home, too. We are at this cusp because we haven't been showing up. It's called uninvolved parenting. I know because I spent two years in a depression after a job loss. I didn't care about this. But as I came out of the fog, whoa! Thank you.

Ms. Rosie Grant: Good evening Board members, Dr. Evans, staff and community. I've said a lot about this budget and today I'd like to present you with a list of things that need to be elements of a thorough and efficient education. If we don't have all kids reading on grade level by the end of third grade, we don't have thorough and efficient education. If we don't have a strong curriculum, we don't have thorough and efficient education. If we don't have supplemental and at-risk programs for all our kids that need it, we don't have thorough and efficient education. If we don't have small classrooms and enrichment opportunities, we don't have thorough and efficient education. If we don't have a personalized learning plan for every child, we don't have thorough and efficient education. If we don't have the means by which academic performance will improve, we don't have thorough and efficient education. If we don't have the capacity to really engage parents as partners, we don't have thorough and efficient education. If we don't have real options for choice within the system, we don't have thorough and efficient education. If we don't have well-stocked libraries with library media specialists on staff, we don't have thorough and efficient education. If we can't foster innovations or provide enrichment opportunities and field trips, we don't have thorough and efficient education. If we don't have teachers who are supported and valued, we don't have thorough and efficient education. If we don't have administrators with the resources and staff necessary to do their jobs, we don't have thorough and efficient education. If we don't have strong guidance to ensure that every child is on track to graduate on time, we don't have thorough and efficient education. If we don't have adequate professional development so that the teachers can help the kids meet the standards, we don't have thorough and efficient education. If we're not providing arts and music for every child, we don't have thorough and efficient education. If we're not providing enough sports opportunities and physical education for every child, we don't have thorough and efficient education. If we don't have adequate safe facilities, we don't have thorough and efficient education. If we don't have a discipline policy that affords safety and respect to all adults and children, we don't have thorough and efficient education. This budget does not provide for all of these things that have been listed. The state has an obligation to provide our children with a thorough and efficient education. They may say the money is enough, but only the wealthy say money doesn't fix the problem. We need to go after the money because our kids need it. Thank you.

Mr. Marc Maysonet: My name is Marc Maysonet and I go to School 7. Sometimes in school things happen just out of nowhere and sometimes we just need to be warned. Some teachers are being fired and cut out. In some schools there are no nurses. It's kind of neglect and without nurses kids can't be healthy. In some schools they even have to pay for water. There aren't any water fountains. It's not good. In schools

without nurses kids can get a disease. You can get lead poisoning or something. They can get a disease and kids might die from that disease and there won't be any more kids there. The school wouldn't be a school. It would just be a nursing home of dead people. With the teachers being cut out the school would just get smaller and smaller until there's only one teacher to do the job trying to teach 112 kids in one classroom. It's crazy. It's mind-boggling. It's not good. Some of the teachers didn't even get paid. There are strikes. Twice in my school two field trips ended up being cancelled because there are no substitute teachers for the kids that didn't go on the field trip. Sometimes people don't get paid and things happen and things get out of hand. I heard that some people went to Las Vegas at one point... Thanks.

Mr. Charles Ferrer: Good evening, Charles Ferrer. I want us to be mindful that out of the mouths of babes comes wisdom. He was expressing himself and he made sense on some things, especially about nurses. I have a concern when there's not a nurse in every school. That's something that bothers me. I'm going to try to be very brief. Ms. Ayala was saying for the 2017 school year Passaic Tech was expanding 1,000 seats. Is that 'new school' word part of that Passaic County Tech? Right under it this bullet says 'new school.' I'm trying to understand the reason for the increase of 1,000 seats up at Passaic County Tech. They haven't broken ground on a new building yet. An additional 1,000 students from Paterson applied and got accepted up there? I don't think so. That new wing that Tech is going to build probably won't start for another two years. So I need to know where this 1,000-seat figure is coming from. I guess the tuition rate up there would be the same as ours, which is about \$15,629 per student or a little less. If it's \$13,000 it's about \$13 million. I need to know where these 1,000 seats came from. The school's not up there yet and I don't believe that 1,000 new students got accepted from Paterson up to Passaic County Tech. I'm going to look into that as soon as the school opens up. I saw a figure under transfer of charter school funds. Is that \$34,047,320 what we're supposed to send to the charter schools? This is what we need to do, it's real simple. We're underfunded by \$68 million according to your presentation here. If we minus out that \$34 million and put that back in the budget, roughly \$34,732,851 would be the money that the charter school will need to reach out to the state and get because that's their money right there. I have to say it again. It makes perfectly good sense. How are we going to sit up here and allow money to go to a charter school where the leaders of that school are going to get these outrageous salaries when our children aren't going to get what they deserve, what they're entitled to? My recommendation is we're going to follow the law and we'll just tell the state we followed the law. Our job is to make sure our students have what they need. When we got down to the charter school, oh my god! We were out of money. What we're doing is we're sending a letter to the state and we're going to request the money that your law says we have to give to the charter schools. It's not that we don't want to give it, but the children in the public schools come first. On another note, I picked up something from Jersey City's budget. It looks like this year there's a potential that for their 2016-17 budget they might be slightly underfunded this year by \$6,750,000. That's a big difference from what they're trying to underfund us. I'm telling you Board and Dr. Evans. Tell the district we met our goal. We have all the money we need for our children. Unfortunately, we came short on the charter schools. We don't mind giving it, but we just don't have it. If you give it to us, we'll gladly send it to them. Very simple! Stop denying our children. They're our children too that go there, but if they really want their education come on back here because the money is here. That's where it is.

Dr. Joseph Atallo: Good evening members of the Board. My concern with the budget, in my opinion, is certain things are budgeted for but not effectively carried out. For example, what are you doing with this Alternative Middle School that I understand has

10 students enrolled? Do you really believe that's a cost-effective program? What's happening with that? Is that being modified or phased out? What's the answer?

Comm. Irving: I'll have Dr. Evans answer after you're done with your questions.

Dr. Atallo: That's an issue that has been raised before. The second thing I want to talk about is the lead in the water. When I was a younger man back in the 1960s, most of you weren't born. Back in the 1960s there was a very famous song called "Blowing in the Wind," and there was a verse that said, "How many times can a man turn his head and pretend he just doesn't see?" We looked at the lead in the water for two years. I think it was a travesty today that Mr. Morlino was sent there today. He was thrown into the lion's den. I don't know why. Dr. Evans and the Board should have been there. Parents are concerned. The issue is not ending and it's going to wind up in court with lawsuits. You can be assured of that. You knew. You had knowledge for two years of the lead in the water issue and you didn't notify the community, the parents, or the staff. That in my mind is a very negligent action. How many times can a man turn his head and pretend he doesn't see? There's lead in the water in the Paterson schools. You can say all you want about closing off this and that fountain. But the reality is the community was not notified and that is an insult to the community. I don't know if you think people don't understand because of language issues or because they're not educated. People understand. I went to that meeting today and I was shocked and appalled at what I heard. The parents are very angry and they have a right to be. Who's more valuable to you than your children and grandchildren? Who's more valuable? That's the future of Paterson. Lead poisoning is irreversible. For the little ones to be exposed to that in my mind could be criminal, for you to know it and not notify the community. I got to School 6 at 4:00 and I left at 5:30. I went to the supermarket Farm Boy next to the Board of Education building to get a few things and I was accosted. This is where I find out things. I don't need to do polls. Parents come up to you and they are upset. The people are very angry at this School Board and the school administration for not notifying them. I said I just left the meeting and there will be more meetings. Most likely there's going to be litigation and the people in the Department of Education in Trenton are going to know the parents are angry. This hasn't been addressed for two years. Since 2014 the administration knew but did not notify this community and that is clearly wrong. Thank you.

Ms. Marcella Simadiris: Peace and blessings. I just want to again talk about the comparison cost-per-pupil chart. I'm trying not to get too frustrated about it. I spoke on it two Board meetings ago. It paints this picture and it demonstrates to me that you're not a team player, Dr. Evans. You don't have the people that you position to be team players with the teachers within this district or with the community. You're basically showing what all these people in the suburbs complain about all the time when they talk about Abbott districts. All their taxes go to the Abbott districts and we spend all this money on these city kids and they're still not getting educated. You're just basically fueling that fire and it's not helpful. It doesn't help us. If you can, get Ms. Ayala to do a comparison chart with the money that we spent on meeting different requirements that are put on us because we have Focus and Priority Schools. Compare how much we spend on Regional Achievement Centers. Are we in this together or not? When you do things like this it demonstrates that you are really doing this man's dirty work. That's what it demonstrates to me. We need you on our side, Dr. Evans. Our children need you. Our children need someone positioned to stand up for them. Not only that, when you go to talk about cost drivers the first thing listed are teacher benefits. You're painting the picture that all your money is going to the teachers. You're painting another picture. Are we on the same Board or not? Can we be on the same team? I think that's the only way that we're ever going to make any progress with this piece, if we all

come together and we do this for the children. There are plenty of teachers that give up time to work on committees. There need to be more committees, especially a grant committee, to make sure that people in the district level are doing their piece so grants aren't lost. I've already experienced that three times, one personally and two that I know happened to other people. The kids I was servicing lost that opportunity. Maybe consider that. I heard you have a lesson plan committee and there are no teachers on it. How are you going to have a lesson plan think tank and you're not even going to include teachers on that? That's my understanding. If I'm wrong I apologize. Can we come together to talk about restorative practices, how we can try to implement them in our schools, and how we can try to bring everybody on board? I heard yesterday someone from the community speak on mindfulness and I just went to training last weekend. I went to Urban Education training at Rutgers University. I knew about it, but I was very appreciative that she shared it with some people within the district. I wish it was shared with all the administrators because your administrators need to be trained with restorative practices. If they worked in a White privileged community, I don't think they would talk to them the same way they talk to these kids.

Dr. Atallo: Point of order. I didn't get an answer on my question.

Comm. Irving: You're going to, Mr. Atallo.

Dr. Atallo: When?

Comm. Irving: We're going to close the public portion and Dr. Evans is going to address all the statements. We're going to make sure you get a response. I got you.

It was moved by Comm. Mimms, seconded by Comm. Cleaves that the Public Comments portion of the meeting be closed. On roll call all members voted in the affirmative. The motion carried.

Dr. Evans: There are several comments that were made that I will respond to. The first one involves School 6. There were actually a couple of questions I'd like to respond to. Board members, as I respond coming to you is a letter that actually was prepared earlier today. I apologize that it didn't get to School 6 on time. The intent was for it to be there for that meeting, but it did not and again I apologize. In the letter, I provide background information with regards to the situation that evolved starting with the voluntary testing that was done in 2014-15 just after Mr. Morlino joined our district. He is our resident expert. He has all kinds of licenses and credentials and that was one of the reasons we chose to send him. We are actually preparing this budget presentation and making sure we had everything that the Board had asked us to respond to that we've taken into consideration. Mr. Morlino is without question the most knowledgeable person perhaps in the State of New Jersey. He is well-positioned to respond to any questions. The memo actually provides background information regarding the testing, starting with the fact that the Passaic Valley Water Commission is responsible for testing the water that comes to the school and in the school. Although there's no requirement at the state or federal level that districts test, we voluntarily tested. It goes on to talk about that and the fact that they did find some challenges. In fact, the results that were found there are attached to the memo. The actions that took place are also represented in the memo. Then I ended by apologizing, particularly for not communicating this with the parents one and a half to two years ago. Parents should have been notified. There's no question about that. I have extra copies here that we can share tonight. The memo was prepared with the intent of getting it to the school so that it could be a part of that meeting. The second item regarding School 6 was books. I know that School 6 is transitioning from paper books to the soft version, meaning

computers. There were a number of I-Pads that were purchased for that particular use and I know one of the issues that were raised yesterday by one of the Board members was the inability of youngsters to take those individual I-Pads home. That does represent a challenge. He's right. We need to find a way to close that gap. But districtwide it's our desire to move from hard copy books to software. In the end, one of those actually costs less than buying a set of new books for every subject that a youngster may initially need. I know that Ms. Dobbs is very invested in making sure that they have enough I-pads to be able to cover the needs for her students. The nurses were mentioned. As I mentioned earlier, we have not cut the number. We've added or reassigned two nurses that were assigned to the district office to satisfy some needs. We've assigned those people to the school to reduce the load as it relates to the nurses who are assigned to the school. The new Tech wing was mentioned in relation to the thousand students. It's my understanding that the 1,000 students represent the total capacity of the new wing. It represents space that would be available for the districts in Passaic County that feed into the school following whatever selection process they use to enroll students. It's my understanding that's total capacity, not just the 1,000 for Paterson. They would come from all districts. However, it's no secret that disproportionately larger numbers and percentages of students going to Tech come from Paterson Public Schools. We are the largest district in the county and as a result a larger number of our students end up going. But it's disproportionate to the comparative size of the other districts. There was mention that teachers were cut this year. I think it was the young man that came to the microphone. Again, we have intentionally not cut teachers this year. One program in particular was cut that had teachers, which segues into one of the questions that Dr. Atallo had. We are cutting the Alternative Middle School for next year. It will not exist next year. Teachers in that program will be absorbed in schools elsewhere across the district based on their seniority. I think that's it, Mr. President.

RESOLUTION FOR A VOTE:

Comm. Irving: At this point in time, I want to entertain a motion for the adoption of the 2016-2017 budget. We'll have any final comments or clarifications or questions. Then we'll move to the roll call on whether or not the Board will support or not support the budget.

Resolution

WHEREAS, the State District Superintendent forwarded Paterson Public Schools' preliminary 2016-2017 budget to the Commissioner of Education and the Passaic County Executive County Superintendent of Schools for review and approval on March 18, 2016, and

WHEREAS, the 2016-2017 budget for the state-operated Paterson Public School District was prepared consistent with the New Jersey Quality Single Accountability Continuum (NJQSAC) focusing on quality performance indicators in all five areas of school district effectiveness: Operations Management, Instruction and Program, Fiscal Management, Personnel and Governance; and

WHEREAS, the 2016-2017 budget was prepared consistent with the district's revised Fiscal Policy 6220 addressing budget preparation, with primary consideration given to educational priorities identified by the Board and Dr. Donnie W. Evans, Paterson State District Superintendent, and;

WHEREAS, the 2016-2017 budget was constructed consistent with the School Funding Reform Act of 2008 under which a district could apply for a tax levy cap waiver to cover extraordinary conditions such as opening new schools, increases in special education costs, etc., the result of which would be increased local taxes, and;

NOW THEREFORE BE IT RESOLVED, that the Board of Education adopt the 2016-2017 budget submitted by Dr. Donnie Evans, State District Superintendent of Schools, which budget reflects an increase in the amount of \$2,500,000 in the local tax levy to support the general fund as reflect herein;

	<u>Budgeted</u>	<u>Local Tax Levy included</u>
General Fund Revenue		
Local Sources	\$ 45,173,116	\$ 41,455,956
State Aid	\$ 403,935,340	\$ 0
Federal Sources	\$ 1,043,032	\$ 0
Budgeted Fund Balance	\$ 16,406,456	\$ 0
Withdraw Maintenance Reserve	\$ 2,200,000	\$ 0
Total General Fund	<u>\$ 468,757,944</u>	<u>\$ 41,455,956</u>
Special Revenue Fund (net of operating budget transfers)		<u>Local Tax Levy included</u>
State Aid	\$ 52,902,164	\$ 0
Federal Aid	\$ 32,672,026	\$ 0
Transfer from Operation Fund		
Pre-K Special Education	<u>\$ 2,536,583</u>	<u>\$ 0</u>
Total Special Revenue Fund	<u>\$ 88,110,773</u>	<u>\$ 0</u>
Debt Service		
Local Sources	\$ 506,363	\$ 506,363
State Aid	\$ 798,937	\$ 0
Budgeted Fund Balance	\$ 0	\$ 0
Total Debt Service	<u>\$ 1,305,300</u>	<u>\$ 506,363</u>
Grand Total Revenues	<u>\$ 558,174,017</u>	<u>\$ 41,962,319</u>

AND BE IT FURTHER RESOLVED, that the State District Superintendent hereby fixes and determines that the amount of money necessary to be appropriated for the use of the public schools for the 2016-17 School Year is \$558,174,017 of which \$41,962,319 is the General Fund local tax levy; and

BE IT FURTHER RESOLVED, that the State District Superintendent will authorize the reallocations and modifications needed to present a balanced 2016-17 budget with an adequate amount of funds to provide for a thorough and efficient education; and

BE IT FURTHER RESOLVED, that the State District Superintendent shall hereby forward to the Commissioner of Education of the State of New Jersey the budget statement, budget statement certification, form A4F (Certification and Report of School Taxes, 2016-2017 School Year) and supporting documentation as required by statute and code; and

BE IT FURTHER RESOLVED, that the 2016-2017 tentative budget submitted for advertising be amended see attachment.

It was moved by Comm. Simmons, seconded by Comm. Castillo that the Board approves the adoption of the 2016-2017 School District Budget.

Comm. Kerr: I made my remarks regarding this budget last night, but I think a few things need to be restated before I cast my vote. First, I just want to congratulate the business department for the work that they put into this document. Sometimes we don't realize how difficult it is to put all of this together, especially when you are given a limited amount of space in which to work. I must congratulate the Business Administrator and her team for the work they have done. But I need to get into the harder matters regarding this budget. A budget is designed primarily to address the prevailing issues. The issues that we have in this district are to educate our children the best way we can. However, we all know that we just cannot snap our fingers and it happens. We have to put work into it and we have to support it by our finances. The state is legally obligated to provide us with the tools whereby we'll be able to deliver that kind of education to our children. For the past seven years the state has underfunded this district. I believe in the presentation that was made this evening, by their own acknowledgment, it was stated that we're underfunded by \$68 million based on their calculations. We know very well that is not quite true. The number is much higher than that. It's estimated that we're underfunded to the tune of over \$200 million. The state has given us a straightjacket and they're telling us to fit into it. I find it very difficult when we have schools that do not have music teachers, librarians, art, music, guidance counselors, and substance abuse counselors. These are critical areas that need to be addressed and without the proper resources we won't be able to do the job successfully. On top of that, with the limited resources that we're receiving the state is turning around and dipping its hand into that money to fund charter schools. Charter schools in their design are noble, but when you look at what they're doing to the public schools we have to say no. If they want to fund charter schools, we have no problems with it. Fund as many as you want to fund, but not from the meager resources that we're getting in this district. That's my contention. We need a strong curriculum. Our teachers need to be developed. If we don't have the resources we're not able to do that. At the end of the period they're going to come and test our kids and if our kids don't meet up to the stated requirements you will turn back and say, "Your district is not doing a good job. You are failing the kids." It's not we who are failing the kids. The state is. The state is doing all of that. So I would like to make sure that our kids have all the music, arts, and the enrichment programs that they need to be fully developed. With this budget it is turning back the progress of this district. I find it very difficult to support this budget and I must give Dr. Evans credit for moving the number from the levy of \$10 million to \$2.5 million. That is credible and I must commend you for that. But I don't think it's sufficient for me to support the budget based on that. There are greater reasons why I cannot support this budget. It's because it does not meet the level of supplying our kids with a thorough and efficient education. Thank you.

Comm. Hodges: Mr. Kerr was extremely generous in his remarks regarding this issue, particularly about the \$10 million versus the \$2.5 million difference. Quite frankly, I think that was orchestrated by the state in the first place. In our conversations I got the impression that this was just a ruse. As I mentioned before, our primary responsibility is to provide a thorough and efficient education for children. The Superintendent here tonight told you that despite where we are educationally, our third graders cannot read on grade level. Our high school students are graduating overwhelmingly via alternative route processes, not by passing tests. Our kids can't sign their names. They can't recognize their names. We have the latest test scores on the PARCC, which even though they're baseline, says we're still about a third of the baseline level of other districts. We have already committed to the fact that we have to rewrite our curriculum

and do changes and make improvements to what we've been trying to do in the past, but we've provided no money for it. In fact, Dr. Evans has stated quite honestly that we're going to be offering fewer services than we offer now. After school programs are going to get cut, the very things that they fought for in the Abbott decision. For 28 years they fought in 22 court cases to make sure that the wrong that was done in the 1960s and 1970s was righted. Now we're back at square one dismantling our educational system. I mentioned last night other places have youth in government programs, chess clubs, photography clubs, physics clubs, student government, student council, and things along those lines to help develop the individual student into a full rounded individual. We're not going to be able to supply those. Mr. Kerr just talked about music and art, which are not just nice. They also help you with critical thinking and problem solving. Those are a must and we're not going to be able to provide those. We're going quite the other way. We're being inundated with charter school applications and if you saw some of the salaries of the CEOs, they are raking in \$300,000 and \$400,000 at the expense of largely urban districts with no local input, no ability to talk about the impact on the vast majority of students, your children. We're being besieged by that because the Governor has committed his remaining 21 months to making sure that charter schools flourish in our communities. Those have progressively increasing impact on the stability of our budget. AP courses, which really give you an insight as to how well your students are doing, we are atrocious. We have a terrible passage rate, let alone the percentage of students who even bother to take AP courses. If you can't pass with a 3 or 4 you don't get credit for the course in college. Very few of our students get the 3 or 4. Very few of our students take the AP courses at all. Recently the Superintendent and his staff declared that we had 26 students who were actually college-ready by virtue of the SAT. That haunted me and it should haunt every last one of you. To address all of that we're going to cut money. I know some people up here think that it's important to balance the budget. As Mr. Kerr has stated, the staff are to be commended for the wizardry and the imagination that they used to make this look even partially reasonable. But it's a disgrace. Not to belabor the point, I'm just going to say to you that there is no way on earth that I can vote for this budget. There's no way on earth that the message should get to the state that we accept this in any way, shape, or form as a thorough and efficient budget. This should not stop here tonight. There has to be expressions of outrage about what's happening to your children, particularly in view of what the Supreme Court says your children are entitled to. Not by virtue of just being your children, but by virtue of what was done to your children in this community years ago, to rob you of the resources that you needed. So with that in mind no educational improvements. I don't even know how we're even going to bother to address the shortfalls we have in educational outcomes. I don't see a plan. I don't see financing for a plan. It will be my position that not only won't I support this budget and vote for it, but I intend to spend as much time as possible to challenge the State of New Jersey and to assist any groups or agency that wishes to take them to task in any way necessary. Thank you.

Comm. Cleaves: To Ms. Ayala, thank you for taking the time to sit down with the Commissioners one-on-one to go through the budget extensively like you did. I think it was an eye-opener for some. For others, we already knew what we were expecting and facing. This is not an easy task here to work on or balance this budget. It was not easy. A budget is more than just a series of numbers on a page. It is an embodiment of our values. That was a quote from President Barack Obama in 2005. As a Commissioner on this Board, I know what my roles and responsibilities are. My responsibility as a Commissioner on this Board is to value the opinion of the parents who have come out and shared in this process with us. Most of all, I value education and all of the children of this great City of Paterson. For this reason, my vote tonight will reflect my commitment to the children. Thank you.

Comm. Mimms: Good evening. I want to first thank Ms. Ayala and her team for their hard work and due diligence on working so hard on making all of the adjustments and changes on this budget and then sitting down with us individually to explain in full detail what line items were, why they were there, answer questions and be very patient with us in that learning process. I also want to thank Dr. Evans for taking my recommendation of doing a thorough analysis of the athletic department and pushing that back instead of making a decision to combine the athletic departments before we had an analysis in place. I want to thank you, Dr. Evans, for that. However, I totally agree with Ms. Rosie Grant and I had it listed. I wanted to do an analysis of what a thorough and efficient education really meant and what we're not providing to the children of this district. When it comes to the vote that I will make on behalf of our children tonight, it will reflect the fact that it will be hard to move forward in a vote for this budget based on the fact that our curriculum is directly connected to our QSAC scores. We've continually gotten 30% and we have not achieved anything higher over the last few years. We have 421 curricula to develop. We've done over 100 and we still have almost 300 still in progression to do with a targeted date of possibly 2017. With that in mind, because our curriculum is not in place and not fully developed, that does not provide that thorough and efficient education. When we have nine nurses missing in our school district it also does not provide for a thorough and efficient education in our school district. When our children are not being trained to write in cursive it also does not provide for a thorough and efficient education. When music and arts are at the discretion of the principal level to determine whether it's a necessity in their buildings and they make a decision whether to have it or not, and then our children are disadvantaged because they're not able to expand their thinking capacity to the level to allow them to effectively compete on global levels, that does not allow for a thorough and efficient education. When we have facility improvement concerns and issues in our buildings where some of our buildings are dilapidated because they're old and there has not been restoration projects in place, our children are subjected to whatever concerns are in the building, whether it be falling debris, asbestos, lead concerns, we still are not providing a thorough and efficient education. When we have \$34 million of the budget being allocated or 6.7% is going to charter schools and then approximately \$18.9 million is going to Passaic County Tech out of our budget, we are not providing for a thorough and efficient education for all our children. It was a remarkable progression to go from \$10.5 million for the tax levy down to \$2.5 million, but my expectation was that we would be at zero. In this city we are in desperate times and we are a distressed city. We cannot afford to impose on the people of this city any more financial stress as we already are embedded with. With the budget that's being presented there are a lot of items that are in this budget when it comes to directly impacting the instructional time or giving the children what they so rightfully deserve with some of the items as far as 19 students being college ready, test scores, reading levels, new programs being developed and not properly analyzed to ensure that they will be effective and bring the quality and the academic excellence that our children so rightfully deserve. I think that in passing this budget we will do a total disservice to our children, we will do a total disservice to our community, and we will not uphold the standards or the ethics which we are voted in as School Board members. When I make my decision tonight it will reflect that which we'll state to the community, that this budget does not reflect the academic excellence that our children deserve. Even with the budget priorities, we're still missing our children and prioritizing what they need versus what is placed in writing.

Comm. Castillo: I also want to thank our Business Administrator Daisy Ayala. Especially as a new Board member, I want to thank you for the time that you spent just breaking down the budget and your staff as well. I think everything that we asked about, all the documents and everything that we requested, you made sure that we had

the information that we were asking for. Thank you for that. One of the reasons I'm on this Board is because I think that all of our students need to have a competing chance against the students that are in the town next door. That's one of the things that I strongly want to advocate for and work for. It's something that we have to do a lot of work in. Now that this budget process is almost done, I think we just have to start the fight. I think together with our Council and the Board of Education Commissioners we have to work together and focus on speaking out in front of the state and making sure that our students get the funding that they need. We can't do that without the parents. Now our parents need to be more involved than ever. Sitting in one of our committees and seeing how much curriculum we still need to do and how many different programs our children need that we don't have sometimes I think we forget to sit down and once we break it all down you see the great necessity that our students from the City of Paterson have. I think now that we're moving forward and we're working together as a Board and with the city we can push this forward and fight this battle together as we should have been for a long time. It's never too late and I think this is where we have to start right now.

Comm. Redmon: I'd like to thank the parents for their due diligence that they came with us each and every night and talked about this budget. As a new Commissioner, this was a true learning experience and I would like to thank the BA for her time and her staff for their time. I would also like to say that the BA made a good suggestion for the new Board members that we have training on how the budgetary process works. Even though we do know some things about budgets and line items all of us are not familiar on how the school budget is run. Even though we know that it's data driven, a lot of us didn't understand that in the beginning. I would like to say that it was a good learning experience, but at the bottom line we're here to educate our kids and we cannot educate our kids with this budget as it's reflected in front of us. This city is asked to do things that any other city is not asked to do. With a \$45 million gap to fill, how are we going to give our kids an adequate education? At this time, I would just like to say thank you for giving me the opportunity to learn more about this process and that's it.

Comm. Rivera: Good evening everyone. I also want to thank Ms. Ayala for her efforts and for being so transparent with us. Whenever we request something you try your best to provide the information. I want to thank you. A lot of Board members said many things and I'm not going to repeat many of the things that they said. We also have to understand what we have in our hands. Many Board members suggest that we can submit a budget that's not balanced. This is the situation that we have right now. Some legislators have told us that we're not getting any more money this year so we have to work with what we have. We also have to understand that the only legal way to spend money is through the budget. If you don't have a balanced budget, you cannot spend money. It's the same thing that happened at the city when it had to shut down. If you don't have a budget, you cannot spend money. That's the legal way of spending money. Some other people also suggested that we just don't pay the charter schools. You have to understand it's the law. If we increase the tax levy for the city, the city is obligated to pay us. If we tell the city our levy is going to be increased by \$2.5 million, the check has to come from the city no matter what. The Council cannot decide not to pay us. It's the law. Is it right? No.

Comm. Irving: Folks, we're not doing that. This has been a respectful meeting and the Board member is giving his comments.

Comm. Rivera: I could sit up here and play along and say what you want to hear, but I'm just telling you like it is. The facts are the facts. It's like your personal life. If you only have \$100 you can't spend \$150. That's the bottom line. Another thing, we have

some vacant buildings in the district and we continuously complain, and rightly so, about the money we have to give the charter schools. Do you know what? Let's get some of that money back. We have vacant buildings in this district. Even if we rent it to them or not with a triple net lease and they will fix the building for us and in return they will have to pay us rent, they're going to find another building anyway. If we have to by law pay them money, why not get some of that money back? It's like your personal life. If you're doing very well, your investments are good, you're making a lot of money in your business, and you can afford two cars, when the time comes and you're not making the same amount of money you were making one of those cars has to go. You cannot afford the other car that you had. Another area that I looked at in the past was I asked the administration how we're handling some of our grants. I raised the question in one of the meetings about how we're getting indirect costs. We were told that the district is not getting indirect costs. That's money that can come back to us and we can put it back into the classrooms. I'm not here to reduce services. I'm here to make sure that the services that are put in the budget are in the best interest of our kids. For example, the administration has done some of it, but we have to analyze our administrative costs that we have and put a lot of that money into the classrooms. A lot of the consultants that we hire - put it back into the classroom. A lot of times we the Board members ask a question, but that's not what we're actually asking for. For example, when we ask for consultants a lot of times the administration provides us with a report of just consultants with people's names. When I said consultants, I want to know what services we're outsourcing. That includes maintenance. Last year it included transportation. It includes many areas. That's what I meant by outsourcing. This year we're faced with another situation. Every year we've been flat funded. We understand that. There are costs that we cannot control that continue to go up. Is the state putting us in the bad situation? I agree 100%. Should we go fight the state? Yes. But since the state is not going to give us money this year, we should try to work with what we have. We're opening two new schools this year. That's going to incur additional security, maintenance staff, utility bills, and just the upkeep of the building. We have buildings that are very old in the district. If we're going to keep the same buildings we have right now, if we have the option of closing some without hurting the kids, because we're opening two new buildings, I just don't understand the reasoning of keeping additional buildings open when we can close them. If those two new schools were not built this year then I understand why we need to keep some schools open. You guys continue to say that there are new charter schools coming in. Is enrollment up? I leave that for the administration. Maybe it is. If more of our kids are going to different schools and different places, I just have to understand the concept. That's why I was put here. I did my research. I tried to learn from the past mistakes. Last year transportation was a disaster when we outsourced it. We ended up spending about \$5 million more than what we spent when it was here. The first thing I asked is what caused the problem. Many factors caused the problem, but one of them specifically was that the bids went out too late. I told this administration if we're going to bring it in-house this year we have to make sure these bids are put out early that way we get a competitive price. Early means April 1, but we still haven't put those bids out. That's more money. When I went to the Council meeting, I don't know if you guys were watching, I suggested that we could probably save another \$2 million in the transportation budget the way it was put together. We didn't have a need to have it there. What I was told at the meeting was we actually need that money in there because those bids, for whatever reason, haven't gone out. We're going to end up spending additional money. So what I'm telling you is we have to be proactive in this district. We have to learn from our past mistakes in order to save money and put it back into the classroom and in the areas that we need. But people have to be held accountable and that's something that's not happening here. Again, some of you are not going to like what I said, but it is what it is. We have 'x' amount of money and we have to try to work with what we have. We're not getting any

more money. We spoke to legislators and everyone. They're not giving us a penny more this year. Hopefully I'm wrong and they decide tomorrow to send a few million more. But the bottom line is we're not getting any more money. Thank you.

Comm. Simmons: Just like the rest of my colleagues, I want to thank Daisy and the rest of the administration for working on this budget. I know it has been a daunting task. I also wanted to thank the parents that have continued to come out and support the Board through this process. I was happy to hear that we are going to take a comprehensive approach to consolidating the athletic program. I want to go on record again to say that I am for consolidating because true consolidation means expansion. I know that people are worried about opportunities, but it actually creates opportunities. For example, if you look at the Eastside girls' basketball team this year, they had four seniors, juniors and two freshmen. No sophomores. We can actually expand the program by having a true freshman squad, a true sophomore squad, a true JV squad, and a true varsity squad. The notion that we're taking opportunities away is just not true. I also wanted to touch on the fact that we don't have music and art in elementary school. I know there was a lot of talk about the Eastside band of old. I was reminded because I was a member of that band as well as Comm. Mimms and Ms. Coy. That band introduced me to a lot of things. It exposed me to new things and new experiences. It is important because I recall in my sophomore year in high school having issues with algebra. Then I went to Dr. Sico, who was the chairman of the math department, for help and he simply said if you can read music you can do this. That moment changed my life. If he had not said that to me, I would have never made the connection. From that I was able to ultimately become a computer engineer. It is important that we have those things - music and art - because those things do teach critical thinking and problem-solving and we make sure that our children are well-rounded and capable of thinking. That's all I wanted to add, Mr. President.

Comm. Irving: Before we get into the vote, let me say I want to thank the community for their continued effort, the folks who have been here, have showed up, whether this room was full or not. I hope that even past today and this budget adoption that the folks who are here continue to come to the Board meetings and continue to bring parents and families with you. We need advocates. The nine of us are not the only advocates in this district. I want to make that very clear. We are elected officials and some of us are advocates and some of us are policy-makers. I'll make it very clear I fall in the policy-making house. I absolutely live and die by the policies that affect kids and how we are going to help kids to do so. Some of my colleagues on this Board are amazing advocates and policy-makers as well. It's the parents, the people who come to these meetings, and the people who ask all the hard questions, you folks are the true advocates. Without you, we would not have made the amount of energy and noise that we need to. But let me make it very clear, we're just beginning. This vote tonight begins a much longer process about getting the state aid and the state appropriation we rightfully deserve. We will be coming to you folks in the community over the course of the next few months to discuss what will be the plan for how we get our money. Next year there won't be a budget adoption. There won't be a budget period. I need folks to understand that we are facing, not a fiscal cliff next year. We're facing a fiscal bankruptcy and that is serious. I need folks to hear me. We will not have the finances left or the personnel left to cut to balance a budget if we are flat funded the way we were this year. In doing so our friends in Newark and Jersey City have found, as Mr. Ferrer eloquently said, support and energy in finances in helping to balance their budget or offset the costs for charter schools. We've got to do the same ourselves. I stand committed to working with our policy makers and our advocates to be able to get together with our elected officials in particular to make it very clear what next year is going to look like. But we have to talk about next year now. We have to talk about next

year tomorrow. Every single meeting we're at we have to be forecasting what the next fiscal year is going to be like. I want to thank this Board truly for your diligence. For the folks who have attended, thank you so much, and to the folks who have watched. Again, these nine people don't get paid for this work. This is a voluntary position and we have met I've counted almost nine times in the last 30 days. That's nine times away from their families, loved ones, and significant others to talk and discuss about the issues that are important to this city, which is the quality of education for our children. Do we all agree all the time? Most times not. But I think that is the beauty of this group, that we can disagree without being disagreeable and most importantly that we are united in a mutual understanding that what is happening to our district is absolutely illegal, unfair, and it is downright disenfranchising the black and brown babies who live in this city. I will now entertain the roll call. I'll ask for the Board, if we can, to take a simple vote of yes or no on the budget. We've all said our peace. Then depending on that decision I have a question for Dr. Evans for the record.

On roll call all members voted as follows:

Comm. Castillo: No.

Comm. Cleaves: No.

Comm. Hodges: Thank you parents for coming. My vote is no.

Comm. Kerr: No.

Comm. Mimms: No.

Comm. Redmon: No.

Comm. Rivera: No.

Comm. Simmons: No.

Comm. Irving: No.

The motion did not carry.

OTHER BUSINESS

Comm. Irving: The Board has officially voted down the budget. Just for the record, Dr. Evans, I just want to hear from you. The Board has voted down the budget and it is now in your hands. What will be the next steps and what can the Board expect from you and from the County Superintendent or the Commissioner?

Dr. Evans: I can't speak for the Executive County Superintendent, but my next step is to submit the budget to the Executive County Superintendent. Then he takes it from there.

Comm. Irving: I assume your intention will be to override the Board and pass it and submit it.

Dr. Evans: Yes.

Comm. Irving: Okay.

Comm. Hodges: I think that the collective sentiments and the overall concerns that this Board faced needs to be expressed, not only in a letter to the Commissioner, but in the public. We need to explain why we did what we did. This is not an irresponsible act. This is an act of looking with forethought at what's going to happen tomorrow and making sure that we send a message that we are entitled to a thorough and efficient education given all the reasons. We should be talking to the press. We should be talking to the Commissioner. We should be talking to the County Superintendent making sure everybody understands this is not a frivolous act on our part. This is a serious deliberation that led us to this position.

Comm. Irving: I will ask Cheryl as of tomorrow to set those appointments with the County Superintendent, the Commissioner, myself, and the Vice President to reflect that. In addition, tomorrow I have prepared for everyone the joint statement that we drafted together. I will also have the statement for the City Council for you all to review before we pass it to the City Council.

Comm. Hodges: Before you adjourn, there's still another resolution I sent to Board members about graduation testing that came from Highland Park. I'll ask Cheryl to resend it. We need to vote on that because it talks about graduation via the PARCC testing.

Comm. Irving: Cheryl, can you resend that to the Board, please?

It was moved by Comm. Redmon, seconded by Comm. Cleaves that the meeting be adjourned. On roll call all members voted in the affirmative. The motion carried.

The meeting was adjourned at 8:42 p.m.