

**SPECIAL MEETING OF THE LAKEWOOD BOARD OF EDUCATION, HELD ON MONDAY, AT
MARCH 21, 2016, AT 8:00 P.M., AT THE LAKEWOOD HIGH SCHOOL AUDITORIUM, 855
SOMERSET AVENUE, LAKEWOOD, NEW JERSEY 08701**

I. PLEDGE OF ALLEGIANCE: Barry Iann, Board President

At 8:16 p.m. Mr. Iann, Board President called the meeting to order. Mr. Thompson read the following:

SUNSHINE LAW

Pursuant to the provisions of Chapter 231, of the Laws of 1976 (THE OPEN PUBLIC MEETINGS ACT), Mr. Thompson notified the public that notice of the date, time, location and agenda of this meeting, to the extent known, was provided at least forty-eight (48) hours prior to the commencement of this meeting in the following manner:

1. By posting such notice on the public announcement board of the Lakewood Board of Education Offices, and the Lakewood Township Municipal Building.
2. By e-mailing such notice to the office of the Asbury Park Press.
3. By filing such notice with the Board Secretary.
4. By mailing such notice to all individuals who requested and paid for a copy of same.

II. ROLL CALL:

Board Members Present: Mr. Hillel Brull
Mr. Barry Iann
Mrs. Ada Gonzalez
Mr. Isaac Goldsmith
Mr. David Jacobovitch
Mr. Isaac Zlatkin – arrived 8:20 p.m.

Board Members Absent: Mr. Alex Janklowicz
Mr. Heriberto Rodriguez
Mr. Joshua Weinberger

Also Attending: Mrs. Laura A. Winters, Superintendent
Mr. Thaddeus Thompson, Business Administrator/Board Secretary
Mr. Kevin Campbell, Asst. Business Administrator/Asst. Board Secretary
Mr. David Shafter, State Monitor
Mr. Marc Zitomer, Esq., Board Attorney

Translator: Gissela Malgeri

III. PRESENTATIONS

1. Tentative Budget 2016-2017 – Thaddeus Thompson

RESOLUTION OF THE LAKEWOOD BOARD OF EDUCATION

WHEREAS, the Board of Education finds that the State of New Jersey has failed to provide the Lakewood School District ("District") with its fair share of State aid and funding that takes into account, among other things: (a) increased District enrollment; (b) increased special education costs; and (c) increased transportation responsibilities for both in-District and out-of-District students; and

WHEREAS, that the Board finds that the continued failure or refusal of the State to fully fund the School Funding Reform Act and District's State aid entitlement has created an untenable burden on the District and its finances such that the District's budget deficit is growing by millions of dollars each year despite our best efforts to control costs; and

WHEREAS, the Administration and State monitors have proposed a tentative budget for 2016-17 that results in cutting valuable staff, educational programs, extracurricular activities, transportation and services for the District in order to arrive at a balanced budget, within the State-mandated 2% tax levy cap; and

WHEREAS, the Administration and State Monitors are proposing a referendum in November, 2016 that asks the Lakewood community to vote for raising an \$8.5 million in additional taxes to fund these staff, programs and services which, if approved, will result in a permanent increase in the District's tax levy; and

WHEREAS, the Board of Education is adamantly opposed to cutting these staff, programs and services from the budget, but it cannot support another referendum which asks our already overtaxed community to support further taxes increases because the State has neglected its financial responsibilities to the District; and

WHEREAS, given the public's overwhelming defeat of the January, 2016 referendum on courtesy busing, the Board of Education is highly pessimistic that a referendum in November will obtain the requisite community support;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Education hereby expresses its disapproval of any budget that cuts valuable staff, programs and services from the District as a result of the State's failure to provide the District with its fair share of aid and funding; and

BE IT FURTHER RESOLVED, that the Board of Education hereby expresses its disapproval of any referendum which would shift the responsibility for the District's growing budget deficit from the State of New Jersey to the overtaxed Lakewood community; and

BE IT FURTHER RESOLVED, that the Board hereby petitions Senator Robert Singer, Assemblyman Sean Kean and Assemblyman David Rible to seek emergency bailout aid for the District to help balance our budget so as to avoid cutting staff, programs and services which will have a highly negative impact on the students of Lakewood; and

BE IT FURTHER RESOLVED, that the Board demands immediate State action to address the precise issues raised in this resolution; and

BE IT FINALLY RESOLVED, that a copy of the resolution shall be forwarded by the Board Secretary to the District's State and local legislators, Governor Christie, Commissioner Hespe, the Executive County Superintendent of Schools, Mr. Glen Forney and the Township Committee.

MOTION TO APPROVE THE RESOLUTION BY THE BOARD (passed)

Motion: Mr. Jacobovitch **Second:** Mr. Goldsmith

6 Ayes: Mr. Brull, Mr. Goldsmith, Mr. Jacobovitch, Mr. Zlatkin, Mrs. Gonzalez, Mr. Iann

0 Nays:

0 Abstained:

3 Absent: Mr. Janklowicz, Mr. Rodriguez, Mr. Weinberger

Mrs. Winters, Superintendent of Schools addressed the Board and the Public:

The proposed budget for the 2016-2017 school year is tragically inadequate, and one can only predict that its affects on the students of the Lakewood School District will be devastating.

Creating an entire school system from Kindergarten through grade 12 with an average class size of 38-39 students, with an English Language Learner population of 80%, and a Special Needs Population over 20%, is a system that fails its students.

It is my professional opinion, that this budget offers an inferior education compared to the education offered to those students in wealthier towns in Ocean County and across the state.

With that being said, I cannot certify a budget that does not offer the students of the Lakewood School District a thorough and efficient education, nor does it meet minimum adequacy standards that allow our students to compete in the labor market with students who have had educational opportunities that have prepared them to enter the global workplace.

IV. RECOGNITION OF THE PUBLIC

1. Kimberlee Shaw
2. Pastor Glenn Wilson
3. Noreen Gill
4. Bill Hobday
5. Pastor Jerome Robinson
6. Pastor Earl Jackson
7. Alejandra Morales

8. Tom Gatti
9. Alejandra Castillo
10. Michelle Jackson
11. Miriam Sutton

STATEMENT BY BOARD PRESIDENT

Pursuant to Board Policy 0164, Roberts' Rules of Order shall govern the Board of Education in its deliberations and in the conduct of its meetings. As such, all comments from the public and from other members of the Board should be directed to the Board President who is responsible for presiding over the meeting.

The President shall direct all inquiries or comments to the appropriate Administrator or Board member for response, as appropriate. The law requires a period of public comment at our meetings, not a question or answer session or debate. The board president at his discretion may or may not feel it is appropriate to answer questions raised during the public comment period. The board and administration do take all public comments seriously and consider them when conducting business.

The President may interrupt, warn, or terminate a participant's statement when the statement is too lengthy, abusive or obscene. In addition, Security Personnel may direct any individual to leave the meeting when that person does not observe reasonable decorum, whether the person is at the microphone or at any other place in the meeting room. New Jersey law makes it a crime for any person to intentionally disrupt a public meeting. Law enforcement will be contacted if a person disrupts the meeting and fails to desist after being directed to do so. Finally, we ask that you silence all electronic devices.

V. REPORTS AND RECOMMENDATIONS OF THE BUSINESS ADMINISTRATOR/ BOARD SECRETARY:

- A. Move that the Board of Education authorize the Business Administrator to solicit for Request for Proposals for the following Contracted Professional Services for the 2016-2017 school year:

- General Counsel
- Special Counsel

MOTION TO APPROVE BUSINESS AGENDA ITEM A (passed)

Motion: Mr. Iann **Second:** Mr. Jacobovitch

6 Ayes: Mr. Brull, Mr. Goldsmith, Mr. Jacobovitch, Mr. Zlatkin, Mrs. Gonzalez, Mr. Iann

0 Nays:

0 Abstained:

3 Absent: Mr. Janklowicz, Mr. Rodriguez, Mr. Weinberger

- B. **BE IT RESOLVED** that the Lakewood Board of Education approve the submission of the Proposed School District's fiscal year 2016-2017 Tentative Budget as follows:

	BUDGET	LOCAL TAX LEVY
TOTAL GENERAL FUND	\$123,273,533.00	\$92,744,616.00
TOTAL SPECIAL REVENUE FUND	\$46,945,293.00	\$0.00
TOTAL DEBT SERVICE	\$2,247,387.50	\$1,286,268.50
TOTAL	\$172,466,213.50	\$94,030,884.50

Mr. Thompson, Board Secretary called for a motion to approve the 2016-2017 Tentative Budget. The item was not motioned by the Board; therefore, it died on the floor.

- C. **BE IT RESOLVED**, that there should be raised an additional \$5,156,817 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for employing district staff as follows: 68 Teaching Staff (Kindergarten through 12th Grade). Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.
- D. **BE IT RESOLVED**, that there should be raised an additional \$258,000 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for employing district staff as follows: 3 Guidance Counselors. Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.
- E. **BE IT RESOLVED**, that there should be raised an additional \$372,886 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for employing district staff as follows: 3 Administrative Staff. Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.
- F. **BE IT RESOLVED**, that there should be raised an additional \$240,000 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for Lakewood Middle School Sports and Clubs. Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.

- G. **BE IT RESOLVED**, that there should be raised an additional \$146,592 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for Lakewood High School and Lakewood Middle School Late Buses. Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.
- H. **BE IT RESOLVED**, that there should be raised an additional \$200,000 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for Educational Supplies. Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.
- I. **BE IT RESOLVED**, that there should be raised an additional \$2,000,000 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for a Six-Year Deficit Reduction Plan. Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.
- J. **BE IT RESOLVED**, that there should be raised an additional \$150,000 for General Funds in the same school year 2016-2017. These taxes will be used exclusively for District Homecare, Nursing, and Extraordinary Services. Approval of these taxes will result in a permanent increase in the district's tax levy. These proposed additional expenditures are in addition to those necessary to achieve the Core Curriculum Content Standards.

Mr. Thompson, Board Secretary called for a motion to approve letters C through J. The item was not motioned by the Board; therefore, it died on the floor.

- K. **RESOLUTION OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF LAKEWOOD IN THE COUNTY OF OCEAN, NEW JERSEY PROVIDING FOR THE ACQUISITION OF CERTAIN EQUIPMENT THROUGH A LEASE PURCHASE TRANSACTION IN AN AMOUNT NOT EXCEEDING \$2,250,000, DELEGATING THE AWARD OF THE BID AND AUTHORIZING EXECUTION OF A LEASE PURCHASE AGREEMENT AND OTHER RELATED AGREEMENTS AND ACTIONS NECESSARY TO ACCOMPLISH THE TRANSACTION**

WHEREAS, The Board of Education of the Township of Lakewood in the County of Ocean, New Jersey (the "Board") is created and is charged by law with the responsibility of providing a system of public education within the school district over which it has jurisdiction and to acquire equipment therefore; and

WHEREAS, the Board has determined to fund the acquisition of twenty 54 passenger buses and ten 24 passenger buses, including financing and all incidental or related costs (the "Equipment") by means of a lease purchase financing for a term that does not exceed ten (10) years pursuant to the provisions of N.J.S.A. 18A:20-4.2(f) and N.J.S.A. 18A:18A-1 et. seq.; and

WHEREAS, the Board has selected the Hunterdon County Educational Services Commission, as Bidding Coordinator (the "Bidding Coordinator") and McManimon, Scotland & Baumann, LLC, as special counsel (the "Special Counsel") for the purpose of advising and assisting with the proposed lease purchase financing of the Equipment; and

WHEREAS, the Board has followed the procedures required by N.J.S.A. 18A:20-4.2(f) and N.J.S.A. 18A:18A-1 et seq., and the regulations promulgated thereunder; and

WHEREAS, the Board hereby authorizes and ratifies the solicitation of quotes for the financing of the Equipment pursuant to a lease purchase agreement for a principal amount of not to exceed \$2,250,000 and hereby authorizes and/or ratifies the publication of the notice of request, if required; and

WHEREAS, in accordance with the procedures set forth in N.J.S.A. 18A:18A-1 et. seq. (the "Public School Contracts Law") and the regulations promulgated thereunder, a notice to the bidders was issued and quotes are scheduled to be returned to the Business Administrator/Board Secretary, who, with the assistance of the Special Counsel and the Bidding Coordinator, will determine the lowest responsive and responsible purchaser (hereinafter referred to as the "Purchaser") and the Board desires to authorize the award of the lease purchase financing to said Purchaser upon such determination; and

WHEREAS, the Board will enter into a lease purchase agreement (the "Lease") and other related documents with the Purchaser in the amount of not to exceed \$2,250,000 to finance the Equipment; and

WHEREAS, the Board desires to authorize the award of the quote to the Business Administrator/Board Secretary, and further authorizes Business Administrator/Board Secretary, the Board President, Bidding Coordinator and Special Counsel to prepare and to execute the Lease and certain other documents and agreements necessary or incidental to the transactions contemplated thereby;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF LAKEWOOD IN THE COUNTY OF OCEAN, as follows:

Section 1. The Board hereby determines to finance the Equipment by means of a lease purchase financing in a principal amount not exceeding \$2,250,000 in accordance with the requirements of the Public School Contracts Law. The Business Administrator/Board Secretary, the Bidding Coordinator, the Special Counsel and other appropriate representatives of the Board (the "Professionals") are hereby authorized to prepare the necessary timetables and solicitation documents and other related documents as may be necessary and to take other steps necessary to prepare for and to implement the proposed financing.

Section 2. The Purchaser's interest rate will be held fixed for a period not to exceed thirty (30) days from the date of the quote. If the closing does not occur within thirty (30) days for the date of the quote, the interest rate will be calculated in accordance with the index rate established by the Bidding Coordinator and set forth in the bid specifications.

Section 3. The Board authorizes the Board President or the Business Administrator/Board Secretary to establish an escrow account for the deposit of the lease proceeds and to direct the deposit and investment of the lease proceeds in the escrow for the term of the lease in accordance with the requirements of law. The Board hereby authorizes and directs the Board President or the Business Administrator/Board Secretary to approve any changes, additions, or deletions to the Lease or such other documents as may, in the judgment of Special Counsel, be necessary or advisable, such approval to be evidenced by the execution of the Lease or such other documents by the Board President or the Business Administrator/Board Secretary.

Section 4. The payment of rent or other monies due under the Lease shall be made only from the General Fund of the Board. Neither the Board nor any agency, department or political subdivision thereof shall be obligated to pay any sum to the Purchaser under the Lease from any taxing source for the payment of any sums due under the Lease unless an appropriation is made in a duly approved budget of the Board. The obligations of the Board shall not constitute indebtedness of the Board or of the Township of Lakewood or of any department, agency or political subdivision thereof. The Lease shall set forth the term of the lease purchase agreement for the Equipment, the rental payments to be paid by the Board in respect thereof and the dates on which such rent shall be due and payable.

Section 5. The proceeds of the sale of the Lease shall be applied to (i) pay costs to acquire and to install the Equipment, and (ii) pay the costs of entering into the Lease.

Section 6. The Board President and/or the Business Administrator/Board Secretary are hereby authorized to negotiate, execute and deliver, subject to the review of Special Counsel, the Lease, an agent or an escrow agreement, an assignment agreement, if necessary, and such other documents as may be necessary to consummate the transaction. The Business Administrator/Board Secretary is authorized to direct the investment of funds under an escrow deposit agreement (the "Escrow Agreement") between the Board and a GUDPA approved escrow agent, consistent with the provisions of New Jersey law and the Escrow Agreement, and is authorized to enter into such agreement and to execute such documents on behalf of the Board as may be necessary therefore. The Business Administrator/Board Secretary is also authorized to pay any agreed upon fees of the escrow agent, if any. The Board President and/or Business Administrator/Board Secretary are also authorized and directed to take on behalf of the Board such other actions as shall be necessary and appropriate to accomplish the lease purchase financing for the Equipment in accordance with the terms of the lease and this resolution and pursuant to the terms of the agreements and instruments authorized to be prepared hereby and to accomplish the performance of the obligations of the Board in respect thereto.

Section 7. The Board hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the Lease, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Lease, if applicable.

Section 8. The Board authorizes the Business Administrator/Board Secretary to act and determine on behalf of the Board whether the Lease may be designated as "bank qualified" within the meaning of Section 265 of the Code.

Section 9. The Board hereby declares its intent to issue the lease in the expected maximum principal amount of the Lease set forth herein and to use the proceeds of the Lease to pay or reimburse expenditures for the costs of the purpose for which the Lease is authorized herein. This resolution is a declaration of intent within the meaning and for the purposes of Treasury Regulations Section 1.150-2 or any successor provisions of federal income tax law.

Section 10. This resolution shall take effect immediately.

Mr. Thompson, Board Secretary called for a motion to approve letter K. The item was not motioned by the Board; therefore, it died on the floor.

David Shafter, State Monitor Approved Letter K. Therefore Letter K passed. (See attached letter.)

VI. REPORTS AND RECOMMENDATIONS OF SUPERINTENDENT:

A. Superintendent Items

1. Approve the revised 2016-2017 School Calendar
2. Second Reading and Adoption of the Board Policy 5111 Eligibility of Resident/Non-Resident Pupils.
3. REMOVED

MOTION TO APPROVE SUPERINTENDENT AGENDA (passed)

Motion: Mr. Zlatkin **Second:** Mr. Brull

6 Ayes: Mr. Brull, Mr. Goldsmith, Mr. Jacobovitch, Mr. Zlatkin, Mrs. Gonzalez, Mr. Iann

0 Nays:

0 Abstained:

3 Absent: Mr. Janklowicz, Mr. Rodriguez, Mr. Weinberger

VII. ADJOURNMENT

Motion to Adjourn:

Motion: Mr. Goldsmith **Second:** Mr. Iann

Meeting was adjourned at 10:09 p.m.

I, Thaddeus Thompson, Business Administrator/Board Secretary, of the Lakewood Board of Education, hereby certify this to be a true copy of the Special Meeting Minutes from a public meeting held on March 21, 2016.



Thaddeus Thompson, Business Administrator/Board Secretary

April 13, 2016