

**MINUTES FOR THE FEBRUARY 21, 2012 WORKSHOP MEETING
HELD AT 7:30 PM
51 WEST MAIN STREET
FREEHOLD, NJ 07728**

ROLL CALL:

Present: Mayor J. Nolan Higgins, Councilman Michael DiBenedetto, Councilman Kevin Kane, Councilman John Newman, Councilman George Schnurr, Councilwoman Sharon Shutzer and Councilman Jaye Sims.

Absent: None

Also present were Borough Attorney Kerry Higgins, Chief Glenn Roberts and Borough Clerk Traci L. DiBenedetto

2. ROUTINE TRANSACTIONS-SUPPLEMENTAL AGENDA (See Attachment D).

See the permanent minute book for the minutes and the resolution book for the attachments.

3. CHARTER SCHOOL PROPOSAL. (SEE ATTACHMENT II.)

Richard Ginn, 37 Birch Drive, stated his presentation is also on the web site at www.betacharter.org. Mr. Ginn stated some of the founders of Beta Charter are residents, parents, community members, educators and most importantly volunteers. Mr. Ginn stated he was a teacher and school administrator in Freehold Township. The one common bond that the founders have is that they love and care about the town. The main goal starting back in January was to seek community feedback by administering a community survey. The first wave of that was to set up a temporary web site which is in English and Spanish. They attended the Board of Education meeting last month and spoke. There have been press releases to all of the newspapers including Nosotros and there will be a parent meeting next week. The group has gone door to door and will be reaching out to the religious community and any other organizations that would like a presentation. The founders recognize that there are a lot of different opinions on charter schools and all we want to do is get the information out there and whether you agree or disagree please fill out the survey. Mr. Ginn discussed the typical reasons why people start charter schools. The number one reason is academic performance. Most charter schools open because they think that a charter school will perform better academically. Mr. Ginn stated they are not here to discuss that tonight. The teachers, superintendent, administrators, Board of Education have done a lot of hard work and have been in a tough situation the past few years in terms of the funding for the school and various other issues. We believe everything we are doing will help all of the kids in the entire school

district. Another reason for the charter school is a philosophical idea of parental choice. Lastly, incubators of innovation. Charter schools have, by design, more flexibility. Mr. Ginn stated he was originally against the idea of charter schools and he changed his mind as he started to do research. If you look around the country, there are bad charter schools but there are some exceptional charter schools. They have shattered the misconceptions and the stereo types about what can and can't be done in the school.

The reasons we are here tonight is for two simple concepts: efficiency and collaboration. They both relate to the issue that is facing the town. The Borough is having a population and facility issue. The Borough's capacity for the current facility is 1100 students. If you are under that capacity, you have fixed costs so between 800 and 1100; every student who is added brings down your fixed costs. For example, Freehold Township is under enrolled so if we opened a charter school in Freehold Township, every child that goes to that school is going to take away from the burden of their fixed costs. When you hit 1400, you are 300 students over capacity which is where the district is right now and 100 of those students have to go to West Freehold School. The estimate is that the enrollment is continuing to go up. In 2013, the Borough could be 400 – 500 students above capacity. Basically, we have a population issue and a facility issue and as a result of that the district has had to use every available space they have to accommodate the population. According to the strategic plan of the district, renovations to the building would be about 3 and a half million dollars. Without even getting to an addition or new facility, the proposed renovations and deficit you have a pretty big financial burden to tackle. Every resident in the town and council should be thinking about a plan to house these extra students.

Here are the proposals that have been put out by people of the community on how to resolve this issue: you need a renovation or new facility, you increase taxes or a referendum. Another idea that came up is to consolidate with Freehold Township but just to study the issue could potentially cost about \$50,000.00 to each district. Private funding and shared services were also discussed. The Borough needs more space and we need to be able to house the children that we already have. The question is could one of these proposals be a solution or is a charter school a reasonable idea.

A charter school is a public school. It is not a private school and there is no tuition. It is open to any resident of the town. You pick a number and any student who applies under that number gets in. If you go over that number then you have to have a lottery. It is subject to all of the same rules and regulations as it pertains to curriculum and teaching. The teachers have to be licensed. The curriculum mandates are the same and the testing is the same. The main reason that our group believes that the charter school is a good solution for this town is because they are cheaper to open and cheaper to run. According to the Department of Education, the Beta School would spend approximately between \$8,000.00 - \$9,000.00 per student. According to the budget for the Freehold Borough school district, they are spending between \$11,000.00 and \$12,000.00. The source of the funds for the building can not come from public funds. Because charter schools can not use public funds the law was structured so that they can open under the Uniform Construction Code. Local schools have to follow the Uniform Construction Code but they also have to follow the Department of Education regulations and that makes a huge difference in how much it costs to either rehab a facility or open a facility. Our approach is that we want to collaborate. We have no interest in making the

situation for the school district any tougher than it already is. There are models across the country where charter schools and the local school districts work together. The Borough school district gets to retain a portion of the funding per pupil attending a charter school. You would restore the balance of the capacity for the facility. You could have shared services between a local school district. One of the ways that a charter school saves money is they contract some services out. There is no reason why those services could be contracted out to the local school district. There are some grants that work specifically between charter schools and public schools together.

At this time we are doing a community survey. April 1st is the application deadline. If we put the submission into the application it will be approved or denied in September. If approved in September, we would have until June to hit the enrollment number. On top of the enrollment numbers you need the funding and the facility. In September of 2013, the school would potentially open its doors. One of the reasons that charter schools are successful is because they have longer school days and longer school years and currently charter schools provide learning plans for special education students. It is a collaborative learning environment and the project curriculum is hand on.

There is more information on the web site. Please take the survey and let us know how you feel. We are happy to come and do a presentation for any group. There has been a lot of “noise” that hasn’t been 100% accurate. Thank you.”

Mayor Higgins opened questions up to the public.

Marc LeVine, 79 Barkalow Avenue, thanked Mr. Ginn for an excellent presentation. Mr. LeVine stated he has read that the charter schools do siphon money off from the main school system. We are judged as a town by our main school system and that system should be a magnet for realtors and folks that are considering moving into the community. Before our community makes a definitive decision to go ahead with something like this, I think we would want to see a plan as to how we are going to strengthen our main school system as we work with this. Mr. LeVine stated there are 300 to 400 students that we are not quite sure where to house and they may get the benefit of a slightly better education but he feels that there will be more than a few hundred people interested in making the switch and he is not quite sure how the people who are going to be disappointed are going to take that. Mr. LeVine wants to make sure that we don’t abandon our main schools and use that time to find out what we can do to offer better curriculum and turn out equally talented students from both school situations. Mr. LeVine would like to see an overall strong school system in Freehold Borough.

Mr. Ginn agrees 100%. But if the numbers continue to go the way they are going, Freehold Borough will have a tough situation in 2013.

Jeff Friedman, 3 Broad Street, stated there was mention of a \$150,000 grant from the federal government. He questioned if that was part of the money to open the school or is that in addition to.

Mr. Ginn replied that grant is specifically to open schools. So, if the building costs \$200,000.00 to open you would need to raise \$50,000.00.

Margaret Rogers, 51 Wayne Avenue, stated she has done a lot of research on charter schools and the information given tonight is not entirely accurate. First of all, it is inaccurate to state that you can choose who attends a charter school. The reason that charter schools do better is because they can choose not to have programs for special education students and ESL students. Since those are an integral part of the Borough schools, by not having programs for those students, a charter school would have higher scores. You are also saying this would solve our overcrowding situation. First of all, our Board of Education is already taking measures to solve the overcrowding situation. The 90 students that were mentioned that are being shipped to Freehold Township; you didn't mention that they are still under Borough administration. We are just renting space to deal with the overcrowding issue. Also, you can't guarantee that this is going to solve or even address the overcrowding issue because any child in Freehold Borough can apply to go to the charter school. That included kids that go to parochial school, kids that are home schooled and kids that go to private school. The start up costs for the charter school does tend to start out low but over time they do tend to increase. These costs could be detrimental. We are already an underfunded school district. I am a public school parent and my children are in the school district and she has heard anything about a charter school and I know other parents have not either. I am wondering how many of your founders are from the public school.

At this point you don't even know what grade levels you are going to address or the number of students that the school will serve. In order for this to work and in order for us to believe that you are going to collaborate with the public school parents, you need to have more public hearings so that parents can have their questions answered. There are three PTO's in this district and none of us knew about this until your presentation at the Board of Education.

Tom Baldwin, 3 Vought Avenue, asked the following questions:

1. What is a charter school and what are the exact functions?
2. How is it different from a regular elementary school?
3. What will be the cost of the buildings, grounds, personnel, supplies and everything else that goes along with kind of school in order to make it function?
4. Who would be eligible to attend this kind of school and who would determine what child would go to this school?

Mr. Baldwin stated that in the financial climate that we are in this is the wrong time to consider any kind of a costing project such as this. The senior citizens of this town are tax payers and some are on a fixed income. Mr. Baldwin stated we are told on a regular basis how wonderful our schools and teachers are and he has no reason to believe differently. Mr. Baldwin asked not to move forward with this project.

Frank Freyre, 13 Birch Drive, stated charter schools tend to cherry pick the best students. The high gifted students are removed from the public school. Mr. Freyre's concern is that it becomes a place where certain students go and you end up having segregation.

Annette Jordan, 17 Birch Drive, stated the Department of Education, by law, that .1% of state aid goes to the public school district of Freehold Borough and it would have to go to the charter school district. That equates to about \$8700.00 per student. That means that the district would have to reduce appropriations by \$8700.00 per student. Money does come from the school district to finance the charter school, just to make that clear.

Susuan Greitz, 374 Park Avenue, asked where she could get a hard a copy of the survey and how many people you are looking to receive responses from in order to determine whether your going to need a vote.

Reggie Sims, Freehold, stated he was under the impression that the charter school has to be according to the population.

Mr. Ginn stated it has to reflect the demographics of the population.

Mr. Sims stated he has two daughters in the elementary district and he feels they do a fantastic job. He does not see the need for another school in this town. If anything, we should try to enhance what we have.

Mr. Ginn stated no tax money can be used to open the school. Mr. Ginn stated the idea of “skimming” kids was brought up a few times. He would be happy to provide anyone with the law and how it is written. Charter schools have to accept anyone who applies. They have to have special education programs and they have to have Limited English Proficiency programs. When this whole process started, Mr. Ginn went to the Red Bank Charter School. He stated it has been there for 10 years and it is an award winning school. It reflects the demographics of the town. Charter schools, state wide and nationally, have about 10% special education population and the local school district is about 14%. If a charter school is not desired by the residents or is not wanted, it will close down. Charters can be revoked by the State. In terms of the grade levels, we would address a need that we see in the town. We have not set the grade levels yet because we are waiting for the results of the community survey and we are hoping to speak with the school district to identify their needs. In terms of the outreach, Mr. Ginn has requested three times to do a presentation for the Board of Education and he requested those same three times to speak with the Superintendent and the Business Administrator. As a former school administrator, I felt that the courtesy should be extended to the district first because of our philosophy that we want to work with them. The group thought of sending an e-mail to the PTO but felt that would be discourteous. We thought coming here and getting the Patch article and News Transcript article would be enough to generate the buzz that people would ask us to come to them. We will come to any group, anywhere that wants to talk to us about this idea. The hard copies of the survey are meant for when we go door to door and group meetings. An on-line survey is also available. As far as the comment about the \$8700.00, the children leave the school as well. If you are under-populated this would be an issue. If you are over-populated this

should not be an issue. The costs should go down with the revenue and on top of that they will retain a portion of the revenue without any cost.

Mayor Higgins asked council members for any questions at this time.

Councilwoman Shutzer thanked Mr. Ginn for the presentation. Councilwoman Shutzer stated that she was right up front with Mr. Ginn from the beginning that she is not a proponent of charter schools but she wanted to be respectful of the time and energy that was put into this. She was not given any new information tonight and it doesn't change her feelings. Several times, Mr. Ginn referenced the fact that he was in public education for awhile and that he was an administrator for awhile. Councilwoman Shutzer stated she was in public education and a public educator for 44 years. As fellow educators, we both understand that not everything that looks good on paper is actually workable. Councilwoman Shutzer stated, first of all, there are no statistics anywhere or they would have been up here that charter schools work. There are some excellent charter schools in the country and there are excellent public schools as well. Parental choice is another one of those things that sounds good on paper but it is not going to be a matter of parental choice because you can only take so many kids. There would have to be a lottery and we know from experience that lotteries are necessary but don't always solve any kind of problems. Mr. Ginn referred to a \$150,000.00 grant that would help open a school and then there would be some private funding. But, \$150,000.00 is a drop in a bucket and I think we are misleading when we say that no public funds can be used. The rules of these charter schools are made by trustees who are appointed and then approved by the Department of Education. The trustees direct the running of the school. Councilwoman Shutzer stated her feelings can not be blamed on the fact that she is a public school proponent because there is something in her life that trumps her years as a public school educator and that happens to be her grandchildren. Her grandchild is in the public school system here and without a shadow of a doubt she is thrilled with what her grandson is getting in the public schools in Freehold Borough. When her grandson attends school everyday, he goes to school in the "real world" which is Freehold Borough Public Schools. Although, we do have a problem and we are not fully funded. We keep having these mandates without the funding that goes along with it. We have to be able to tell the difference between idealistic and realistic. Idealistically, this is just wonderful. Statistics don't bear that out and realistically this town, in Councilwoman Shutzer's opinion, can not afford to be idealistic at this point. Councilwoman Shutzer stated one thing that kept coming into her mind as she watched this wonderful presentation and all of the research and all of the energy that was spent going into this, she thought of that little bus load of people who went to Trenton. If we could lasso all of this energy and all of what is going on here and we could join forces, Freehold Borough would not have a problem. We could go to Trenton and we could get this thing solved.

Councilman Sims stated he is also not a proponent of the charter school. Councilman Sims went through all layers of public schools in this town. Councilman Sims stated that his nieces hated to go to school and had sub par grades in the previous school district that they were in and when they moved here to the Borough they became straight A students and they get up every morning and love going to school. Councilman Sims stated he has been working with the Freehold Borough Youth Government and it is

great to look at these young people and see the passion on their faces. The real problem here is that we have been given “lip service” from Trenton for way too long now. We need to tell Trenton to “Wake up. We need more money.”

Councilman Newman agreed that there is a problem with the school funding and we are not getting what Freehold Borough needs for public education. Most of the charter schools that he sees out there are in abbott districts or in wealthier towns and how does that affect Freehold who does not get what it needs from Trenton. We need to get a better public funding formula.

Councilman Schnurr stated there is a Professor at the Rutgers Graduate School of Education, Bruce Baker, who issues research reports on the relative success of charter schools as well as traditional schools. There was a Star Ledger article and he was quoted as follows, “What we are finding is that to the extent charter schools do better than traditional school is often attributable to skimming, excluding special education students, poor students on free lunch programs or limited English speaking children.” Councilman Schnurr asked if it could be that these children don’t apply to charter schools and maybe that is the reason why this skimming occurs. It is not so much that the charter schools are doing the skimming but certain segments of the population won’t actually apply to the charter school. Councilman Schnurr asked if Mr. Ginn could address this.

Mr. Ginn stated he can’t address that specific study because he has not seen it. Mr. Ginn stressed that they will work with whomever about anything that has a chance of succeeding. If this doesn’t pan out, this will still not be the end for us. Like everyone else, we are concerned about the town and the school funding and population issue. Mr. Ginn spoke of the statistics that he is aware of. The special education population of charter schools on average is about 8% to 10%. The LEP population typically reflects the demographics of the town. The racial/socioeconomic population typically represents the population of the town. There are schools that may or may not reflect that but by law they are supposed to. In terms of the statistics, there are large studies nationwide and statewide. The charter schools that are successful show large gains in a short period of time. There are plenty of options available but we need to look at what the practical solution is for the issues that the town is facing. The funding is one issue but population is another. Respectfully, I am open to listen to any idea that has a chance of succeeding.

Councilman Schnurr stated he is on the Board of Directors for the Freehold Borough Education Foundation as well as a trustee of 21st Century, the after school program. He has seen the same student projections in terms of overcrowding in the future. Councilman Schnurr asked Mr. Ginn’s opinion on other strategies for cost reduction such as organizing the schools in a way where the Freehold Learning Center has the younger children and Park Avenue Elementary has kids a bit older and the Intermediate School has the oldest age group.

Mr. Ginn stated he is not aware of this.

Councilman Kane thanked Mr. Ginn for his presentation. Everyone knows the formula used to fund public education through municipal property taxes isn't working. Using Annette's numbers of \$8,700.00 per pupil and using the number of a minimum of 200 to open a charter school; a 1.74 million dollar hit to already underfunded school isn't a positive. Councilman Kane stated he appreciates everything that has been and he would like to hear more.

Mr. Ginn stated if they were under populated or close to capacity that would be true but they are not in that situation. He stated that he would be more than happy to sit down with Mr. DeGeorge to go over the fine details of the budget but in theory you should have a budget that is for capacity and everyone above that is above your fixed costs.

Councilman DiBenedetto thanked Mr. Ginn, the founders, the Board of Education and the tax payers who have stepped up to the plate tonight. This is a big step for the future and for educating our children. Both sides have to work together and we have to solve this problem. Councilman DiBenedetto stated it is time for the government to step up to the plate.

Mayor Higgins thanked Mr. Ginn for his presentation. Mayor Higgins asked everyone to keep the discussion open. This group has an open door to discussion about all of the aspects to their presentation. Mayor Higgins encouraged everyone to take part in the survey. We are all aware of the situation and we want to do what is best for the community.

4. LIVE FROM FREEHOLD CONCERT SERIES UPDATE.

Mark Costanzo, 3 Jackson Terrace stated the freehold concert series has been a success on every level. The Alejandro Escovedo concert produced a \$600 profit with minimal investment and advertising. There were 200 people in attendance and they had to turn 25 away. Although, Mr. Costanzo budgeted only \$250.00 for total advertising costs, he knew the money would be best spent on Brookdales 90.5 radio spots. They reach the demographic for these shows but the standard package they offer would cost \$500.00. Mr. Costanzo attempted to solicit the funds but did not receive the responses. He was able to negotiate reduced cost radio spots. Mr. Costanzo mentioned the Woodbridge Music Series on Main Street, which he has modeled Live from Freehold on. That series was the beneficiary of \$12,000.00 in start up costs from their downtown initiative partnership. Not only was seed money provided but their partnership actively sought financial sponsorship from various hotels, restaurants and other businesses to offset costs. Mr. Costanzo's goal this series is to provide Freehold an identity to the musical world as a destination for world class touring artists. As part of Mr. Costanzo's Concerts in the Studio Series they host a pot luck after the show and these post show gatherings made the shows unique and special. Not all of the venues being utilized will be conducive to this type of post show gathering so including the downtown restaurant partners is an obvious choice for post show gatherings and meals. Mr. Costanzo will be rolling out more shows in the weeks to come in an attempt to produce 12 to 15

performances this year. One of the venues he is hoping to utilize is the Freehold High School Theatre but was informed of an electrical issue. Mr. Costanzo approached the school with this and a request for a cost estimate in which he was denied. Mr. Costanzo is asking for some assistance in persuading the school's administration and the Board of Education to see if improvements could be made and at what cost. With regards to upcoming shows, the plan in addition to radio spots was to have printed materials produced. A pamphlet that can serve as advertising for adds for sponsors. He will be getting printing costs for this work and what is not covered in the budgets he will ask for assistance for these costs.

Councilman Sims asked Mr. Costanzo who he spoke with from the high school.

Mr. Costanzo replied he spoke with Jesse Renna and Liz Jewell.

Councilman Sims stated he will be in contact with the superintendent and school board to get some help with this venture.

Councilwoman Shutzer congratulated and thanked Mr. Costanzo.

Mayor Higgins congratulated Mr. Costanzo and stated this was another great program of music and brings an entirely different audience of people to Freehold. Mayor Higgins stated Mr. Costanzo has our support and best wishes.

Kerry Higgins, Borough Attorney, asked Mr. Costanzo to send her an e-mail with a couple of the things he discussed and they can possibly sit down and meet with Rich Gatto, CEO of Downtown Freehold.

5. **EXECUTIVE SESSION**
 - a. **Personnel Matters.**
 - b. **Litigation.**
 - c. **Contract Negotiations.**

Councilman DiBenedetto offered the following Resolution and moved its adoption and was seconded by Councilman Kane:

RESOLUTION AUTHORIZING EXECUTIVE SESSION TO DISCUSS PERSONNEL MATTERS, LITIGATION AND CONTRACT NEGOTIATIONS.

On roll call, Council Members DiBenedetto, Kane, Newman, Schnurr, Shutzer and Sims voted its adoption, opposed none, absent none, abstain none. Mayor Higgins declared the Resolution adopted.

8. ADJOURNMENT.

There being no further business to discuss, Councilman DiBenedetto moved to adjourn the meeting at 9:25 PM, seconded by Councilman Kane, with All in Favor.

Respectfully Submitted,

Traci L. DiBenedetto, RMC
BOROUGH OF FREEHOLD

