

Long Hill Township School District

Public Hearing on the 2011-2012 Budget

March 28, 2011

2011-2012 Budget Highlights

- Current Expense Operating budget of \$14,613,607, an increase of 2.57% over 2010-2011
- School districts now have a 2% cap on the annual increase to the tax levy
- *Long Hill's proposed current fund tax levy is 1.96%*
- Overall total tax increase, including Debt Service, of 0% in 2011-12

Vote by Mail Option

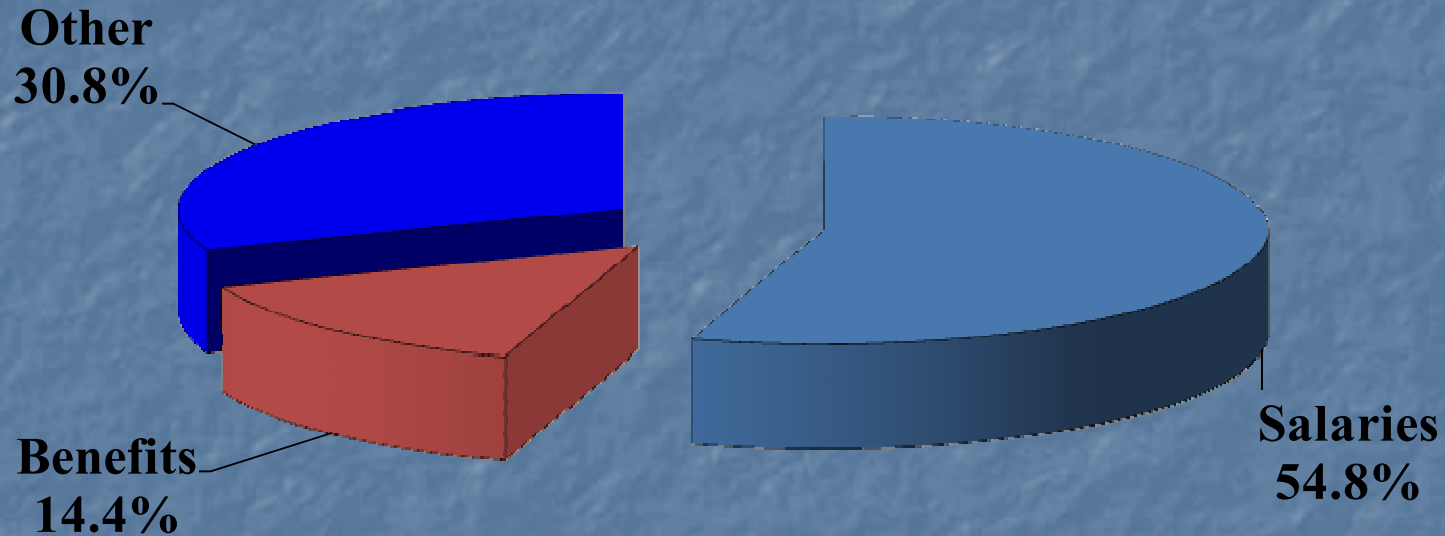
- The polls will be open from 2:00 p.m. to 9:00 p.m. on April 27th. Voters may choose to VOTE BY MAIL instead of going to the polls. NO REASON IS NEEDED to obtain a mail-in ballot.
- Mail-in ballot applications must be received by the Morris County Clerk 7 days prior to the election.
- The Mail-In Ballot application can be downloaded from the Long Hill Township School District website: www.longhill.org

Reducing Costs: Shared Services

Long Hill Board of Education participates in:

- Morris Essex Insurance Group for property, casualty and workers compensation insurance
- ACES – joint bidding for energy
- Cooperative bidding for school and office supplies/paper
- Cooperative bidding and joint transportation agreements for special education busing for out-of-district placements
- Federal Universal service program (E-rate)
- Long Hill Board of Education's Cost Containment Committee working to increase communication and cooperative efforts among the regional school districts

2011-12 Salaries & Benefits



Salaries = \$8.0 million

Benefits = \$2.1 million

Other = \$4.5 million*

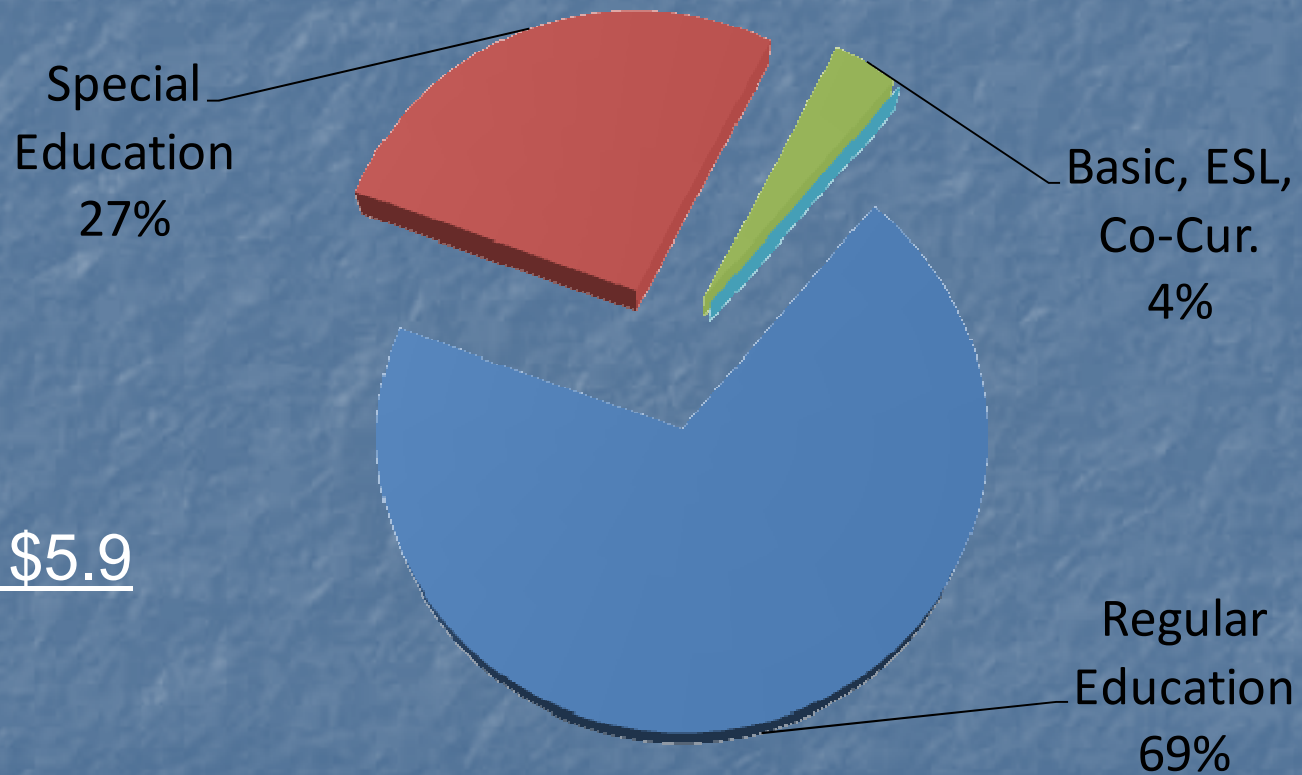
***Includes costs for custodial/maintenance staff**

Total budget = \$14.6 million

What is included in “Other” Expenses?

- Tuition for out-of-district special education placements \$696,881
- Operations and Maintenance of Facility (includes contract with Temco, energy costs) \$1,474,660
- Transportation \$1,060,719

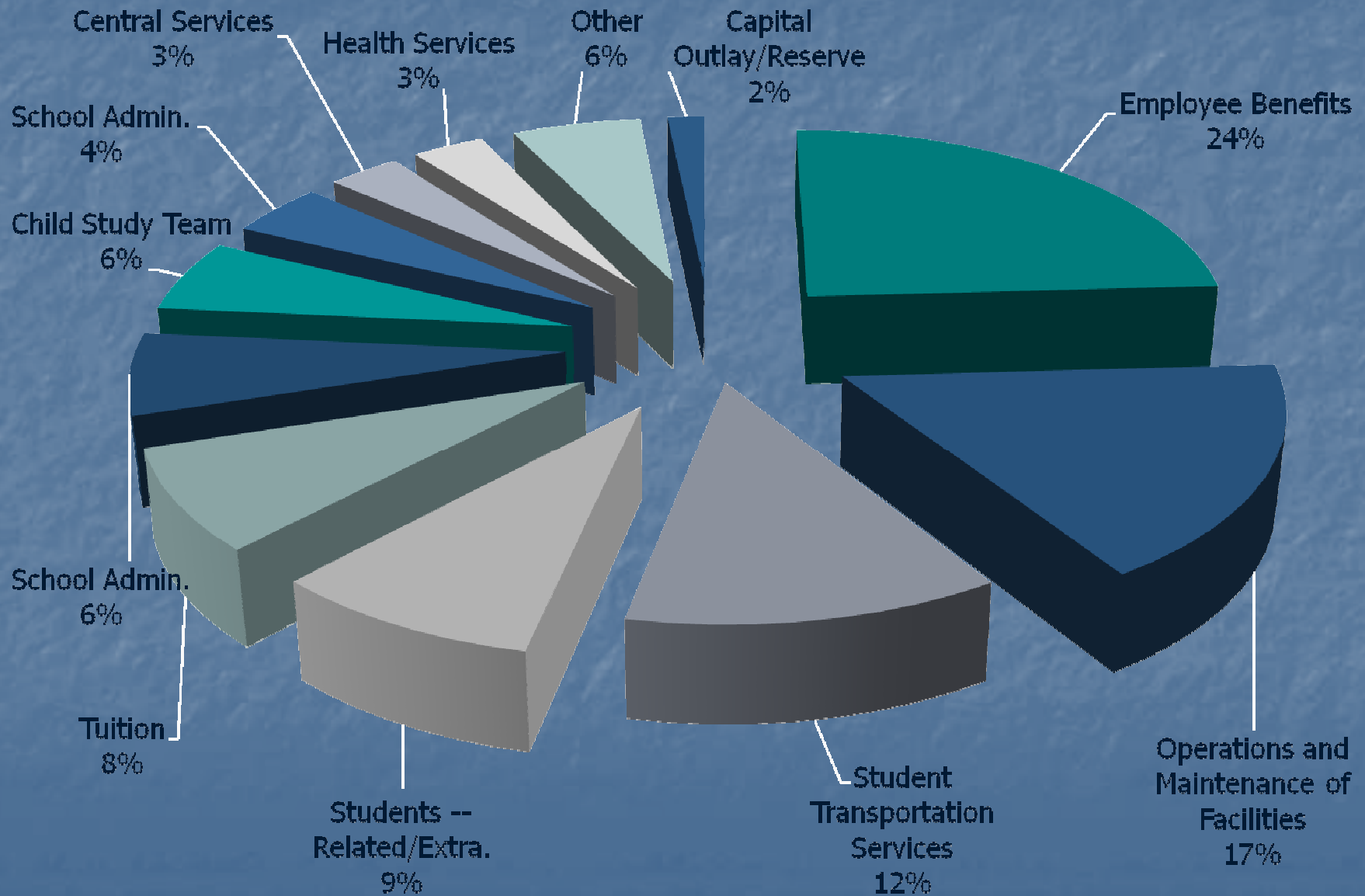
Instructional Expenses



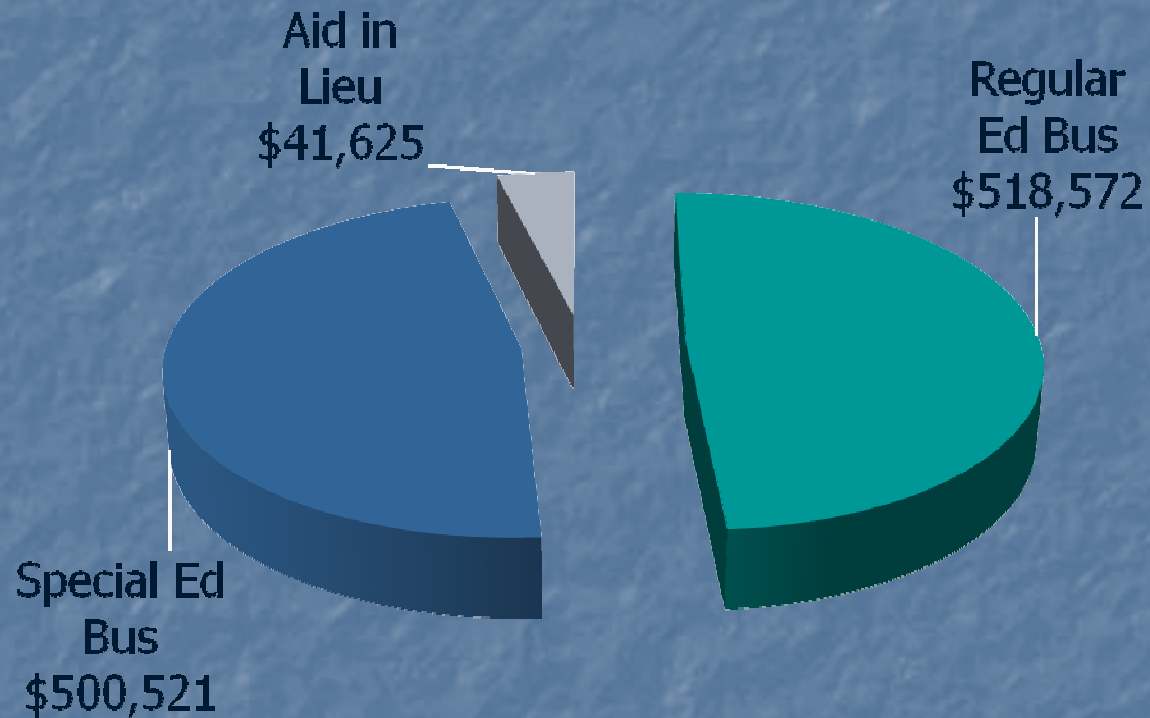
TOTAL = \$5.9
million

Support Services

Total = \$8.7 Million



2011-2012 Projected Transportation Costs



TOTAL = \$1.06 million

Capital Reserve Account

- The 2011-2012 budget includes a deposit of \$115,165 into the district's Capital Reserve Account.
- The balance in this account had decreased to \$14,000.
- The Capital Reserve Account provides funding for capital projects (such as roofing projects) or large equipment purchases.
- Maintaining a Capital Reserve account is part of a prudent long range fiscal plan.

Enrollment Projections – 2011-2012

Gillette School	2011-2012 Projected Enrollment	Number of Sections	Average Class Size
SKIP/KIT	22	-	-
Kindergarten	76	4	19
First Grade	77	4	19-20

Enrollment Projections – 2011-2012

Millington School	2011-2012 Projected Enrollment	Number of Sections	Average Class Size
Second Grade	100	5	20
Third Grade	93	4	23-24
Fourth Grade	102	5	20-21
Fifth Grade	113	5	22-23

Enrollment Projections – 2011-2012

Central School	2011-2012 Projected Enrollment
Sixth Grade	122
Seventh Grade	108
Eighth Grade	124
Out of District Placements	13
Total District Enrollment	950

Student Enrollment Trend

Year	Enrollment	Change	PERCENT
1999	951	56	6.26%
2000	976	25	2.63%
2001	1,038	62	6.35%
2002	1,073	35	3.37%
2003	1,092	19	1.77%
2004	1,103	11	1.01%
2005	1,098	-5	-0.45%
2006	1,090	-8	-0.73%
2007	1,067	-23	-2.11%
2008	1,029	-38	-3.56%
2009	1,026	-3	-0.5%
2010	929	-97	-5.8%
2011	950	31	2.3%

Budget Highlights 2011-2012

- Purchase of new textbooks in language arts and social studies
- Computer lease to replace computers in their 9th year of service
- One additional special education out-of-district placements – tuition and aide (\$100,000)
- Transportation for one out-of-district student (\$25,000)
- Creation of STAR Program (life skills program at Central Middle School for special education students)

Staffing Changes 2011-12

- Reduce 1st Grade from 5 sections to 4
- Eliminate part time language arts position at CMS
- Reinstatement of middle school world language teachers to full time for cycle classes
- Reinstatement of part time computer teachers at middle school for cycle classes.

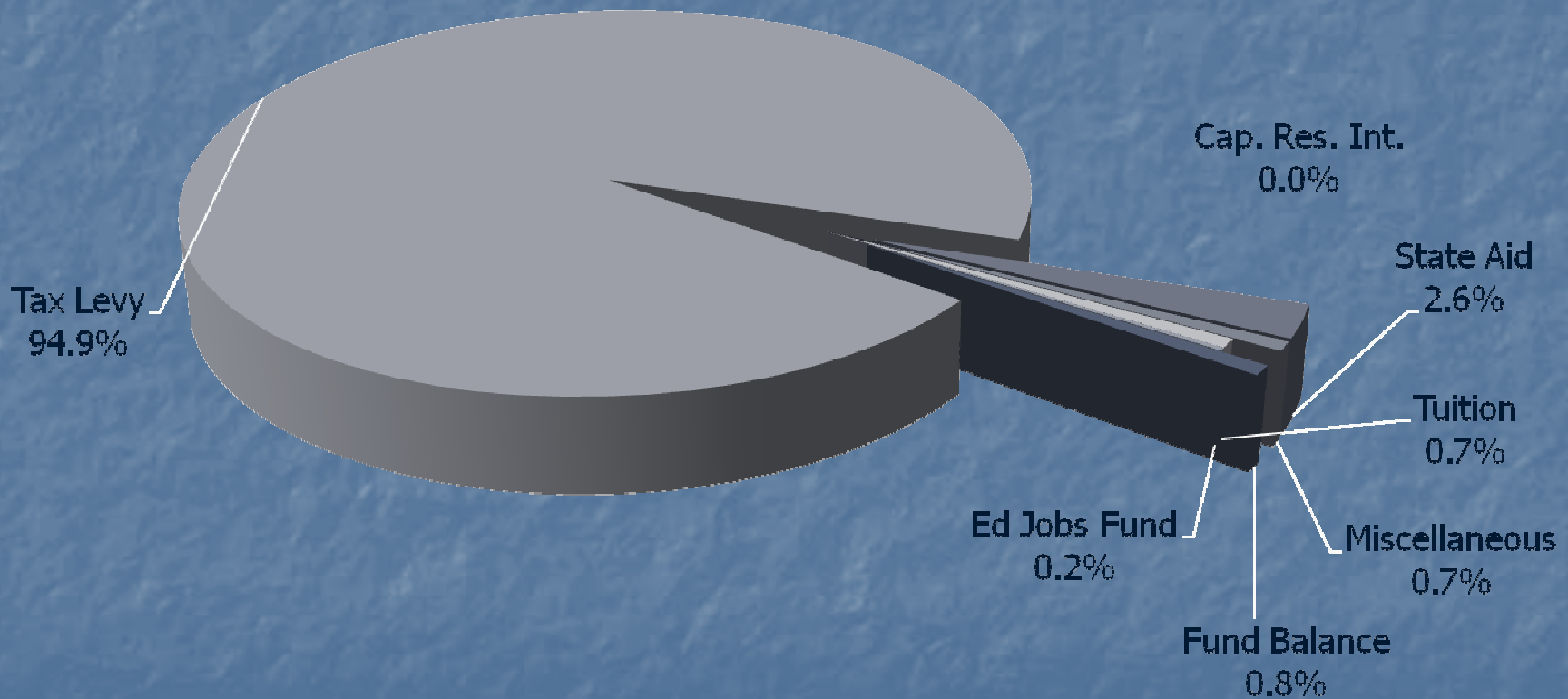
Long Range Planning

- Based on enrollment projections, the district undertook a feasibility study in the fall of 2010 to analyze school building capacity with regard to enrollment projections. Facility consolidation could not be accomplished in the 2011-2012 school year. Enrollment will be monitored annually to determine when consolidation might be feasible.

Administrative Staffing

- Projected enrollment for 2011-2012 at Gillette and Millington Schools exceeds the Millington School capacity.
- Central School does not have the capacity to house the addition of 5th grade in 2011-2012
- New Jersey Administrative Code requires a full time non-teaching principal in each school building unless the district has an alternate plan that has been approved by the Commissioner.

2011-2012 Sources of Revenue



Total Revenues = \$14.6 million

Revenue Change Year to Year

REVENUE SOURCE	2010-2011	2011-2012	CHANGE
FUND BALANCE	\$ 0	\$ 115,165	\$ 115,165
TAX LEVY	\$ 13,607,499	\$ 13,873,821	\$ 266,322
STATE AID *	\$ 244,088	\$ 385,523*	\$ 141,435
MISCELLANEOUS INCOME**	\$ 128,000	\$ 103,600	\$ (24,400)
TUITION	\$ 50,000	\$ 104,000	\$ 54,000
CAPITAL RESERVE	\$ 60,000	\$ 0	\$ (60,000)
EXTRAORDINARY AID	\$ 157,526	\$ 0	\$ (157,526)
EDUCATION JOBS FUND AID	\$ 0	\$ 31,498	\$ 31,498
TOTAL REVENUE	\$ 14,247,113	\$ 14,613,607	\$ 366,494

*Includes \$24,177 in Debt Service Adjustment we have to return to the state

**Includes \$60,000 revenue from subscription busing

Ten-Year Budget Changes

School Year	General Fund		
	Tax Levy	Budget	Budget Chg.
2001/2002	\$8,760,235	\$9,778,471	5.40%
2002/2003	\$9,381,712	\$10,455,842	6.93%
2003/2004	\$10,083,819	\$11,239,186	7.49%
2004/2005	\$10,665,535	\$11,912,914	5.99%
2005/2006	\$11,046,511	\$12,380,520	3.93%
2006/2007	\$11,433,923	\$12,739,767	2.90%
2007/2008	\$11,885,513	\$13,187,367	3.51%
2008/2009	\$12,649,048	\$13,726,650	3.96%
2009/2010	\$13,021,089	\$14,143,503	3.16%
2010-2011	\$13,607,488	\$14,247,113	1.39%
2011-2012	\$13,873,821	\$14,613,607	2.57%

Tax Impact on Average Homeowner

- Average assessed value in Long Hill per the tax assessor's office is \$392,141
- Annual tax increase in total tax levy equals \$0 (based on avg. home at \$392,141)
- Tax rate per \$100.00 of assessed valuation is \$1.165

Total Tax Impact on Residents

Assessed Home Value	Annual Tax Decrease	Monthly Tax Decrease
\$300,000	-\$0.49	-\$0.04
\$350,000	-\$0.57	-\$0.05
<i>\$392,141*</i>	<i>-\$0.64</i>	<i>-\$0.05</i>
\$450,000	-\$0.73	-\$0.06

*This is the average assessed value of a home in Long Hill Township

What Happens When a School Budget is Defeated?

A defeated budget is submitted to the Township Committee for review. The Township Committee is charged with either upholding the tax levy amount in the budget or identifying specific line item amounts to be cut from the budget.

School districts do not have to abide by the specific line item cuts, only the total dollar reduction in the tax levy.

School districts are not able to appeal the amount of the tax levy reduction approved by the Township Council.

Summary/Review

- 2.57% Increase in General Fund expense
- **0% Tax levy increase – general fund and debt service combined**

Annual School Election:

Wednesday

April 27, 2011