

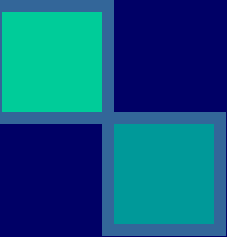



Long Hill Township School District
Public Hearing on the 2010-2011 Budget
March 31, 2010



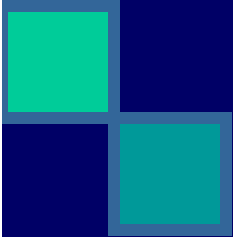



Overview of the Budget

- 
- For the past several years the district has been in a difficult financial position
 - The district had been told to expect between a **5% and 15% decrease in state aid**
 - On March 17th the district received notification that **our state aid had been reduced by 75% - \$706,327**
 - State aid reduction in 2010-2011 comes on the heels of \$26,757 reduction of aid in 2009-2010
- 

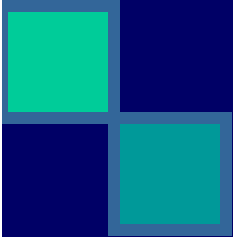



2010-2011 Budget Highlights

- 
- Current Expense Operating budget of \$14,340,113, an increase of **1.39%** over 2009-2010
 - Proposed total tax increase, including Debt Service, of 5.39% in 2010-11
 - Districts permitted to exceed the 4% tax levy cap to compensate for lost state aid
- 




A Perspective on Magnitude

- 
- Total Budget Revenue Loss \$706,327
 - Approximate cost of a first year teacher including salary and benefits \$ 63,665
 - Value of Total Revenue Loss in 11 positions teaching positions (for comparative purposes only, we are not eliminating 11 full time teaching positions)
- 

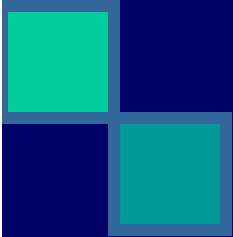



Budget Development Process and Timeline

- Budget development started in the fall with submission of teacher and building level requests
 - Budget development discussed by Finance Committee beginning in December
 - March 16 – Governor’s Budget Address
 - March 17 late afternoon – Received state aid figures
 - March 22 – Submission of tentative budget
 - March 30 – Received approval of revised budget
 - March 31 – Public Hearing on the 2010-11 Budget
 - April 20 – Annual Election
- 




Vote by Mail Option

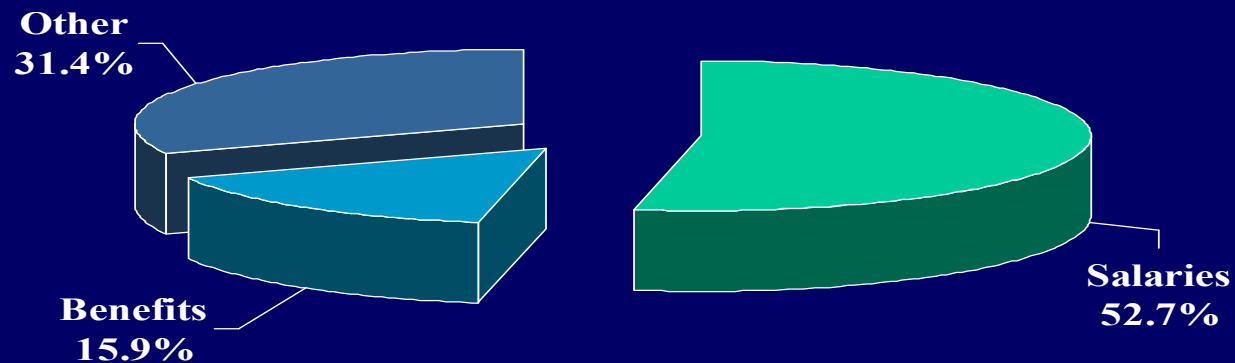
- 
- The polls will be open from 2:00 p.m. to 9:00 p.m. on April 20th. Voters may choose to VOTE BY MAIL instead of going to the polls. NO REASON IS NEEDED to obtain a mail-in ballot.
 - April 13, 2010 is the last day to request a Mail-In Ballot from the Morris County Clerk's Office
 - The Mail-In Ballot application can be downloaded from the Long Hill Township School District website www.longhill.org
- 



Reducing Costs Through Shared Services

- Participation in the Morris Essex Insurance Group for property, casualty and other types of insurance
 - Participation in ACES – joint bidding for energy
 - Participation in cooperative bidding for school and office supplies and paper
 - Participation in cooperative bidding and joint transportation agreements for special education transportation to out of district placements
 - Participation in the federal Universal service program (E-rate)
- 

2010-11 Expense Breakdown



Salaries = \$7.6 million

Benefits = \$2.2 million

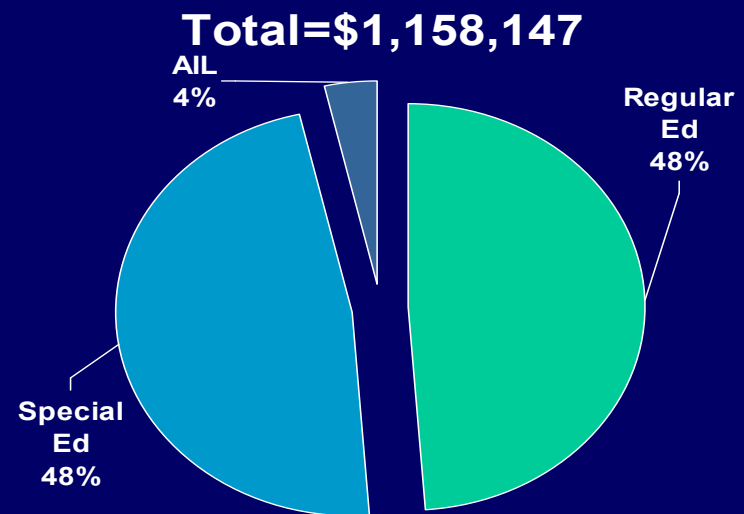
Other = \$4.5 million*

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

Total budget = \$14.3 million

2010-2011 Projected Transportation Costs

- Regular Education
\$564,928
- Special Education
\$551,594
- Aide-in-Lieu
\$ 41,625



Enrollment Projections – 2010-2011

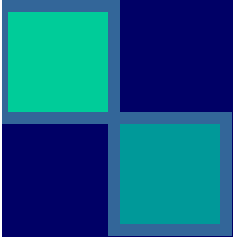
Gillette School	2010-2011 Projected Enrollment	Number of Sections	Average Class Size
SKIP/KIT	19	-	-
PREP	7	-	-
Kindergarten	62	4	15-16
First Grade	95	5	19

Enrollment Projections – 2010-2011


Millington School	2010-2011 Projected Enrollment	Number of Sections	Average Class Size
Second Grade	91	4	22-23
Third Grade	102	5	20-21
Fourth Grade	113	5	22-23
Fifth Grade	120	5	24



Enrollment Projections – 2010-2011




Central School	2010-2011 Projected Enrollment
Sixth Grade	108
Seventh Grade	124
Eighth Grade	117
Out of District Placements	13
Total District Enrollment	971





Budget Highlights 2010-2011

- Funding budgeted for new textbooks in Language Arts – (\$50,000 included in budget)
 - One additional special education out-of-district placements – tuition and aide (\$100,000)
 - Transportation for one out-of-district student (\$25,000)
 - Computer lease to replace 7 year old computers (\$60,000) – funded through Capital Reserve – no tax impact
 - New phone system – operating system, not handsets (\$27,000)
 - Addition of PREP Program (Transitional K-1 Program – at Gillette – no additional staff hired)
- 



Staffing Reductions




Reduce Kindergarten from 5 sections to 4



Reduce 2nd Grade from 5 sections to 4

Eliminate 2 part time special education positions (CMS and Gillette)



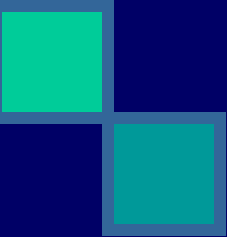
Eliminate part time language arts position at CMS (bubble class)

Eliminate 1 speech language position

Eliminate .5 Library Media Specialist



Staffing Reductions



Eliminate two part time cycle class teachers
at CMS

Reduce part time physical education
position by .29 (Central School)


Eliminate part time Spanish teacher at
Millington



Reduce French and Spanish teacher
positions at CMS to .80




Staffing Reductions

- Reduce Business Administrator's Secretary to .80
 - Reduce Superintendent's Secretary to .88 during school year and .40 during July and August
- 




Additional Budget Reductions since March 22nd Presentation

- Salary savings on 3 teacher retirements
 - Salary savings on teacher assistant retirement (to be replaced with 2 part time positions with no benefits)
 - Reduce textbook expenditures (cut \$30,000)
 - Increase revenue – facility use fee for before and aftercare program
- 




Additional Budget Reductions since March 22nd Presentation

- Cut staff development funding in general fund – use only NCLB funding
 - Cut general supplies (reduced by \$25,000)
 - Reduce salary expenditures for Extended School Year Program
- 

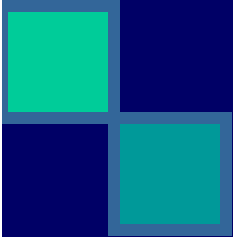



Long Range Planning

- Demographic Study was presented on March 8, 2010 – shows a decline in enrollment
 - The October 2009 enrollment of 1024 is projected to decline to between 845-858 students by 2014-2015.
 - Based on enrollment projections, the district will undertake a feasibility study to explore options and formulate long range plans to address the district's future facility needs.
- 

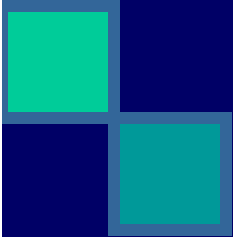


Administrative Staffing

- 
- Projected enrollment for 2010-2011 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 2010-2011
 - 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.
- 



Administrative Staffing

- 
- Long Hill has the highest Student/Administrator ratio of the WHRHS regional districts (2009-2010*):
 - WHRHS 1:128
 - Watchung Borough 1:142.6
 - Green Brook 1:193.8
 - Warren Township 1:201.5
 - **Long Hill Township 1:204.8**

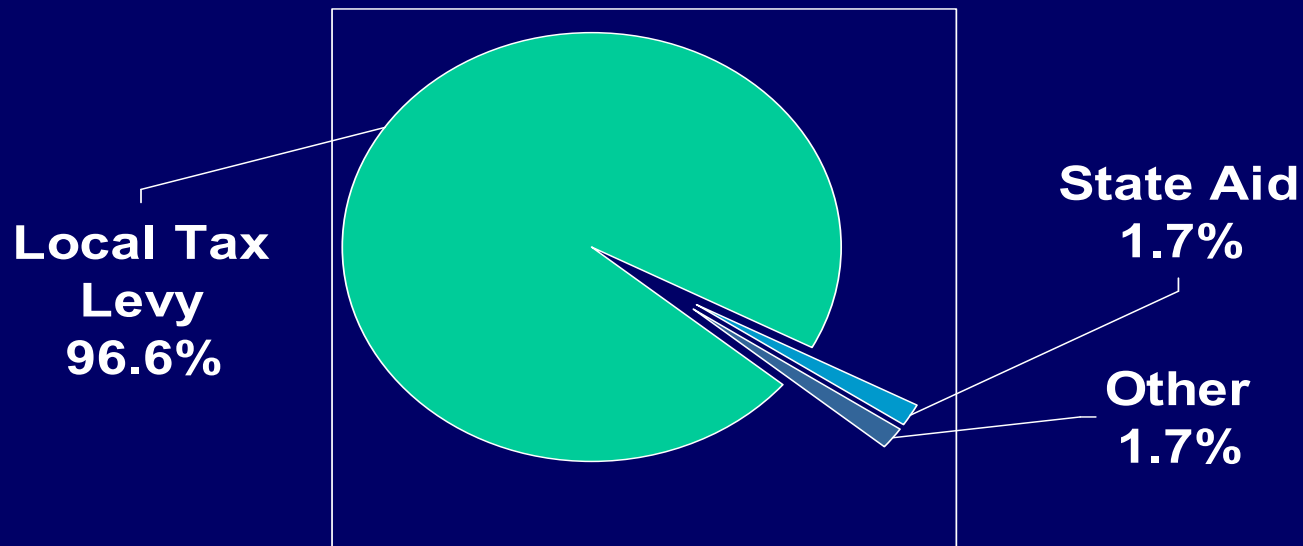
*Source: NJDOE Comparative Spending Guide 2009-2010



Ten-Year Budget Changes

School Year	General Fund		
	Tax Levy	Budget	Budget Chg.
2000/2001	\$8,383,000	\$9,277,300	5.61%
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	\$13,858,025	\$14,340,313	1.39%

2010-2011 Sources of Revenue



Total Revenues = \$14.3 million

Revenue Change Year to Year

REVENUE SOURCE	2009-2010	2010-2011	CHANGE
FUND BALANCE	\$ 0	\$ 0	\$ 0
TAX LEVY	\$ 13,021,089	\$ 13,858,025	\$ 836,936
STATE AID *	\$ 985,417	\$ 244,088	\$ (741,329)
MISCELLANEOUS INCOME**	\$ 115,800	\$ 128,000	\$ 12,200
TUITION	\$ 21,000	\$ 50,000	\$ 29,000
CAPITAL RESERVE	\$ 200	\$ 60,000	\$ 59,800
TOTAL REVENUE	\$ 14,143,506	\$ 14,340,113	\$ 196,607

*Includes \$39,703 in Debt Service Adjustment we have to return to the state


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

Student Enrollment Trend

Year	Enrollment	Change	PERCENT
1997	866	43	5.22%
1998	895	29	3.35%
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	-0.03%
2010	969	-57	-5.8%



Tax Impact on Average Homeowner

- Average assessed value in Long Hill per the tax assessor's office is \$392,380
 - Annual tax increase in total tax levy equals \$215.80 (based on avg. home at \$392,380)
 - Debt Service tax levy, already approved by voters, remains at virtually the same level
 - Tax rate per \$100.00 of assessed valuation is \$1.073
- 

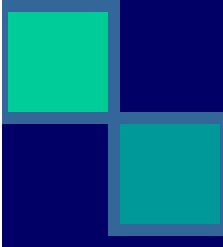
Total Tax Impact on Residents

Assessed Home Value	Annual Tax Increase	Monthly Tax Increase
\$300,000	\$165	\$13.75
\$350,000	\$192.50	\$16.04
<i>\$392,380*</i>	<i>\$215.80</i>	<i>\$17.98</i>
\$450,000	\$247.50	\$20.63

*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.

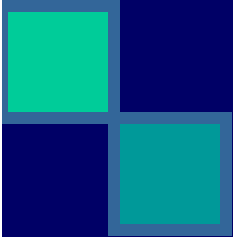

School districts do not have to abide by the specific line item cuts, only the total dollar reduction in the tax levy.

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





Summary/Review

- 
- 1.39% Increase in General Fund expense
 - 5.39% Tax levy increase – general fund and debt service combined
 - 75% State aid decrease
- 

Annual School Election:

April 20, 2010