

HOLLAND TOWNSHIP SCHOOL DISTRICT

2011-2012 Budget Frequently Asked Questions:

1. What does the school budget pay for?

The school budget pays for all the expenses for the day-to-day operations of the school district. This includes salaries of all staff, supplies, materials, textbooks, work books, technology, student activities, maintenance and upkeep of the facilities, heat, electricity and anything else needed to operate a successful school.

2. What is the impact on the average taxpayer in Holland Township?

The 2011-2012 school operating budget is \$9,892,547 and represents a tax levy increase of \$161,040 (2%). This 2% increase coupled with a \$7,621 reduction in district debt service will result in a net tax levy increase of an estimated \$19.96 per \$100,000 of assessed value or an estimated \$69.28 increase on the township's average home assessed at \$346,767.

3. How much state aid was received?

The district received \$1,520,500 in state aid for the 2011-2012 school year. This was an increase of \$106,619 over the amount received for the 2010-2011 school year.

4. How did the district use this additional state aid?

In developing the preliminary budget the Holland Township Board of Education expected that the level of state aid for the 2011-2012 school year would remain the same as 2010-2011. The preliminary budget included cutting a fifth grade teacher that would have caused fifth grade class size to increase. The Board of Education used the additional state aid to put that teaching position back into the budget and to restore some of the line item cuts that were included during the budget planning process.

5. What reductions and/or adjustments were made to the proposed budget?

The 2011-2012 proposed budget includes the elimination of one (1) full time teaching position at the elementary level and the reduction of another teacher to half time and reassigning our elementary enrichment teacher to 50% enrichment and 50% academic support. The proposed budget also includes line item cuts and the elimination of two activities track and gymnastics. The Holland Township Board of Education also allocated \$60,000 of additional surplus so that they did not have to make deeper cuts that may have impacted student programs or educational opportunities.

6. Why is the budget increasing if the district is cutting 1.5 teachers and making line item reductions?

- *Contractual obligations*
- *Increase in Health Insurance (17% 2010-2011 and 13.5% anticipated for 2011-2012)*
- *Increase in other Benefits (PERS, Worker's Comp Insurance, Social Security, Unemployment Insurance)*
- *Increases in Utilities and Energy*
- *Increases in other insurances such as Property and Liability*
- *Increases in Special Education costs*

7. What items in the budget are mandated by the state?
It is difficult to identify all the specific items in the budget mandated by the state. The school district is obligated to provide students with curriculum, instruction, and programs to meet the New Jersey Core Curriculum Content Standards grades K-8. These include meeting the standards in Math, Science, Language Arts Literacy, Technology, World Languages, Social Studies, Health & Physical Education, Visual and Performing Arts, and 21st Century Life and Careers. The district is also required to provide Special Education services as outlined in a students' Individual Education Plan which may include placement in smaller classes, one-on-one or in-class support aides or teachers.
8. Why do we have four administrators?
The position of Supervisor of Curriculum and Instruction was cut beginning with the 2010-2011 school year reducing the number of administrators in the district from five (5) to four (4).
- The Holland Township administrative team consists of a Superintendent, Business Administrator, K-8 Principal/Curriculum Coordinator and a Supervisor of Special Services. Our current administrative structure is in line with the administrative structure in districts of similar size in both our regional sending districts and Hunterdon County. Although titles of the administrators may be different most K-8 districts in Hunterdon County that are of similar size have four administrators. A review of comparative data demonstrates that the district consistently falls in the middle of cost averages for administration among K-8 districts in Hunterdon County.*
9. Why is the district moving forward with capital maintenance projects such as the installation of security cameras, roof repair and replacement, brick re-pointing and other projects if we are cutting teachers and reducing budget line items?
Over the past several years the district has put funds in a Capital Reserve Account that can only be used for capital maintenance projects. The district applied and received a ROD grant from the state in the amount of \$270,320 (40% of project cost) and will apply \$405,480 of the capital reserve to complete the projects. The projects include storm drainage improvements, roof repair and replacement, interior and exterior security camera installation, bell tower restoration, and other maintenance projects.
- The Capital Reserve funds set aside by the board can only be used for completing capital maintenance projects.*
10. What happens if the school budget is defeated?
If the budget is defeated it must be sent to the Holland Township Mayor and Committee for review. The Mayor and Committee will review the budget and determine the dollar amount if any that they want cut from the budget and recommend where those reductions are to be made. The Board of Education is not obligated to abide by the recommendation for the cuts but must comply with the dollar amount cut by the Holland Township governing body. The decision of the Mayor and Committee is final and binding unless the Board of Education appeals the decision to the Commissioner of Education.
11. How does a defeated budget affect future years?
First and foremost, a defeated budget has an immediate impact on our students. Programs and educational opportunities included in the proposed budget may need to be cut. These cuts could have an impact on class size and educational support systems provided to our students depending on the size of the reduction the Mayor and Township Committee requires the district to make. In the long term the money cut from the budget reduces our base budget and makes it more difficult to fund existing programs or restore lost programs.