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Investigation and Report by the Ocean County Superintendent of Schools on the Feasibility for the Dissolution of the Central Regional School District

Ocean County
Central Regional School District

March 2006

New Jersey State Department of Education
Ocean County Office of Education

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- James L. Kirtland, C.P.A.
- Melvin L. Wyns, Consultant

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Ocean County Superintendent of Schools

Feasibility Investigation of the Advisability of Dissolution of the Central Regional School District in Ocean County

The Ocean County Superintendent of Schools on September 24, 2004 convened a meeting of all constituent School Superintendents, boards of education and their respective municipalities. This meeting served to review the procedures to be followed for the withdrawal from, or dissolution of the Central Regional School District. In addition, the meeting fulfilled the statutory requirement 18A:13-52 for the County Superintendent to have such a meeting within 21 days of receipt of dissolution resolutions or prior to the adoption of the required resolutions.

At the request of the Island Heights municipality, the county superintendent attended an informational meeting at the Island Heights municipal building on September 29, 2005. This meeting included NJSBA representatives, board of education representatives and concerned individuals. Again, the process and implications for the dissolution of the Central Regional School District were discussed in detail. Lastly, the county superintendent invited all municipalities and boards of education to an informational meeting at the Central Regional School District on January 31, 2006.

The initial request for a feasibility study was presented to the Ocean County Superintendent in the form of a withdrawal from the Central Regional School District by Seaside Park. This request was altered to a request for dissolution of the Central Regional School District as a result of having a majority of the boards of education and respective governing bodies pass resolutions as required in 18A:13-51.

The following boards of education and their respective governing bodies have passed resolutions authorizing the Ocean County Superintendent of Schools to conduct a feasibility study for the dissolution of the Central Regional School District:

	Municipality	Board of Education
1. Borough of Island Heights	11/15/2005	10/12/2005
2. Borough of the Seaside Heights	07/06/2005	06/27/2005
3. Borough of Seaside Park	06/08/2005	06/13/2005

The feasibility study for dissolution of the Central Regional School District submitted by Donald E. Beineman, Ed.D. and James L. Kirtland, C.P.A. was completed with additional data analysis "A Preliminary Study to Determine the Feasibility of Dissolution of the Central Regional School District" to the county superintendent on December 7, 2005.

On November 9, 2005 the Ocean County Office of Education also received the feasibility study conducted by the Central Regional School District titled "Financial Impact of the Withdrawal of the Borough of Seaside Park from the Regional District or the Dissolution of the Regional School District" authored by Mel Wyns, Educational Consultant. Both studies examined the educational and financial impact of the constituent municipalities and school districts as well as other pertinent factors.

Further, the county superintendent formally requested all constituent school districts and their respective municipalities for tentative educational plans in the event of dissolution N.J.A.C. 6A:32-11.1. The following school districts and municipalities have complied with this request as listed.

	Municipality & Board of Education
1. Berkeley Township	01/18/2006
2. Island Heights	01/17/2006
3. Ocean Gate	02/27/2006
4. Seaside Heights	02/10/2006
5. Seaside Park	01/03/2006

Based on the last submission of educational plans on February 27, 2006, the county superintendent was required to file his report within 60 days of the feasibility study completed submission or by April 27, 2006.

The format of this report follows the outline provided in the Administrative Code 6A:32-11.1. Thus, this report is segmented into two parts. Part one centers on the resolution to request the county superintendent to investigate the feasibility of dissolution and consists of five elements. The second part of the report represents the investigation and report of the county superintendent of schools consisting of fourteen elements designated for analysis.

PART ONE

Application and Data
Investigation of Advisability of Dissolution

General Description of Central Regional School District

6A:32-11.1(a)1
General description of the regional district and of the withdrawing constituent district, including but not limited to, the type of educational system, number of schools and grade levels served, community population, and geographical characteristics:

The following description is taken from the Central Regional CAFRA June 30, 2004 Report, Page 2.

> The Central Regional School District is located in the Central Eastern portion of Ocean County and consists, geographically, of five separate municipalities within its boundaries. These municipalities include Berkeley Township, Island Heights, Ocean Gate, Seaside Heights and Seaside Park. The district encompasses 43.95 square miles.
>
> The District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2003 - 2004 fiscal year with an average daily enrollment of 2334.7 students, which is 4.74% above the previous year's average daily enrollment and 689.8 students more than the 1993 - 1994 school year.
>
> The estimated population (as of the Census on April 1, 2000) of the five (5) constituent communities comprising the Central Regional School District is 51,663 (Source: U.S. Bureau of the Census Population Estimates Branch, distributed by the NJ Department of Education). The estimated population has increased approximately 7.9% from 1994 to 2003. The five (5) municipalities of the school district have a combined net taxable value of $3,697,578,692 (as per the abstract of ratables issued by the Ocean County Board of Taxation).

Additional description of the district can be found in Appendix A (Beineman & Kirtland Report, pages 1-3)

Enrollment Analysis

6A:32-11.1(a)2
Enrollment data, including, but not limited to, the number of pupils enrolled as reported by grade on the Annual Application for State School Aid and estimated projected enrollments, by grade level, for the succeeding five school years for both the withdrawing district or municipality and the remaining regional district, based on growth factors using average percentages for the last three school years:

Should the dissolution of the Central Regional School District occur, the sixth grade graduating pupils shall attend the middle school and later high school district with which a sending-receiving relationship is established.

The following tables were part of the Beineman & Kirtland report and meet the requirements of this element:

Table 13
Enrollment Projection 2004-2005 to 2009-2010
Central Regional High School District

Year	Total All 6th Grades	7	8	9	10	11	12	Sub-Total	Spec. Ed.	Total
2004-05	307	322	341	356	306.5	263	254	1,842.5	371.5	2,214
2005-06	319	282	322	356	336	251	266	1,813	398	2,211
2006-07	284	293	282	336	336	276	254	1,777	390	2,167
2007-08	275	261	293	295	318	276	279	1,722	378	2,100
2008-09	306	253	261	306	279	261	279	1,639	360	1,999
2009-10	319	282	253	273	289	229	264	1,590	349	1,939

Table 8
Enrollment Projection 2004-2005 to 2009-2010
Berkeley Township

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	216	255	248	245	219	226	248	239	1,680	230	1,910
2005-06	197	204	271	247	253	221	229	248	1,673	115	1,788
2006-07	273	282	217	270	255	256	224	229	1,733	119	1,852
2007-08	296	306	300	216	279	258	260	224	1,843	127	1,970
2008-09	246*	254	325	299	223	283	262	260	1,906	131	2,037
2009-10	246*	254	270	324	309	226	287	262	1,932	133	2,065

Table 9
Enrollment Projection 2004-2005 to 2009-2010
Island Heights School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	20	16	16	13	17	10	8	16	96	7	103
2005-06	16	12	15	16	13	15	8	8	87	6	93
2006-07	14	10	11	15	16	11	12	8	83	6	89
2007-08	9	7	9	11	15	14	10	12	78	6	84
2008-09	15*	11	7	9	11	13	12	10	73	5	78
2009-10	15*	11	10	7	9	10	11	12	70	5	75

Table 10
Enrollment Projection 2004-2005 to 2009-2010
Ocean Gate School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	36	20	22	16	15	20	20	11	124	34	158
2005-06	24	22	16	20	15	13	17	17	120	29	149
2006-07	26	22	17	15	19	13	11	14	111	26	137
2007-08	29	23	17	16	14	17	11	9	107	26	133
2008-09	23*	26	18	16	15	12	15	9	111	26	137
2009-10	23*	21	23	17	15	13	10	13	112	27	139

Table 11
Enrollment Projection 2004-2005 to 2009-2010
Seaside Heights School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	60	35	36	27	16	23	30	26	193	66	259
2005-06	64	43	30	32	19	14	22	34	194	38	232
2006-07	53	36	37	28	23	17	13	25	179	35	214
2007-08	67	45	31	33	20	20	16	15	180	35	215
2008-09	61*	41	38	28	24	18	19	18	186	36	222
2009-10	61*	41	35	34	20	21	17	21	189	37	226

Table 12
Enrollment Projection 2004-2005 to 2009-2010
Seaside Park School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	22	18	17	13	20	10	13	15	106	0	106
2005-06	13	12	18	15	12	18	9	12	96	0	96
2006-07	17	16	12	16	14	11	16	8	93	0	92
2007-08	17	16	16	11	16	13	10	16	96	0	94
2008-09	17*	16	16	14	10	14	12	9	91	0	89
2009-10	17*	16	16	14	13	9	13	11	92	0	90

Racial/Ethnic Composition

6A:32-11.1(a)3
The racial composition of the pupil population enrolled in the regional district from the withdrawing district or municipality, and the effect of such withdrawal upon the racial composition of the remaining pupil population of the regional district;

In the event of dissolution of the Central Regional School District the student population in each independent district reflects the total population of the community it serves. Thus, the effect on racial/ethnicity is expected to have no significant impact regarding dissolution.

The following tables were part of the Beineman & Kirtland report and meet the requirements of this element:

Table 19
Racial/Ethnic Enrollment by Grade
Central Regional High School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
7	378	17	22	0	3	420
8	363	15	20	0	5	403
9	366	18	23	0	4	411
10	358.5	12	15	0	2	387.5
11	267	11.5	11	1	1	291.5
12	283.5	15	15	0	1	314.5
Spec. Ed	24	0	0	0	0	24
Total	2,040	88	106	1	16	2,251.5
Percent	90.6%	3.9%	4.7%	0.04%	0.71%	

Table 14
Racial/Ethnic Enrollment by Grade
Berkeley Township School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
K	206	17	18	0	4	245
1	224	5	18	0	0	247
2	199	13	12	0	4	228
3	215	14	19	0	5	253
4	227	19	19	0	2	267
5	237	14	11	0	3	265
6	237	16	14	0	5	272
Spec. Ed	83	12	8	0	0	103
Total	1,628	110	119	0	23	1,880
Percent	86.6%	5.9%	6.3%	0	1.2%	

Table 15
Racial/Ethnic Enrollment by Grade
Island Heights School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
K	16	0	0	0	0	16
1	15	0	0	0	0	15
2	20	0	0	0	0	20
3	13	0	0	0	0	13
4	15	0	0	0	0	15
5	18	0	0	0	0	18
6	8	0	0	0	0	8
Spec. Ed	0	0	0	0	0	0
Total	105	0	0	0	0	105
Percent	100%	0	0	0	0	

Table 16
Racial/Ethnic Enrollment by Grade
Ocean Gate School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
Pre-K	15	0	0	0	0	15
K	22	0	0	0	0	22
1	20	0	0	0	0	20
2	15	0	0	0	0	15
3	24	0	0	0	0	24
4	22	0	0	0	0	22
5	13	0	0	0	0	13
6	15	0	0	0	0	15
Spec. Ed	34	0	0	0	0	34
Total	180	0	0	0	0	180
Percent	100%	0	0	0	0	

Table 17
Racial/Ethnic Enrollment by Grade
Seaside Heights School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
Pre-K	11	4	7	0	0	22
K	28	10	11	0	1	50
1	19	5	5	0	1	30
2	19	4	7	0	1	31
3	18	3	5	0	0	26
4	21	3	3	0	0	27
5	20	4	3	0	0	27
6	22	3	0	0	0	25
Spec. Ed	30	7	4	0	1	42
Total	188	43	45	0	4	280
Percent	67.2%	15.5%	16.2%	0	1.1%	

Table 18
Racial/Ethnic Enrollment by Grade
Seaside Park School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
Pre-K	11	0	0	0	0	11
K	14	1	1	0	1	17
1	16	1	2	0	0	19
2	19	0	1	0	0	20
3	12	0	0	0	0	12
4	13	0	1	0	0	14
5	12	1	1	0	0	14
6	14	0	0	0	0	14
Spec. Ed	0	0	0	0	0	0
Total	111	3	6	0	1	121
Percent	91.7%	2.5%	5.0%	0	0.8%	

District Fixed Asset Appraisals

6A:32-11.1(a)4
Two appraisals of each school site which is part of the regional district prepared by qualified appraisers. If two or more constituent districts or municipalities request such a study, selection of the appraisers and the cost of the required appraisals shall be made and shared jointly:

Two independent appraisals were utilized to determine the value of the fixed assets of the Central Regional School District. American Appraisal Associates and Holzhauer & Holenstein, LLC were used to render appraisals of the fixed assets of the district.

The appraisal included an evaluation of the school site, replacement cost analysis of school building improvements, site improvements, and ancillary buildings, and an evaluation of personal(school) property other than furnishings and equipment (Holzhauer & Holenstein).

> The property consists of a 94.63-acre, irregular rectangle shaped lot. The site is improved with two, 2 story block school facilities/complexes, each having one or more gymnasiums and multiple recreation/sports fields. Central Regional High School ("CRHS") (272,420sf) was constructed in 1956, with additions in 1962, & 1965; renovations in 1980, and completion of the new gym and various expansions completed in 2004. Central Regional Middle School ("CRMS") (141,478sf) was constructed in 1981, with renovations completed in 2002. Construction quality, materials and condition are observed to be average. The grounds and athletic fields are typical of graded, seeded, and landscaped regional school facilities. The site is bordered by chain-link fencing. Primary access to the site is achieved via three access points along Forest Hills Parkway. An interior access road connects the two school building (Holzhauer & Holenstein).

Market Value, B356/L1, as though vacant:	$5,110,000.
Replacement Value, school building:	$61,671,000.
Replacement Value, ancillary improvements	$ 1,990,000.
Present Value, personal (school)property:	$ 425,000.

The appraisal reports were incorporated into the Beineman & Kirtland report and summarized with respect to the New Jersey Department of Education Facilities standards as follows:

> In order to allocate the indebtedness related to fixed assets, the statutes necessitate the estimation of the replacement cost of buildings, grounds, furnishings and equipment. This estimate is calculated by the Bureau of Facility Planning Services of the State's Department of Education. The methodology uses construction cast per square foot times the applicable square footage. The Regional District provided me with the square footage of approximately 463,000. Based on a telephone discussion with the Department of Education, the construction cost per square foot is $143. The resulting estimated replacement value for the two schools of the Regional District is $66,209,000. This amount will be used to allocate debt related

to fixed assets. The land and buildings are located in Berkeley Township (Beineman & Kirtland, page 38).

Additional details regarding fixed assets can be found in the appraisal reports and CAFRA report for the Central Regional School District.

Educational Plans

6A:32-11.1(a)5
The proposed educational plan for the pupils from the withdrawing district or municipality presently enrolled in the school or schools of the regional district.

The information regarding educational plans for each school district was requested in addition to the Beineman & Kirtland report. The county superintendent requested separate resolutions from each board of education and municipality indicating their respective educational plans.

The Beineman & Kirtland report indicated the following with respect to the Seaside Park educational plan:

> As for the impact on all concerned students upon withdrawal, Seaside Park has 57 students enrolled in the Regional District and spread over grades seven through twelve. In any withdrawal, in all likelihood, seniors will have graduated and underclassmen will be permitted to remain through graduation. The eventual reduction in the number of Seaside Park students over five or six years will have no impact on the curriculum, staffing or operation of the middle or high school. Accordingly, upon Seaside Park's withdrawal, nothing would preclude the remaining constituents from continuing to offer a thorough and efficient education to the students attending Central Regional Middle and High Schools.
>
> Prior to pursuit of withdrawal, the Seaside Park Board of Education must establish a contingent sending-receiving relationship with a middle school and high school. The following data is offered to assist the board in that decision by comparing the opportunities at Central Regional and other geographically proximate grade 7-12 schools (Beineman & Kirtland Page 20).

It should be noted that the dissolution of Central Regional School District has a presumption that the Berkeley Township School District would assume the ownership of the Central Regional School District land and buildings that exist in Berkeley Township, thus Berkeley Township Board of Education would change from a K-6 district to K-12.

In order to fulfill the administrative code regarding the need to have an analysis of educational plans in the event of dissolution, the Beineman & Kirtland report needed to be augmented by an analysis of these resolutions:

Berkeley Township Educational Plan
The Berkeley Township Board of Education opposes the dissolution of the Central Regional School District based on their belief that a dissolution will disrupt delivery of educational services to the community and would have a substantial tax impact on the residents of Berkeley Township. If dissolution did occur, the students of Berkeley Township would become part of a K-12 Berkeley Township School District. (See Appendix D)

Island Heights Educational Plan
The Island Heights Board of Education and the Point Pleasant Borough Board of Education have reached a potential agreement for a sending/receiving relationship for the purposes of the feasibility study in case the dissolution of the Central Regional School District occurs. Thus, Island

Heights students presently attending Central Regional School District would attend Point Pleasant Borough. (See Appendix D)

Ocean Gate Educational Plan

The Ocean Gate School District opposes the dissolution of the Central Regional School District. In the event of a dissolution, the school district would enter into a sending/receiving relationship with the Berkeley Township Board of Education for students in grades 7-12. (See Appendix D)

Seaside Heights Educational Plan

The Seaside Heights Board of Education, with the full support of the Mayor and Council of the Borough, has determined to enter into a sending/receiving relationship for students in grades 7-12 with the Toms River Regional Board of Education, based on a dissolution of the Central Regional School District. (See Appendix D)

Seaside Park Educational Plan

The Seaside Park Board of Education, with the full support of the mayor and council of the Borough of Seaside Park, has determined to enter into a sending/receiving relationship with the Toms River School Board if the dissolution of the Central Regional School District occurs. Seaside Park has requested a long term commitment from the Toms River Board of Education to educate students in grades 7-12 residing in Seaside Park. (See Appendix D)

PART TWO

Investigation and Report
County Superintendent of Schools

General Description of the Central Regional School District

6A:32-11.1(b)1
A general description of the regional district, including the number of constituent districts, schoolhouses, area of the total district, and area of the withdrawing district or municipality:

The Central Regional High School District and its constituent elementary school districts of Berkeley Township, Island Heights, Ocean Gate, Seaside Heights and Seaside Park are located in Ocean County, the fastest growing county in New Jersey. Seaside Park and Seaside Heights are located on a barrier island between the Atlantic Ocean and Barnegat Bay. Island Heights is on the mainland and is surrounded by Dover Township on two sides and the Toms River on the remaining two sides. Ocean Gate is surrounded by Berkeley Township on three sides and the Toms River on the north. Berkeley Township is by far the largest of the constituent districts and is home to the Central Regional High School District(Beineman & Kirtland page 3).

The property consists of a 94.63-acre, irregular rectangle shaped lot. The site is improved with two, 2 story block school facilities/complexes, each having one or more gymnasiums and multiple recreation/sports fields. Central Regional High School ("CRHS") (272,420sf) was constructed in 1956, with additions in 1962, & 1965; renovations in 1980, and completion of the new gym and various expansions completed in 2004. Central Regional Middle School ("CRMS") (141,478sf) was constructed in 1981, with renovations completed in 2002. Construction quality, materials and condition are observed to be average. The grounds and athletic fields are typical of graded, seeded, and landscaped regional school facilities. The site is bordered by chain-link fencing. Primary access to the site is achieved via three access points along Forest Hills Parkway. An interior access road connects the two school building (Holzhauer & Holenstein).

Further information including tax maps, photos and detailed information regarding the buildings and land are part of the Holzhauer & Holenstein report on file in the Ocean County Superintendent's office. To complete this element of the County Superintendent's feasibility study the following table from the Beineman & Kirtland (Page 3) report follows. The table provides additional information regarding statistics of each constituent district.

Table 1
Demographic Characteristics

Category	Berkeley Township	Island Heights	Ocean Gate	Seaside Heights	Seaside Park
Population (2000)	39,991	1,751	2,076	3,155	2,263
Race/Origin					
White	38,833	1,712	2,004	2,838	2,213
African-American	519	2	20	127	6
American Indian/Alaskan Native	16	8	3	20	8
Asian	181	11	20	27	14
Pacific Islander	4	0	0	0	2
Other Race	173	1	11	37	4
Two or More Races	265	17	18	106	16
Hispanic Origin	932	24	49	306	52
Age					
Under 5 Years	1,089	84	144	238	107
5-18	2,311	308	396	498	218
18-65	14,627	1,056	1,236	2,071	1,370
65 and Over	20,806	303	300	348	568
Median Age	66.3 Yrs.	43.0 Yrs.	36.9 Yrs.	33.3 Yrs.	46.8 Yrs.
Educational Attainment					
High School Graduate or Higher	72.4%	90.8%	81.3%	76.3%	88.0%
Bachelor's Degree or Higher	10.3%	33.4%	7.3%	15.6%	33.8%
Income					
Per Capita Income	$22,198	$26,975	$19,339	$18,665	$30,000
Median Household Income	$32,134	$61,125	$41,067	$25,963	$45,390
Median Family Income	$40,208	$72,596	$50,847	$27,197	$58,636
Housing Units					
Total Number	22,268	807	1,152	2,840	2,811
Occupied Units	19,828	705	832	1,408	1,127
Owner Occupied Units	18,423	616	579	397	697
Renter Occupied Units	1,405	89	253	1,011	448
Median Value/Single Family Home	$102,100	$167,400	$101,500	$124,400	$215,100
Median Rent	$774	$830	$819	$635	$718

Enrollment Data
Application for State School Aid

6A:32-11.1(b)2

2. Enrollment data, including the number of pupils enrolled as reported by grade on the Annual Application for State School Aid and estimated projected enrollment, by grade level, for the succeeding five school years for both the withdrawing district or municipality and the remaining regional district, based on growth factors using average percentages for the last three school years;

Should the dissolution of the Central Regional School District occur, the sixth grade graduating pupils shall attend the middle school and later high school district with which a sending-receiving relationship is established.

The following tables were part of the Beineman & Kirtland report and meet the requirements of this element:

Table 13
Enrollment Projection 2004-2005 to 2009-2010
Central Regional High School District

Year	Total All 6th Grades	7	8	9	10	11	12	Sub-Total	Spec. Ed.	Total
2004-05	307	322	341	356	306.5	263	254	1,842.5	371.5	2,214
2005-06	319	282	322	356	336	251	266	1,813	398	2,211
2006-07	284	293	282	336	336	276	254	1,777	390	2,167
2007-08	275	261	293	295	318	276	279	1,722	378	2,100
2008-09	306	253	261	306	279	261	279	1,639	360	1,999
2009-10	319	282	253	273	289	229	264	1,590	349	1,939

Table 8
Enrollment Projection 2004-2005 to 2009-2010
Berkeley Township

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	216	255	248	245	219	226	248	239	1,680	230	1,910
2005-06	197	204	271	247	253	221	229	248	1,673	115	1,788
2006-07	273	282	217	270	255	256	224	229	1,733	119	1,852
2007-08	296	306	300	216	279	258	260	224	1,843	127	1,970
2008-09	246*	254	325	299	223	283	262	260	1,906	131	2,037
2009-10	246*	254	270	324	309	226	287	262	1,932	133	2,065

Table 9
Enrollment Projection 2004-2005 to 2009-2010
Island Heights School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	20	16	16	13	17	10	8	16	96	7	103
2005-06	16	12	15	16	13	15	8	8	87	6	93
2006-07	14	10	11	15	16	11	12	8	83	6	89
2007-08	9	7	9	11	15	14	10	12	78	6	84
2008-09	15*	11	7	9	11	13	12	10	73	5	78
2009-10	15*	11	10	7	9	10	11	12	70	5	75

Table 10
Enrollment Projection 2004-2005 to 2009-2010
Ocean Gate School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	36	20	22	16	15	20	20	11	124	34	158
2005-06	24	22	16	20	15	13	17	17	120	29	149
2006-07	26	22	17	15	19	13	11	14	111	26	137
2007-08	29	23	17	16	14	17	11	9	107	26	133
2008-09	23*	26	18	16	15	12	15	9	111	26	137
2009-10	23*	21	23	17	15	13	10	13	112	27	139

Table 11
Enrollment Projection 2004-2005 to 2009-2010
Seaside Heights School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	60	35	36	27	16	23	30	26	193	66	259
2005-06	64	43	30	32	19	14	22	34	194	38	232
2006-07	53	36	37	28	23	17	13	25	179	35	214
2007-08	67	45	31	33	20	20	16	15	180	35	215
2008-09	61*	41	38	28	24	18	19	18	186	36	222
2009-10	61*	41	35	34	20	21	17	21	189	37	226

Table 12
Enrollment Projection 2004-2005 to 2009-2010
Seaside Park School District

Year	Total Births 5 Yrs Earlier	K	1	2	3	4	5	6	Sub-Total	Spec. Ed.	Total
2004-05	22	18	17	13	20	10	13	15	106	0	106
2005-06	13	12	18	15	12	18	9	12	96	0	96
2006-07	17	16	12	16	14	11	16	8	93	0	92
2007-08	17	16	16	11	16	13	10	16	96	0	94
2008-09	17*	16	16	14	10	14	12	9	91	0	89
2009-10	17*	16	16	14	13	9	13	11	92	0	90

Enrollment Data
Grade Level
Racial Composition

6A:32-11.1(b)3
Enrollment data, by grade level, showing the racial composition of the present regional pupil population and the resulting racial composition for both the withdrawing district or municipality and the remaining regional district if withdrawal is approved:

In the event of dissolution of the Central Regional School District the student population in each independent district reflects the total population of the community it serves. Thus, the effect on racial/ethnicity is expected to have no significant impact regarding dissolution

The following tables were part of the Beineman & Kirtland report and meet the requirements of this element.

Table 19
Racial/Ethnic Enrollment by Grade
Central Regional High School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
7	378	17	22	0	3	420
8	363	15	20	0	5	403
9	366	18	23	0	4	411
10	358.5	12	15	0	2	387.5
11	267	11.5	11	1	1	291.5
12	283.5	15	15	0	1	314.5
Spec. Ed	24	0	0	0	0	24
Total	2,040	88	106	1	16	2,251.5
Percent	90.6%	3.9%	4.7%	0.04%	0.71%	

Table 14
Racial/Ethnic Enrollment by Grade
Berkeley Township School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
K	206	17	18	0	4	245
1	224	5	18	0	0	247
2	199	13	12	0	4	228
3	215	14	19	0	5	253
4	227	19	19	0	2	267
5	237	14	11	0	3	265
6	237	16	14	0	5	272
Spec. Ed	83	12	8	0	0	103
Total	1,628	110	119	0	23	1,880
Percent	86.6%	5.9%	6.3%	0	1.2%	

Table 15
Racial/Ethnic Enrollment by Grade
Island Heights School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
K	16	0	0	0	0	16
1	15	0	0	0	0	15
2	20	0	0	0	0	20
3	13	0	0	0	0	13
4	15	0	0	0	0	15
5	18	0	0	0	0	18
6	8	0	0	0	0	8
Spec. Ed	0	0	0	0	0	0
Total	105	0	0	0	0	105
Percent	100%	0	0	0	0	

Table 16
Racial/Ethnic Enrollment by Grade
Ocean Gate School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
Pre-K	15	0	0	0	0	15
K	22	0	0	0	0	22
1	20	0	0	0	0	20
2	15	0	0	0	0	15
3	24	0	0	0	0	24
4	22	0	0	0	0	22
5	13	0	0	0	0	13
6	15	0	0	0	0	15
Spec. Ed	34	0	0	0	0	34
Total	180	0	0	0	0	180
Percent	100%	0	0	0	0	

Table 17
Racial/Ethnic Enrollment by Grade
Seaside Heights School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
Pre-K	11	4	7	0	0	22
K	28	10	11	0	1	50
1	19	5	5	0	1	30
2	19	4	7	0	1	31
3	18	3	5	0	0	26
4	21	3	3	0	0	27
5	20	4	3	0	0	27
6	22	3	0	0	0	25
Spec. Ed	30	7	4	0	1	42
Total	188	43	45	0	4	280
Percent	67.2%	15.5%	16.2%	0	1.1%	

Table 18
Racial/Ethnic Enrollment by Grade
Seaside Park School District
2003-2004 School Year

Grade	White	Black	Hispanic	Amer/Ind Alask/Nat	Asian Pacif/Is.	Total
Pre-K	11	0	0	0	0	11
K	14	1	1	0	1	17
1	16	1	2	0	0	19
2	19	0	1	0	0	20
3	12	0	0	0	0	12
4	13	0	1	0	0	14
5	12	1	1	0	0	14
6	14	0	0	0	0	14
Spec. Ed	0	0	0	0	0	0
Total	111	3	6	0	1	121
Percent	91.7%	2.5%	5.0%	0	0.8%	

See 6A:32-11.1(a)3

Operating Expense Analysis

6A:32-11.1(b)4
The operating expenses of the regional district for the present school year including the distribution of such current operating expenses among the constituent districts or municipalities:

The distribution of costs associated with the operation of the Central Regional School District can be determined by examination of the Certificate and Report of School Taxes (A4F Form). The following was taken from information provide on the 2005-2006 A4F Form supplied by each constituent municipality and school district:

2005-2006
Certificate and Report of School Taxes
A4F, Form B

Member Municipality	Percent Share	General Fund	Debt Service	Adjustment	Tax Levy 2005-06
Berkeley Township	73.8	$17,720,964	$ 812,232	($309,600)	$ 18,223,597
Island Heights	4.1	$ 972,797	$ 44,587		$ 1,017,384
Ocean Gate	3.5	$ 844,644	$ 38,713		$ 883,358
Seaside Heights	7.1	$ 1,707,657	$ 78,269		$ 1,785,927
Seaside Park	11.5	$ 2,764,709	$ 126,719		$ 2,891,428
TOTALS	100.0	$24,010,774	$1,100,523	($309,600)	$ 24,801,697

Note: Cents have been truncated.

The information for this table was updated from the Beineman & Kirtland, page 37, to reflect the 2005-06 school year. Insignificant variation was noted from the data presented.

Equalized Valuation

6A:32-11.1(b)5
The equalized valuation of each constituent district or municipality of the regional district as set forth in N.J.S.A. 18A:7F-1 et seq.;

> "Equalized Valuation" means the equalized valuation of the taxing district or taxing districts, as certified by the Director of the Division of Taxation on October 1, or subsequently revised by the tax court by January 15, of the pre budget year. With respect to regional districts and their constituent districts, however, the equalized valuations as described above shall be allocated among the regional and constituent districts in proportion to the number of pupils resident in each of them. In the event that the equalized table certified by the director shall be revised by the tax court after January 15 of the prebudget year, the revised valuations shall be used in the recomputation of aid for an individual school district filing an appeal, but shall have no effect upon the calculation of the property value multiplier, Statewide equalized valuation per pupil, estimated minimum equalized tax rate for the State, or Statewide average equalized school tax rate (CAFRA 6/30/04, Page 98).

The following comments from the Wyns Report and the descriptive table serve to compare equalized tax rates for the constituent districts. These are current 2005 tax rates. Seaside Park is low and Ocean Gate is high.

> Experts agree that the best way to compare tax rates and to determine a community's tax burden is to compare "equalized" tax rates which are tax rates based upon a community's equalized valuation rather than a community's assessed valuation. This methodology corrects for the different assessment practices across communities (Wyns report, Page 7).

TABLE 17
Current 2005 Equalized Tax Rates

Municipality	Elementary	Regional	Total	Total Equalized Valuation 10/1/04	Regional School Tax Rate Per $100 of Equalized Valuation	Overall School Tax Rate Per $100 of Equalized Valuation
Berkeley Township	$20,882,823.00	$18,223,597.14**	$39,106,420.14	$4,377,889,518	$.416	$.893
Island Heights	$1,579,827.00	$1,017,384.77	$2,597,211.77	$249,716,830	$.407	$1.040
Ocean Gate	$1,333,017.00*	$883,358.70	$2,216,375.70	$195,065,347	$.453	$1.136
Seaside Heights	$2,335,906.00	$1,785,927.62	$4,121,833.62	$458,486,603	$.390	$.899
Seaside Park	$1,283,650.00	$2,891,428.77	$4,175,078.77	$890,301,701	$.325	$.469
Totals	$27,415,223.00	$24,801,697.00	$52,216,920.00	N/A	N/A	N/A

*Does not reflect the split tax year

**Reflects the $309,600.00 adjustment for Senior Citizen Supplemental Stabilization Aid

Average Equalized Valuations

6A:32-11.1(b)6
The average equalized valuations of the real property of each constituent district or municipality of the regional district as set forth in N.J.S.A. 18A:24-1 et seq.;

The following table was taken from the Central Regional School District CAFRA June 30, 2004, page 98. This table and subsequent average computation provides documentation for Average Equalized Valuation. The average presented is based on three years of valuation per constituent district.

Central Regional
Average Equalized Valuation

	2002	2003	2004	TOTAL
Berkeley Township	2,484,762,674	2,537,798,389	2,559,953,540	7,582,514,603
Island Heights	125,885,400	123,788,100	129,106,860	381,780,300
Ocean Gate	97,783,090	98,713,490	99,555,790	296,052,370
Seaside Heights	221,399,000	222,840,900	224,535,300	668,775,200
Seaside Park	356,150,800	676,663,300	677,722,400	1,710,536,500
TOTAL				10,639,658,923

Average Equalized Valuation is $10,639,658,923 divided by 3.

Average Equalized Valuation is $3,546,552,991.

Borrowing Margin

6A:32-11.1(b)7
The borrowing margin of each constituent district or municipality of the regional district as determined by N.J.S.A. 18A:24-1 et seq., and the revised borrowing margin of each constituent district or municipality and the withdrawing district or municipality, if approval is granted;

The following is taken from the Central Regional School District CAFRA Report June 30, 2004, Page 98. This is used as a base line to compare, if Central Regional School District is dissolved.

Average Equalized Valuation	3,546,552,991
School Borrowing Margin 7-12 = $3,546,552,991. X 3 ½ %	124,129,355
Net School Bonded Debt as of June 30, 2004	-10,506,500
School Borrowing Margin Available	113,622,855

Source: 1) Equalized Valuation = Abstract of Ratables Col. 3 & 4
2) School Borrowing Margin Ration N.J.S.A. 18A:24-19

NOTE: Bonds sold in December 2000 ($9,500,000) and February 2001 ($2,751,500)

The following description is taken from the Wyns report page 6.

Borrowing Margin for Each Constituent School District

Under the dissolution scenarios each of the five K-12 districts would have their own borrowing margin based upon 4% of the average equalized valuation over a three year period for each community. Seaside Park's borrowing margin as of June 30, 2004 would have remained the same as in the preceding paragraph. The borrowing margins for the four other K-12 school districts as of June 30, 2003 are listed in the Preliminary Study. Obviously, the borrowing margin changes each time the three year average equalized valuation changes and each time a district's net school debt changes. However, in all five communities the available borrowing margin as a K-12 school district is a higher percentage and the dollar amount would be significantly above the existing current net school debt amounts for each district which means that a dissolution would not hinder these districts' ability to issue future bonds.

Apportionment of Debt Service

6A:32-11.1(b)8
The apportionment of debt service for the current school year among all the constituent districts or municipalities of the regional district by dollar amounts and percentages;

Berkeley Net Direct Debt of Central Regional As of June 30, 2004	$7,977,398.73
Island Heights Net Direct Debt of Central Regional As of June 30, 2004	$427,942.31
Ocean Gate Net Direct Debt of Central Regional As of June 30, 2004	$333,761.91
Seaside Heights Net Direct Debt of Central Regional As of June 30, 2004	$678,509.60

Replacement Costs of Buildings
Grounds, Furnishings and Equipment

6A:32-11.1(b)9
The replacement costs of schoolhouses and additions, grounds, furnishings and equipment of the regional district, and the replacement cost of any schoolhouse, and additions of the regional district including grounds, furnishings, and equipment, situated in the withdrawing district or municipality. School building replacement costs will be calculated by the Bureau of Facility Planning Services as follows:
i. The current overall cost per square foot for school construction in New Jersey, updated annually in the fall of each year, will be multiplied by the gross area of the building;
ii. This figure will include construction costs, moveable and built-in furniture and equipment, and fees; and

iii. Site costs will be excluded since they are already included under N.J.A.C. 6A:32-11.1(a)4;

Two independent appraisals were utilized to determine the value of the fixed assets of the Central Regional School District. American Appraisal Associates and Holzhauer & Holenstein, LLC were used to render appraisals of the fixed assets of the district.

The appraisal included an evaluation of the school site, replacement cost analysis of school building improvements, site improvements, and ancillary buildings, and an evaluation of personal(school) property other than furnishings and equipment (Holzhauer & Holenstein).

> The property consists if a 94.63-acers , irregular rectangle shaped lot. The site is improved with two, 2 story block school facilities/complexes, each having one or more gymnasiums and multiple recreation/sports fields. Central Regional High School ("CRHS") (272,420sf) was constructed in 1956, with additions in 1962, & 1965; renovations in 1980, and completion of the new gym and various expansions completed in 2004. Central Regional Middle School ("CRMS") (141,478sf) was constructed in 1981, with renovations completed in 2002. Construction quality, materials and condition are observed to be average. The grounds and athletic fields are typical of graded, seeded, and landscaped regional school facilities. The site is bordered by chain-link fencing. Primary access to the site is achieved via three access points along Forest Hills Parkway. An interior access road connects the two school building (Holzhauer & Holenstein).

Market Value, B356/L1, as though vacant:	$5,110,000.
Replacement Value, school building:	$61,671,000.
Replacement Value, ancillary improvements	$ 1,990,000.
Present Value, personal(school)property:	$ 425,000.

The appraisal reports were incorporated into the Beineman & Kirtland report and summarized with respect to the New Jersey Department of Education Facilities standards as follows:

In order to allocate the indebtedness related to fixed assets, the statutes necessitate the estimation of the replacement cost of buildings, grounds, furnishings and equipment. This estimate is calculated by the Bureau of Facility Planning Services of the State's Department of Education. The methodology uses construction cast per square foot times the applicable square footage. The Regional District provided me with the square footage of approximately 463,000. Based on a telephone discussion with the Department of Education, the construction cost per square foot is $143. The resulting estimated replacement value for the two schools of the Regional District is $66,209,000. This amount will be used to allocate debt related to fixed assets. The land and buildings are located in Berkeley Township (Beineman & Kirtland page 38).

Additional details regarding fixed assets can be found in the appraisal reports and CAFRA report for the Central Regional School District.

Amount of Indebtedness for each District or Municipality

6A:32-11.1(b)10
The amount of indebtedness, if any, to be assumed by the withdrawing constituent district or municipality;

The following is taken from the Wyns Report and summarizes the issues surrounding the amount of indebtedness regarding the dissolution of the Central Regional School District:

> The amount of indebtedness to be assumed by the withdrawing district and the effect of such indebtedness upon the borrowing margin of the withdrawing municipality, the withdrawing district, the remaining district (the new Central Regional High School District), and the remaining municipalities (all four remaining) within the regional district must be stated in the notices and advertisements of the required special school election.
>
> The county superintendent would be required to calculate the amount of indebtedness relating to buildings, grounds, furnishings, equipment and additions to be assumed on the basis of the proportion which the replacement cost of the buildings, grounds, furnishings, equipment, and additions that are located in the withdrawing district bears to the replacement cost of the buildings, grounds, furnishings, equipment and additions located in the entire Central Regional School District. Replacement cost is determined according to rules prescribed by the commissioner. In the event of Seaside Park's withdrawal I would expect that 100% of the replacement cost would be allocated to the remaining new Central Regional School District since the buildings, etc. are located in Berkeley Township, resulting in all of this indebtedness being allocated to the remaining new Central Regional School District. As of July 1, 2005 the principal amount of the outstanding bonded indebtedness for the Series 2000 and 2001 school district bonds was $9,871,500 and the interest amount on such bonds was $2,760,722. Currently, there is no authorized but not issued debt. Currently, Seaside Park is responsible for approximately 11.5% of both the principal amount or $1,135,222.50 and the interest amount or $317,483.03 or a total of $1,452,705.50 of the bonded indebtedness. As of July 1, 2005, eleven years remained on the debt service payment schedule for the debt on these two series. In the event of a withdrawal Seaside Park would have no buildings, etc. and this debt would likely become the responsibility of the remaining other four constituent communities of the regional high school district. In the event of a withdrawal, shifting responsibility for this additional debt service over the remaining eleven years would not have created an excessive debt burden for the four remaining constituent communities. In the event of a dissolution responsibility for approximately 26.2% or $2,586,333 of the principal amount and $723,309.16 of the interest amount of outstanding bonded indebtedness or a total of $3,309,642.16 would likely be shifted to Berkeley Township where the buildings, etc. are located. Since this would have been over the remaining eleven years remaining on the debt service payment schedule this also would not have created an excessive debt burden for Berkeley Township. The county superintendent would also calculate the amount of all other indebtedness and unfunded liabilities to be

assumed on an equitable basis. Other indebtedness of $186,639 as of July 1, 2005 is the remaining payments on the capital leases for school buses and computers. Unfunded liabilities of $224,244 as of July 1, 2004 is the liability for compensated absences (unused vacation, sick leave). Both of these amounts are small and should be a non-issue in the event of a either a withdrawal or a dissolution. In the event of a dissolution the county superintendent and the board of review are both required to "give due regard to the value of school buildings and grounds being conveyed to the constituent district in which those buildings and grounds are located" when determining the amount of indebtedness to be assumed by each constituent district. Such consideration is unlikely to impact Berkeley Township in the event of a dissolution. Rotated furnishings and equipment would be allocated in "fair proportion" to the withdrawing district or to each of the constituent districts in the event of a dissolution. Other assets (based upon present value) and liabilities would be divided among the parties based upon "the amount of the ratables (equalized valuation) in the respective districts." The discussion in the Preliminary Study concerning other assets is accurate so I will not repeat it here except to say that Seaside Park's most recent current share is approximately 11.5% of such items and that the distribution of the net liquid assets to only those districts not receiving buildings would have a significant negative impact on Berkeley Township.

Distribution of Assets and Liabilities

6A:32-11.1(b)11
The distribution of assets and liabilities of the existing regional district and remaining regional district following withdrawal in the manner as provided by N.J.S.A. 18A:8-24;

Under the law, the buildings, grounds, furnishings, equipment, and additions thereto of the regional district situated in the withdrawing district become the property of the withdrawing district. In the event Seaside Park withdrew from the regional school, Seaside Park would not gain any school facilities and would either have to construct a new high school facility or enter into a sending and receiving relationship with another district (which might include the Central Regional School District at least temporarily). In the event of a dissolution the two current school facilities would become the property of Berkeley Township. Since the county superintendent is required to calculate the amount of bonded indebtedness to be assumed by each party in a withdrawal on the basis of the proportion which the replacement cost of the buildings, grounds, furnishings, equipment, and additions that are located in the withdrawing district bears to the replacement cost of the buildings, grounds, furnishings, equipment and additions located in the entire Central Regional School District, all of the bonded indebtedness for the two current school facilities would remain with the regional school district and none of the bonded indebtedness would be allocated to Seaside Park in the event of withdrawal. In the event of a dissolution the bonded indebtedness would be allocated to Berkeley Township. Since the county superintendent would also be required to calculate the amount of all other indebtedness and unfunded liabilities to be assumed by each party on an equitable basis, rotated furnishing and equipment in fair proportion and other assets and liabilities based upon equalized valuations, "at the end of the school year preceding that in which the withdrawal or dissolution becomes effective" it is possible at this time to estimate the impact of these requirements had the withdrawal or dissolution been effective at the beginning of the 2005-2006 school year by using information in the district's June 30, 2004 Comprehensive Annual Financial Report (the June 30, 2005 CAFR is not yet available).

In preparing this analysis I relied upon the 2005-2006 budget information provided to me by Mr. James Cummings concerning a Seaside Park withdrawal on which I agree. The information provided to me by Mr. Cummings indicated that for the 2005-2006 school year the general and special revenue fund school budgets for a 7-12 regional without Seaside Park would have been unchanged due to the small number of Seaside Park students and would be $30,040,466 and the debt service budget would be $1,118,327. (Wyns Report Pages 5-6)

Proposed Educational Plan

6A:32-11.1(b)12
A proposed educational plan for the withdrawing constituent district or municipality, if withdrawal is approved, including the effects of such withdrawal upon the educational program of the remaining regional district;

The information regarding educational plans for each school district was requested in addition to the Beineman & Kirtland report. The county superintendent requested separate resolutions from each board of education and municipality indicating their respective educational plans.

The Beineman & Kirtland Report indicated the following with respect to the Seaside Park educational plan:

> As for the impact on all concerned students upon withdrawal, Seaside Park has 57 students enrolled in the Regional District and spread over grades seven through twelve. In any withdrawal, in all likelihood, seniors will have graduated and underclassmen will be permitted to remain through graduation. The eventual reduction in the number of Seaside Park students over five or six years will have no impact on the curriculum, staffing or operation of the middle or high school. Accordingly, upon Seaside Park's withdrawal, nothing would preclude the remaining constituents from continuing to offer a thorough and efficient education to the students attending Central Regional Middle and High Schools.
>
> Prior to pursuit of withdrawal, the Seaside Park Board of Education must establish a contingent sending-receiving relationship with a middle school and high school. The following data is offered to assist the board in that decision by comparing the opportunities at Central Regional and other geographically proximate grade 7-12 schools (Beineman & Kirtland Page 20).

It should be noted that the dissolution of Central Regional School District has a presumption that the Berkeley Township School District would assume the ownership of the Central Regional School District land and buildings that exist in Berkeley Township, thus Berkeley Township Board of Education would change from a K-6 district to K-12.

In order to fulfill the administrative code regarding the need to have an analysis of educational plans in the event of dissolution the Beineman & Kirtland report needed to be augmented by an analysis of these resolutions is itemized:

Berkeley Township Educational Plan
The Berkeley Township Board of Education opposes the dissolution of the Central Regional School District based on their belief that a dissolution will disrupt delivery of educational services to the community and would have a substantial tax impact on the residents of Berkeley Township. If dissolution did occur, the students of Berkeley Township would become part of a K-12 Berkeley Township School District. (See Appendix D)

Island Heights Educational Plan
The Island Heights Board of Education and the Point Pleasant Borough Board of Education have reached a potential agreement for a sending/receiving relationship for the purposes of the feasibility study in case the dissolution of the Central Regional School District occurs. Thus, Island

Heights students presently attending Central Regional School District would attend Point Pleasant Borough. (See Appendix D)

Ocean Gate Educational Plan

The Ocean Gate School District opposes the dissolution of the Central Regional School District. In the event of a dissolution, the school district would enter into a sending/receiving relationship with the Berkeley Township Board of Education for students in grades 7-12. (See Appendix D)

Seaside Heights Educational Plan

The Seaside Heights Board of Education, with the full support of the Mayor and Council of the Borough, has determined to enter into a sending/receiving relationship for students in grades 7-12 with the Toms River Regional Board of Education, based on a dissolution of the Central Regional School District. (See Appendix D)

Seaside Park Educational Plan

The Seaside Park Board of Education, with the full support of the Mayor and Council of the Borough of Seaside Park, has determined to enter into a sending/receiving relationship with the Toms River School Board if the dissolution of the Central Regional School District occurs. Seaside Park has requested a long term commitment from the Toms River Board of Education to educate students in grades 7-12 residing in Seaside Park. (See Appendix D)

Summary of the Advantages and Disadvantages

6A:32-11.1(b)13
A summary of the advantages of *dissolution* to both the withdrawing constituent districts or municipalities and the remaining regional district and the disadvantages to the withdrawing constituent districts or municipalities and the remaining regional district;

Advantage Summary

Reduced Administrative Costs by Consolidation

Both the Beineman & Kirtland and Wyns reports indicate reduced costs for a Berkeley K-12 district that can be realized. General administration cost savings is estimated in the Wyns Report at $448,270. This initial savings may be adjusted by additional staffing required for operations as a result of the dissolution.

Anticipated Increase State Aid for Select Districts

Isolated fiscal advantages can be gleaned from both consultant reports. Most notably is the distribution of Core Curriculum Content Standards Aid to Ocean Gate and Seaside Heights for a total increase of core curriculum standard aid at least $1,200,000. "The increase in overall school aid is premised upon the Department of Education's precedent for calculating school aid in dissolution circumstances (Wyns p.9)".

Reallocation of Tax Levy Win or Lose
In the event of dissolution, the taxpayers of each municipality will have an adjustment to their own tax levy. Both consultants agree that the shift in tax levy to some of the municipalities would produce a tax distribution where both Island Heights and Seaside Park may benefit based on the implementation of their educational plans.

Benefits from the Dissolution Process

Each school district has had an opportunity to assess and evaluate their present educational concerns including governance, transportation, school activities, traditions and future expectations. Coupled with the implications of an educational impact assessment, each community has detailed information regarding the implications of the State Funding Formula with respect to a Limited Purpose Regional School District (Central Regional School District).

Disadvantage Summary

Continuity of Educational Programs

If dissolution occurred, each of the constituent districts would have to review and revise their curriculum to be sure they are properly aligned to their new receiving district. The scope and sequence of each course of study may need modification to provide a smooth transition of students from one school district to another school district.

Impact on Curriculum Articulation and Remediation Programs

Each of the constituent districts would need to reestablish lines of articulation with their new receiving district concerning state assessments, professional development activities and curriculum alignment. Remediation programs may need to be developed to provide for any gaps in the curriculums.

Continuation of Employment for Central Regional and Berkeley Elementary Staff
As pointed out by the Wyns Report page 30, the dissolution of the school district would have an impact on the employees of the Central Regional School District and Berkeley Elementary as it pertains to employee rights of tenure, seniority, pension, certification and other similar staffing issues.

Negative Tax Levy Impact on Berkeley Township and Ocean Gate

In the event of dissolution of the district, any educational configuration that removes students and local taxing authority from the existing two schools operated by the current regional school district will have a negative tax implication on Ocean Gate (Wyns Report, page 27) and negative impact on Berkeley Township (Wyns Report, page 29)

Loss of Student Population Impact on Finances

The loss of students that would result from those districts that choose not to be sent to the anticipated new K-12 Berkeley School District would likely drive the cost per student ratios to rise. This coupled with the loss of revenue from anticipated tuition per student aid from state and federal sources, again would impact the finances of the new district.

Ability to Influence Board Policy and Governance as a Result of Dissolution

The constituent members of the Central Regional Board of Education will no longer participate in the policy decisions affecting their students. As a send/receive district, there is no provision for board representation in the event of dissolution.

Cost Sharing for Extraordinary Education Programs

Consideration needs to be given to the impact of special programs that could impact a single school district. These costs would have been shared by all constituents in the regional district. The ability to spread unique costs among all constituent districts would likely reduce an individual district from experiencing the full financial impact of unique costly programs.

Ocean County Superintendent of Schools
Recommendation Regarding the Request for Dissolution

6A:32-11.1(b)14
A recommendation regarding the request for withdrawal from the regional school district by the county superintendent.
(b) Upon adoption of a resolution, in accordance with N.J.S.A 18A:13-51 or 13-66, the board of education of the regional school district shall not incur any additional indebtedness for capital projects, pending either the rejection of the proposal at a special school election or an effective date of withdrawal as determined by the Commissioner of Education.
NJ ADC 6:3-4A.1 Page 30
N.J.A.C. 6:3-4A.1
N.J. Admin. Code tit. 6, § 3-4A.1

After a careful review, it appears the disadvantages would outweigh the advantages for the dissolution of the Central Regional School District.

Most notably, Berkeley Township and Ocean Gate represent over 80% of the resident population. The negative impact to the taxpayers in Berkeley Township and Ocean Gate, as a result of the loss of tax apportionment, is the basis to oppose the petition for dissolution.