

Important note: The Hunterdon County Democrat, Thursday, March 17 article states " The Board did not vote on a recommendation, and a resolution for the proposed plan will be voted on at the next meeting on March 22". This is incorrect. **The next BOE meeting is March 21 and there is no vote scheduled on this topic at that meeting.**

The Board said they were going to take some time to consider implications and opinions they heard and are hearing first. Maria Grant also said that the Board had some immediate priorities: the search for a new Superintendent, the contract negotiations with teachers and staff and the budget.

March 21 is a vote on the preliminary 2016-17 School Budget being sent to the County for approval and a regular Boe meeting.



Clinton Township Board of Education
Ad Hoc Committee Statement
Regarding the Feasibility of Closing a School
March 16, 2016

For those of you in the audience who were a part of the district 10 years ago in 2006, we are certain that you will recall there were three schools operating in the Clinton Township School District; Spruce Run School, Patrick McGaheran and Round Valley School. At that time we had over 1,800 students enrolled.

Now in 2016, the District has four schools with the addition of the Clinton Township Middle School in 2007, and our district currently has 1,410 students enrolled. The Board recognizes that there have been shifts over the past 10 years in both our enrollment and our demographics.

The Board recognizes that the changes in our community's demographics and district enrollment may have generated specific assumptions. The first is that a declining enrollment should lead to a reduction in both the budget and in the total number of staff. The second assumption implies that we operated out of three buildings with an enrollment of 1,842, and with the current enrollment at 1,410 we should be operating within three buildings – not four.

In response to these assumptions, the board has begun the process of exploring the consolidation of our existing schools into three buildings. What we will be present this evening are the results of an in-depth review of the information that is available to us at this time to evaluate the feasibility of closing a school. As we go through this process, the members of CTBOE are constantly reminded of their two overarching goals that are:

Two Overarching Goals of the Board of Education

1. Educational
 - a. Provide the structure that results in the highest quality education possible to the children that live in Clinton Township
2. Financial
 - a. Remain fiscally responsible to the taxpayers of Clinton Township



FEASIBILITY OF CLOSING A SCHOOL

CLINTON TOWNSHIP SCHOOL DISTRICT AD HOC COMMITTEE REPORT



GOALS OF BOARD OF EDUCATION

Two Overarching Board of Education Goals

1. Educational

- a. Provide the structure that results in the highest quality education possible to the children that live in Clinton Township

2. Financial

- a. Remain fiscally responsible to the taxpayers of Clinton Township

The Board of Education Recognizes

1. A decline in student enrollment
2. An increase in spending

DISTRICT ENROLLMENT 1995 - 2018

Year	Enrollment (students)
1995	1,471
2006	1,842
June 2015	1,471
October 2015	1,408

**Projected enrollment number from "Statistical Forecasting, Inc., Richard Grip, Ed.D., "Demographic Study for Clinton Township School District", August 2014.*

KEY ASSUMPTION

***Declining Enrollment = Reduction in School Budget Dollars
and a Reduction in Staff***

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*Declining Enrollment = Reduction in School Budget Dollars
and a Reduction in Staff*

In this educational climate, this equation does not hold true.



Primary Drivers of Increased Spending

- 1. Unfunded Mandates**
- 2. Other Required Spending**



ASSUMPTION #1

Declining Enrollment = Reduction in School Budget Dollars

In this educational climate, this equation does not hold true.

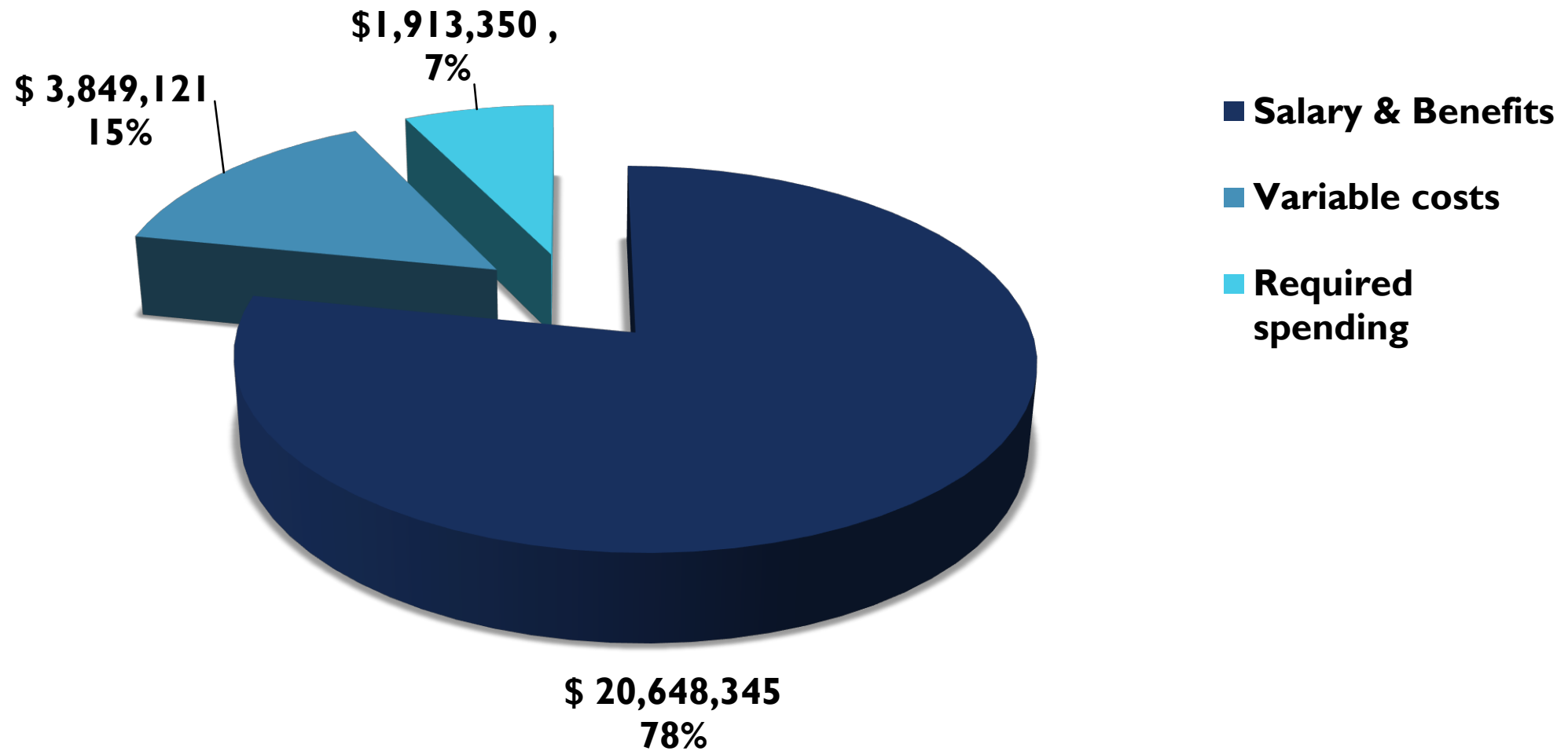


Primary Drivers of Increased Spending

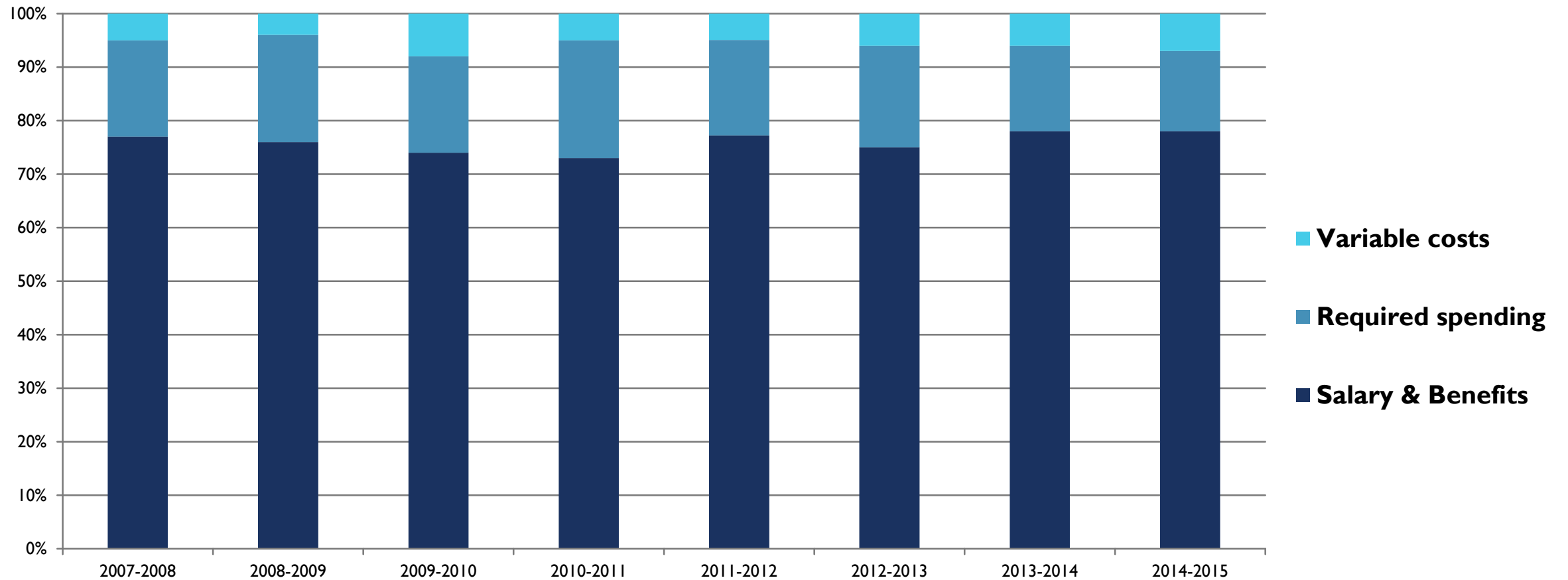
- 1. Unfunded Mandates**
- 2. Other Required Spending**



DISTRICT SPENDING 2014-15



RELATIVE COMPONENTS OF DISTRICT BUDGET



SIGNIFICANT CHANGES IN EDUCATION IN THE LAST 10 YEARS

Increase in
Technology Needs

Changes in Laws
(HIB, NJ Achieve,
IDEA, & ADA)

Changes in Social
and Family
Dynamics

Impact of
Economy

Special Education
and American with
Disabilities, Dyslexia
Laws

Common Core,
PARCC, NJ SMART,
NJ ACHIEVE,
Assessments

Social Media

Districts
Managing Budget
Under 2% CAP

Security Needs
(Columbine,
Newtown)

78% of Budget is
Comprised of
Staff Salary and
Benefits

“UNFUNDED MANDATES” INCREASE SPENDING

1. Teacher and Principal Evaluation System (over \$200,000)

Purchase new software to administer evaluation system

Teachscape: 15-16= **\$9,400**; 14-15 = **\$21,010**; 13-14: **\$15,689**; 12-13: **\$34,974**

Training costs

DEAC Committee Mandated, Sub costs - **\$13,734**

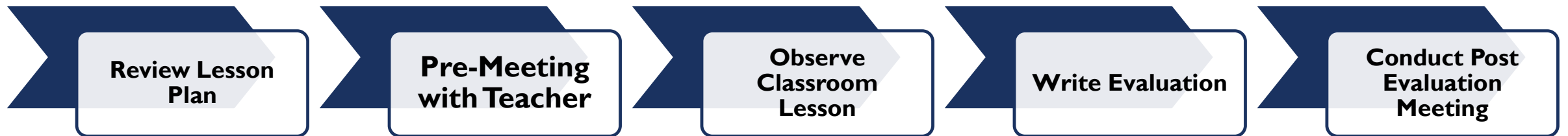
Increased workload on administrators required hiring of another administrator

\$87,000 + benefits

UNFUNDED MANDATES INCREASE SPENDING

Increased Workload Impact From Teacher and Administrator Evaluations

Steps in Conducting One Teacher's Evaluation Takes Approximately Four Hours



Our 11 District Administrators complete 708 teacher evaluations per year
64 teacher evaluations each per year @ 4 hours per evaluation
4 hours x 64 required observations for each administrator = **256 hours per year per admin**

2012-13 was the last year the district utilized the old evaluation process...

438 evaluations were conducted on a yearly basis by all administrators (270 more with new mandate)

UNFUNDED MANDATES INCREASING SPENDING

2. Harassment, Intimidation and Bullying Law (HIB)

a. Hibster Software \$2,000 (15-16)

b. Impact on administrators and Anti-Bullying School Specialist is an enormous amount of time

Steps in Investigating an HIB Complaint



Some investigations may involve multiple administrators and counselors, as well as police.

UNFUNDED MANDATES INCREASE SPENDING

2. Harassment, Intimidation and Bullying Law (HIB)

Two Examples of Administrative Hours Required to Complete One Investigation

1. Two Students in Investigation: average administrative hours required = **12 admin. & ABS hours**
2. 14 Students in an Investigation: average administrative hours required = **75 administrative hours**

Summary of Annual Investigations

	Total Year Investigations	Average Hours to Investigate a Simple Case	Total Year Administrative Hours
2012-13	70	12	840
2013-14	44	12	528
2014-15	58	12	696

UNFUNDED MANDATES INCREASE SPENDING

3. Common Core New State Educational Standard Alignment (\$391,715)

Item	Description	Expense
Professional Development	Curriculum work – writing to align with new standards Texts	\$98,784 \$94,931 (5 year total)
Workshops	Staff attended in-house reading and writing workshops	\$31,500
Go Math	Purchase Go Math Materials and Books	\$76,500 (12-15)
Next Generation Science Standards	Purchase materials, informational texts and Hands-on Science Kits to meet the new standards	\$5,000
Addition of Supervisor of Instruction	Conducts testing analysis of PARCC data, professional development and use of data	\$85,000 + benefits

UNFUNDED MANDATES INCREASE SPENDING

4. PAARC Readiness (3 Year Total: \$747,735)

Financial Impact: Technology/Chrome Books, Access points, increased bandwidth, wiring, etc.

2013-14: \$172,780

2015-16: \$ 293,250

2014-15: \$284,630

5. NJ SMART/PARCC District Tech Support (\$40,000 +benefits)

- a. To upload data to NJ SMART
- b. To support infusing technology into the classrooms

CATEGORIES OF REQUIRED SPENDING

1. Increasing Needs in Building Security (\$927,000)

Improvements				
• New doors	• 3M glass film	• Secured main entrances with cameras & buzzers	• Outdoor security cameras	• Newly keyed doors

2. Rise in Health Benefits Have Financial Impact

- From 2010-11 to 2014-15 health benefits increased \$734,023
- 2012-13 the District had a \$154,987 decrease in health benefits as a result of moving from the State Health Care Plan

OTHER CATEGORIES OF REQUIRED SPENDING

3. Aging Buildings (\$560,000)

School	Year Built
Spruce Run School	1955
Patrick McGaheran	1988
Round Valley School	1965
Clinton Township Middle School	2007

Waste Water Treatment Plants (PMG & RVS)

- Over past two years, \$210,000 has been spent with an additional \$350,000 next year.
 - Approximate replacement cost is \$1M
- No sewer line available to connect to Patrick McGaheran

OTHER CATEGORIES OF REQUIRED SPENDING

4. Changes in Special Education Law and Requirements

- Circumstances may require the district to place a student in an out of district placement, public or private.
 - Funding varies from year to year;
 - districts never receive full reimbursement
 - Transportation is an expense that is not reimbursable
 - The cost of private school programs is increasing.
 - Example; the average OOD tuition in CTSD is 100K without transportation. The district may realistically be reimbursed 75% of \$45K of the total cost of tuition, or \$33,750. The IDEA grant typically covers approximately 50% of our total OOD tuition costs, excluding transportation.

ASSUMPTION #1

*Declining Enrollment = Reduction in School Budget Dollars
and a Reduction in Staff Positions*

In this educational climate, this equation does not hold true.



Primary Drivers

- 1. Unfunded Mandates**
- 2. Changes in Instructional Models**



STAFF REDUCTIONS WITH DECLINE IN ENROLLMENT

Total Staff 2006	Total Staff 2015-16	Total Decrease
277 members	263 members	14 members

Programs Requiring the Addition of Staff Members from 2007 - 2016

- Opening of the Clinton Township Middle School (middle school model) 2007-08
- Implementation of co-teaching model to improve services to students 2012-13
- Increase the number Pre-kindergarten sections in 2010 - 11
- Additional staff required to fulfill the state requirements of unfunded mandates (examples: teacher evaluations, NJ Smart)
- Full Day Kindergarten program 2015 - 16

DISTRICT ACTIONS TAKEN TO CONTAIN COSTS

1. Refinanced Debt Service in 2011 and 2015

- Reduced interest payments. Over time, the District saved \$2,375,117

2. Applied for and Obtained School Development Authority (SDA) Grant

- Approximately \$1.2 million over 13 years (approximately \$100K per year)

3. Created a Building Maintenance Plan to Manage Costs Over Time

- Detailed building maintenance schedule reduces long-term larger repair expenses
 - Example: Crack in asphalt and building wall crack
 - Crack in road @ 2 feet in length and 2 inches deep = \$2.10 to seal the crack
 - Crack in road becomes two to four times larger it would cost \$500 to repair

DISTRICT ACTIONS TAKEN TO CONTAIN COSTS (CONTINUED)

5. Entered into School Choice to generate revenue

Timeframe	Total Revenue
2011-16	\$5,410,961

6. Utilization of Source for Teachers

- Contract with Source for Teachers helped to contain benefit costs
- In particular, savings in health care benefits for long term substitutes (maternity leave, long term illness)
- Protects the district from penalties associated with Affordable Care Act

DISTRICT ACTIONS TAKEN TO CONTAIN COSTS (CONTINUED)

7. Entered The State Health Care Plan

- First year in the plan, the District saved \$154,987 (2012-13)

8. Contained Costs in Special Education

- Introduced In-District Solutions
- Community Based Instruction
- Provided multi-sensory instruction
- Provided creative programming to maintain special education students with their non-disabled peers

REVIEW OF 2015 REVENUES & EXPENDITURES

	2006	CURRENT YEAR	INCREASE (DECREASE)	%
LOCAL SOURCES				
TAX LEVY:				
GENERAL FUND	\$ 17,547,401	\$ 22,580,498	\$ 5,033,097	28.68%
DEBT SERVICE	3,067,929	2,113,368	(954,561)	-31.11%
TUITION	258,615	455,050	196,435	75.96%
MISCELLANEOUS-GENERAL FUND	193,467	125,815	(67,652)	-34.97%
MISCELLANEOUS-SPECIAL REVENUE GRANTS	10,013	60,906	50,893	508.27%
STATE SOURCES-OPERATING	1,592,493	1,836,989	244,496	15.35%
STATE SOURCES-OPERATING SCHOOL CHOICE	-	1,080,328	1,080,328	
STATE SOURCES-SPECIAL REVENUE GRANTS	209,568	221,442	11,874	5.67%
FEDERAL SOURCES-SPECIAL REVENUE GRANTS	419,416	520,420	101,004	24.08%
	\$ 23,298,902	\$ 28,994,816	\$ 5,695,914	24.45%

REVIEW OF 2015 REVENUES & EXPENDITURES

	2006	CURRENT YEAR	INCREASE (DECREASE)	%
INSTRUCTION	\$ 8,689,793	\$ 10,144,873	\$ 1,455,080	16.74%
SUPPORT SERVICES:				
INSTRUCTION (BUDGETED TUITION)	98,034	309,736	211,702	215.95%
STUDENT & INSTRUCTION RELATED SERVICES	2,474,365	3,512,926	1,038,561	41.97%
ADMINISTRATION & BUSINESS	2,110,294	1,807,305	(302,989)	-14.36%
PLANT OPERATIONS & MAINTENANCE	1,647,376	2,143,445	496,069	30.11%
TRANSPORTATION:				
REGULAR	1,451,343	1,339,789	(111,554)	-7.69%

REVIEW OF 2015 REVENUES & EXPENDITURES

	2006	CURRENT YEAR	INCREASE (DECREASE)	%
SPECIAL EDUCATION	289,198	213,957	(75,241)	-26.02%
EMPLOYEE BENEFITS	2,959,337	4,579,954	1,620,617	54.76%
SPECIAL SCHOOLS-SUMMER PROGRAM	15,651	52,892	37,241	237.95%
FOOD SERVICES	6,572		(6,572)	-100.00%
TRANSFER TO CHARTER SCHOOLS	16,703		(16,703)	-100.00%
TRANSFER TO UNEMPLOYMENT	2,000	50,000	48,000	2400.00%
TOTAL SUPPORT SERVICES	11,070,873	14,010,004	2,939,131	26.55%

REVIEW OF 2015 REVENUES & EXPENDITURES

	2006	CURRENT YEAR	INCREASE (DECREASE)	%
SUBTOTAL-OPERATING	19,760,666	24,154,877	4,394,211	22.24%
CAPITAL OUTLAY	81,218	62,591	(18,627)	-22.93%
DEBT SERVICE	3,088,243	2,242,377	(845,866)	-27.39%
SPECIAL REVENUE FUND	638,997	802,768	163,771	25.63%
TOTAL	\$ 23,569,124	\$ 27,262,613	\$ 3,693,489	15.67%

WHERE DO WE GO FROM HERE?

Formed ad hoc committee on October 28, 2014

- To examine the feasibility of closing a school
- Committee members have been – Maria Grant, Kevin Maloy, Rachel McLaughlin, Dan McTiernan, Yehara Raddalgoda, and Sue Vanderoef -- Administrators – Dr. Drucilla Clark and Anthony Juskiewicz

Goal of Ad Hoc Committee

- Review all possibilities involved in a reorganization of the Clinton Township School District to reduce the overall annual operating budget, while maintaining a quality education for the children in our community

PROCESS FOR OUR EVALUATION

1. Evaluate drivers of past, current and future enrollment trends
2. Conduct a capacity analysis of each building
3. Review options for utilizing existing building space as is
 - Identify pros and cons
4. Review options for utilization under a district building consolidation structure
 - Identify pros and cons

INITIAL ACTION TAKEN TO UNDERSTAND DECLINING ENROLLMENT

I. Commissioned Statistical Forecasting, Inc.

- To conduct a demographic study to help:
 - Project future enrollment over next three to five years
 - Understand drivers impacting enrollment
 - Enrollment projections would be used for capacity analysis over time

DEMOGRAPHIC STUDY FINDINGS

Population of Clinton Township

- Population increased the greatest between 1970-1980 at 44%
- In contrast, lowest growth between 2000-2010 at 4%

Demographic Changes Impacting Student Enrollment

- A trend in living in cities and away from the suburbs
- Families having less children
- Aging population in Clinton Township (avg. age 40.9)
- Number of women of child bearing age is decreasing, thus a decline in births
- Large companies left the area (Merck, Foster Wheeler, and AT&T)
- Increase in number of children going to private schools

Next Seven to Eight Years

- In the next seven to eight years, Clinton Township will continue to experience a decline in population and enrollment, unless a traumatic event occurs.

INITIAL ACTION TAKEN TO UNDERSTAND DECLINING ENROLLMENT

2. Conducted an Enrollment Review

- Reviewed district enrollment over last 10 years
- Evaluated current enrollment
 - Total enrollment, class size and total sections
- Reviewed projected enrollment trends over next three years
- Potential impact of legal COAH requirements and new construction on future enrollment
- Policy that dictates district class

CAPACITY ANALYSIS

3. Conducted Capacity Analysis for Each School – Available Rooms

By Number of Rooms		
Homerooms	Special Education	Sensory
Enrichment	Speech	Occupational Therapy
Literacy Support	Math Support	Music – Chorus
Music - Band	Health and Fitness	Science Labs
Technology	World Language	Art
Breakout Rooms	Small Group Instruction	Conference Rooms
STEM	Life Skills	Office Space

DISTRICT CONSIDERATIONS FOR EACH BUILDING

Flexibility to handle
future increases in
enrollment

Manage changes in
Special Education
Law and classroom
needs

Operating budget
to run each school

Short and long term
capital project
needs

General
maintenance

POTENTIAL DISTRICT CONSOLIDATION OPTIONS

Option #1 – Repurpose All Four Buildings

- Reconfigure district into neighborhood schools
- Utilize existing unused space for revenue generating purposes
 - Day care, senior center, special education program, respite care, Vo Tech

Option #2 – Consolidate Into Three Buildings

- Sell a school
- Mothball a school
- Create, develop and implement a revenue generating source

Option #3 – Maintain Current Configuration

REPURPOSE FOUR BUILDINGS - OPTIONS

A. Reconfigure District Into Neighborhood Schools

School	Current Grade Level Configuration	Neighborhood School Configuration
SRS	Pre-K to 1	Pre-K to 3
PMG	2 – 3	Pre-K to 3
RVS	4 – 6	4 – 6
CTMS	7 - 8	7 - 8

REPURPOSE FOUR BUILDINGS - OPTIONS

A. Reconfigure District Into Neighborhood Schools

• Pro's	• Con's
• Less transitions for students	• No real financial benefit
• More convenient for parents and families	• Staff would have to travel • Must redraw lines year after year
• More interaction between grade levels	• Less consistency among grade levels/schools
• Possibly less travel time	• Difficulty with consistent sizing of schools, must redraw lines year.
	• Geographic challenges: Parents would not know from year to year which school is their home school
	• Possible competition between schools

REPURPOSE FOUR BUILDINGS - OPTION

B. Utilize Existing Space for Revenue Generating Purpose

Spoke With	Level of Interest	District Thoughts
VoTech	High	Cosmetology only. Concerned with chemical odor.
Daycare	High	Not Sustainable at this time.

Pro's	Con's
<ul style="list-style-type: none"> Increase revenue 	<ul style="list-style-type: none"> Could not handle sudden, sharp increases in enrollment with this option in place
<ul style="list-style-type: none"> Additional community involvement in schools 	<ul style="list-style-type: none"> Not a reliable, sustainable source of revenue
	<ul style="list-style-type: none"> Potential security risks
	<ul style="list-style-type: none"> Must spend money to upgrade building for new purpose
	<ul style="list-style-type: none"> Clinton Township is experiencing declining birth rates, driving a smaller need for new daycare centers

ASSUMPTION #2

2006 CTSD

- *1,842 students*
- *three buildings*

=

2016 CTSD

- *1,410 students*
- ***three buildings***

SPRUCE RUN SCHOOL (PRE K TO 1)

COMPARE AND CONTRAST IMPACT AT DIFFERENT ENROLLMENT NUMBERS

Enrollment 1,410

- Additional classrooms for special education purposes: (Autism, Preschool /Disabled, Resource Rooms)
- Increased technology = more space needed for technology, enhanced technology lab with more equipment
- All special areas have their own classroom, enhancing opportunities for learning
- Full day Kindergarten more classrooms
- Dedicated rooms for important purposes: Occupational therapy/physical therapy, speech, sensory, resource room, literacy support programs (Study Buddy's)
- Classrooms with smartboards, projectors, sound fields, iPads, Chromebooks

PATRICK MCGAHERAN (GRADES 3, 4, 5)

COMPARE AND CONTRAST IMPACT AT DIFFERENT ENROLLMENT NUMBERS

Enrollment 1,410

- Dedicated rooms for: occupational therapy/physical therapy
- Space to support programs; life skills, reading support programs
- Two technology labs – PARCC, Lexia literacy program
- Small group instruction rooms
- All curricular areas have their own classroom, enhancing opportunities for learning (i.e. Art Lab)
- Office and professional development space for curriculum department
- Flexible lunch periods resulting in positive social interactions

ROUND VALLEY SCHOOL (GRADES 6, 7, 8)

COMPARE AND CONTRAST IMPACT AT DIFFERENT ENROLLMENT NUMBERS

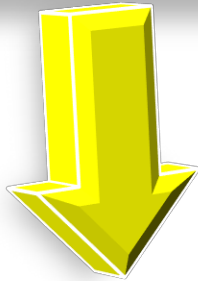
Enrollment 1,410

- Literary support and math support dedicated rooms with staff trained to specialize in targeted remedial instruction
- Offer more programs - PSD, autism, possible Self-Contained Resource Room
- Community Based Instruction (CBI) - needs a dedicated “space”
- Use of augmentative communication devices - via iPads
- Sensory rooms needs dedicated space
- In-District Solutions - needs a dedicated room
- BCBA on staff - needs an office
- Ongoing parent training for parents of students with ASD
- Multi-sensory instruction – dedicated room with staff
- Need for tech apps class – requires a dedicated room with staff

OPTIONS - CONSOLIDATION OF DISTRICT BUILDING

Question

At the current enrollment numbers could the district consolidate the student population into three buildings?



Answer

Potentially, by restructuring buildings.

WHAT WOULD THE DISTRICT LOOK LIKE

School	Consolidation Configuration	Current Configuration
Spruce Run School	Would be repurposed.	PreK – 1
Patrick McGaheran	PreK - 2	2 – 3
Round Valley School	3 – 5	4 – 6
Clinton Township Middle School	6 - 8	7 – 8

Why repurpose Spruce Run School?

- Smallest capacity
- Least flexible to expand
- Oldest and will require more maintenance over time

SCHOOL CONSOLIDATION – IMPACT ON DISTRICT

Educational Pros	Educational Cons
6 th grade students could participate in after school activities/sports	No flexibility to create or expand academic programs
Middle School Model would be consistently implemented	Scheduling challenges and lack of consistency for pull-out programs
Age span would be developmentally closer	No science lab for sixth grade
Special Education transitions would have three year age span	No physical therapy and occupational therapy rooms at CTMS/need construction/additional cost
Grade 3 students would have options like band and chorus available	Staff and administrative reductions may impact education PMG lunch would have to start as early as 10:50 am
	Cannot predict special education needs – No flexibility to meet unexpected special education needs (Resource Room, self contained room, support room)
	May increase class size in gym at PMG (may need to hire another teacher)

IMPACT OF SCHOOL DISTRICT CONSOLIDATION

Operational Requirements

Must build science lab for sixth grade at CTMS	Acquire waivers for substandard spaces for bathrooms
Convert two breakout rooms at CTMS into classrooms	Create additional bathroom at PMG if a waiver cannot be obtained
Construct physical therapy and occupational rooms at CTMS	Increase activity costs (sports/after school clubs)
Move professional development room and curriculum offices to RVS	Need additional staff to cover lunch/recess
Maintenance office must move to garage	Upgrade playground at PMG
Convert/reconfigure board office	CTMS would require additional wiring/access points

ECONOMICS OF CONSOLIDATION

1. Costs to Upgrade (significant costs associated with this need to be studied)

- Cost to convert break-out rooms at CTMS to classrooms provides expansion flexibility for the future (\$850,000)
- New bathrooms at PMG if the waiver could not be obtained
- Legal fees associated with realignment of personnel
- Conduct further consolidation analysis

2. Potential Savings

- Transportation
- Potential staff reductions
 - Unified arts (art, music, physical education, world language, technology, librarian)
 - Support teachers (examples: literacy and enrichment)
 - Student support (examples: social worker, guidance counselor, nurse, psychologist, guidance counselor)
 - Administration (principal)
- Utilities

CONSOLIDATION OF BUILDINGS – NEXT TWO YEARS

Risks to the District

- NO ROOM TO EXPAND
- Cannot predict special education needs – NO ROOM TO EXPAND
 - No flexibility to meet unexpected special education needs
 - Resource room, self contained room, support room
 - May not be able to accommodate unexpected changes in education law
 - There are legal and financial ramifications if the district cannot deliver on services for children with special needs

POTENTIAL OPTIONS TO CONTAIN RISING BUDGET COSTS

1. Sell

- no available land to build a new school if enrollment increases
- difficult to find a buyer

2. Mothball

- cost to bring the building up to code in order to re-open it is expensive

3. Renting

- utilize for revenue for district
- not a long term, sustainable revenue generating option

4. Create a Revenue Generating Business

- day care, senior center, Vo Tech, community center for hire
- school for children with special needs

SUMMARY OF OUR EVALUATION

1. Evaluated drivers of past, current and future enrollment trends
2. Conducted a capacity analysis of each building
3. Reviewed options for utilizing existing building space as is
 - Identified pros and cons
4. Reviewed options for utilization under a district building consolidation structure
 - Identified pros and cons

COMMITTEE RECOMMENDATIONS

- 1. Recommendations are based on what we know today - 3/15/2016**
- 2. Events that we cannot influence or change in the future**
 - How Merck and Foster Wheeler properties move forward
 - Unexpected influx of students
 - Growth of COAH, students transfer from private schools
 - World and social events
 - Special Education law and the impact on student programs

IMMEDIATE RECOMMENDATION

Do not consolidate the district
for the 2016-17 and 2017-18 school years.

However, begin the process to prepare the district for this consolidation.

Primary Reason: Operational Challenges

- Need to create additional space for the sixth grade at CTMS
- Complete other structural changes throughout the district

NEXT STEPS TOWARDS CONSOLIDATION

1. Continue to work with architect to plan on how to consolidate space
2. In 2016-17, conduct a cost analysis of consolidation
3. Work with consultant to develop a complete execution plan to consolidate district buildings and contain costs
4. Identify a revenue generating business to establish in the fourth building
5. Re-evaluate student enrollment and drivers surrounding enrollment in two years
6. Continue to look for revenue sources under current district configurations
7. Explore approvals required to be achieved from the Division of School Finance of the DOE and the Executive County Superintendent

STATE AND COUNTY APPROVAL PROCESS TO CLOSE A SCHOOL

Going Forward with Gaining Approval for the Closing of a School Facility from the State of NJ

6A:26-7.7 Approval for the closing of a school facility

- (a) To receive approval for the closing of a school, the district board of education shall provide the **Division of School Finance of the DOE and the county superintendent** with the following assurances:
1. The proposed closing is consistent with the school **district's approved LRF** because:
 - i. The school district has demonstrated that sufficient school building capacity exists to house school district students following the closing for the succeeding five years; or
 - ii. The school district through a feasibility study has demonstrated that the benefits of undertaking new construction outweigh those of rehabilitating the school proposed for closure;
 2. The use of temporary facilities in the remaining schools does not result or increase from an overall facilities shortage caused by the school closing; and
 3. The re-assignment of students to other schools in the school district does not produce, sustain or contribute to unlawful segregation, separation or isolation of student populations on the basis of race or national origin.
- (b) A request for approval from the Division for the closing of a school shall include a recommendation to the county superintendent.
- (c) A letter of approval from the Division, based on the information in (a) above, is required before the closing of a school.
- (d) The Division shall notify the school district of its determination in writing with respect to the requested school closing with a copy to the county superintendent

KEY TRIGGERS TO CLOSE A SCHOOLS

1. All operational requirements and building upgrades are finalized
2. Enrollment in grades 6, 7 & 8 will be six sections of students with class sizes that do not violate the District's policy
3. A sustainable revenue generating program has been identified, developed and implemented in the fourth building



QUESTIONS?



EFFECT OF COST SAVING MEASURES

CLINTON TOWNSHIP TAX IMPACT HAS NOT GONE TO FULL 2% CAP

Year	Tax Levy	Notable Items
2012-13	-0.01%	<ul style="list-style-type: none"> a. Increase in state aid and School Choice dollars (almost doubled) b. ARRA stimulus funds were received c. Construction bond of \$325K retired
2013-14	1.10%	<ul style="list-style-type: none"> a. State Health benefits increase 4.6% b. Changed prescription plan to State plan reducing expenditures c. Restructured office staffing (\$95,000 DECREASE) d. Transportation savings of (\$284,000) e. Restructured office staffing (\$95,000 DECREASE) f. School Choice revenue increase (\$174,632) g. Moved to next tier of employee contributions to help offset benefits h. Teacher evaluation model increased costs (Over \$200,000)
2014-15	0.02%	<ul style="list-style-type: none"> a. Decrease in School Choice Revenue b. Source 4 Teachers savings staff and benefits – Affordable Care Act c. Decrease in staff from declining enrollment and a decrease in utility costs
2015-16	1.49%	<ul style="list-style-type: none"> a. 14% increase in health benefits & 12% increase in prescription costs \$600K increase b. Contracted salaries c. Reductions to offset increases: staffing