

RESOLUTION

WHEREAS, the base budget for the West Orange School District, as proposed by the Board of Education in the total amount of \$118,048,434.00 was recently defeated in the Annual District School Election for the school year 2010-2011; and

WHEREAS, after receipt of the rejected proposed school budget, the Mayor and Council of the Township of West Orange consulted with the members and administration of the Board of Education of the Township of West Orange on May 17, 2010 as required pursuant to N.J.S.A. 18A:22-37; and

WHEREAS, the Mayor and Council carefully scrutinized the budget to determine the amounts necessary to provide a thorough and efficient education system of schools in the West Orange School District; and

WHEREAS, accordingly, the Mayor and Council have determined that it is appropriate to reduce the base school budget by \$2,541,701.00 as set forth in the attached table "Exhibit A", with the line item justifications, and that a total base budget amount of \$115,506,733.00 is necessary to be appropriated to provide a thorough and efficient system of schools in the School District of the Township of West Orange with no reduction affecting any district positions, student co-curriculum programs and/or transportation;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Township of West Orange that, pursuant to N.J.S.A. 18A:22-37, it is hereby determined that the base budget amount of \$115,506,733.00 is the total amount necessary for the general fund expenses of the Board of Education of the Township of West Orange for the school year 2010-2011; and

BE IT FURTHER RESOLVED that the aforesaid amount be raised by municipal taxation, as required by law; and

BE IT FURTHER RESOLVED that the amount as determined herein be certified by the Township Clerk to the Essex County Board of Taxation, the Essex County Superintendent of Schools, the Board of Education of the Township of West Orange, and the Tax Assessor for the Township of West Orange, by forwarding thereto a true copy of this Resolution on or before May 19, 2010.

Karen J. Carnevale
Municipal Clerk

Susan McCartney
Council President

Adopted: May 17, 2010

WEST ORANGE BOARD OF EDUCATION

LINE ITEM JUSTIFICATIONS

Account #/Line

11-000-213-500/06450 Undistributed Expenditures - Health Services:

Based on an analysis of the past two years of expenditures and a lack of justification as to what items are needed.

11-000-216-320/06482 Undistributed Expenditures - Speech, OT, PT and Related Services:

Based on an analysis of the past two years of expenditures and a lack of justification as to what items are needed.

11-000-230-332/06921 Audit Fees:

The Board of Education allocates part of the Audit Fee to another Fund. This amount was accounted for in the proposed budget and the other fund.

11-000-230-890/06990 Undistributed Expenditures - Support Services - General Administration:
Miscellaneous Expenditures
11-000-230-820/06980 Judgments Against the School District

The Board is switching to a new media output and this amount represents the potential savings. Also, based on an analysis of the last two years of expenditures, there has been one judgment made of \$3,000.00.

11-000-261-100/07621 Undistributed Expenditures - Required Maintenance for School Facilities:

Between the time the budget was proposed until present date, there are employees who have since notified the Board of Education of their intent to retire. The Board had no intention on a replacement.

11-000-262-100/07626 Undistributed Expenditures - Custodial Services:

Between the time the budget was proposed until present date, there are employees who have since notified the Board of Education of their intent to retire. The board had no intention on a replacement.

11-000-262-622/07634 Energy (Electricity):

Based on an analysis of current and projected expenditures along with an estimated rate increase allowance of 15%, the proposed energy budget appears high.

WEST ORANGE BOARD OF EDUCATION

LINE ITEM JUSTIFICATIONS (Continued)

Account #/Line

11-000-262-520/07631 Other than Health Insurance:
Insurance Property:

The Board currently obtains coverage from a JIF. The proposed budget has an increase of approximately 20 percent. Based on an analysis of the past two years of expenditures, the proposed budget appears to be overstated.

11-000-291-250/12660 Unemployment Compensation:

The Board projected a budget as if all applicable staff will file for benefits for a prolonged amount of time. Even with this reduction, the Board would have available to them approximately \$1,000,000.00 of funds on hand to pay for future claims through July 1, 2011.

11-000-310-930/07550 Undistributed Expenditures - Food Service:

The Board appropriates this amount to cover any deficits that may occur in the Food Service Fund. This money has never been transferred in past years and as of June 30, 2009, the Food Service Fund had approximately \$200,000.00 in Surplus.

11-120-100-101/06520 Regular Programs:
Salaries of Grades 1 - 5:

Between the time the budget was proposed until present date, there are employees who have since notified the Board of Education of their intent to retire. The Board will replace these positions with teachers at a lower salary than those who retired. This amount represents that difference and also positions that are not going to be replaced.

12-000-400-932 Capital Outlay - Transfer to Capital Projects:

The proposed budget appropriated the sum of \$2,600,000.00 for various repairs to all of the Districts. This is in addition to the \$2,631,426.00 that is currently being budgeted for in the current 2009/2010 Budget. A "must do" list has been prepared for those items that might have a safety issue for the students. Even with this reduction, those items will be funded and an emergency contingency amount will be left for unforeseen events.