

# Recommendations

A Feasibility Study on Regionalization and Shared Services in the Watchung Hills Regional, Warren, Long Hill, Watchung, and Green Brook School Districts

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Rowan School Regionalization Institute  
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## FINDINGS and RECOMMENDATIONS

This feasibility study considered perspectives from governance and law, demography, education and program, and finance and operations. After analysis of the data gathered in each of these domains, the consultants have produced a series of findings and urge the boards of education of the Watchung Hills, Warren, Long Hill, and Green Brook School Districts to consider the recommendations offered below. Note: Any referendum or vote to regionalize that does not include the options as designed for this study would completely change the analysis and findings produced herein.

According to this study, **an enlarged regionalization with all five participating districts, or a consolidation of just the current constituent districts, would provide multiple opportunities for a more effective and efficient educational program.** From curriculum coordination and implementation to special programs to extracurricular activities and more, we identified many and varied reasons why an all purpose, grades pK-12 regionalization would have potential benefits for the success of all students. There are also multiple ways identified in which **services and personnel could be shared to produce greater effectiveness and efficiency through shared services agreements that can be implemented by school board vote.**

**After five years of relatively stagnant or declining enrollment, all four municipalities are undergoing significant housing growth, with combined enrollment in the five districts projected to grow from 5,522 during the 2024-25 school year to 6,479 by 2029-30.** That projected increase of 957 students across all of the districts would represent a 17% increase in enrollment over a five-year period that will pose significant educational and fiscal challenges for school officials with the cost falling principally on property taxpayers, because state aid makes up such a small percentage of overall district budgets. Whether state aid works better in a regional alignment than in the status quo situation will depend on whether the State continues to use its FY 2026 caps on future aid increases (6%) and decreases (-3%), though either one produces modest aid swings that would not discount the educational benefits noted previously. The fiscal challenges of continuing to provide a high quality education to Warren, Watchung, Long Hill and Green Brook students is a compelling argument for residents to consider full grades pK-12 regionalization or a massive expansion of coordinated shared services in an effort to control costs for taxpayers.

**Regionalized cost savings can be identified conservatively at anywhere from \$2.0 million for the current constituents scenario to over \$2.6 million in the all districts scenario.** These cost savings do not include the financial efficiencies and educational benefits that could occur from consolidating and coordinating operations such as curriculum and textbook purchases, in-district special education programs, student transportation, technology infrastructure, central office functions, unified contract negotiations, and the potential for self-insured health benefit plans that may be viable in a regionalized district.

Under traditional tax apportionment scenarios, Warren, Long Hill, and Green Brook stand to see reductions in tax liability in an enlarged regional district relative to the status quo while Watchung would see substantial increases. This is due to Watchung's low school tax rates compared to its

regional partners and its peers in Morris and Somerset County, which do not allow a comparable benefit for the borough in either regionalization scenario. **However, the new state regionalization law allows districts to create alternative tax apportionment formulas for the first ten years following regionalization, which would enable all districts, including Watchung, to share in the cost savings. Our recommendation for this alternative methodology is included in the report.**

The findings and recommendations that follow pertain to each domain of the study and can be referenced in context at the page numbers as noted.

### Governance and Law

1. N.J.S.A. 18A:13-33.2 provides the authority to convert a limited purpose regional district to an all purpose regional district. The law requires that the proposal be submitted to the voters of *each of the constituent districts* of the regional district (emphasis added), in this case Warren Township, Long Hill Township and Watchung Borough, rather than to the voters at large of the regional district. Voters would also be asked to approve the inclusion of Green Brook as a new constituent member of the expanded all purpose regional district. If approved, the voters of Green Brook would then be asked whether they agree to join the expanded regional as constituent members of the district, or if they prefer to continue their send-receive relationship to educate their students in grades 9 to 12. (p. 26-27)
2. The interim board of education for the newly enlarged all purpose regional would have one-third, or three, of its members selected from among the members of the existing Watchung Hills Regional Board of Education. The remaining two-thirds, or six members, would be selected from among the members of the elementary boards of education that agreed to join the expanded regional district. (p. 28)
3. The recommendation for the interim board would have nine members: three from the Watchung Hills Board (with two from Warren Township and one from Long Hill Township), three from Warren, one each from Long Hill, Watchung, and Green Brook, if all four districts agreed to expand Watchung Hills into an all purpose regional serving grades pK-12. The interim board would reflect the same composition as the final board that would be elected in the next school election. (p. 28)
4. If Green Brook did not join as a constituent member of the expanded regional district, it would not have a guaranteed seat on the expanded Watchung Hills board. However, if the number of students sent by Green Brook reaches 10% or more of the Watchung Hills student population, a seat would be added to the board for Green Brook as it is now. The recommendation for that board would have ten members: three from the current Watchung Hills board (with two from Warren Township and one from Long Hill Township), three from the Warren board, one from the Long Hill board, two from the Watchung board, and the Green Brook representative. (p. 29)

5. The first elected members of the enlarged regional district shall be elected such that the initial terms be staggered, and in this case it would be three members elected for three years, three for two years, and three for one year. If the send-receive relationship is maintained, the Green Brook representative is appointed for a one-year term at the annual reorganization meeting of the Green Brook Board of Education. (p. 30)
6. The law provides that districts are prohibited from consolidating, regionalizing or withdrawing from a regional district if it will increase or exacerbate the segregation of students by racial, socioeconomic, disability or English language learner status. That statute, however, does not apply to this region since all students in the communities currently attending the limited purpose regional would remain in attendance with their peers in the all purpose regional and there would be no increased segregative effects. (p. 31)
7. The Watchung Hills Regional Board of Education would need to submit an application to the NJ Commissioner of Education for approval to hold a referendum to expand the current limited purpose regional into an all purpose, grades pK-12, regional school district. Should the referendum to regionalize succeed, the Division of Local Government Services, which provided the grant that funded this study, may also offer implementation grants to cover one-time costs for regionalization and shared services initiatives. (p. 38-39)
8. Should the referendum to regionalize succeed, the Division of Local Government Services, which provided the grant that funded this study, may also offer implementation grants to cover one-time costs for regionalization and shared services initiatives. The following task items should be considered: legal review of redundant contracts, systems integration, accounting/legal/expert review of benefits, collective bargaining negotiations costs, rebranding, auditing and accounting of financials, which could be potentially covered by the aforementioned grant funding. Election costs for each district would be covered in full by the State. (p. 39)
9. If a proposal to expand Watchung Hills from a limited purpose regional to an all purpose regional does not move forward, a discussion among district leadership and boards of education to maximize opportunities for shared services among the districts would be encouraged. Thereafter, the development and approval of specific contracts would be necessary to design and adopt shared services agreements between the schools and districts. (p. 39)

### Demography

10. Births in the Watchung Hills region have been averaging 357 per year and trending 12+ births each year for the last six years. Warren Township and Long Hill Township have had the largest increases in births relative to population, while Watchung Borough and Green Brook Township births have decreased relative to population. (p. 44)

11. While Warren Township averaged 51 new housing occupancies per year for the last 6 years, the other three municipalities each averaged only 5 occupancies per year. In the period from 2018-23, 644 building permits were issued in the four municipalities and only 404 (62%) were followed by occupancy permits. (p. 46)
12. Research indicates that there are several planned major housing developments above the recent averages in all of the four municipalities that would impact school enrollment at this time. Descriptions of the anticipated new housing are found in the 2025 Housing Element and Fair Share Plan (HE&FSP) adopted by each municipality and available online. (p. 46)
13. Affordable housing (popularly known as COAH) mandates have recently been issued for present and prospective need obligations at a level of a combined 603 units for the four municipalities. They are defined for each municipality as: Warren Township 262 units; Long Hill Township 102 units; Watchung Borough 119 units; and Green Brook Township 120 units. Specific properties and projects are identified in the 2025 HE&FSP as adopted by each municipality. The impact of that accelerated residential construction is added to the standard enrollment projection. (p. 47)
14. The impact of previous new housing in each municipality will have been built into the standard survival ratios for each school district's enrollment projections. Therefore, only the impact of the above average new construction will be added to the standard projection. It is imperative to understand that the student yields are for grades pK-12 students. In the projections only the proportionate counts are added to the elementary and high school district projections. (p. 47)
15. The enrollment history in the Watchung Hills region from 2019-20 to 2024-25 shows overall decreases of 4.1% from 5,767 to 5,529 students. There was a large one-year drop from 2019-20 to 2020-21 and greater stability over the most recent five years. The average migration ratios across grades K-12 indicate that the number of students transitioning from one grade level to the next is 1.02, a slightly increasing but relatively consistent flow of students through the school system. (p. 49)
16. A comparison of the 2024-25 actual enrollment of 5,522 students with the 2029-30 projection of 6,479 shows an increase of 957 students and a material averaged change of approximately 68 students per grade over 14 grade levels. That projected increase would represent a 17% increase in enrollment over a five-year period that will pose significant educational and fiscal challenges for school officials. An enlargement of the current limited purpose, regional district into an all-purpose, regional district would not alter the overall enrollment projections in any way. (p. 49-50)
17. Elementary enrollment peaks in 2029-30 at 4,653 students, or growth of 747 students over 5 years. The secondary school enrollment is projected to peak at 1,827 students in 2029-30, the fifth year of the projection for a projection period growth of 192 students. (p. 51)

18. Given that the scenario contemplated would not change the composition of districts in this region, there is expected to be no impact on racial and other demographic groups from an all purpose, grades pK-12 regionalization. Increases in the number of Hispanic students/families provide an opportunity to evaluate the equity of access to resources and programs in the schools for this traditionally underserved group. Higher median household incomes combined with higher percentages of families qualifying for free and reduced meals indicate exacerbated inequalities that increase the needs for certain kinds of at-risk programming designed to address the effects of lower income. (p. 52-56)
19. Under current state standards for maximum class size, the classroom availability data demonstrates that the schools in the Watchung Hills region have a wide variety in terms of physical capacities. By 2029-30, Valley View MS in Watchung is projected to be short by 4 classrooms. At that point, five of the region's thirteen schools will have few additional classrooms available for expanded use: Watchung Hills Regional HS (1); Warren MS (1); Gillette ES in Long Hill (2); Bayberry ES in Watchung (4); and Irene Feldkirchner ES in Green Brook (1). The opportunity to house additional or shared programming will be easier to consider in the following schools: Warren's elementary schools (17 potentially available classrooms in 4 schools); Green Brook MS (11); Millington ES in Long Hill (7); and Central MS in Long Hill (7). (p. 62)
20. Classroom availability numbers for 2029-30 drop sharply if the districts want to maintain current class sizes, which ranged from 17.8 students in Warren to 19.2 in Watchung for the 2024-25 school year. For example, Warren would need to add one kindergarten and one 1st grade classroom, plus two each for grades 2-5 to maintain current class sizes, reducing its projected available space to 7 classrooms, while the addition of two classrooms each for grades 6-8 would leave Warren MS five classrooms short. Long Hill's extra capacity would drop to 5 classrooms each in Millington and Central because it would need to add additional 4th, 5th, 7th, and 8th grade classes to maintain current class sizes. Several other schools have grades that are just over current class size guidelines. (p. 62)
21. The racial, ethnic, and socioeconomic composition of the student population is expected to change, reflecting the demographic shifts in the communities served by the school districts. These changes present opportunities for the schools to evaluate and address the specific needs of various student groups and ensure equity in access to resources and programs. (p. 63)
22. An all purpose, grades pK-12, regional school district would have greater flexibility to assign students and grade levels as needed to more effectively and efficiently use available classroom spaces. Minor grade level reassignments could make blocks of classrooms available for additional uses beyond the current assignments. (p. 63)

## Education and Program

23. The use of different programs across the four districts to teach and assess literacy development lead to disparate experiences, levels of preparation, and outcomes for students as they progress through the grade levels and into high school. Using common programs, supplements, and universal screeners and assessment tools can certainly benefit students and teachers as these students head to high school with similar experiences and with assessment data that can be compared validly. (p. 72)
24. Similarly to the case with ELA, Math curricular materials utilized by the four districts are quite varied, and that, combined with the variable amount of instructional time, means students have very different experiences in Math. The existence of these differences is supported by high school teachers, who report significantly varied levels of preparation. There are seven different entry points in high school Math, which often lead to homogeneous groupings of students, hence reducing the differences teachers see day-to-day. The WHRHS 9th grade Math teachers interviewed by RSRI agreed that greater curriculum coordination at the lower grade levels would lead to greater consistency and may reduce the number of entry points in high school. (p. 73-74)
25. The analysis demonstrates that students entering Watchung Hills from Warren, Long Hill, Watchung, and Green Brook have significantly different educational experiences. Having all students entering high school with shared experiences in terms of educational programs, philosophy, and time spent studying each of the content areas can offer several benefits to both students and teachers. Consistency in the time allotted to instruction can produce more coherent results among students and better prepare them for success in high school. Overall, shared educational programs in grades K-8 can contribute to more cohesive and effective approaches benefiting both students and educators alike. (p. 76-77)
26. Currently, Watchung Hills and the elementary districts share instructional resources with each other on a very limited basis. As such, minimal curriculum coordination exists, resulting in significantly different experiences for students prior to entering high school. Overall, one central regional curriculum office serving students in grades pK-12 can play a vital role in providing cohesive direction, support, and coordination for curriculum and instructional practices within the schools that comprise the region, ultimately leading to improved student achievement and success. A coordinated curriculum in grades pK-8 would result in students reaching 9th grade more equitably prepared for high school expectations and allow high school teachers to spend less time establishing a baseline of common understandings and expectations with students. (p. 77)
27. A centralized curriculum office can increase the efficiency with which it uses resources by eliminating duplicative efforts and services across the multiple districts. This can serve as a win for all of the districts, and ultimately the students, both financially and academically. The types of efficiencies discussed here could ultimately help in expanding instructional

support systems, such as interventionists and teachers of students with special needs, throughout the expanded district or within the currently existing districts. (p. 77)

28. The State has identified suggested maximum class sizes as 20 for grades K-5, 22 for grades 6-8, and 24 for grades 9-12. The data shows that all districts in this region are below or at least close to those suggested maximums. Class sizes are favorable, which may provide more opportunities for personalized instruction. Regionalization of the districts may allow for decisions on more efficient placement or sharing of teaching staff to reduce class sizes slightly at certain schools. (p. 77)
29. The differences in overall instructional time that currently exist provide an opportunity to consider changes that would provide more similar amounts of time to every student. The alignment of the teacher day, student day, and instructional day across the districts, or in an all purpose regional, would provide all students with comparable preparation for success in high school. (p. 78)
30. Watchung Hills students consistently exceeded state averages in ELA across all tested grade levels and years. In Math, they outperformed the state in Geometry for all three years and in Algebra II for two of the three years. (p. 84)
31. Warren, Long Hill, and Watchung students consistently outperform the state ELA average. Green Brook also tends to perform well, though there are instances where their scores dip closer to or slightly below the state average. This suggests a strong foundation in literacy within the region, with some variability in specific grades or districts. Math tells a similar story. Across the grades, the districts generally maintain a performance level above the state average. This is particularly notable in subjects like Algebra I and Geometry, where all districts show high percentages of students meeting or exceeding expectations, partially due to the fact that their strongest math students are enrolled in these subjects in middle school. While there are areas of variability, the overall picture is one of achievement and a commitment to academic success. (p. 85)
32. Standardized test scores reveal persistent achievement gaps between different student groups. Disparities exist along racial, socioeconomic, gender, and disability lines. Black and Hispanic students have traditionally faced challenges in ELA and Math. However, it is important to highlight the notable progress made, particularly by Black students, who generally demonstrated gains over the years. The same does not hold true for Hispanic students. Multiracial students have shown a more stable pattern in their ELA performance. (p. 89-90)
33. While racial disparities are evident, other patterns are less clear. Female students generally excel in ELA, while male students outperform females across most districts in Math. In some districts, female students match or exceed male students in math proficiency. Students with disabilities and economically disadvantaged students consistently lag behind the general

student population. Regionalization offers an opportunity for districts to analyze successful programs and instructional practices for these subgroups. (p. 90)

34. The mSGP scores in ELA and Math indicate that elementary students are demonstrating typical growth across multiple years. When comparing ELA growth across districts, the results are mixed, with each district outpacing the others in at least one of the four years displayed. Even among relatively high-performing schools and districts, a range of student growth scores provides an opportunity for district leaders, working within a regional setting, to examine the programs and instructional practices that are yielding the highest levels of student growth demonstrated in ELA and Math. (p. 91)
35. Examination of the Watchung Hills AP data yields some common, and perhaps expected, results. During the years when students returned to school post-pandemic, the percentage of eleventh and twelfth grade students enrolled at Watchung Hills who earned a score of 3 or higher on at least one AP exam dropped from a high of 44% in 2020 to a low of 35% in 2021, followed by steady increases during the subsequent two years. Of note is that since 2021, students scoring 3's or higher on the exams they took jumped from 84% in 2021 to 94% in 2023, a noteworthy increase. (p. 92)
36. Watchung Hills has higher graduation rates than the statewide rates for each of the 4-year and 5-year cohorts from 2020-23. These numbers demonstrate not only success in getting students to graduation in four years, but also success in encouraging students who need the extra time to persist. Schoolwide, the 97.8% of members of the Class of 2023 who graduated on time closely mirrors the percentage of students from each subgroup, except students with disabilities who exhibited an on-time graduation rate of 91.8%. This number is sometimes misleading because students with special needs who qualify for an 18-21 year-old program often delay receipt of their diploma until after they complete these activities. (p. 93)
37. The school's postsecondary enrollment rates indicate a modest increase year-to-year. Of the students enrolled in any post-secondary institution, students from Watchung Hills Regional HS are more likely to attend a 4-year institution than a 2-year institution over each of the years examined for this study. This mirrors the trend statewide. The school also surpasses the state average of graduates attending any institution of higher education by an average of eighteen percentage points. (p. 93)
38. Recognizing that school climate profoundly impacts attendance and discipline, regionalization provides the capacity to consolidate efforts in this area. This allows for dedicated focus and resources on climate and culture initiatives, which smaller districts might struggle to provide independently, thereby benefiting all students in the partnership. (p. 95)
39. Some districts have expressed a desire to consider expanding their preschool programs in an all purpose regional. There is a realistic preschool universe of approximately 668 children. At the state maximum of 15 students per classroom (and lower if some students have a need for a more self-contained environment), serving that population would require as many as 45

preschool classrooms. For the 2025-26 school year, the region is planning to support about half (22) that many. (p. 96)

40. One appealing opportunity given the facilities analysis done earlier in this study is to consider expansion of the preschool programs at the schools with capacity. Long Hill could consider this option by reassigning first grade students to Millington ES, where there is projected to be ample classroom capacity over the five year period. Watchung could also consider preschool expansion with a projected 4 extra classrooms in 2029-30. A unified grades pK-12 regional would have greater latitude to consolidate some preschool classrooms in buildings that could be more conveniently located to their families. (p. 96-97)
41. Special education is an area with great potential for joint action. Consolidating child study team staff within one larger district can provide greater levels of expertise to meet the unique needs of students. It may also provide opportunities for greater alignment in terms of eligibility criteria and determinations. The percentage of total enrollment by classified students ranges from 13% to 20%, and there are noteworthy disparities among the percentages of students with specific classifications. (p. 105)
42. The elementary special education directors noted that they have made successful efforts over the past several years in reducing out-of-district placements by developing in-house programs to meet student needs in a less restrictive environment. Their in-district placement rates of between 94% to 96% reflect that success and are noticeably higher than the high school rate of 82.7% resulting from the previously higher elementary numbers. To ensure this continuity, it is recommended that placements continue to be a regular dialogue among all of the directors. It was noted that high school case managers are invited to 8th grade IEP meetings, which is a positive sign. Since some of these meetings happen later in the year when time is short to develop appropriate high school programs, consideration should be given to having high school staff attend IEP meetings for 7th, and perhaps even 6th, grade students. This can allow for consideration of high school programming to meet educational needs in-district well in advance of the arrival of those students. (p. 105)
43. Much like services for students with special needs, students who benefit from the support of the multi-tiered systems of support process may further benefit by having staff who specialize by investing in common screeners and support mechanisms to have targeted discussions, address student needs, and monitor their progress. Taking full advantage of the additional expertise and resources available in the district while still addressing individual needs in a small school environment prior to the need for classification is one of the greatest benefits of regionalized resources or shared services. (p. 106)
44. Each district has a framework for directly meeting the needs of its multilingual students, but often the services are limited to one period or timeframe per day. ML students attending a regional district may benefit from a more robust ELL program, including not only direct instruction in an ELL class, but also teachers who have been trained to work using a

sheltered instruction protocol. Access to a larger pool of ESL-certified teachers may also allow those teachers to support the students throughout the school day and offer support to their families on non-academic issues, such as better navigating school and community services. (p. 106)

45. The gifted education programs across each of the elementary districts are varied. There are a host of programs offered at each of the schools, though little overlap exists among those programs. As students identified as gifted progress through middle school and into high school, they will have had quite different experiences. Further collaboration through regionalization or shared services would help to ensure that students received similar and equitable levels of services prior to high school, where they will likely enroll in advanced coursework. (p. 106)
46. A healthy extracurricular program provides balance to an academic education by offering activities that engage student interest. While smaller middle schools certainly offer some benefits, their size can often limit the number of activities in which students may participate. In many schools, the same students participate in clubs, activities, and athletics, which due to competing time requirements, can further limit the number of students participating in a given activity even further. While cost considerations are a factor, expanding the number of students available to take part in specialized activities, such as clubs, instrumental music, and theatre, or athletic teams can enhance the quality of those programs and better prepare middle school students for high school athletic and academic competitions. (p. 108)
47. This study assumes that all existing schools will remain open and operate with most school-level positions remaining as they presently do if there is a district regionalization. Each school is expected to retain its administrative and teaching staff as well as other essential support positions such as nurses, counselors, library media specialists, and teaching assistants. At the school level, it would take largely the same staff to perform the other support functions as well. (p. 124)
48. With school-level staff remaining relatively constant, the opportunities for efficiency will be more available by combining some positions on district office staffs. A single unified district would need only one superintendent and one business administrator, while assistant superintendent and assistant business administrator positions may need to be considered in the new structure. There also exist several supervisory position responsibilities and costs that could be shared across a regional district. Enhanced curriculum coordination and instructional supervision could only benefit the districts, including the teachers and their students. (p. 124)
49. Currently, there are administrative tasks replicated in five school districts that could be completed once. This replication costs both time and money and drains resources from other productive uses. The reduction of this overlap would almost certainly result in staffing

efficiencies and the ability to save money or redirect funding back to educational programming. (p. 124)

### Finance and Operations

50. It is clear that all five districts prioritize direct spending on students in terms of the percentage of dollars allocated to classroom instruction. Watchung at 61.5% is exceptional in this regard, above the state median of 59.4% for elementary school districts. Green Brook, Long Hill and Warren, while under the state median, all spend more than 50% of the total budgetary cost on classroom instruction. Watchung Hills (52.6%) is very close to the state median of 54.4% for the high school peer group. This is a strong positive indicator as it provides direct student academic experiences, and therefore, should receive primary attention and commitment in the district budgets. (p. 133)
51. Another item worth noting is that Warren at 8.3% is well below the state median of 10.3% in administrative spending. Green Brook (10.5%), Watchung (10.6%) and Long Hill (11.2%) are only slightly above. Watchung Hills at 10.7% is also very close to the state median of 10.0% for high school districts. Lower spending on administration is often identified by the public as an area to realize potential efficiencies in education. (p. 133-134)
52. The primary areas targeted for cost reduction include audit processes, professional services, and administrative and support staffing. Both regionalization scenarios project specific financial benefits. The estimated cost savings of \$2,656,516 in the all districts scenario and \$2,040,875 for current constituents would come primarily from consolidating administrative functions and reducing duplication across the districts. (p. 135)
53. It is important to note that these cost savings in consolidating district offices and/or functions do not include the potential financial efficiencies and educational benefits that could occur from consolidating and coordinating operations such as curriculum and textbook purchases, in-district special education programs, student transportation, technology infrastructure, central office functions, unified contract negotiations, and the potential for self-insured health benefit plans that may be viable in a regionalized district. Each of these would require further exploration and consideration by a regional board of education and administration or joint actions by the districts as currently structured. (p. 136)
54. Following the trend of projected state aid in the separate districts, state aid in an enlarged regional under both scenarios is projected to increase each year in the period studied. Capped aid rises from \$11.2 million in FY 2027 to \$13.4 million in FY 2030 in the all districts scenario, and from \$9.2 million in FY 2027 to \$11 million in FY 2030 in the current constituents scenario. Uncapped aid rises from \$11.6 million in FY 2027 to \$14.5 million in FY 2030 in the all districts scenario, and from \$9.4 million in FY 2027 to \$11.5 million in FY 2030 in the current constituents scenario. (p. 151)

55. Beyond the discrepancies between capped and uncapped aid, aid caps influence whether or not there is a state aid benefit to regionalization. Operating as a single district, the aid cap creates an intriguing dynamic. If the cap methodology persists through FY 2030, total state aid for an enlarged regional would be higher than if the districts remained separate, creating a small state aid benefit to regionalization. However, if the state reverts to full SFRA funding without caps, state aid in the enlarged regional would be slightly lower than the combined total aid of the separate constituent districts, creating instead, a small benefit to remaining separate. Despite the discrepancy as described, the relative impact to state aid under any scenario is modest when compared to total state aid or the operating budget of the regional district. (p. 151-153)
56. After reaching highs in around 2010, EPVs in each municipality mostly trended sideways through 2020 and have begun to rise through the present. EPVs are expected to rise in each municipality, peak at points over the next several years, flatten, and then begin to decline. (p. 157)
57. Warren and Watchung would benefit financially from ENR-based apportionment, as their property wealth exceeds their student ENR proportions. Long Hill and Green Brook would prefer EPV apportionment, as their student ENR exceeds their property wealth contributions. (p. 165)
58. The model's optimal ratio, which attempts to balance savings and minimize extreme impacts, would weight each community's EPV at 77% and ENR at 23%. At this ratio, Warren, Long Hill, and Green Brook would all experience a reduction in total tax liability relative to what they would otherwise pay in the status quo. Watchung would see an increase in its tax liability relative to the status quo. (p. 168)
59. An alternative approach is provided through P.L.2021, c.40, which permits a board of education to establish a transitional methodology, not to exceed ten years, of the apportionment method adopted by the voters provided that the methodology is agreed to by all participating districts. A possible transitional methodology has been developed with the goal of keeping tax impacts positive for all districts for the first five years of the regional's operation and then provide a gradual phase-in towards formulaic apportionment under the optimal weights of 77% EPV and 23% ENR. This approach gives each community ample time to plan for the long-term distribution of tax responsibility while immediately realizing the educational and programmatic benefits of regionalization in the short-term. A similar transitional method could be developed for the current constituents configuration. (p. 175)
60. Short term debt is a multi-year obligation authorized by the school district, but budgeted for in the annual budget process. Energy savings and improvement plans and subscription-based information technology arrangements are two short term debts that the districts in this region utilize and were considered significant enough to be included in the study. The latter are an

area to be explored for sharing services, and regionalization may lead to savings due to economies of scale. (p. 176)

61. Four of the five districts in this study currently have bonded, long-term debt. Additionally, Watchung has an arbitrage rebate payable of \$323,724 payable as of June 30, 2024. Also of note, Watchung Hills added a 4-year lease purchase of \$640,000 in July 2024 for technology equipment, classroom furniture, building security and athletic improvements. (p. 176-177)
62. According to state law, the salary guide and terms and conditions of employment of the largest constituent school district shall apply in full after three years following the formation of the regional district or until a successor agreement is negotiated with the majority representative of the new school district, whichever occurs first. The salary guide and terms and conditions of employment that will apply pursuant to the provisions of this subsection shall be based upon the terms and conditions of employment of the largest constituent district made up of only the identical grade levels. This means that Warren's agreement would govern all grades pK-8 staff and Watchung Hills would govern all grades 9-12 staff if a successor agreement were not completed within three years of the regionalization. A successor agreement would need to be negotiated between the new board of education and the new association representatives. (p. 178-179)
63. The review of the main CBAs for each district intends to provide useful information to aid the negotiations process should the districts decide to form an all purpose regional, or can be used simply as points for comparison and synthesis in future negotiations. There are notable differences among the agreements throughout this comparative analysis. (p. 179)
64. In addition to a basic review of steps and salary levels that would require attention to bring the guides into alignment, consultants estimated the financial implications of aligning teacher salary guides. Due to data availability, a complete simulation was only possible for Green Brook. Green Brook's results were then scaled to estimate impacts for Long Hill and Watchung. This scaling was based on relative staffing and salary guide structure similarities. In total, the analysis yields a total cost of \$525,000 in the all districts scenario and \$377,000 for the current constituents scenario. These estimated costs were included in the broader cost savings calculations noted above. (p. 182-184)
65. The cooperative sharing of personnel is minimal in this region of districts, though not all positions lend themselves to sharing. Unlike a regionalized district with one board of education, the superintendent and business administrator in a shared personnel relationship are the administrators of two separate school districts. This requires a strong commitment on the part of the shared employees, and can be a factor that contributes to frequent turnover or burnout. (p. 189)
66. A regional business office could not only handle required business functions, but allow time to explore grants, alternative funding, purchasing cooperatives, and other money saving options. The expertise of individuals in a particular area (e.g., grant writing/administration/

reporting, fall student counts, transportation, facilities, food services) could be strengthened and should eventually save the district time and money. The centralized administrative and educational reports could have individuals who become more experienced in, and familiar with, processing them. (p. 191)

67. Beyond a joint business office, other possible areas for exploration include: regional directors for critical functions such as curriculum, professional development, special services, facilities and transportation; counseling; and programs such as special education, multi-tiered systems of support, multilingual education, and preschool. (p. 192)
68. Overall, transportation packaging and tiering is well thought out and efficient in all five districts. Four of the five districts are below state averages for cost per package with Watchung Hills notably so. Green Brook has an especially high cost per package that is substantially above state averages. Rebidding the district's transportation contract could potentially result in lower costs. (p. 194-196)
69. There would be no impact on student seat time or distance traveled from a regionalization, as there has been no discussion of any intent to change the schools that students are attending. Across the region, the addition of a single transportation supervisor would provide for a regular evaluation of bus stops, routes, and tiering to enhance and improve busing efficiency. By utilizing advanced software for route optimization and ensuring regular communication among districts, the transportation framework could adapt dynamically to changing needs. (p. 197)
70. Green Brook began sending its grades 9-12 students to Watchung Hills on a tuition basis in 1989. Based upon information provided, annual contracts existed and were submitted with both districts' annual budgets. A three-year agreement was created and put into place beginning with the 2021-22 school year with an expiration of June 30, 2024. The successor agreement, for a term beginning July 1, 2024 and ending June 30, 2027, was successfully executed in late April 2025. The terms of this contract allow the district to deviate from the state reconciliation process. The initial agreement between these two districts deviates from the process significantly in that there is no reconciliation process unless doing so would be favorable to Green Brook. (p. 200)
71. For the three years of the recent agreement, the Watchung Hills Board of Education accepted \$1,930,377 less from Green Brook than the total regular education tuition that would have been due if the fully reconciled state formula had been implemented. Again, the contract does allow this deviation from the statutory process to occur. The newly executed agreement includes tuition increases that will bring the payments closer to the actual certified per pupil cost, but are still less than the 2023-24 state certified cost. (p. 202)
72. The districts use only five types of reserve accounts: capital; emergency; maintenance; tuition; and unemployment. All of the districts use capital and unemployment reserves, and none of them use all six types. Warren's capital reserves are the highest among all of the

districts' reserve balances at just over \$6.9 million; however, the March 2025 referendum used most of this and only \$1 million is expected to be retained. Tuition reserves are for districts in send-receive relationships, so only Green Brook and Watchung Hills use them. Warren, Long Hill, Green Brook, and Watchung Hills use maintenance reserves, and Warren and Long Hill have emergency reserves. (p. 203-204)

# APPENDIX

## Watchung Hills Shared Services/Regionalization Feasibility Study Advisory Committee

Dr. Elizabeth Jewett, Superintendent, WHRHS  
Dr. Julie Glazer, Superintendent, Watchung  
Robert Morrison, Chair WHRHS BOE, Warren  
William Scholts, Business Administrator, WHRHS  
Tim Stys, former Business Administrator, WHRHS  
Karen Bishop-Johnson, Business Administrator, Watchung  
Michael Birnberg, WHRHS BOE President, Watchung  
Jennifer Agugliaro, Watchung BOE President, Watchung  
Manny Gonzales, Watchung BOE, Watchung  
Mohamad Freij, Watchung BOE, Watchung  
Janine Potter, WHRHS BOE, Green Brook  
Lori Falzarano-Rozmerski, WHRHS BOE, Long Hill  
Susan Ober, former WHRHS BOE, Long Hill  
Heather Trumpore, WHRHS BOE, Warren  
Ann Butler, Long Hill BOE, Long Hill  
Patricia Zohn, Warren BOE President, Warren  
Todd Weinstein, Warren BOE, Warren  
Natalie Feuchtbaum, former Warren BOE, Warren  
Jim Benscoter, Deputy Mayor, Green Brook  
Guy Piserchia, Mayor, Long Hill  
Vanessa Kian, Committee Person, Warren  
George Lazo, former Committee Person, Warren  
Ronald Jubin, Mayor, Watchung  
Christine Ead, Council President, Watchung