



BOROUGH OF HIGHLANDS  
COUNTY OF MONMOUTH

## RESOLUTION 23-135

### APPROVING TAX ALLOCATION METHODS TO BE PRESENTED TO VOTERS ON REFERENDUM

**WHEREAS**, the Borough of Highlands ("Highlands") has filed a petition with the Commissioner of Education, jointly with the Boroughs of Atlantic Highlands and Sea Bright and the Boards of Education of the Henry Hudson Regional School District, Atlantic Highlands School District, and Highlands School District (hereinafter "Petitioners"), seeking authorization from the Commissioner of Education to place a referendum before the voters in its community to enlarge the Henry Hudson Regional School District into a PK-12 Regional School District and to expand Henry Hudson Regional to add the Borough of Sea Bright as a constituent member; and

**WHEREAS**, the joint petition included proposed referendum questions to be presented to the voters in each of the three communities; and

**WHEREAS**, the proposed referendum questions did not include the tax allocation methods to be presented to the voters, as the Petitioners had not agreed yet on the tax allocation methods to be presented to the voters; and

**WHEREAS**, the municipal governing officials from Sea Bright, Highlands and Atlantic Highlands have engaged in negotiations and have agreed upon tax allocation methods to be presented to the voters in the three communities, which they have determined to be fair to all three communities and which would provide all three communities with significant annual savings compared to the status quo; and

**WHEREAS**, the Boards of Education of Highlands, Atlantic Highlands and Henry Hudson Regional were invited to engage in these negotiations and subsequently advised that they believed the tax allocation method should be resolved by the municipal governing officials; and

**WHEREAS**, the municipal governing officials agreed upon the following tax allocation methods to be presented for approval to the Commissioner of Education:

***(1) the following shall be the permanent allocation beginning in the sixth year of the PK-12 Regional District with Sea Bright: 15% on each municipality's equalized valuation (as provided by state law), and 85% on the proportional number of pupils enrolled from each municipality on the 15th day of October of the prebudget year; and***

***(2) the following shall be a transitional allocation for the first five years of the PK-12 Regional District with Sea Bright: the tax levy will be allocated 45.80% to Highlands and 54.20% to Atlantic Highlands with Sea Bright's contribution to this District divided in half and deducted from the tax levy as allocated to Highlands and Atlantic Highlands***

***(such that each will receive an equal share of Sea Bright's financial contribution to the District); Sea Bright's tax levy contribution will be calculated based 15% on its regional equalized valuation (as determined by state law) based on a proportional share of its students attending the new regional, and 85% on the proportional number of Sea Bright pupils enrolled on the 15th day of October of the prebudget year (in each year of the transition period, Sea Bright's enrollment shall be based on the number of Sea Bright students enrolled in the newly expanded PK-12 regional (as of the 15th of October of the prebudget year) and Sea Bright students enrolled in Oceanport and Shore Regional (as of the 15th of October of the prebudget year) in the grade levels expected to be transitioned to the new PK-12 regional in the applicable budget year.***

**WHEREAS**, the municipal governing officials agreed upon the following proposed referendum questions with the referendum explanatory statement to describe further the above-noted five-year transitional allocation:

**Referendum question to be presented to the voters in Highlands and Atlantic Highlands:**

Shall the Boards of Education of the Highlands School District, Atlantic Highlands School District, and Henry Hudson Regional School District join together to convert Henry Hudson Regional into an all-purpose PK-12 regional school district and, if authorized by the Commissioner and voters in Sea Bright, to add Sea Bright as a constituent member of the newly expanded PK-12 regional school district, with the annual and special appropriations for a three-town district to be apportioned on the following basis:

***In the event Sea Bright does join the regional, following a five-year period with the transitional allocation approved by the Commissioner of Education and beginning in the sixth year of Sea Bright's joinder, 15% on each municipality's equalized valuation (as provided by state law), and 85% on the proportional number of pupils enrolled from each municipality on the 15th day of October of the prebudget year?***

**Referendum question to be presented to the voters in Sea Bright:**

Upon approval by the voters of Atlantic Highlands and Highlands to convert the Henry Hudson Regional School District to a PK-12 regional school district, shall Sea Bright join the Henry Hudson PK-12 Regional School District, with the annual and special appropriations for the newly expanded three-constituent PK-12 regional school district to be apportioned upon the following basis:

***Following a five-year period with the transitional allocation approved by the Commissioner of Education and beginning in the sixth year of Sea Bright's joinder, 15% on each municipality's equalized valuation (as provided by state law), and 85% on the proportional number of pupils enrolled from each municipality on the 15th day of October of the prebudget year?***

**NOW THEREFORE BE IT RESOLVED** that, after due consideration, Highlands has determined that the above tax allocation method(s), including the five-year transitional allocation method are fair and reasonable to the taxpayers of Highlands; and

**BE IT FURTHER RESOLVED** that Highlands seeks to have a referendum placed on the November 2023 ballot, or as soon thereafter as may be authorized by the Commissioner of Education, with regard to the enlargement of Henry Hudson into a PK-12 Regional School District and the expansion of the district to include Sea Bright as a constituent member, and authorizes its designated special counsel to submit this agreed upon tax levy allocation and revised referendum questions to the Commissioner of Education for consideration and approval; and

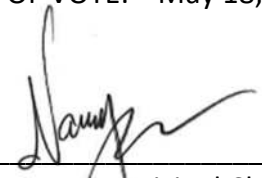
**BE IT FURTHER RESOLVED** that Highlands authorizes its designated special counsel to take any and all appropriate action to obtain the aforementioned authorization from the Commissioner of Education and to effectuate submission of same to the voters of Atlantic Highlands, Highlands, and Sea Bright.

Motion to Approve R 23-135:

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
CERVANTES						X
CHELAK		X	X			
MELNYK			X			
OLSZEWSKI	X		X			
BROULLON			X			

This is a Certified True copy of the Original Resolution on file in the Municipal Clerk's Office.

DATE OF VOTE: May 18, 2023

  
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Nancy Tran, Municipal Clerk  
Borough of Highlands