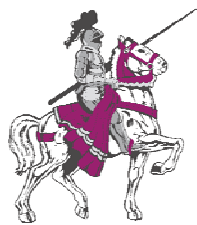


March 5, 2010



Merchantville School District

130 South Centre Street
856.663.1091 Fax: 856.663.5702

Dear Merchantville School Community,

As I am sure you have heard, the State of New Jersey is in a financial crisis. To deal with this crisis, Governor Christie has instituted several emergency measures to lower the State's deficit including reducing funding for public schools. Since the governor will not release his final school budget until March 16th we do not know the full extent to which Merchantville School will be impacted, but we do know as things now stand there will be staff reductions for next year.

Here is what we know.

- By being frugal, living within our budget, and not rushing to spend taxpayer's money on unbudgeted items when expenses come in lower than expected, Merchantville School District had a larger than normal surplus last year.
- We planned to use this surplus to support our budget for next year – pay for our contracted increases in salaries and health benefits, complete some maintenance projects, and *lower taxes*.
- Unfortunately, the governor reduced our funding by \$460,500 this year – the amount of our “excess” surplus that we were planning to use to reduce taxes next year – and told us that we must use our “excess” surplus to make up the difference for the *current* school year (2009-2010).
- We do not consider the \$460,500 “excess” funds – it represents 25.4% of our state aid. Forcing us to spend this money this year creates a huge hole in our next year's budget.
- *To close this hole we will have to raise taxes and reduce staff by at least 4 positions next year.*
- If the governor also reduces state aid for next year we loose another staff person for every 3% cut from our funding.

What steps are the board of education and administration taking?

- We are analyzing every aspect of our budget looking for ways to save money.
- We are meeting with our elected state representatives to make sure that they understand how Trenton's actions affect our district.
- *We are asking for input from our staff, parents and community on what is important to our school and how can we preserve our school.*

What can you do?

- Attend the next School Board meeting on March 9th in the school library at 7:30 PM to find out more information. Future budget information sessions will be announced.
- Contact our elected officials (State Senator Diane Allen, senallen@njleg.org, 609-239-2800; Assemblyman Jack Connors, AsmConnors@njleg.org, 856-461-3997; Assemblyman Herb Connaway, AsmConaway@njleg.org, 856-461-3997) the state board of education (www.state.nj.us/education/parents/contact.htm, 609-292-4469), and the governor's office (609-292-6000, www.state.nj.us/governor/contact) to let them know that our children deserve our support.

Please attend our meeting Tuesday night or contact me or another School Board member for more information about our funding crisis.

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