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OAL Dkt. No. EDU 10919-25
Agency Dkt. No. 117-4/25

New Jersey Commissioner of Education
Final Decision

Borough of Highlands, Monmouth County and
Jo-Anne Olszewski,

Petitioners,

v.

Board of Education of the Henry Hudson
Regional School District, Monmouth County,

Respondent.

The record of this matter, the Initial Decision of the Office of Administrative Law (OAL), the exceptions filed by petitioners pursuant to *N.J.A.C. 1:1-18.4*, and the Henry Hudson Regional Board of Education's (Board) reply thereto, have been reviewed and considered.

Following passage of a referendum in September 2023, the Henry Hudson Regional School District (District) was expanded from a limited purpose regional school district to an all-purpose regional school district serving students in grades pre-kindergarten through twelve from the Boroughs of Highlands and Atlantic Highlands. In January 2025, the District published an Annual Comprehensive Financial Report for Fiscal Year Ending June 30, 2024, which indicated that the former Highlands Board of Education (BOE) contributed more net assets and total reserves to the District than the former Atlantic Highlands BOE.

Thereafter, in April 2025, petitioners, the Borough of Highlands and Jo-Anne Olszewski, Council President, filed the instant petition and sought an order requiring “an accounting of the moneys, and other assets” received by the District from the BOEs pursuant to *N.J.S.A. 18A:13-50*, explaining how they were budgeted and used. In addition, they sought equitable relief pursuant to *N.J.S.A. 18A:6-9* in the form of an order requiring the District to create a reserve fund to be used for the benefit of students attending Highlands Elementary School and a tax credit which, in tandem with the reserve fund, would equal the disproportionate assets and reserve funds contributed by the former Highlands BOE to the District.

Respondent moved to dismiss the petition pursuant to *N.J.A.C. 6A:3-1.5*, claiming that the matter was untimely filed and belonged in the Superior Court of New Jersey pursuant to *N.J.S.A. 19:29-2*, an election law statute, and that the remedies sought were unavailable to them. In particular, respondent asserted that *N.J.S.A. 18A:13-50* does not support petitioners’ claim for an accounting to be ordered by the Commissioner, and that petitioners had no factual or legal basis upon which to request that the Commissioner order the equitable relief sought.

Upon review, the Administrative Law Judge (ALJ) granted respondent’s motion to dismiss the petition. The ALJ concluded that petitioners failed to state a claim upon which relief can be granted regarding the accounting and held that *N.J.S.A. 18A:13-50* imposes no continuing duty to account for transferred assets. The ALJ reasoned that *N.J.S.A. 18A:13-50* “describes how real and personal property is transferred to, and vests in, a regional district” and “does not address the timing or format of any asset inventory.” Initial Decision, at 6. The ALJ further explained that the statute’s plain language “clearly indicates that this process occurs as part of the dissolution of the local districts” and “serves an administrative purpose . . . rather than an informational

purpose, informing the public how the assets previously held by their local districts were or would be used.” *Ibid.* Thus, the ALJ determined that “[a]ny assertion that Highlands’ taxpayers are entitled to an inventory or report beyond what the statute contemplates is therefore legally unsupported.” *Ibid.*

Additionally, the ALJ concluded that petitioners failed to state a claim upon which relief can be granted regarding a reserve fund and tax credit because the relief sought exceeds the Commissioner’s authority given the circumstances. While recognizing that the Commissioner has, in limited instances, exercised equitable authority to allocate costs between constituent districts to address constitutional concerns, the ALJ found as follows:

Even accepting all facts that petitioners allege, and drawing all reasonable inferences in their favor, they have not alleged any facts that would warrant the Commissioner granting the relief they seek. Petitioners allege only that Highlands [BOE] contributed more resources than Atlantic Highlands [BOE]. They do not allege that Highlands’ students are not receiving a thorough and efficient education, that constitutional issues are implicated, or that they have taken any action at the local legislative level. Although petitioners allege they unknowingly and unwittingly voted for broader regionalization, that is not a valid basis to demand that the Commissioner allocate resources for the sole benefit of one constituent elementary school in a district charged with education management at a regional level.

[Initial Decision, at 8.]

In their exceptions, petitioners argue that: (1) the ALJ misinterpreted the inventory requirement set forth at *N.J.S.A.* 18A:13-50; and (2) the ALJ erred when concluding that the Commissioner lacked authority to provide the relief sought, *i.e.*, equitable allocation of assets to rectify disproportionate contributions made to the District by the former Highlands and Atlantic Highlands BOEs.

In response, the Board reiterates its position that: (1) *N.J.S.A.* 18A:13-50 does not support the relief requested by petitioners; (2) there is no reason for the Commissioner to exercise her equitable authority at this juncture; and (3) this petition is really an untimely election law appeal that belongs in the Superior Court of New Jersey and not before the Commissioner.

Upon review, the Commissioner adopts the Initial Decision as the final decision in this matter. Petitions are subject to dismissal by the Commissioner “on the grounds that the petitioner has advanced no cause of action even if the petitioner’s factual allegations are accepted as true.” *N.J.A.C.* 6A:3-1.10. This standard also appears in *New Jersey Court Rule* 4:6-2(e), which permits a motion for judgment on the pleadings for failure to state a claim upon which relief can be granted. See *Jonathan Wadley v. N.J. Dep’t of Educ., Office of Student Prot.*, OAL Dkt. No. EDU 09223-22, Initial Decision at 4-5 (Mar. 10, 2023), *adopted*, Commissioner Decision No. 110-23 (Apr. 11, 2023) (assessing motion to dismiss pursuant to *N.J.A.C.* 6A:3-1.10 under standards used by courts when analyzing *Rule* 4:6-2 motions). Such motions “must be evaluated in light of the legal sufficiency of the facts alleged.” *Sickles v. Cabot Corp.*, 379 *N.J. Super.* 100, 106 (App. Div. 2005) (quoting *Donato v. Moldow*, 374 *N.J. Super.* 475, 482 (App. Div. 2005)). Ultimately, a petition must be dismissed for failure to state a claim “if it has failed to articulate a legal basis entitling [petitioners] to relief.” *Ibid.*

The Commissioner concurs with the ALJ that *N.J.S.A.* 18A:13-50 does not provide a legal basis entitling petitioners to an accounting of moneys, assets, and reserves received by the District from the BOEs, explaining how they were budgeted and used. “The Legislature’s intent is the paramount goal when interpreting a statute and, generally, the best indicator of that intent is the statutory language.” *DiProspero v. Penn*, 183 *N.J.* 477, 492 (2005). Words must be ascribed

“their ordinary meaning and significance” and read “in context with related provisions so as to give sense to the legislation as a whole.” *Ibid.*; *N.J.S.A.* 1:1-1.

“The Legislature has enacted a complex statutory scheme designed to promote the regionalization of school districts.” *In re Verified Petition for Proposed Creation of PK-12 All-Purpose Reg’l Sch. Dist.*, 262 *N.J.* 318, 320 (2025) (citing *N.J.S.A.* 18A:13-1 to -81). As part of that statutory scheme, *N.J.S.A.* 18A:13-50 governs the orderly transfer of assets from a dissolved school district to a successor regional school district. The statute provides in relevant part: “All personal property, books, papers, vouchers and other documents belonging to any district, being dissolved, shall be transferred to the secretary of said regional district who shall cause a complete inventory to be made on all assets, real and personal, received by the regional school district.”

While “inventory” is not statutorily defined, its plain language meaning is “an itemized list of current assets.” Merriam-Webster Dictionary, <https://www.merriam-webster.com/dictionary/inventory> (last visited March 9, 2026). An inventory differs from an “accounting” requested by petitioners, which is “the system of recording and summarizing business and financial transactions and analyzing, verifying, and reporting the results.” Merriam-Webster Dictionary, <https://www.merriam-webster.com/dictionary/accounting> (last visited March 9, 2026). Based upon a reading of the statute’s plain language and Chapter 13 as a whole, the Commissioner concurs with the ALJ that *N.J.S.A.* 18A:13-50 does not require the District to produce an accounting to petitioners of assets it received from the now dissolved districts.

Petitioners’ reliance on the educational advocacy inventories referenced in *N.J.S.A.* 18A:7G-4 and room inventories in *N.J.A.C.* 6A:26-3.2 and 3.3 pertaining to school facilities projects to support its position that they are entitled to an accounting of assets is unavailing.

They concede that the purpose of the inventory requirements in *N.J.S.A. 18A:7G-4* and *N.J.A.C. 6A:26-3.2* and 3.3 is to disclose information to the Commissioner, who is tasked with overseeing certain school facilities projects pursuant to the Educational Facilities Construction and Financing Act (EFCFA), *N.J.S.A. 18A:7G-1* to -48. Neither *N.J.S.A. 18A:7G-4* nor *N.J.A.C. 6A:26-3.2* and 3.3 support petitioners' contention that the inventory requirement in *N.J.S.A. 18A:13-50* requires an accounting to be produced and disclosed to taxpayers at large who are not required to oversee the transition of assets from dissolved school districts to regional school districts.

In sum, Chapter 13 does not create a private right of action for taxpayers to compel production of an accounting. The referendum process allowed taxpayers to be heard regarding expansion of the regional school district. Nothing in the plain language of Chapter 13 suggests that the Legislature intended to empower taxpayers to attack the referendum after its passage by requiring regional school districts to produce an accounting for their benefit. Contrary to petitioners' assertion, interpreting the statutory scheme in such a manner would not be consistent with the Legislature's goal "to promote the regionalization of school districts, with particular focus on creating all-purpose regional school districts to educate public school students at all grade levels." *In re Verified Petition*, 262 *N.J.* at 322. Instead, burdening regional school districts with a requirement to produce an accounting to dissatisfied taxpayers after passage of a referendum could achieve the opposite goal.

As for the equitable relief sought, the Commissioner concurs with the ALJ that neither *N.J.S.A. 18A:6-9* nor case law provide a legal basis entitling petitioners to a reserve fund and a tax credit to offset disproportionate assets and funds contributed by the former Highlands BOE to the District. While the Supreme Court ordered the Commissioner to develop an equitable cost

apportionment scheme for a regional school district in *In the Matter of the Petition for Authorization to Conduct a Referendum on the Withdrawal of North Haledon School District from the Passaic County Manchester Regional High School District*, 181 N.J. 161, 186 (2004), the extraordinary circumstances at issue there are not present here.

In *North Haledon*, the Borough of North Haledon was not permitted to conduct a referendum to withdraw from the Passaic County Manchester Regional High School District because its withdrawal would negatively impact the racial composition of the regional school district. The Court held that “the constitutional imperative to address racial segregation” required North Haledon “to remain in the Regional District despite the tax burden on its citizens.” *Id.* at 186. Furthermore, the Court held that “when a constituent municipality is compelled to participate in a Regional District . . . the Commissioner may determine cost allocations among and between” the constituent municipalities. *Ibid.*

In this case, the circumstances are very different. Highlands’ voters elected to expand the District, which resulted in dissolution of Highlands BOE and the transfer of its assets to the District pursuant to the statutory scheme discussed herein. Highlands was not compelled to remain in the District to prevent racial segregation. As the ALJ correctly determined, petitioners do not allege that students from Highlands are not receiving a thorough and efficient education in the District, or that other constitutional issues are implicated. For these reasons, the Commissioner declines to grant petitioners the extraordinary equitable remedy they seek.

Petitioners’ reliance upon *Borough of Seaside Park v. Commissioner of Education*, 432 N.J. Super. 167 (App. Div. 2013), and *In the Matter of the Distribution of Liquid Assets Upon Dissolution of Union County Regional High School District No. 1*, 168 N.J. 1 (2001), is misplaced. In *Seaside*

Park, the court recognized the Supreme Court’s directive to the Commissioner regarding equitable cost apportionment under the extraordinary circumstances in *North Haledon*. However, the court in *Seaside Park* did not order equitable relief there because the circumstances differed from *North Haledon*. Instead, the court held that “because this case does not implicate the impact of withdrawal or dissolution on racial diversity or issues of other constitutional dimension after a successful referendum, we discern no basis to invoke the extraordinary remedy of judicial intervention and mandate that the Commissioner implement an equitable cost allocation.” *Id.* at 208. Decided before *North Haledon*, *In the Matter of the Distribution of Liquid Assets*, 168 *N.J.* at 15, is distinguishable because it concerns whether deviation from *N.J.S.A.* 18A:8-24, which governs equitable distribution of liquid assets and liabilities among constituent communities following dissolution of a regional school district, is permissible under the applicable statutory framework. That statutory scheme is not implicated here.

Accordingly, the Initial Decision is adopted as the final decision in this matter, and the petition of appeal is hereby dismissed.

IT IS SO ORDERED.¹



COMMISSIONER OF EDUCATION

Date of Decision: March 30, 2026
Date of Mailing: March 30, 2026

¹ This decision may be appealed to the Appellate Division of the Superior Court pursuant to *N.J.S.A.* 18A:6-9.1. Under *N.J.Ct.R.* 2:4-1(b), a notice of appeal must be filed with the Appellate Division within 45 days from the date of mailing of this decision.



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

DISMISSAL

OAL DKT. NO. EDU 10919-25

AGENCY DKT. NO. 117-4/25

**BOROUGH OF HIGHLANDS, MONMOUTH
COUNTY AND JO-ANNE OLSZEWSKI,**

Petitioners,

v.

**HENRY HUDSON REGIONAL SCHOOL
DISTRICT BOARD OF EDUCATION,**

Respondent.

Kerri A. Wright, Esq., for petitioners (Porzio, Bromberg & Newman, P.C.)

Rita F. Barone, Esq., for respondent (Flanagan, Barone & O'Brien, LLC, attorney)

Record Closed: December 4, 2025

Decided: December 31, 2025

BEFORE **DEAN J. BUONO**, A.L.J.:

STATEMENT OF THE CASE

Petitioners, Borough of Highlands and Councilmember Jo-Anne Olszewski, challenge what they view as an inequitable distribution of assets following the dissolution

of the Highlands and Atlantic Highlands Boards of Education and the reconfiguration of the Henry Hudson Regional School District (the District).

PROCEDURAL HISTORY AND FACTUAL DISCUSSION

In 2020, the Boroughs of Highlands and Atlantic Highlands, then constituent districts of the limited-purpose Henry Hudson Regional School District, began exploring whether to reconfigure the District into an all-purpose regional district that could educate all children in grades PK–12. Thereafter, feasibility studies were conducted in 2020 and 2021 to assess the financial, educational, and racial impact of the proposed reconfiguration. A third feasibility study, conducted in 2023, supported a petition to the Commissioner of Education to authorize a referendum on the District’s reconfiguration.

On July 21, 2023, the Commissioner authorized a referendum, which was held on September 26, 2023. The public was afforded multiple opportunities to review and discuss the reconfiguration proposal. There were two public sessions held in May 2022 and September 2023, as well as regular Board of Education meetings. Ultimately, the referendum passed by majority vote.

On July 1, 2024, the District was reconfigured and expanded into an all-purpose regional school district, serving the PK–12 students of Highlands and Atlantic Highlands.

On January 22, 2025, the District published the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024, which contained financial figures related to how assets from the dissolved boards had been managed.

On April 22, 2025, petitioners submitted a verified petition, making two allegations against the District. (Petitioners’ Verified Petition against Respondent Henry Hudson Regional School District Board of Education at 6–8.) First, petitioners allege that the District violated N.J.S.A. 18A:13-50 by failing to inventory assets it received from the dissolved boards of education. They claim this failure prevents Highlands’ taxpayers from knowing how their community’s assets have been spent or whether it was primarily for the benefit of Highlands’ students. Petitioners further claim that had Highlands’ voters

known the outcome of the eventual asset distribution, they would not have voted in favor of the wider regionalization. They request that the Commissioner order the District to provide an accounting of (1) assets received, (2) how the District budgeted and used those assets, and (3) any credits or other equitable measures the District has undertaken to account for the disparity in assets and reserves contributed.

Second, petitioners allege that by entering into the new regionalization plan, Highlands' taxpayers unknowingly and unfairly entered into an arrangement in which they contributed significantly more resources to the new district than Atlantic Highlands taxpayers. To rectify this, they ask that the Commissioner require creation of a reserve fund for the sole benefit of Highlands Elementary School and issue a tax credit to the Borough of Highlands to offset the alleged disparity.

On June 11, 2025, the District filed a motion to dismiss in lieu of an answer, alleging that petitioners failed to state a claim upon which relief can be granted (See Respondent's Brief in Support of Motion to Dismiss in Lieu of an Answer), and the matter was subsequently transmitted to the Office of Administrative Law (OAL).

ISSUE TO BE DECIDED

The question is whether petitioners have alleged sufficient facts to a claim for relief, thereby precluding dismissal.

LEGAL ANALYSIS AND CONCLUSIONS OF LAW

I. The standards for a motion to dismiss.

The rules of procedure governing petitions filed with the Commissioner permit a respondent to submit a motion to dismiss in lieu of an answer "on the grounds that the petitioner has advanced no cause of action even if the petitioner's factual allegations are accepted as true or for lack of jurisdiction, failure to prosecute, or other good reason." N.J.A.C. 6A:3-1.10; N.J.A.C. 6A:3-1.5(g). However, these education rules do not offer any guidance on the standards by which such motions should be assessed.

The Uniform Administrative Procedure Rules (UAPR), N.J.A.C. 1:1-1.1 to -21.6, also do not include such standards but provide that, “[i]n the absence of a rule, a judge may proceed in accordance with the New Jersey Court Rules, provided the rules are compatible with” the UAPR, which are designed “to achieve just results, simplicity in procedure, fairness in administration and the elimination of unjustifiable expense and delay,” N.J.A.C. 1:1-1.3(a).

Here, the court rule that fills the void is R. 4:6-2 which, like N.J.A.C. 6A:3-1.5(g) and N.J.A.C. 6A:3-1.10, allows for motions to dismiss. Since R. 4:6-2 serves the interests of time and expense and may help achieve just results, it is compatible with the UAPR’s purposes, and thus it is appropriate to assess respondent’s motion to dismiss in lieu of an answer under the standards used by the courts in applying R. 4:6-2.

Under these standards, if the basis for a motion to dismiss is that the petition has advanced no cause of action, or failed to state a claim upon which relief may be granted, “the test for determining the adequacy of [the] pleading [is] whether a cause of action is ‘suggested’ by the facts,” such that the “inquiry is limited to examining the legal sufficiency of the facts alleged on the face of the complaint.” Printing-Mart Morristown v. Sharp Elecs. Corp., 116 N.J. 739, 746 (1989) (citing R. 4:6-2(e)); Velantzas v. Colgate-Palmolive Co., 109 N.J. 189, 192 (1988); Rieder v. Dep’t of Transp., 221 N.J. Super. 547, 552 (App. Div. 1987)).

Importantly, for purposes of the motion, it does not matter whether a petitioner can ultimately “prove the allegation contained in the complaint” because “all facts alleged in the complaint and the legitimate inferences drawn therefrom are deemed admitted.” Printing-Mart Morristown, 116 N.J. at 746 (citing Somers Constr. Co. v. S. Gloucester Cnty. Reg’l High Sch. Dist. Bd. of Educ., 198 F. Supp. 732, 734 (D.N.J. 1961)); Smith v. City of Newark, 136 N.J. Super. 107, 112 (App. Div. 1975) (citing Heavner v. Uniroyal, Inc., 63 N.J. 130, 133 (1973); J.H. Becker, Inc. v. Marlboro Twp., 82 N.J. Super. 519, 524 (App. Div. 1964)). While “[a] complaint should not be dismissed . . . where a cause of action is suggested by the facts,” “a dismissal is mandated where the factual allegations

are palpably insufficient to support a claim upon which relief can be granted.” Rieder, 221 N.J. Super. at 552.

Also, if “matters outside the pleading are presented to and not excluded by the court, the motion shall be treated as one for summary judgment and disposed of as provided by R. 4:46, and all parties shall be given reasonable notice of the court’s intention to treat the motion as one for summary judgment and a reasonable opportunity to present all material pertinent to such a motion.” R. 4:6-2.

II. Petitioners have not stated a claim for an accounting.

Petitioners assert that the District violated N.J.S.A. 18A:13-50 when it allegedly failed to inventory the assets it received from the now dissolved boards of education of Highlands and Atlantic Highlands. This claim fails as a matter of law.

A. The statute imposes no continuing duty to account for transferred assets.

N.J.S.A. 18A:13-50 governs the transfer of funds and property upon the dissolution of a local school district that elects to join a regional school district. It provides:

Upon the dissolution of any local district the officer having custody of the funds of such district shall deliver all of the funds of the dissolved district in his possession to the secretary of the successor regional district who shall give his receipt therefor and shall, in a district which has a treasurer of school moneys, immediately turn the same over to the treasurer of school moneys of the regional district.

All personal property, books, papers, vouchers and other documents belonging to any district, being dissolved, shall be transferred to the secretary of said regional district who shall cause a complete inventory to be made on all assets, real and personal, received by the regional school district. Upon and after the date of dissolution of the district all proceeds of taxes of any nature raised or to be levied for use or benefit of each dissolving school district and rights and claims with respect thereto, and all the property, funds, moneys and assets of each dissolving district shall vest in the regional district and the regional district shall be subject to all the contracts, debts

and other obligations of each dissolving district. Upon said date all bonds and notes, of each dissolving district, theretofore issued and outstanding and all bonds and notes theretofore issued and outstanding of any municipality constituting or comprised within any dissolving district which were issued for the purpose of acquiring property which is vesting on said date in the regional district shall be and shall constitute obligations of and payable as to both principal and interest by the regional district, and, unless otherwise required or provided for by law, in the same manner and to the same extent as if such bonds and notes had been issued by the board of the regional district. The regional board shall cause an audit and settlement of all accounts of officers of the former district or districts to be made forthwith. The official bonds of such officers shall be continued in full force and effect until the completion of such audit and satisfactory financial settlement of said accounts shall have been made.

[Ibid. (emphasis added).]

The statute describes how real and personal property is transferred to, and vests in, a regional district. It does not address the timing or format of any asset inventory. Instead, the language clearly indicates that this process occurs as part of the dissolution of the local districts. It serves an administrative purpose, ensuring an orderly transfer of financial responsibility to the newly formed district, rather than an informational purpose, informing the public how the assets previously held by their local districts were or would be used. Any assertion that Highlands' taxpayers are entitled to an inventory or report beyond what the statute contemplates is therefore legally unsupported.

B. Petitioners' allegations are speculative and legally insufficient.

Petitioners' allegation that Highlands' taxpayers may not have voted in favor of wider regionalization if they had known how the assets would be distributed is pure conjecture and cannot form the basis of a claim.

Petitioners cite numerous financial figures they say were obtained from the Annual Comprehensive Financial Report of the Henry Hudson Regional Board of Education for the Fiscal Year Ended June 30, 2024. Their claim that no inventory of assets exists is undermined by their own reliance on these figures, which could only have been derived

from an underlying asset inventory. Indeed, the figures were detailed enough for petitioners themselves to identify and challenge the distribution of assets.

Since petitioners are not entitled to any specific form of accounting, they have not advanced a cause of action warranting the accounting they seek.

III. The relief sought exceeds the Commissioner's authority.

Petitioners argue that the Commissioner has general equitable powers over cost allocation and related matters in school regionalization, such that the Commissioner could order the requested accountings, reserve fund, and tax credit. However, such relief goes beyond what the Commissioner is authorized to grant under the circumstances and would circumvent the legislative processes for cost appropriations and budgetary controls.

The Commissioner's authority is limited to that conferred by statute. While the Commissioner may exercise equitable discretion in certain circumstances, its appropriate exercise is highly fact sensitive. In Borough of Seaside Park v. Commissioner, Department of Education, the Appellate Division acknowledged that the Commissioner may have such authority when addressing constitutional concerns, like that of racial segregation. See 432 N.J. Super. 167 (App. Div. 2013). The circumstances cited as an example were that a constituent municipality had been prohibited from withdrawing from a regional district because withdrawal would have created de facto segregation, and "[w]hen a constituent municipality is compelled to participate in a Regional District. . . the Commissioner may determine cost allocations among and between [constituent districts]." Id. at 181 (citing In re Petition for Authorization to Conduct a Referendum on Withdrawal of N. Haledon Sch. Dist. from the Passaic Cnty. Manchester Reg'l High Sch. Dist., 181 N.J. 161, 184 (2004)).

There, the Appellate Division noted that "the voters [in Seaside Park] rejected the referendum on dissolution. . . never voted on the issue of Seaside Park's withdrawal. . . and rejected a modification of the funding formula after the court's February 2008 decision," thus there was "no basis to invoke the extraordinary remedy of judicial

intervention and mandate that the Commissioner implement an equitable cost allocation.”
Seaside Park, 432 N.J. Super. 167 at 208. Further, the court stated:

Here, there is no allegation that the students. . . are not receiving a thorough and efficient education, i.e., that there are insufficient financial resources in the District to provide a thorough education, or that financial resources are being squandered at the expense of the children’s education. Rather, plaintiffs attack the constitutionality of the equalized valuation method for funding regional school districts because it imposes a greater financial burden on municipalities such as Seaside Park, which have high property values and few students attending the school system. The distribution of education costs among taxpayers is a policy decision to be made by the Legislature. . . and plaintiffs’ arguments should be directed to that body.

[Id. at 212.]

Even accepting all facts that petitioners allege, and drawing all reasonable inferences in their favor, they have not alleged any facts that would warrant the Commissioner granting the relief they seek. Petitioners allege only that Highlands contributed more resources than Atlantic Highlands. They do not allege that Highlands’ students are not receiving a thorough and efficient education, that constitutional issues are implicated, or that they have taken any action on the local legislative level. Although petitioners allege they unknowingly and unwittingly voted for broader regionalization, that is not a valid basis to demand that the Commissioner allocate resources for the sole benefit of one constituent elementary school in a district charged with education management at a regional level.

For the reasons stated, I **CONCLUDE** that petitioners have failed to advance a claim upon which relief may be granted.

ORDER

It is therefore **ORDERED** that respondent’s motion to dismiss is hereby **GRANTED**, and it is further **ORDERED** that petitioners’ petition is **DISMISSED**.

I hereby **FILE** my initial decision with the **COMMISSIONER OF THE DEPARTMENT OF EDUCATION** for consideration.

This recommended decision may be adopted, modified, or rejected by the **COMMISSIONER OF THE DEPARTMENT OF EDUCATION**, who by law is authorized to make a final decision in this matter. If the Commissioner of the Department of Education does not adopt, modify, or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

Within thirteen days from the date on which this recommended decision was mailed to the parties, any party may file written exceptions with the **COMMISSIONER OF THE DEPARTMENT OF EDUCATION, ATTN: BUREAU OF CONTROVERSIES AND DISPUTES**, 100 Riverview Plaza, 4th Floor, PO Box 500, Trenton, New Jersey 08625-0500, marked "Attention: Exceptions." A copy of any exceptions must be sent to the Judge and to the other parties.

December 31, 2025

DATE



DEAN J. BUONO, A.L.J.

Date Received at Agency:

Date Mailed to Parties:

DJB/ol/gd

APPENDIX

Exhibits

For respondent

- R-1 Event Details for the Highlands Borough Website containing the Ballot Proposal and Explanatory Statement for the September 26, 2023, Regionalization Referendum
- R-2 Henry Hudson Tri District LEAP Grant Feasibility Study Findings Presentation from May 25, 2025
- R-3 March 2023 Updated Financial Analysis, by Dr. Brian Falkowski
- R-4 September 2023 Updated Financial Analysis, by Dr. Brian Falkowski