

Ahearn: Pascack schools, hospital at stake in referendums

Wednesday, November 11, 2009



By JAMES AHEARN
RECORD COLUMNIST

THE FUTURE of two high schools and a hospital in the Pascack Valley were at stake in two sets of thought-provoking North Jersey referendums last week.

Two of the four towns that comprise the Pascack Valley Regional High School District conducted preliminary referendums on withdrawing from the district and establishing a new one of their own.

The two are Montvale and Woodcliff Lake. The referendum proposals passed by 3-to-1 margins. They asked whether the concept should be explored, not whether withdrawal should proceed forthwith. Even so, this is a first step toward significant change.

The motivation is financial, not dissatisfaction with the education provided by the regional district. Montvale and Woodcliff Lake complain that they pay more than their fair share of taxes for the district's two schools.

The other two towns in the district are Hillsdale and River Vale. Their residents pay less because assessments on homes and other properties in their towns are lower. The two are preparing to fight a split.

Support for hospital

As for the bankrupt, mostly closed Pascack Valley Hospital in Westwood, voters in 13 towns in northeastern Bergen County approved the campaign by Hackensack University Medical Center to reopen it as a for-profit 128-bed community hospital, half its former size.

Hackensack is already operating an emergency center there. The towns want more. To win, they need state approval. Their application is opposed by Englewood Hospital and Valley Hospital in Ridgewood, which contend that reopening Pascack Valley would hurt them financially.

An additional consideration for Englewood Hospital is the large number of uninsured patients it serves, many of them black. If Englewood, already stressed, were forced to close, it would have a devastating effect on these patients, Englewood argues.

Referendum support last week for reopening the hospital ranged from 57 percent in Old Tappan to 85 percent in Westwood, with an average of 72 percent. The statements will be considered by the state Health Planning Board and Health Commissioner Heather Howard.

Too many beds

A study commission appointed by Governor Corzine reported last year that New Jersey had more hospital beds than it needed, especially in Bergen and Passaic counties. Legislation was passed, without a dissenting vote, to deal with the surplus and its impact on hospital finances.

If the Health Planning Board and the commissioner determine that any proposed facility is unneeded, it will not receive a requisite certificate of need. In July, Hackensack learned that the Health Department staff was prepared to recommend denial of the application for reopening Pascack Valley. In response, Hackensack requested suspension of the application, putting it on hold for as long as six months.

January deadline

That half-year period will expire in late January, shortly after the newly elected governor, Chris Christie, takes office. As a candidate, Christie promised in visits to Westwood that he would let Pascack Valley Hospital reopen. A further complication is that the hospital's state license expires Dec. 28, when Corzine will still be governor.

The choice pits expert evaluation against political desire. Stay tuned.

* * *

To return to the Pascack Valley Regional High School district, at its founding in 1955 the operating costs were paid on a per-student basis. The state later changed the funding formula to one based on property values.

The current budget is \$41.3 million. It finances two schools, Pascack Hills High School in Montvale and Pascack Valley High School in Hillsdale. Montvale and Woodcliff Lake students attend Pascack Hills, Hillsdale and River Vale students Pascack Valley.

Calculated on a per-student basis, Montvale paid \$22,954 last school year, Woodcliff Lake \$27,860, Hillsdale \$15,039, and River Vale \$17,741. That isn't fair, say the two high-paying towns.

\$4 million in savings

They hired a consultant who estimated that by withdrawing from the regional district, taking the Pascack Hills school with them, Montvale and Woodcliff Lake could save \$4 million a year.

They could either set up a new pre-K through 12th-grade district of their own, or one formed by Montvale, to which Woodcliff Lake would send its high school students. The lower-taxed Hillsdale and River Vale districts would have to pay an additional \$2.5 million to \$3.5 million to keep the Pascack Valley Regional High School District going.

However, the calculations on which Montvale and Woodcliff Lake rely for their claim of unfairness do not take household income into account, and that is the most accurate measure of ability to pay for a shared cost.

Towns and school districts can't levy taxes on income. Property values are the closest permitted

approximation. A town with limited ratables is at a disadvantage.

As a matter of equity, the apportionment of Pascack Valley Regional High School District costs should be adjusted. Some combination of pupil numbers and property ratables would be desirable and politically defensible.

James Ahearn is a former managing editor of The Record. Comments: grad@northjersey.com

Find this article at:

http://www.northjersey.com/news/opinions/ahearn/ahearn_111109.html

The Record - 150 River Street - Hackensack, NJ 07601

A clarification: Hackensack University Medical Center, which owns the closed Pascack Valley Hospital, seeks state approval to reopen it, as discussed here last Wednesday. Pascack towns support the move. They did not initiate it.

(Nov. 15, 2009 Record - <http://www.northjersey.com/news/opinions/ahearn/70129102.html>)