



OCEAN TOWNSHIP SCHOOL DISTRICT

NOVEMBER 2022 REFERENDUM



QUESTION AND ANSWER INFORMATION

Q. What is the question on the November ballot?

A. The Ocean Township Board of Education seeks to increase the tax levy by \$840,000 for the purpose of maintaining employment of 8 classroom teachers currently funded by expiring Federal COVID Grant funds. Since the implementation of the 2018 revised state school funding formula, the Ocean Township School District realized a cumulative loss of state funding of \$4.7 million to date. Approval of this question will allow for maintenance of current class size guidelines of less than 28 students per class in Kindergarten through 6th grade. These expenditures are in addition to those required to achieve New Jersey Student Learning Standards. Approval will result in a permanent increase in the district's tax levy.

Q. Why is the district asking for these funds?

A. Since 2018, the school district has experienced a reduction in state aid funding of \$4.7 million or over 20% of its budget as of the 2022-2023 school year. It will experience an additional reduction of another \$1 million over the next two school years. This means that while the State used to fund 38% of the district's operations, it will soon only fund 7% of the district's operations.

Q. Why has the state made these state aid cuts to the district?

A. In 2018 the legislature passed a law known as S2 that redistributed school funding over a seven year period of time to districts that were experiencing high levels of student enrollment growth. Until this law was passed a school district was held harmless if the funding law determined a school district was entitled to less funding to limit the impact to school operations or taxpayers. A school district could be entitled to less funding for three main reasons: a reduction in student enrollment, an increase in property values and an increase in resident total income. With the changes in Ocean Township over the past twenty years the school district was impacted by all three factors which then triggered the reduction in state aid.

Before 2018, to limit the impact to school operations or taxpayers, a school district was held harmless if the funding law determined a school district was entitled to less funding. That year, the legislature passed a law, known as S2, which redistributed school funding over a seven year

period to districts that were experiencing high levels of student growth. On the other side, a school district could have its funding reduced for three main reasons: a reduction in student enrollment, an increase in property values and an increase in resident total income. With the changes in Ocean Township over the past twenty years the school district was impacted by all three factors which then triggered the reduction in state aid.

Q. Couldn't the district just cut costs to offset this reduction in state aid?

A. The school district has already made operating cuts to adjust to the impact of the first \$4.7 million of state aid cuts, which represented more than 20% of the district's budget. The majority of the district's remaining budget are items required by law and largely outside of the control of the school district.

Q. Why doesn't the district cut spending further so that we spend the same amount as area school districts?

A. The school district is currently the sixth lowest cost K-6th grade school district in the State of NJ (out of 57 districts) at \$15,804 per student. This is a result of the school district looking to reduce spending as much as possible before arriving at the need to ask the taxpayers for assistance. The only K-6 school district in Ocean, Monmouth, Atlantic or Cape May counties that spends less per student than our district is Berkeley and they are only \$4 per student lower.

Q. Why doesn't the district cut employees to offset this reduction in state aid?

A. The school district has been reducing its number of employees over the past several years. We have eliminated one and a half custodians, three basic skills teachers, two special education teachers, one technology teacher, one reading specialist, seven classroom teachers by attrition, and privatized our cafeteria operations.

Q. Don't the teachers already make enough money? Couldn't they give back?

A. The teaching staff at Ocean Township School District currently are paid less than the average K-6th grade teacher in Ocean County and the State of NJ. The teachers union has agreed to concessions over the past two rounds of negotiations in an attempt to offset some of the loss in state funding. In addition, the teaching staff has taken on responsibilities for larger class sizes during the staff reductions resulting in one of the largest student to teacher ratios in Ocean County and the State of NJ, per NJ Department of Education data.

The teachers union has agreed to concessions over the past two rounds of negotiations in an attempt to offset some of the loss in state funding. In addition, due to the staff reductions above, according to the NJ Department of Education data, the District and our teachers now have one of the largest student to teacher ratios in Ocean County and the State of NJ. Finally, our average teaching staff member is currently paid less than the average K-6th grade teacher in Ocean County and the State of NJ.

Q. Could the district cut spending on administration?

A. *The district has continued to reduce administrative spending over the past several years and now spends the eighth lowest amount per pupil on administrative costs among K-6 school districts in the State of NJ, per the NJ Department of Education.*

Q. Why doesn't the district eliminate the pre-school program that only started a few years ago?

A. *The pre-school program is fully funded by the State of NJ. The funding that the State provides for pre-school is dedicated exclusively to pre-school and pays all of the costs related to that program. As a result, eliminating the pre-school program will not provide any savings that could be redirected to the K-6 educational programs.*

Q. I read that the district is receiving extra state aid to offset some of this reduction because of federal requirements?

A. *The State of NJ was forced by the Federal Government to return some of the state aid reduction due to requirements in federal law. As a result, the State of NJ will be returning \$144,786 to the school district of the \$1,451,099 in state aid that was reduced for the 2021-2022 school year. The State of NJ has indicated that this is likely a one-time only payment and not to anticipate it for future years.*

Q. Couldn't the district issue debt to address these state aid reductions?

A. *The school district is required to operate with a balanced budget and is prohibited from issuing debt to fund day-to-day operations.*

Q. How is a homeowner impacted if the question is approved by voters?

A. *If the question is approved by voters in November it will result in an additional 6.27 cents on the tax rate for schools. The impact for an average home in Ocean Township would be an additional \$170.24 in school purpose property taxes per year. An average home in Ocean Township is assessed at \$271,534 based on 2022 data from the Ocean County Tax Board. To find your home's assessed value please refer to the property tax statement that you received in July from the township. **Assessed value is different than market value and is determined by multiple factors as identified by state law.***

Q. What is the difference between Assessed Value and Market Value on a home?

A. *Market value on a home is what the home can sell for currently. This is normally not the Assessed (or taxable) Value of the home. The Assessed Value of the home can be found on your annual property tax bill and is the value that determines your total property taxes. If you cannot locate your property tax bill you can find your current Assessed Value on the following website: <https://www.tax.co.ocean.nj.us/frmTaxBoardTaxListSearch>*

Q. Isn't the tax rate for schools already higher than other area towns?

A. *Currently, the property tax rate for schools in Ocean Township is lower than the rate for schools in any other Southern Ocean County mainland municipality except for Stafford. The average*

homeowner in Ocean Township pays less for school property taxes than the average homeowner in Southern Ocean County mainland towns. If the November ballot question is approved Ocean Township will not change.

Q. When was the last time that the school district asked the voters to exceed the State budget cap?

A. The school district has not asked the voters to exceed the State budget cap in over fifteen years. Over those years the district has successfully reduced costs and staffing levels while experiencing outside inflationary pressures and despite reduced State funding.

Q. How does this impact the school district if the question is rejected by voters?

A. If the question is rejected by voters in November the district will evaluate its operating options and will likely be forced to reduce teaching staff positions for the 2023-2024 school year. This would likely increase class sizes from an average size of 21 students to an average size of 29 students per classroom, with some exceeding 32 students. This would exceed what many of our classrooms are designed to hold. This would then require to the school district to include the State of NJ Department of Education in the district's operations to ensure ongoing compliance with our legal requirements.

Q. What about our lower income senior citizens who want to stay in their family home?

A. The State of NJ provides two levels of funding to assist lower income senior citizens and disabled residents. One is the Senior Property Tax Freeze. Applications are still open to retroactively file for the 2021 freeze through October 31, 2022. Applications information is found at www.state.nj.us/treasury/taxation/ptr/. The second form of assistance is the Homestead Benefit Program. Information on this program can be found at www.state.nj.us/treasury/taxation/homestead/geninf.shtml. If you qualify for either of these programs, the State of NJ would provide funding to offset some or all of your additional property taxes regardless if they are for school, municipal or county purposes.

Q. Who can vote in the November election?

A. Any Ocean Township resident who is registered to vote by October 18, 2022 may vote. You can register to vote by contacting the Ocean County Clerk's Office at www.oceancountyclerk.com or by returning a paper voter registration form.

Q. When is the November election?

A. The November election is Tuesday, November 8, 2022. Polls are open from 6:00 am to 8:00 pm. Early voting will run from October 29 through November 6.

Q. Where can I find the question for Ocean Township School District on the ballot?

A. The Ocean Township School District question is the only question on the ballot.

Tax Impact of Referendum Question

Assessed Value of Home (not market value)	Annual Increase	Monthly Increase
\$100,000	\$62.70	\$5.22
\$200,000	\$125.39	\$10.45
\$300,000	\$188.09	\$15.67
\$400,000	\$250.78	\$20.90
\$500,000	\$313.48	\$26.12