

Resolution Regarding District Budget for 2025-26

WHEREAS, the New Jersey State Constitution mandates a thorough and efficient system of free public schools for all children (New Jersey Constitution 1947 Article VIII, Section IV, Paragraph 1); and

WHEREAS, the Toms River Regional Schools Board of Education, together with the Superintendent, Administrators, Faculty, and Staff, has and continues to provide a thorough and efficient education (T&E), albeit survival T&E, to all students in Toms River Regional Schools, in fulfillment of the constitutional requirement; and

WHEREAS, federal and state law, including the Individuals with Disabilities Education Act (IDEA) 20 U.S.C. Chapter 33 § 1400 et seq. and Title 18A of New Jersey Statutes, requires Toms River Regional Schools to provide a Free and Appropriate Public Education (FAPE) to all special education students in Toms River Regional Schools; and

WHEREAS, the Toms River Regional Schools Board of Education, together with the Superintendent, Administrators, Faculty, and Staff, has and continues to provide a Free and Appropriate education, including services and programs contained in the student's Individualized Education Program (IEP), to all special education students in Toms River Regional Schools in accordance with federal and state law; and

WHEREAS, the Extended School Year program is an integral component of, and related service incorporated into, many special education students' IEPs and is critical to the provision of Free and Appropriate Public Education; and

WHEREAS, as a direct result of the New Jersey Department of Education's flawed funding formula, Toms River Regional Schools are \$107 million under adequacy; and

WHEREAS, the State's malfeasant application of the funding formula has resulted in the cumulative loss of \$175 million in state aid for student programs; and

WHEREAS, the draconian cuts in aid have already gutted Toms River Regional Schools, resulting in a reduction of over 250 faculty and staff positions, an increase in class sizes to critical levels, and a depletion of most supply and budget line items by thirty percent (30%); and

WHEREAS, Toms River Regional Schools is among the most efficiently run districts in the state of New Jersey; and

WHEREAS, Toms River Regional Schools is one of the lowest spending districts in the state, and is THE lowest spending district in its category (with nearly 100 districts), clearly illustrating that the New Jersey Department of Education-created financial crisis in Toms River Regional Schools is not a spending problem, but rather a revenue problem; and

WHEREAS, the revenue problem is a direct result of a fundamentally flawed funding formula based on secret data and questionable calculations, which the New Jersey Department of

Education has still not revealed in response to an Open Public Records Request initially filed more than 5 years ago; and

WHEREAS, the Toms River Regional Board of Education has raised the tax levy to the highest amount permissible under the law in light of the statutory 2% cap; and

WHEREAS, while the state was slashing aid to Toms River while simultaneously increasing aid to other districts, Toms River Regional Schools taxpayers were taxed to the maximum amount allowed by law, a necessity to keep the school doors open; and

WHEREAS, while other districts received loans and state aid advancements from the New Jersey Department of Education, Toms River Regional Schools has been consistently denied such funding; and

WHEREAS, last year Toms River Regional Schools taxpayers suffered a 9.3% tax increase unilaterally imposed by the New Jersey Department of Education; and

WHEREAS, Toms River Regional Schools has been forced to sell \$20 million of assets to ensure the District continues to provide survival T&E to all students and Free and Appropriate education to special education students; and

WHEREAS, Toms River Regional Schools is once again in financial peril because the State of New Jersey arbitrarily and capriciously incorporated guardrails that capped state aid increases, resulting in the loss of millions of dollars of anticipated state aid; and

WHEREAS, the Superintendent and Business Administrator have and continue to communicate and develop solutions to the funding crisis; and

WHEREAS, the Superintendent's pleas for help have either been met with ultimatums and threats or have been completely ignored; and

WHEREAS, the only way to balance the budget for the 2025/2026 school year would be to increase revenue in the amount of \$22.3 million, an amount equal to twelve point nine percent (12.9%); and

WHEREAS, this year the New Jersey Department of Education refuses to provide any relief or take any action to impose a revenue stream to balance the 2025/2026 budget; and

WHEREAS, the Board has repeatedly and unanimously rejected the proposed budget that includes a 12.9% tax increase on top of the 9.3% tax increase last year; and

WHEREAS, this Board has a fiduciary duty to the taxpayers of this District, and will not subject them to a 22.2% cumulative tax increase over two years; and

WHEREAS, on June 23, 2025 and June 30, 2025, the State Department of Education issued illegal and immoral directives to Toms River Regional Schools ordering the delay of all programming and expenditures, including services for our most vulnerable students; and

WHEREAS, despite the New Jersey Department of Education directing the District to illegally delay services, programs, and expenditures, this Board of Education will continue to fulfill its constitutional obligations and statutory requirements to provide survival T&E and FAPE to our students; and

WHEREAS, failure of the New Jersey Department of Education to address the financial crises in Toms River Regional Schools, that the Department of Education created and continues to create including threatened punitive measures such as the deprivation of school aid to be paid to the District, will result in the Board of Education seeking relief in Chapter 9 of the Federal Bankruptcy Code; and

WHEREAS, Chapter 9 of the Federal Bankruptcy Code provides for reorganization of municipalities, which includes cities and towns, as well as villages, counties, taxing districts, municipal utilities, and school districts; and

WHEREAS, the purpose of Chapter 9 is to provide financially distressed school districts protection from creditors while they develop and negotiate a plan for adjusting debts; and

WHEREAS, the automatic stay of section 362 of the Bankruptcy Code is applicable in chapter 9 cases; and

WHEREAS, the Code of Ethics for School Board Members mandates that Board Members must not surrender their independent judgment to special interest or partisan political groups, even if those groups are state agencies or state personnel; and

WHEREAS, the Code of Ethics for School Board Members mandates that Board Members must make decisions in terms of the educational welfare of children and will seek to develop and maintain public schools that meet the individual needs of all children regardless of their ability, race, creed, or social standing; and

WHEREAS, the Code of Ethics requires Board Members to support and protect school personnel in the proper performance of their duties; and

WHEREAS, the Code of Ethics requires Board Members to carry out their responsibilities, not to administer the schools, but, together with fellow board members, to see that they are well run; and

WHEREAS, this Board, the Superintendent, and the administration make decisions in the best interest of our students and do what is good for kids;

NOW THEREFORE BE IT RESOLVED that the above Whereas clauses are hereby incorporated by reference as if set forth at length herein;

BE IT FURTHER RESOLVED that the Board of Education of Toms River Regional Schools rejects the illegal directive from the Department of Education to delay services, programs, and expenditures; and

BE IT FURTHER RESOLVED that the Board of Education of Toms River Regional Schools again rejects and does not adopt the proposed 2025/2026 budget with a 12.9% tax increase.

BE IT FURTHER RESOLVED that the Superintendent, administration, and entire faculty and staff are hereby directed to continue to do all things necessary and proper to ensure that all students continue to receive an uninterrupted thorough and efficient education; and

BE IT FURTHER RESOLVED that the Superintendent, administration, and entire faculty and staff are hereby directed to continue to do all things necessary and proper to ensure that all special education students continue to receive uninterrupted free and appropriate education, including the timely start of an undelayed extended school year; and

BE IT FURTHER RESOLVED that the Superintendent and Business Administrator are authorized to consult with and retain an attorney on behalf of the District to begin the process to file for bankruptcy protections under Chapter 9 of the Federal Bankruptcy Code;