

Background of State Aid Cuts

In 2018, NJ passed a law known as "S2" that drastically impacted the amount of state aid we receive.

The cuts are applied in phases, and each year we endure them we are forced to make harder and harder choices. This compounds!

What We are Facing This Year

The Impact of S2 to the Jackson School District

2018-2019 = \$1.3 million

2019-2020 = \$2.3 million

2020-2021 = \$3.5 million

2021-2022 = \$4.3 million

2022-2023 = \$4.6 million

2023-2024 = \$2.5 million

2024-2025 = \$806,460

\$19.3 million will
be lost in state aid
over 7 years

State Aid Cuts

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2019-2020 = \$2.3 million

2020-2021 = \$3.5 million

2021-2022 = \$4.3 million

2022-2023 = \$4.6 million

2023-2024 = \$2.5 million

2024-2025 = \$806,460

FYI:

The maximum we can increase our tax levy is 2 %
Last year that figure was \$1.79 million

To put this into perspective:

We have lost **\$16 MILLION** in S2 State Aid Cuts over the past 5 years
For 2023-2024, we are losing **ANOTHER \$2.5 MILLION**
Due to these losses, **our surplus/free balance** we rollover from year to year **has dissolved**

AND we still need to address annual increases to:

Our contractual responsibilities above 2%

Gas prices

Increasing insurance premiums

Tuition increases outside of our control

Transportation cost increases in the millions

The impact of the current economy - rising costs for just about everything

Budget Challenges: The Perfect Storm

Devastating S2 cuts year after year and another \$2.5 million cut to state aid for 23-24

Depleted surplus/free balance to roll over

Increases in services needed for students

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Increases in nonpublic transportation costs

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Increased costs of just about everything due to the economy changes
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FEBRUARY 2023

Department Budget Presentations

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