

Attorney: 'Regional School Formula Not Unfair to Cape May'

VILLAS- Attorney Francis Campbell, special counsel retained by Lower Township to oppose Cape May's attempt to withdrawal from the Lower Cape May Regional High School District, said the school funding formula was not unfair to Cape May.

Campbell addressed council and the public at a Sept. 4 Lower Township Council meeting. Campbell said kindergarten through 12th grade school districts throughout the state tax residents on the basis of the equalized value of their property. Regional schools districts are funded by the same method as K-12 districts.

Campbell said equalized property value was used by every county tax board in the state.

"They will adjust the equalized value of the properties in that neighborhood based on actual sales or based on the fair market value of property," he said.

Campbell said despite the condition of the economy, beach properties and those with water views tend to have higher values. He said Cape May was in a good position to retain property values due to their location and as a result, their property values have increased over a number of years.

As property values continue to increase in Cape May more rapidly than some of the property values in Lower Township, the tax burden will increase on those Cape May properties that have gone up in value, said Campbell. He said under state statutes, the value of property has always been the basis for determining the amount of the tax burden.

"Lower Township taxpayers pay exactly the same regional school tax rate as the people in the City of Cape May," said Campbell.

He said if taxpayers in Cape May are paying more in taxes, it's because property values are higher.

"If I can no longer afford to live in my million dollar house, I can always sell it," said Campbell. "I can move to a smaller house or a different location where I'm going to pay a lot less in taxes."

Township Solicitor Charles Sandman said 75 percent of Cape May taxpayers don't live in the city.

Lower Cape May Regional Board of Education requested a referendum be placed on the ballot in the November general election to ask voters if Cape May should be allowed to withdrawal from the district or if the school district should be dissolved.

Campbell said Cape May would be the big winner if it is allowed to withdrawal from the regional school district because their tax bill would decrease by over \$4 million. The loss of \$4 million from the regional school would be devastating, he said.

He said Lower Township would bear most of the burden of the tax revenue taken out of the regional school resulting in cutbacks in programs for students.

Only one regional school district in the state has ever had a change in its funding formula, said Campbell. No district has seen a change in their funding formula where a tax increase would occur, he said.

Sandman said since the majority of voters live in Lower Township, the referendum could never pass.

"Not unless everybody here is sitting on their brains," said Campbell.

He said it was important for Lower Township residents to go to the polls on Nov. 5 and vote “no” on the two questions.

“The answer is no, they should not be allowed to withdrawal,” said Campbell.

The regional school battle could be lengthy, he said. Campbell said he became the attorney for Berkeley Township in the Central Regional School dispute in 2007.

Sandman said Seaside Park recently lost an Appellate Court decision to change the tuition formula for Central Regional School District and over the course of nine years paid over \$700,000 in attorney fees.

“No one can win this game,” said Sandman. “There is only one way on the planet not to lose this game and that’s not to play and that’s the message we hope to get out to Cape May.” He said he hoped voters in Cape May would vote against the city withdrawing or a dissolving the district.

“It’s wrong, it seeks to undermine the most basic thing in society and that’s to educate the next generation to carry on,” said Sandman.

Lower Township has also retained Terry Crowley, former county superintendent of schools to respond to Cape May’s feasibility study for withdrawal from the district. He told the audience a withdrawal of Cape May from the district could produce a cut in personnel including teachers, guidance counselors, bus drivers and maintenance staff.

“By cutting staff obviously your cutting program because you don’t have enough teachers to teach all the courses that you currently want and the other side of that is you increase class sizes,” said Crowley.

His contract with the township is not to exceed \$7,500. Campbell was former general counsel and assistant executive director of the New Jersey School Boards Association.

In 2009 and 2011 he was retained by the Borough of River Edge to fight Oradell’s petition to change the funding formula for the River Dell Regional School District.

Campbell recently represented Berkeley Township in Seaside Park’s failed attempt to withdrawal, dissolve or change the funding formula for the Central Regional School District.