



School Funding Forum

Beginning to Understand the Problem

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System of *Haves* and *Have-Nots*

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There are 591 Districts

- 212 Districts (36%) receive more than 100% of full, uncapped SFRA Funding (\$600m)
- 379 Districts (64%) receive less than 100% (**\$-2 billion**)
- 100 (17%) Districts experienced significant enrollment growth

- Growing Districts have not seen increases in State aid
- 200 Districts have experienced enrollment decreases
- Shrinking districts are *held harmless* and continue to receive the same level of aid.

System of *Haves* and *Have-Nots*

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South Plainfield is perhaps the most ideally funded district in the State. Receiving 100% of full, uncapped SFRA (state aid); taxing their community at a rate the community can afford (99%) and slightly over adequacy (102%). Every district should be funded in a similar way, ideally at 100% in all three categories below.

District	State Aid Received (+/-)	% of Full SFRA	Local Tax Gap (+/-)	% of Local Fair Share	Budget Adequacy (+/-)	Spending: Adequacy
Ideal District	-	100%	\$0	100%	-	100%
So. Plainfield	\$23 k	100%	-\$579 k	99%	\$1.02 m	102%

- **State Aid (SFRA)** – 100% is what every school district is entitled per law (SFRA)
- **Local Tax Gap** – Reflects whether a community is paying more or less than they can afford.
- **Budget Adequacy** – The amount of money the State says we need to spend to provide a ‘Thorough & Efficient’ education to every student.

Have-Not (Underfunded) Districts

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District	State Aid Received (+/-)	% of Full SFRA	Local Tax Gap (+/-)	% of Local Fair Share	Budget Adequacy (+/-)	Spending: Adequacy
Chesterfield	-3.8m	10%	\$1.21m	117%	\$-2.33m	79%
Hackensack	-21.7m	37%	\$4.13m	106%	\$-15.14m	86%
Kingsway	-10.6m	43%	\$525k	103%	\$-8.36m	78%
E. Greenwich	-3.7m	49%	\$264k	102%	\$-2.64m	85%
Swede-Wool.	-5.5m	56%	\$2.78m	123%	\$-1.67m	93%
Clearview	\$-575k	96%	\$-4.9m	78%	\$-3.86m	90%
So. Harrison	\$-36k	98%	\$-758k	80%	\$-605k	89%
So. Plainfield	-	100%	-\$579k	99%	\$1.02 m	102%

64% (379) of New Jersey's Public Schools fall into this category of underfunded districts at varying degrees. **How can any law maker, in one of the wealthiest states in the Union say it is OK to fund one student at 46% and another at 518%?**

Have (Overfunded) Districts

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District	State Aid Received (+/-)	% of Full SFRA	Local Tax Gap (+/-)	% of Local Fair Share	Budget Adequacy (+/-)	Spending: Adequacy
Hillsborough	\$4.93m	124%	\$-4.49m	95%	\$5.25m	105%
Jersey City	\$122.1m	141%	\$-224.3m	33%	\$-96.1m	85%
Marlboro	\$5.00m	175%	-\$5.46m	93%	\$14.4m	122%
Brick Twp.	\$23.3m	284%	\$-32.8m	75%	-	100%
Hoboken City	\$7.49m	335%	\$-145.6m	22%	\$5.95m	113%
Dennis Twp.	\$4.98m	518%	\$-1.48m	85%	\$6.16m	169%

36% (212) of New Jersey's Public Schools fall into this category of overfunded districts at varying degrees. How can any law maker, in one of the most progressive states in the Union say it is OK create a public school system of Haves and Have-Nots?

This is a Tax Issue!

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	District	State Aid Received (+/-)	% of Full SFRA	Local Tax Gap (+/-)	% of Local Fair Share
Overfunded Undertaxed	Hoboken City	\$7.49m	335%	\$-145.6m	22%
	Jersey City	\$122.1m	141%	\$-224.3m	33%
	Brick Twp.	\$23.3m	284%	\$-32.8m	75%
	Marlboro	\$5.00m	175%	-\$5.46m	93%
Underfunded Overtaxed	E. Greenwich	-3.7m	49%	\$264k	102%
	Kingsway	-10.6m	43%	\$525k	103%
	Hackensack	-21.7m	37%	\$4.13m	106%
	Swede-Wool.	-5.5m	56%	\$2.78m	123%

When the State overfunds a district, those taxpayers get an unfair break.

When the State underfunds a district, those tax payers disproportionately shoulder the burden to fund their schools!

Impact on Kingsway

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- Enrollment Grew by 44% since SFRA ('08)
- No corresponding increases in State Aid
- Local levy raised by \$33m over this period
- Local levy cannot cover cost of compensation increases alone

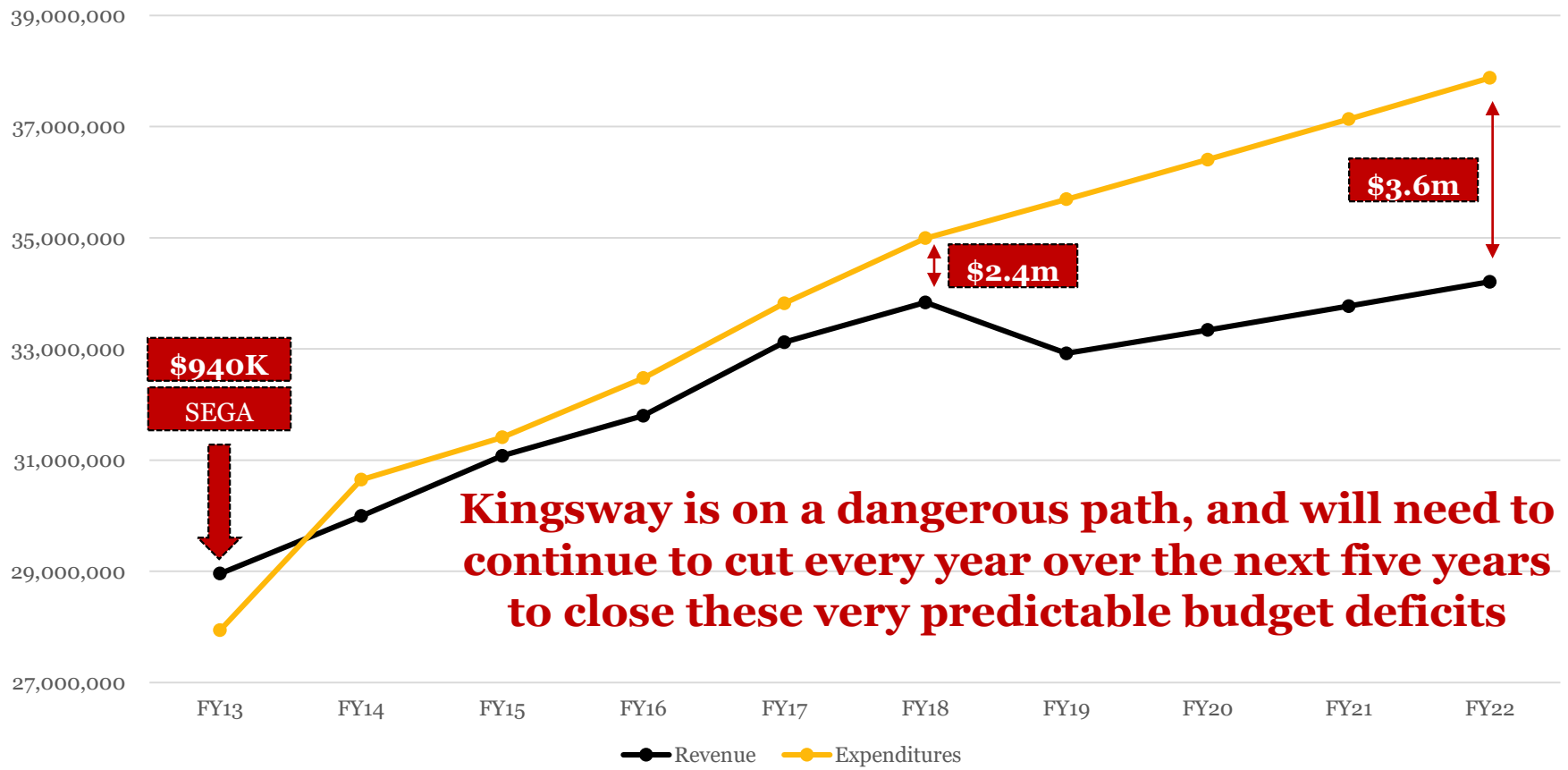
- \$500,000 in shared administrative services
- Significant cuts to building maintenance, technology, supplies
- Spending per pupil driven to below \$10,000 (*Avg. HS over \$15,000*)
- We are 25 teachers short of what we need TODAY

**WE CAN'T KEEP UP
WITH GROWTH**

Funding Gap

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Deficit Projection



2017-18 Budget Reductions

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In addition to...

- being short 25 teachers
- non-compliant with ELL student resources
- 3 special education waivers
- An unfit track for competition
- An undersized transportation building
- spotty wireless access
- And many more resources we do not have...

We will cut next year the following:

- 4.0 Administrators
- 1.5 Teachers
- 3.0 Certified/Non-Teaching
- 3.0 Paraprofessionals
- 5.5 Secretaries
- 3.0 Custodial/Maintenance
- Twilight Program
- Middle School & Freshman Sports
- Late Bus (4:00 p.m.)
- PSAT (9 – 11th Grade)
- OOD Professional Dev.
- Equipment/Cap. Improve.
- Clubs/Activities

How do you fix it?

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- Eliminate budgetary **“HOLD HARMLESS”** Adjustment Aid.
- Redistribute \$500 million in adjustment aid presently sent to overfunded districts.

- Eliminate Legislature's **“GROWTH CAP”** which was intended to be temporary
- Add another \$500m over next 5 years (*Sweeney Plan*)

**Sweeney's Plan is
Kingsway's Plan**

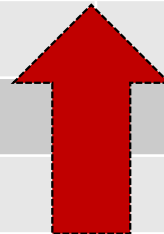
Redistribute “hold harmless” Aid

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Marlboro	\$5.00m	175%			-	100%
Brick Twp.	\$23.3m	284%			-	100%
Hoboken City	\$7.49 m	335%				100%
So. Plainfield	-	100%			-	100%
Chesterfield	-3.8 m	10%			-	100%
Hackensack	-21.7 m	37%			-	100%
Kingsway	-10.6 m	46%			-	100%
E. Greenwich	-3.7 m	49%			-	100%



\$500 million



Join Us in Trenton

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Assembly Budget Committee

Monday, April 24, 2017

10:00 a.m.

Committee Room 11, 4th Flr

State House Annex

125 West State Street

Trenton, NJ 08625

Senate Budget & Appropriations Committee

Tuesday, May 2, 2017

10:00 a.m.

Committee Room 4, 1st Flr

State House Annex

125 West State Street

Trenton, NJ 08625