

LENAPE REGION STATE AID REDUCTION



COMMUNITY FORUM



Welcome and Introductions

Dr. Carol Birnbohm - LRHSD Superintendent

Mr. Michael Harris - Southampton Superintendent

Dr. Joseph DelRossi - Medford Superintendent

Dr. George Rafferty - Mount Laurel Schools

Dr. C. Dan Blachford - Evesham Interim Superintendent

Dr. Christine Vespe - Shamong Superintendent

Ms. Misty Weiss - Woodland Superintendent

Mr. Anthony Dent - Medford Lakes Superintendent

Mr. Tom Christensen - Tabernacle Interim Superintendent



Grateful For Your Attendance!

Students, Parents, Staff, Boards of Education Members,
Community Members, Business Leaders, Government Officials

Assemblywoman Carol Murphy
Mount Laurel Mayor Irwin Edelson
Medford Mayor Charles Watson
Woodland Mayor William DeGroff



Community Forum Round 2 Tonight (Round 1: Feb 2019)





Community Forum Goals

- Raise awareness of state aid reduction
- Educate school communities about the impact to the Lenape Region districts
- Call to action

www.LRHSD.org/JoinSOS



Program Agenda

- Overview of state aid reduction
- Fiscal impact to the Lenape Region districts
- Lenape Region past/present cuts and efficiencies
- Lenape Region future cuts and impact on programs
- Overview of advocacy efforts
- Call to action

Fiscal Impact on Lenape Region



School District	Estimated* State Aid Reduction Through 2024-25
Evesham Township	\$7,929,362*
Lenape Regional	\$8,356,073*
Medford Township	\$1,385,735*
Shamong Township	\$1,257,931*
Southampton Township	\$1,013,042*
Tabernacle Township	\$2,688,739*
Woodland Township	\$316,972*
Total Estimated State Aid Reduction	Approximately \$23 Million



Fiscal Impact on Lenape Region

State Aid - What Happened?

- S-2/A-2 signed by the governor in July 2018
- Implements provisions in the School Funding Reform Act (SFRA) from 2008
- SFRA driven by student Enrollment, and Local Fair Share (municipal property wealth (ratables) plus personal wealth of residents = “ability to pay taxes”)
- School districts held harmless since 2008
- State Aid reduction scheduled from 2018-19 through 2024-25 for held harmless school districts
- Final Result - reduced state aid of approximately \$23M to Lenape Region

Enrollment



S2 is Called the Fair Funding Formula:

- Fair to think if Enrollment increases or decreases, state aid should also increase or decrease
- Fair to think this should be proportionate

Is this Fair?

From 2009-10 to now, for example:

- LRHSD Enrollment decreased by 12%.
 - Uncapped SFRA Aid *decreased by 32%*
- Evesham Enrollment decreased by 7.25%.
 - Uncapped SFRA Aid *decreased by 57%*

SFRA Does Not Use Actual Enrollment



“Money should follow the students.”

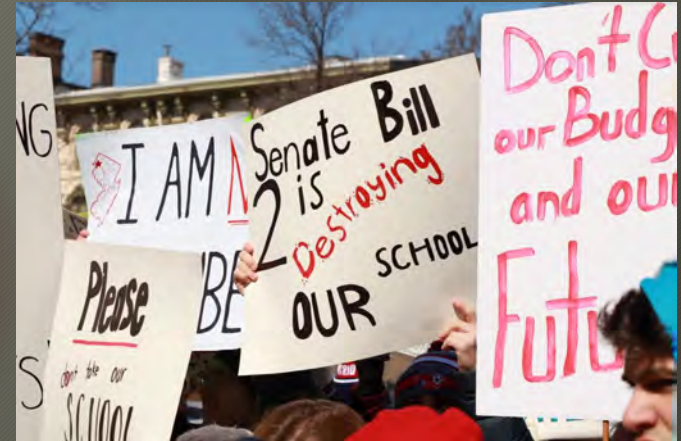
- SFRA uses Growth Rate/Projected Enrollment, not actual Enrollment.
- All Districts are required to certify enrollment on October 15th for the Application for State School Aid (ASSA).
- 2018-19 Difference between SFRA LRHSD projected enrollment and LRHSD actual Oct 15th enrollment was over 100 students.
 - Created over \$1M calculation error in State Aid!
 - Does not consider special categories of students which are funded at greater rates.
- NJDOE has the data; SFRA uses actual enrollment to calculate Transportation Aid, why not all aid? Or adjust the aid up/down the next year, since Projected Enrollment/Growth Rate is not ACTUAL ENROLLMENT.

Local Fair Share



Local Fair Share (LFS) = Ability to pay taxes
Equalized Valuation (municipal property)
District Income (personal wealth of residents)

- The *greater* the LFS the *greater* the ability to pay taxes
- HOWEVER: NJ continuously changes the multipliers in calculating LFS
- Requests for explanation unanswered
- Increasing the multipliers inflates LFS and decreases State's obligation to pay for education
- Increasing the multipliers shifts the cost of education to the taxpayers



Local Fair Share: Multiplier Effect



From 2009-10 to 2019-20:

- NJ Increased the Multipliers - inflating “ability to pay taxes”
- Multiplier applied to Equalized Valuation Increased by 56%
- Our District’s Equalized Valuation decreased BUT ability to pay taxes increased!

For example, LRHSD Equalized Valuation DECREASE of \$493.8 million BUT...
NJ determines ability to pay taxes INCREASE from \$30.5 million to \$44 million.

Total LFS increase of \$69.7 million to \$99 million; lowering Equalization Aid to LRHSD.

If Multipliers did not change, Total Equalization Aid to all the townships in the Lenape Region would increase!

OPRA Requests for LFS to NJDOE Denied!



Toms River, Brick Seek 'Secret' Math Equation In School Aid Fight

The districts say the state needs to release the formula it uses to decide how to spend \$6.5 billion of its budget; the state refuses.

By Karen Wall, Patch Staff
Dec 3, 2019 5:55 pm ET | Updated Dec 3, 2019 6:35

The equation — a formula — is used to determine what the state believes a school district's residents should be paying to support the education of their students — and in turn, how much aid they should be receiving from the state of New Jersey.

The state Department of Education has refused to release the formula. It's been requested multiple times, by the Toms River Regional School District, Brick Township Schools, Jackson Township Schools, and the Freehold Regional High School District, among others. The state school administrators' association has asked for it. All have been denied.

Lenape Region Joins Class Action OPRA Request



January 2020... ALL Boards agreed to join over 50 other NJ districts to demand transparency in school funding.

LRHSD joins other districts in OPRA request to state, agencies

The LRHSD board of education digs deeper to find answers to the state's funding formula.

By KRYSTAL NURSE - January 9, 2020

"We're subject to about an \$8.3 million cut in our state aid over the course of seven years due to S2 being passed a few years ago," Birnbohm continued. "It is called the 'fair funding formula,' but if the state insists on continuing to call it fair, the state needs to pull back the curtain and show us how that funding formula is calculated."

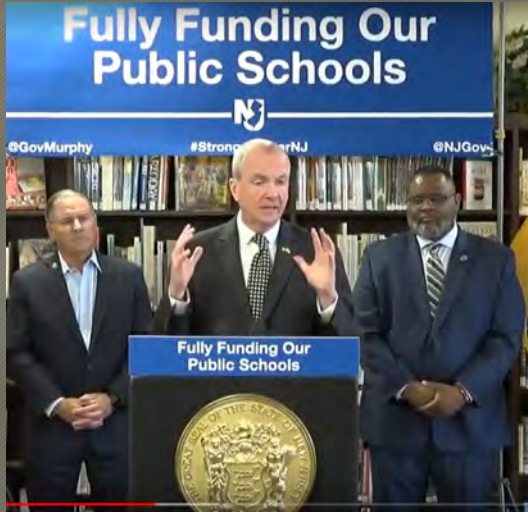
Year-by-Year* Fiscal Impact on Region



Budget Year	Reduction Percentage	Reduction
2018-19	5% of overfunding plus “promised” aid	1,101,166 + 1,351,391
2019-20	13%	\$2,626,462
2020-21	23%	\$4,218,858*
2021-22	37%	\$5,225,881*
2022-23	55%	\$8,893,966*
2023-24	76%	\$3,043,157*
2024-25	100%	\$960,997*

*Estimate

Fiscal Impact on Lenape Region



*“They (the 35% of districts seeing decreases in state aid) are in a 7-year transition **that should have been**, by all accounts, a 15-year transition...”*

- Governor Murphy

[Governor Murphy School Funding Announcement Video - April 4, 2019](#)
(above quote appears at 17:13)

*RECOMMEND: S2 Implementation
over a 15-year period*



NJ A5176

Revises schedule of State school aid reductions for school districts.

15 Year-by-Year Fiscal Impact on Region



Budget Year	Reduction Percentage*	Reduction
2018-19 & 2019-20	5% & 13%	\$4,727,628
2020-21	13	\$2,417,101
2021-22	16	\$2,588,157
2022-23	18	\$2,445,809
2023-24	20	\$2,228,403
2024-25	22	\$1,960,995
2025-26	24	\$1,668,628
2026-27	26	\$1,373,837
2027-28	30	\$1,173,046
2028-29	35	\$957,987
2029-30	38	\$676,065
2030-31	55	\$606,680
2031-32	75	\$372,281
2032-33	100	\$124,094

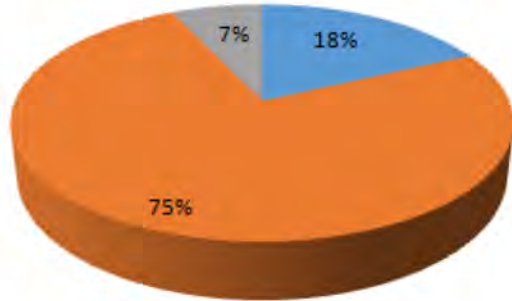
*Simulation of
Percent Amount

Fiscal Impact on Lenape Region



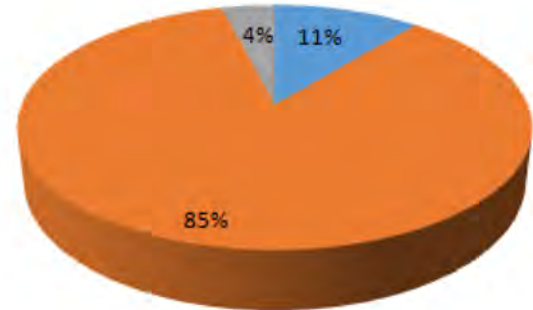
2018-19 Lenape Region Funding Sources

■ State Aid ■ Tax Levy ■ Other Misc.



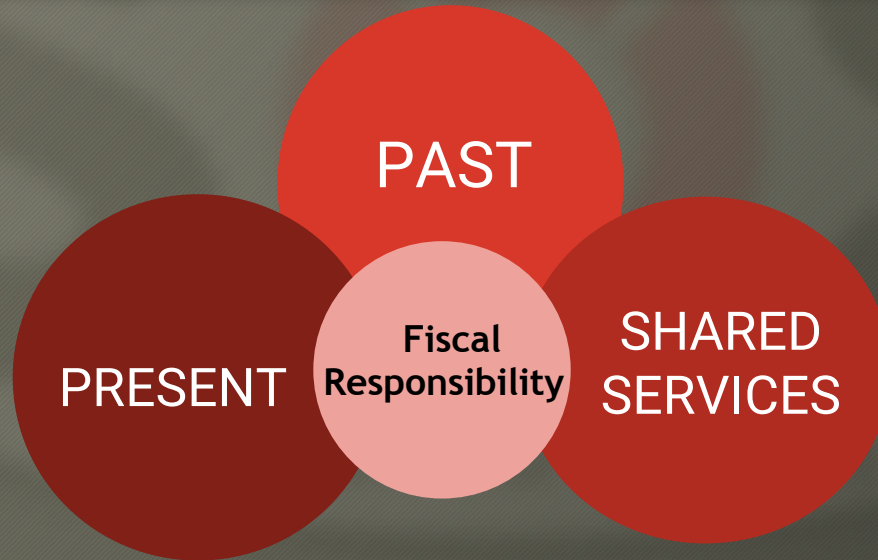
2024-25 Lenape Region Funding Sources

■ State Aid ■ Tax Levy ■ Other Misc.





Lenape Region Efficiencies





Lenape Region Efficiencies: Past

- Late Bus Runs Cancelled and Limited
- Tuition Free Summer School Eliminated
- Summer Musical Workshop Eliminated
- Professional Development Limited
- District Funded Field Trips Limited

PAST

Fiscal
Responsibility



Lenape Region Efficiencies: Past

- Privatization (Cafeteria, Bussing, Paraprofessionals)
- Reduction of Administration
- Reduction of Custodial and Maintenance
- Replacement of Retired Teachers, Counselors Diminished
- School Consolidation and Closure
- Rental of Property and Facilities

PAST

Fiscal
Responsibility



Lenape Region Efficiencies: Present

- Healthcare Contributions by all Employees
- Low Cost/High Deductible Healthcare plans
- Energy Efficiency Programs (Solar, LED Lighting, etc.)
- Reverse Auction for all Electricity
- Refinance Bonds
- Tuition-Based Programming
- Grants, Donations and Business Partnerships

PRESENT

Fiscal
Responsibility



Lenape Region Efficiencies: Present

- Copier Lease Programs
- Consolidation of Textbook Purchasing
- Need versus Want Attitude to Purchasing
- Power Purchase Agreement (PPA) for Solar Arrays
- Leasing of Busses
- Reduction of Non-certificated Staff Hours

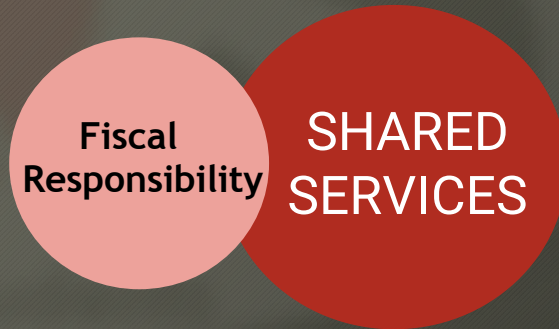
PRESENT

Fiscal
Responsibility



Shared Services: Lenape Region, Municipalities and Beyond

- Shared District Level Administrator
- Professional Development
- Peer-peer Student Training
- Transportation
- Banking





Shared Services: Lenape Region, Municipalities and Beyond

- Purchasing: Ed Data and Educational Services Commissions
- Technical Services: E Rate
- Insurance: JIF-BCIP, SHIF
- Trash & Recycling Services

Fiscal
Responsibility

SHARED
SERVICES



Reductions + Costs Surpass Revenue

**State Aid
Reductions**

+

**Revenue
2% Tax Levy
and other sources**

+

Salary

Benefits

Operational Costs

=

**Deficit in
the
\$Millions**



What's at Stake for Our Children and Their Schools?

Academic Programming Will Be Adversely Affected

Social & Emotional Learning and Support Will Be Adversely Affected

Personnel Will Be Adversely Affected

School Facilities Will Be Adversely Affected



Negative Impact On Academic Programming

- Academic program eliminations/reductions
- Schools' abilities to prepare children for life in the 21st century (college and career readiness) will be greatly compromised
- Negative impact to district's ability to realize the New Jersey Student Learning Standards
- Textbook adoptions/student resources will be compromised



Negative Impact On Academic Programming

- Increases in class-size due to reduction of staff
- Inability to realize technology replacement schedules
- Inability to maintain technology/expand infrastructure
- Increase in activity fees for clubs/sports/extracurricular activities
- Elimination of certain clubs/sports/extracurricular activities



Negative Impact On Personnel

- Teaching positions may be eliminated
- Support staff positions may be eliminated
- Custodial and maintenance positions may be eliminated
- Administration positions may be eliminated
- Professional development opportunities diminished



Negative Impact On Social & Emotional Support

- Character education programs will be limited in scope
- Elimination of positive behavioral award incentive programs
- Peer social development and support groups limited
- Reduction in Student Assistance Coordinators
- Educational service announcement programs/materials for parents diminished
 - Substance abuse, vaping, internet safety, suicide, etc.



Negative Impact On Facilities

- School security enhancements will be compromised
- Districts' long-range facilities plans will be greatly compromised
- Inability to fund capital improvement accounts
- Reduction in community's use of schools after hours due to energy and custodial costs or increased cost to community groups for usage
- Inability to pay for necessary facilities projects (roof, boiler, HVAC)



What's at Stake for Our Children and Their Schools?

Academic Programming

Social & Emotional Learning, and Support

Personnel

School Facilities

Other Critical Concerns. . .



Other Critical Concerns

- Inability to offer tax relief due to minimal budget fund balance at year's end
- Longer bus routes for students - neighborhood pick-ups
- Elimination of “courtesy busing” within a 2 ½ mile radius of school
- Elimination of all late bus routes



Other Critical Concerns

- Failure to pass the NJDOE QSAC monitoring process due to districts' inability to realize state benchmarks in finance and facilities, curriculum/instruction, personnel, and operations
- The continuation of high-quality programs and services supporting the cognitive, emotional, and social development of children will be greatly jeopardized



So...What have we done?



Started “Support Our Students”

- State-wide coalition of school districts advocating for equitable funding for all students and school districts
- SOS was founded by the Lenape Region school districts
- Currently comprised of 97 school districts throughout the state representing all 1.4 million public school students



SOS Mission Statement



The Support Our Students (SOS) coalition of school districts throughout the state being negatively impacted by the reduction in state adjustment aid shall advocate with our legislators, and convey our message to the public to ensure that ALL 1.4 million students in New Jersey receive the quality education that they deserve and are entitled to in accordance with the state's mandate for a thorough and efficient education. This effort shall include supporting increased state aid for those districts who have been underfunded.

Our effort shall be sustained and inclusive of all stakeholders focusing on outcomes that result in educational services and programming being maintained for our school communities while seeking fiscally responsible solutions.



SOS Advocacy Goals for Us



- Pause cuts or Extend the timeline to 15 years.
- Expose the “hidden math!!”
- Continue to Inform legislators about the catastrophic effects of the State Aid cuts.
- Request the establishment of a Joint Committee to review the existing funding formula, not limited to:
 - Local Fair Share
 - Special Education Funding
 - Adequacy



NJ A5967

Establishes School Funding Commission to study school funding formula and prepare report that will serve as basis of new formula.



SOS Advocacy Actions



- Established a social media platform to convey the SOS message



@nj_sos

- Over 1000 followers, but this should be more. Please follow, learn, provide input, RETWEET.



Community Meetings, Media and Politicians



SOS_NJ @nj_sos · 6/5/19
#SOS districts from Lenape Region in Burlington County delivered the joint statement and legislative call to action to @8thdistrictleg's Senator...



March 1, 2019
SOS Reps (pictured to the left) met with Gov's Deputy Chief of Staff, Ed Policy Chief and Director of Intergovernmental Affairs (not pictured)



Glenn Robbins @Glennr1... · 4/11/19
Mayor Barton, @cbeducator, Dr. Jones @cutts_kate @LisaEgan5th and I attended a joint meeting today, consisting of other many supers, ed...



Testified at Senate and Assembly Budget Hearings



Getting ready to testify before the Assembly Budget committee for the students of [@WildwoodPSD](#)
Proud to stand with [@MichaelLHarri13](#) [@Lcmrsuper](#) and the districts of [@nj_sos](#)
[#StopStateAidCuts](#)



#StopStateAidCuts



SOS districts are out in force as the NJ Assembly Budget hearing commences. Southampton's 8th graders on Student Council are experiencing government in action.





Every Education Group Joined Forces!



Today our #SOS coalition is at @NJEA headquarters meeting with its Executive Committee, many EA presidents, @NJSBA @NJASANews @NJPSA @NJPTA #NJ's @ASBOUSA @EdLawCenter & of course our @nj_sos leaders. Our mission continues to #StopStateAidCuts for our students and communities.





Attended Two Rallies at the State House in Trenton



March 5, 2019



April 30, 2019



Student Voice!



SUPPORT OUR STUDENTS





Next Steps



- Continue to meet with legislative staffers/legislators to convey our concerns and message
- Continue to support and propose legislation that may assist districts losing state aid to mitigate the impact

NEW

- More reliance on parents
- Broaden connections within the community (local businesses, relators, etc.)



Call to Action - WHAT can YOU do?

- Call, Send letters/emails to Governor Murphy, the Commissioner, Senator Sweeney and others who can help
- Express *your* concern about state aid cuts
 - Request to stop the bleeding now
- Organize and Let your Voices Be Heard!

Toms River Schools' Parents Plan Another Rally In Trenton

The rally, set for Tuesday, aims to pressure Gov. Phil Murphy and the state to act on emergency aid and address the funding crisis.



SCENES FROM THE TOMS RIVER SCHOOLS RALLY



Our Students Need You!



- \$23 Million in State Aid Leaving our Region
- Catastrophic Impacts on all Districts' Operations
- We need parents, staff and students to tell our story!

www.LRHSD.org/SOS

