



HADDON TOWNSHIP BOARD OF EDUCATION

Broadcast

Dear Haddon Township School District Community,

As we continue preparing the district budget for the upcoming school year, I want to update our community on the role of state aid and the factors that will influence the funding we receive. Last Friday, March 6, we hosted Assembly Majority Leader Lou Greenwald along with several school district superintendents and board members from Camden, Gloucester, and Burlington counties. The purpose of the meeting was to discuss concerns regarding how New Jersey's school funding formula is calculated and how funds are distributed to local districts. This afternoon, Governor Sherrill is delivering the state budget address and is expected to highlight what will likely be a record level of overall state funding for education. While that may sound encouraging at the statewide level, the actual amount received by each district depends on several variables in the funding formula.

<https://www.nj.com/politics/2026/03/sherrill-budget-will-propose-record-k12-school-funding-as-nj-stares-down-3b-deficit.html>

As many of you are aware, **Haddon Township has experienced a significant reduction in state aid in recent years.** Over the last two school years alone, our district's aid has been reduced by **\$1,081,000**. Those reductions have required difficult decisions, including program adjustments, staffing changes, and property tax increases **much higher than preferred**. Over the past year, we have done everything possible to advocate for the restoration of previously reduced aid and to **avoid further reductions**. While we wait for the official state aid numbers for next year, I wanted to explain how several key factors will influence the calculation.

Enrollment

One of the most straightforward drivers in the formula is student enrollment. In simple terms, more students should mean more state support. Our current district enrollment is **2,125 students**, which is the highest it has been in the past six school years. Based on enrollment alone, one would expect our district to see increased support, not reductions.

Property Values (Equalized Valuation)

The most concerning (and unfair) factor in the formula is **equalized valuation**, which reflects changes in property values. This has also been one of the biggest areas of concern for districts in our county. **Over the past three years, property values in Camden County have increased by an average of 11.3 percent, among the highest in New Jersey.** Haddon Township property values have increased even more significantly and rank among the highest in Camden County. Under the current formula, rising property values can lead the state to assume that a community has a greater ability to fund its schools locally.

When that happens, the state reduces its share of funding and expects the difference to be made up locally.

To refute this flawed logic, note that increases in property values do not represent real income for residents. A home appreciating in value does not mean a family suddenly has more cash available to pay higher taxes. Treating these increases as available resources for school funding results in communities being asked to shoulder a larger tax burden simply because housing values have increased on paper.

Aggregate Income

The formula also considers **aggregate income**, which calculates the total combined income of residents within the community. While this area has reportedly increased, it does not indicate changes significant enough that should logically result in large reductions in state aid.

Geographic Cost Adjustment (GCA)

Another important component of the formula is the **geographic cost adjustment**, which accounts for differences in the cost of operating schools across regions of the state. For Camden County, the Geographic Cost Adjustment is **0.97**. In simple terms, the formula assumes that **operating schools in our region cost about 3 percent less than the statewide baseline**. By comparison, many districts in northern New Jersey have GCA factors **above 1.0**, indicating that the formula assumes it costs more to operate schools in those regions and therefore provides additional funding. While a few percentage points may not sound like a large difference, when applied across an entire school district budget, it can translate into **hundreds of thousands of dollars in funding differences** between regions.

Summary

We hope all the advocacy work over the past two years will ultimately benefit our district. However, facts suggest that Haddon Township is in a part of the state with a **lower geographic cost adjustment** (below 1), while also experiencing **some of the highest property value increases in the state**. For these reasons, I remain concerned, yet cautiously optimistic that our voices have been heard on these issues and that the state will act accordingly. We expect to receive our official **state aid figures by the end of the day this Thursday, March 12**, and I will communicate those numbers to the community once they are released and we have had an opportunity to review their impact on our proposed budget.

Thank you for your continued support of our schools and our students. Have a great day.

-Sincerely,

Robert J. Fisicaro, Ed. D. Superintendent