



# Key Communicators Meeting On Emergency Aid

# State of the District in June

- **County Office of Education had accepted the budget in the Spring**
- **Budget and taxes were set**
- **Zero tax increase for residents due to the Borough of Glassboro's generous contribution**
- **GPSD was hiring staff for the 18/19 School Year**

# Our July Surprise



**↓ \$1.8 Million**

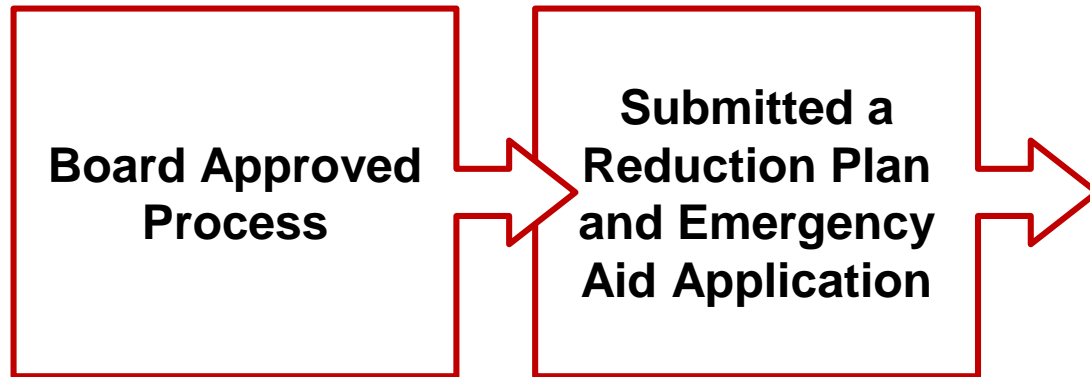
# How Did State Arrive at that Figure?

<b>DOE PROJECTED WEIGHTED ENROLLMENT CALCULATION</b>					
<b>Base Weight Enrollments</b>					
<b>DOE Growth Factor:</b>		<b>-1.51%</b>	<b>Resident Enrollment @10/15/17</b>		<b>1,945</b>
	<b>Projected 10/15/18 Enrollment</b>	<b>Weight</b>	<b>Projected Weighted Enrollment</b>		
<b>Elementary (K-5)</b>	<b>932</b>	<b>1</b>	<b>932.00</b>		
<b>Middle School (6-8)</b>	<b>438</b>	<b>1.04</b>	<b>455.52</b>		
<b>High School (9- 12)</b>	<b>546</b>	<b>1.16</b>	<b>633.36</b>		
<b>Total</b>	<b>1,916</b>		<b>2,020.88</b>		

# How Did State Arrive at that Figure?

STATE AID REDUCTION CALCULATION				
FY 19 Uncapped Aid				
Equalization Aid		12,076,289		
Special Education Aid*		1,604,261		
Security Aid*		463,093		
Transportation Aid*		453,802		
Subtotal		14,597,445		
FY19 K-12 Aid Less Choice Aid (Per 3/15/18 State Aid Notice)				16,424,830
FY 19 Uncapped Aid				14,597,445
State Aid Adjustment				(1,827,385)
* Per 3/15/18 State Aid Notice Uncapped Aid calculations				

## Application for Emergency State Aid



## What Did the Plan Call for?

- **An request for \$1.8 in Emergency Aid**
- **Required analysis of cuts that would be necessary if the aid wasn't awarded:**
  - **A reduction of staff (possibly up to 24.3 FTEs, \$1,582,044)**
  - **The appropriation of unassigned/undesignated general fund reserve (\$190,454)**
  - **The elimination of deposits to the Emergency Reserve (\$50,000)**

## October Response from the State



**\$1.7 M = 95% of Request**



# Planning for the Future

- **Enrollment is projected to remain relatively stable**
- **Meeting with Rowan, the Borough and state officials**
- **We expect the remaining cuts in state aid to be spread out over a number of years**
- **We will need to revisit our reduction plan**

## School Funding Reform Act (SFRA) of 2008

- After the initial year of implementation in 2009, SFRA has been underfunded by approximately \$1 billion each year.
- The combination of flat state aid, an annual 2% cap, and rising adequacy budgets has resulted in tremendous state aid deficits for some school districts.
- SFRA contains a provision called "Adjustment Aid" or "Hold Harmless Aid" that prevents any district from receiving less aid than it received in 2007-08, when SFRA became law.
- New Jersey's school funding mandate arises from the state Constitution, which provides, "The Legislature shall provide for the maintenance and support of a thorough and efficient system of free public schools for the instruction of all the children in the State between the ages of five and eighteen years.
- If SFRA were working properly, the wealthiest districts in New Jersey would get about \$1,000 per student in state aid and the poorest districts in New Jersey would get about \$19,000 per student. Middle-income districts would fall somewhere in between.

**SFRA is a formula for distributing new aid, and not a redistribution of existing aid**

## Sweeney's School Funding Reform Plan Becomes Law



- The new law will help restore fairness to the state's school aid formula by eliminating the "growth caps" that denied districts with growing enrollments the funds they are entitled to and will phase-out the "adjustment aid" that went to districts for students they no longer have.
- These two flaws created a funding imbalance that severely hampered the state's ability to distribute school aid equitably. The adjustment aid will be phased down over a seven-year timeframe.

Sweeney's plan resulting in a redistribution of existing aid

# Comparison with Other Districts

District	ENROLLMENT				STATE AID				Per Pupil 2008	Per Pupil 2018	Per Pupil Shift	% Shift
	2018	2008	CHANGE	%	2018	2008	CHANGE	%				
Paulsboro Boro	1,125	1,343	(218)	-16.2%	13,068,258	\$12,103,892	\$964,366	8.0%	\$ 9,013	\$ 11,616	\$ 2,604	28.9%
Kingsway Regional	2,701	2,130	571	26.8%	11,729,113	\$7,625,782	\$4,103,331	53.8%	\$ 3,580	\$ 4,343	\$ 762	21.3%
Pitman Boro	1,294	1,567	(273)	-17.4%	9,585,915	\$10,119,143	(\$533,228)	-5.3%	\$ 6,458	\$ 7,408	\$ 950	14.7%
Washington Twp	7,247	8,722	(1,475)	-16.9%	48,629,792	\$53,730,145	(\$5,100,353)	-9.5%	\$ 6,160	\$ 6,710	\$ 550	8.9%
Deptford Twp	4,257	4,393	(136)	-3.1%	25,513,472	\$24,469,604	\$1,043,868	4.3%	\$ 5,570	\$ 5,993	\$ 423	7.6%
Clayton Boro	1,428	1,304	124	9.5%	10,803,765	\$9,487,623	\$1,316,142	13.9%	\$ 7,276	\$ 7,566	\$ 290	4.0%
Glassboro	2,035	2,308	(273)	-11.8%	14,754,327	\$16,937,009	(\$2,182,682)	-12.9%	\$ 7,338	\$ 7,250	\$ (88)	-1.2%
Logan Twp	832	886	(54)	-6.1%	5,215,466	\$5,906,773	(\$691,307)	-11.7%	\$ 6,667	\$ 6,269	\$ (398)	-6.0%
<b>TOTAL</b>	<b>45,359</b>	<b>48,068</b>	<b>(2,709)</b>	<b>-6.0%</b>	<b>\$284,576,441</b>	<b>\$274,128,573</b>	<b>\$10,447,868</b>	<b>3.8%</b>	<b>\$ 5,703</b>	<b>\$ 6,274</b>	<b>\$ 571</b>	<b>10.0%</b>

- Shifts in the Funding Formula take into consideration enrollment levels and community wealth (aggregate income) resulting in a **Local Fair Share formula**
- Since 2008, some districts like Pitman (\$1 mil) and Washington Township (1.2 mil) have been overfunded, but held harmless (Adjustment Aid)
- Under S-2, districts that received adjustment aid and/or in which enrollment declines or increased community wealth were not previously factored into their state aid allocations would experience reductions of “overfunding” through 2024-2025

# SFRA Reduction Schedule In State Aid

- Glassboro’s emergency aid application caused a net reduction of 5% in 2018-2019
- We will continue to see reductions in state aid through 2024-2025
- The BOE and administration must adjust accordingly – as we have since SFRA was implemented

**Glassboro School District has Controlled Property Tax Growth**

School Year	Reduction of ‘Overfunded’ Aid*
2019-2020	13%
2020-2021	23%
2021-2022	37%
2022-2023	55%
2023-2024	76%
2024-2025	100%

# Controlling Property Tax Increases

GLASSBORO SCHOOL DISTRICT  
Full-time Equivalent District Employees by Function/Program  
Last Ten Fiscal Years  
Unaudited

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Instruction:</b>										
Regular	164	158	163	135	138	138.8	136	133.5	140	139.1
Special education	66	64	66	61.3	59.8	52.5	53	55	60	58.1
Other instruction	15	14	9	4.5	7.2	9.2	14.3	10	10	11
<b>Support Services:</b>										
Student & instruction related services	43	47.5	50.5	38.2	39.2	40.7	38.5	40.5	38.8	38.6
General administration	2	3	3	2.1	2.1	2.6	2.1	2.1	2.1	2.1
School administrative services	18	18	18	17.5	17.0	17.0	18	18	24.3	23.0
Other administrative services	3	3	3	3	3	3	5	5	5	5
Central services	9	7	7	7	7	7	7.5	7.5	7	6
Administrative information technology	2.5	2.5	2.5	2.5	2.5	2.5	3	3.3	3	3.5
Plant operations & maintenance	38.5	38.5	41.0	44.3	38.6	38.6	39.7	39.7	39	40
Pupil transportation	39.0	40.0	43.0	28	30	29	33	30	31	30
Other support services	2	1	1	1	1	1		1	1	1
<b>Total</b>	<b>402.0</b>	<b>396.5</b>	<b>407.0</b>	<b>344.4</b>	<b>345.8</b>	<b>341.4</b>	<b>350.1</b>	<b>345.6</b>	<b>361.2</b>	<b>357.4</b>

- Staffing represents the vast majority of the District's Budget
- While student population has declined by 11%, our staffing levels have also declined by 11%
- Over the past 10 years, our school tax rate, excluding debt service (bonds), was reduced from \$2.34 per \$100 of assessed value to \$1.56 – the state average is \$1.39, through 2017

**Similar to Sweeney's plan we must redistribution funds based on enrollment at each building level while maintaining affordable housing and taxes**

Now Let Us Hear From You



**Thank You!**

**Keep an Eye Out  
for Our Key Communicators Survey  
in December or January!**





# Credits

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