

Clifton Board of Education
Information submitted to the New Jersey General Assembly Education Committee
February 1, 2017

Resolution of the Clifton Board of Education dated January 31, 2017

F-1/31/17-17 – Approval to the Petition for the Board of Education’s Equitable Share of State Education Aid (see attachment)

WHEREAS, the Finance Committee of the Clifton Board of Education has commenced discussions with the administration of this Board of Education in preparing the 2017-2018 budget for the Clifton District; and

WHEREAS, the Finance Committee and the Administration has reached a consensus that the projected revenues for the 2017-2018 budget will not likely be sufficient to maintain the status quo for the level of services provided for in the current budget; and

WHEREAS, the percentage increases in revenues are less than the level of increases to expenses; and

WHEREAS, the Finance Committee feels it is imperative that funding to maintain the current educational standards and programs are of the highest priority for the Clifton District; and

WHEREAS, the Finance Committee believes that responsibility for the short fall of funding lies clearly with the Governor and the State Legislature; and

WHEREAS, the Finance Committee of the Clifton Board of Education has presented this District's Board of Education with a statement noting these circumstances and further noting that the New Jersey Department of Education under funds the Clifton School District in excess of \$50 million annually; and

THEREFORE BE IT RESOLVED, that the Clifton Board of Education adopts this resolution and corresponding statement of the Board's Finance Committee as a "Sense of Resolution" of the Clifton Board of Education; and

THEREFORE, FURTHER BE IT RESOLVED, that this resolution and corresponding Finance Committee Statement be forwarded to the Governor of the State of New Jersey, the President of the New Jersey Senate and the Speaker of the New Jersey General Assembly, the representatives of the 34th Legislative District and the Commissioner of the New Jersey Department of Education.

Status Report – 2017 / 2018 Clifton Board of Education Budget Outlook
Statement Issued by the Finance Committee of the Clifton Board of Education

The 2017 / 2018 Clifton Board of Education Budget must be adopted by a vote of the members of the Board by the beginning of May 2017. The process of putting this budget together was started by the administration in consultation with the Finance Committee of the Board in December of 2016. Although much work still needs to be done on the expenditure side of the budget we anticipate that those expenditures will increase at a higher rate of growth than the anticipated increase in our revenues.

Since the 2009 / 2010 budget, the annual increase in the tax levy to the tax payers of Clifton for education has been 2% or less for each of the last 8 budget years. This approach was initiated before the state cap of 2% was imposed. Although in recent years the Board had the ability to raise the tax level higher than the 2% by the use of waivers, the Board has taken the position that 2% was to be held to in recognition of the unfair tax burden that our fellow tax payers currently bear.

Revenues from the state and federal sources are projected to remain flat which means our overall revenues will increase less than 2% while expenditures will grow greater than 2% if we are to maintain the status quo of what the Clifton Board of Education is called upon to pay for.

Historically the Clifton Board of Education has a long established record of maintaining high educational standards at one of the low costs per student of any district of its size in the State of New Jersey. Currently that number is approximately \$13,000 per pupil. In the current budget, the administration needed to cut 24 certificated positions to have a balanced budget. This impacts the students we educate in our elementary, middle and high schools. We can no longer continue to sustain such cuts in personnel and maintain our educational standards. It is also equally unfair to have the tax payers of Clifton bear a greater financial burden than they already carry.

The source of this crisis lies squarely at the feet of the state legislature and the Governor. The Clifton Board of Education currently receives approximately \$26.6 million in state aid per year and is short changed in excess of \$50 million per year. We receive less than 35% of what the state formula says that we are entitled to, yet the state funds 88% of what the New Jersey Department of Education full funding formula calls. Many districts in the state receive more than 88% of their entitlement and it is even more astonishing there are a considerable number of districts that receive in excess of 100% of their entitlement. This is untenable situation for the Clifton District.

The Finance Committee will recommend a budget to the entire Board that is frugal and responsible yet we are also committed to ensuring that our students receive the education they deserve while maintaining a 2% tax levy increase. Without receiving at least some of the funding that we are entitled to, the finance committee is prepared to make the necessary cuts to expenditures without impacting the staff responsible for educating our students and at the same time keeping our tax levy within the boundaries established over the last 8 budgets.

The ball is clearly in the court of the legislature and executive branch of our state as to what course of action the Clifton Board of Education must take under these circumstances. We have continually fulfilled our obligation; the state must now fulfill theirs.

Clifton BOE - Current State Aid versus State School Aid Adequacy				
	State Aid 16.17	Adequacy	Difference	Percentage
Categorical Sp. Education Aid	6,684,519	9,229,134	2,544,615	28.00%
Equalization Aid	17,638,485	60,603,969	42,965,484	71.00%
Categorical Security Aid	867,934	3,546,427	2,678,493 ..	76.00%
Categorical Transportation Aid	551,845	2,371,972	1,820,127	77.00%
Subtotal	25,742,783	75,751,502	50,008,719	66.00%
Under Adequacy Aid	500,000	500,000	0	0.00%
PARCC Readiness Aid	112,730	112,730	0	0.00%
Per Pupil Growth Aid	112,730	112,730	0	0.00%
Prof Learning Community Aid	110,120	110,120	0	0.00%
Total State Aid	26,578,363	76,587,082	50,008,719	65.00%