

# Lindenwold Board of Education Public Budget Discussion- State Submission 2021-2022

April 26, 2021



# Total Proposed General Fund Budget for 2021-2022 : \$54,902,784

## Proposed Budget – Highlights:

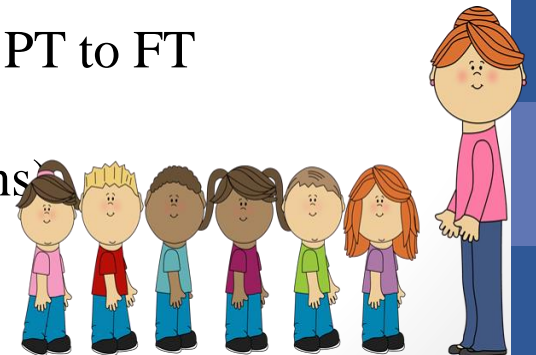
- **Overall Funding**
  - State Aid will increase \$7.9 million
  - General Fund Tax Levy will decrease \$180,000
  - CARES – ESSER II one time funding of \$4.3 million – details forthcoming
- **Capital Reserve Deposit**
  - Deposit of \$8,500,000 to support New Building Project
- **Current Programs and Services will remain in place**
- **Science Core Curriculum Materials**
- **Technology Resources expansion to meet enrollment and 1:1 Technology Plan for Secondary Grade levels**



# Proposed Budget Highlights(continued):

**Additional positions funded by General Fund Budget include:**

- **High School**
  - Additional Spanish teacher to accommodate larger class sizes **(CHANGE TO FINAL BUDGET)**
- **Middle School**
  - Two 7<sup>th</sup> Grade Teachers to accommodate rising larger class sizes
  - ESL Teacher to accommodate 50 additional ELL students
- **Elementary Schools**
  - Increase School 4 Social Worker from PT to FT
- **Special Education**
  - Instructional Assistant/PCA (3 positions)



# Proposed Budget Highlights(continued):

## Capital Outlay Project Details

- **Middle School Temporary Classroom Units** – rough budget estimate of \$350,000 - funded by Capital Reserve withdrawal – **CHANGE TO FINAL BUDGET** – amount revised to \$400,000
- **High School Culinary Arts Classroom Project** – budgeted at \$575,000 – funded by Capital Reserve withdrawal - **CHANGE TO FINAL BUDGET** – Project tabled
- **Safe Entrances Project** – School 4, School 5, Middle School and High School - budgeted at \$975,000 – funded by Capital Reserve and anticipated Safety Funds to be released by State in 2021 - **CHANGE TO FINAL BUDGET** – amount revised to \$850,000 based on bid opening on 4/21/21
- **New Building Design Fees** - budgeted at \$100,000 – funded by Capital Reserve withdrawal
- **Technology Infrastructure -Wireless Access Point Project** -budgeted at \$260,000 - primarily funded by ERATE Category 2 funds estimated at \$221,000- **CHANGE TO FINAL BUDGET** – expense amount revised to \$296,606 and revenue revised to \$252,115



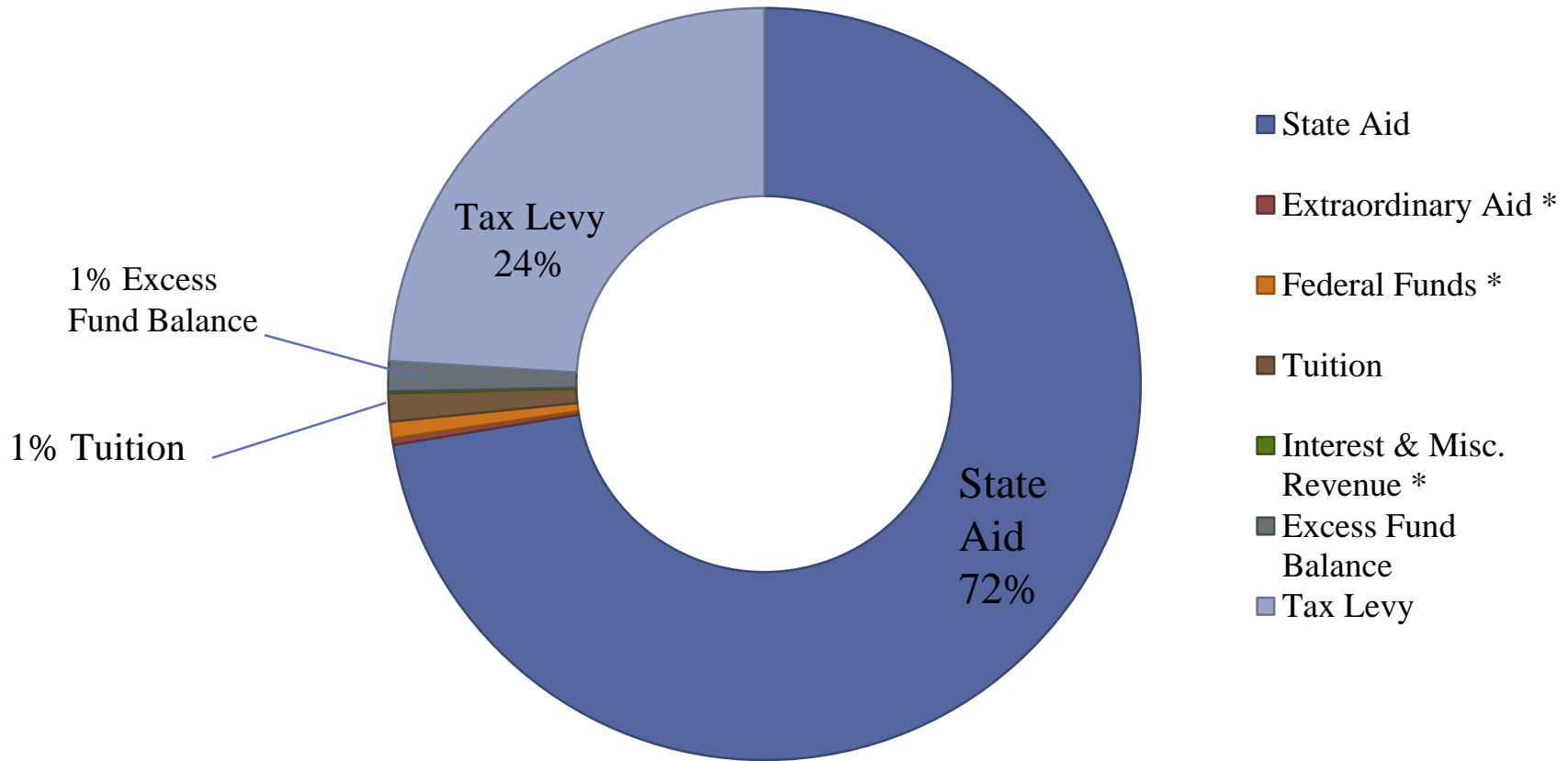


# General Fund Revenues

# Revenue Summary & Comparison – General Fund

	<u>2020-2021</u>	<u>2021-2022</u>	<u>Variance</u>
State Aid	30,969,769	38,776,563	7,806,794
Extraordinary Aid	150,000	150,000	0
Federal Funds	253,888	379,800	125,912
Tuition	650,000	650,000	0
Interest / Misc. Revenue	43,250	43,050	(200)
Excess Fund Balance	719,255	690,992	(28,263)
<b>Subtotal – Fed, State, Other</b>	<b>32,786,162</b>	<b>40,690,405</b>	<b>7,904,243</b>
Tax Levy	13,042,379	12,862,379	(180,000)
<b>Total General Fund Operating Revenues</b>	<b>45,828,541</b>	<b>53,552,784</b>	<b>7,724,243</b>
Reserve withdrawals	1,500,000	1,350,000	(150,000)
<b>Grand Total – General Fund</b>	<b>47,328,541</b>	<b>54,902,784</b>	<b>7,574,243</b>

# Revenues 2021-2022



\* Accounts for less than 1% of the District General Fund Revenues  
Note - Above chart does not include Reserve withdrawals



# General Fund Appropriations



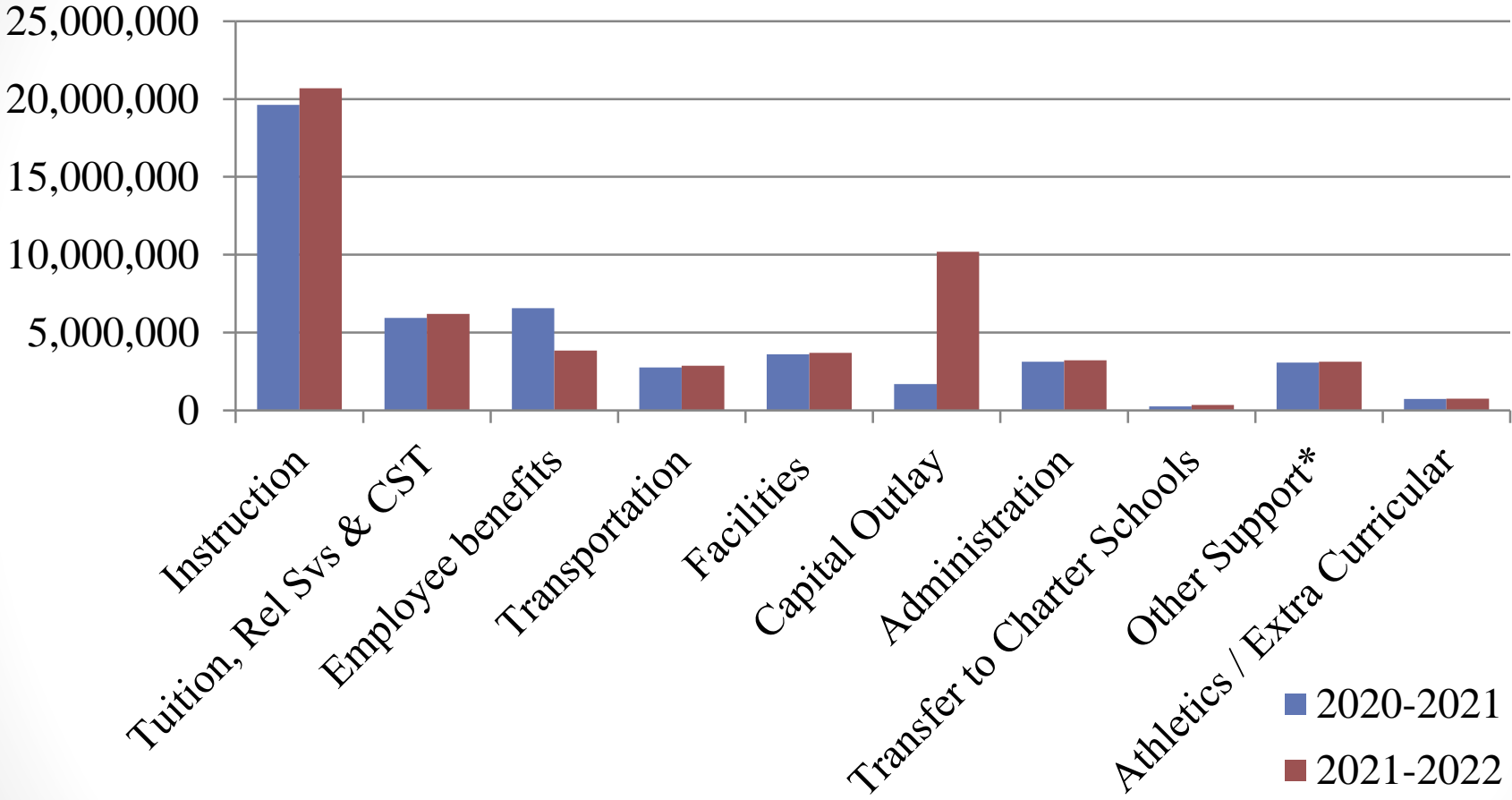
## Appropriation Summary & Comparison – General Fund

	<u>2020-2021</u>	<u>2021-2022</u>	<u>Variance</u>
Regular Programs – Instruction	13,216,425	14,056,156	839,731
Special Education - Instruction	3,681,381	3,652,983	(28,398)
Basic Skills/Remedial - Instruction	1,223,209	1,273,060	49,851
Bilingual Education - Instruction	1,502,330	1,705,195	202,865
School-Sponsored Ex. Curr. & Athletics	722,778	748,711	25,933
Tuition	3,063,992	3,130,228	66,236
Attendance, Social Work, & Health Services	491,168	483,746	(7,422)
Related Services (ST, OT, PT) & Extraordinary Services	1,664,626	1,757,067	92,441
Guidance Services	722,574	733,350	10,776
Child Study Team	1,214,652	1,309,144	94,492
Improvement of Instruction	1,197,090	1,270,994	73,904
Media Services / Library	516,828	546,121	29,293
Instructional Staff Training Services	143,880	90,230	(53,650)
Administrative Services	2,360,261	2,412,940	52,679
Business & Technology Services	754,777	802,431	47,654
Facility Operation / Maintenance	3,597,429	3,683,952	86,523
Student Transportation Services	2,759,312	2,862,597	103,285

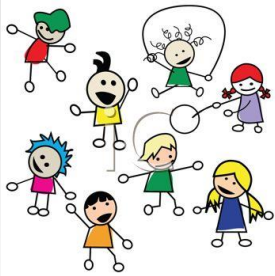
## Appropriation Summary & Comparison – General Fund

	<u>2020-2021</u>	<u>2021-2022</u>	<u>Variance</u>
Employee Benefits	6,568,704	3,846,294	(2,722,410)
Interest on Maintenance Reserve	500	500	0
Interest on Emergency Reserve	250	50	(200)
<b>Total General Current Expense</b>	<b>45,402,166</b>	<b>44,365,749</b>	<b>(1,036,417)</b>
Capital Outlay – Equipment	14,625	18,679	4,054
Capital Outlay – Construction Svs	1,659,250	1,665,856	6,606
Increase in Capital Reserve		8,500,000	8,500,000
Interest Deposit to Capital Reserve	2,500	2,500	0
<b>Total Capital Outlay</b>	<b>1,676,375</b>	<b>10,187,035</b>	<b>8,510,660</b>
Transfer to Charter Schools	250,000	350,000	100,000
Summer School Instruction			
<b>General Fund Grand Total</b>	<b>47,328,541</b>	<b>54,902,784</b>	<b>7,574,243</b>

# Budget Appropriations – Comparison FY21 to FY22



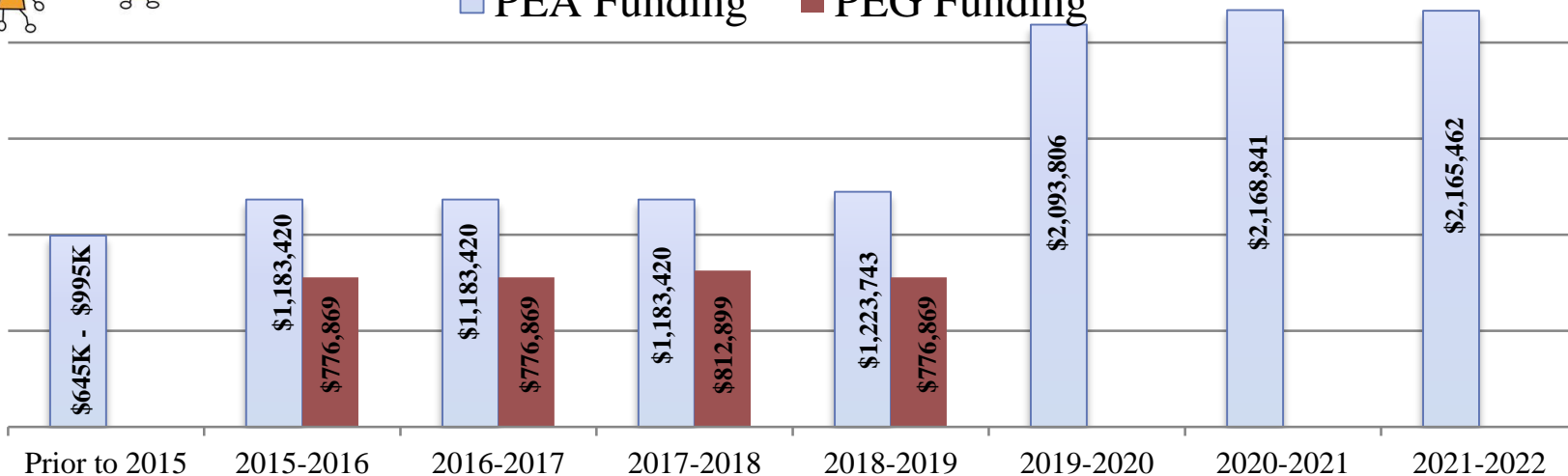
\*Other includes health, guidance, improvement of instruction, media services, staff training and other miscellaneous.



# Preschool Enrollment & Funding Growth

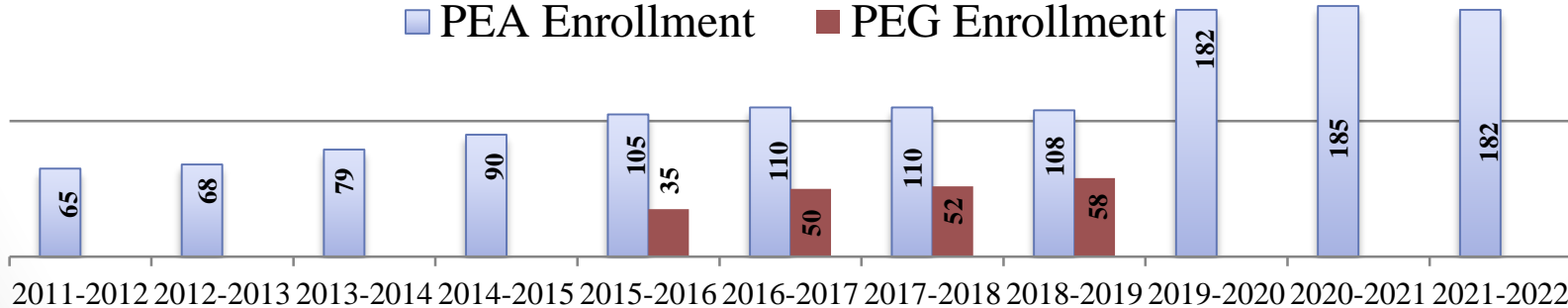
## Preschool Funding FY 2012-2022

■ PEA Funding ■ PEG Funding



## Preschool Enrollment FY 2012-2022

■ PEA Enrollment ■ PEG Enrollment



Note - PEG Funding ended June 30, 2019 – funding is now 100% PEA



# Tax Levy Analysis



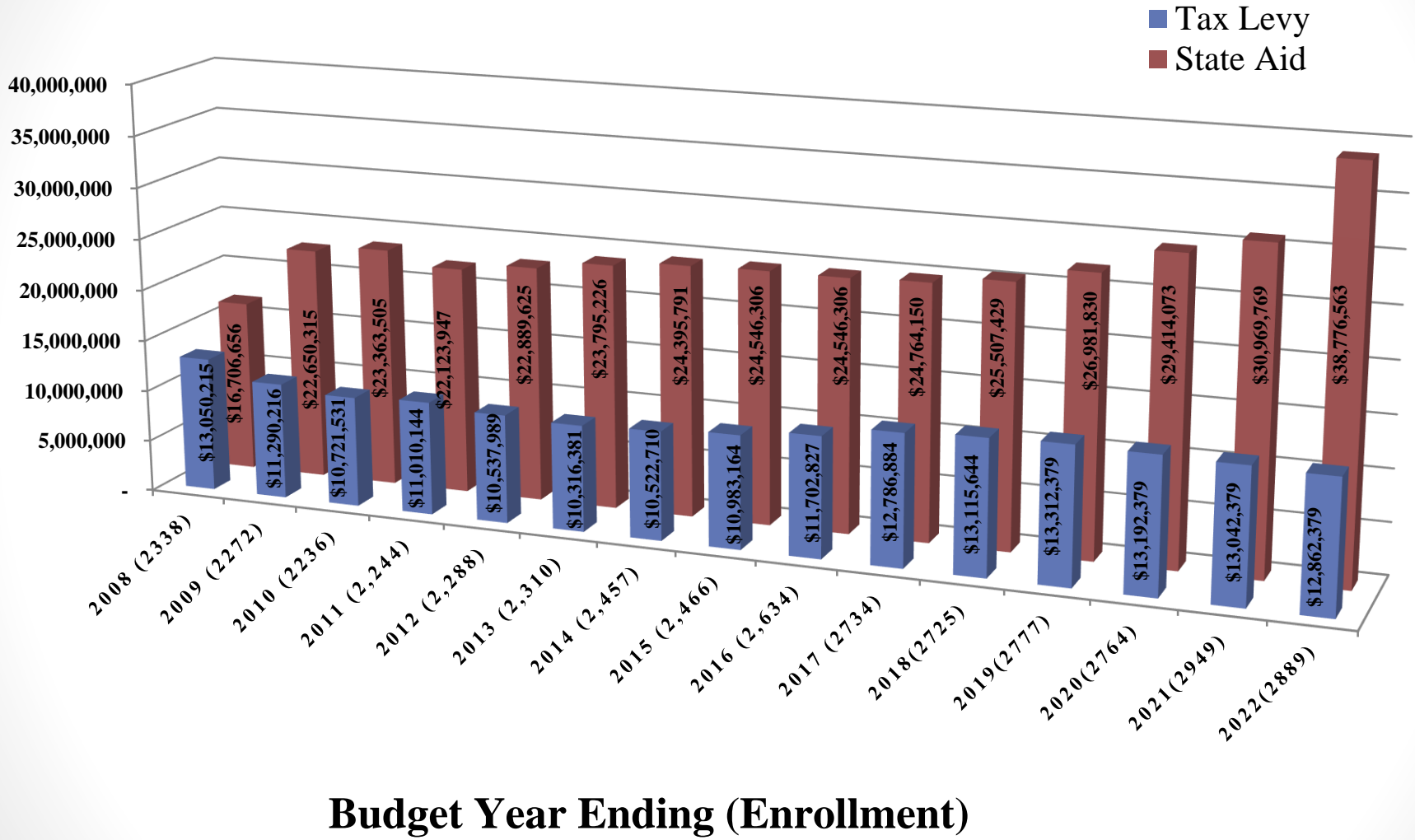
## Tax Levy Analysis

Fund	Budget Year 21	Budget Year 22	Inc(Dec)
General Fund	13,042,379	12,862,379	(180,000)
Debt Service Fund	753,161	698,775	(54,386)
<b>Total Tax Levy</b>	<b>\$ 13,795,540</b>	<b>\$ 13,561,154</b>	<b>\$(234,386)</b>

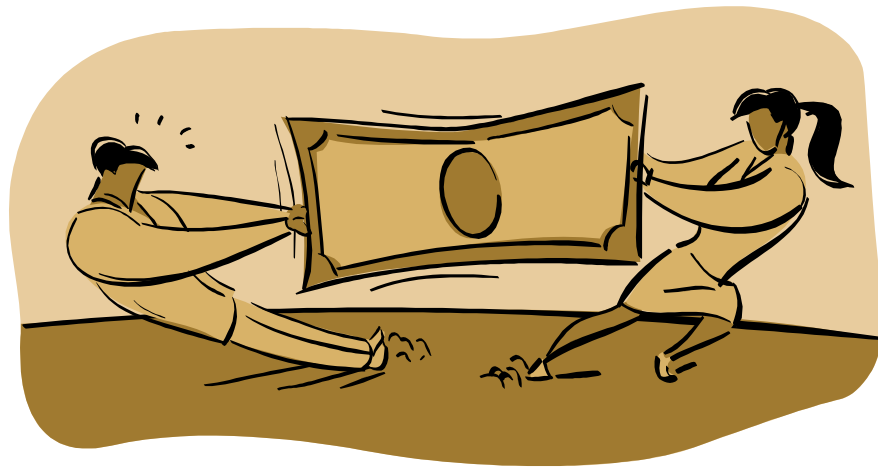
## 2021-2022 Tax Levy Impact

- Ratables decreased approximately \$10 million which causes school taxes to increase by \$41.21 for the average assessed home at the present tax levy.
- This budget includes a decrease in the General Fund Tax Levy in the amount of \$180,000 and a decrease in the Debt Service Tax Levy in the amount of \$54,386, for a total tax decrease of \$234,386. This tax reduction will offset the increase in taxes due to the decrease in ratables.
- Net impact - average home assessed at \$109,200 will pay \$2.36 less in FY 2022 to support Lindenwold Public Schools.

# Analysis of State Aid & Tax Levy Funding 2008-2022



# Fair Funding Discussion





# State Aid Funding

- For FY2022, Lindenwold will receive approximately \$7.9 million in additional State Aid Funds, as compared to the 2020-2021 budget year.
- This increase is due to two main factors. First, the Chapter 67 (“S2”) legislation, which is an attempt to address the inequities in the State Aid Funding while offering relief to the over taxed New Jersey communities. Second, the state has increased education funds in the FY22 state budget by \$574 million. The goal is for full SFRA funding by budget year 2025.
- While this funding is significant, there are concerns, such as the trajectory of future increases coupled with the overburden on the taxpayers and the best plan for tax relief.



## State Aid Funding Inequities

- The School Funding Reform Act (SFRA) is the New Jersey legislation that established a funding formula for public school education dollars to be equitably allocated based on enrollment and applied weights for At-Risk, Limited English Proficient (LEP), and Special Education (SE) Students. This formula was **first and only** funded in FY 2009.
- The ASSA (Application for State School Aid) is the annual count of students as of October 15th of each year. This enrollment count and related demographic information should be the driving data that is used to compute our annual state aid under SFRA.
- The SFRA also considers property valuations in the formula. The formula computes a “local fair share” (LFS) which is also called the minimum tax levy calculation. Lindenwold’s current tax levy is approximately \$1.5 million dollars over this LFS value.
- As of FY 2021, Lindenwold is underfunded by approximately \$13.5 million based on what we will receive in State Aid funding compared to the uncapped SFRA calculation. This represents only 74% of our full share of funding under the SFRA formula and calculates as \$4,861 per pupil underfunded.

# What Are We Doing?

- The Board of Education and Administration have met with our Legislative District #4 Representatives and provided testimony at prior year Assembly Budget Committee and Education Task Force Committee's to spotlight our District's needs. We partner with other Districts with similar funding needs as our own and work together to alert the legislators of our needs and inequitable funding status.
- We carefully assess demands and resources to be as fiscally responsible while meeting the needs of the District.
- We pursue grant opportunities as they are made available. We are particularly in need of ROD grants to make necessary facility improvements. The SDA has not made these funds available since 2014.
- Lindenwold is a member of the Great Schools New Jersey: The Association of High Need School Districts— this groups works specifically with underfunded NJ Districts and partners with Education Law Center for guidance on important legislation as related to school funding.

# Facilities & Infrastructure



# Facilities & Infrastructure

In addition to our Funding Inequities, we have a related disparity in our Facilities and Infrastructure.

- We have Elementary and Middle School facilities that have reached full capacity with Elementary specialists on carts and no computer or art rooms and only one multipurpose room to serve as space for all lunches and physical education classes.
- We lease space for our preschool program for 180 students. At this facility we have county waivers for program requirements such as bathrooms in preschool classrooms and the facility infrastructure is very old and in need of repair. Our architects have estimated over \$17 million dollars in cost to bring the existing building up to current operating code but this limits us to only 12 classrooms.
- We have gained 601 on roll students since the year 2010. In the past year, we experienced a decline of 60 students on our ASSA, however we believe this is largely related to COVID, as it mainly impacted our Preschool and Kindergarten grade levels.
- The Board formed a Facility Task Force Committee and created a New Building Plan in early 2020 to address the impact that our facility limitations places on the Educational Program in the District. This plan will address all overcrowding throughout the District. The Bond Referendum for this Building Project is planned for December 2021.
- We will be placing Temporary Classroom Units at the Middle School location that will house 6 classrooms and approximately 125 student as of September 2021.



# Questions?

