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## Wildwood Public Schools

Assembly Budget Committee New Jersey State House P.O. Box 098 Trenton, NJ 08625-0098

March 25, 2020

RE: Cuts to State Aid

Members of the Assembly,

My name is Kenyon Kummings. I am currently the Superintendent for Wildwood Public Schools, the president of the Cape May County Association of School Administrators, and the Assistant Chair of Support Our Students (SOS). The SOS is a coalition of 102 school districts that represent a portion of the 30% of districts that are having a portion of their state aid transferred to other districts. Districts who do not have the resources to thoroughly and efficiently educate their students do exist, and the member districts of SOS acknowledge the need to fund them. However, now that we are living with these cuts and are able to model the long term negative effects that result from them, we ask the legislature to identify a mechanism to stop the state aid cuts until a thorough investigation of the School Funding Reform Act (SFRA) is completed, and that the mechanisms that make up the formula are made available to the general public.

I testified a year ago before you to ask you to help our students with respect to the damage that S2 is causing. Since the funding cuts began for us in 2017 we have lost over \$580,000 with the inclusion of the recently released state aid notices. Constitutionally the SFRA is to be non arbitrary or capricious and it is to be predictable. The 102 SOS districts representing 500,000 of the 1.4 million students in New Jersey will tell you that it is arbitrary, capricious and unpredictable, thereby making it unconstitutional.

The multipliers that are utilized to determine community income and property value continue to change within districts' aid notices. For example, Wildwood Public Schools local fair share increased 10.6% last year, which included a 2.4% increase in district wealth, and a 5% increase in equalized valuation (even though ratables have been decreasing every year for the last 12 years).

Every district is unique, and different outcomes will be realized by each of the SOS districts, but they will all negatively impact students. For example, Wildwood Public Schools will see its funding reduced by approximately \$1.8 million over the course of the next 5 years. This would represent 10% of our total operating expenses. If these cuts continue, we will be forced to make dramatic budget cuts each and every year over the five-year term. As a result, our district will be severely crippled as we are forced to eliminate invaluable programs and supports that our students require and deserve.

Our district is unique in that we continuously have one of the highest percentages of students living below the poverty line in New Jersey (50%). We have a high special education population (24%) as well as a

large number of English Language Learners (35%). Currently we have 40 homeless students enrolled in our district. We rent space for our early childhood program in order to educate 160 students who we are unable to house within the buildings we own. Yet, we are considered "Overfunded."

With that said, we continue to find innovative ways to address the needs of our students. We have afterschool programs that assist students from grades 1-12, a Community Eligibility Provision (CEP) that enables us to feed all of our students breakfast and lunch at no cost to the parents or community, and many other programs that address the needs of our students. These important safety nets and programs coupled with our incredibly committed, qualified, and compassionate faculty lead to the continued success of our students.

For over three years we have been collectively advocating with other districts in the county in an attempt to maintain our funding levels. Cape May County school districts stand to lose approximately \$26 million over the course of seven years due to the modifications in the funding formula. The needs within our county are unique when compared with the rest of New Jersey. Our schools are vital safety nets to the students in our county especially given that Cape May County has:

- The highest unemployment rate in the state.
- A Median Household Income that is one of the lowest in the state.
- The highest percentage of Senior Citizen population in the state.
- The highest per capita substance abuse rates in the state.
- The highest percentage of homeless students in the state.
- The highest rate of child abuse/neglect in the state.
- The highest juvenile arrest rate in the state.
- The highest percentage of teens 16-19 not working and not in school.
- The highest percentage of Special Education Students in the state.
- Almost 50% of its students participating in the Free and Reduced lunch program.

However, Cape May County also:

- Has the highest percentage of second home ownership in the state.
- Generates a total of state and local tax receipts of \$542 million or \$1.48 million per day.
- Has the most taxes generated by a New Jersey county on a per capita basis.

The changes that have been made to the funding formula over the last three budget cycles are robbing Peter to pay Paul, and causing negative outcomes for the districts that are losing aid. I recognize and value that our Assembly is an important advocate for the students of New Jersey, and we ask that you do so on behalf of ALL of our public school students. Please support any efforts to pause the cuts and study the SFRA to determine its function. We have also quantified the cost of extending the timeline of cuts to 15 years, which would still fund the districts who gain aid under S2. The cost is within the \$50 million that Governor Murphy prioritized in his budget address. The SOS has consistently advocated for all students, yet you will most likely meet resistance to any compromise that would assist our districts as the cuts phase in. This is disappointing, given that many districts that gained additional aid through S2 used a portion for tax relief and not for students.

Sincerely,

J. Kenyon Kummings, Superintendent