

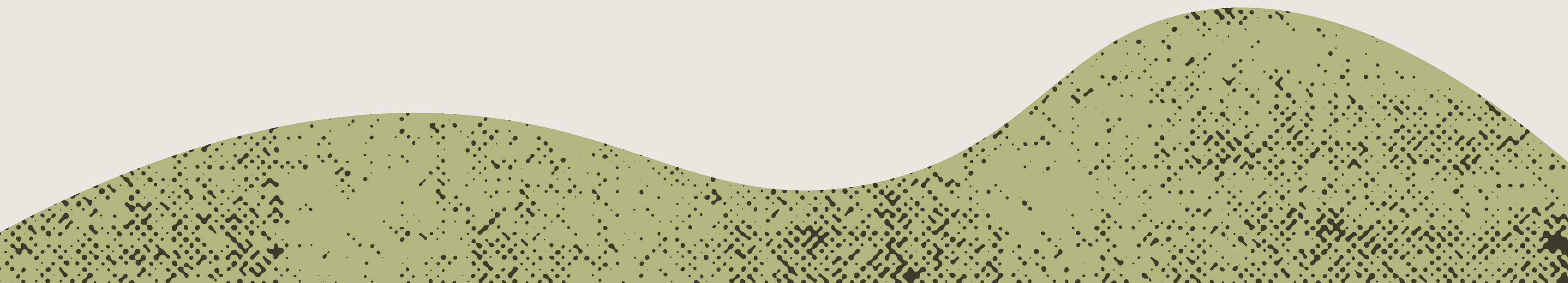


NJ School Finance 101: Understanding Palmyra's cut

PALMYRA BOARD OF EDUCATION

PUBLIC SESSION

APRIL 10, 2024



NJ School

Finance 101:

Where does \$
come from?

Federal
funds

Local funds

State
funds



24-25 Reduction in State Aid

\$7,098,442 (23-24)

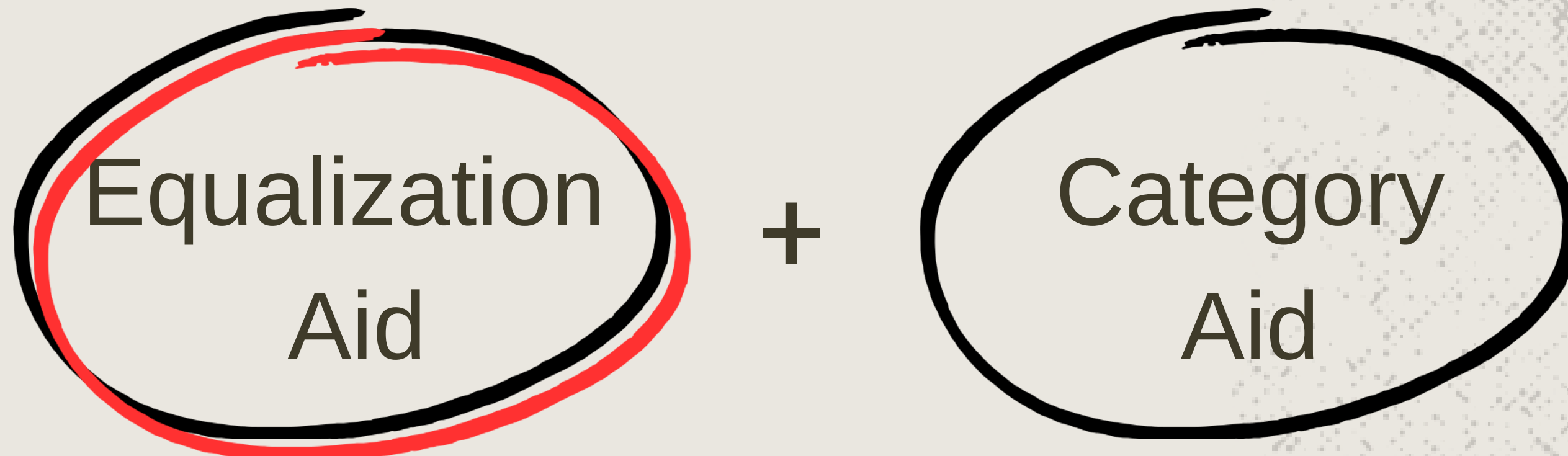
\$6,027,710 (24-25)

This was a \$1,070,732 cut

NJ School Finance 101:

How is state funding determined?

State Aid =



- EQUALIZATION AID IS MEANT TO BE EQUITABLY DEPLOYED--
FILLING IN GAPS BETWEEN WHAT IT COSTS TO EDUCATE STUDENTS,
AND WHAT A LOCAL COMMUNITY CAN ACTUALLY PAY.

Equalization Aid = Adequacy - Local Fair Share

*How many students? How many multilingual learners?
How many of FRL?*

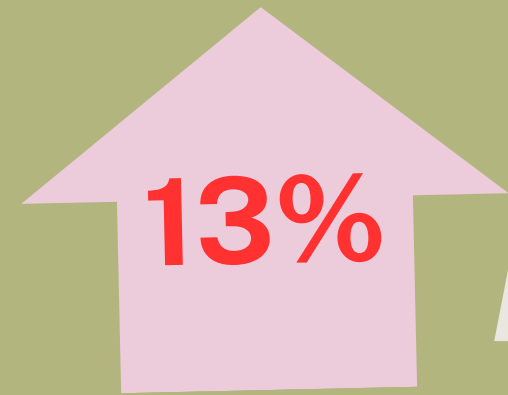
How wealthy is this community?



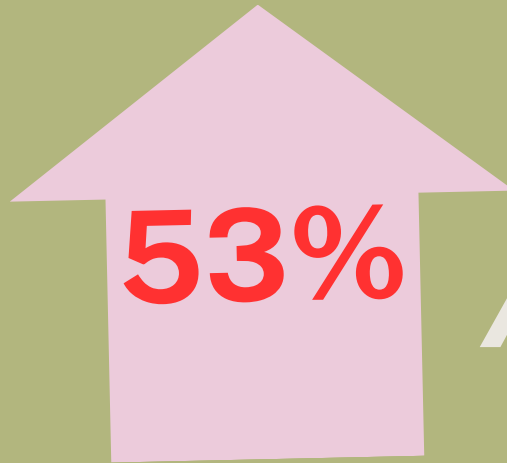
NJ School Finance 101: Funding Formula

$$\text{Equalization Aid} = \text{Adequacy} - \text{Local Fair Share}$$

Local
Fair
Share



Equalized Property Valuation




Aggregate Income



The Division of Taxation said our town aggregate income went from \$209M to \$317M in one year!

NJ School Finance 101: Funding Formula

$$\text{Equalization Aid} = \text{Adequacy} - \text{Local Fair Share}$$



This is what accounts for
the vast majority of the
\$1.07M cut

▪ We filed an appeal. And we won!

Equalization Aid = Adequacy - Local Fair Share

13%

Equalized Property Valuation

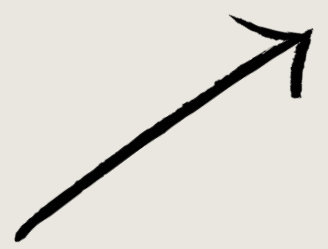
~~53%~~
9%

Aggregate Income

~~\$317M~~
\$227M

24-25 ~~Reduction~~ *Increase* in State Aid

\$8,320,226 (24-25)



\$7,098,442 (23-24)

~~\$6,027,710 (24-25)~~



Questions?