

Hoboken Board of Education

2019–2020 Budget

AT-A-GLANCE

Enrollment and Facilities

One hundred years ago, the Hoboken School District had ten schools serving nearly 10,500 students. By 1990, the city's school-age population had dropped to 2,500 and the school district was selling vacant buildings.

The city's population has increased dramatically since 1990, and housing development is bringing accelerated enrollment growth, especially in the PreK and early elementary grades.

Hoboken District Schools

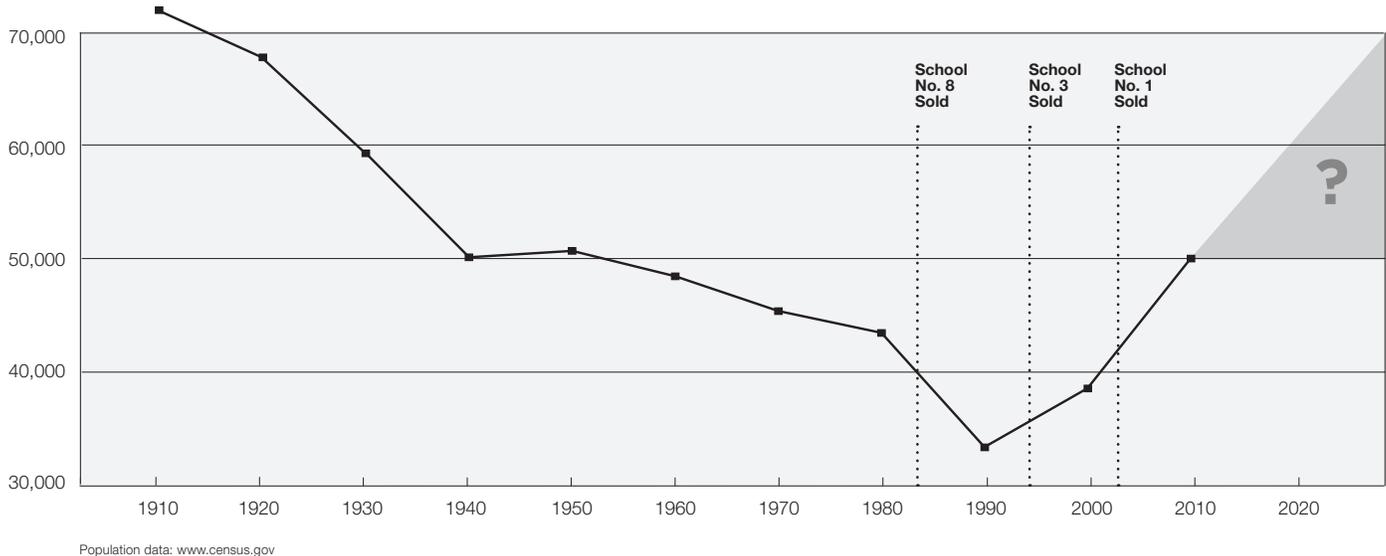
1918

- School No. 1**
Garden and 3 St.
- School No. 2**
Garden, betw. 9 and 10 Sts.
- School No. 3**
Adams, betw. 2 and 3 Sts.
- School No. 4**
Park, betw. 5 and 6 Sts.
- School No. 5**
Clinton and 2 St.
- School No. 6**
Willow and 11 St.
- School No. 7**
Park and Newark
- School No. 8**
7 St., betw. Adams and Jeff.
- School No. 9**
Monroe and 2 St.
- High School**
Garden and 4 St.

2018

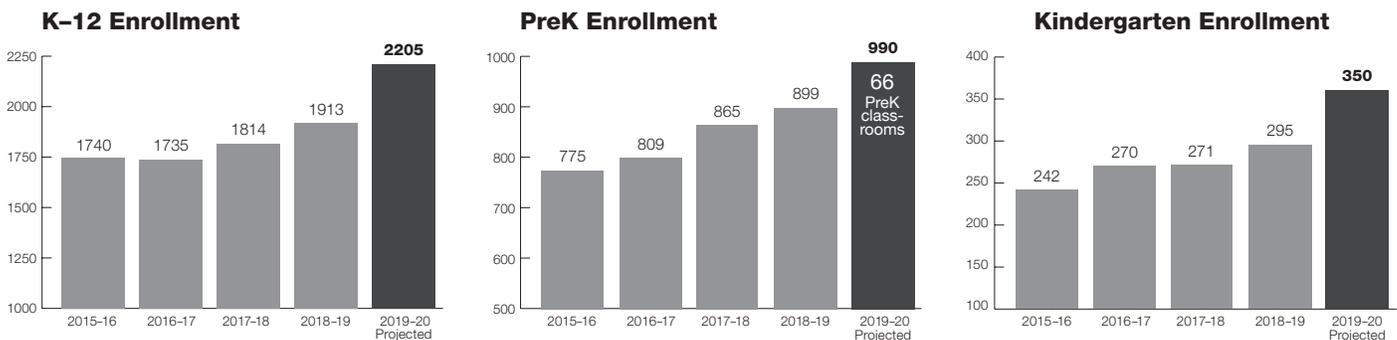
- Connors School**
Garden and 3 St.
- Brandt School**
9 St. betw. Garden & Park
- Calabro School**
Park, betw. 5 and 6 Sts.
- Wallace School**
Clinton, betw. 11 and 12 Sts.
- Hoboken Middle School**
Bloomfield, betw. 4 and 5 Sts.
- Hoboken High School**
Clinton, betw. 8 and 9 Sts.

City of Hoboken Population, 1910–2010



Recent Enrollment Growth

Hoboken District Schools



Preliminary 2019-2020 Budget (in millions of dollars)	
Revenue	
Misc. (Rent, Tuition)	\$ 1.5
State and Federal Funding	28.6
Local Tax Levy	48.3
Total	\$ 78.4
Appropriations	
District K-12 operations and Misc. State Programs	\$ 54.0
Preschool Funding	14.0
Charter School Funding	10.4
Total	\$ 78.4

The 2% Tax Levy Cap

In 2011, former Governor Chris Christie introduced his “Tool Kit” of reforms intended to bring property tax relief to New Jersey tax payers. Included in this plan was a proposal that encouraged school districts to move their annual elections for school board and the school budget vote from April to the general election in November.

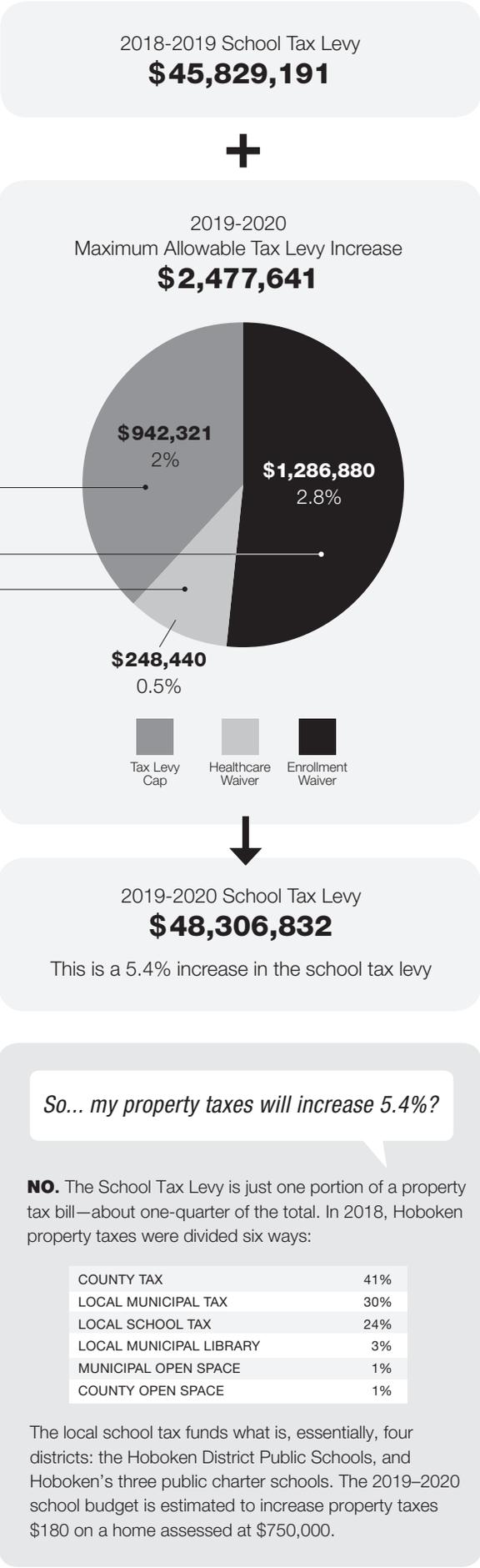
His logic was this: off-cycle April elections were notorious for low voter turnout, thereby exposing school board elections and school budgets to the influence of highly motivated special interest groups. Moving the elections to the general election in November was intended to increase voter turnout, thereby mitigating the effect of special interest groups, and to save municipalities the cost of a yearly spring election.

However, the governor recognized that moving the spring election to November would put the approval of school budgets out of sync with the schools’ July 1-to-June 30 fiscal year. So his proposal included a provision by which districts that moved their election to November could increase their local tax levy by a conservative 2% cost-of-living increase without direct voter approval.* The bill had bipartisan support in both the Assembly (where it passed 61-13) and the Senate (33-2).

A final provision of the plan Christie signed into law in January 2012 was that an unused 2% increase (or any part of it) could be “banked” for three years. For example, a district that increased the local tax levy by only 1% in a given year could “bank” the remaining 1% for use in a subsequent year.

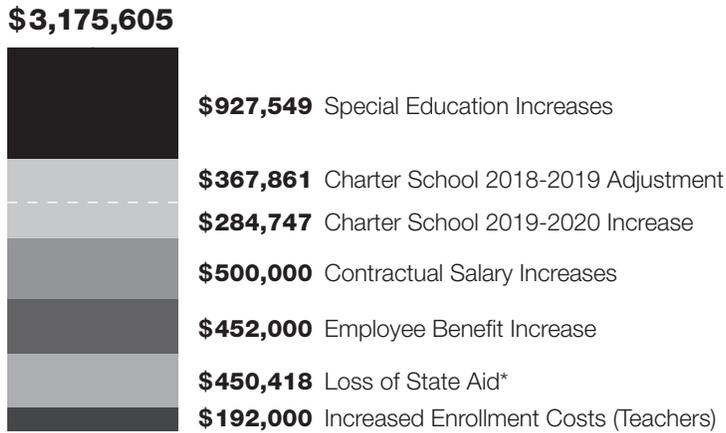
In addition to the **2% cap**, the state also grants “cap waivers” (small percentage increases over the 2%) for two types of costs beyond a district’s control: growth in **student enrollment**, and increased cost of **employee healthcare**.

*Of New Jersey’s 543 school districts, 530 have moved their elections to November.

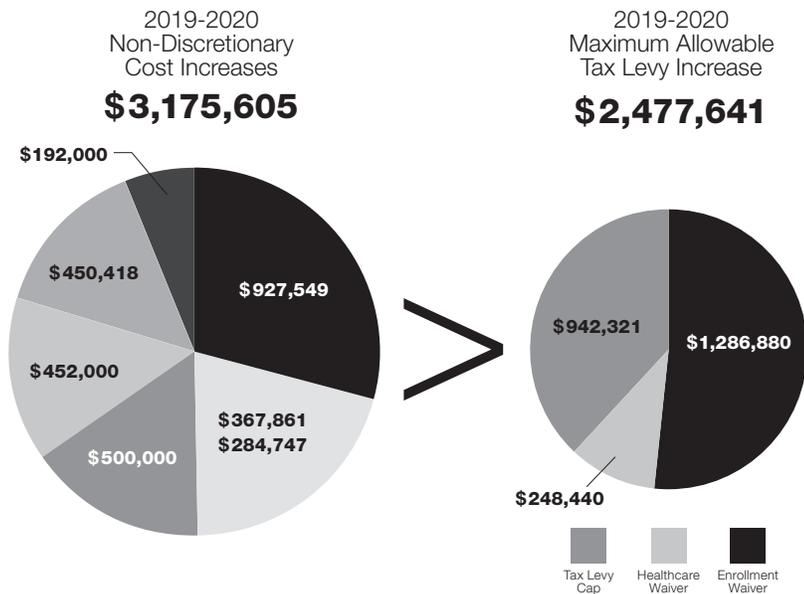


Fixed Costs in 2019-2020 Exceed the Cap and Waivers

Despite a conservative “maintenance” budget (i.e., maintaining existing district programs with no new initiatives) for 2019-2020, the loss of state aid and increases in non-discretionary fixed costs will total **\$3.18 million**.



These anticipated non-discretionary costs exceed the allowable maximum levy increase by **\$697,964**. With no other source of funding available in 2019-2020, the district must find that much in cost savings.



* In 2018, Governor Murphy announced his own plan to address the state’s school funding problems. As a result, Hoboken and several other so-called “overfunded” districts will lose millions of dollars of court- and state-ordered aid that they have been receiving for many years. Hoboken stands to lose a total of \$7.6 million, with that reduction spread over several years. In 2018, Hoboken received \$528,000 less; this year, Hoboken will receive \$450,000 less. Under this new plan, districts that lose state funding must raise the local school tax levy by at least 2%.

What is an Abbott District?

In 1985, the New Jersey Supreme Court ruled that funding public education with local property taxes had created unequal school systems and that this inequity was in violation of the State’s constitution.

To remedy the situation, the court designated 28 Abbott Districts* (named for one of the plaintiffs in the original lawsuit). Hoboken is one such Abbott District. These mostly urban, low-income districts receive additional state funding to bring their school budgets up to par with more affluent suburban towns.

In addition, Abbott Districts are required to provide free universal full-day PreK (non-Abbott districts are only required to provide PreK for children with disabilities) and full-day Kindergarten (state law only requires half-day Kindergarten for non-Abbott districts). Abbott further stipulates small class sizes in these PreK and K classes, and that each class has a teacher’s aide.

PreK-3 and PreK-4 Programs

The state provides 100% of the funds for the PreK program—\$14 million in 2019-2020)—which the Hoboken Board of Education manages on behalf of the state.

For child safety reasons, state regulations require that PreK classrooms must be located on lower-level floors. This requirement limits the Hoboken district’s options for housing the 66 anticipated classes of PreK in 2019-2020.

Facilities

As a former Abbott District, any modernization, renovation or construction of Hoboken district school’s must be approved, funded and managed by the state’s School Development Authority. This a mixed blessing: the state funds school renovations and construction, but due to limited state funding, there is a long waiting list of projects and approval can take several years.

*The state now calls the 31 Abbott Districts “SDA Districts” because the state’s School Development Authority (SDA) is responsible for modernization, renovation and construction of these districts’ school facilities). SDA districts are also commonly referred to as “former Abbott Districts.”

The Recommendation

Convert Calabro to an Early Childhood Learning Center

Calabro School is the district's smallest school, currently serving 125 children in two Kindergarten classes and one class each of Grades 1 through 6. The school has a full-time principal, a full-time clerk, a full-time nurse and a full-time physical education instructor. Indeed, it has a real small-school feel that many families enjoy.

But this small-school feel comes at a price. Calabro's administrative cost-per-pupil is the highest of any school in Hudson county—\$2,761 per pupil, 279% above the county average.

The Opportunity

In 2019-2020, the Hoboken Middle School, currently serving 7th and 8th grade, will expand to include grade 6. This means that students currently in Calabro's 5th and 6th grade will be moving to the Middle School.

The remaining 99 students can easily be accommodated at the Brandt school, just three blocks to the north. Calabro can then house the seven new PreK classes plus three PreK Disabilities classes from Wallace.

These changes would provide 1) more than \$700,000 in cost savings and income to the district in 2019-2020, and 2) adequate classroom space in the district to accommodate enrollment growth for several more years.

The Savings

Savings in salary costs	\$487,000
Increased rental revenue	137,000
Passport to Learning savings	92,000
Total	\$716,000

The Benefits

With this recommendation, the district will:

- Maintain all existing programs and specials (art, music and gym) throughout the district,
- Maximize the efficiency and cost of 6 teachers (World Language, Art, Music, G&T, RTI, and Guidance) who currently lose valuable periods to traveling between Calabro and Brandt,
- Save Hoboken taxpayer dollars by enabling the district to charge the operation and maintenance of a PreK Calabro (teachers, custodians and security salaries and benefits, plus utilities) to the PreK budget,
- Reduce the cost of Passport to Learning,
- Realize efficiencies by consolidating teaching, clerical and administrative staff,
- Assume management of the seven new PreK classes and the three PreK Disabilities classrooms, thereby reducing the need for reductions in force as they would be funded by the PreK budget,
- Reduce food service costs by serving PreK lunch at Calabro via satellite program, and
- Enable Passport to Learning to generate revenue to supplement the K-8 program.

Will Calabro teachers move with their students to Brandt?

Yes. The teaching staff at Calabro would also move to Brandt and students would have the option to remain with their classmates and familiar teachers.

Is Calabro the highest ranked school in the district?

The Calabro student population is significantly different from other district schools in terms of its at-risk and special needs students, factors that must be taken into account when making comparisons. Be that as it may, the district provides the same quality instruction and programs to all students in all district schools.

How will the district help families and young students with the transition from one school to another?

The same administrators and educators who have made Calabro such a successful learning environment for the children in their charge have endorsed this recommendation and are committed to making a transition a fun and exciting opportunity for their students' growth. Towards this goal, plans would include such things as student field trips to Brandt in June, opportunities for students at both schools to collaborate, and a transition workshop for parents.

"Calabro always gets the short end of the stick." True?

Quite the opposite. Several years ago, Calabro was temporarily closed for renovations. Since that time, the district has successfully maintained Calabro as an elementary school, despite the high cost associated with doing so. However, the district is facing very real budget concerns and the possibility of reducing or curtailing district programs. For the sake of our students, this is not an option, and the repurposing of Calabro is a carefully conceived plan to maintain the quality of the educational programs to which all Hoboken district students and their families are entitled.