

HOBOKEN PUBLIC SCHOOL DISTRICT
POSITIONED TO OPPOSE
ELYSIAN CHARTER SCHOOL
EXPANSION

Key Communicator Meeting

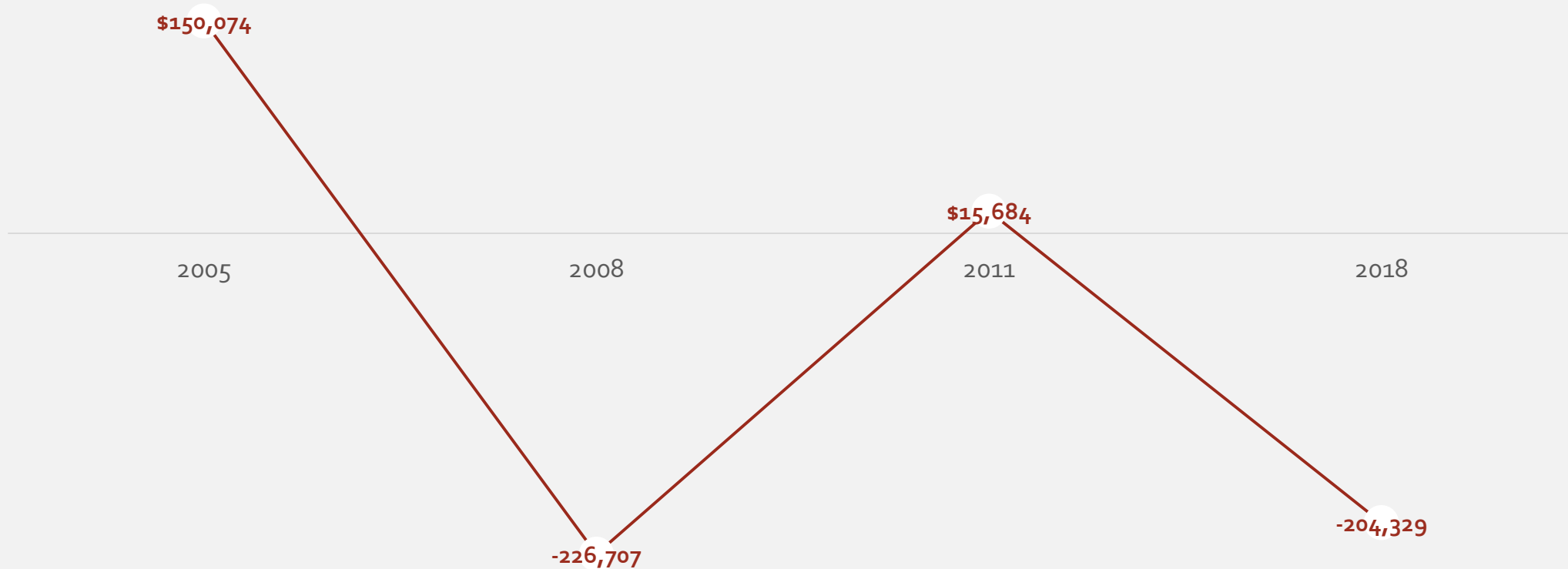
December 4, 2019

Key Points: Elysian's Expansion Proposal

- 2nd expansion request since opening in 1997
- Elysian Board passed a resolution to increase enrollment by 2 students per class (4 per grade) over a span of 4 years, totaling 36 students, on November 13, 2019
- Initial proposal seeks to add 4 students in each of the K-5 grades for the 2020-2021 school year (24 students)
- Over the next 3 years, there would be an additional 4 students to the Kindergarten class until a maximum enrollment of 324 students is reached in the 2023-2024 school year
- Elysian claims a 22 year history of educating its students, keeping their mission intact and being financially responsible

Why Is This Expansion Necessary?

CHANGE IN ELYSIAN'S HISTORICAL FUND BALANCE



*Source: Comprehensive Annual Financial Report <https://www.nj.gov/education/finance/fp/cafr/search/18/6420.pdf>

Our Dual Focused Position



Devastating Financial Impact

Continuous Segregative Effect

Projected District Payments for Charter Schools 2019-2020

Charter Name	Projected District Payment	Projected Enrollment
Elysian Charter School	\$3,507,258	264
METS Charter School	\$54,672	4
Hola Dual Language Charter School	\$4,381,532	353
Hoboken Charter School	\$2,431,577	197
The Ethical Community Charter School	\$10,445	1
	\$10,385,484	819

Hoboken Public School District

**Projected Enrollment (K-12 Only) 2191
Only Hoboken Residents**

Projected State Aid Cuts: Hoboken Public School District

Budget Year	State Aid Reduction % – S2	State Aid Reduction Amount – S2
2019-2020	13%	(\$501,272)
2020-2021	23%	(\$771,574)
2021-2022	37%	(\$955,745)
2022-2023	55%	(\$895,042)
2023-2024	76%	(\$556,554)
2024-2025	100%	(\$175,754)
	Hoboken Tax Payers – Total Loss in State Aid	(\$3,855,941)

What Do We know?

Year	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Enrollment At Elysian	288	312 (+24)	316 (+4)	320 (+4)	324 (+4)
Hoboken Enrollment At Elysian	258	282 (+24)	286 (+4)	290 (+4)	294 (+4)
Hoboken Public School District's Expenditure for Elysian Students (*with no annual increases)	\$3,507,259	\$3,833,354	\$3,887,890	\$3,942,266	\$3,996,642

4 Year Increase
\$489,383
for 36 students

Take a look at the discrepancy...

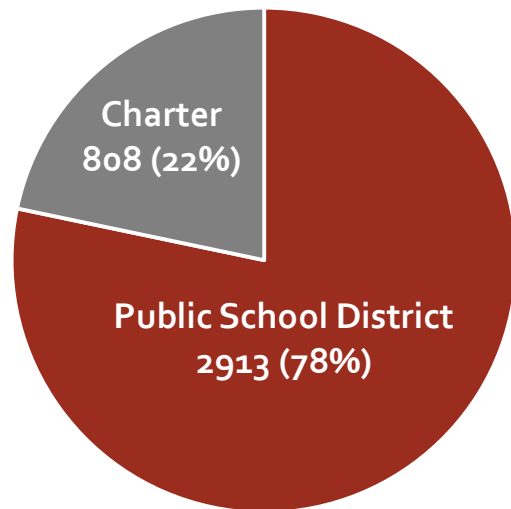
Hoboken Public School District serves 78% of the Hoboken public school student population ...

...and serves 8.4x more economically disadvantaged students

...with only the use of 33% of the allowable 2% tax levy

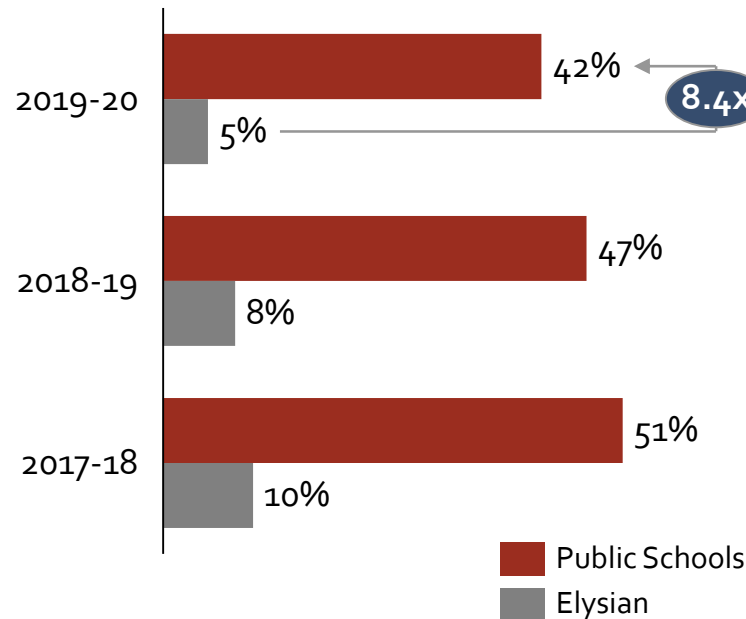
Hoboken Student Composition – Oct 2019

Total = 3,712 ¹



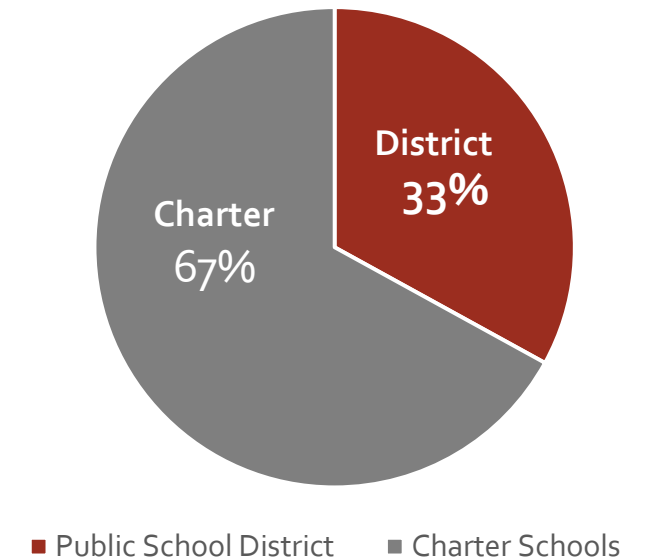
Economically Disadvantaged ²

% Student Population



Projected 2% Tax Levy

2020-2021

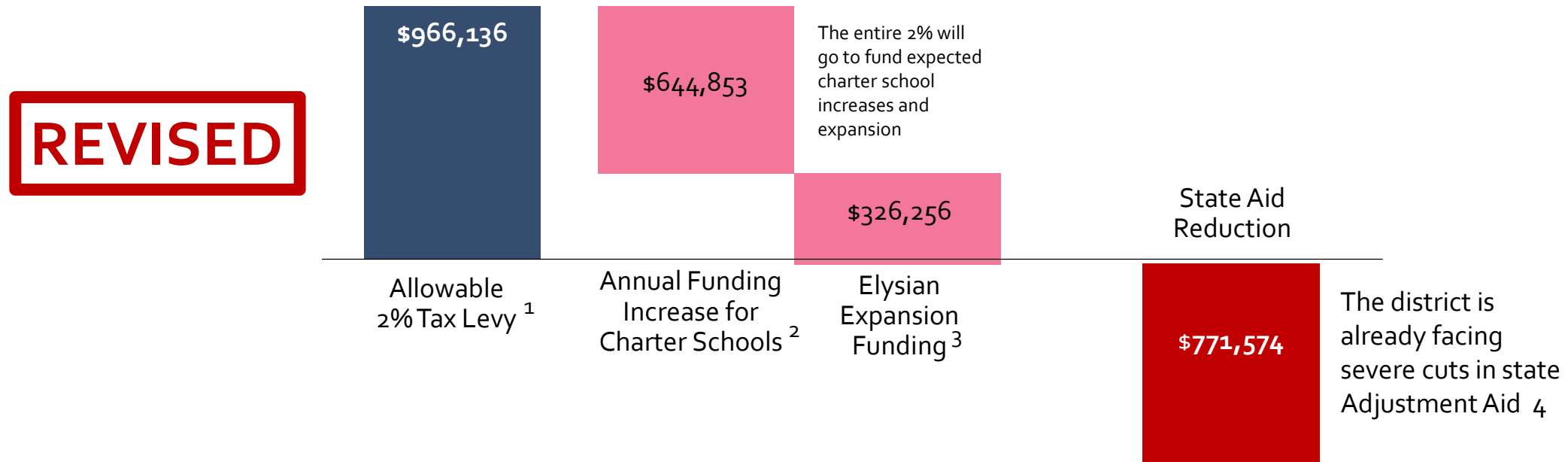


Note: ¹ The Hoboken Public School District total excludes Choice students (147) and includes 784 students we cater to in other districts – ASSA Reported Data Oct 2019

² Based on free and reduced lunch eligibility – ASSA Reported Data

The Elysian expansion will disproportionately impact funding for the Public School District

Projected Funding Impact for 2020-21



Notes

1. The Hoboken Public School District is permitted to increase the local tax levy taxes up to 2% in order to address annual increases in contractual salaries, utilities costs, new and expanding programs, and facilities maintenance. This is separate from any 2% cap adjustment waivers generated by the NJDOE for increases in enrollment, and health insurance and pension cost increases. If allowable, adjustment waivers can result in a tax levy increase above the 2% cap if and only if the BOE approves the use. Adjustment waivers are to be utilized for those specific purposes.
2. Based on average funding increases over the last two years for all charter schools that is funded from local tax increases
3. Assuming 24 student expansion for 2020-2021
4. Expected State Aid Reduction of \$771,574 for 2020-2021: The determination to utilize any available banked cap as a former SDA district or as a result of newly passed legislation to address the overall state aid reduction is contingent upon the BOE's decision that would be made during the budget process and discussed at the public budget hearing. It is not a guarantee that banked cap would be used, as the BOE must weigh out the immediate impact on the taxpayers and project future district needs which would also affect the taxpayers.

Financial Impact Example for 2020-2021...

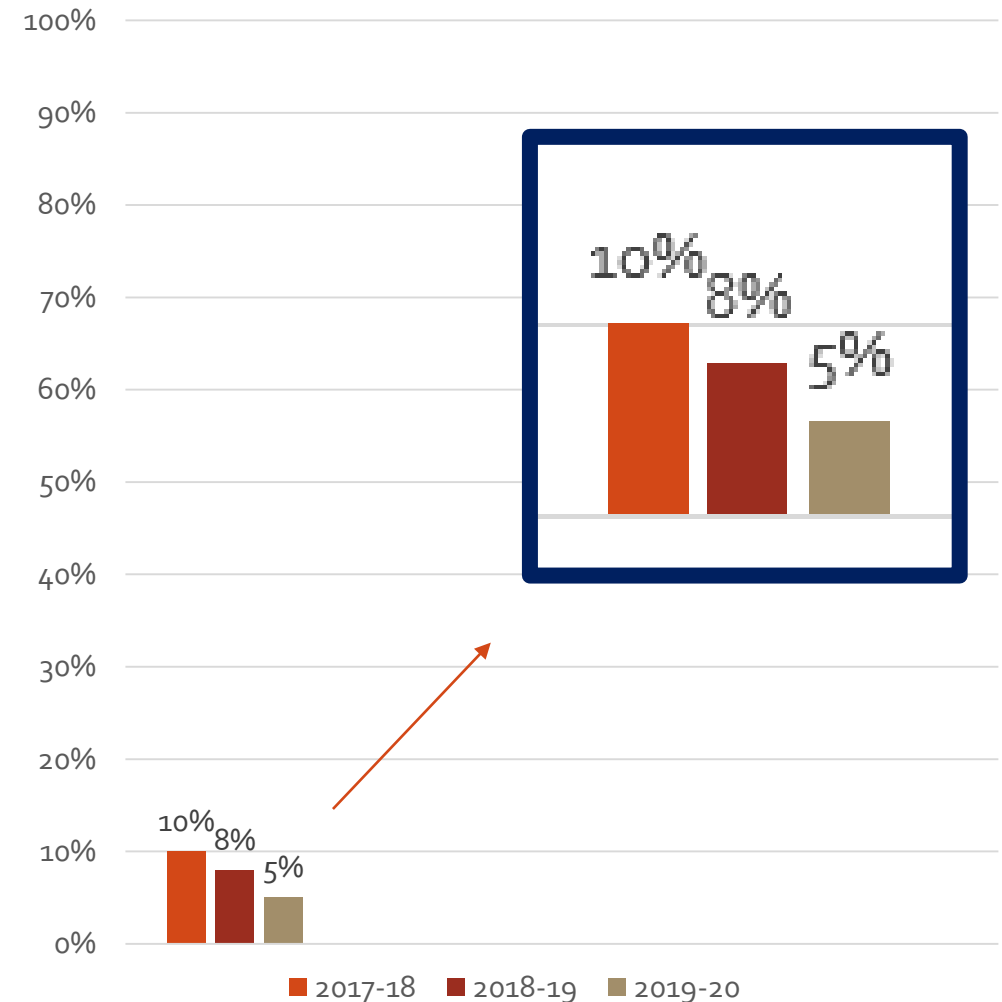
If...	But...	Furthermore...	Then...	Finally...
The Hoboken Public School District is permitted to increase taxes up to a 2% cap in order to address annual increases in contractual salaries, utility costs, or even the addition of new programs, we should be entitled to utilize \$966,136 in 2020-2021.	The last two years average increase for the Charter Schools alone constituted \$644,853.	The Elysian Charter School is seeking an expansion of 24 students for the 2020-2021 school year. If approved, this would be an additional increase of \$326,256.	<p>The children and staff of the Hoboken Public School District would be left with \$4,973 LESS than the allowable 2% tax levy.</p> <p>Yes: The entire 2% tax levy increase, plus an additional \$4,973, will go to charter school increases and expansion.</p>	Don't forget, we must also calculate a projected state aid cut of \$771,574 .

how can we let this expansion happen?

Segregative Effect

- May 2018, the NJ DOE was served with a School Segregation Law Suit
- 43% of the Hoboken Public School District's students are economically disadvantaged
- While Elysian Charter School was granted a 3:1 weighted lottery system to increase the number of economically disadvantaged students, the percentage continues to decline.
- The expansion of Elysian students will only further segregate children by socio-economic background in this city.

Economically Disadvantaged Students at Elysian Charter



Action Plan & Timeline

- Attendance at Elysian BOE Meeting – November 26th
- Received, Reviewed & Analyzed Elysian's Proposal to Expand – November 27th
- Board of Education Committee Meetings – December 4th & 5th
- HEA & HASA Meetings – December 4th
- Key Communicator Meetings – December 4th, 5th & 6th
- Hoboken Board of Education Meeting to Approve Opposition Resolution – December 10th
- Key Communicator Petition Work – December 11th through January 10th

- In Communication with the following Agencies for Letters of Support:
 - ✓ ACLU
 - ✓ NAACP (State & Local)
 - ✓ Latino Coalition
 - ✓ NJ Association of Black Educators
 - ✓ Building One New Jersey
 - ✓ NJEA
 - ✓ NJPSA
 - ✓ NJASA
 - ✓ Save our Schools New Jersey
 - ✓ State Legislators
 - ✓ Local & County Elected Officials

SUBMIT OPPOSITION PACKET TO THE NJ DEPARTMENT OF EDUCATION

January 14, 2020