

2015-2016
SCHOOL BUDGET
PUBLIC INPUT SESSION

FEBRUARY 11, 2015

PURPOSE

- The purpose of this presentation is to provide the Board of Education and the public:
 - An overview of the process for developing the district 2015-16 budget
 - Factors and challenges impacting the process
 - An opportunity to provide input

FACTORS IMPACTING THE BUDGET

School Districts CANNOT increase the prior year **tax levy** by more than 2%, *unless*:

- They receive *and exercise* a health care waiver which is determined by the State using a calculation comparing District costs to NJ State Health Benefits costs
- They utilize Bank Cap – an amount representing the difference that the prior year budget(s) were under the 2% cap

FACTORS IMPACTING THE BUDGET

- Chapter 78 legislation that over a four year period, increases employee's contributions towards health premiums
- All employees will be in Year 3 or 4 of the legislation.
- Increases to Year 3, combined with negotiated changes to benefits over the last two years, has enabled savings in 2015-16 of \$325,000 even after budgeting a 10% increase in costs

FACTORS IMPACTING THE BUDGET

- **Increases in fixed and mandated costs** that might exceed 2% such as insurance, out of district tuitions, related services, etc.
- Unanticipated **costs for compliance** to comply with new staff mandates such as HIB, PARCC, Dyslexia legislation, parental rights for independent evaluations
- Continued ability of the District to generate surplus to offset the tax levy

PRELIMINARY BUDGET

- Reflects an increase to the tax levy at the 2% State mandated cap
- Total Preliminary General Fund Operating Budget is \$146,025,705
- Total Tax Levy is: \$135,585,500
- Total Tax increase for the average assessed home at \$228,200 is \$131 per year*

*(based on total valuations of \$5,129,512,000 which are not yet certified)

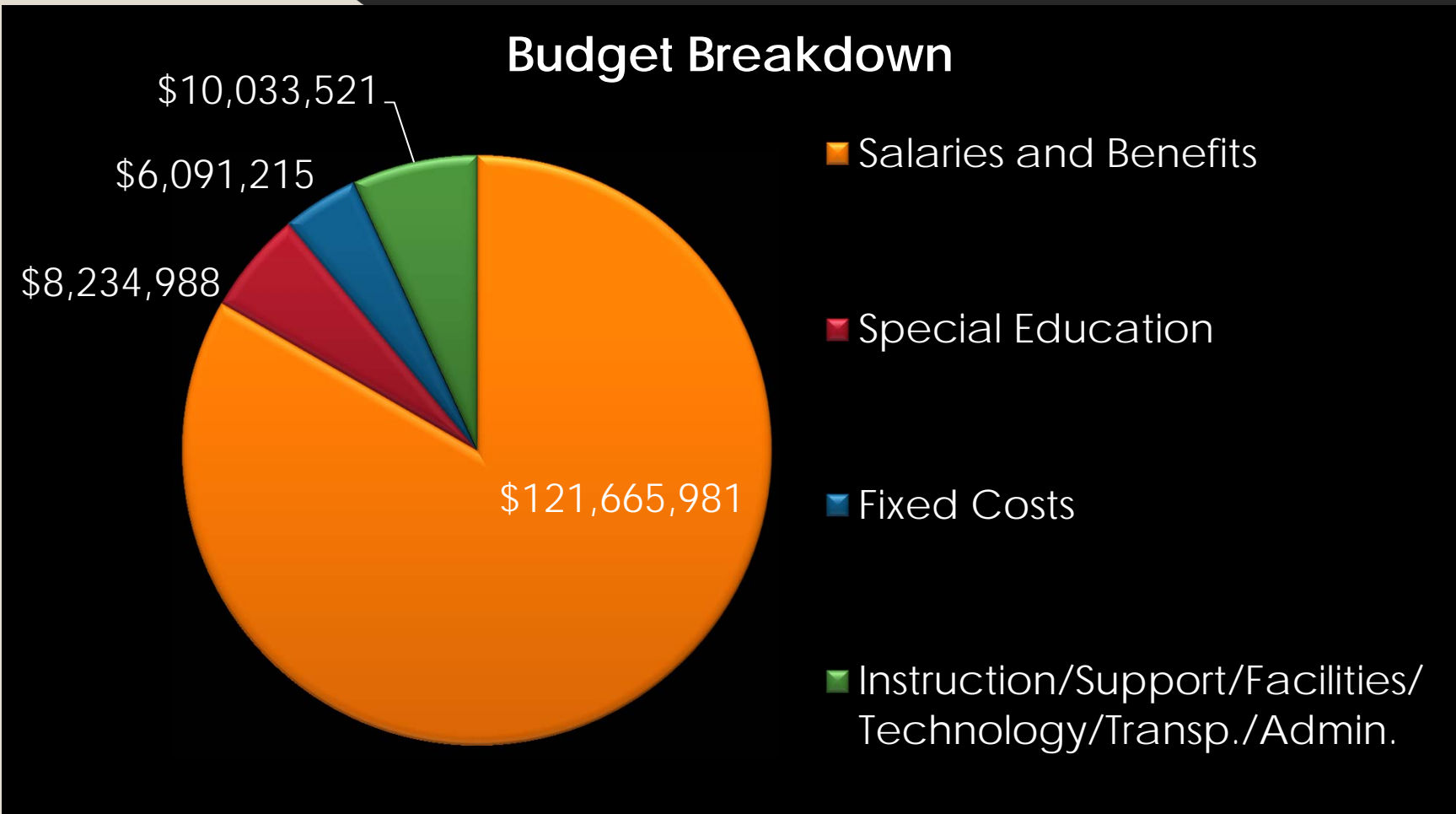
BUDGET BREAKDOWN

- Salaries account for 61.25% of the budget, or \$89,434,875
- Benefits (health/FICA/pension) account for 22.07% or \$32,231,106
- Special Education (in district programs and out of district placements) accounts for 5.64% or \$8,234,988 (additional \$1,750,738 supported through IDEA)

BUDGET BREAKDOWN

- Fixed costs (utilities, insurance, equipment leases, SDA assessment)
\$6,091,215 or 4.17%
- Remaining 6.87% of the budget supports instructional programs, support programs (nursing, media, guidance), administration, extra curricular, athletics, facilities, transportation, technology and capital

BUDGET BREAKDOWN



EDUCATIONAL INITIATIVES

- ◉ Math Textbook Adoption
- ◉ STARS program
- ◉ FM Systems in K-2 classrooms
- ◉ Technology
- ◉ Next Generation Science Standards
- ◉ Classroom Libraries
- ◉ Transformation of School Libraries

FACILITY INITIATIVES

- Emergency Generator at Wayne Valley High School
- Gymnasium Bleachers at George Washington Middle School
- Chair lift at the Preakness facility
- Replacement of some cafeteria tables, fitness equipment, classroom furniture

GETTING TO PRELIMINARY ADOPTION OF BUDGET

Administration will continue to refine budgeted figures for renewals of services, including but not limited to:

- ❖ Health and dental benefits
- ❖ Renewals for insurance and other fixed costs
- ❖ Renewal contract for SRO Officers

GETTING TO PRELIMINARY ADOPTION OF BUDGET

The Board of Education must make some critical decisions over the next month before adopting the preliminary budget on March 19, 2015:

- Full Day Kindergarten
- Required Roofing Projects at Wayne Hills High School, Wayne Valley High School and Ryerson Elementary School totaling approximately \$1,000,000
- Banked Cap

BANKED CAP

- Generated each year equal to the amount the budget is under the allowable 2% tax levy cap

- Available Banked Cap:

From 2012-13 budget	\$ 1,737,284
From 2013-14 budget	\$ 1,529,168
From 2014-15 budget	<u>\$ 142,180</u>
	\$ 3,408,632

BANKED CAP

- Banked cap is lost after 3 years if it is not utilized by the District
- For the 2015-16 school year, \$1,737,284 of the banked cap generated from the 2012-13 budget will expire if not used and will no longer be available to the District

PUBLIC INPUT

AT THIS TIME, THE BOARD PRESIDENT SHALL
OVERSEE QUESTIONS OR COMMENTS FROM
THE PUBLIC REGARDING THE PROPOSED
SCHOOL BUDGET FOR THE 2015-2016
SCHOOL YEAR