



Mine Hill Township Budget FY 2016-2017

Board Presentation
April 25, 2016

Background info

Building the budget



Glossary Of Budget Terms

- Capital Reserve – reserved funds for facilities maintenance projects
- Debt Service – repayment of building construction bonds and lease purchase agreements
- Fund Balance (Surplus) – savings fund reserved for emergencies restricted to 2% of budget
- General Fund – annual operating budget
- School Tax Levy- tax bill collected by the municipality for school use
- Tax Rate – amount of dollars per \$100 assessed home value

Budget Process

- Budget Meetings with
 - Superintendent
 - Principal
 - Special Education Team
- Budget Meetings with Finance Committee
- Methods used to propose Appropriations
 - Historical Data
 - Zero Based Budgeting
 - Goals Funding (Technology Plan, PARCC, CCCS, Maintenance Projects)
 - Fixed Cost (trending analysis)
 - Projected Salary Increases
 - Projected Health Benefit increases
 - Projected Tuition & Transportation increases

Many Factors Are Included In The Process Of Planning A School Budget

- Safety and Security
- Student Achievement
- Curriculum and Instruction
- Class Size
- Special Education
- Staffing
- Program Offerings
- Technology
- Professional Development
- Enrollment Projections
- Contracts and Health Benefits
- Supplies
- Facilities and Maintenance
- Transportation
- Mandated Programs

Instructional Highlights

- Revised Curriculum
- Innovation Time
- Learner Active Technology Infused Classroom
- Reader's and Writer's Workshop
- Everyday Math (Revised Version)
- Problem Based Learning
- Math Workshop
- Enhanced Gifted and Talented Program
- New Support

Technology Highlights

- Currently maintain approximately 200 Chromebooks and 10 Carts
- Increase Bandwidth up to 100 mb
- Upgrade wireless access points
- 3-D printers for 6th grade, technology classes, and maker space

Security Highlights

- Licenses and maintenance of 45 security cameras
- Annual fees associated with Easy Lobby
- Exterior doors
- Keypad system
- Improvements – lock replacements, classroom numbers on the outside

Cost Savings Strategies

- Shared Services with Morris Hills for:
 - CST
 - Custodial Services
 - Technology Support 2 days a week
- Shared Services with Township for lawn, snow plowing and garbage for use of facilities
- Part of ACES for gas and electric
- Participate in E-Rate
- Shared Services with ESC for all transportation for send with Middle, High School and Special Ed
- Part of Ed-Data, MCECSC and Middlesex Purchasing Cooperatives
- Part of consortiums with Morris Essex Insurance Group and SAIF

Cost Savings Strategies (Moving Forward)

- Refunding of 2001 School Bond
- Lighting Sensors
- Sustainable NJ Award Possibilities
- Continue Green Purchasing
 - Ink Toners
- Copier Contracts

Enrollment

Advertised Enrollments

ENROLLMENT CATEGORIES	10-15-2014	10-15-2015	10-15-2016
	Actual	Actual	Estimated
	Pupils On Roll Regular Full-Time	337	334
Pupils On Roll - Special Full-Time	33	29	29
Pupils On Roll - Special Shared-Time	0	0	0
Subtotal - Pupils On Roll	370	363	363
Private School Placements	13	12	12
Pupils Sent to Other Districts-Reg Prog	139	146.5	146.5
Pupils Sent to Other Dists-Spec Ed Prog	30.5	30.5	30.5
Pupils Received	0	0	0
Pupils in State Facilities	1	1	1

Revenues Details

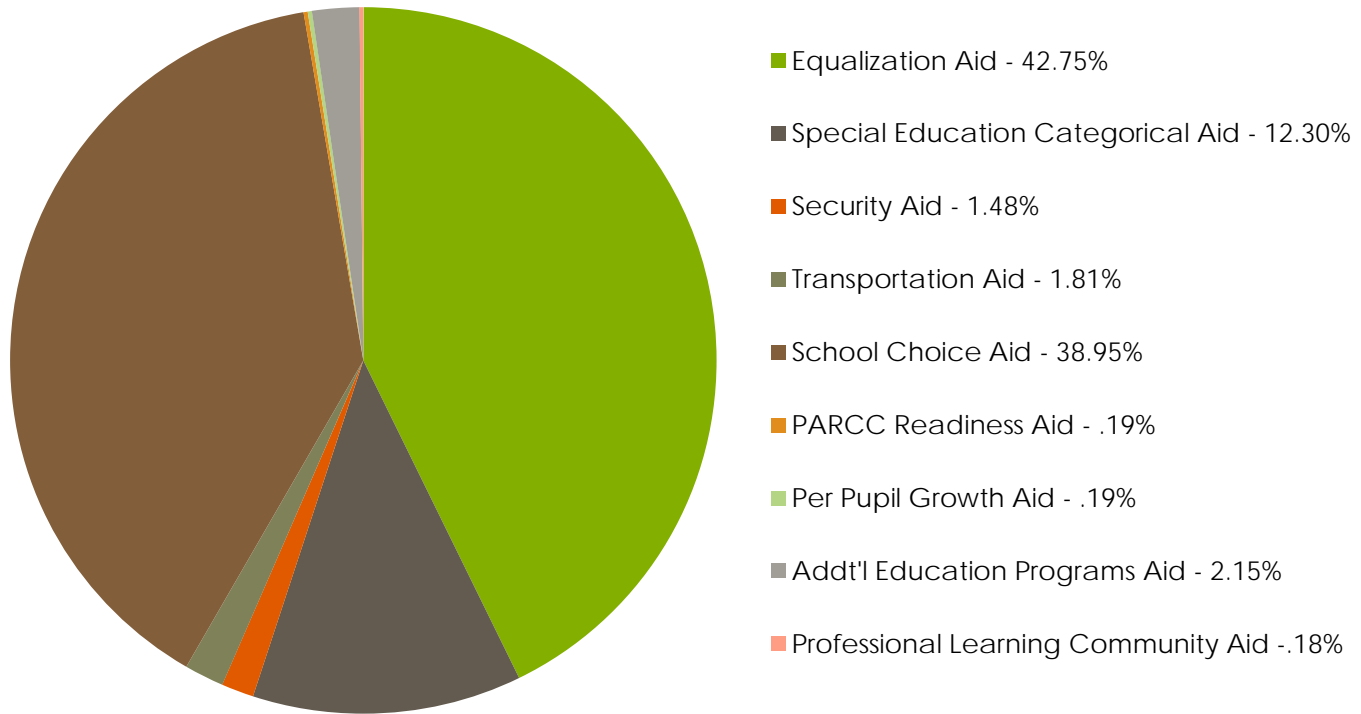
- Tax Levy increase of 2%-\$129,761
- State Aid increases of \$66,483
- Misc. Revenue increase of \$22,000
- Fund Balance used in budget is at \$31,356
- Withdrawal from Capital Reserve used in budget is at \$740,000

State Aid Breakdown

<u>Mine Hill Township Board of Education</u>			
	<u>2015-2016 State Aid</u>	<u>2016-2017 State Aid</u>	<u>Difference</u>
Equalization Aid	1,207,054.00	1,210,639.00	3,585.00
Special Education Categorical Aid	345,041.00	348,338.00	3,297.00
Security Aid	40,270.00	41,980.00	1,710.00
Transportation Aid	45,265.00	51,150.00	5,885.00
School Choice Aid	1,056,060.00	1,102,996.00	46,936.00
PARCC Readiness Aid	5,480.00	5,480.00	-
Per Pupil Growth Aid	5,480.00	5,480.00	-
Add'l Education Programs Aid	60,785.00	60,785.00	-
Professional Learning Community Aid	-	5,070.00	5,070.00
	2,765,435.00	2,831,918.00	66,483.00

State Aid by category

2016-2017 State Aid



Revenue Sources

<u>2015-2016</u>	
State Aid	\$2,765,435
Fund Balance	\$162,247
Miscellaneous Revenue	\$18,000
Withdrawal of Cap Res	\$0
Tax Levy (1.81%)	\$6,488,053
Total	\$9,433,735

<u>2016-2017</u>	
State Aid	\$2,831,918
Fund Balance	\$31,356
Miscellaneous Revenue	\$40,000
Withdrawal of Cap Res	\$740,000
Tax Levy (2%)	\$6,617,814
Total	\$10,261,088

Appropriation Components

- Major Categories
 - Salaries
 - Benefits
 - Tuition
 - Transportation
 - Other Special Ed Costs
 - Utilities & Maintenance
 - Other Cost (Legal, Audit, Telephone, Copier)
 - Instructional Supplies
 - Capital Projects

Appropriations Details

- Tuition decrease average of 5%
- Contractual Agreements:
 - Salary increases - \$500 per teacher
- Training increased for new professional development per Superintendent initiative and as required by QSAC
- New Physician rates
- Health Benefits up 5.64%
- Capital Projects

Appropriation Breakdown

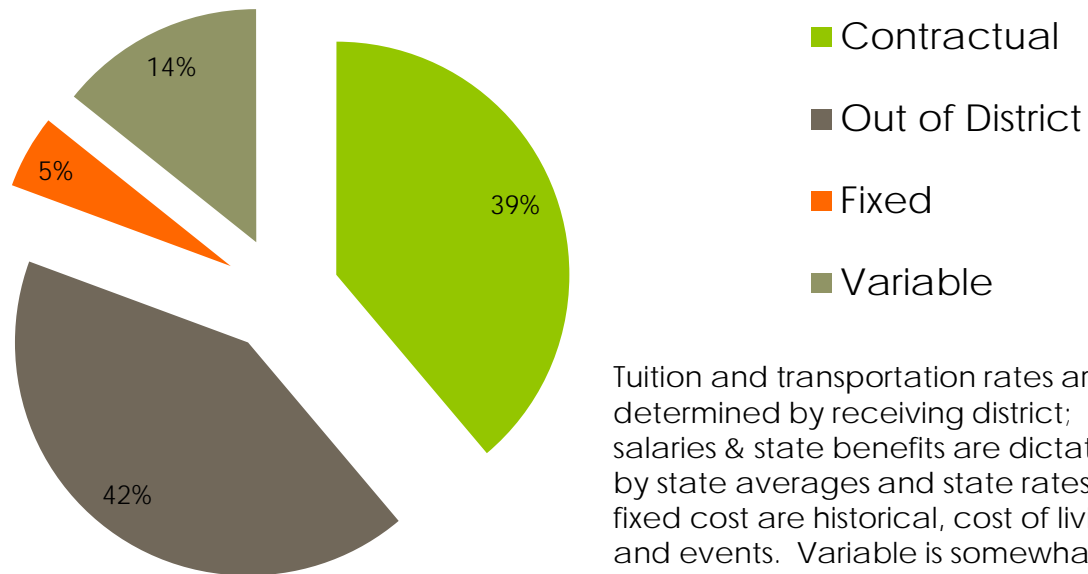
FY 2015-2016			FY 2016-2017		
Salaries	\$2,920,935	31.0%	Salaries	\$2,995,277	29.2%
Benefits	\$912,142	9.7%	Benefits	\$990,382	9.7%
Tuition	\$3,745,933	39.7%	Tuition	\$3,523,763	34.3%
Transportation	\$690,938	7.3%	Transportation	\$769,256	7.5%
Spec. Ed	\$341,790	3.6%	Spec. Ed	362,845	3.5%
Instructional	\$168,863	1.8%	Instructional	180,670	1.8%
Utilities	\$117,450	1.2%	Utilities	\$113,450	1.1%
Maintenance	\$120,891	1.3%	Maintenance	\$124,387	1.2%
Custodial	\$166,861	1.8%	Custodial	\$169,851	1.7%
Prof Serv & Tele	\$76,000	0.8%	Prof Serv & Tele	\$98,000	1.0%
Insurance	\$36,000	0.4%	Insurance	\$38,486	0.4%
Capital Projects	\$0	0%	Capital Projects	\$740,000	7.2%
Other Costs	\$135,932	1.4%	Other Costs	\$154,721	1.5%
Total	\$9,433,736	100%	Total	\$10,261,088	100%

Appropriation (Cost by Type)

FY 2016-2017	
Contractual	\$3,985,659
Out of District	\$4,288,219
Fixed	\$522,540
Variable	\$1,464,670
Total	\$10,261,088

Appropriation (Cost by Type)

FY 2016-2017



Tuition and transportation rates are determined by receiving district; salaries & state benefits are dictated by state averages and state rates; fixed cost are historical, cost of living and events. Variable is somewhat subjective.

Revenues/Appropriation Projections

Revenues	\$10,261,088
Appropriations	<u>\$10,261,088</u>
Difference	\$0

Balanced Budget

Debt Service

	FY 2015-2016	FY 2016-2017
INTEREST	\$59,275.00	\$52,150.00
PRINCIPAL	\$150,000.00	\$155,000.00
TOTAL	\$209,275.00	\$207,150.00

- Slight decrease in interest
- Bond is scheduled to mature on March 1, 2022
- Looking to refund the bond if there is a possible savings of 3% or greater. Life of the bond will remain the same

Tax Levy

- Current proposed School tax levy

FY 2016-2017	
General Fund Tax Levy	\$6,617,814
Debt Service Tax Levy	\$207,150
Total Tax Levy	\$6,824,964

- Per state regulations the levy can increase up to 2% (or with limited adjustments) without going to public vote.

2016 Calendar Year Tax Levy

January to June

2015-2016 School Budget
Tax Levy

$\$6,697,327 / 2 = \$3,348,663$

July to December

2016-2017 School Budget
Tax Levy

$\$6,824,964 / 2 = \$3,412,482$

½ of Current Budget Levy	\$3,348,663
<u>½ of Proposed Budget Levy</u>	<u>\$3,412,482</u>
= Calendar Year 2016 Tax Levy	\$6,761,145

Tax Levy Impact

Year	Net Valuation	Average Residential Value	School Calendar Tax Levy	School Rate	Yearly Tax Impact	Monthly Tax Impact	Daily Tax Impact
2016-2017	\$444,182,300	\$279,000	\$6,761,145	1.52216	\$74.24	\$6.19	\$.21
2015-2016	\$443,860,000	\$278,900	\$6,640,510	1.49608	\$57.83	\$4.82	\$.16

Net valuation increase of \$322,300

Banked Cap

- The maximum allowable amount allowed to be raised under taxation
- Above the 2%, the tax levy can be adjusted up for:
 - increases in enrollment
 - increase in health care costs
 - increase in deferred pension costs
 - shifts of responsibilities between districts
- In lieu of using banked cap, **unreserved fund balance was used of \$31,356**
- For the 2017-2018 year there is **\$194,526** in banked cap
- Bank Cap increased by \$37,444 from last year

Capital Projects 16-17

- HVAC
- Parking Lot Expansion
- Janitor's Closet Renovation

What's Next

- Finalize the School Budget
- Post the User Friendly Budget to the School Website
- Implement the new school year budget



Thank you

Questions?