

# Presentation of 2020-2021 Budget

**George P. Alexis**, Superintendent  
**Richard Pepe**, Business Administrator

May 4, 2020



# Board of Education

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Dorie Harvey, Board President

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Joseph Barbella

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Jessica Ingrassia

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Mallory Morales

Gail O'Donnell



## **A Culture of Inquiry, Equity, and Collaboration**

- Student engagement in an authentic learning process
- Critical and creative thinking
- Communication and collaboration
- Problem solving
- Standards-aligned curriculum and instruction
- Safe and supportive learning environment



# School Performance Report Highlights

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## District Results

Exceeded state expectations in ELA (83.2%)

Met state expectations in math (67.9%)

Exceeded standards for student growth percentiles in ELA and math

- ELA (61.5%)
- Math (67%)

Chronic absenteeism (4.7%) well below state average (9.0%)



# Budget Objectives

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- Improve teaching and learning according to district vision
- Improve operational efficiency and reduce expenditures
- Reconcile shortages created by last year's budget process
- Stay within the 2% cap
- Balance budget without using any of prior years' fund balance



# Key Decisions to Meet Objectives

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Improve teaching and learning and operational efficiency while reducing expenditures

- Redesign preschool
- Continue professional learning in math and ELA
- Focus on professional expertise and collaboration of teachers
- Improve articulation between schools and with regional districts
- Reduce number of systems (move to Genesis for multiple purposes: student database, lesson planning, curriculum, and evaluation)



# Budget Timeline

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- |                     |   |
|---------------------|---|
| Dec 2019 - Jan 2020 | Preliminary budget developed collaboratively by district staff  |
| Jan - Mar 2020      | Preliminary budget reviewed and revised by Operations Committee |
| March 16, 2020      | Board of Education vote on preliminary budget                   |
| March 20, 2020      | Preliminary budget due to county office                         |
| May 4, 2020         | Public Hearing on the Budget                                    |
| May 6, 2020         | User-Friendly Budget posted on the district website             |



# Key Factors in Budget Development

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Enrollment Projections

Resources

- Tax levy
- State aid
- Surplus

Salaries and Benefits

Special Education

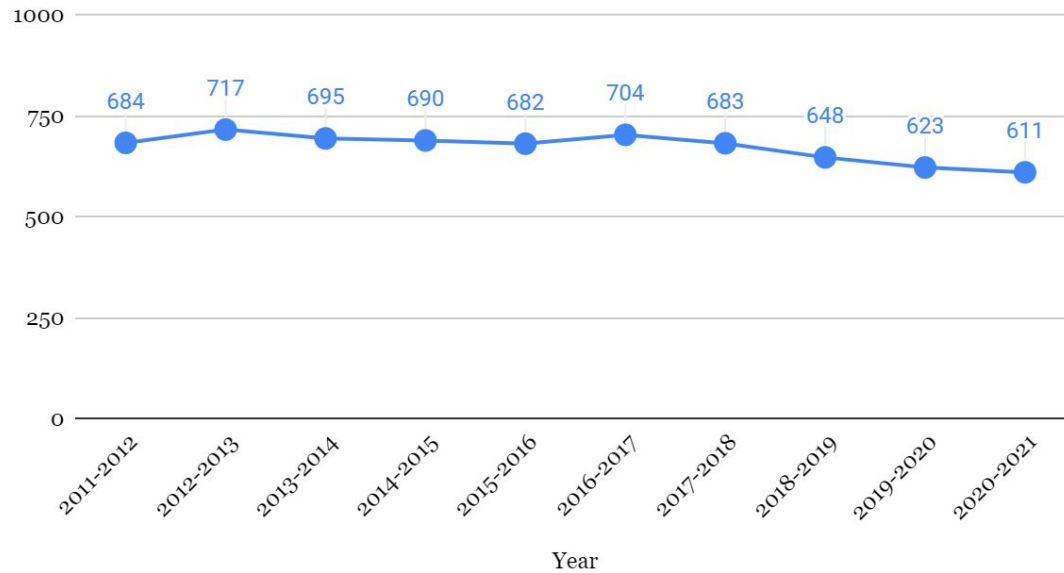
Capital and Security Needs





# Anticipated Enrollment - Historical Perspective

Historical Enrollment



# Anticipated Enrollment - District

Valley View	Bayberry	Valley View	Out of District	Total
FY16	367	331	1	699
FY17	383	340	1	724
FY18	368	341	3	712
FY19	358	295	4	657
FY20	340	271	8	619
<b>FY21 Projected</b>	<b>336</b>	<b>267</b>	<b>8</b>	<b>611</b>



# Anticipated Enrollment - Bayberry ES

Bayberry	Pre-K	MD / Autistic	K	1	2	3	4	Total
FY16	29	5	56	58	57	91	71	367
FY17	36	6	66	64	60	62	89	383
FY18	34	2	63	70	64	64	71	368
FY19	31	4	66	62	68	66	61	358
FY20	26	1	60	68	61	60	64	340
FY21 Projected	26	1	61	61	68	61	60	336



# Anticipated Enrollment - Valley View MS

Valley View	5	6	7	8	Total
FY16	72	101	85	73	331
FY17	72	78	102	88	340
FY18	95	67	76	103	341
FY19	66	89	69	71	295
FY20	59	63	81	68	271
FY21 Projected	64	59	63	81	267



# Anticipated Enrollment - Average Class Size

2019-2020	Pre-K	K	1	2	3	4	5	6	7	8
# Students	26	61	68	61	60	64	59	63	81	68
# Sections	2	4	4	4	3	3	3	3	4	4
Average Class Size	13	15.25	17	15.25	20	21.3	19.7	21	20.25	17

2020-2021	Pre-K	K	1	2	3	4	5	6	7	8
# Students	18	61	61	68	61	60	64	59	63	81
# Sections	1	4	4	4	3	3	3	3	4	4
Average Class Size	18	15.25	15.25	17	20.3	20	21.3	19.7	15.75	20.25



# Revenue Projections - Overview

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- ★ Total increase to general fund revenues = **\$500,220**
  - 2% tax levy increase = \$236,231
  - State Aid increase = \$108,704
  - Budgeted excess surplus from FY19 = \$155,285
  
- ★ Budgeted revenues = **\$13,614,785**
  - \$12,049,301      Local tax levy
  - \$215,000        Other local revenues
  - \$155,285        Budgeted Fund Balance (from FY19)
  - \$298,000        Capital reserve withdrawal (to partially fund capital projects)
  - \$749,582        State Aid
  - \$147,617        Federal grants anticipated



# Revenue Projections - Local Sources

Source	FY20 Approved Budget	FY21 Projected	Increase (Decrease)	%
Local Tax Levy	\$11,813,040	\$12,049,301	\$236,261	2.0%
Tuition from Individuals	\$148,000	\$160,000	\$12,000	8.1%
Miscellaneous Revenues	\$33,500	\$55,000	\$21,500	64.2%
Withdrawal from Capital Reserve	\$850,000	\$298,000	(\$552,000)	(64.9%)
Budgeted Fund Balance	\$293,651	\$155,285	(\$138,366)	(47.1%)
<b>TOTAL - Local Sources</b>	<b>\$13,175,153</b>	<b>\$12,717,586</b>	<b>(\$457,567)</b>	<b>(3.5%)</b>



# Revenue Projections - Other Sources & Total

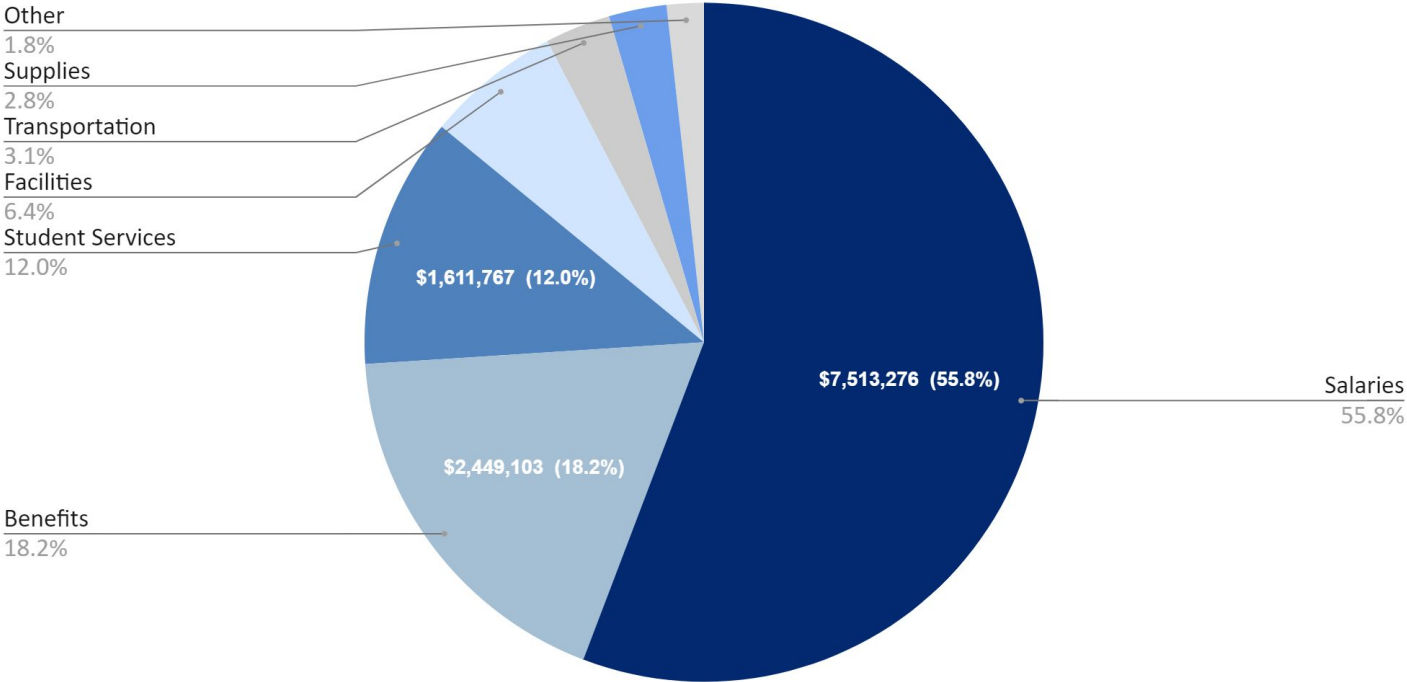
Source	FY20 Approved Budget	FY21 Projected	Increase (Decrease)	%
State Aid	\$640,878	\$749,582	\$108,704	17.0%
Federal Grants	\$158,886	\$147,617	\$11,269	(7.1%)
<b>TOTAL - Other Sources</b>	<b>\$799,764</b>	<b>\$897,199</b>	<b>\$97,435</b>	<b>12.2%</b>

Source	FY20 Approved Budget	FY21 Projected	Increase (Decrease)	%
Local Sources	\$13,175,153	\$12,717,586	(\$457,567)	(3.5%)
Other Sources	\$799,764	\$897,199	\$97,435	12.2%
<b>TOTAL - All Sources</b>	<b>\$13,974,917</b>	<b>\$13,614,785</b>	<b>(\$360,132)</b>	<b>(2.6%)</b>

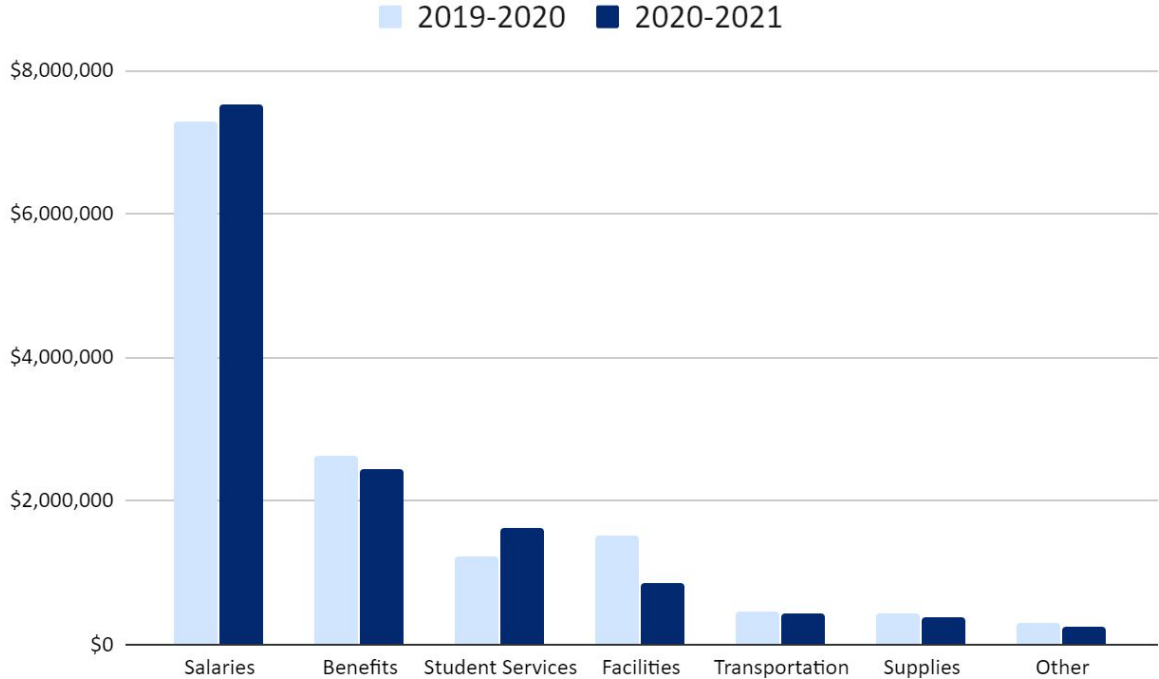




# Budgeted Appropriations Summary by Category



# Budgeted Appropriations Year-to-Year Comparison



# Key Appropriations

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## ★ Salaries & Benefits

- Teacher contract - 3% increase for 2020-2021
- Administration - added 1 position and fully funded current positions
- Medical benefits - 7% increase for 2020-2021

## ★ Special Education

- Out-of-district tuition increase \$239,248
- Teacher Aides increase \$200,138
- Related services increase \$91,909

## ★ Capital Projects

- \$345,880 in projects planned for 2020-2021
  - NJ Direct Install program (80% funded by state)
    - 6 rooftop units
    - Interior/exterior lighting upgrades (~\$30,000 in annual energy savings)
  - 2 additional rooftop units



# Capital Reserve Projects

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## TOTAL CAPITAL RESERVE PROJECTS: \$298,000

- ★ Energy Savings Projects: **\$50,057**
  - Upgrade interior and exterior lighting
  - Estimated annual savings = \$32,825
  - Payback period = 1 year, 7 months
  
- ★ HVAC Unit Replacements: **\$187,418**
  
- ★ Encapsulate Asbestos Floors: **\$9,000**
  
- ★ Security Upgrades: **\$51,525**
  - Doors
  - Locks
  - Alarms



# Shared Services

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- ★ Cooperative purchasing
  - Utilities
  - Technology support
  - Supplies and materials
  
- ★ Joint insurance fund
  - property & casualty insurance
  
- ★ Interlocal agreements
  - Snow removal
  - Salting of parking lots
  - Field maintenance
  - Recreation facilities
  - Gasoline purchases



# 2020-2021 Budget Summary

<b>REVENUES</b>	<b>2019-2020 Approved Budget</b>	<b>2020-2021 Final Budget</b>	<b>Increase (Decrease)</b>	<b>Increase (Decrease) %</b>
General Fund	\$13,816,031	\$13,467,168	(\$348,863)	(2.53%)
Special Revenues Fund	\$158,886	\$147,617	(\$11,269)	(7.09%)
Debt Service	\$0	\$0	\$0	n/a
<b>TOTAL</b>	<b>\$13,974,917</b>	<b>\$13,614,785</b>	<b>(\$360,132)</b>	<b>(2.58%)</b>
<b>APPROPRIATIONS</b>	<b>2019-2020 Approved Budget</b>	<b>2020-2021 Final Budget</b>	<b>Increase (Decrease)</b>	<b>Increase (Decrease) %</b>
General Fund	\$13,816,031	\$13,467,168	(\$348,863)	(2.53%)
Special Revenues Fund	\$158,886	\$147,617	(\$11,269)	(7.09%)
Debt Service	\$0	\$0	\$0	n/a
<b>TOTAL</b>	<b>\$13,974,917</b>	<b>\$13,614,785</b>	<b>(\$360,132)</b>	<b>(2.58%)</b>



# Tax Implications

School Year	Rateables	Tax Levy	Tax Rate	Avg Home Assessment	Estimated School Tax
2017	\$1,756,744,611	\$10,887,059	0.00619	\$700,703	\$4,342.46
2018	\$1,796,713,590	\$11,151,041	0.00620	\$710,718	\$4,410.97
2019	\$1,801,789,204	\$11,813,040	0.00655	\$714,870	\$4,686.89
<b>2020</b>	<b>\$1,815,666,300</b>	<b>\$12,049,301</b>	<b>0.00663</b>	<b>\$719,783</b>	<b>\$4,776.69</b>
	<b>Increase</b>	\$236,261	0.00008	\$4,913	<b>\$89.80</b>

*Estimated School Tax incremental change per \$100k assessed value is approximately \$8*

## **Tax Increase Calculation Example:**

For a home assessed at \$619,783 (which is \$100,000 less than the average home assessment), the annual tax increase would be \$81.80 (which is \$8 less than the average home increase).



## Opportunity for Comments and Questions

