



Monroe Township School District

DEVELOPMENT OF A
BUDGET PHILOSOPHY

For Fiscal Year 2017-2018

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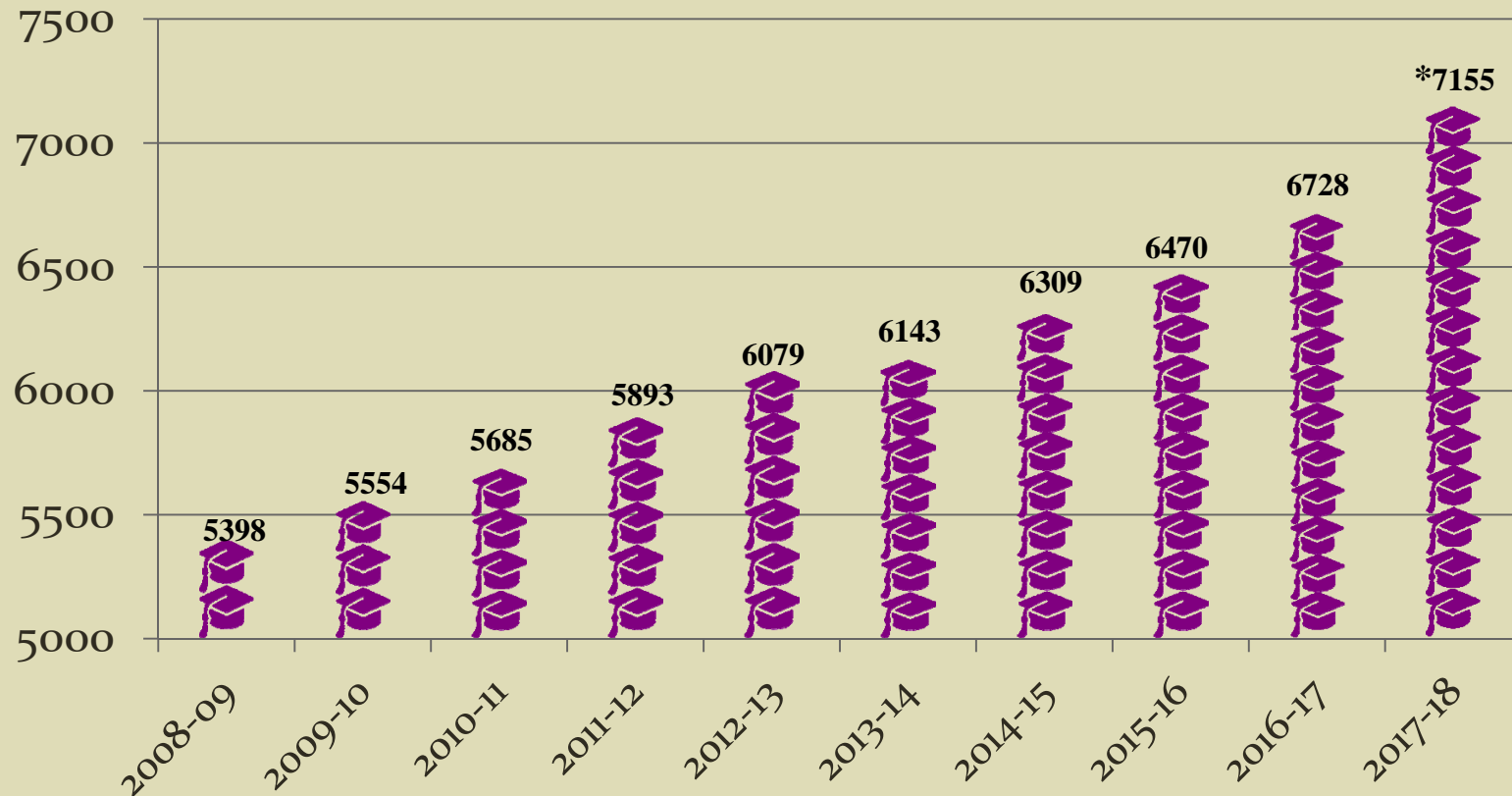


WHAT IS A BUDGET PHILOSOPHY?

- The philosophy of establishing the annual school budget should entail the creation of a framework for a budget that supports a democratic plan of appropriate funding for the implementation of educational programs so that students may develop and learn from quality experiences based on educationally sound and fiscally prudent planning.
- A solid financial base is paramount to assuring that the school district will be able to meet the responsibility of preparing our students for an increasingly competitive environment.
- The budget philosophy stage should be macro-focused rather than micro-focused, as much more refinement will be required and implemented in the future through the rigorous budget process.

BUDGET APPROPRIATION CONSIDERATIONS

Budgets are driven by student enrollment



+ 1,757 students over the past nine years.

*Projected by Ross Haber Associates March 2016

Monroe Township Public Schools Student Enrollment

School year	K	Gr. 1	Gr.2	Gr. 3	Gr. 4	Gr. 5	Gr. 6	Gr. 7	Gr. 8	Gr. 9	Gr. 10	Gr. 11	Gr. 12	Ungraded	District Total
2016-2017	332	383	453	507	537	551	508	561	590	575	520	573	530	108	6728
2017-2018	347	467	474	508	558	599	591	556	597	679	639	567	573	----	7155

Projected New Enrollment Increase for year 2017-2018

+ 427

Data provided by Ross Haber Associates March 2016

BUDGET APPROPRIATION CONSIDERATIONS

- Transportation –

Recommended fleet replacements for safety and enrollment growth

* 4 - 54 Passenger buses with cameras	\$396,000
* 2 - 25 Passenger vans with cameras	\$126,000
* 3 - Additional contracted drivers with benefits	<u>\$144,489</u>

Total mandated and recommended Transportation	<u>\$666,489</u>
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* Three 54 passenger busses are required by statute and Board policy to be replaced due to age restrictions. One additional 54 passenger bus and two 25 passenger vans are needed to accommodate enrollment growth and reduce contracted routes including special education need van routes.

BUDGET APPROPRIATION CONSIDERATIONS

- Capital Improvements -

- Partial Roof Replacement – Barclay Brook \$632,000
- Construct Bus Parking Lot at New Site on Route 522 and Re-Pave Existing Bus Parking Lot \$2,000,000
- Asphalt Paving Barclay Brook, Middle School & Seal Coat Restripe Oak Tree \$264,400
- Replace Pre-K and K playground surfacing and equipment at Mill Lake \$137,000
- Restore & paint structured steel exterior columns at Middle School \$88,000
- Replace carpet at PAC instrument and music classroom spaces at Middle School \$44,800
- Dump truck and other truck replacement \$133,800

Total Capital Improvements Considerations \$3,300,000

Less 16/17 Budgeted Capital Appropriations \$2,199,044

New 17/18 Anticipated Capital Appropriations **\$1,100,956**

BUDGET APPROPRIATION CONSIDERATIONS

<ul style="list-style-type: none"> <u>Approximate Weighted Salaries Pending negotiations</u> 2.75% increase on \$65,000,000 = Est. increase in base salaries 	<u>\$1,787,500</u>	
<ul style="list-style-type: none"> <u>Benefits</u> 2016/2017 Premiums 		\$22,214,194
<ul style="list-style-type: none"> 2017/2018 Anticipated premium increase at 8% 	<u>.08</u>	
		\$23,991,330
<ul style="list-style-type: none"> Less negotiated employee contributions 		<u><\$3,115,804></u>
<ul style="list-style-type: none"> 2016/2017 Net premiums 		\$20,875,526
	Est. increase in benefits	<u>\$1,777,136</u>

BUDGET APPROPRIATION CONSIDERATIONS

- Curriculum –

Technology –

Technology updates and replacements -

This aligns with our vision to continue to create 21st century learning environments for our students.

\$75,000

Student Devices

Due to increased enrollment at the high school.

\$80,000

Facility –

IA Equipment maintenance for MTMS & MTHS -

Preserve the integrity and longevity of the equipment, ensure proper use by staff and students & ensure safety of staff and students, reducing liability to the district.

\$11,000

Lockers for Middle School -

Due to the increased enrollment expectations, lockers are limited at the middle school.

\$91,250

Marasco PAC Updates and Maintenance -

Facility updates for the MPAC, including but not limited to light board, curtain, and stage.

\$85,000

Subtotal Technology and Facility

\$342,250

BUDGET APPROPRIATION CONSIDERATIONS

- **Curriculum –
Programs –**

MTMS Sports Teams -

Over 450 students tried out for middle school sports teams 150 spots. It is recommended to begin football, girl's volleyball, and girl's and boy's track.
\$80,000

MTHS Sports Teams -

We are the only Group 4 school without boy's volleyball. Starting our own swim team has been requested by students and parents.

\$60,000

Marching Band Uniforms -

Uniforms are at the end of a 15 year cycle.

\$60,000

Football Uniforms -

Replacement uniforms have been cut from the budget for the past several years and are in need of replacement.

\$20,000

MTMS Career Center/Clubs -

The creation of a career center will allow students to work with guidance and school leadership to explore career options and focus. The center will lend itself to the creation of a Middle School Business Club.

\$10,000

Senior Option Textbook and Program Update -

Senior Option Class has an ambiguous focus and lacks rigor. The Senior Option program needs to improve the baseline skills students take into their internships/jobs. This addresses the call from employers and the NJDOE Office of CTE to improve the employability skills and career awareness of students. It will also compliment the goal of new college and corporate partnerships.

\$9,500

Subtotal Programs

\$239,500

BUDGET APPROPRIATION CONSIDERATIONS

Curriculum continued –

Textbooks –

MTMS – Science -	Replacing 2003 edition (\$350,000)
ELA Reading Classroom -	Libraries for grades four and five to support the independent reading portion of Readers’ Workshop. (\$80,000)
Exploratory Business Textbook -	Text adoption to facilitate the update and curriculum changes to the Exploratory Business course to move of an “Intro to Business Course” (\$8,000)
Math iBooks -	For increased enrollment at the HS: Algebra I and II, Geometry, PreCalculus, Computer Programming I, AP Calculus B/C (\$11,225)

Subtotal Textbooks

\$449,225

BUDGET APPROPRIATION CONSIDERATIONS

Personnel -

8 MTMS Teachers (5 content area, 1 Special Education, 2 Physical Education) = \$525,096 (inc. ben.)

4 MTHS Teachers (Special Education, Physical/Health Education) and Additional (10) 17% sections– Increased enrollment = \$262,548 (inc. ben.) + \$111,582

1 Reading Specialist (Elementary) - Increase interventions at the upper elementary level for students who are below grade level in reading and writing = \$65,637 (inc. ben.)

2 Elementary Technology Staff - Two additional technology staff members are needed for student growth at the elementary level = \$56,100 (inc. ben.)

4 Elementary Teachers – Due to increased enrollment in schools = \$262,548 (inc. ben.)

1 Child Study Team – LDTC, School Psychologist, Social Worker = \$196,911 (inc. ben.)

1 Nurse – District = \$65,637 (inc. ben.)

2 Security Guards – MTHS, MTMS = \$73,092 (no ben.)

Secretary – MTMS 12 month guidance/CST = \$64,211 (inc. ben.)

Assistant Principals – MTMS, Elementary = \$234,748 (inc. ben.)

Marasco PAC Coordinator – A position for a current district employee to manage and facilitate the use of the MPAC. (\$11,000)

Paraprofessionals (4 FTE)– Across the district for classroom/cafeteria positions = \$37,788 (no ben.)

Subtotal Personnel **\$1,966,898**

Total Curriculum needs **\$2,997,873**

TOTAL ADDITIONAL APPROPRIATION CONSIDERATIONS

Transportation Increases	\$666,489
Construction & Facilities	\$1,100,956
Salary Increases	\$1,787,500
Benefits Increase	\$1,777,136
Curriculum Increases	<u>\$2,997,873</u>
Total	<u><u>\$8,329,954</u></u>

BUDGET RESOURCE CONSIDERATIONS

- **Bond Referendum - Closed**

No remaining funds to transfer against Debt Service Fund Tax Levy.

- **General Fund State Aid -**

2.8 Million awarded in 2016/2017.

It is recommended to base preliminary budget on same level of funding as prior year.

- **Proprietary Fund Considerations -**

- New Proprietary Fund Programs – Falcon Care/ECE**

- (\$300,000 approximate additional revenue source)

- Which is recommended to remain in retained earnings or reduce MECA loan.

- **Jamesburg -**

Tuition agreement mandates DOE calculated tuition rate multiplied by mutually agreed estimated number of Jamesburg students. The total tuition and transportation fees are approximated, 1.65 % of revenues.

PROJECTED SCHEDULE OF CAP FOR USE IN BUDGET YEAR 2017-2018

• Pre-Budget Year General Fund Tax Levy	\$95,431,684
• Automatic adjustment for enrollment	*\$850,000
• Adjusted Pre-Budget Year General Fund Tax Levy	<u>\$96,281,684</u>
• Adjusted Pre-Budget Year General Fund Tax Levy Inflated by 2%	\$98,207,318
• Adjustment for Health Care costs	*\$750,000
• General Fund Tax Levy CAP prior to optional use of banked cap	<u>\$98,957,318</u>
• Banked cap calculated by 12/13 DOE Budget software	<u>\$600,000</u>
• General Fund Tax Levy Cap with use of banked cap	\$99,557,318
By going to cap the Budget can grow	<u>\$3,525,634</u>
By going to cap with use of banked cap the Budget can grow	<u>\$4,125,634</u>

* Estimated by means of a 3 yr. average subject to change

Anticipated Excess Surplus in Excess of Prior Year

Excess Surplus is the aggregate difference between actual revenues and budgeted revenues plus actual expenditures and budgeted appropriations. It is required that the excess surplus from 06/30/16 be used as a revenue source in the 17/18 Budget NJSA18A:7F-7.

2014/2015 Excess Surplus	\$5,010,411
Estimate 2015/2016 Excess Surplus	<u>\$6,164,900</u>
Additional Revenue Source above the 2013/2014 Excess Surplus	\$1,154,489

ANTICIPATED APPROPRIATIONS IN EXCESS OF ANTICIPATED REVENUES

Total additional 2016-2017 Appropriations	- \$8,329,954
Total additional 2016-2017 Tax Levy Cap Growth (without banked cap/revenue source)	+ <u>\$3,525,634</u>
Additional Excess Surplus (revenue source)	+ \$1,154,489
Appropriations in excess of revenues	<u><u>\$3,649,831</u></u>

This will require programs and services to be reviewed to maximize efficiencies in order to balance budget.

TAX CONSIDERATIONS

Ratables:

Are the most significant variable in determining the tax rate. Preliminary reports are that ratable growth may be slightly higher than the preceding year which increased by 2%. This will favorably impact tax rates for 2017/2018.

OUR ACCOMPLISHMENTS

- **Graduation Rate 2015-2016 – 97.3%**
- **June 2016 Graduates:**
 - 86% Attended college
 - 2% Attended Career/Technical Schools
 - 1.2% Entered the Military
 - 7.1% Entered the Workforce
 - 3.7% Undecided or Non-Grads
- **314 Students participated in AP testing and 81% of our students scored 3 or higher.**
- **MTHS Average scores on SAT and ACT are higher than the state average.**



High performance and Numerous best practices

+

Comparatively low taxation

=

Incredible value

ADMINISTRATION'S RECOMMENDATIONS (BUDGET PRIORITIES)

- **Stay within the constrictive state budget cap while prioritizing the following subject to cap restrictions:**

- **Construction Projects-**

Barclay Brook Partial Roof Replacement, Construct Bus Parking Lot, Restorations, Vehicles and Equipment.

- **Curriculum recommendations including additional staff for enrollment growth.**

- **Salary increases (2.75 estimate to build budget).**

- **Benefits increases (as per contracts).**

- **Transportation increases.**