

Monroe Township School District

**DEVELOPMENT OF A  
BUDGET PHILOSOPHY**

For Fiscal Year 2019-2020

Mr. Robert Goodall, Acting Superintendent of Schools

Dr. Dori L. Alvich, Assistant Superintendent of Schools

Mr. Michael C. Gorski, CPA, Business Administrator/Board Secretary

# MONROE TOWNSHIP BOARD OF EDUCATION

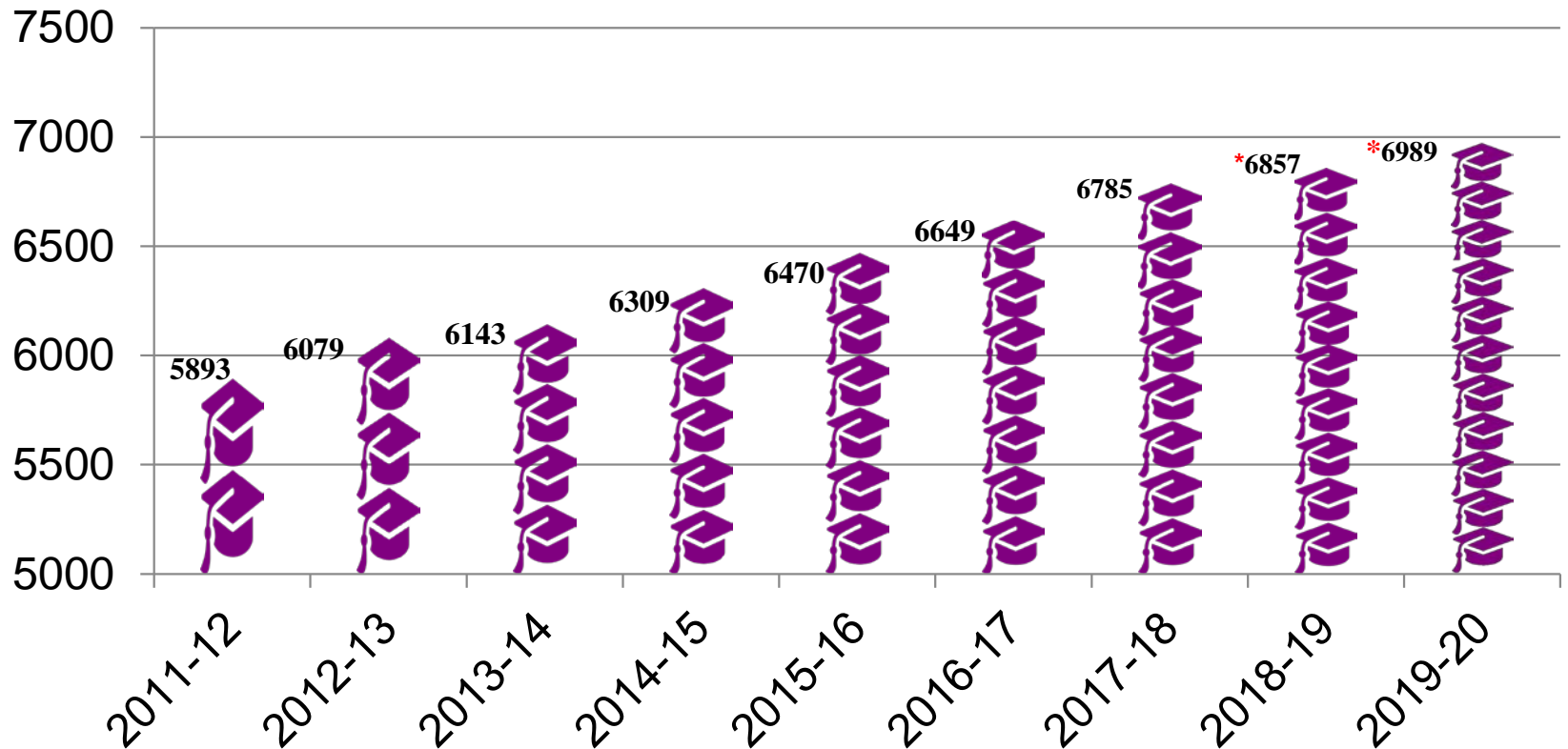
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# WHAT IS A BUDGET PHILOSOPHY?

- 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 ensuring 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



\*Projected by Ross Haber Associates August 2018

# **BUDGET APPROPRIATION CONSIDERATIONS**

## **Salaries and Benefits**

**Salaries and Benefits are approximately 75% of the General Fund Budget.**

- Aggregate District Salaries are approximately \$66,000,000.00 and on average will contractually increase 3.0% or \$2,000,000.00
- Health Benefits have been projected to increase 8.5% with the caveat that claims will have to be monitored at least through January 2019 to receive an accurate estimate.
- 2018-2019 Health Benefit premiums are budgeted to be \$22,774,209.00 and are offset by contractual contributions of approximately \$4,100,000.00 by District staff members.

# BUDGET APPROPRIATION CONSIDERATIONS

- **Personnel**

<p>Certificated Teaching Staff</p> <ul style="list-style-type: none"> <li>• MS Science (2), Social Studies (2), Math (3), PBL, PE</li> <li>• HS PE, Math</li> <li>• Basic Skills – Elementary</li> <li>• Elementary 2</li> <li>• Guidance Counselor</li> <li>• Latin</li> <li>• Business Teacher</li> <li>• Technology Education</li> </ul>	<p>To support increased enrollment and programs across the district.</p>
<p>Special Education Staffing</p> <ul style="list-style-type: none"> <li>• Paraprofessionals (6)</li> <li>• Speech Therapist</li> <li>• Nurse (ESY)</li> <li>• Teachers (8)</li> </ul>	<p>To support our increased need for special education population and programs.</p>
<p>Technology Personnel</p>	<p>To support the technology needs of the district.</p>
<p>Supervisor (2)</p>	<p>To support increased enrollment at the district level. To support additional special education population growth.</p>
<p>Educational Technology Facilitator</p>	<p>To support the teaching staff as they implement technology within the classrooms.</p>
<p>Athletic Trainer</p>	<p>To support additional sports at the middle school.</p>
<p>Grounds Maintenance Worker</p>	<p>Increase in Students at Sports Programs Requires More Staff for Preparing Fields, Events, Maintaining Athletic Equipment</p>

# BUDGET APPROPRIATION CONSIDERATIONS

- **Technology**

Technology Upgrades and Replacements	This aligns with our vision to continue to create 21st Century learning environments for our students. To replace wireless networks at HS and MS.	\$80,000
Student/Classroom Devices	Increased enrollment at the high school; Replace aging equipment for the Digital Art/TV Production/Business Education and Technology Education courses.	\$50,000
Technology (Special Education)	iPads/devices for students with IEPs and 504s	\$18,580

# BUDGET APPROPRIATION CONSIDERATIONS

- Textbooks

French I	To align our resources to the curriculum documents and NJSLS.	\$8500
Science		\$118,000



# BUDGET APPROPRIATION CONSIDERATIONS

- **Programs**

Instruments	To replace and add some band equipment due to increased enrollment and aging equipment	\$20,000
Self-contained classrooms	To provide for the needs of students with special needs.	\$160,000
HS Weight Room Equipment	To replace equipment due to age and use.	\$15,000
HS Varsity Boys' Volleyball Coach	First year of the varsity volleyball team	\$8,898
Swim Team	To begin a swim team club; includes coaches, pool rental, swimsuits, and transportation.	\$11,562

# BUDGET APPROPRIATION CONSIDERATIONS

- **Transportation**

Recommended fleet replacements for safety and enrollment growth:

9 - 54 Passenger buses with video, GPS and radio components	\$1,017,000
4 - 25 Passenger vans with video, GPS and radio components	\$272,000
9 - Additional contracted Drivers with benefits	\$371,974
4 - Additional Transportation Aides	\$58,043

Vehicle depot or space for parking at schools.

# **BUDGET APPROPRIATION CONSIDERATIONS**

- **Facility**

Flooring Projects at Brookside School	\$41,200
Replace Wooden Bleacher Boards with Aluminum	\$67,000
Barclay Brook Replace Carpet and Paint	\$104,800
Replace Intransa Security Camera System Servers & Software Upgrades	\$88,000
Replace Stadium Synthetic Field and Rubber Running Track	\$1,000,000
New wireless microphones to replace existing 600 MHz equipment	\$34,000
Athletic Field Line Striping Unit & Field Service/Grooming Tractor	\$34,200
MTMS Design & Engineering Services for NJDOE Submission and Bidding for Replacement of 1997 Addition Roof and Mechanical Equipment for Summer 2020	\$132,000
Storage Shed Building for Winter Salt Truck & Supplies	\$48,000
Construct Bus Parking Lot at New Site on Route 522 and Re-Pave Existing Bus Parking Lot	\$2,000,000 - \$2,500,000

# OUR ACCOMPLISHMENTS

**Graduation Rate 2017/2018 - 98.2%**

**June 2017 Graduates:**

- **90.4% Attended college**
- **1.1% Attended Career/Technical Schools**
- **8.5% Entered the Military/Workforce/Undecided**

**84% of students taking the AP tests scored a 3 or above (664 Exams taken)**

**MTHS Average scores on SAT**

- **Math 576 (State Average 537)**
- **ERW 575 (State Average 539)**



**#57 NJ**



**#9 in Best Public High Schools in Middlesex County**

**New Jersey**  
MONTHLY

**#99**

# BUDGET RESOURCE CONSIDERATIONS

## **General Fund State Aid -**

\$5,291,700.00 awarded in 2018/2019.

To be conservative, it is recommended to base preliminary budget on same level of funding as prior year, although we have been informed by Mr. Magyar that Monroe could receive up to one million additional dollars of aid from S-2 in 19/20.

## **Proprietary Fund Considerations -**

Falcon Care/Early Childhood Enrichment Programs.

\$600,000 of retained earnings is to be transferred to General Fund to generally offset Instructional Trailer costs.

## **Jamesburg -**

Tuition agreement mandates DOE calculated tuition rate multiplied by mutually agreed estimated number of Jamesburg students. The total tuition and transportation fees are approximately 3.6 % of general fund revenues.

# PROJECTED SCHEDULE OF CAP FOR USE IN BUDGET YEAR 2019-2020

• Pre-Budget Year General Fund Tax Levy	\$101,353,868
• Automatic adjustment for enrollment	<u>*\$1,000,000</u>
• Adjusted Pre-Budget Year General Fund Tax Levy	\$102,353,868
• Adjusted Pre-Budget Year General Fund Tax Levy Inflated by 2%	\$104,400,945
• Adjustment for Health Care costs	<u>*0</u>
• General Fund Tax Levy CAP prior to optional use of banked cap	<u>\$104,400,945</u>
• Banked cap calculated by 12/13 DOE Budget software	<u>\$600,000</u>
• General Fund Tax Levy Cap with use of banked cap	<u>\$105,000,945</u>

By going to cap the Budget can grow \* \$3,047,077

By going to cap with use of banked cap the Budget can grow \* \$3,647,077

\*Estimated subject to change

## Anticipated Excess Surplus in Excess of Prior Year

Excess Surplus is the aggregate difference between actual revenues and budgeted revenues plus the difference between actual expenditures and budgeted appropriations. It is required that the excess surplus from 06/30/18 be used as a revenue source in the 19/20 Budget N.J.S.A. 18A:7F-7.

2018/2019 Excess Surplus Applied	\$6,044,589
Estimate 2019/2020 Excess Surplus	<u>\$5,015,809</u>
2019/2020 Budget Revenue Source below the 2018/2019 Excess Surplus	<u>&lt;\$1,028,780&gt;</u>

# 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 1.9%. This will favorably impact tax rates for 2019/2020.



**High performance and Numerous best practices**

+

**Comparatively low taxation**

=

**Incredible value**

# ADMINISTRATION'S RECOMMENDATION

It is recommended that Administration prepare a budget that responsibly meets the demands of continuing, significant student growth and facility needs as well as program and service requirements without exceeding the Board's maximum spending authority, while prioritizing the following items, subject to the restrictions presented by Administration:

- Construction Projects, as presented;
- Curriculum and Staffing Recommendations, as presented;
- Salary and Benefit Increases, at a conservative range due to their contingent status;
- Transportation Recommendations, as presented; and
- To transfer \$600,000.00 from the retained earnings of the Falcon Care/Early Childhood Enrichment Proprietary Fund to generally offset new trailer costs for the 2018-2019 school year.
- To utilize the expiring \$600,000.00 of banked cap to provide resources for all the priorities.