

MONROE TOWNSHIP SCHOOL DISTRICT

DEVELOPMENT OF A BUDGET PHILOSOPHY FOR FISCAL YEAR 2020-2021

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(Jamesburg Representative)**

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 RESOURCE CONSIDERATIONS

General Fund State Aid -

\$5,915,557 awarded in 2019/2020, which is only 4.4% of all revenues.

S-2, the Pathway to Full Funding benefits Monroe, where many school districts are losing funding. It is projected that Monroe will receive an additional \$400,000.00 for the 2020/2021 budget year.

Proprietary Fund Considerations -

Falcon Care/Early Childhood Enrichment Programs.

\$600,000.00 of retained earnings is to be transferred in 20/21 to the 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 3.3 % of general fund revenues.

PROJECTED SCHEDULE OF CAP FOR USE IN BUDGET YEAR 2020-2021

▶ Pre-Budget Year General Fund Tax Levy	\$104,513,898
▶ Automatic adjustment for enrollment	<u>-0-</u>
▶ Adjusted Pre-Budget Year General Fund Tax Levy	\$104,513,898
▶ Adjusted Pre-Budget Year General Fund Tax Levy Inflated by 2%	\$106,604,176
▶ Adjustment for Health Care costs	<u>\$800,000</u>
▶ General Fund Tax Levy CAP prior to optional use of banked cap	<u>\$107,404,176</u>
▶ Banked cap calculated by DOE Budget software	<u>\$458,098</u>
▶ General Fund Tax Levy Cap with use of banked cap	<u>\$107,862,274</u>

By going to cap the Budget can grow * \$2,890,278

By going to cap with use of banked cap the Budget can grow * \$3,348,376

*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 06/30/19 be used as a revenue source in the 20/21 Budget N.J.S.A. 18A:7F-7.

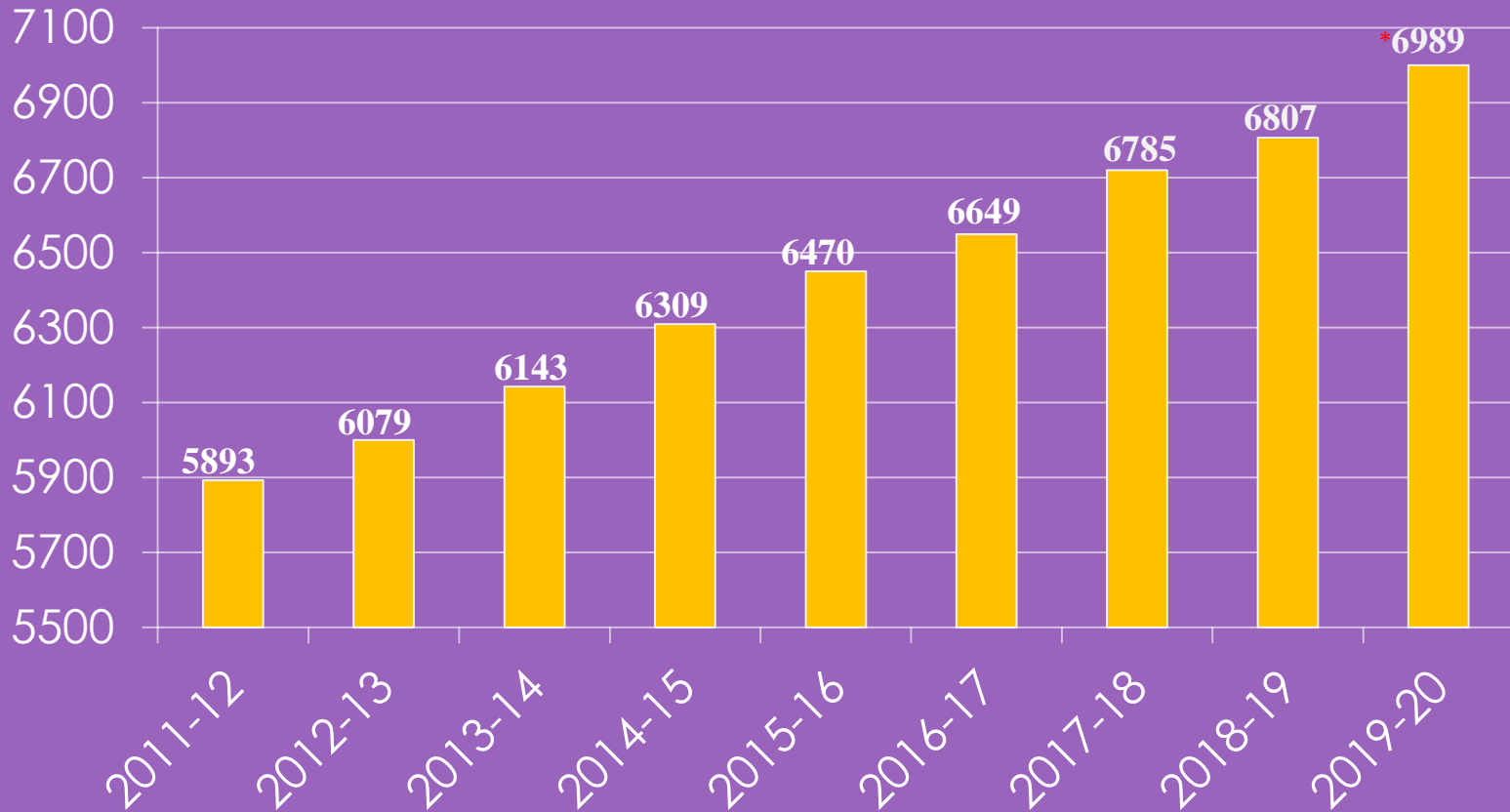
2017/2018 Excess Surplus applied to 2019/2020	\$5,021,871
Estimate 2018/2019 Excess Surplus applied to 2020/2021	<u>\$3,270,404</u>
2020/2021 Budget Revenue Source decrease from 2019/2020	<u><\$1,751,467></u>

20/21 BUDGET PROJECTED NEW RESOURCES

➤ Additional General Fund State Aid	\$400,000.00
➤ Additional General Fund Levy going to cap and using banked cap	\$3,300,000.00
➤ Depletion of Excess Surplus	<u>(\$1,700,000.00)</u>
➤ Total Net Projected New Budget Resources	<u>\$2,000,000.00</u>

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 \$65,000,000.00.
- ▶ Health Benefits have been projected to increase 8%-10% with the caveat that claims will have to be monitored at least through January 2020 to receive an accurate estimate.
- ▶ 2018-2019 Health Benefit premiums were \$24,367,828.00 and were offset by contractual contributions of approximately \$4,000,000.00 by District staff members.
- ▶ We analyze Monroe's private health plan with the State Health Benefits Plan (SHBP) each year. We have recognized materially better pricing with our private plans. Over thirty percent of school districts in the SHBP have left and bought private plans in the past couple of years.

BUDGET APPROPRIATION CONSIDERATIONS

- Personnel

Additional Teachers - to support increased enrollment and programs across the district

- MS Science, Social Studies, Math, PBL, World Language, and Civics(2).
- HS Teachers(4), Guidance Counselor, Business Teacher, Technology Teacher
- ELL Teachers – District (2)
- Elementary Teacher of Art
- Elementary Instrumental Music
- Elementary Teachers (2.5)
- Elementary Pre-K Teacher \$1.1 million

- Special Education Staffing - to support our increased need for special education population and programs. Addition of a Multiply Disabled program at Woodland, additional pre-school disabled program, additional ICR/RC teachers at elementary level.

- Special Education Supervisor
- Special Education Teachers (4)
- Speech Therapist
- Physical Therapist
- Paraprofessionals (4) \$500,000.00

BUDGET APPROPRIATION CONSIDERATIONS

- Transportation

Recommended fleet replacements for safety and enrollment growth:

6 - 54 Passenger buses with cameras	\$650,000.00
2 - Lift Vans	\$160,000.00
7 - Additional contracted Drivers with benefits	\$290,000.00
1 - Additional Transportation Aide	\$17,000.00
2 - GPS and Radio Units	\$9,000.00

Six 54 passenger busses are recommended to be replaced due to age mileage restrictions. Two new lift vans are needed to reduce special education contracted routes.

BUDGET APPROPRIATION CONSIDERATIONS

- Technology

New teacher laptops for staff (High School)	\$361,000.00
New teacher laptops for staff (Applegarth)	\$68,000.00
Extron System with Projector and Installation (Oak Tree)	\$124,000.00
CrowdStrike Antimalware/Antivirus/Antiransomware (District)	\$132,000.00
Gaggle for Office 365 and Google Drive with PD (District Annual)	\$37,000.00
Meraki MR52 Cloud Managed AP (Middle School)	\$81,000.00
Hunter Technology 911 Inform (District)	\$85,000.00

BUDGET APPROPRIATION CONSIDERATIONS

- Facility

Site	Project	Cost
High School / Middle School	Replace synthetic turf field and synthetic running track	\$735,000.00
Middle School	Re-roof 1997 Wing and ancillary support roofs	\$900,000.00
Middle School	Replace PAC HVAC Equipment & Controls	\$1,150,000.00
Mill Lake	Replace failed playground equipment & surfacing	\$119,000.00
Mill Lake	Remove existing rooftop HVAC equipment screens, patch roof and replace with non-penetrating screens	\$140,000.00
Middle School	Engineering design for replacement of existing HVAC equipment & controls	\$100,000.00
Barclay Brook	Lead paint remediation on existing interior surfaces	\$60,000.00

BUDGET APPROPRIATION CONSIDERATIONS

- Facility continued

Site	Project	Cost
Oak Tree	Renovate media center to create 2 new classrooms	\$80,000.00
Applegarth	Roof, boilers, HVAC & electrical infrastructure	+/- \$12-15 million
High School	Classroom Trailers	+/- \$1.5 million
Barclay Brook/ Mill Lake	Replace Fire Alarm control panels	\$29,000.00
Brookside	Replace worn carpeting	\$45,000.00
Oak Tree	Add sidewalk for extended bus drop-off	\$150,000.00 T.B.D.
Transportation	Renovate deteriorating Underground Storage Tank (UST)	\$150,000.00

BUDGET APPROPRIATION CONSIDERATIONS

- Facility continued

Site	Project	Cost
High School	Industrial Arts Equipment Maintenance	\$5,000.00
High School	Storage for sports and maintenance equipment	\$12,000.00
Oak Tree	Outdoor Storage Unit	\$3,000.00
Mill Lake	Office Copier	\$22,000.00
Woodland	Carpet removal/asbestos remediation	\$19,000.00
High School	Renovation/addition to stadium bleachers	\$500,000.00
Middle School	100 Chromebooks/5 Carts	\$29,000.00
Middle School	Projectors (3) / Wiring for newly created small group instruction rooms	\$7,000.00

BUDGET APPROPRIATION CONSIDERATIONS

- Facility continued

Site	Project	Cost
Transportation	Storage Shed Butler Building for Salt Truck & Tractor	\$78,000.00
Middle School	Wireless Cameras (11)	\$40,000.00
Middle School	Ventilation System in Industrial Arts room	\$38,000.00
Middle School	New Lunch Tables (10)	\$24,000.00
Elementary	Creation of two Special Education Programs (supplies & furniture)	\$25,000.00

BUDGET APPROPRIATION CONSIDERATIONS

- Textbooks

To align our resources to the curriculum documents and NJSLs.

Social Studies (Grade 5)	\$49,500.00
World History (digital text)	\$5,000.00
US History	\$24,000.00
AP Psychology (new adoption)	\$26,000.00
HS Chemistry (Lab & Honors)	\$79,000.00
AP BIO	\$14,000.00
Calculus (all levels)	\$30,800.00
AP Statistics/Probability and Statistics	\$14,000.00
Computer Science	\$28,000.00

BUDGET APPROPRIATION CONSIDERATIONS

- Programs

Instruments	To replace and add band equipment due to increased enrollment and aging equipment.	\$20,000.00
Sound Shell	Allow students of music to enhance their performances and learn in an environment that is alignment with best practices.	\$30,000.00
Swim Team	To begin a swim team club; includes coaches, pool rental, swimsuits, and transportation.	\$11,900.00
Special Education Classrooms	Program setup for integrated pre-school and new multiply disabled program at elementary level inclusive of supplies and furniture.	\$26,000.00
TV Production Broadcast Server	Current server in need of upgrade.	\$30,000.00

20/21 TOTAL BUDGET PROJECTED APPROPRIATIONS

Salary Increases	\$2,000,000.00
Benefit Increases	\$2,400,000.00
Additional Staff Instructional	\$1,600,000.00
Transportation Needs	\$1,126,000.00
Instructional Technology Needs	\$888,000.00
Facility Needs	\$20,960,000.00
Textbooks	\$270,300.00
New Program Needs	<u>\$117,900.00</u>
Total Projected Appropriations	<u>\$29,362,200.00</u>

OUR ACCOMPLISHMENTS

- **Graduation Rate 2018-2019 – 97%**
- **June 2019 Graduates:**
 - **90.3% Attended college**
 - **3.2% Attended Career/Technical Schools**
 - **6.6% Entered the Military/Workforce/Undecided**
- **86% of students taking the AP tests scored a 3 or above (937 Exams taken)**
- **MTHS Average scores on SAT**
 - **Math 609 (State Average 543)**
 - **ERW 593 (State Average 542)**



#118



#8 in Best Public High Schools in Middlesex County



#99

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 1.5%. This will favorably impact tax rates for 2020/2021.

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, to be recommended by Administration on priority basis;
- ▶ Curriculum Recommendations, to be recommended by Administration;
- ▶ Salary and Benefit Increases, at a conservative range due to their contingent status;
- ▶ Transportation Recommendations, recommended by Administration;
- ▶ To transfer \$600,000.00 from the retained earnings of the Falcon Care/Early Childhood Enrichment Proprietary Fund as an unrestricted revenue source;
- ▶ Programs as recommended by Administration; and
- ▶ Administration review of non-mandated programs and services with eliminations as a possibility.