



***2018-2019  
PRELIMINARY BUDGET DISCUSSION***

***JANUARY 31, 2018***

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## KEEP IN MIND



- These projections are preliminary and likely to change by the March budget introduction
- Still determining district needs and priorities
- Projections do not include any new programs or services
- State aid allocations are not released until February
  - *Will the new governor provide full funding?*
  - *Will the DOE continue to provide state aid advances and delay repayment?*

## *BUDGET GOALS*



- Maximize revenues
- Minimize expenditures
- Maintain programs, staffing and services
- Maintain current class size
- Provide a “Thorough & Efficient” education for all students

## *BUDGET TIMELINES*

- Adoption and filing of tentative budget with the County Superintendent of Schools is March 20, 2018
- County Superintendent of Schools reviews and approves the tentative budget for a public hearing
- Last day for a budget public hearing is May 7, 2018
- Last day to adopt the budget is May 14, 2018



# BUDGET COST DRIVERS



Payroll	31.4%
Benefits	15.7%
Tuition	22.3%
Transportation	17.2%
Charter Schools	<u>1.4%</u>
	88.0%

*Transportation does not include salaries*

# PAYROLL



General Fund Payroll	\$ 44,134,422
Stipends/Substitutes/Overtime	\$ 859,337
<b>Total 2017-18 Payroll</b>	<b>\$ 44,993,759</b>

- *Does not include payroll funded by state/federal grants*
- *Salary increase for 2018-19 subject to negotiations with the LEA and LAA*
- *Based on 2017-18 payroll, a 1% increase = \$450,000*

# HEALTH BENEFITS



	Medical	Prescription	Dental	Vision
<b>2017-18 Projected Cost *</b>	\$ 14,724,933	\$ 3,554,725	\$ 1,288,341	\$ 130,301
2018-19 Projected Increase	\$ 957,121	\$ 533,209	\$ 193,251	\$ 6,515
Vacant Positions	\$ 1,528,804	\$ 432,569	\$ 107,550	\$ 8,011
Employee Contribution	\$ (398,991)	\$ (155,007)	\$ -	\$ -
<b>2018-19 Projected Cost</b>	<b>\$ 16,811,867</b>	<b>\$ 4,365,495</b>	<b>\$ 1,589,142</b>	<b>\$ 144,827</b>
<b>Projected Increase</b>	<b>\$ 2,086,934</b>	<b>\$ 810,770</b>	<b>\$ 300,801</b>	<b>\$ 14,526</b>
	<b>14.2%</b>	<b>22.8%</b>	<b>23.3%</b>	<b>11.1%</b>
<b>Total Projected Increase</b>	<b>\$ 3,213,031</b>	<b>16.3%</b>		

*\* Net of Employee Contributions*

Medical increase of 13% as of January 1, 2019

Prescription increase of 15% as of July 1, 2018

Dental increase of 15% as of July 1, 2018

Vision increase of 5% as of July 1, 2018

Employee contribution average 16.05% for Medical and Prescription



# OUT OF DISTRICT TUITION



Public School	\$	356,614	
Vocational School	\$	70,200	
Regional Day School	\$	894,720	
Private School In State	\$	28,483,037	
Private School Out of State	\$	241,900	
State Facilities	\$	173,705	
Other Private Schools	\$	1,073,510	
<b>Total 2017-18 Tuition</b>	<b>\$</b>	<b>31,293,686</b>	
4% Tuition Increase	\$	1,251,747	
Additional Students and SCHI Rebill	\$	4,700,000	
<b>Total 2018-19 Tuition</b>	<b>\$</b>	<b>37,245,433</b>	
<b>Projected Increase</b>	<b>\$</b>	<b>5,951,747</b>	<b>19.01%*</b>

In an attempt to offer FAPE the district is actively pursuing LRE mandates via Mediation and Due Process; created in-district transition programming for students 16 through 21; built State-of-the Art Snoezelin Therapy Rooms; created a Behavior Disabilities Program at the Elementary Level; Infusion of ABA and DIR classes throughout the district; created a new SOP Manual; provided Neuro Net Training for all Speech/OT/PT Therapists

# TRANSPORTATION



<b>2017-18 Vendor Routes/LSTA</b>	\$ 25,415,271	
New Nonpublic Students	\$ 2,500,000	2,500 Students
CPI Increase	<u>\$ 508,305</u>	2.0%
<b>Total 2018-19 Transportation</b>	<b>\$ 28,423,576</b>	
Offset by Additional State Aid	<u>\$ ( 725,000)</u>	
<b>2018-19 Projected Total</b>	<b>\$ 27,698,576</b>	
<b>Projected Increase</b>	<b>\$ 2,283,305</b>	<b>8.98%</b>

*Does not include salaries for drivers/aides*

# CHARTER SCHOOL



<b>2017-18 Charter School Tuition</b>	<b>\$ 1,942,251</b>	
60 Additional Students Projected	<u>\$ 728,344</u>	<b>37.5%</b>
<b>Total 2018-19 Charter Tuition</b>	<b>\$ 2,670,595</b>	
<i>Per Student Tuition</i>	<i>\$ 12,139</i>	<i>160</i>

# SUMMARY



2017-18 NJDOE Loan	\$ 8,522,678
Loan/Audit Repayment Deferral	\$ 2,024,327
Township Sports Grant	\$ 567,556
<b>Total 2017-18 Additional Aid</b>	<b>\$ 11,114,561</b>
Increase Payroll	\$ TBD
Increase Benefits	\$ 3,213,031
Increase Tuition	\$ 5,951,747
Increase Transportation	\$ 2,283,305
Increase Charter Schools	\$ 728,344
<b>Total Additional Aid Needed</b>	<b>\$ 23,290,988</b>
Offset by Local Tax Levy Increase 2%	\$ (1,939,240)
<b>Total 2018-19 Additional Aid Needed</b>	<b>\$ 21,351,748</b>
Offset by Full SFRA Funding	\$ (3,251,269)
Offset by Full Extraordinary Aid Funding	\$ (3,462,215)
<b><i>Total 2018-19 Aid Needed with <u>Full Funding</u></i></b>	<b>\$ 14,638,264</b>

# Current Vacancies (2017-2018)

- 12 Certified Teachers
- 2 Supervisors
- 6 Paraprofessionals
- 1 Accounts Payable Clerk

# Savings to the District

Through litigation, the district saved approximately \$450,000!

How?

Having children attend School in a less restrictive and less costly environment (Since August of 2017).

*QUESTIONS???*



*Piner Pride!*