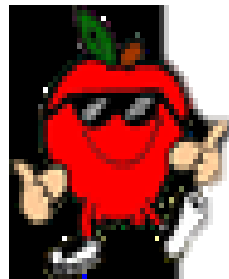


Buena Regional School District



Public Hearing on the
Fiscal Year 2017-2018
School District Budget
May 2, 2017



PROPOSED 2017-2018 School Budget BUENA REGIONAL SCHOOL DISTRICT

Mary Lou DeFrancisco, Interim Superintendent
Pasquale Yacovelli, Business Administrator/Board Secretary

Board of Education:

Lynda Gazzara, President Mark Beamer, Vice President

James Abba Marina Barsuglia Debra Bell

Valentina DiPrimio Joanna Gautier

Barbara Meyrick Susan Romeo

2017-2018 District Objectives

- ❖ Maintain educational programs.
- ❖ Maintain services/programs to students.
- ❖ Maintain implementation of targeted instruction.
- ❖ Maintain enrichment program for at risk student.
- ❖ Continued progress in acquisition of technology equipment:
 - Updated smart boards.
 - Repair salvageable technology equipment.
 - Begin phase in replacement of obsolete laptops for certified staff.
 - Student “mini” laptop tablets for in school use.
- ❖ Technology used to promote learning.
- ❖ During 2017-2018 SY investigate development of an Academy based program at the high school level.
- ❖ Four subject area coordinators (teacher certified staff) to articulate instruction in a particular disciplines.

2017-2018 District Objectives (cont.)

Maintain Educational Opportunities and Services

- ❖ Maintain and promote professional development and professional learning community concept.
- ❖ Maintain and promote analyzing and use of data to plan instruction.
- ❖ Relocate Grade 3 students in order to better accommodate their instructional, developmental and testing requirement needs.
- ❖ Plan and provide family activities that promote a positive school climate and culture that also engages the community
- ❖ Promote development of a Community Partnership group to assist in providing funding of some projects.
- ❖ Explore possibilities to expand district special education programs and return students to our district.

Budget *cuts* needed to be able to maintain services:

\$ 1,300,000.00 needs to be cut from the 2017-2018 budget.

We will then be able to maintain as many programs and services to our students as possible.

The recommended cuts are as follows:

▶	1 Administrative position	\$ 115,780.00
▶	9 Certificated positions	751,159.00
▶	15 Support staff positions:	
▶	Aides, Secretaries, Buildings and Grounds	<u>443,490.00</u>

Total Cuts

\$ 1,310,429.00

Included in the Proposed Budget

- Non-replacement of most retiring/resigning staff.
- Redesign/realignment of remaining staff, grade level configuration, and course selection enrollment criteria.
- One Behavioral Therapist.
- Phase in of upgraded laptops for certificated staff use.
- Mobile Computer Carts for student use in each building.
- Upgrades to district security equipment.
- Repair/replace smart boards.
- Increased costs of energy, employee benefits and salaries.

Challenges Facing The 2017-18 Budget Development Process

- Continued trend in declining enrollments.
- Operating Fund State Aid Revenue FLAT. **No Increase.** For the 2017-18 budget, revenues from state aid make up 54% of the total operating fund budget.
- The 2% operating fund tax levy cap! The operating fund tax levy accounts for 36% of the total operating fund budget.
- Continued dependence on local district fund balance (commonly referred to as surplus balance) to achieve a balanced budget.

Enrollment History

School	10/15/2012	10/15/2013	10/15/2014	10/15/2015	10/15/2016
Collings Lakes	260	240	205	180	182
John C. Milanesi	449	390	369	343	343
William B. Donini	-	-	-	-	
Edgerton Memorial	-	-	-	-	
Dr. J.P. Cleary	187	260	268	280	261
BRMS	525	540	432	426	406
BRHS	780	750	679	653	615
TOTALS	2,201	2,180	1,853	1,882	1,807
Change in Enrollment		-21	-227	-71	-75
% Change		-0.95%	-10.41%	-3.64%	-3.99%

Operating Fund State Aid Since Adoption of the SFRA of 2008

- * The School Funding Reform Act of 2008 (SFRA) was implemented under Governor Corzine.
- * With the SFRA, New Jersey transitioned from funding public education largely on political considerations in the annual negotiations over the state budget to funding determinations based on the actual cost of enabling all students to achieve state academic standards.
- * The State provided almost all of the funding required by the SFRA in 2008-09 and 2009-10, the initial two years of operation. However, in 2010-11, Governor Christie cut \$1.1 billion and did not appropriate an additional \$500 million increase required by the formula.
- * The impact of the 2010-11 aid reduction continues to present enormous challenges to this day.

Operating Fund State Aid History

	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
	<u>7/1/2009 to</u>	<u>7/1/2010 to</u>	<u>7/1/2011 to</u>	<u>7/1/2012 to</u>	<u>7/1/2013 to</u>	<u>7/1/2014 to</u>	<u>7/1/2015 to</u>	<u>7/1/2016 to</u>	<u>7/1/2017 to</u>
	<u>06/30/2010</u>	<u>06/30/2011</u>	<u>06/30/2012</u>	<u>06/30/2013</u>	<u>06/30/2014</u>	<u>06/30/2015</u>	<u>06/30/2016</u>	<u>06/30/2017</u>	<u>06/30/2018</u>
Equalization Aid	\$ 17,128,303	\$ 16,903,376	\$ 17,097,861	\$ 17,182,452	\$ 17,468,408	\$ 17,468,408	\$ 17,468,408	\$ 17,468,408	\$ 17,468,408
Transportation Aid	\$ 1,038,553			\$ 190,765	\$ 207,040	\$ 207,040	\$ 207,040	\$ 207,040	\$ 207,040
Special Education Aid	\$ 1,096,419	\$ 1,068,033	\$ 1,068,033	\$ 1,122,533	\$ 1,134,901	\$ 1,134,901	\$ 1,134,901	\$ 1,134,901	\$ 1,134,901
Security Aid	\$ 555,914		\$ 545,515	\$ 541,672	\$ 556,813	\$ 556,813	\$ 556,813	\$ 556,813	\$ 556,813
PARCC Readiness Aid						\$ 18,580	\$ 18,580	\$ 18,580	\$ 18,580
Per Pupil Growth Aid						\$ 18,580	\$ 18,580	\$ 18,580	\$ 18,580
Professional Learning Community Aid								\$ 17,170	\$ 17,170
Total State Aid	\$ 19,819,189	\$ 17,971,409	\$ 18,711,409	\$ 19,037,422	\$ 19,367,162	\$ 19,404,322	\$ 19,404,322	\$ 19,421,492	\$ 19,421,492
Increase/(Decrease) - \$		\$ (1,847,780)	\$ 740,000	\$ 326,013	\$ 329,740	\$ 37,160	\$ -	\$ 17,170	\$ -
Increase/(Decrease) - %		-9.323%	4.118%	1.742%	1.732%	0.19%	0.00%	0.09%	0.00%

Operating Fund Tax Levy History

	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
	<u>7/1/2011 to</u> <u>06/30/2012</u>	<u>7/1/2012 to</u> <u>06/30/2013</u>	<u>7/1/2013 to</u> <u>06/30/2014</u>	<u>7/1/2014 to</u> <u>06/30/2015</u>	<u>7/1/2015 to</u> <u>06/30/2016</u>	<u>7/1/2016 to</u> <u>06/30/2017</u>	<u>7/1/2017 to</u> <u>06/30/2018</u>
Operating Fund Tax Levy	\$ 11,023,387	\$ 11,483,619	\$ 12,186,637	\$ 12,540,075	\$ 12,790,876	\$ 13,046,694	\$ 13,307,628
Increase/(Decrease) - \$		\$ 460,232	\$ 703,018	\$ 353,438	\$ 250,801	\$ 255,818	\$ 260,934
Increase/(Decrease) - %		4.175%	6.122%	2.900%	2.000%	2.000%	2.000%

Operating Fund Tax Levy – When 2% Becomes 1% (or less)

FY 2016/17 Operating Fund Tax Levy	\$ 13,046,694	
2% Tax Levy Cap Amount	\$ 260,934	[\$13,046,694 X 2%]
FY 2017/18 Operating Fund Tax Levy	\$ 13,307,628	
<hr/>		
FY 2017/18 Operating Fund Budget	\$ 36,637,273	
2% Tax Levy Cap Amount	\$ 260,934	
As a % of the Operating Fund Budget	0.71%	[\$260,934 / \$36,637,273]
	12	

Audited Fund Balances at June 30 – Last Four Fiscal Years

	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>	
Excess Surplus - Subsequent Year Budget	\$ 1,252,641.21	\$ 1,232,568.29	\$ 1,487,051.47	\$ 1,113,224.85	← This was used in 16-17 Budget
Excess Surplus	\$ 1,232,568.29	\$ 1,487,051.47	\$ 1,113,224.85	\$ 1,386,587.90	← Must be used in 17-18 Budget
Tuition Reserve			\$ 235,000.00	\$ 235,000.00	← This was used in 16-17 Budget
Capital Reseve		\$ 280,343.48	\$ 480,343.48	\$ 481,143.48	← Available to be used in 17-18 Budget
Reserve for Encumbrances	\$ 248,509.07	\$ 1,576,450.31	\$ 291,332.44	\$ 262,287.97	
Designated for Subsequent Year's Expenditures	\$ 676,027.79	\$ 749,223.71	\$ 712,498.53	\$ 706,533.15	← This was used in 16-17 Budget
Unreserved Fund Balance	\$ 740,892.50	\$ 735,996.05	\$ 722,369.06	\$ 682,247.69	← Available to be used in 17-18 Budget
	<u>\$ 4,150,638.86</u>	<u>\$ 6,061,633.31</u>	<u>\$ 5,041,819.83</u>	<u>\$ 4,867,025.04</u>	

Operating Fund Revenues

	Budget 2017-18	
Local Sources:		
Local Tax Levy	\$ 13,307,628	36.32%
Tuition	\$ 1,020,000	2.78%
Transportation Fees	\$ 335,000	0.91%
Unrestricted Misc.	\$ 215,000	0.59%
Interest - Capital Reserve Fund	\$ 1,050	0.00%
Budgeted Fund Balance - Excess > 2%	\$ 1,386,588	3.78%
Budgeted Fund Balance - Unassigned	\$ 668,170	1.82%
Subtotal - Local Revenues	\$ 16,933,436	46.22%
State Sources:		
Transportation Aid	\$ 207,040	0.57%
Extraordinary Aid	\$ 200,000	0.55%
Special Education Aid	\$ 1,134,901	3.10%
Equalization Aid	\$ 17,468,408	47.68%
Security Aid	\$ 556,813	1.52%
PARCC Readiness and Per Pupil Aid	\$ 37,160	0.10%
Professional Learning Community Aid	\$ 17,170	0.05%
Subtotal - State Revenues	\$ 19,621,492	53.56%
Federal Sources:		
Medicaid Reimbursement	\$ 82,345	0.22%
Total Operating Fund Revenues	\$ 36,637,273	100.00%

Operating Fund Appropriations

	<u>Budget 2017-18</u>	
Instruction - Regular Education	\$ 8,787,693	24.0%
Employee Benefits	\$ 7,262,776	19.8%
Instruction - Special Education	\$ 3,685,835	10.1%
Support Services	\$ 3,577,621	9.8%
Tuition	\$ 3,393,089	9.3%
Operations and Maintenance	\$ 2,921,751	8.0%
Administration	\$ 2,745,611	7.5%
Transportation	\$ 2,611,043	7.1%
School Sponsored Athletics	\$ 623,778	1.7%
Capital Outlay	\$ 608,826	1.7%
Other Instruction	\$ 228,250	0.6%
Co-curricular/Extra-curricular	\$ 106,173	0.3%
Charter School Tuition Payments	\$ 84,827	0.2%
Total Operating Fund Appropriations	\$ 36,637,273	100.00%

The Tax Impact – Regional District Apportionment

	<u>Percentage Share</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Tax Levy</u>
Buena Borough	31.5782472	\$ 4,202,316	\$ 333,733	\$ 4,536,049
Buena Vista Township	68.4217528	\$ 9,105,312	\$ 723,111	\$ 9,828,423
Totals	100.0000000	\$ 13,307,628	\$ 1,056,844	\$ 14,364,472

Tax Impact – Buena Borough

	GENERAL FUND	DEBT SERVICE	TOTALS
TAX LEVY - 2016-17 school year	3,934,942	384,653	4,319,595
TAX LEVY - Proposed 2017-18 Budget	4,202,316	333,733	4,536,049
Increase in Tax Levy	267,374	(50,920)	216,454
Assessed Values - 2017	292,861,800	292,861,800	292,861,800
One Penny on Tax Rate Equals (Assessed Values / 10,000)	29,286	29,286	29,286
Annual incese on average of \$174,600	\$159.40	(\$30.36)	\$129.05
Monthly Amount	\$13.28	(\$2.53)	\$10.75

Tax Impact – Buena Vista Township

	GENERAL FUND	DEBT SERVICE	TOTALS
TAX LEVY - 2016-17 school year	9,111,752	890,704	10,002,456
TAX LEVY - Proposed 2017-18 Budget	9,105,312	723,111	9,828,423
Increase in Tax Levy	(6,440)	(167,593)	(174,033)
Assessed Values - 2017	640,429,312	640,429,312	640,429,312
One Penny on Tax Rate Equals (Assessed Values / 10,000)	64,043	64,043	64,043
Annual incese on average of \$215,174	(\$2.16)	(\$56.31)	(\$58.47)
Monthly Amount	(\$0.18)	(\$4.69)	(\$4.87)

Thank You

Questions???