

# Piscataway Board of Education

**2016-2017 Preliminary  
Budget Presentation**

# Background

- State aid released in February – 1.3% increase, or \$201,000 over the \$15.7 million we received last year.
- But...Piscataway continues to be underfunded; district does not receive its fair share of state aid. Increases in nearby communities:
  - Metuchen 2.6%
  - Monroe 2.8%
  - Cranbury 2.0%
- State aid is \$15.9 million for 16-17
- State aid is 15% of operating budget. Local taxpayers pay disproportionate share compared to surrounding towns: over 80% of school budget.
- Employment contract with PPSA expires in June 2016 , PTEA expires in June 2017.

# Background

- Tax Levy Cap
  - Tax levy can only increase 2% with minimal exceptions (i.e. health care costs, large spikes in enrollment). We can exceed 2%, if significant cost increases in these areas.
  - The health care cost exception for the 2016-2017 budget year is approximately \$750,000.
- Banked Cap
  - The ability to exceed the 2% tax levy cap is accumulated each year if tax levy increases are below the maximum allowable increase.
  - There is approximately \$274,000 in banked cap available for the 2016-2017 budget year.

# Background

- Property Ratables Matter
  - Following the downturn in the economy and property values at the beginning of the decade, property values have increased each of the past five years.
  - 2016 ratables have increased \$137 million or 2.2%. The ratables base is now \$6.3 billion.
  - Industrial sector accounted for the majority of the increase in 2016.

# What Drives Our Budget?

- State and Federal mandates
- Enrollment
- Staffing
- Strategic Plan
- Contracts with bargaining units – salaries and benefits
- CCSS and PARCC

# Budget “Givens”

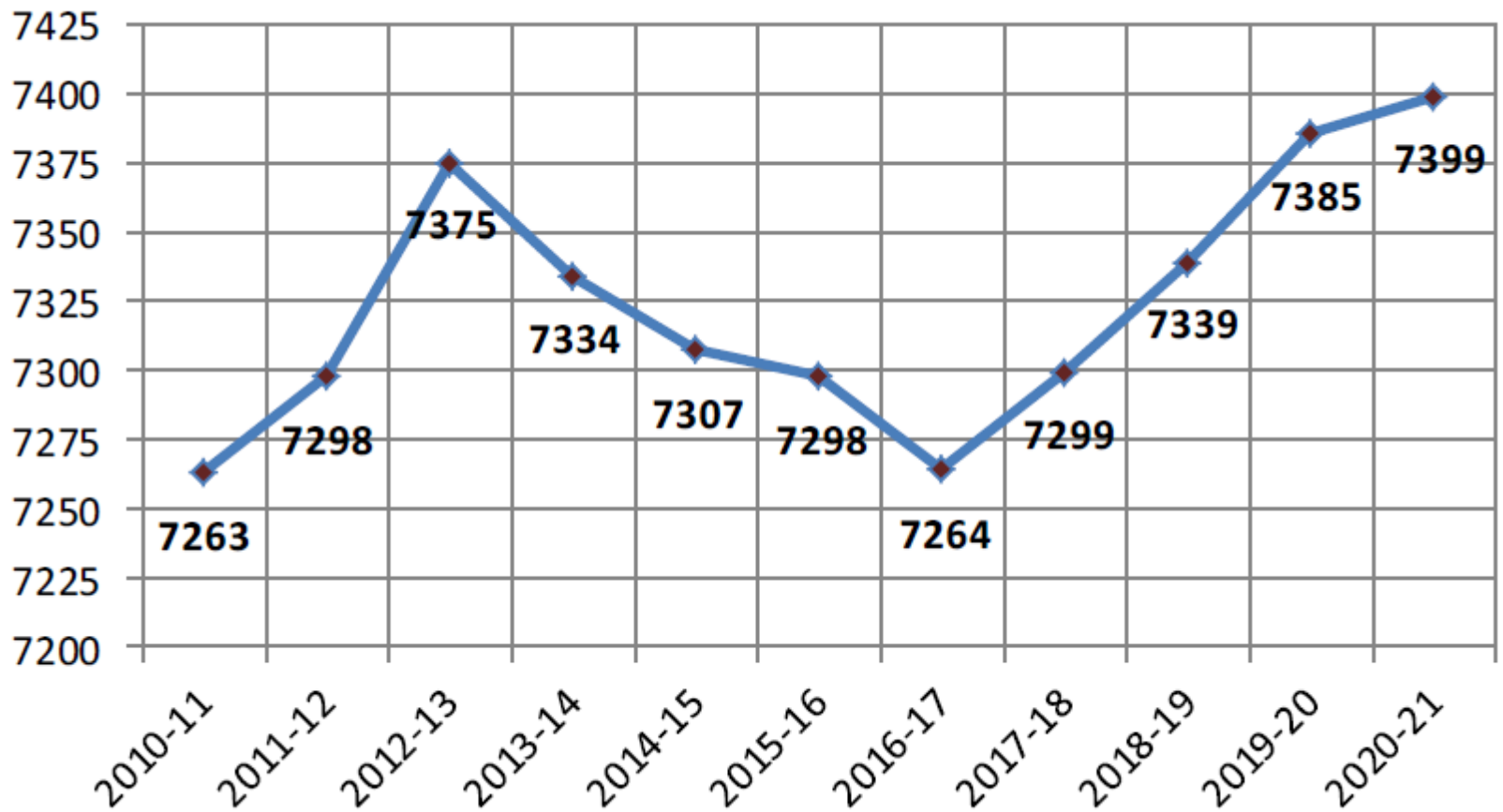
- Special education costs will increase
- Health care and pension costs will increase
- Transportation costs will increase
- Bilingual and ESL costs will increase
- Extraordinary aid is an estimate
- As we focus dollars in the classroom, facility upgrades get postponed.

# Comparative Spending

District ranks below the State Average and State Median per pupil costs for its comparable enrollment group in 14 out of 16 categories. Key indicators:

<b>Indicators</b>	<b>State Average</b>	<b>Piscataway</b>
Total Spending per pupil	\$19,124	\$15,795
Support Services cost per pupil	\$2,432	\$1,846
Administrative cost per pupil	\$1,517	\$1,177
Operation and Maintenance of Plant cost per pupil	\$1,792	\$1,453
Ratio of Students to Administrators	181.2	203.1
Ratio of Students to Educational Support Personnel	80.4	94.1
Ratio of Faculty to Administrative Personnel	16.4	16.9

# Enrollment History and Projection





# Maintenance of Educational Program

- Middle School Social Studies – eTexts (6-8)
- Support programs – Tier 2-3 Support Specialists (23), K-12 tutorials, Jump Ahead, AP Summer Institute, Accuplacer Summer Academy, Tier 3 Literacy Academy, Skills Navigator , 2 G & T teachers
- Lustig Dance
- Next Generation Science Standards
- Middle School Athletics

# Maintenance of Educational Program

- Readers and Writers Workshop (Teacher's College)
- Content specialists in ELA, Math, and Sped
- iPads – replacement/recycling
- WiFi Access Points
- K-3 grades – 2 laptop carts each; additional carts at HS under consideration
- Six Teaching Assistants at High School

# Special Education Programs

- New In-District Programs
  - High School Autistic Program
  - Add 2<sup>nd</sup> Autistic class at M.L. King School
  - Add 2<sup>nd</sup> BD class at Middle School level

# 15-16 Staffing Revisions

<b>POSITION REDUCTION</b>	<b>POSITION ADDITION</b>	<b>NET +/-</b>
<b>1 First Grade Teacher</b>	<b>1 First Grade Teacher</b>	<b>-0-</b>
<b>1 Second Grade teacher</b>	<b>1 Fourth Grade teacher</b>	<b>-0-</b>
<b>1 Third Grade teacher</b>	<b>1 HS Autistic Teacher</b>	<b>-0-</b>
<b>1 Fifth Grade teacher</b>	<b>1 Middle School BD teacher</b>	<b>-0-</b>
	<b>1 Autistic Teacher at 4/5 Level</b>	<b>+1</b>

# Maintenance Projects

- PHS
  - Culinary Room to Autistic Classroom
  - Sand and repaint the SBA gym floor
  - Locker refinishing
- Arbor – Cafeteria floor, hallway lighting and dropped ceiling, painting; minor renovations/BD
- Eisenhower – Dropped ceiling
- Grandview – Tile Replacement
- Schor – Renovation of existing classrooms
- Quibbletown – Hallway cameras

# Maintenance Projects

- Carpet Removal and replacement with tiles throughout the District
- Painting of hallways and classrooms throughout the District
- Fencing and paving repair plan to be developed
- Building Assessment for Long Range Facility Planning

# SDA ROD Grant Projects

- Efficient management of budget has funded local share of approved SDA ROD grant projects
- Approximately \$9-11 million of projects completed over a four year period.
- Projects that improved safety, infrastructure and efficiency.

# Current ROD Grant Projects

- PHS Chiller Replacement and HVAC Controls – Completed by end of FY2016
- HVAC Upgrades in 7 schools – Summer 2016
- Fellowship Farms Roof Replacement – Summer 2016



# Recommendations over 2% cap

- District Facility Needs Assessment and Planning
- Planetarium Upgrades
- Media Suite Upgrade – cameras and equipment
- Security Upgrades – cameras, public address systems, and DVR upgrade

# Ongoing Challenges

- Supports & interventions for underperforming students
- Shortage of qualified teachers in certain content areas
- Time & funding for professional development
- Need for comprehensive psychological support services for families
- Housing Projects under construction
- Facility upgrades & Security

# State Aid History



● 2009-2010	\$ 16,802,641
● 2010-2011	\$ 11,974,697
● 2011-2012	\$ 13,908,195
● 2012-2013	\$ 15,212,103
● 2013-2014	\$ 15,562,804
● 2014-2015	\$ 15,709,704
● 2015-2016	\$ 15,709,704
● 2016-2017	\$ 15,911,190

# 2016-2017 State Aid

State Aid for the General Fund is further reduced by the Debt Service Assessment and payments to Charter Schools

	2015-2016	2016-2017
State Aid	\$ 15,709,704	\$ 15,911,190
Debt Service Assessment	\$ 243,505	\$ 243,505
Payment to Charter Schools	\$ 195,899	\$ 247,030
Net State Aid	\$15,270,300	\$ 15,420,655
Net Increase		\$ 150,355

	<b>2015-2016</b>	<b>2016- 2017</b>		
<b>Revenues:</b>	<b>Budgeted</b>	<b>Proposed</b>	<b>\$ Change</b>	<b>% Change</b>
<i>Tax Levy:</i>				
General Fund	\$ 86,150,602	\$ 88,623,454	\$ 2,472,852	2.87%
Debt Service	\$ 3,525,880	\$ 3,569,675	\$ 43,795	1.24%
<i>State &amp; Federal Aid:</i>				
General Fund	\$ 16,638,878	\$ 16,850,978	\$ 212,100	1.27%
Special Revenue Fund	\$ 3,232,200	\$ 3,308,485	\$ 76,285	2.36%
<i>Other Local Sources:</i>				
Transportation	\$ 350,000	\$ 375,000	\$ 25,000	7.14%
Tuition	\$ 250,000	\$ 252,000	\$ 2,000	0.80%
Miscellaneous	\$ 305,000	\$ 805,000	\$ 500,000	163.93%
Fund Balance	\$ 3,641,149	\$ 2,933,605	\$ (707,544)	-19.43%
<b>Total Revenues</b>	<b>\$ 114,093,709</b>	<b>\$ 116,718,197</b>	<b>\$ 2,624,488</b>	<b>2.30%</b>
<b>Appropriations:</b>				
Operating Fund	\$ 104,195,801	\$ 106,843,059	\$ 2,647,258	2.54%
Capital Outlay	\$ 2,910,809	\$ 2,749,948	\$ (160,861)	-5.53%
Charter Schools	\$ 195,899	\$ 247,030	\$ 51,131	26.10%
General Fund Operations	\$ 107,302,509	\$ 109,840,037	\$ 2,537,528	2.36%
Special Revenue Fund	\$ 3,232,200	\$ 3,308,485	\$ 76,285	2.36%
Debt Service Fund	\$ 3,559,000	\$ 3,569,675	\$ 10,675	0.30%
<b>Total Appropriations</b>	<b>\$ 114,093,709</b>	<b>\$ 116,718,197</b>	<b>\$ 2,624,488</b>	<b>2.30%</b>

# General Fund Operations - Preliminary

<b><i>Appropriations:</i></b>	<b>2015-2016 Budgeted</b>	<b>2016- 2017 Proposed</b>	<b>\$ Change</b>	<b>% Change</b>
Salaries	\$ 65,803,181	\$ 66,242,289	\$ 439,108	0.67%
Benefits	\$ 17,970,000	\$ 18,923,400	\$ 953,400	5.31%
Purch. Prof. Svcs.	\$ 4,526,670	\$ 5,353,565	\$ 826,895	18.27%
Purch. Property Svcs.	\$ 1,663,460	\$ 1,755,772	\$ 92,312	5.55%
Other Purch. Svcs.	\$ 5,646,601	\$ 5,968,260	\$ 321,659	5.70%
Tuition	\$ 2,136,522	\$ 2,114,612	\$ (21,910)	-1.03%
Supplies	\$ 3,372,809	\$ 3,375,419	\$ 2,610	0.08%
Utilities	\$ 2,353,000	\$ 2,353,000	\$ -	0.00%
Other Goods & Svcs.	\$ 723,558	\$ 756,743	\$ 33,185	4.59%
Capital Outlay	\$ 2,910,809	\$ 2,749,948	\$ (160,861)	-5.53%
Charter Schools	\$ 195,899	\$ 247,030	\$ 51,131	26.10%
<b>Total Revenues</b>	<b>\$ 107,302,509</b>	<b>\$ 109,840,037</b>	<b>\$ 2,537,528</b>	<b>2.36%</b>

# Tax Levy Analysis

	2014-2015 Actual	2015-2016 Actual	2016-2017 Proposed
Total Assessed Value	\$ 6,126,031,400	\$ 6,154,647,288	\$ 6,291,856,288
Avg Assessed Value	\$ 276,040	\$ 275,600	\$ 276,012
Tax Levy	\$ 87,332,244	\$ 89,676,482	\$ 92,193,129
Tax Rate per \$100	\$ 1.42559	\$ 1.45706	\$ 1.46527

If your home is assessed at \$300,000, your 2016-2017 school tax levy is:

$$\$300,000 / \$100 = \$3,000 \times \$1.46527 = \$4,395.81$$

# Tax Levy Analysis

	2013-2014 Factored	2014-2015	2015-2016	2016-2017
Avg Assessed Value	\$ 276,040	\$ 276,040	\$ 275,600	\$ 276,012
Tax on Average Household	\$ 3,839.14	\$ 3,935.20	\$ 4,015.66	\$ 4,044.32
Tax Increase on Average Household		\$96.06	\$ 80.46	\$ 28.66



# Next Steps

- District will continue to examine all accounts
- March 10, 2016 – Budget Presentation and Adoption of Tentative Budget
- March 22, 2016 – Budget Submitted to Executive County Superintendent for approval
- April 28, 2016 – Public Hearing and Final Budget Adoption
- April 30, 2016 – User-friendly Budget posted on the District website