

2010-2011 Budget

Preliminary Budget Adoption

**Board of Education Meeting
March 20, 2010**

Presented by Dr. Lee Seitz, Superintendent

2010-2011 Budget Process

1. **The Board will adopt the preliminary 2010-2011 budget today**
2. **The budget will be submitted to the County Superintendent on Monday, March 22, 2010**
3. **Once adopted the preliminary budget cannot be increased**

2010-2011 Budget Process

- 4. Between today and the March 31st Public Hearing the Board has the opportunity to change budget line items**
- 5. Final budget will be adopted by the Board on March 31, 2010**
- 6. Final budget will go to the voters for approval on April 20, 2010**

The 2010-2011 Preliminary Budget

- Upgrades to technology infrastructure*
- Upgrades to existing computers*
- Purchase of classroom computers*
- Preventative maintenance for facilities*
- Maintains the high quality of our instructional programs
 - Television Production
 - Personal Finance*
- ***Required for either NJQSAC, ARRA, and/or NCLB**

2010-2011 Budget Drivers

- State aid for 2009-2010 reduced by \$2,471,698
- State aid for 2010-2011 reduced by \$6,273,227
- Extraordinary aid has been reinstated \$753,141
- Debit service aid reduced by \$97,080
- Increase in Health Benefits \$1,400,000

Anticipated Budget Scenario

- **Projected General Fund Budget** **\$128,499,307**
- **2010-2011 Preliminary Budget** **\$121,240,671**
- **Projected budget has to be reduced by** **\$7,258,636**

The Criteria for Determining Reductions

- **Keep Programs/Services that align with student needs and community expectations**
- **Maintains current level of service at reduced cost**
- **Identify areas that we can reduce or eliminate for three-to-five years**

We Are Recommending The Following Cuts

| | |
|--|--------------------|
| Eliminate 45 Teaching Positions | \$2,700,000 |
| Reduce Custodial Costs** | \$1,500,000 |
| Eliminate 6 Secretaries | \$252,000 |
| Eliminate 1 Administrator | \$125,000 |
| Eliminate Out of District Conferences | \$135,000 |
| Eliminate Capital Projects | \$1,000,000 |
| Eliminate Paraprofessional Encumbrances | \$116,000 |
| Reduce Co-curricular Programs | \$200,000 |
| Eliminate Elementary Office Assistance | \$100,000 |
| Reduction in Health Benefits Premiums | \$560,000 |
| Reduce Number of Field Trips | \$120,000 |
| Eliminate Courtesy Busing | \$275,000 |
| Reduce Supplies | \$65,000 |
| Freeze Non-affiliated Salaries | \$68,000 |
| Eliminate 4PM Late Bus | \$50,000 |
| Freeze Senior Administrator's Salaries | \$25,000 |
| Total Amount of Reductions | \$7,291,000 |

**** Reductions to be achieved through negotiations
with Local 1 or outsourcing**

The 2010-2011 Budget Revenue

| | |
|---------------------------------|----------------------|
| ➤ Property Tax Levy | \$115,957,971 |
| ➤ Appropriation of Fund Balance | \$1,129,723 |
| ➤ Miscellaneous Revenue | \$2,326,653 |
| ➤ State Aid | \$1,068,183 |
| ➤ Interest on Capital Reserve | \$5,000 |
| ➤ Extraordinary Aid | \$753,141 |
| TOTAL: | \$121,240,671 |

Tax Impact

| | |
|--------------------------|-----------------|
| ➤ Budget: | \$163.00 |
| ➤ Debt Service: | \$3.00 |
| ➤ Reduction in Ratables: | \$53.00 |
| TOTAL: | \$219.00 |

***Calculations based on average home
assessed at \$306,343***

What Happens Next?

- Board continues to negotiate with all Associations to secure reductions in salary and benefits for 2010-2011
- Board will meet to discuss the 2010-2011 budget and recommended cuts. Meeting will be public and members of the audience will have an opportunity to speak
- Board will meet on March 31st and adopt final budget
- Four additional Q&A Meetings set April 1, 7, 12, & 15

What if the Budget Fails?

- **If the budget is defeated, the Town Council could make additional cuts resulting in...**
 - **Additional staff reductions across the board**
 - **Increase in class size**
 - **Reduction or elimination of programs**

Comments, Questions, Recommendations

Revenues Appropriations

| Appropriations | 2009-2010 | 2010-2011 | \$ Amt. of change | % Of Increase |
|-----------------------------|---------------|---------------|-------------------|---------------|
| Salaries | 78,000,000 | 79,490,264 | 1,490,264 | 1.9% |
| Health Benefits | 14,731,484 | 16,100,000 | 1,368,516 | 9.3% |
| Property & Casualty | 494,559 | 464,559 | (30,000) | -6.1% |
| PERS Payment | 1,382,293 | 1,242,906 | (139,137) | -10% |
| Energy | 3,100,000 | 3,100,000 | 0 | |
| Fuel | 118,000 | 118,000 | 0 | |
| Special Ed. Tuition | 7,142,143 | 6,486,155 | (655,988.00) | -9.2% |
| Bus Maintenance | 187,000 | 190,000 | 3,000 | 1.6% |
| Building Maintenance | 10,656,281 | 11,231,165 | 574,884 | 5.4% |
| Water/Sewer | 220,000 | 260,000 | 40,000 | 18.2% |
| Textbooks | 820,668 | 425,043 | (395,625) | -48.2% |
| One-to One Aides | 1,955,852 | 2,129,905 | 174,053 | 8.9% |
| Technology (Lease Purchase) | 375,000 | 375,000 | 0 | |
| Sports & Co-Curricular | 2,299,479 | 2,138,273 | (161,206) | -7.0% |
| Legal | 200,000 | 200,000 | 0 | |
| Audit | 90,000 | 90,000 | 0 | |
| Capital Outlay | 2,360,650 | 2,280,910 | (79,740) | -3.4% |
| Fund Balance Approp. | 3,745,593 | 811,390 | (2,934,203) | -78.3% |
| Ratables | 7,498,142,742 | 7,415,751,416 | (82,391,326) | -1.1% |
| Debt Service Aid | 643,151 | 546,071 | (97,080) | -15.1% |