

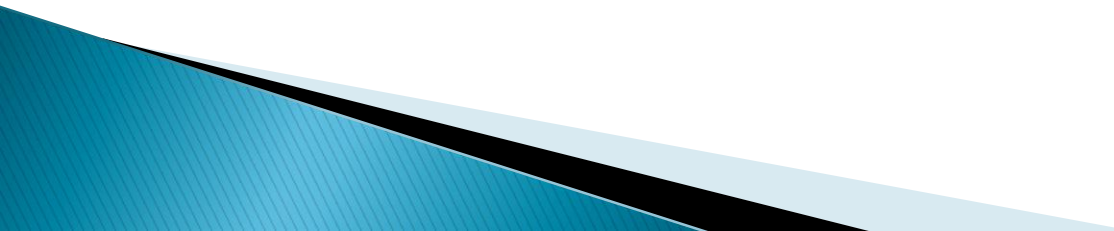
2015-2016 Budget Proposal



South Orange-Maplewood
School District

March 12, 2015

Overview of Presentation

- ▶ Budget development process
 - ▶ Tax Levy Cap Adjustments and Banked Cap
 - ▶ Revenues Proposed 2015-16 Budget
 - ▶ Budget Considerations in the Proposed Budget
 - ▶ Expense Adjustments and Reductions
 - ▶ Expenses Proposed 2015-16 Budget
 - ▶ Estimated tax impact with tax cap adjustment
 - ▶ 5 Year Budget Projection
 - ▶ What's Next?
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Budget Development

November:

- Baseline Data for Budget Development
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December:

- Budget Analyses
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January:

- Enrollment Projections
 - Comparative spending
 - Historical Trends
 - Revenue assumptions
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February:

- Budget Considerations/Requests
 - Tax Cap Adjustments and Banked Cap
 - Estimated Tax Impact
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March:

- Budget Workshop, Forum and County Submittal

Budget Materials Available

- ▶ Budget Presentations: 2/2 & 2/23 & 3/4 meetings
- ▶ Baseline Budget Data Memo 11/24/14
- ▶ Budget Analyses 12/15/14
- ▶ 2015-16 Proposed Budget - Side by Side View
- ▶ 2015-16 Proposed Budget – Comparative View
- ▶ 2015-16 Proposed Budget – Staffing Report
- ▶ 2015-16 Proposed Budget – Multi-year Projections

Tax Levy Cap Adjustments & Banked Cap

**ASSUMING USE OF \$330,000 of
2015-16 ENROLLMENT ADJUSTMENT**

Budget Year Adjustment	Enrollment Adjustment	Health Care Adjustment	Total Adjust/Cap Available	Banked Cap Expires with SY Budget	Banked Cap 2016-17 Budget
2012-2013	\$506,833	\$0	\$506,833	2015-2016	\$0
2013-2014	\$0	\$409,103*	\$409,103	2016-2017	\$409,103
2014-2015	\$544,210	\$426,037	\$970,247	2017-2018	\$970,247
2015-2016	\$258,254#	\$0	\$258,254	2018-2019	\$258,254
Total			\$2,144,437		\$1,637,604

* \$884,103 minus \$475,000

\$588,254 minus \$330,000


Revenue Proposed Budget with \$330,000 Adjustment

Revenue Source	Budgeted 2014-15	Proposed 2015-16
Operating Budget Local Tax Levy	106,563,115	109,024,377
State Aid	4,216,218	4,216,218
Capital Reserve	0	338,530
Fund Balance	1,949,406	2,471,003
Tuition (Montrose ELC)	0	200,000
Miscellaneous	40,000	75,000
Debt Service	4,171,789	4,119,440
State/Federal	2,752,626	3,039,712
Total Revenue	119,693,154	123,484,280

2015-16 Budget Considerations

- Enrollment Increases (middle schools, special ed, CHS)
- Middle School Schedules
- STEM initiatives
- Professional development
- Montrose Early Learning Center
- Seth Boyden enrollments (free/reduced lunch population)
- Increased technology – maintenance, replacement, support
- Middle states accreditation: excellence by design
- Educational equity consultant/OCR agreement
- Opening new classrooms
- Increased OOD Placements and increased transportation

Analyze every line to identify expenditure reductions

- ▶ Adjustments for enrollment changes
 - ▶ Employee contributions – health care
 - ▶ Reduction of summer programs
 - ▶ Central Office reorganization
 - ▶ Middle School behavioral services
 - ▶ Restructuring of administrative and coaching support
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Personnel Adjustments compared to 2014-2015 Adjusted Budget

<p>ADDITIONS - MONTROSE</p> <p>1.0 FTE - Director 1.0 FTE – Nurse 1.0 FTE – Secretary 2.0 (to 4.0 depending on enrollment) FTE’s Pre-K Teachers</p>	<p>5.0 FTE’s</p>
<p>ADDITIONS - MIDDLE SCHOOL SCHEDULES and 7th GRADE TEAMS</p> <p>2.0 FTE’s Classroom Teachers 1.6 FTE’s Physical Education</p>	<p>3.6 FTE’s</p>
<p>Total Personnel Additions 2015-16 Proposed Budget</p>	<p>8.6 FTE’s</p>

Personnel Adjustments compared to 2014-2015 Adjusted Budget

Reduce 1.0 fte Guidance Counselor	(1.0) FTE's
Reduce 2.0 fte's Secretary	(2.0) FTE's
Reduce 1.0 Gifted and Talented (program restructuring)	(1.0) FTE's
Reduce 1.0 fte Central Office position (restructuring)	(1.0) FTE's
Reduce 2.0 fte's Elementary classroom teachers	(2.0) FTE's
Reduce 3.0 fte's Elementary World Language	(3.0) FTE's
Reduce 1.0 fte High school classroom	(1.0) FTE's
Reduce 1.0 fte's Related Arts	(1.0) FTE's
Total Personnel Reductions 2015-16 Proposed Budget	(12.0) FTE's

Net Change to 2014-15 Adjusted Budget: (3.4) FTE's

Expenses Proposed Budget 2015-16 with \$330,000 Adjustment

Expense Category	Budgeted 2014-15	% Total Operating	Proposed 2015-16	% Total Operating
Salaries	59,625,194	51.6%	61,154,667	51.2%
Health Benefits	14,118,198	12.2%	13,722,232	11.5%
Tuition Expense	11,291,248	9.8%	12,203,235	10.2%
Energy Expense	2,455,000	2.1%	2,480,000	2.1%
Transportation Expense*	3,912,847	3.4%	4,509,517	3.8%
Textbooks/ Supplies	1,943,049	1.7%	2,155,859	1.8%
Maintenance/ Security*	8,838,377	7.7%	9,030,967	7.6%

* Excludes salaries

What is the estimated tax impact with \$330,000 Adjustment?

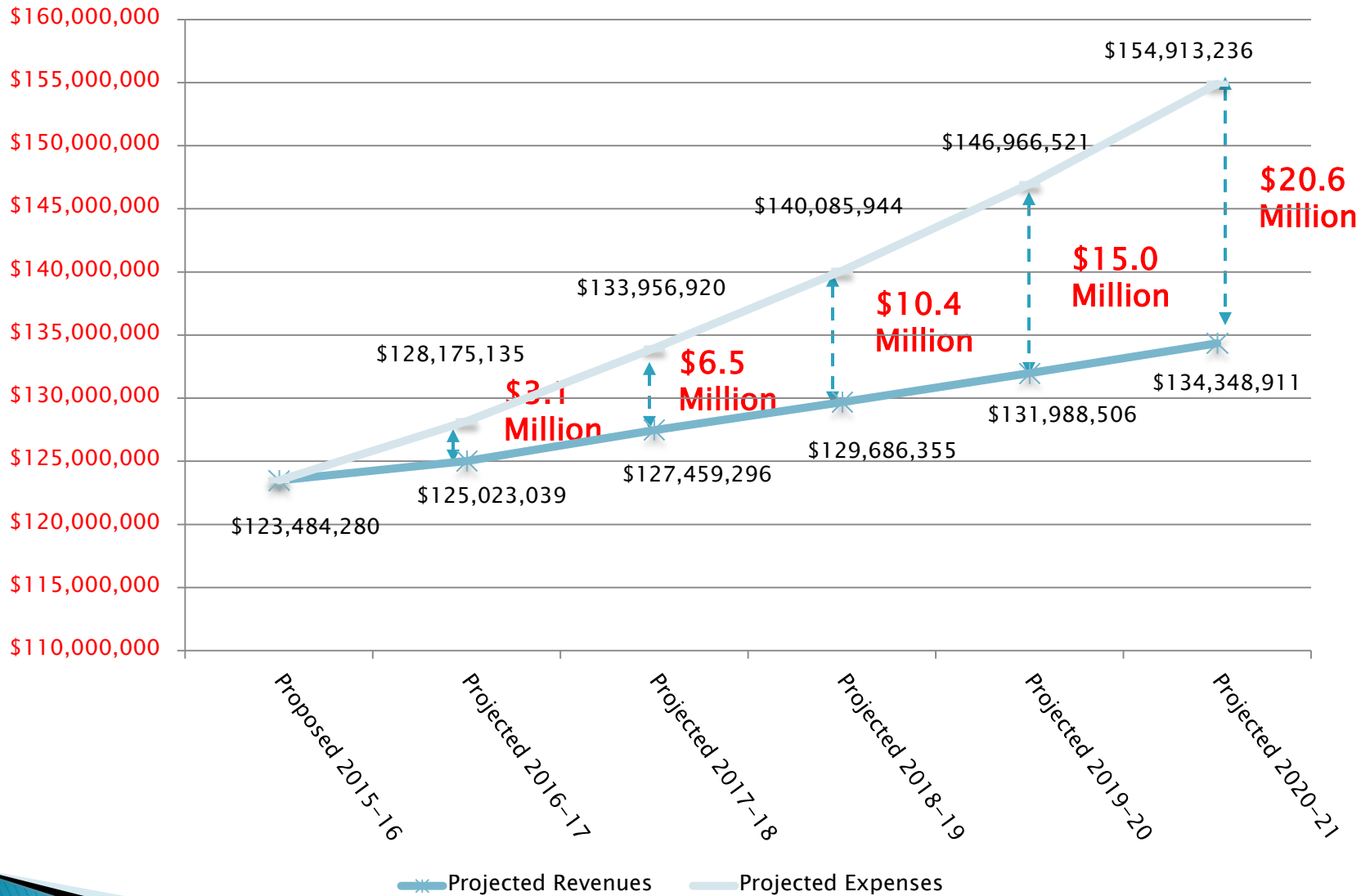
Tax Levy CAP	\$109,024,377
Operating Budget Tax Impact (est.)	2.31%
Debt Service	\$ 3,688,091
Local Tax	\$112,712,468
Operating and Debt Service Tax Impact (est.)	2.00%

Estimated Tax Impact average assessed household value (based on 2014 figures):

Maplewood: \$121

South Orange: \$253

5-Year Budget Projection (2% Operating Tax Levy Cap Projected Years)



What next? Budget Calendar

- ▶ **Thurs, Mar 12** *Community Forum on the 2015-16 Budget*
7:30 PM – District Meeting Room

Feedback can also be sent to Board members at: budget@somsd.k12.nj.us

- ▶ **Mon, Mar 16** BOE meeting: BOE consider/adopt preliminary budget to send to Essex Co Supt for approval to advertise
- ▶ **Mon, Apr 27** BOE meeting: Public Hearing/action to levy 2015-16 school tax