

# Budget Development 2010-11

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Board of Education Meeting  
January 11, 2010  
Superintendent Valerie A. Goger



# Budget Building

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- ❑ Fall – Administrators/Depts. submit budget requests
- ❑ Finance Committee – December – March
- ❑ Board meetings:
  - Jan. 11 – Budget projection
  - Jan. 25 – Board discussion
  - Feb. 15 - Board discussion
  - March 15 – Board discussion
  - March TBD – Public Hearing, adopt final budget to be submitted to voters
- ❑ April 20 – Election



# School Funding Reform Act of 2008

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- ❑ Three year funding formula
- ❑ Determines ‘Adequacy’ and ‘Fair Share’
- ❑ Our budget is below ‘Adequacy’
- ❑ Our taxes are below ‘Fair Share’
- ❑ Eligible for 20% state aid increase for three years -  
received 20% first year, only 5% second year –  
loss of \$676,000
- ❑ Next year?



# New Jersey Next Year

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- ❑ State budget deficit of \$8 Billion
- ❑ State aid expected to be reduced
- ❑ Currently receive \$4.7M (10% cut = \$470K)
- ❑ Speculation that current year aid will also be reduced – districts may be forced to subsidize Trenton's shortfall with local tax \$



# March 2009 Projections

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	2009-10	2010-11
Revenue	\$82,154,000	\$85,198,000
Costs	\$85,073,000	\$86,754,000
Shortfall	\$ 2,919,000	\$ 1,556,000



# What We Did

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Budget shortfall =

09-10    \$2,919,000

Actions =

Accepted \$800K cap waiver

Infused new revenue \$700K

Cut spending \$1.4M



# Programmatic Review to Get to \$1.4M

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- 8 period day at Ridge
- Middle school cycles, world language, comm. Arts
- Half-day kindergarten
- Guidance
- Administration
- Elementary Spanish, guidance, class size, enrichment
- Operations
- Support
- Extracurricular



# Decisions

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Delay reduction in 9 period day schedule at least one year

Delay reduction to half-day kindergarten at least one year

Keep elementary class sizes at or below 25 in grades K-2

Reduce staffing where possible



# Staffing Reductions

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- ❑ 5 high school (electives)
- ❑ 1 middle school (guidance)
- ❑ 5 elementary (classroom)
- ❑ 2 elementary (enrichment)
- ❑ 2 elementary (Spanish)
- ❑ 11 administrators to 10 month positions  
(supervisors and elementary asst. principals)
- ❑ Middle school intramurals



# Transportation

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Subscription busing actual cost \$675

- Current fee was \$473
- 450 students @ \$202
- Additional revenue \$ 90,000

Freshmen scrimmages \$ 8,000

WAMS intramural buses \$17,000



# Impact of Instructional Reductions

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- ❑ Elementary enrichment eliminated (limited math enrichment program CML maintained)
- ❑ Elementary Spanish eliminated (limited Latin program in 4<sup>th</sup> grade)
- ❑ Larger elementary class sizes (CH K = 24, LC grade 4 = 26, MP K = 23, OS grade 3 = 25)
- ❑ Larger high school class sizes (32% have more than 26 students – difficult to differentiate instruction)
- ❑ Reduced elem. computer lab/media center time



# Impact of Administrative Summer Reductions

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- ❑ Parental inquiries
- ❑ Student placements
- ❑ Curriculum specialists' input on new hires
- ❑ Program evaluations not completed
- ❑ Reduced staff development (100 teachers took summer Staff College courses in 2008, only 20 in 2009)
- ❑ Curriculum implemented before review
- ❑ Tablet PC training delayed
- ❑ Instructional support scheduling



# Impact of Administrative Summer Reductions (continued)

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- ❑ Curriculum writing/training pull-outs
- ❑ Check in/distribution of supplies
- ❑ Elementary master scheduling
- ❑ Reviewing resumes/hiring
- ❑ Input on teaching assignments/room changes
- ❑ Software/hardware updates

# Classroom Supplies

## Costs Per Pupil/2 Year Reduction

	2007-08	2008-09	2009-10	Per Pupil	Total
Elem.	\$140	\$133	\$88	\$52	\$122,616
Annin	\$81	\$56	\$38	\$43	\$59,555
Ridge	\$59	\$47	\$35	\$24	\$40,536

# Media Center Supplies Costs Per Pupil/2 Year Reduction

	2007-08	2008-09	2009-10	Per Pupil	Total
Elem.	\$27	\$13	\$14	\$13	\$30,654
Annin	\$28	\$31	\$24	\$4	\$5,540
Ridge	\$34	\$25	\$23	\$11	\$18,579



# 2010-11 Assumptions

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- 4% tax cap
- Health insurance up 10% (\$571K over cap)
- 10% decrease in state aid (\$473K)
- Utilities 4%, energy savings plan
- Transportation up 8% (\$175K over cap)
- Negotiations year
- Extraordinary aid uncertain (\$650K)



## 2010-11 Budget Shortfall Projection

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March 2009 projection	\$1,556,000
Current projection	\$1,346,000

Current projection includes cap waiver request of \$500K, extraordinary aid remaining same as current year \$650K, and 10% state aid cut



# Possible Gap Closers

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- ❑ Governor does not reduce state aid
- ❑ State aid for special education extraordinary costs fully funded
- ❑ Negotiated gains in salary and health care costs
- ❑ Larger cap waiver
- ❑ Programmatic changes

# Comparative Costs Per Pupil

NJDOE Comparative Spending Guide March 2009

Princeton	\$17,290
Millburn	\$14,695
State Average	\$13,539
Livingston	\$13,467
Holmdel	\$13,195
Chatham	\$12,250
<b>Bernards</b>	<b>\$12,119</b>
Montgomery	\$11,611
Hillsborough	\$10,807

# Students Per Faculty

NJDOE Comparative Spending Guide March 2009

Chatham	13.8
Montgomery	13.7
Livingston	13.1
Holmdel	13.0
Millburn	12.5
<b>Bernards</b>	<b>12.1</b>
Princeton	12.1
Hillsborough	11.8

# Administrative Costs Per Pupil

NJDOE Comparative Spending Guide March 2009

Livingston	\$1,547
Chatham	\$1,452
State Average	\$1,430
Princeton	\$1,423
Millburn	\$1,396
Montgomery	\$1,192
Holmdel	\$1,069
Hillsborough	\$1,023
<b>Bernards</b>	<b>\$1,002</b>



# Timetable

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- Budget guidelines not released yet
- Initial budget due February 15 if requesting waivers?
- State aid notification late-March
- Public Hearing March ?
- Budget vote April 20