

# **Bernards Township 2021-2022 Preliminary School Budget**

1

**BOARD OF EDUCATION MEETING  
MARCH 22, 2021**

# Budget Expenditure Snapshot FY21-22 V. FY20-21

2

	Final Budget	Preliminary	Change (+/-)
	<u>2020-2021</u>	<u>2021-2022</u>	<u>2122 v 2021</u>
<b>General Operating Expenses</b>	\$99,556,839	\$103,190,829	\$3,633,990
<b>Capital Expenses</b>	\$484,850	\$257,324	-\$227,526.00
<b>Sub Total General Fund</b>	\$100,041,689	\$103,448,153	\$3,406,464.00
<b>Federal Grant Expenses</b>	\$1,632,643	\$1,632,999	\$356.00
<b>Debt Expenses</b>	\$5,372,213	\$5,369,263	-\$2,950.00
<b>Total Budget</b>	\$107,046,545	\$110,450,415	\$3,403,870.00

# General Operating, Grant And Debt Expense Changes

3

- **Total Increase over current year's budget-> +\$3,403,870**
- **Salaries-> +\$1,000,799 Major Drivers: Contractual Increases, ESY, Substitute Costs,**
- **Employee Health Benefits->+\$1,733,304**
- **Support Services (Nursing, Extraordinary and Related) ->\$59,986**
- **Professional Services and Telcom Services-> \$31,938**
- **Pension and Unemployment-> \$159,557**
- **Current Capital Outlay-> -\$225,860**
- **Facilities, Grounds and Maintenance Unionization->\$349,298**
- **Special Education Placements-> \$297,442**
- **Payment of outstanding Serial Bond Debt-> -\$2,950**
- **Federal Grants->+\$356**

# Budgeted Fund Balance

4

• <b>FY2019-2020</b>	<b>Audited Reserve Balance</b>	<b>\$4,758,938</b>
	<b>Budgeted Total:</b>	<b><u>\$4,758,938</u></b>

# Budget Revenue Comparison Year to Year

5

	<u>2021</u>	<u>2122</u>	<u>2122 v 2021</u>
<b>Fund Balance *1</b>	\$3,459,684.00	\$4,758,938.00	\$1,299,254.00
RSF Capital Contribution	0.00	0.00	\$0.00
Maintenance Reserve	24,027.00	0.00	-\$24,027.00
Capital Reserve	0.00	0.00	\$0.00
Interfund Transfer	0.00	0.00	\$0.00
Tuition & Misc. Rev.	1,105,948.00	692,050.00	-\$413,898.00
General Levy	88,877,761.00	90,655,316.00	\$1,777,555.00
State Aid *1	4,867,386.00	5,629,858.00	\$762,472.00
Extraordinary Aid	1,700,000.00	1,700,000.00	\$0.00
SEMI Reimbursement	6,883.00	11,991.00	\$5,108.00
Federal Grant	1,632,643.00	1,632,999.00	\$356.00
Debt Levy	5,107,890.00	5,105,651.00	-\$2,239.00
Debt Service Fund Balance	1.00	0.00	-\$1.00
State Debt Aid	264,322.00	263,612.00	-\$710.00
<b>Total</b>	<b>107,046,545.00</b>	<b>110,450,415.00</b>	<b>\$3,403,870.00</b>
			\$0.00
	\$107,046,545	\$110,450,415	\$3,403,870

\*1 - July 2020 additional \$430,992 appropriated due to reduction in State Aid

# Major Factors in Budget

6

- **Current programs and services are sustained.**
- **Staffing levels remain unchanged from the current year adopted budget levels**
- **District enrollment continues to decline**
- **State mandated Chapter 44 Health Benefit programs negatively impacted the district**
- **Unionization of facilities services negatively impacted the district**
- **Sustainability of the State Categorical and other State Aid is a challenge**
- **Major District Capital Projects continue to proceed**
- **Significant Costs related to one-time and recurrent pandemic related needs have been largely offset by one-time Federal grants**

# Sustaining Programs and Services

7

- **All district programs and services from 2020-2021 are maintained in this budget for 2021-2022.**
- **The budget supports the district's ongoing efforts to complete district goals connected to the strategic plan.**
- ❖ **Key components of the strategic plan include the professional development of the staff, student competence, safety and security, and communication and collaboration.**
  - **Some of the more significant activities to support these objectives include: professional development of staff, technological hardware and software resources and infrastructure, staff such as instructional coaches and curricular materials.**

# Expanded Opportunities

8

- **The budget supports expanded opportunities through:**
  - ❖ **Enrichment/Gifted and Talented programming (aka QUEST)**
  - ❖ **Support services in reading and mathematics, an emerging need resulting from the pandemic related school closure.**
  - ❖ **Required training in Advanced Placement courses**
  - ❖ **Additional training for our new district reading assessment initiative.**
  - ❖ **The transition of Ridge High School to a modified rotating drop schedule.**
  - ❖ **A staffing addition of a coordinator of a district mentoring program, The Big Sibling Program, which will also support our disengaged and struggling learners**
  - ❖ **Provision of a summer intervention program for our struggling and/or disengaged students.**
  - ❖ **Our continued efforts to focus on character-related initiatives, such as Character Strong at Ridge High School.**



# Enrollment Decline

9

## Annual State Enrollment Count

## Year over Year Change

<b>Oct-20</b>	<b>4845.5</b>	<b>-5.5%</b>
<b>Oct-19</b>	<b>5125</b>	<b>-3.2%</b>
<b>Oct-18</b>	<b>5295.5</b>	<b>-2.3%</b>
<b>Oct-17</b>	<b>5419</b>	<b>-1.8%</b>
<b>Oct-16</b>	<b>5518.5</b>	

**Five year change: -673**

# Sustaining Programs and Services: Per Pupil Spending in Classroom

	FY 2016- 2017	FY 2017- 2018	FY 2018- 2019	FY 2019- 2020	FY 2020- 2021	FY 2021- 2022	5 Year Percentage Change
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
<b>Enrollment Count October of School Year:</b>	5518.5	5419	5295.5	5125	4845.5		
<b>Projected enrollment Count October 2021</b>						4934	-10.59%
<b>Classroom-Salaries and Benefits</b>	\$9,328	\$9,430	\$9,697	\$10,244	\$10,754	\$11,166	19.70%
<b>Classroom-General Supplies and Textbooks</b>	\$477	\$532	\$528	\$431	\$463	\$477	0.00%
<b>Classroom-Purchased Services</b>	\$61	\$40	\$38	\$48	\$49	\$42	-31.15%
<b>Total Support Services</b>	\$2,396	\$2,609	\$2,908	\$2,848	\$3,219	\$3,370	40.65%
<b>Total Per Pupil</b>	\$12,262	\$12,611	\$13,171	\$13,571	\$14,485	\$15,055	22.78%

# Impact of State Mandated Chapter 44

- **On July 1, 2020, Governor Murphy signed P.L. 2020, Chapter 44**
- **The law mandated the creation of two new health benefit plans: NJEHP and GSHP to be implemented Jan. 1, 2021 and August 1, 2021 respectively**
- **The law requires districts with private insurance or self insurance to implement equivalent plans**
- **Effective January 1, 2021 some 316 district staff elected the NJEHP**
- **This plan eliminated the employee contribution requirements of Ch.78 and thereby significantly increased the district's share of the cost**
- **The estimated increased cost was preliminarily determined to be between \$700,000 and \$800,000 annually in lost contributions**
- **Since the State has not yet released the requirements for the GSHP underwriters can not estimate what the fiscal impact of that program will be come August 2021**

# Unionization of Facilities Contracts

12

- **The local employees of the district's third party contractor for custodial, grounds and maintenance services have voted to unionize.**
- **We have been advised by our facilities consultant (Edvocate) that the union master agreement with the third party provider escalates wages above the State of New Jersey already progressive minimum wage rate scales**
- **We have also been advised that the union master agreement provides for a significant increase in health benefit plans for each employee without regard to tiering.**

# State Aid

13

- **The State Aid proposed for FY 2021-2022 is +\$762,472**
- **Is this level of State Aid Sustainable?**
- ❖ **The proposed state budget calls for a more than 10% increase in year-over-year spending.**
- ❖ **More than 10% of the State proposed spending plan is covered by nonrecurring or “one-shot” revenue sources.**

# Pandemic Related Costs offset by Federal Funds

14

## Purchases:

Sanitizing Equipment, Screening Thermometers	\$27,303
Soap refills, Sanitizer refills, Paper Towels, Sanitizing Wipes	\$108,494
Technology for virtual learning*1	\$438,028
Personal Protection Equipment: including masks, gloves, faceshields and barriers	\$129,929
Upgraded Hands Free Restrooms and Nurses Offices	\$295,359
<b>Total</b>	<b><u>\$999,113</u></b>

\*1-Includes 1,077 New Chromebooks

## Federal Funding Offsets:

Coronavirus Aid, Relief and Economic Security (CARES) Act	\$257,299
Coronavirus Aid, Relief and Economic Security (CARES) Act-Somerset County Pass Through	\$19,742
Corona Virus Relief Fund	\$138,365
FEMA	\$132,541
Title I Funds	\$45,658
Anticipated-->Elementary and Secondary School Emergency Relief Fund (ESSER II Fund).	<u>\$405,508</u>
<b>Total</b>	<b><u>\$999,113</u></b>

# Taxes: 11 Year History

15

School Year	General Fund Levy	\$ Increase		Debt Service Fund Levy	\$ Increase/ (Decrease)		% Increase		Net Taxpayer Impact
2011-12	\$74,368,937	\$1,458,214	2.00%	\$5,766,182	\$174,940		3.13%		2.080%
2012-13	\$75,856,316	\$1,487,379	2.00%	\$5,761,929	(\$4,253)		-0.07%		1.851%
2013-14	\$77,373,442	\$1,517,126	2.00%	\$5,505,366	(\$256,563)		-4.45%		1.544%
2014-15	\$78,920,911	\$1,547,469	2.00%	\$5,084,960	(\$420,406)		-7.64%		1.360%
2015-16	\$80,499,329	\$1,578,418	2.00%	\$5,218,562	\$133,602		2.63%		2.038%
2016- 17	\$82,109,316	\$1,609,987	2.00%	\$5,284,441	\$65,879		1.26%		1.955%
2017- 18	\$83,751,501	\$1,642,185	2.00%	\$5,102,268	(\$182,173)		-3.45%		1.671%
2018- 19	\$85,426,530	\$1,675,029	2.00%	\$5,107,583	\$5,315		0.10%		1.891%
2019-20	\$87,135,060	\$1,708,530	2.00%	\$5,106,178	(\$1,405)		-0.03%		1.886%
2020-21	\$88,877,760	\$1,742,700	2.00%	\$5,107,890	\$1,712		0.03%		1.891%
<b>2021-22</b>	<b>\$90,655,316</b>	<b>\$1,777,556</b>	<b>2.00%</b>	<b>\$5,105,651</b>	<b>(\$2,239)</b>		<b>-0.04%</b>		<b>1.889%</b>

\*In the past 11 years the district has reduced its debt levy by 11.4% and increased its bond rating to AAA. The net tax levy has averaged 1.82% over the last 11 years. The district is one of only four K-12 districts in the state with a AAA bond rating.

# Renovation/Improvement Projects

16

× **Funding**

× **William Annin Science Rooms**



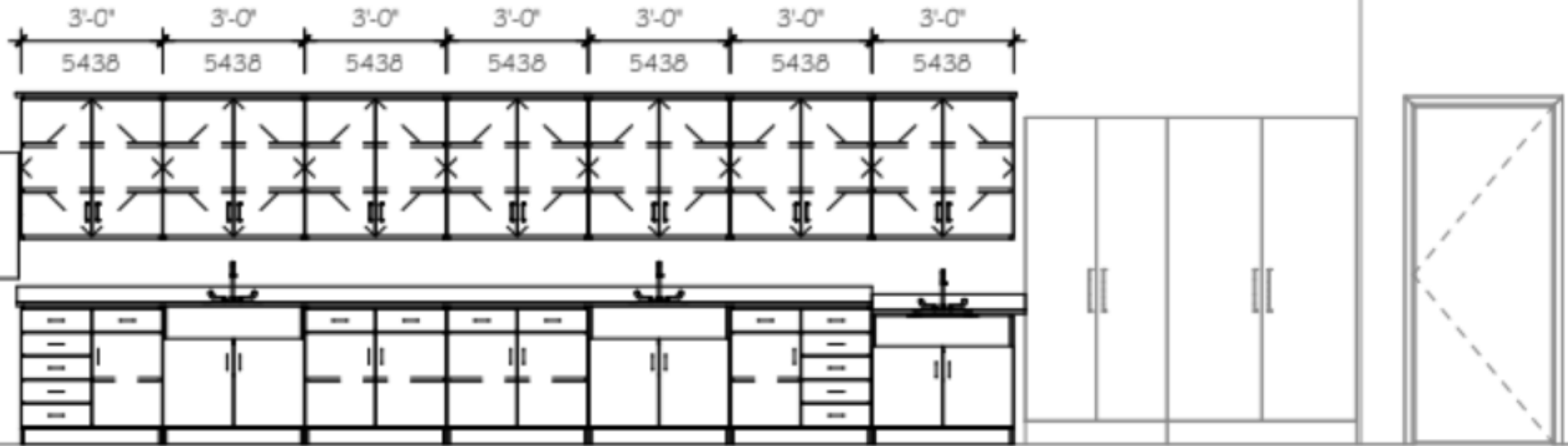
# What's being Done?

17

- **Rooms 400a-d:**
- **Existing Science Lab Classrooms 400a,b,c & d will be renovated to include sinks that presently do not exist with all new casework including base units, countertops and wall cabinets.**
  
- **Rooms 309,311,313:**
- **Existing Science Room Classrooms 309, 311 & 313 will be renovated to become two Classroom spaces.**
  
- **The new Classrooms 309 & 311 will receive all new floor finishes, wall finishes and new ceilings.**
  
- **New casework in these spaces will include work areas throughout the spaces with sinks, new base cabinets, countertops and wall cabinets.**

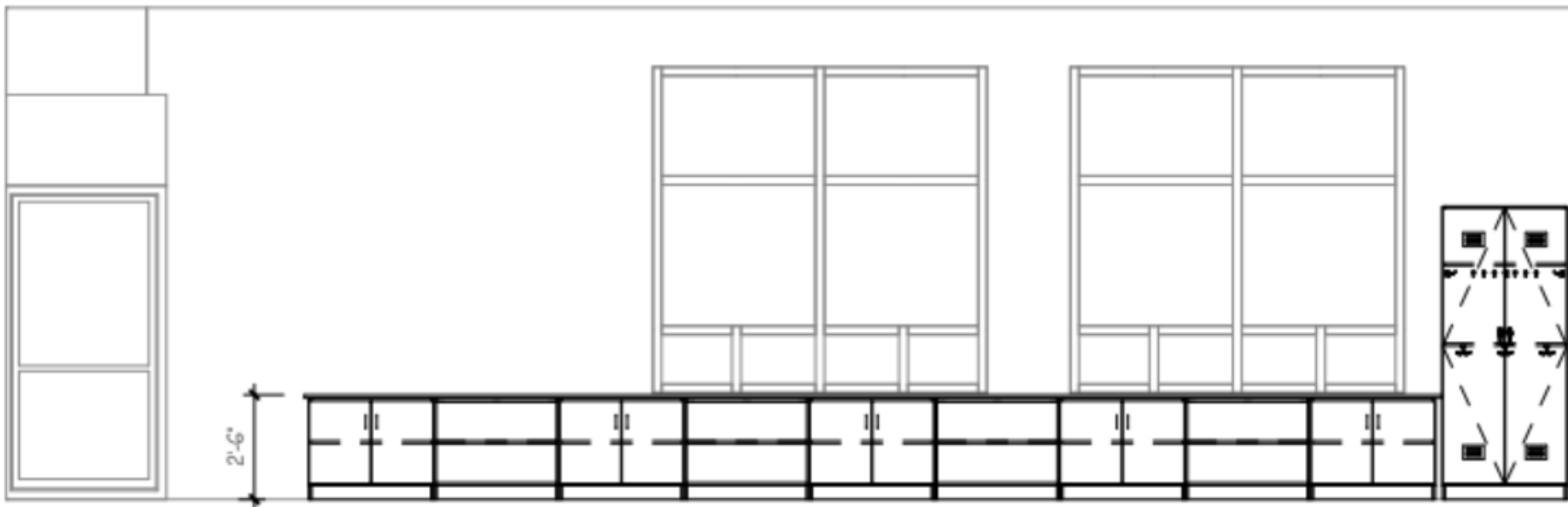
# 6th Grade Science - add sinks and storage

18



# 6th Grade Science - add outlets

19



# 8th Grade Science - replace case work/pods

20

