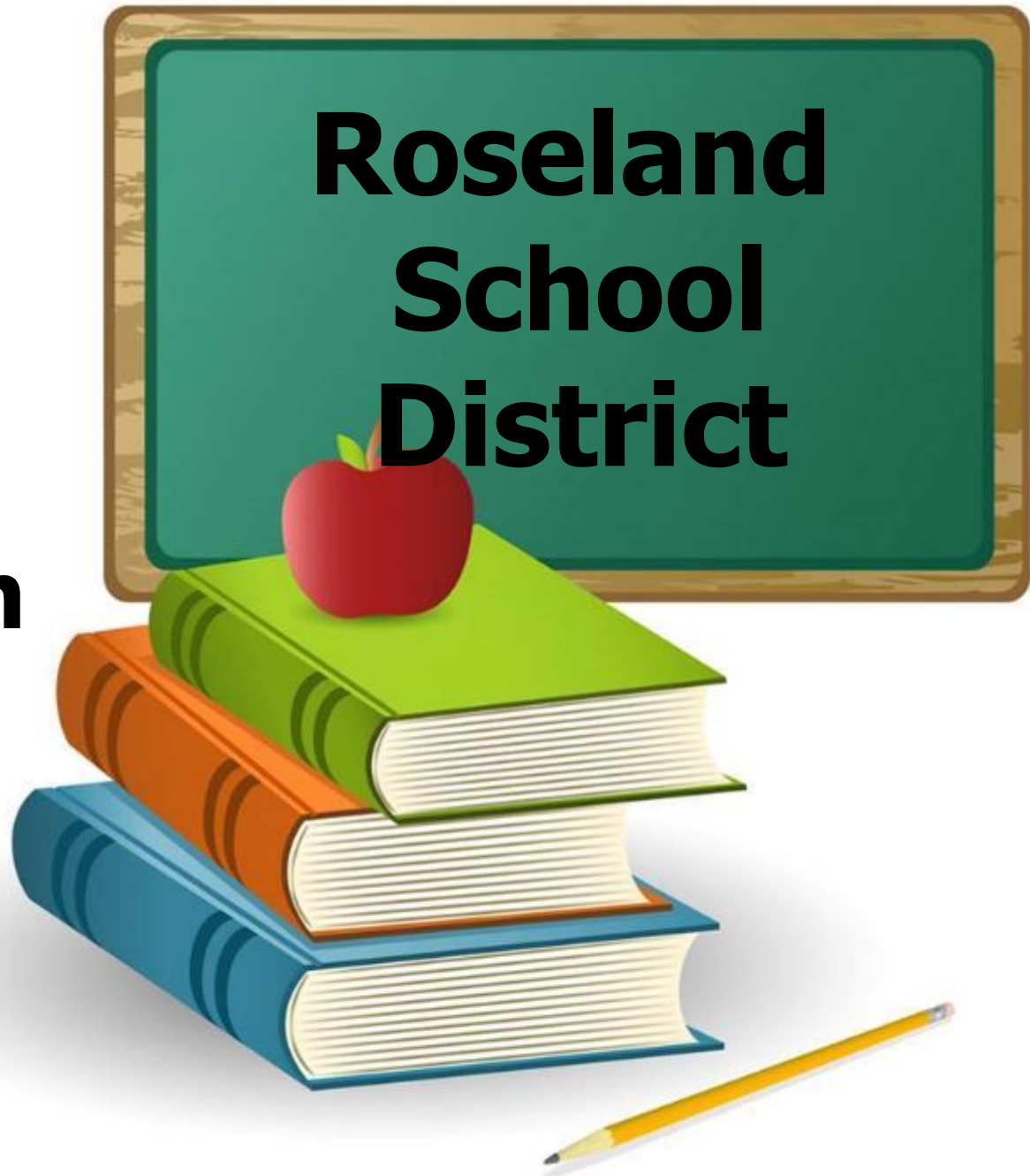


**2015-2016
Proposed
Budget
Presentation**

April 30, 2015



Glossary of Budget Terms

- **Banked Cap** - eligible funds below the legal 2% tax levy increase available but not used – “saved” for future budgets
- **Capital Reserve** - reserved funds for emergency projects and projects included in the district’s Long Range Facility Plan
- **Capital Outlay** - funds used for equipment items and building improvements above \$2000
- **Debt Service** - repayment of building construction bond (2005). On average, an \$800,000 annual payment. Final payment 2026
- **Unreserved General Fund Balance (Surplus)** – money available to be used for any purpose
- **General Fund** - annual operating budget
- **Tax Levy for School Purposes** - tax bill collected by the municipality for school use

Many Factors are Included in the Process of Planning a School Budget

- Safety and Security
- Student Achievement
- Enrollment Projections
- Class Size
- Special Education
- Staffing
- Program Offerings
- Technology
- Professional Development
- Curriculum and Instruction
- Contracts and Benefits
- Supplies
- Facilities and Maintenance

Building the 2015-2016 K-6 Roseland Budget

Step 1 - Review Required Spending

- + Contracted Salaries, (Negotiated, then fixed for contract duration)
- + Contracted Health Benefits (Negotiated, then the benefits are fixed for contract duration, however the costs are not.)
- + Mandated Special Education Spending
- + Mandated Professional Services (Auditor, Architect, Attorney)
- + Essential Building Maintenance (custodial supplies & repairs)
- + Transportation (hazardous routes)
- + Mandated Insurances
- + Fixed Equipment Costs (copiers, computers, boilers)

TOTAL REQUIRED SPENDING

\$ 7,346,928

Building the 2015-2016 K-6 Roseland Budget

Step 2 – Identify Variable Costs

Trends analysis to estimate any increases in current costs

Superintendent, Finance Committee & Administration review:

+ Curriculum needs	\$ 30,000
+ State mandates	\$ 8,000
+ Textbook review cycle	\$ 30,000
+ Professional development	\$ 62,500
+ Building equipment	\$ 95,210
+ Classroom supplies	\$ 47,950
+ Technology needs	\$ 180,570
TOTAL VARIABLE COSTS	\$ 446,238

2015 -16 Roseland School Budget

Total \$8,666,634

General Education
\$ 2,897,523



Payment of Debt
\$ 812,825



Employee Benefits
\$ 1,412,830



Facilities
\$ 713,872



Special Education
\$ 1,102,598



Administration
\$ 418,939



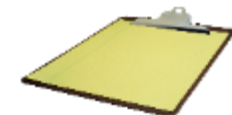
Support Services
\$ 822,964



Transportation
\$ 315,800



Business
\$ 169,283



Building the 2015-2016 K-6 Roseland Budget

Step 3 – Revenue other than Local Taxes

+ State Aid: Given by Department of Education	\$ 306,702
+ Capital Reserve:	\$ 95,210
+ Miscellaneous: Tuition, Facility Rental Fees, Other	\$ 95,000

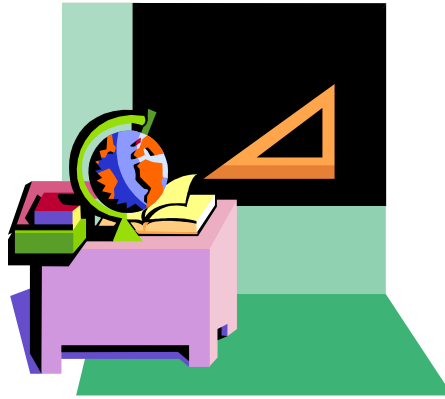
TOTAL REVENUE NOT FROM TAXES **\$ 496,912**

How to determine tax levy



**Property
Tax**

=



**School
Expenditures**



**All Other
Revenues**

Step 4 - Calculate Tax Levy

REQUIRED SPENDING	\$7,346,928
+ VARIABLE COSTS	\$ 446,238
- REVENUE NOT FROM TAXES	\$ 496,912
<hr/>	
LOCAL TAXES NEEDED TO SUPPORT SCHOOL BUDGET	\$7,296,254*

The General Fund portion excluding Federal Aid (IDEA and NCLB \$60,643) and debt service (\$812,825) is \$7,793,166

**Step 4 (cont'd):
Calculation of Your K-6 Tax Levy**

**Budget Cap:
Legally, local tax levy increase cannot
exceed 2% per year**



But what if the result is over 2%?

Four options are available to close the gap

1. **Cut Expenses**

- Cuts done in consultation with Administrative Staff, Finance Committee and Board of Ed, the Superintendent's Office and the Business Office

2. **Implement CAP adjustments**

- Adjustment for increases in health care costs
- Adjustment for increase in pension liability costs

3. **Tap into Surplus (aka Emergency Fund)**

- Roseland has \$189,452 in current surplus. Roseland is \$60,548 below the allowable surplus of \$250,000

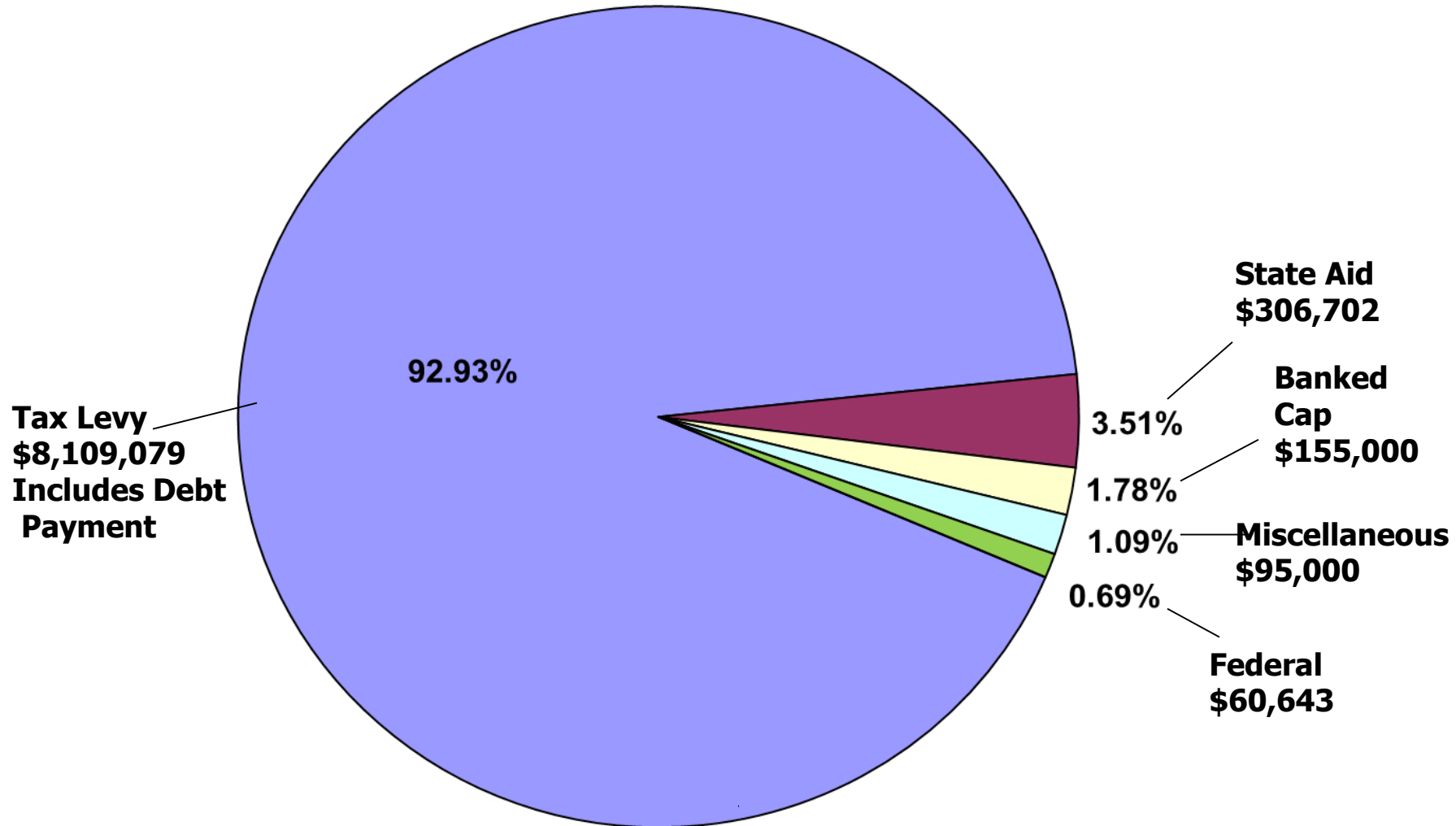
4. **Banked Cap**

- Recapture amount under cap for last two years. Roseland has a total of \$230,606 available Banked Cap to be used through 2016-17

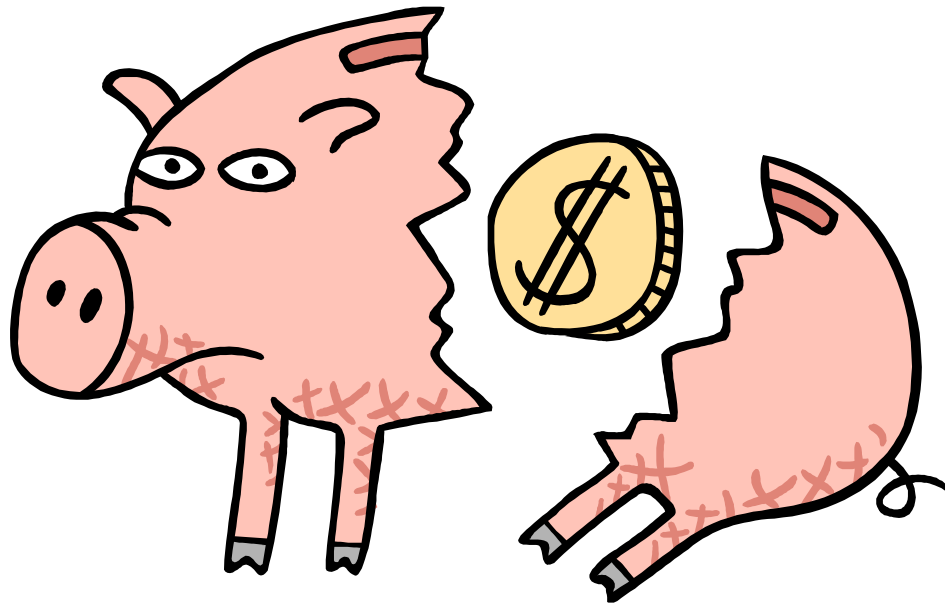
Calculation of Budgetary Cap for Roseland 2015-16 School Year

Roseland's 2014-15 General Fund Taxes	\$ 7,001,230
Percentage increase for 2015-16	<u>x 2.00%</u>
Tax Levy Cap for 2015-16 General Fund	\$ 7,141,254
Option #4: Use of Banked Cap	+ \$ 155,000
<hr/>	
Total Permissible General Fund Tax Levy	\$ 7,296,254

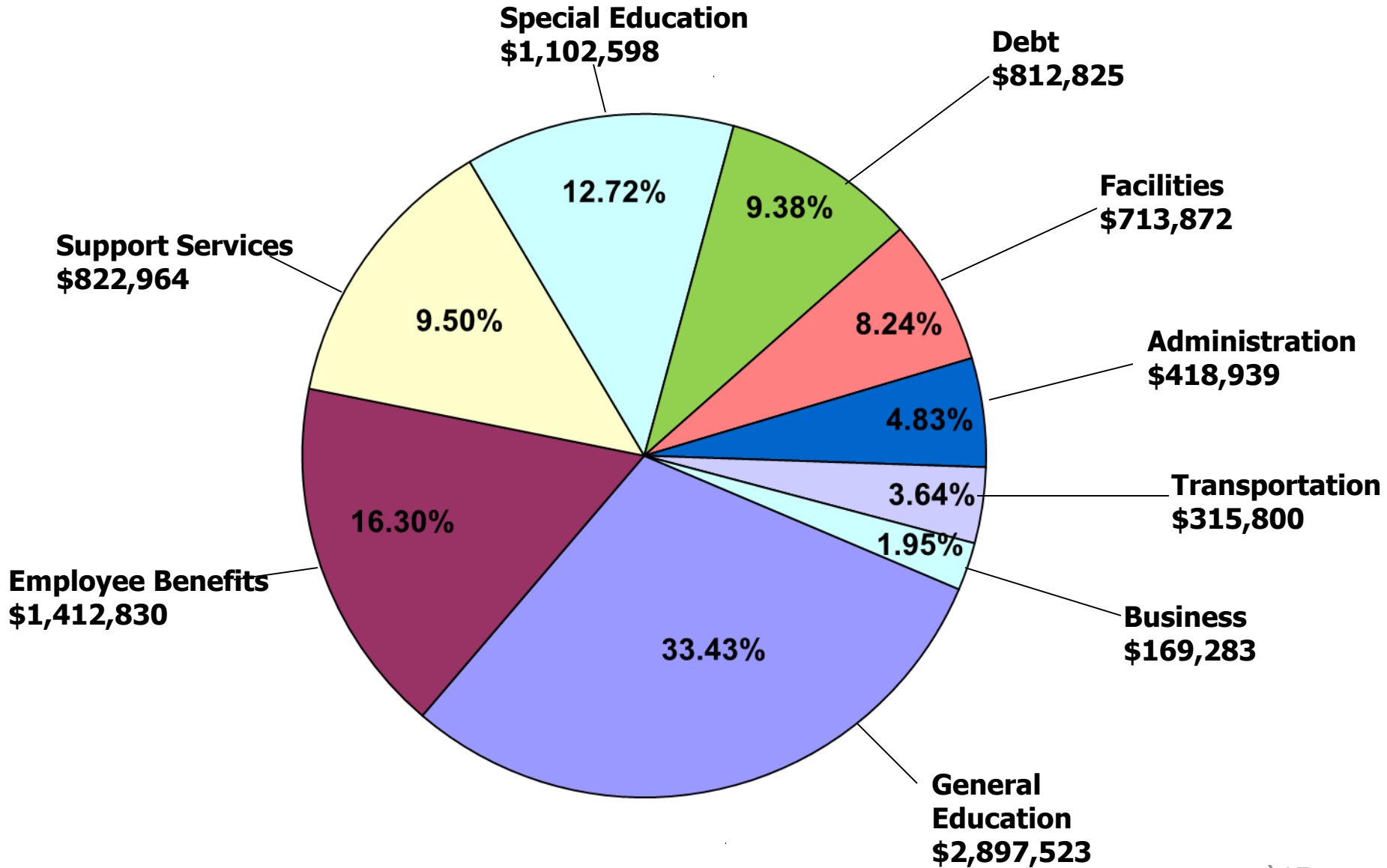
Sources of Revenue



Where does the money go?



Budget Expenditures



Staffing changes affecting the budget

- Reduce 2 teaching positions
- 1 BSI teacher will be reassigned to a classroom
- Anticipate adding a 4th kindergarten section
- Reduce a speech teacher to .6
- Full Time Business Administrator

Public School Districts are required to seek cost savings through Shared Services programs

- Professional Development (West Essex Consortium)
- Transportation (Sussex County Regional Coop)
- Ed Data Supply Services (Purchasing Group)
- Middlesex Regional Educational Services (Purchasing Group)
- Snow Plowing - Sewer - Water - Waste Disposal - Field Maintenance (Borough of Roseland)
- Alliance for Competitive Energy Services (ACES)
- Insurance Fund for Property and Liability (NJSIG)
- Insurance Fund for Worker's Compensation (MEIG)

The 2015-2016 Budget will...

- Provide 3rd-5th grade new version of Everyday math program
- Provide safety and security enhancements
- Maintain similar class sizes as 2014-2015
- Maintain courtesy busing
- Provide classroom libraries for independent reading
- Provide professional development opportunities for all subjects, differentiated instruction, balanced literacy, math instruction
- Provide a new word study program, if approved by the BOE
- Integrate STEM opportunities
- Increase technology infrastructure

Tax Impact Based on Assessed Value, Not Market Value

ROSELAND



Average assessed home value = \$464,087

Taxy Levy Increase: 4.22%

Increase For Year: \$90.32

Increase Per Month: \$7.53

Thank you for viewing
the 2015-2016
Roseland School
District Budget

