



# Welcome

## Budgeting for 2016-2017

May 4, 2016

# Budget Process . . .

Budget preparation is defined in *N.J.S.A. 18A:22-7*. The process varies by District. Here in Teaneck, the process began in November. All school principals, department heads and supervisors were asked to prepare their respective budgets, including a Table of Organization (staffing) for the 2016/17 school year.

All stakeholders were asked to be cognizant of the current economic conditions and the District's ability to fund programs for next school year, so budgets should not be a "Wish List" but "Factual" with relevant back-up information.

Each school and department was visited to discuss budget needs and specific requests for next school year. All budgets were reviewed during the month of December. In January the preliminary budget was constructed. It comes down to total expenditures verses anticipated revenues. The "bottom line" is expenditures cannot exceed revenues.

A "draft" of the *Preliminary 2016/17 School Year Budget* was presented and reviewed by the Board at its Workshop Meeting on March 2, 2016. This *Preliminary Budget* was presented again and adopted by the Board at its Regular Meeting on March 16, 2016. The administration and Finance Committee *continued to review this budget prior to presenting the Final 2016/17 School Year Budget* at this Public Budget Hearing.

# 2016/17 Budget Calendar . . .

**Wednesday, March 2, 2016**

**Preliminary Budget was presented to the Board  
at the Workshop Meeting**

**Wednesday, March 16, 2016**

**Preliminary Budget was presented and adopted  
by the Board at the Regular Meeting**

**Tuesday, March 22, 2016**

**Budget was submitted to Executive County Superintendent**

**Monday, April 18, 2016**

**Budget was approved by the Executive County Superintendent**

**Friday, April 22, 2016**

**2016/17 school year budget advertised**

**Wednesday, May 4, 2016**

**Public Budget Hearing**

**Final Budget to be approved by the Board**

# Definitions . . .

**Tax Levy** – The amount of revenue raised through property taxes to support the General Fund

**Budgeted Fund Balance** – Surplus Funds from prior year budgets used as revenue in future budget years and/or unused appropriations from prior budget year

**Extraordinary Aid** – State aid for special education costs that exceed \$40,000 per year/per student (public school) and \$55,000 per year/per student (private school)

**SEMI Aid** – Federal aid for services provided to special education students eligible for Medicaid reimbursement

**Capital Reserve** – Surplus Funds reallocated from Fund Balance and set aside for future capital improvement projects

**Nonpublic Transportation Aid** – State aid received annually towards the cost of transporting nonpublic students

**Debt Service** – Funds for payment of principal and interest on outstanding bonded debt previously approved by the voters

# Other Funds . . .

**Fund 12 – Capital Outlay**, items that are funded by general fund revenues, includes increases in the general fund capital reserve account, equipment purchases, and facilities acquisition and construction services.

**Fund 20 – Special Revenue**, accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, i.e., NCLB (Title I) and IDEA funds. The amount of grant funds received differ from year to year.

**Fund 30 – Capital Projects**, the source of revenue in this fund would be the sale of bonds, grants, or transfers from the general fund to augment the grant. Separate accounting must be used for each capital project.

**Fund 40 – Debt Service**, accounts for the accumulation of resources for, and the payment of long-term debt, principal and interest.

**Fund 60 – Enterprise Funds**, used to account for any activity for which a fee is charged to external users for goods and services.

**Community Education (Fund 60)**

**Food Service (Fund 61)**

# How did we get here . . .

The “bottom line” is balancing projected revenues against projected expenditures in order to make the budget whole.

<b>2016/17 Preliminary General Fund Budget</b>	<b>\$ 94,048,446</b>
<b>Projected Revenues</b>	<b>\$ 92,794,190</b>
<b>Projected Expenditures</b>	<b>\$ 95,480,476</b>

**Budget shortfall = \$2,686,286**

Unexpended Appropriations from 2015/16 used as Budgeted  
Fund Balance for 2016/17 = **\$1,254,256**  
The reductions used to get to the “bottom line” = **\$1,432,021**

Reductions	Positions	Cost Savings
Paraprofessionals	3	\$ 185,593
Secretary	1	82,686
Admin Staff (non-certificated)	2	302,196
Behaviorist	1	92,281
Outsource Nurse/Speech Teacher	2	117,594
Instructional (Teachers)	5	350,000
Total positions	14	<b>\$ 1,130,350</b>
Eliminate Courtesy Busing (1.4 miles)	Excludes Bryant	<b>\$ 301,671</b>



This budget includes eliminating courtesy busing for students receiving transportation services at Hawthorne, Lowell, Whittier, and Charter School . . . Eliminates 11 buses for 378 public school students and aid-in-lieu payments for 21 nonpublic students

School	# Students	# Buses	Cost/Bus	Total Cost
Hawthorne	78	2	\$ 25,737	\$ 51,474
Lowell	134	4	25,737	102,948
Whittier	166	5	25,737	128,685
Aid-In-Lieu	21		\$ 884 per	18,564
<b>Total \$301,671</b>				

Hawthorne (Grade 1 = 17) (Grade 2 = 25)  
(Grade 3 = 23) (Grade 4 = 13) = 78

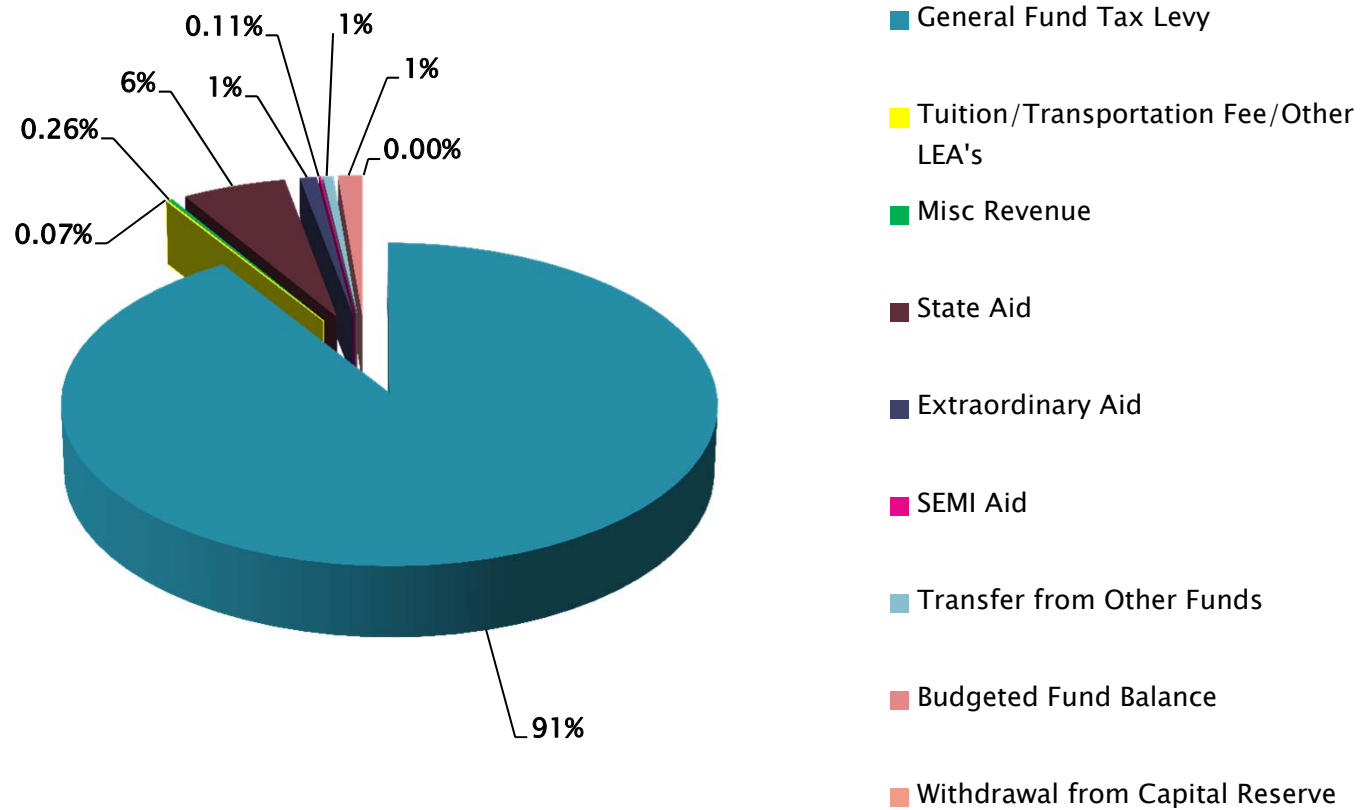
Lowell (Grade 1 = 33) (Grade 2 = 29)  
(Grade 3 = 41) (Grade 4 = 31) = 134

Whittier (Grade 1 = 50) (Grade 2 = 36)  
(Grade 3 = 41) (Grade 4 = 39) = 166



<b>Projected 2016/17 School Year Revenues</b>					
<i>Revenue</i>	<i>2014/15</i>	<i>2015/16</i>	<i>2016/17</i>	<i>\$ CHANGES \$</i>	<i>Percent of Change</i>
General Fund Tax Levy	\$ 80,505,489.00	\$ 83,928,341.00	\$ 85,606,908.00	\$ 1,678,567.00	2.00%
Tuition/Transportation Fee/Other LEA's	\$ 125,000.00	\$ 93,205.00	\$ 67,530.00	\$ (25,675.00)	-27.50%
Misc Revenue	\$ 330,000.00	\$ 245,500.00	\$ 245,500.00	\$ -	
State Aid	\$ 5,396,235.00	\$ 5,351,235.00	\$ 5,356,047.00	\$ 4,812.00	0.10%
Extraordinary Aid	\$ 1,050,000.00	\$ 1,050,000.00	\$ 875,000.00	\$ (175,000.00)	-17.00%
SEMI Aid	\$ 63,080.00	\$ 58,170.00	\$ 103,205.00	\$ 45,035.00	78.00%
Transfer from Other Funds	\$ 402,086.00	\$ 650,000.00	\$ 540,000.00	\$ (110,000.00)	-17.00%
Budgeted Fund Balance	\$ 3,596,867.00	\$ 1,084,890.00	\$ 1,254,256.00	\$ 169,366.00	15.60%
Withdrawal from Capital Reserve	\$ 430,487.00	\$ -	\$ -	\$ -	
Total Revenue	\$ 91,899,244.00	\$ 92,461,341.00	\$ 94,048,446.00	\$ 1,269,958.00	1.40%
Special Revenue/FUND 20	\$ 2,522,377.00	\$ 1,640,994.00	\$ 1,640,994.00	\$ -	
Debt Service/FUND 40	\$ 1,913,317.00	\$ 1,489,284.00	\$ 1,461,209.00	\$ (28,075.00)	-1.90%
Grand Total Revenue	\$ 96,767,435.00	\$ 95,908,766.00	\$ 97,150,649.00	\$ 1,241,883.00	1.30%

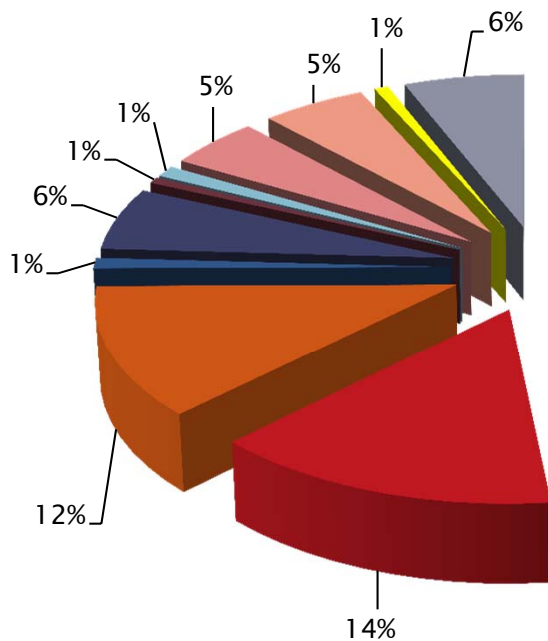
# 2016/17 SCHOOL YEAR PROJECTED – REVENUES



## Projected 2016/17 School Year Expenditures

<b>Current General Expense</b>	<b>2014/15 Adjusted Budget</b>	<b>2015/16 Adjusted Budget</b>	<b>2016/17 Proposed Budget</b>	<b>\$ CHANGES \$</b>	<b>Percent of Change</b>
Salaries/District (certificated and non-certificated)	49,385,528	45,204,635	45,052,955	-151,680	-0.34%
Health Benefits (Medical/Rx/Dental) Other Employee Benefits	13,069,980	12,910,453	13,435,625	525,172	4.10%
Special Education (Out-of-District Tuition)	10,221,402	11,141,938	11,487,996	346,058	3.10%
General Administration (Supt/ Curr Instru/ Supvrs)	1,840,287	1,139,376	924,765	-214,611	-18.70%
Central Administration (Business Office/Human Resources)	2,376,377	5,013,934	5,496,901	482,967	9.70%
Other Support Services (Athletics/Guidance/Student Info)	650,271	571,460	546,365	-25,095	-4.40%
Technology Management (District-wide)	872,672	877,609	981,700	104,091	11.90%
Operation/Maintenance of Plant (Custodial Services)	3,689,475	4,465,919	4,380,203	-85,716	-1.90%
Student Transportation Services (Public/Nonpublic)	4,728,162	4,683,827	4,876,198	192,371	4.10%
School Budgets	877,260	798,859	651,580	-147,279	-18.40%
Transfer to <i>Charter Schools</i>	5,058,019	5,307,350	5,614,397	310,047	5.80%
<b>Total FUND 11 (Current Expense)</b>	<b>\$ 92,769,433.00</b>	<b>\$ 92,115,360.00</b>	<b>\$ 93,448,685.00</b>	<b>\$ 1,333,325.00</b>	<b>1.45%</b>
<b>Total FUND 12 (Capital Outlay)</b>	<b>\$ 963,616.00</b>	<b>\$ 663,128.00</b>	<b>\$ 599,761.00</b>	<b>\$ (63,367.00)</b>	<b>-9.60%</b>
<b>Total Current Expense Fund 11 and FUND 12</b>	<b>\$ 93,733,049.00</b>	<b>\$ 92,778,488.00</b>	<b>\$ 94,048,446.00</b>	<b>\$ 1,269,958.00</b>	<b>1.40%</b>
Special Revenue/ <b>FUND 20</b> (NCLB, IDEA, Nonpublic)	<b>\$ 1,872,300.00</b>	<b>\$ 1,640,994.00</b>	<b>\$ 1,640,994.00</b>	<b>\$ -</b>	
DEBT Service/ <b>FUND 40</b>	<b>\$ 1,913,917.00</b>	<b>\$ 1,489,284.00</b>	<b>\$ 1,461,209.00</b>	<b>\$ (28,075.00)</b>	<b>-1.90%</b>
<b>Grand Total Budget</b>	<b>\$ 97,519,266.00</b>	<b>\$ 95,908,766.00</b>	<b>\$ 97,150,649.00</b>	<b>\$ 1,241,883.00</b>	<b>1.30%</b>

# 2016/17 SCHOOL YEAR PROJECTED – EXPENDITURES



- Salaries/District (certificated and non-certificated)
- Health Benefits (Medical/Rx/Dental)  
Other Employee Benefits
- Special Education  
(Out-of-District Tuition)
- General Administration (Supt/ Curr Instru/ Supvrs)
- Central Administration  
(Business Office/Human Resources)
- Other Support Services  
(Athletics/Guidance/Student Info)
- Technology Management (District-wide)
- Operation/Maintenance of Plant  
(Custodial Services)
- Student Transportation Services  
(Public/Nonpublic)
- School Budgets
- Transfer to Charter Schools

## **Salaries/District (certificated and non-certificated)**

**Projected district salaries for 2016/17 decrease from  
\$45,204,635 to \$45,052,955 = **\$151,680** or **-0.34%****

**This is the result of reducing 14 positions across the district  
3 paraprofessionals, 1 secretary;  
2 non-certificated administrators, 1 Behaviorist,  
5 teachers, outsourcing 1 School Nurse and 1 Speech Teacher,  
and eliminating courtesy busing (1.4 miles) for  
Hawthorne, Lowell, and Whittier schools.**

# Health Benefits (Medical/Rx/Dental) and Other Employee Benefits

**Projected expenditures for Health Benefits for 2016/17 increase  
from \$12,910,453 to \$13,435,625 = \$525,172 or 4.10%**

Medical (projected increase @ 7%) =	\$ 6,881,773 >
Prescription (projected increase @ 15%) =	\$ 2,398,732 > 479 Employees
Dental (flat)	\$ 705,064 >

Other Employee Benefits	\$ 3,450,056
SICK/VAC/PD reimbursements =	\$ 580,000
FICA/non TPAF =	\$ 1,039,056
PERS Contribution =	\$ 1,101,283
Unemployment =	\$ 131,656
Workmen's Comp =	\$ 394,171
TTEA Disability =	\$ 203,890

**Employee Benefits as a percentage of salaries\* = 29.82%**

**\*Does not include pension and social security paid by the State on behalf of the district**

# Special Education

## Out-of-District Tuition/Extraordinary Services/Program Expenses

**Projected expenditures for Special Education for 2016/17 increase from \$11,141,938 to \$11,487,996 = \$346,058 or 3.10%**

**Tuition (Public/Private/State Facilities) = \$ 8,631,935**

Current out-of-district placements = 118

**Extraordinary Services (OT/PT/Speech) = \$ 2,354,600**

Approx. 60% of Sp Ed students (564) receive one or more related services

**Extended School Year (services ONLY) = \$ 50,000**

**Program Expenses = \$ 451,461**

**Total Special Education Salaries = \$11,823,866**

**Total Special Education Transportation = \$ 2,810,956**

**Total Special Education = \$26,122,818 = 27.8% of Budget**



**General Administration**  
**Superintendent/Curriculum and Instruction/Supervisors**

**Projected expenditures for General Administration for 2016/17 decrease from \$1,139,376 to \$924,765 = **\$214,611** or **-18.70%****

**Superintendent's Office = \$114,415 (-\$109,923)**

**Testing materials, purchased education services, postage, travel and conferences, admin professional development, copier maintenance, supplies and materials, and other misc expenses.**

**Curriculum and Instruction = \$490,900 +123,472**

**Purchased prof education services, travel and conferences, postage, supplies and materials, professional development (District-wide), and other misc expenses.**

**Supervisors = \$319,450 (-\$104,688)**

**Instructional supplies and materials, travel and conferences, field trips, library media services, textbooks (District-wide), and other misc expenses.**

## **Central Administration Business Office/Human Resources**

**Projected expenditures for Central Administration for 2016/17  
increase from \$5,013,934 to \$5,496,901 = \$482,967 or 9.70%**

**The Business Office budget includes misc purchased services,  
i.e., audit, legal, copiers, insurance, postage, BOE expenses,  
general supplies, and interest on lease-purchases = \$1,674,631**

**The Human Resources Budget includes outsourced Mission  
One paraprofessionals (\$3,754,850) and misc purchased  
services, i.e., postage, advertisements, workshops, travel and  
conference expenses = \$3,822,270**

## Other Support Services Athletics/Guidance/Student Information Systems

**Projected expenditures for Other Support Services for 2016/17  
decrease from \$571,460 to \$546,365 = **\$25,095** or **-4.4%****

**Athletics = \$462,500 (-\$17,514)**

Transportation =	\$199,500	Health Supplies/Textbooks =	\$5,000
Purchased Services =	\$48,000	Athletic Supplies =	\$115,000
Officials/Sport Fees =	\$95,000		

**Guidance = \$ 22,800 (-\$9,500)**

504 Services, Testing Supplies and Materials, Copier Maintenance

**Student Info Systems = \$ 61,065 +\$1,919**

Annual Maintenance of Student Info System, Supplies and Materials

## **Technology Management District-wide**

**Projected expenditures for Technology Management for  
2016/17 increase from \$877,609 to \$981,700 = \$104,091 or  
11.90%**

**The technology budget includes internet service, telephone, voice/data system maintenance, tech and instructional supplies, travel and conference expenses.**

**The district at present is undergoing a comprehensive technology assessment and audit (infrastructure, equipment, broadband), as well as current staffing.**

## Operation and Maintenance of Plant Custodial Services

**Projected expenditures for Operation and Maintenance of Plant for 2016/17 decrease from \$4,465,919 to \$4,380,203 = **\$85,716 or -1.90%****

**The O&M budget includes contracts for building maintenance, trash removal, utilities (gas/electric), outsourced night custodial staff (\$1,498,053), general supplies, vehicle maintenance and repair, equipment repair, and principal and interest on ESIP bonds (Energy Savings Improvement Program) bonds.**

## Student Transportation Public and Nonpublic

**Projected expenditures for Student Transportation Services for 2016/17 increase from \$4,683,827 to \$4,876,198 = \$192,371 or 4.10%**

<b>Aid-In-Lieu Payments/nonpublic/Charter</b>	<b>=</b>	<b>\$ 228,067 (258 @ \$884)</b>
<b>Contract/VoTech</b>	<b>=</b>	<b>\$ 75,296 (82)</b>
<b>Contract/Public (Bryant at 1.3 miles ONLY)</b>	<b>=</b>	<b>\$ 293,368 (298)</b>
<b>Charter School</b>	<b>=</b>	<b>\$ 112,564 (92 Eligible)</b>
<b>Contract/nonpublic</b>	<b>=</b>	<b>\$1,342,054 (2,259)</b>
<b>Contract/Special Education (in-district)</b>	<b>=</b>	<b>\$1,111,361</b>
<b>Summer/Special Education</b>	<b>=</b>	<b>\$ 283,390</b>
<b>Special Education Contracted Services</b>	<b>=</b>	<b>\$1,416,205</b>
<b>Supplies/Misc</b>	<b>=</b>	<b>\$ 13,888</b>

## School Budgets

### THS/BFMS/TJMS/Bryant/Hawthorne/Lowell/Whittier

**Projected expenditures for the School Budgets for 2016/17  
decrease from \$798,859 to \$651,580 = **\$147,279** or **-18.40%****

Teaneck High School ( <i>supplies \$100 X 1,311 = \$131,000</i> )	=	\$292,120
BF Middle School ( <i>supplies \$100 X 503 = \$50,300</i> )	=	\$ 88,460
TJ Middle School ( <i>supplies \$100 X 541 = \$54,100</i> )	=	\$ 93,020
Bryant School ( <i>supplies \$100 X 280 = \$28,000</i> )	=	\$ 38,900
Hawthorne School ( <i>supplies \$100 X 381 = \$38,100</i> )	=	\$ 47,510
Lowell School ( <i>supplies \$100 X 303 = \$30,300</i> )	=	\$ 43,430
Whittier School ( <i>supplies \$100 X 364 = \$36,400</i> )	=	\$ 48,140

Instructional supplies and materials, postage, media center supplies, textbooks (replacement), field trips,  
copier maintenance, and misc expenses

*Allocations for instructional supplies and materials were based on enrollment at \$100.00 per student*



# Transfer to Charter Schools

The transfer to Charter Schools increased significantly for the 2016/17 school year from \$5,307,350 to \$5,614,397 for 347 students

Teaneck Community	=	\$5,079,776 (315 students)
Englewood on the Palisade	=	\$ 504,986 (30 students)
Bergen Arts and Science	=	\$ 29,635 (2 students)

## Capital Outlay FUND 12

Projected expenditures for Capital Outlay for 2016/17  
decreased from \$663,128 to \$599,761 = **\$63,367** or **-9.60%**

Voice/Data Network Equipment	=	\$190,000
Maintenance Equipment	=	\$ 35,000
Lease-Purchase Agreements*	=	\$246,662
SDA Assessment**	=	\$128,662

**\*Roof Lease Payment re Bryant/Hawthorne**

**\*\*School Development Authority**

## **TAX LEVY RECAP . . .**

**2015/16 Levy = \$83,928,341**

**Tax Rate = 1.672**

**Average Assessment \$377,800 = \$6,315**

**2016/17 Levy = \$85,606,908**

**Tax Rate = 1.705**

**Average Assessment \$377,800 = \$6,441**

**Estimated Increase = \$126**

**Comparative Budgetary Per Pupil Cost = \$19,922**

**Calculation is estimated based on average assessed value of \$377,800,  
subject to final assessments from the Bergen County Board of Taxation**

## Special Revenue FUND 20

**Special Revenue** accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, i.e., NCLB (Title I) and IDEA funds. The amount of grant funds received differ from year to year.

<b>NCLB/Title I</b>	<b>=</b>	<b>\$397,018</b>
<b>Title II</b>	<b>=</b>	<b>\$ 98,631</b>
<b>Title III</b>	<b>=</b>	<b>\$ 21,724</b>
<b>IDEA/Part B</b>	<b>=</b>	<b>\$922,306</b>

Tuition for out-of-district placements and nonpublic services

<b>Nonpublic</b>	<b>=</b>	<b>\$201,315</b>
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Nonpublic includes Textbooks/Nursing/Technology/Chapter 192/193

**Total = \$1,640,994**

## **Debt Service FUND 40**

**Debt Service** funds payment of principal and interest on outstanding bonded debt previously approved by the voters

**Principal on Bonds (2 issues) = \$1,035,000**

**Interest on Bonds = \$ 426,209**

**Total = \$1,461,209**

**Teaneck Township School District**  
**\$7,615,000 Refunding School Bonds, Series 2016**  
**Debt Service Schedule After Refunding**

**Series 2006 Remaining Payment**

<b>Principal</b>	<b>Interest</b>	<b>Total</b>
<b>\$575,000.00</b>	<b>\$13,343.75</b>	<b>\$588,343.75</b>

**Series 2016 Refunding Bonds**

<b>Principal</b>	<b>Interest</b>	<b>Total</b>
<b>\$7,615,000.00</b>	<b>\$1,877,569.17</b>	<b>\$9,492,569.17</b>

<b>Principal</b>	<b>Interest</b>	<b>Total Prin/Int</b>	<b>\$ Savings \$</b>
<b>\$8,535,000.00</b>	<b>\$2,840,118.75</b>	<b>\$11,375,118.75</b>	<b>\$1,294,205.83</b>

**Average annual savings to taxpayers for years 2017 thru 2031 = \$92,443.00**

### **Resolution to Adopt the Final 2016/17 School Year Budget**

**Be It Resolved**, that the Teaneck Board of Education, County of Bergen, approves the ***Final 2016/17 School Year Budget*** as follows:

Current General Expense (Fund 11)	\$87,834,288
Capital Outlay (Fund 12)	599,761
Transfer to Charter Schools	5,614,397
<b>TOTAL GENERAL FUND</b>	<b>\$94,048,446</b>
Special Revenue (Fund 20)	1,640,994
Debt Service (Fund 40)	1,461,209
<b>TOTAL EXPENDITURES/APPROPRIATIONS</b>	<b>\$97,150,649</b>

and

**Be It Resolved**, that the **GENERAL FUND** tax levy **\$85,606,908** and **DEBT SERVICE** tax levy **\$1,461,209** are approved to support the 2016/17 school year budget.



*QUESTIONS ???*

