

*2015/16*

*PRELIMINARY BUDGET DISCUSSION*



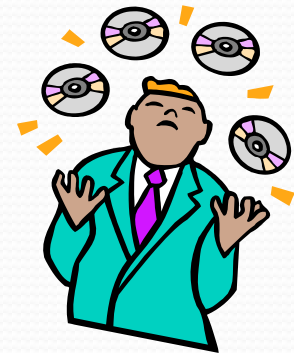
*FEBRUARY 11, 2015*

## *BUDGET PROCESS*

- This process began in November with input from principals, directors and supervisors.
- Preliminary Budgets were submitted to the Business Administrator and Superintendent in early December.
- The preliminary budget and tax levy options were discussed with the Finance Committee at meetings held in December and January.

# *BUDGET GOALS*

- Maintain tax increase at CAP and using available Banked CAP
- Maintain programs and services
- Maintain stable surplus for future budget years
- Provide funds for capital projects



# REVENUE CHANGES

	<b>2015-16</b>	<b>2014-15</b>	<b>Change</b>
Budgeted Fund Balance	\$ 1,334,890	\$ 3,596,867	\$ (2,261,977)
Transfer from Capital Projects Fund	\$ 400,000	\$ 430,487	\$ (30,487)
Tuition from Other LEA's	\$ 93,205	\$ 125,000	\$ (31,795)
Miscellaneous Revenue	\$ 245,500	\$ 330,000	\$ (84,500)
State Aid (projected Flat)	\$ 5,266,235	\$ 5,266,235	\$ -
Extraordinary Aid (est)	\$ 1,050,000	\$ 1,050,000	\$ -
SEMI Aid (est)	\$ 63,080	\$ 63,080	\$ -
Nonpublic Transportation Aid (est)	\$ 85,000	\$ 85,000	\$ -
	<b>\$ 8,537,910</b>	<b>\$10,946,669</b>	<b>\$ (2,408,759)</b>

# PROJECTED REVENUES

General Fund Tax Levy 2014/15	\$ 80,505,489	
Tax Levy Increase for 2015/16	\$ 1,610,110	2.00%
Banked Cap Available for 2015/16	\$ 1,812,743	2.25%
Budgeted Fund Balance (Unassigned from Audit 14/15)	\$ 1,084,890	
Budgeted Fund Balance (Restricted from Audit 14/15)	\$ 250,000	
Transfer from Capital Projects Fund (14/15)	\$ 400,000	
Miscellaneous Revenue (estimated)	\$ 330,000	
State Aid (projection flat)	\$ 5,266,235	
Extraordinary Aid (estimated)	\$ 1,050,000	
SEMI Aid (estimated)	\$ 63,080	
Nonpublic Transportation Aid (estimated)	\$ 85,000	
	<b>\$ 92,457,547</b>	<b>4.25%</b>

# PROJECTED APPROPRIATIONS

2014/15 General Fund Budget \$ 92,457,547

Salaries (projected) 2015/16 \$

Health Benefits

Medical (est 7% inc) \$ 9,053,200

Prescription (est 15% inc) \$ 2,735,085

Dental (est 5% inc) \$ 809,071

Programs

Expenditures (est) 2015/16 \$

**\$ 92,457,547**

# Budget Savings / Reduction Options

		<u>FTEs</u>
2015/16 General Fund Budget	\$ 92,457,547	
2014/15 General Fund Budget	\$ 91,899,244	
Difference	\$ 558,303	
Breakage from Retirements (as of Feb 11, 2015)	\$ 616,862	
Outsource remaining Lunchroom Aides	\$ 73,511	32
Fund 40% of total salaries to Food Services	\$ 113,557	
Outsource Paraprofessionals	\$ 1,289,456	45
Outsource Nurses	\$ 344,130	6
Eliminate Sports Programs (2)	\$ 29,277	
RIF Administrators	\$ 682,205	5
RIF Secretaries	\$ 402,359	5
RF Teachers	\$ 952,506	12
Consolidate Nonpublic Bus Stops	\$ 116,457	
Total savings based upon reductions	<b>\$ 4,620,320</b>	<b>105</b>

# BANKED CAP

## **Available Banked CAP for Use in 2015-16**

Banked Cap	\$ 1,812,743
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	\$ 1,812,743
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## **If Banked CAP Not Used in 2015-16**

Banked Cap Expiring 2015/16	\$ 1,240,766
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Banked Cap Available 2016/17	\$ 571,977
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## 2015/16 TAX INCREASE

General Fund Tax Levy Increase	\$ 239.71
Total Monthly Increase	\$ 19.98

*Calculations based on average assessed value of \$455,000, subject to final assessments from the Bergen County Board of Taxation*

## *BUDGET CALENDAR*

- The Preliminary Budget will be introduced at the March 11<sup>th</sup> Regular Public Meeting and approved for submission to the Bergen County Superintendent of Schools.
- Budgets are due at the County Office on or before March 20, 2015.
- The Budget Public Hearing will be held at the May 6, 2015 Workshop Meeting.

*QUESTIONS???*



# GLOSSARY

Banked Cap – Difference between actual tax levy increase and maximum increase of 2%.

Budgeted Fund Balance – Surplus funds from prior year budgets used as revenue in future budget years.

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

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

Extraordinary Aid – State aid for special education costs that exceed \$40,000 per year per student.

# *GLOSSARY*

Nonpublic Transportation Aid – State aid received annually in June for the cost of transporting nonpublic students.

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

Surplus Funds – Excess revenue or unused appropriations from a prior budget year.

Tax Levy – The amount of revenue raised through property taxes. This includes the amount to operate the schools (General Fund) and the amount needed to pay for bonded debt previously approved by the voters (Debt Service Fund).