



**Budgeting
for
2017-2018**

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 2017/18 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 2017/18 School Year Budget* is being presented and reviewed by the Board at its Regular Meeting on March 8, 2017. This *Preliminary Budget* will be presented again and adopted by the Board at a Special Meeting on March 16, 2017. The administration and Finance Committee *continues to review this budget prior to presenting the Final 2017/18 School Year Budget* at its Public Budget Hearing.

2017/18 Budget Calendar . . .

Wednesday, March 8, 2017

**Preliminary Budget will be presented to the Board
at the Workshop Meeting**

Thursday, March 16, 2017

**Preliminary Budget will be presented and adopted by the
Board at the Special Meeting**

Friday, March 17, 2017

Budget was submitted to Executive County Superintendent

Thursday, April 20, 2017

Last day to advertise earliest public hearing

Monday, April 24, 2017

Earliest Public Hearing Date

Monday, May 8, 2017

Last day for public hearing

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.

Projected Revenues	\$ 97,922,948
Projected Expenditures	\$ 99,865,298

Budget shortfall = \$1,942,350

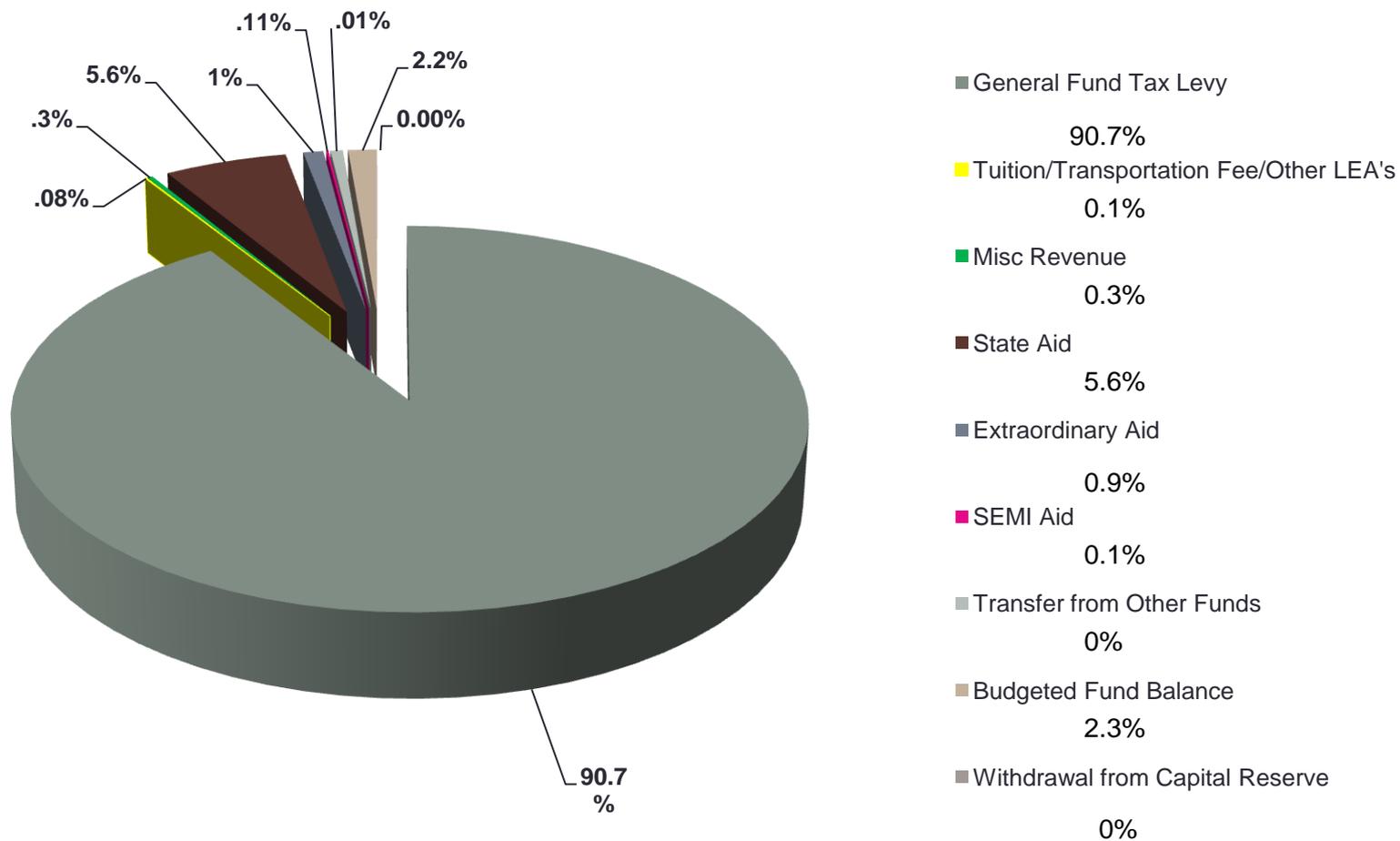
**Unexpended Appropriations from 2016/17 used as
Budgeted Fund Balance for 2017/18 = \$1,038,475**

We reduced expenditures by \$903,875

2017/18 Preliminary General Fund Budget	\$ 98,961,423
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Projected 2017/18 School Year Revenues					
<i>Revenue</i>	<i>2015/16</i>	<i>2016/17</i>	<i>2017/18</i>	<i>\$ CHANGES \$</i>	<i>Percent of Change</i>
General Fund Tax Levy	\$ 83,928,341	\$ 85,606,908	\$ 87,319,046	\$ 1,712,138	2.00%
Tuition/Transportation Fee/Other LEA's	\$ 93,205	\$ 67,530	\$ 67,530	\$ -	0.00%
Misc Revenue	\$ 245,500	\$ 245,500	\$ 245,500	\$ -	0.00%
State Aid	\$ 5,351,235	\$ 5,356,047	\$ 5,356,047	\$ -	0.00%
Extraordinary Aid	\$ 1,050,000	\$ 875,000	\$ 875,000	\$ -	0.00%
SEMI Aid	\$ 58,170	\$ 103,205	\$ 92,958	\$ (10,247)	-9.93%
Transfer from Other Funds	\$ 650,000	\$ 540,000	\$ 100,000	\$ (440,000)	-81.48%
Budgeted Fund Balance	\$ 1,084,890	\$ 1,254,256	\$ 2,135,169	\$ 880,913	70.23%
Main. Res and Year End Encumbrance	\$ 317,147	\$ 564,397	\$ -	\$ (564,397)	
Total Revenue	\$ 92,778,488	\$ 94,612,843	\$ 96,191,250	\$ 1,578,407	1.67%
Special Revenue/FUND 20	\$ 1,640,994	\$ 1,640,994	\$ 1,312,795	\$ (328,199)	-20.00%
Debt Service/FUND 40	\$ 1,489,284	\$ 1,461,209	\$ 1,457,378	\$ (3,831)	-0.26%
Grand Total Revenue	\$ 95,908,766	\$ 97,715,046	\$ 98,961,423	\$ 1,246,377	1.28%

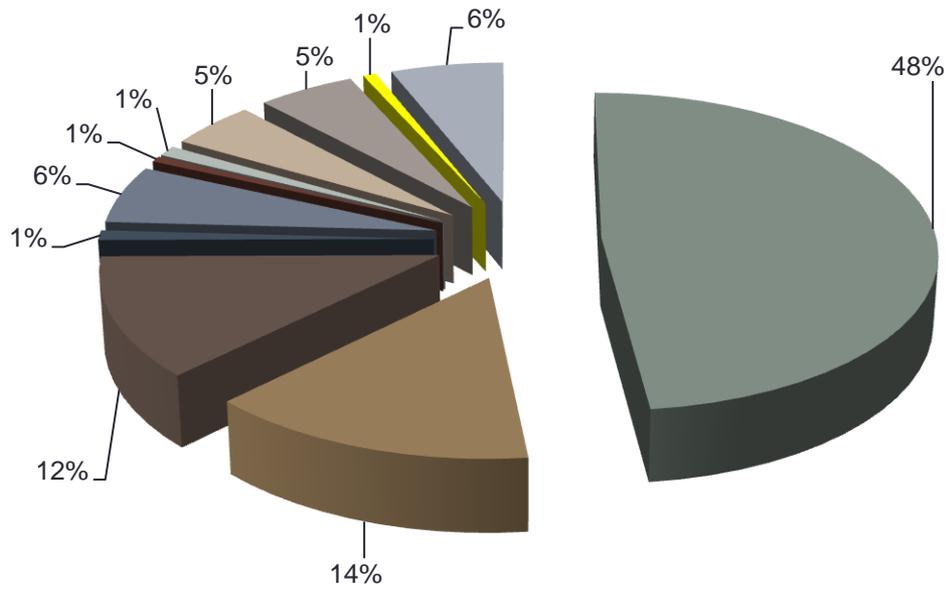
2017/18 SCHOOL YEAR PROJECTED - REVENUES



Projected 2017/18 School Year Expenditures

Salaries/District (certificated and non-certificated)	45,204,635	44,846,391	45,980,226	1,133,835	2.53%
Health Benefits (Medical/Rx/Dental) Other Employee Benefits	12,910,453	12,980,459	12,906,615	-73,844	-0.57%
Special Education (Out-of-District Tuition)	11,141,938	11,394,683	12,132,098	737,415	6.47%
General Administration (Supt/ Curr Instru/ Supvrs)	1,139,376	874,163	734,165	-139,998	-16.02%
Central Administration (Business Office/Human Resources)	5,013,934	5,843,727	5,843,172	-555	-0.01%
Other Support Services (Athletics/Guidance/Student Info)	571,460	553,526	539,412	-14,114	-2.55%
Technology Management (District-wide)	877,609	1,459,055	1,525,355	66,300	4.54%
Operation/Maintenance of Plant (Custodial Services)	4,465,919	4,649,895	4,504,214	-145,681	-3.13%
Student Transportation Services (Public/Nonpublic)	4,683,827	5,120,290	5,120,014	-276	-0.01%
School Budgets	798,859	654,983	655,466	483	0.07%
Transfer to <i>Charter Schools</i>	5,307,350	5,614,397	5,871,910	257,513	4.59%
Total FUND 11 (Current Expense)	\$ 92,115,360	\$ 93,991,569	\$ 95,812,647	1,821,078	1.94%
Total FUND 12 (Capital Outlay)	\$ 663,128.00	\$ 621,274.00	\$ 378,603.00	-242,671	-39.06%
Total Current Expense Fund 11 and FUND 12	\$ 92,778,488	\$ 94,612,843	\$ 96,191,250	1,578,407	1.67%
Special Revenue/ FUND 20 (NCLB, IDEA, Nonpublic)	\$ 1,640,994	\$ 1,640,994	\$ 1,312,795	-328,199	-20.00%
DEBT Service/ FUND 40	\$ 1,489,284	\$ 1,461,209	\$ 1,457,378	-3,831	-0.26%
Grand Total Budget	\$ 95,908,766	\$ 97,715,046	\$ 98,961,423	1,246,377	1.28%

2017/18 SCHOOL YEAR PROJECTED - EXPENDITURES



- Salaries/District (certificated and non-certificated) 48%
- Health Benefits (Medical/Rx/Dental) Other Employee Benefits 14%
- Special Education (Out-of-District Tuition) 12%
- General Administration (Supt/ Curr Instru/ Supvrs) 1%
- Central Administration (Business Office/Human Resources) 6%
- Other Support Services (Athletics/Guidance/Student Info) 1%
- Technology Management (District-wide) 1%
- Operation/Maintenance of Plant (Custodial Services) 5%
- Student Transportation Services (Public/Nonpublic) 5%
- School Budgets 1%
- Transfer to Charter Schools 6%

Salaries/District (certificated and non-certificated)

**Projected district salaries for 2017/18 increase from
\$44,846,391 to \$45,980,226 = \$1,133,835 or 2.53%**

**This is the result of contractual obligations and filling positions
across the district that were frozen in 2016-2017.**

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

**Projected expenditures for Health Benefits for 2017/18
decrease from \$12,980,459 to \$12,906,615 = \$73,844 or a
-0.57% decrease**

**This is the direct result of negotiating savings by going from
Direct 10 to Direct 15 district wide.**

Special Education

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

Projected expenditures for Special Education for 2017/18 increase from \$11,394,683 to \$12,132,098 = \$737,415 or 6.47%

Tuition (Public/Private/State Facilities) = \$ 9,188,337

Current out-of-district placements = 118

Extraordinary Services (OT/PT/Speech) = \$ 2,482,300

Approx. 60% of Sp Ed students (624) receive one or more related services

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

Program Expenses = \$ 411,461

Total Special Education Salaries = \$12,312,035

Total Special Education Transportation = \$ 2,579,500

Total Special Education = \$27,023,633 = 28.1% of Budget

General Administration

Superintendent/Curriculum and Instruction/Supervisors

Projected expenditures for General Administration for 2017/18 decreased from \$874,163 to \$734,165 = \$139,998 or -16.02%

Superintendent's Office = \$114,415

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

Curriculum and Instruction = \$269,900

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

Supervisors = \$349,850

textbooks (District-wide), and other misc expenses.

Central Administration Business Office/Human Resources

**Projected expenditures for Central Administration for 2017/18
decrease from \$5,843,727 to \$5,843,172 = \$555 or -0.01%**

The Business Office budget includes misc purchased services, i.e., audit, legal, copiers, insurance, postage, BOE expenses, general supplies, outsourced Mission One paraprofessionals, and interest on lease-purchases = \$3,139,255

The Human Resources Budget includes outsourced Mission One paraprofessionals and misc purchased services, i.e., postage, advertisements, workshops, travel and conference expenses = \$2,703,917

Other Support Services

Athletics/Guidance/Student Information Systems

**Projected expenditures for Other Support Services for 2017/18
decrease from \$553,526 to \$539,412 =
\$14,114 or -2.55%**

Athletics = \$464,112

Transportation = \$190,438

Purchased Services = \$56,002

Officials/Sport Fees = \$92,672

Health Supplies/Textbooks = \$5,000

Athletic Supplies = \$120,000

Guidance = \$15,300

504 Services, Testing Supplies and Materials, Copier Maintenance

Student Info Systems = \$60,000

Annual Maintenance of Student Info System (Skyward), Supplies and Materials

Technology Management District-wide

**Projected expenditures for Technology Management for
2017/18 increase from \$1,459,055 to \$1,525,355 = \$66,300
or 4.54%**

The technology budget includes Internet service, telephone, voice/data system maintenance, tech and instructional supplies, lease for technology upgrade, travel and conference expenses.

Operation and Maintenance of Plant Custodial Services

Projected expenditures for Operation and Maintenance of Plant for 2017/18 decrease from \$4,649,895 to \$4,504,214 = \$145,681 or -3.13%

The O&M budget includes contracts for building maintenance, trash removal, utilities (gas/electric), outsourced night custodial staff, 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 2017/18 decreases from \$5,120,290 to \$5,120,014 = \$276 or -0.01%

Aid-In-Lieu Payments/nonpublic/Charter	=	\$ 390,000
Contract/VoTech	=	\$ 75,296
Contract/Public	=	\$ 547,720
Charter School	=	\$ 112,564
Contract/nonpublic	=	\$1,305,841
Contract/Special Education (in-district)	=	\$1,113,900
Summer/Special Education	=	\$ 117,600
Special Education Contracted Services	=	\$1,440,000
Supplies/Misc	=	\$ 17,093

School Budgets

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

Projected expenditures for the School Budgets for 2017/18 increase from \$654,983 to \$655,466 = \$483 or 0.07%

Teaneck High School	=	\$337,610
BF Middle School	=	\$ 72,580
TJ Middle School	=	\$ 75,276
Bryant School	=	\$ 37,000
Hawthorne School	=	\$ 43,600
Lowell School	=	\$ 43,400
Whittier School	=	\$ 46,000

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 for the 2017/18 school year from \$5,614,397 to \$5,871,910 = \$257,513 or 4.59%

Teaneck Community	=	\$ 5,019,509 (315 students)
Englewood on the Palisade	=	\$ 781,722 (45 students)
Bergen Arts and Science	=	\$ 70,679 (4 students)

Capital Outlay

FUND 12

Projected expenditures for Capital Outlay for 2017/18 decreased from \$621,274 to \$378,603 = \$242,671 or -39.06%

Lease-Purchase Agreements*	=	\$249,941
SDA Assessment**	=	\$128,662

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

****School Development Authority**

TAX LEVY RECAP . . .

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

Tax Rate = 1.706

Average Assessment \$380,134 \$6,485

2017/18 Levy = \$87,319,046

Tax Rate = 1.739

Average Assessment \$380,134 \$6,610

Estimated Annual Increase = \$125

Comparative Budgetary Per Pupil Cost = \$21,045

Calculation is estimated based on average assessed value of \$380,134, 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.

NCLB/Title I	=	\$317,614
Title II	=	\$ 78,905
Title III	=	\$ 17,379
IDEA/Part B	=	\$737,845

Tuition for out-of-district placements and nonpublic services

Nonpublic	=	\$161,052
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Nonpublic includes Textbooks/Nursing/Technology/Chapter 192/193

Total = \$1,312,795

Note: The Department of Education County Office advised to budget 80% of the previous year's budget for federal grants.

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) = \$1,215,390

Interest on Bonds = \$ 241,988

Total = \$1,457,378

QUESTIONS ? ? ?

