



# WTPS BUDGET DEVELOPMENT 2018-2019

APRIL 24, 2018: 2<sup>ND</sup> BUDGET WORKSHOP OF THE BOE

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# PROCESS AND TIMELINE

Date	Event or Task
Fall 2017	Stakeholder input from teachers to administration and administrators to central office
Fall 2017	Preliminary discussions with Finance and Facilities Committee of the BOE (10/2, 11/14)
Jan 2018	Budget Discussion during BOE Workshop Meetings (1/16, 2/13)
Feb 2018	Preliminary budget provided to the BOE (3/1)
	1 <sup>st</sup> Budget Workshop of the BOE (3/6)
March 2018	Budget Discussion during BOE Workshop Meeting (3/13)
	Notice of State Aid (tentative 3/15)
	BOE Meeting- approve tentative budget (3/20)
	Deadline to submit tentative budget to the County- March 29, 2018
April 2018	Budget Discussion during BOE Workshop Meeting (4/10)
	<b>2<sup>nd</sup> Budget Workshop of the BOE (4/24)</b>
May 2018	<b>Public Hearing on the Budget (5/1)</b>

## BUDGETARY GOALS

- Provide funds necessary to achieve BOE goals and District goals
- Ensure appropriate staffing- consider enrollment parameters (student needs, special education programs, neighborhood schools)
- Meet state and federal guidelines and the requirements of any corrective action plans and/or other plans submitted to the county
- Maintain and improve programs
- Address declining infrastructure needs
- Address aging technology needs
- Address upcoming transportation deadlines

## BOE GOALS

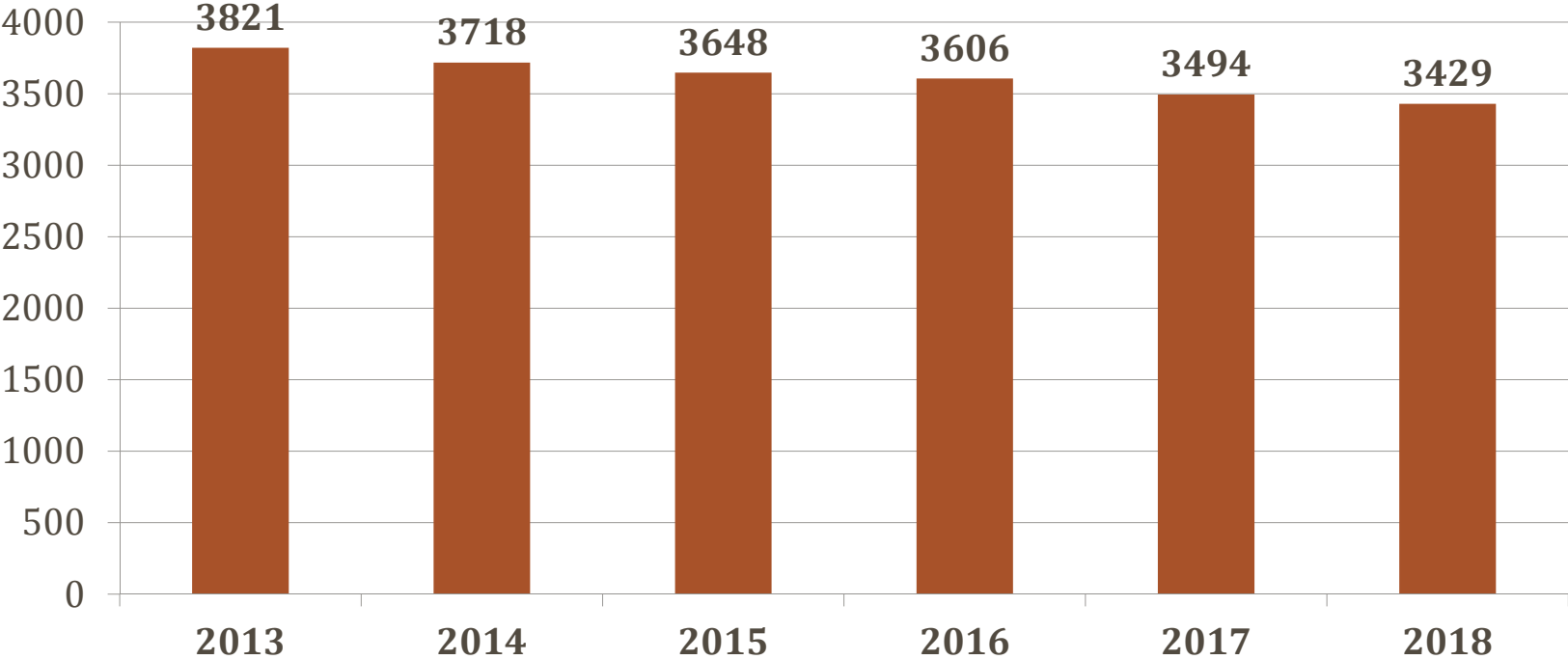
- Ensure implementation and monitoring of the Strategic Plan (2017-2022)
- Develop and implement a negotiations calendar for future negotiations with bargaining units and non-represented personnel.
- Work with the Superintendent to ensure that all students are academically challenged in ways that are aligned with their potential and interests.
- Continue to investigate and implement short and long term solutions for student transportation
- Ensure that the members of the Board of Education receive training to enhance their role/performance as BOE members

# DISTRICT GOALS

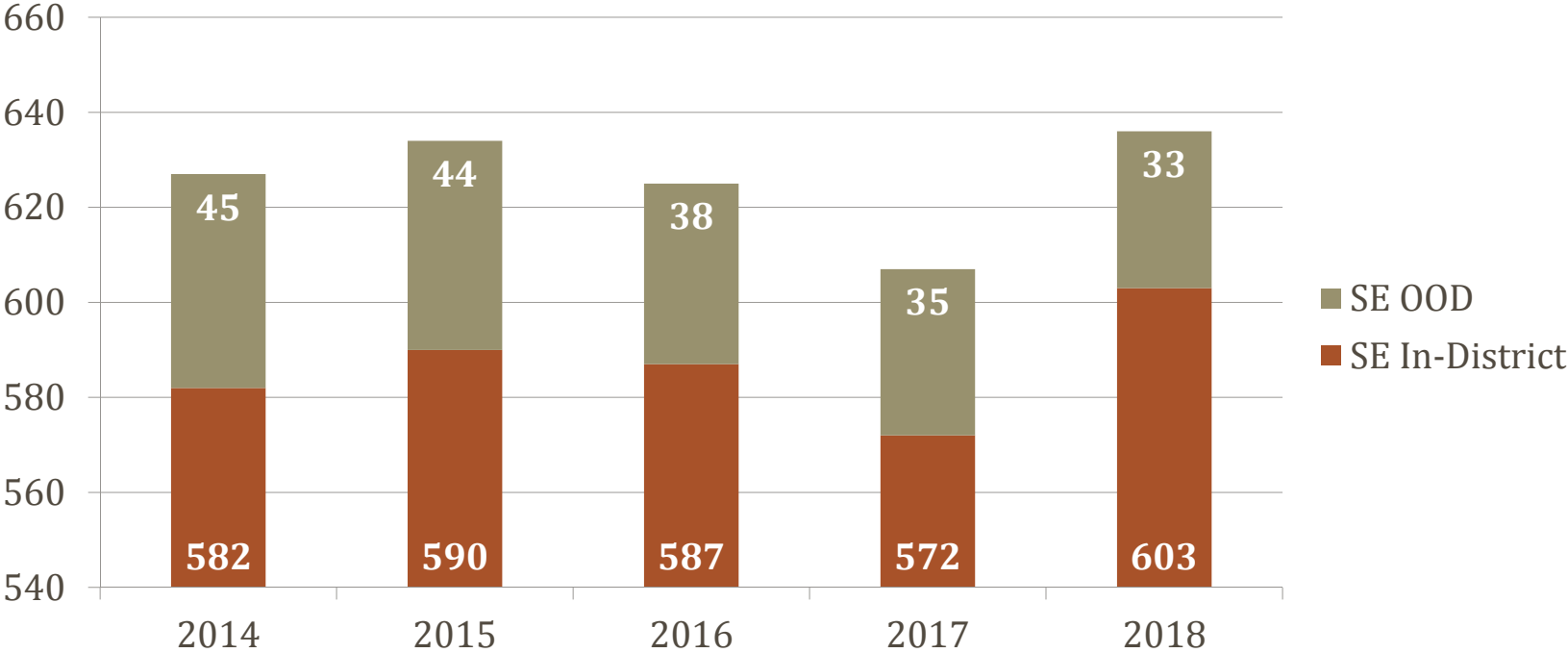
- By June 2022, the district will show evidence of a robust, sustainable curriculum plan that provides meaningful education experiences and opportunities for all students and supports teachers in developing standards-based, authentic lessons to foster and nurture the necessary 21<sup>st</sup> century skills of well-rounded, confident, future-ready learners.
- By June 2022, the district will support the diverse needs of all students by providing a variety of programs that promote high levels of engagement and learning, both academically, socially, and emotionally.
- By June 2022, the district will ensure that all students have access to technology to enhance critical thinking, communication, creativity, and collaboration.
- While implementing fiscally responsible measures and a schedule of facility and infrastructure improvements, WTPS will make a commitment to keep annual increases to the tax levy at 2% or less, and to utilize all available funds from alternate sources, and to utilize waivers and banked cap that might be available when necessary during the years 2017-2022.
- By 2022, the school environment will be culturally responsive and will offer all students the flexibility to pursue meaningful opportunities based on interest level in order to become competent, confident and motivated individuals.
- By 2022, there will be a 'town identity' where the school district is the hub of community involvement for all stakeholders. The community will be involved in the schools and the schools will be involved in the community.

Adjusted from presentations made to the BOE in previous years to reflect October 15<sup>th</sup> report for each year for *resident enrollment*. Resident enrollment does not include tuition in students. 392 fewer students over the six year period. If “Students on Roll” is used for the same school years, the difference between the 2017-18 school year and the 2012-13 school year is 362 students.

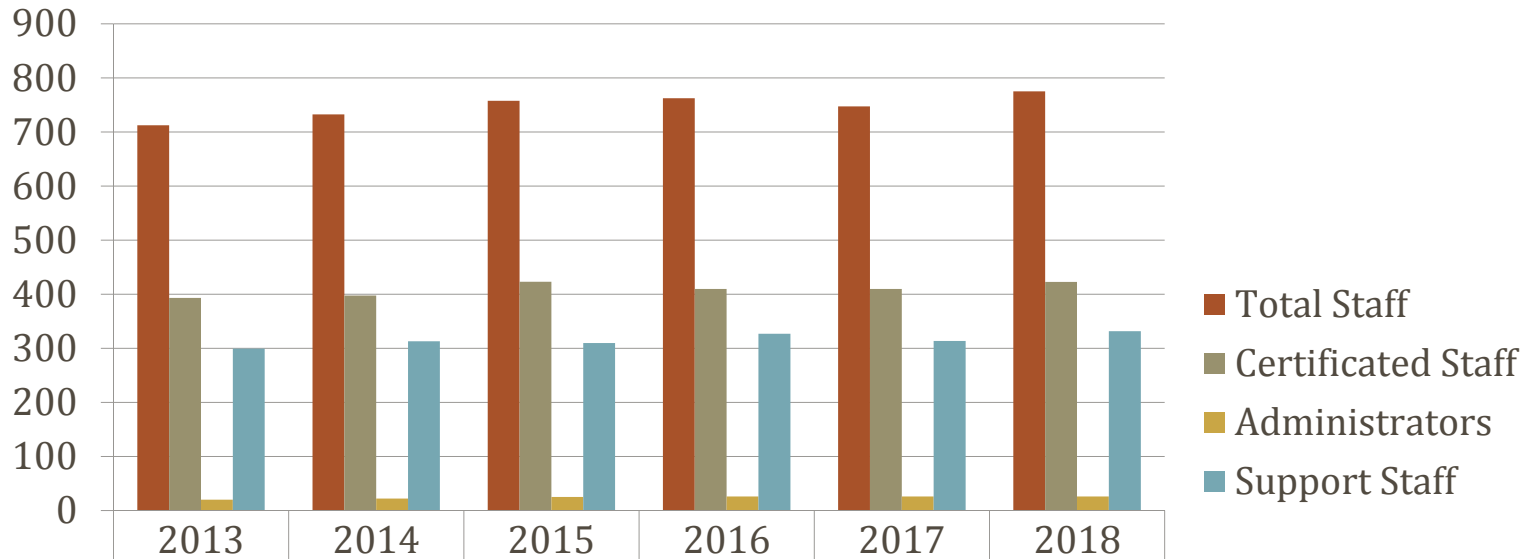
# TOTAL ENROLLMENT OVER TIME



# SPECIAL EDUCATION ENROLLMENT OVER TIME



# TOTAL STAFFING OVER TIME



	2013	2014	2015	2016	2017	2018
■ Total Staff	712.28	732.56	757.71	762.43	747.24	775.05
■ Certificated Staff	393.03	397.49	423	409.6	409.6	422.6
■ Administrators	20	22	25	26	26	26
■ Support Staff	299.25	313.07	309.71	326.83	313.64	331.45



## ADMINISTRATIVE CHANGES/ADDITIONS

- 2013-2014 Added 3 supervisors (K-12 ELA, Elementary ELA Supervisor, 6-12 STEM)
- 2014-2015 Added HR manager, and 1 Supervisor (Elementary STEM Supervisor)
- 2015-2016 Added 1 supervisor (Elementary SE), also did not replace K-12 ELA but added Intermediate Instructional Supervisor
- 2016-2017 No change
- 2017-2018 No change

## DECLINING ENROLLMENT AND STAFFING

- Declining enrollment has had no effect on staffing because:
  - Full day kindergarten added in 2014
    - This doubled the # of kindergarten teachers in most elementary schools
  - Reduced OOD SE by 27% but...
    - Increased high intensity in-district programs
    - 21 additional SE students educated in district 2018 compared to 2014
  - Reduced 392 students over a six-year period
    - 65 students on average per year over 13 grades
    - 5 students on average per grade
      - Elementary- 1.2 students per school per grade

# **THE REVENUE SIDE OF THE BUDGET**

**2018-2019**



Anticipated Revenue Source	Amount 2017-2018	Amount 2018-2019	\$ Change	% Change
Tax Levy	\$64,053,498	\$65,330,577	\$1,277,079	2.0%
Banked Tax Levy	-	-		
Health Waiver	-	-		
Tuition	\$370,000	\$530,000	\$160,000	43.2%
Miscellaneous	\$85,000	\$214,923	\$129,278	89.2%
State Aid	\$3,881,307	\$4,196,000	\$314,693	8.3%
Federal Aid	\$80,204	\$50,500	(\$29,704)	-57.9%
Budget Fund Balance	\$975,000	\$1,000,000	\$25,000	2.6%
Capital Reserve Drawdown	\$179,000	\$2,950,000	\$2,771,000	100%
Emergency Reserve Drawdown	-	-		0.0%
Designated Fund Balance	-	-		0.0%
General Fund Grand Total	\$69,624,654	\$74,272,000	\$4,647,346	6.8%
Percent Increase	1.87%	6.67%		

## OTHER REVENUE OPTIONS

- Health Waivers (must be used first): \$192,074
- Banked Cap: \$958,227
  - from 15/16: \$467,911 (will expire)
  - from 16/17: \$0
  - from 17/18: \$490,316

**Total of Health Waivers and Banked Cap:  
\$1,150,301**

# **THE APPROPRIATIONS SIDE OF THE BUDGET**

**2018-2019**



	2016-2017	2017-2018	2018-2019	% of Budget	\$ Change	% Change
Regular Instruction	\$20,169,426	\$20,090,327	\$20,730,411	28%	\$640,084	3.19%
Special Education	\$7,446,107	\$7,633,919	\$7,955,722	11%	\$321,803	4.22%
Basic Skills/Bilingual	\$880,190	\$830,030	\$886,210	1%		
Co-curr/Athletics	\$1,217,036	\$1,187,439	\$1,206,350	2%	\$18,911	1.59%
Tuition	\$2,578,219	\$2,727,035	\$2,698,934	4%	(\$28,101)	-1.03%
Support Services	\$7,404,687	\$7,294,554	\$7,258,699	10%	(\$35,855)	-0.49%
Administration	\$4,693,832	\$4,708,945	\$4,791,166	6%	\$82,221	1.75%
Technology	\$564,113	\$587,371	\$718,324	1%	\$130,953	22.29%
Operations	\$6,421,464	\$6,421,464	\$6,884,419	9%	\$469,645	7.32%
Transportation	\$4,394,345	\$4,692,611	\$4,735,200	6%	\$42,589	0.91%
Benefits	\$11,790,582	\$12,602,995	\$13,013,785	18%	\$410,790	3.26%
Equipment	\$59,000	\$97,220	\$305,000	0%	\$207,780	213.7%
Capital Projects	\$725,000	\$757,434	\$3,107,780	4%	\$2,350,346	310.30%
<b>Total</b>	<b>\$68,344,000</b>	<b>\$69,624,654</b>	<b>\$74,292,000</b>	<b>100%</b>	<b>\$4,667,346</b>	<b>6.70%</b>

## BUDGET COMPARISON BY SERVICE OR COMMODITY

(SEE SLIDE 17 FOR A DESCRIPTION OF EACH CATEGORY)

		2017-2018 Budget		2018-2019 Budget	
		Cost	% of Budget	Cost	% of Budget
100	Employee Salaries	\$44,698,945	64.20%	\$45,477,609	61%
200	Employee Benefits	\$12,602,995	17.20%	\$13,013,785	18%
300	Purchased Professional and Technical Services	\$1,253,045	1.8%	\$1,497,845	2.0%
400	Purchased Property Services	\$1,310,319	1.8%	\$1,353,308	2.0%
500	Other Purchased Services	\$5,450,510	7.5%	\$5,575,604	8.0%
600	Supplies and Materials	\$3,349,461	5.85%	\$3,837,319	5.0%
700	Property	\$97,220	0.85%	\$305,000	0.10%
800	Other Objects	\$104,725	1.0%	\$103,750	0.0%
	Facilities	\$757,434	1.0%	\$3,107,780	4%



# UNDERSTANDING THE CATEGORIES

- 200**    **Benefits-** see next slide
- 300**    **Purchased Professional & Technical Services-** Legal, auditing, educational services
- 400**    **Purchased Property Services-** Rental of land, cleaning, repairs to buildings, lease/purchase of buses, water, sewer
- 500**    **Other Purchased Services-** Insurance, communications, transportation contracts, Out-of-District tuition
- 600**    **Supplies and Materials-** classroom supplies, textbooks, utilities, fuel
- 700**    **Property-** equipment
- 800**    **Other objects-** membership and association dues, judgements, miscellaneous  
**Facilities-**capital improvements related to facilities (boilers, bus compound)

## **BENEFITS (\$13,013,785)**

- Group Disability Insurance (\$17,000)
- Social Security (\$1,090,000)
- District contribution toward pensions (\$1,261,000)
- Worker's Compensation (\$600,000)
- District cost of health benefits (\$9,591,130)
- Tuition reimbursement (\$51,000)
- Uniforms (\$26,845)
- Surrender of health benefits (\$337,500)
- Sick time reimbursement upon retirement (\$39,310)

## BALANCING THE BUDGET

- Revenue: \$74,272,000
- Appropriations: \$74,272,000
- Difference: 0

## BUDGET REVISIONS SINCE APPROVAL OF THE TENTATIVE BUDGET

Item Removed or Adjusted	Amount	Item Added or Adjusted	Amount
Cost adjustment for Chromebooks and Desktop Computers and reduction of 120 Chromebooks (purchased this year)	\$126,223	Second Shift of school safety officers	\$165,000
Reduced fuel and supplies	\$50,000	Door access control for admin offices	\$11,224
Staff adjustments	\$114,000	LLD/BD teacher adjusted salary	\$2,680
Remove duplicate staff salary	\$19,539	BCBA position	\$57,000
Reduce purchase of textbooks WHS	\$32,000	SAC	\$57,000
Salary breakage due to retirements	\$38,365	Added staff member previously omitted	\$16,849
Reduce purchase of textbooks WIS	\$10,000	Part time music supervisor	\$50,000
		Replace carpeting/flooring	\$30,365
		Prof. & Cont. for WIS auditorium	\$5,000
		Construction cost for WIS auditorium	\$95,000
<b>Total</b>	<b>\$390,127</b>		<b>\$490,118</b>

# HIGHLIGHTS OF THE 2018-2019 BUDGET

- **Security and Mental Health**

- Upgrades to door access/swipe card/camera system (\$74,750)
- Second shift of security officers (\$165K)
- Second Student Assistance Counselor (\$57K)
- Expansion of PA system (\$20K)
- Door access controls for administrative offices (\$11,224)

- **Infrastructure and Facilities**

- Auditorium upgrades at WIS (\$100K)
- Phase Two of OM Boiler Replacement (\$150,000)
- Replacement of 3 school buses and 2 vans (\$87K)
- Funds for bus compound if needed (\$2.85M)
- Carpet replacement in various schools (\$30,365)

- **Technology**

- Replacement of equipment in MDF room (\$175K)
- Replacement of servers (\$25K)
- Replacement of 1480 Chromebooks and 130 Desktop computers (\$390,110)

- **Curriculum and Instruction**

- Third installment of payment for math textbooks (\$68,985)
- Curriculum development (\$48,500)
- Upgrades to the Pre-Engineering Program (\$32,729)
- Additional BCBA (\$57K)
- Part-time Supervisor of Music (\$50K)

## **ADDITIONAL REQUESTS: \$219,635**

- The 2018-2019 Budget does not include these items that were previously discussed:
  - Infrastructure/Facility: \$169,635
    - Auditorium upgrades (WHS) (\$100,000)
    - Replacement carpeting in various schools (\$69,635)
  - Curriculum and Instruction: \$50,000
    - Difference between full time Supervisor of Fine and Performing Arts and part-time Supervisor of Music (included in budget)

## BOTTOM LINE

- Over budget: \$0
- Additional Requests: \$219,635
- Total: \$0 (Additional requests will not be funded unless the tentative budget is revised to include health benefit waivers)

## 2018 TAX LEVY INCREASE AT 1.99%

Tax Year	Tax Rate	HOUSE ASSESSMENT			
		\$100,000	\$200,000	\$479,300	\$500,000
2018	\$1.1162	\$1,116	\$2,232	\$5,350	\$5,581
2017	\$1.1070	\$1,107	\$2,214	\$5,306	\$5,535
Annual Increase	\$0.009	\$9.20	\$18.40	<b>\$44.10</b>	\$46.00
Quarterly Increase		\$2.30	\$4.60	\$11.02	\$11.50
Monthly Increase		\$0.77	\$1.53	\$3.67	\$3.83



## QUESTIONS RAISED BY BOE MEMBERS AND THE PUBLIC:

Question	Answer
Can you please explain where the banked cap figures of \$467,911 from 15/16 and \$490,316 is coming from for 17/18?	Banked Cap is the amount of "allowable tax increase" not used in a prior year. The maximum allowable amount to be raised by taxation includes the 2 percent increase over the prior year tax levy including enrollment adjustment, plus the automatic adjustments for increase in health care costs and increase in deferred pension costs. We have not qualified for the enrollment adjustment and we did not defer our pension costs so they have not applied. For our district, the "allowable tax increase" is the 2% over the prior tax levy plus an automatic adjustment for health care costs if it applies. Our budget in 2015-16, 2016-17, and 2017-18 included (or qualified) for the automatic adjustment increase for health care costs, however, we only used it in 2016-17. Therefore the amount of the "allowable tax increase" that went unused in those two years became Banked Cap for use in the subsequent three years. The amount from 2015-16 will expire if not used in the 2018-19 budget.
Please fill in the actual numbers into the chart for special education enrollment over time.	Added to the updated presentation on the website and this presentation.
Please show actual #'s in the chart for Total Staffing Over Time	Added to the updated presentation on the website and this presentation.

## QUESTIONS RAISED BY BOE MEMBERS AND THE PUBLIC:

Question	Answer
Please show the actual prior two years school years for tuition, misc. (slide 12)	Please refer to the audits on the website.
Capital Reserve Drawdown- what are proposing this be spent on exactly?	The transportation facility if no alternatives come to fruition.
How much have we received in the prior 3 years for tuition in students, donations, and grants?	Please refer to the audits on the website.
Slide 15: Why are the special education figures different from the user friendly budgets?	The presentation should say Special Programs, not Special Education. The amounts include basic skills, ESL, and other special programs. In the revised presentation tonight they are separated out.
What is the extra \$355,301 being spent on in SE?	Please refer to the Budget Detail Report.
Please break out transportation. Are HB costs for busing employees included in the benefits line or in the transportation line?	They would be in the benefits line. See the Budget Detail report for more information.
What is the 3M for facilities going to be spent on?	See the Budget Detail report for more information- transportation facility and new boiler at Old Mill

## QUESTIONS RAISED BY BOE MEMBERS AND THE PUBLIC:

Question	Answer
How much are each of the 'highlights' of the 2018-19 budget costing?	Amounts were included in the presentation from 4/24 and the Budget Detail Report.
Security is a priority and should be included in the budget	They are.
Why if 'in-house' special education students have increased by 11 students (rather than the 11 students going out of district) why is the Wall BOE projecting higher tuition costs in 17/18 and overstating 16/17?	The cost of tuition is dependent on the type of program and location for each student. There isn't a set amount of tuition that is applied for each of the students. The students who go to Out of District placements have specific needs that cannot be addressed in-district.
Do sending districts cover the entire cost of educating tuition in SE students?	Yes
With regard to tuition, were actual figures reviewed for 16/17 and updated projections for 17/18?	Yes
Why does the User Friendly Budget show 5 students sent to other districts for SE but the presentation shows approximately 20?	The User Friendly Budget breaks out students sent to other districts from students sent to private schools. The presentation did not.

## QUESTIONS RAISED BY BOE MEMBERS AND THE PUBLIC:

Question	Answer
Why is the district budgeting for the repair of Chromebooks if also purchasing 1600 devices?	We are looking to replace the 1600 older Samsung which would leave 2,045 still needing to be supported. The devices come with a 1 year warranty and after that period will need to be repaired on an as needed basis. The average cost of repair has been around \$90 dollars give or take based on the actual problem.
How many students attend the vocational schools? Why isn't the FTE shown on the budget detail report?	2017-2018 Data: Full time- AAHS- 12, ALPS-4, BTHS-11, CHS-32, HTHS-5, MAST- 12 (75) Shared time-29, Class Academy-4
Why do so many students attend Communications High School? I thought the number was 2 students from each high school in the county?	According to the website for Monmouth County Vocational Schools, the admissions process ensures that the top scoring applicant from each high school will be admitted to the career academy that he or she applied to. Available seats in each class (freshmen, sophomore, etc) are then filled with the highest scoring applicants- they are not evenly distributed among the high schools. Therefore, if Wall has more qualifying applicants than other schools, those applicants are admitted until there are no longer available seats in that grade level.
Why don't the enrollment figures in this presentation match the User Friendly Budgets?	The presentation uses resident enrollment numbers which do not include tuition in students. The user friendly budget uses 'students on roll' which does include tuition in students. The difference is 30 students over the six year period.

## NEXT STEPS

- Public Hearing on the Budget on May 1, 2018