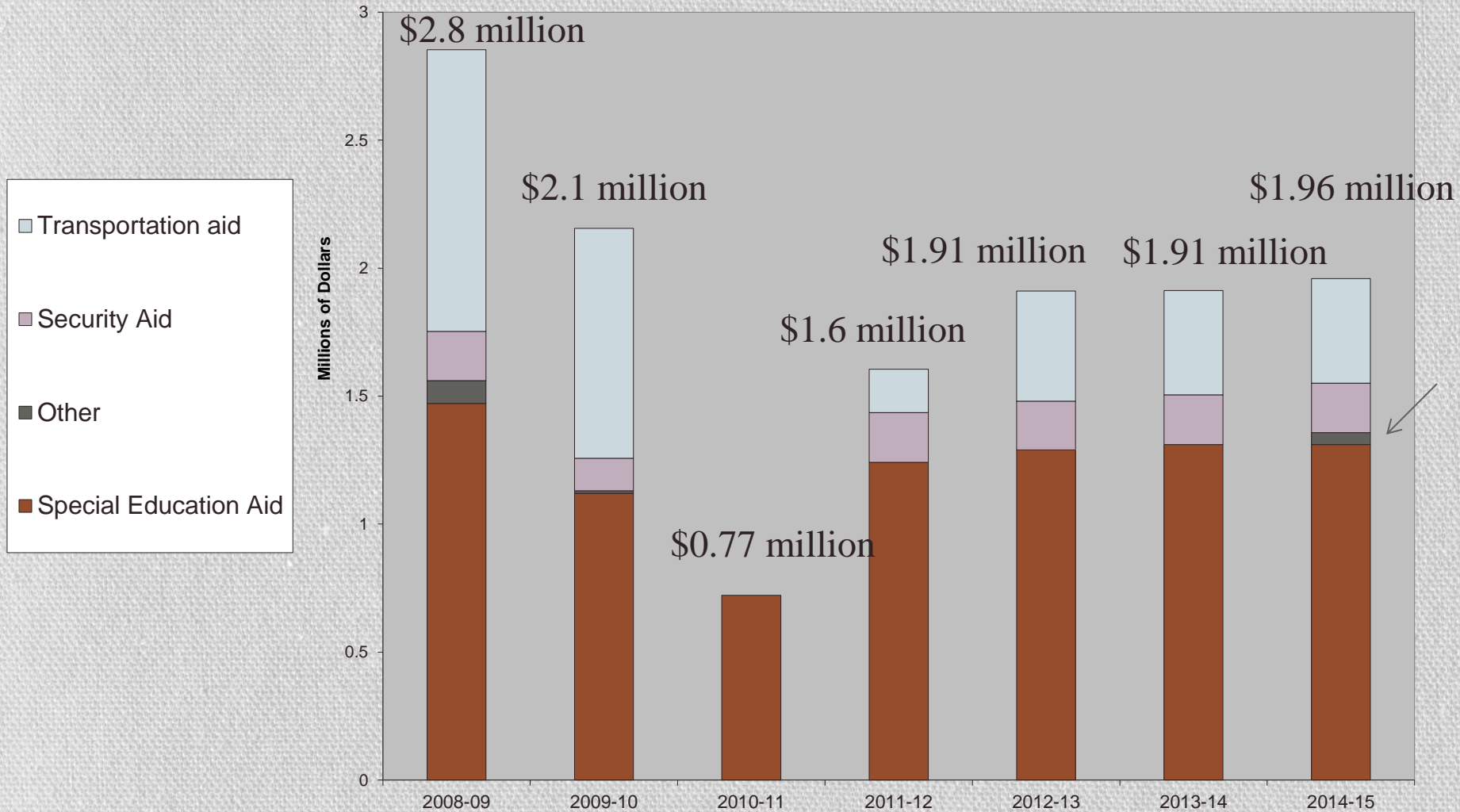


# 2014-15 Preliminary Budget

- Budget Goals
- Educational Highlights of Next Year's Budget
- FY15 State Aid
- Preliminary Budget and Tax Levy
- Next Steps

# Last 7 Years of State Aid



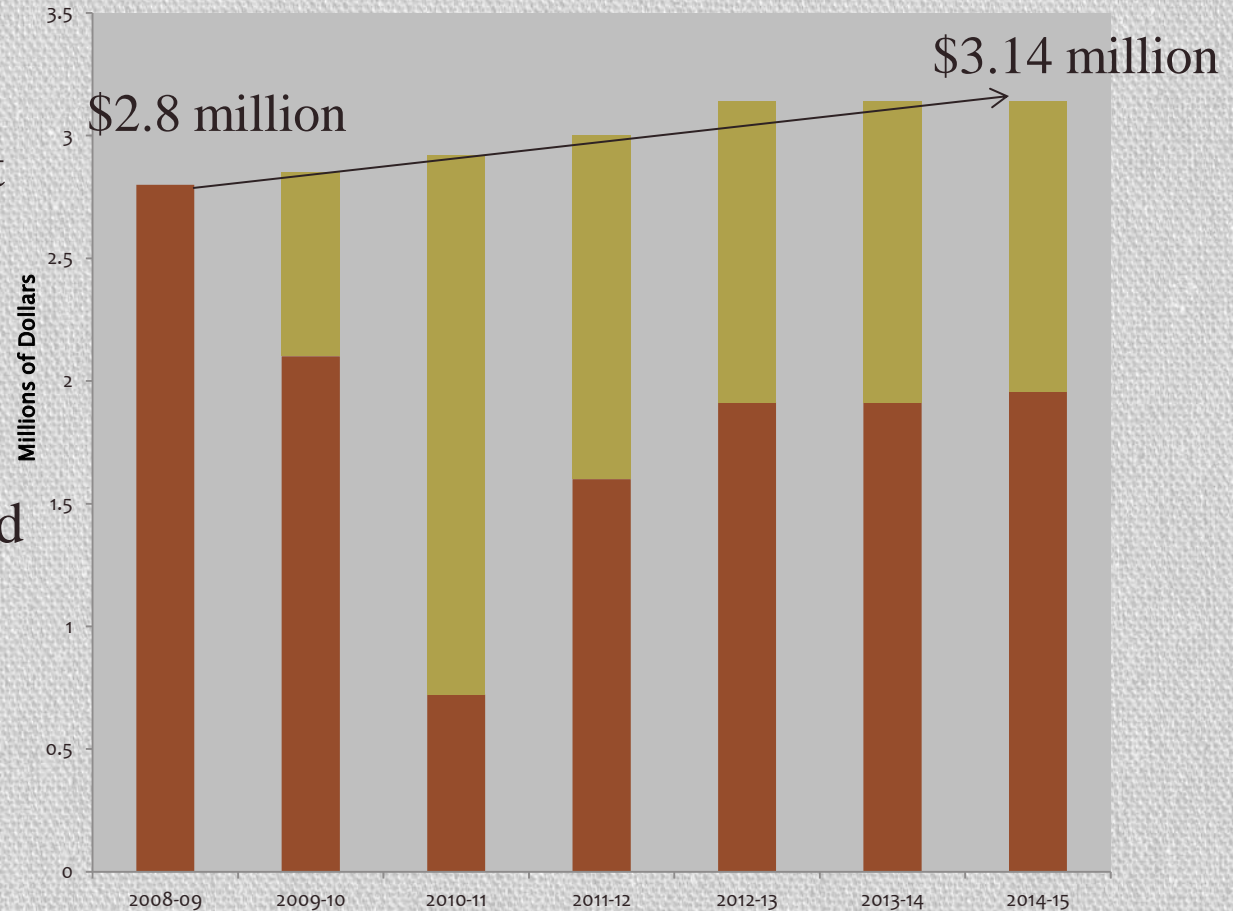
# State Aid to District if Fully Funded

2012-13 and 2013-14  
Formula Run Again but  
Prorated Down

2014-15 Formula Not  
Run

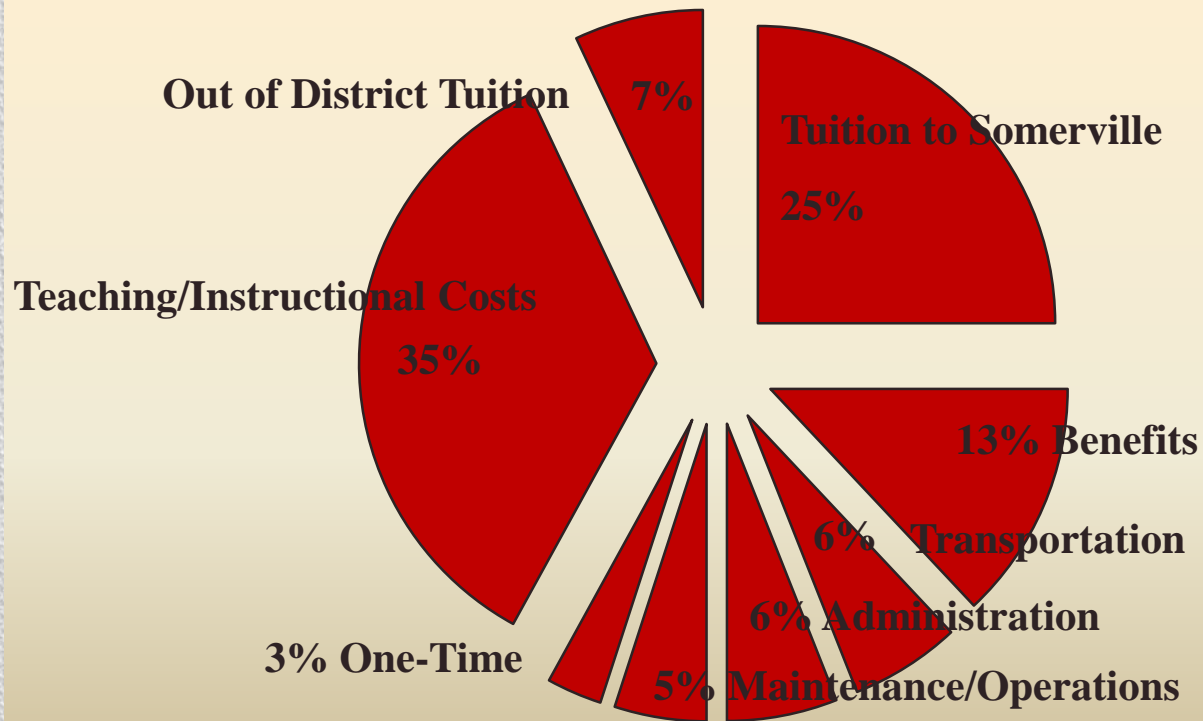
 State Aid Received

 State Aid NOT  
Received



# 2014-15 Preliminary Budget

## Branchburg Budget – \$42.7 million



# Preliminary Budget Summary

- Key Expenditure Drivers in Operating Budget
  - \$185,000 Increase in Technology
  - \$360,000 Increase in Somerville Tuition
  - \$170,000 Increase in Out of District Tuition, including \$45,000 in Vocational Tuition (first year of charge)
  - \$150,000 Projected Increase in Benefits
  - \$50,000 Increase in Training and Staff Development
- Revenues Available to Support
  - Local Revenue – Increase in Use of Reserves (Tuition, Capital, Maintenance) and Surplus (savings from the current year budget)
  - State Aid – Slight Increase (\$46,290)
  - Tax Levy (1% = \$368,015 and 2% = \$736,029)

# Key Program Enhancements – What will the Community Gain

- Increase Access to Technology (staff and students); Invest in Technology Infrastructure/Devices (chromebooks, ipads, smartboards, etc.); Expand Technology Integration Pilots; Prepare for PARCC
- Implement Full-Day Kindergarten
- Upgrade Curriculum; Increase Resources for Staff; Textbook Purchases Aligned with Common Core
- Focus on Teacher Preparedness/Support; Significant Increase in Professional Development (50% increase in out-of-district training/travel and expand in-district Teacher Academy)
- Promote Positive Student Climate; Increase Investment for Maintenance and Safety of our School Buildings
- New Extra/co curricular opportunities (cross-county sports)
- Increased Investment in District Infrastructure (capital improvements and vehicle replacements)
- Savings/Reallocations from Continued Enrollment Decline

# 2014-15 Preliminary Budget Appropriations

Budget Category (% of Budget)	2013-14 Budget	2014-15 Proposed	Change	% Change
Teaching and Instructional Programs (35%)	\$14,926,556	\$15,244,945	\$318,389	2.13%
Tuition to Somerville (25%)	\$10,098,592	\$10,458,472	\$359,880	3.56%
Benefits (13%)	\$5,550,417	\$5,700,697	\$150,281	2.71%
Out of District Tuition (7%)	\$2,889,814	\$3,058,577	\$168,763	5.84%
Transportation (6%)	\$2,359,057	\$2,305,105	-\$53,953	-2.29%
Administration (6%)	\$2,479,367	\$2,371,060	-\$108,307	-4.37%
Maintenance and Operations (5%)	\$1,995,528	\$2,132,496	\$136,968	6.86%
Capital Costs (5%) Funded 100% from Capital Reserve	\$898,437	\$1,515,224	\$616,787	68.65%
<b>Total</b>	<b>\$41,197,767</b>	<b>\$42,786,575</b>	<b>\$1,588,809</b>	<b>3.86%</b>

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## **FY15 Capital Projects -- 100% Capital Reserve funded**

SBS Entrance Expansion	\$380,000
Transportation Maintenance Expansion	\$350,000
BCMS Parking Lot Paving	\$65,000
BCMS Classroom Doors	\$20,000
WES/SBS Faculty Room Tile	\$10,000
Districtwide Security/Intercom Upgrade	\$120,000
WES HVAC/Airdale phase-in (2 classrooms)	\$170,000
WES/BCMS Sink Upgrades	\$25,000
BCMS Woodworking Room	\$10,000

**SubTotal                    \$1,150,000**

### **FY15 Maintenance Projects**

SBS Art Room Cabinet Refinish	\$5,000
SBS/BCMS Painting	\$10,000

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# Are there savings and operational efficiencies included in the budget?

- **Yes.** We looked at all our expenditures from a zero based approach and realigned our spending to match our projected enrollment and student needs.

# Budget Savings and Reallocations

- Transportation Operations (-\$54,000)
- Administrative Costs (-\$108,000)
- Additional \$100,000 of employee contribution to health benefits
- District-wide reductions in materials, supplies, and purchased services to match enrollment
- ERATE Savings
- Bus Duty Savings
- Use of Purchasing Cooperatives
- Solar Panels and Energy Jointure with MSECS
- Sharing transportation operations with Readington BOE (continued savings \$80,000 to \$100,000)
- Sharing vehicle maintenance services, grass cutting, snowplowing with Township

# Budget Savings and Reallocations

- Based on enrollment and student needs for next year, the proposed budget includes the following changes in budgeted positions:
  - Reallocation of three WES teachers to implement full-day kindergarten (no change in total # at WES)
  - Reduction in two (2) middle school positions based on enrollment and scheduling changes.
  - Increase in one maintenance position which is offset by a reduction in overtime and contracted services (and increase in service and response time to address issues)

# Revenue

- ▶ State Aid Contribution - \$1.96M
- ▶ District Contribution Towards Tax Relief - \$2.9M
  - \$600,000 Surplus
  - \$900,000 Tuition Reserve Withdrawal
  - \$1,150,000 Capital Reserve Withdrawal
  - \$200,000 Maintenance Reserve Withdrawal
  - \$140,000 Misc Local Income
- 2014-15 Proposed General Fund Tax Levy - \$37,536,975
  - 2.0% General Fund Tax Levy Increase
  - Well below the tax levy cap
- Maximum Allowable Tax Levy - \$40,174,522

# Next Steps/Calendar

- Submit Budget to the Executive County Superintendent for Approval
- Budget Meetings/Presentations
- April 24, 2014 - Public Hearing on the Budget
- May 14, 2014 – Last day to adopt the budget.
- May 19, 2014 – Last day to certify tax levy.