

Montclair Public Schools

Budget Presentation

2014-2015

March 3, 2014



Dr. Penny MacCormack

Superintendent of Schools

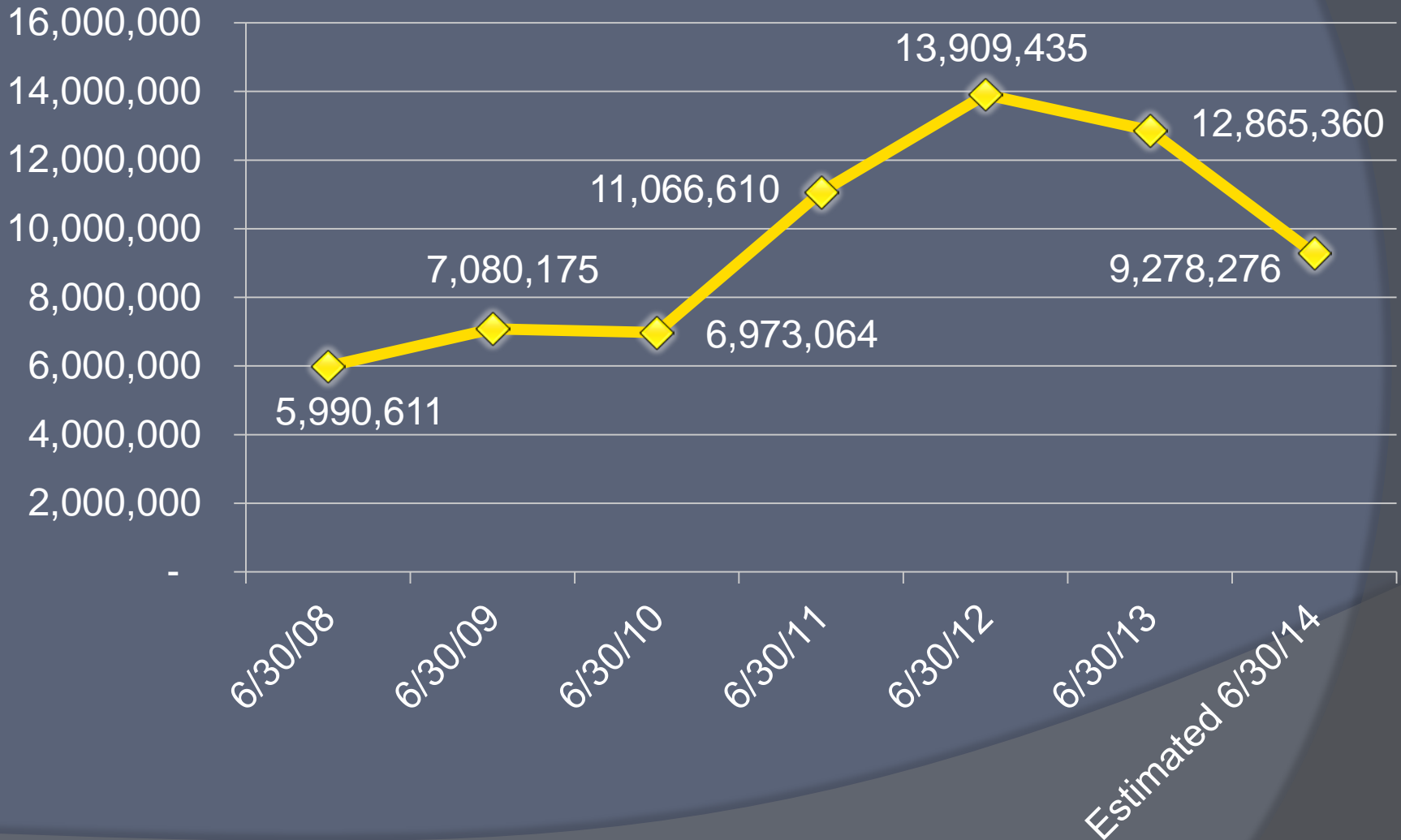
Mr. Brian Fleischer

Chief Operations Officer

**Budget
Sources and Uses
2008-2013**

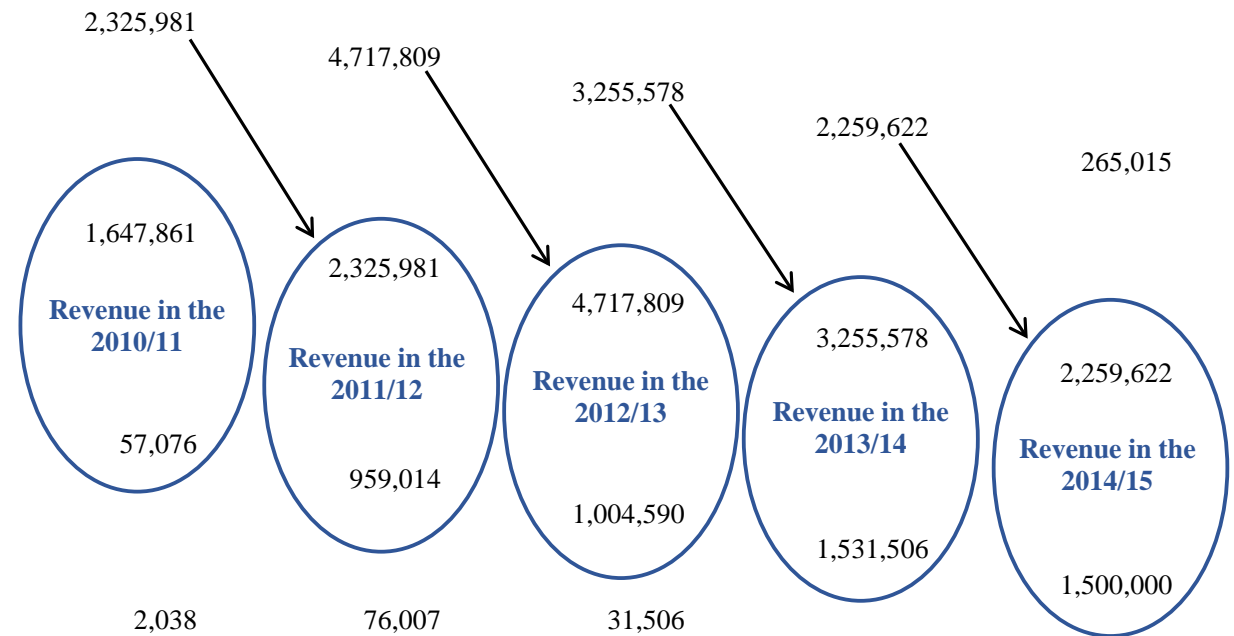
	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	Est. 2013/2014
Budget Sources:						
Tax Levy	93,005,952	96,869,014	101,103,844	97,509,698	97,509,698	97,509,698
Local Miscellaneous	1,048,616	926,554	956,648	810,342	937,586	1,024,666
State Aid	16,958,834	15,780,813	12,385,625	15,959,498	18,331,340	7,586,651
Federal Aid	36,945	311,633	91,941	406,924	95,769	95,000
Total Budget Source	111,050,347	113,888,014	114,538,058	114,686,462	116,874,393	106,216,015
Budget Uses:						
Instruction Costs	47,607,015	48,488,885	46,594,745	47,203,180	49,093,372	49,277,571
Tuition	4,947,698	5,436,746	4,262,343	4,357,651	4,799,446	4,609,551
Student & Instruction Related Services	15,032,117	15,375,475	13,937,117	15,027,478	17,346,129	17,346,662
General Administration	1,525,255	1,493,039	1,319,028	1,627,834	1,917,706	1,433,894
School Administration	4,352,858	4,832,265	4,329,703	4,188,259	4,310,048	4,410,317
Central Services	1,244,381	1,217,655	1,247,335	1,257,133	1,250,862	1,524,405
Administrative Information Technology	228,617	242,141	240,372	272,669	268,544	388,757
Plant Operations & Maintenance	8,160,387	8,265,274	8,054,912	7,898,069	7,858,131	7,563,288
Pupil Transportation	4,375,929	4,355,617	4,121,369	4,245,329	4,587,314	4,418,904
Employee Benefits	21,957,761	23,694,545	25,761,699	24,358,225	25,808,190	18,230,341
Adult School	475,316	485,903	462,743	503,306	477,788	361,023
Capital Outlay	3,449	7,580	63,146	509,937	85,938	108,386
Food Service Subsidy	50,000	100,000	50,000	394,567	115,000	130,000
Total Budget Uses	109,960,783	113,995,125	110,444,512	111,843,637	117,918,468	109,803,099
Fund Balance Increase/(Decrease)	1,089,564	(107,111)	4,093,546	2,842,825	(1,044,075)	(3,587,084)

Trends in Fund Balance



**MONTCLAIR PUBLIC SCHOOLS
FUND BALANCE TRENDS**

	<u>6/30/10</u>	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>	<u>Estimated 6/30/14</u>
Designated for:					
Restricted - Excess Surplus					
2011/12 Budget					
2012/13 Budget					
2013/14 Budget					
2014/15 Budget					
2015/16 Budget					
Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures					
2010/11 Budget					
2011/12 Budget					
2012/13 Budget					
2013/14 Budget					
2014/15 Budget					
Assigned - Designated for Subsequent Year's Expenditures					
2010/11 Budget					
2011/12 Budget					
2012/13 Budget					
2013/14 Budget					
2014/15 Budget					
Restricted - Adult School					
Future Capital Projects and Maintenance of Facilities					
Restricted - Capital Reserve					
Restricted - Maintenance Reserve					
Goods and/or Services Ordered Before June 30th and to be Paid in the Next School Year					
Assigned for Year-End Encumbrances					
Maximum Fund Balance Allowed to be Held for Future Purposes and Cash Flow Purposes					
Unassigned Fund Balance					
Total General Fund Fund Balance	6,973,064	11,066,610	13,909,435	12,865,360	9,278,276



Fund Balance Used in the Following Budgets as Revenue:

2010/11 Budget	1,647,861	+	57,076	=	1,704,937
2011/12 Budget	2,325,981	+	959,014	=	3,284,995
2012/13 Budget	4,717,809	+	1,004,590	=	5,722,399
2013/14 Budget	3,255,578	+	1,531,506	=	4,787,084
2014/15 Budget	2,259,622	+	1,500,000	=	3,759,622

Capital Projects Plans Funded with Capital Reserve

Capital Project Plans

Location	Project	Total Cost	State Grants	District Cost
District Wide	Security Systems – Group 1	\$ 547,000	\$ 218,800	\$ 328,200
District Wide	Security Systems – Group 2	\$ 465,220	\$ 186,088	\$ 279,132
District Wide	Window Repairs	\$ 19,650	\$ 7,860	\$ 11,790
Bradford, Edgemont & Renaissance	Roofing and Dormer Repairs and Replacements	\$ 239,000	\$ 95,600	\$ 143,400
Glenfield, High School, Northeast, Renaissance & Watchung	Unit Ventilator and Air Conditioning Repairs and/or Installation	\$ 254,000	\$ 101,600	\$ 152,400
High School	Various Improvements	\$ 251,000	\$ 100,400	\$ 150,600

Capital Project Plans

(Continued)

Location	Project	Total Cost	State Grants	District Cost
Glenfield	Tank Removal, Masonry Work & Blacktop to Gym Entrance	\$ 62,000	\$ 24,800	\$ 37,200
Northeast	Foundation Waterproofing	\$ 93,000	\$ 37,200	\$ 55,800
Renaissance	Lighting Replacement	\$ 10,000	\$ 4,000	\$ 6,000
Bradford	Field Renovations	\$ 51,000	\$ 20,400	\$ 30,600
	Subtotal	\$ 1,991,870	\$ 796,748	\$ 1,195,122

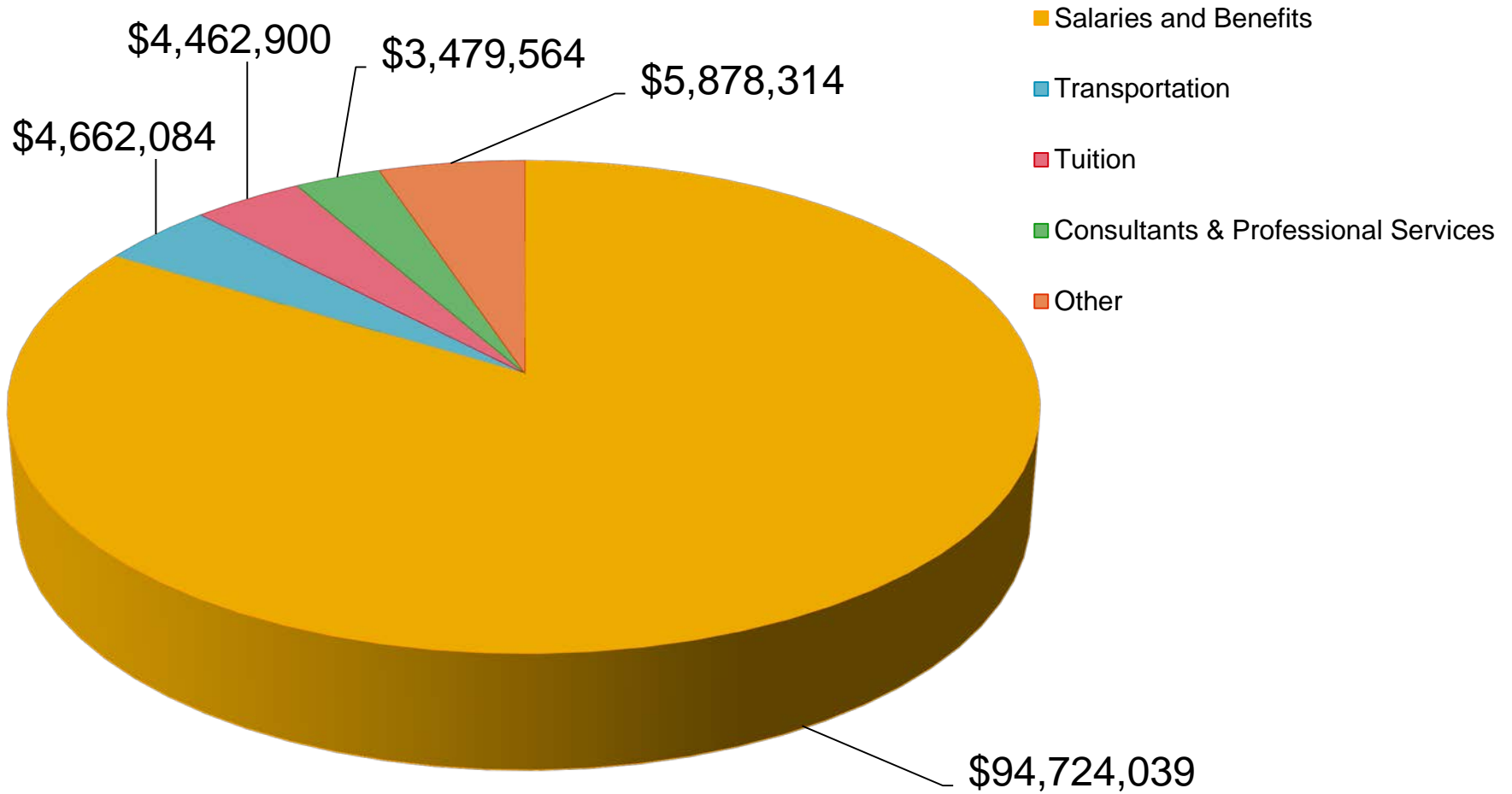
Capital Project Plans

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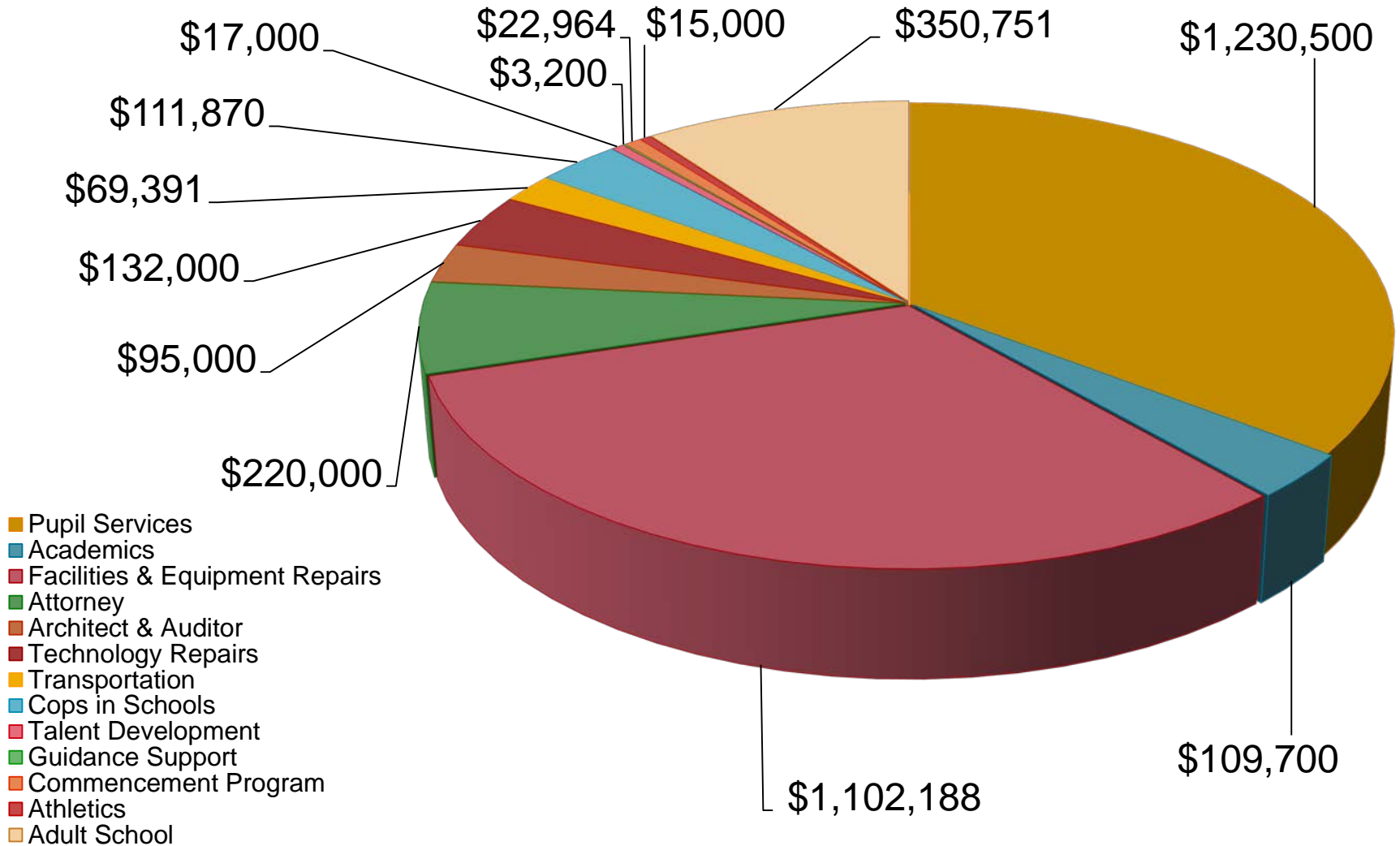
Location	Project	Total Cost	State Grants	District Cost
High School	Cafeteria Renovations	\$ 151,000	\$ -0-	\$ 151,000
High School	Elevator Replacement	\$ 100,000	\$ -0-	\$ 100,000
Hillside	Various Floor Replacement	\$ 125,000	\$ -0-	\$ 125,000
District Wide	Technology Upgrades	\$ 500,000	\$ -0-	\$ 500,000
	Subtotal	\$ 876,000	\$ -0-	\$ 876,000
	GRAND TOTAL	\$ 2,867,870	\$ 796,748	\$ 2,190,634

2014-2015 Proposed Expenditures and the Tax Levy Options

2014-2015 Proposed Expenditures



2014-2015 Consultant Costs



Summary of Options

	4% Tax Levy	2% Tax Levy	6% Tax Levy
Budget Sources:			
Tax Levy	101,410,086	99,459,892	103,360,280
Fund Balance – Required & Elected Use	3,759,622	3,759,622	3,759,622
Local Miscellaneous	824,666	824,666	824,666
State Aid	7,122,691	7,122,691	7,122,691
Federal Aid	89,836	89,836	89,836
Total Budget Sources	113,206,901	113,206,901	113,206,901
Budget Uses:			
Instruction Costs	51,079,151	51,079,151	51,079,151
Tuition	4,462,900	4,462,900	4,462,900
Student & Instruction Related Services	18,332,040	18,332,040	18,332,040
General Administration	1,235,877	1,235,877	1,235,877
School Administration	4,557,428	4,557,428	4,557,428
Central Services	1,366,716	1,366,716	1,366,716
Administrative Information Technology	569,039	569,039	569,039
Plant Operations & Maintenance	7,672,747	7,672,747	7,672,747
Pupil Transportation	4,854,100	4,854,100	4,854,100
Employee Benefits	18,266,612	18,266,612	18,266,612
Adult School	510,381	510,381	510,381
Capital Outlay	169,910	169,910	169,910
Food Service Subsidy	130,000	130,000	130,000
Total Budget Uses	113,206,901	113,206,901	113,206,901
Available for Funding Programs/(Further Cuts to be Made)	-0-	(1,950,194)	1,950,194

Option 1

- ⦿ 4% Tax levy increase.
- ⦿ Current staffing remains the same with the addition of 3 World language teachers for grades K-5.
- ⦿ All non-salary accounts are reduced as much as possible to close the budget gap without affecting the classroom and the facilities.

Option 2

- ⦿ 2% Tax levy increase.
- ⦿ Current staffing is reduced by approximately \$1 million. This equates to 15 employees some of which would be teachers. This option puts at risk our ability to fully implement all goals and strategies anticipated in the strategic plan.
- ⦿ All non-salary accounts are reduced even further which would impact:
 - Extra-curricular and athletic activities
 - Facility repairs and maintenance projects (other than those projects funded with grants)
 - Supplies and materials used in the classrooms

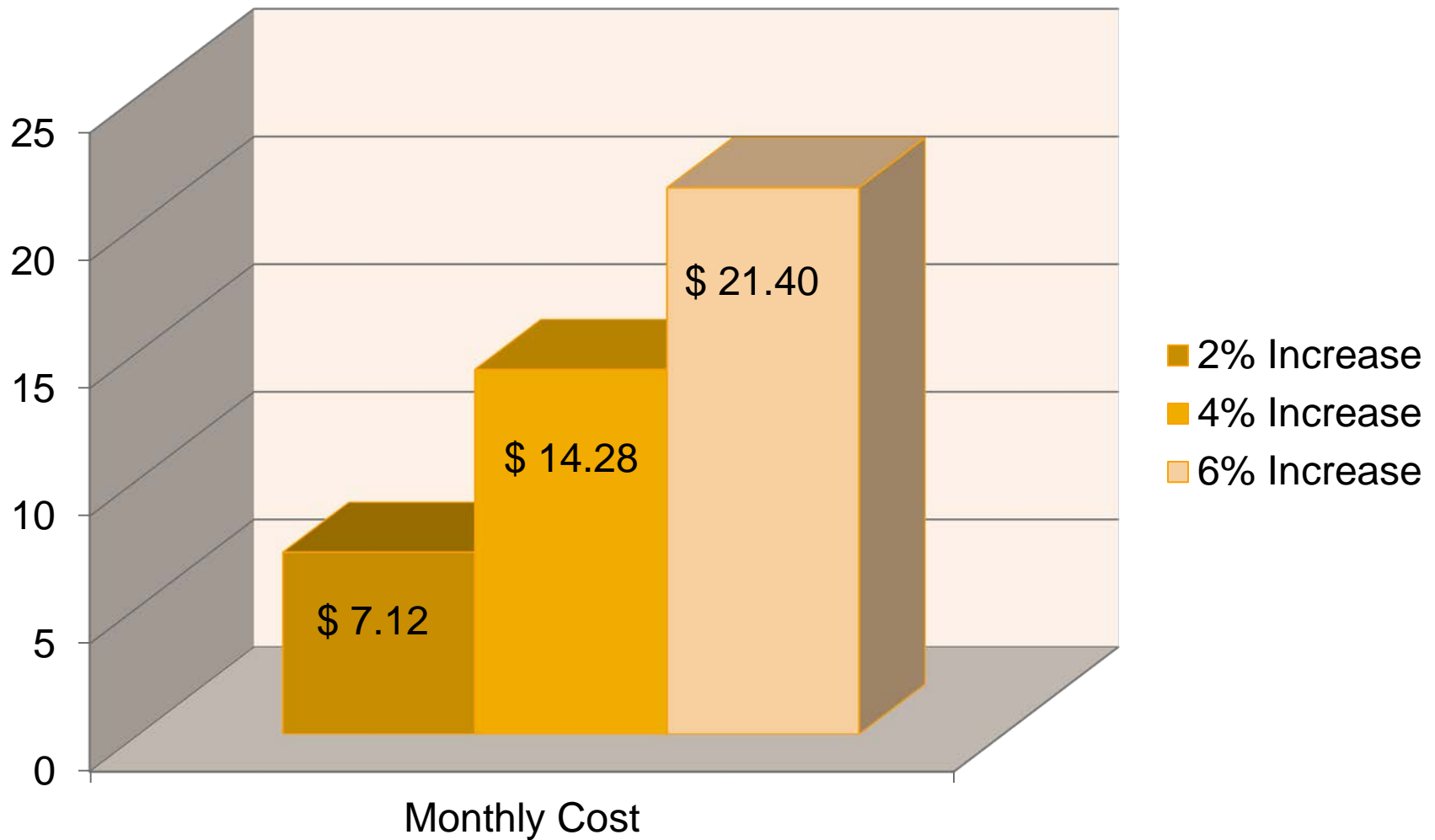
Option 3

- ⦿ 6% Tax levy increase.
- ⦿ All non-salary accounts are reduced as much as possible to close the budget gap without affecting the classroom and the facilities (same as option 1).
- ⦿ This option would allow us to fund more programs and class size reduction.

Option 3

- 3 World language teachers at the elementary school level.
- 3 Kindergarten teachers and aides to decrease kindergarten class sizes to 21 students district-wide.
- 3 Core subject teachers at the High School.
- Half day preschool for the district's approximately 80 to 100 NCLB Title I preschool students.

Tax Impact Overview



Estimated Fund Balance at 6/30/14

Fund balance to be used in the 2014-2015 budget:		
Excess Surplus from the 6/30/13 audit	\$ 2,259,622	
Unassigned fund balance from the 6/30/13 audit	1,500,000	
Total fund balance to be used in the 2014-2015 budget		\$ 3,759,622
Capital Reserve from the 6/30/13 audit		2,803,639
Maintenance Reserve from the 6/30/13 audit		250,000
Estimated excess surplus for the 2015-2016 budget use		265,015
Estimated unassigned fund balance		2,200,000
Estimated fund balance at 6/30/14		\$ 9,278,276

1. Capital reserve funds will be used to fund capital improvement projects throughout the district in future years.
2. Maintenance reserve funds will be used to fund maintenance projects throughout the district in future years.
3. Excess surplus funds are fund balance in excess of the State's allowable 2% fund balance after reserve balances that must be used in the next budget cycle.
4. Unassigned fund balance is the State's allowable 2% fund balance for the district to use for unexpected costs in a future year and for cash flow purposes.