

2020-2021  
Preliminary Budget Presentation



West Orange School District

March 19, 2020

# Board of Education

Ken Alper, President

Terry Trigg-Scales, Vice President

Cheryl Merklinger

Gary Rothstein

Jennifer Tunncliffe

J. Scott Cascone, Ed. D., Superintendent of Schools

John Calavano, Business Administrator/Board Secretary

# Board Budget Goals

- Re-evaluate all budget requests to determine needs vs. wants.
- Maintain educational, co-curricular and athletic programs wherever fiscally responsible.
- Minimize the impact on taxpayers while maximizing the efficient use of tax dollars.
- Continue to provide funding to maintain a safe environment in all buildings.
- Continue to reduce the amount of fund balance utilized to balance the budget.
- Maintain a balanced budget while supporting academic excellence and expanding resources for students and staff.
- Staff to perform a thorough inventory of equipment, materials and supplies to avoid recurring annual budget requests.
- Prepare for a successful Quality Single Accountability Continuum (QSAC) facilities review.
- Commitment to Zero-Based Budgeting district-wide.

# Glossary of Budget Terms

General Fund:	Annual operating budget
Special Revenue Fund:	Reserved state and federal grants
Debt Service:	Repayment of building construction bonds and lease purchase agreements
Capital Reserve:	Reserved funds for facilities maintenance projects
Banked Cap:	Unused tax levy for use in any of the next three budget years
Fund Balance:	Savings fund reserved for emergencies restricted to 2% of the budget
School Tax Levy:	Tax bill collected by the municipality for school use
Tax Rate:	Amount of dollars per \$100 of assessed home value

# Budget Approval Timeline



- March 19 Preliminary Budget Presentation to Community
- March 20 Preliminary Budget Submitted to County
- Prior to April 20 County Approval of Preliminary Budget
- May 4 Public Hearing for Adoption of Final Budget

# Cost Savings Through Shared Services Programs

Current Shared Services Include:

- Ed Data Services (Purchasing Group)
- Educational Services Commission of New Jersey (Purchasing Group)
- Essex Regional Educational Services Commission (Nonpublic & Transportation Services)
- Hunterdon County Educational Services (Purchasing Group & Transportation Services)
- Morris Union Jointure (Professional Development)
- NJ State Contracts
- Sussex County Regional Transportation Cooperative (Transportation Services)
- West Orange Township (Fuel, Road Salt, Facility Usage, Emergency Shelter, Lining of Fields)

# Revenues for 2020-2021 Budget

## Fund 10 (Operating)

Local Tax Levy	\$141,091,179
State Aid	\$17,826,168
Budgeted Fund Balance	\$2,000,000
Tuition & Miscellaneous	<u>\$771,419</u>
Total:	\$161,688,766

## Fund 20 (Special Revenue)

Federal & State Restricted Aid	<u>\$3,229,122</u>
Total:	\$3,229,122

## Fund 40 (Debt Service)

Local Tax Levy	\$5,348,967
State Aid	\$ 733,057
Budgeted Fund Balance	<u>\$2</u>
Total:	\$6,082,026

**GRAND TOTAL: \$170,999,914**

# Expenditures for 2020-2021 Budget

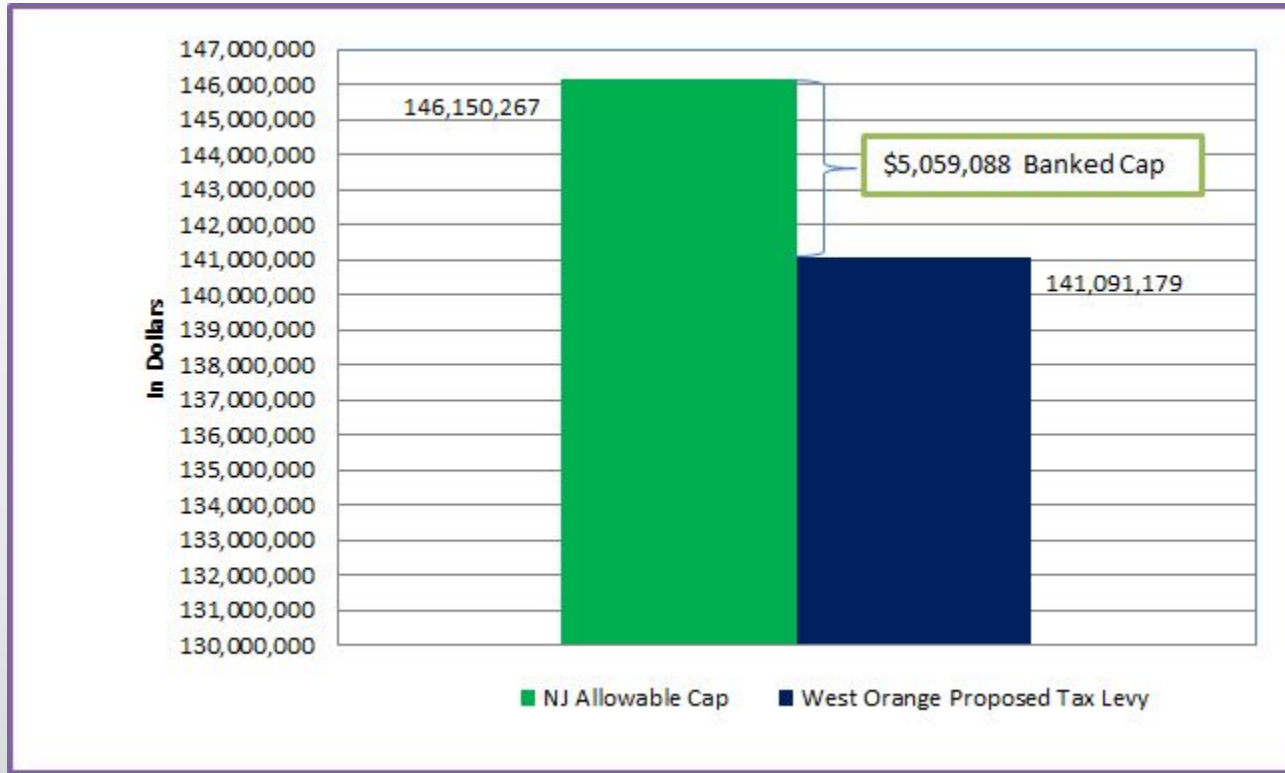
Salaries	\$99,244,282	58.05%
Benefits	\$26,033,959	15.22%
Special Services (Including Transportation)	\$15,118,537	8.84%
Instruction and Support	\$6,727,057	3.93%
Operations / Maintenance / Security	\$7,198,862	4.21%
Transportation - General Education	\$6,452,355	3.77%
Charter School	\$121,572	0.07%
Capital Outlay	\$792,142	0.46%
Special Revenue	3,229,122	1.89%
Debt Service	6,082,026	3.56%
<b>Total</b>	<b>\$170,999,914</b>	<b>100%</b>



# Operating Budget Tax Levy Cap

	<b>2019-2020</b>	<b>Preliminary 2020-2021</b>	<b>Increase</b>	<b>% of Increase</b>
<b>Local Tax Levy</b>	<b>\$137,645,823</b>	<b>\$140,398,739</b>	<b>\$2,752,916</b>	<b>2.00%</b>
<b>Banked Cap</b>		<b>\$ 692,440</b>	<b>\$ 692,440</b>	
<b>Total Tax Levy</b>	<b>\$137,645,823</b>	<b>\$141,091,179</b>	<b>\$3,445,356</b>	<b>2.50%</b>

# Operating Tax Levy & Banked CAP



# Total Tax Levy 2020-2021

<b>General Fund</b>	<b>\$ 141,091,179</b>
<b>Debt Service Fund</b>	<b>\$ 5,348,967</b>
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<b>Total</b>	<b>\$ 146,440,146</b>

# Tax Levy Comparison

	School Year 2019-2020	School Year 2020-2021	\$ Difference	% Difference
General Fund	\$137,645,823	\$141,091,179	\$3,445,356	2.50%
Debt Service Fund	\$5,772,257	\$5,348,967	-\$423,290	-7.33%
Total Tax Levy	\$143,418,080	\$146,440,146	\$3,022,066	2.11%

## Calendar Year 2020

January → June

2019-2020 School Budget

Tax Levy

$\$143,418,080 \div 2 =$

$\$71,709,040$

July → December

2020-2021 School Budget

Tax Levy

$\$146,440,146 \div 2 =$

$\$73,220,073$

**Tax Rate on BOE Worksheet = Tax Rate on Tax Bill**

$\frac{1}{2}$  of Current Budget Levy

\$ 71,709,040

+  $\frac{1}{2}$  of Proposed Budget Levy

\$ 73,220,073

**= Calendar Year 2020 Tax Levy**

**\$144,929,113**

$\frac{1}{2}$  of Current  
Budget Levy

*To accomplish our instructional priorities, the budget will add/continue to support the following **technology** initiatives:*

- 2,800 Chromebooks for students to continue to support 1:1 initiative
- 125 laptops for teachers
- 60 desktops for staff

# Capital Projects Included in Budget:

- Lighting System Upgrade: Liberty
- Main Water Line Replacement: St. Cloud
- Roof Replacement Projects: St. Cloud Gymnasium, Mt. Pleasant Kitchen, Hazel Classrooms
- Retaining Wall Replacements: Washington and Hazel
- Structural Wall Replacement: Bus Garage

# Tax Impact Based on the Average Assessed Value, Not Market Value

**West Orange**



**\$266.21**  
**Yearly Increase over  
Last Year**

**\$338,121**

**Increase For Year: \$266.21**

**Increase Per Month: \$ 22.18**



# Thank you.

