

2021-2022

Preliminary Budget Presentation



West Orange School District

March 18, 2021

Board of Education

Terry Trigg-Scales, President

Jennifer Tunncliffe, Vice President

Melinda Huerta

Cheryl Merklinger

Gary Rothstein

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

Tonya Flowers, Business Administrator & Board Secretary

Board Budget Goals

- 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.
- Optimize district spending in order to increase student achievement.
- Review and evaluate district expenditures to identify opportunities for efficiencies and financial savings.

Budget Approval Timeline



- March 18 Preliminary Budget Presentation to Community
- March 22 Preliminary Budget Submitted to County
- Prior to April 20 County Approval of Preliminary Budget
- May 3 Public Hearing for Adoption of Final Budget

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 3 budget years
Fund Balance	Savings 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

Shared Services Programs

Current Shared Services Include:

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

Revenues for 2021-2022 Budget

Fund 10 (Operating)	
Local Tax Levy	\$143,613,547
State Aid	\$21,909,311
Budgeted Fund Balance	\$1,500,000
Tuition & Miscellaneous	\$523,472
Withdraw from Capital Reserve	<u>\$300,000</u>
Total:	\$167,846,330
Fund 20 (Special Revenue)	
Federal & State Restricted Aid	<u>\$3,366,822</u>
Total:	\$3,366,822
Fund 40 (Debt Service)	
Local Tax Levy	\$5,348,224
State Aid	\$ 731,126
Budgeted Fund Balance	<u>\$4</u>
Total:	\$6,079,354
GRAND TOTAL:	\$177,292,506

Proposed Expenditures for 2021-2022 Budget

Salaries	\$101,668,359	57.35%
Benefits (Including Vacation & Sick Payout)	\$28,357,896	15.99%
Special Education (Including Transportation)	\$16,126,345	9.10%
Instruction and Support	\$6,440,026	3.63%
Operations / Maintenance / Security	\$7,443,259	4.20%
Transportation - General Education	\$6,831,277	3.85%
Charter School	\$266,937	0.15%
Capital Outlay	\$712,231	0.40%
Special Revenue	\$3,366,822	1.90%
Debt Service	\$6,079,354	3.43%
Total	\$177,292,506	100%

Tax Levy Comparison

	School Year 2021-2022	School Year 2020-2021	\$ Difference	% Difference
General Fund	\$143,613,547	\$141,491,179	\$2,122,368	1.50%
Debt Service Fund	\$5,348,224	\$5,348,967	(\$743)	(0.01)%
Total Tax Levy	\$148,961,771	\$146,840,146	\$2,121,625	1.44%

1.5% Tax Levy Impact on West Orange Homeowners

Calendar Year 2021

January → June

2020-2021 School Budget

Tax Levy

$\$146,840,146 \div 2 =$

$\$73,420,073$

July → December

2021-2022 School Budget

Tax Levy

$\$148,961,771 \div 2 =$

$\$74,480,886$

Tax Rate on BOE Worksheet = Tax Rate on Tax Bill

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

\$ 73,420,073

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

\$ 74,480,886

= Calendar Year 2021 Tax Levy \$147,900,959

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

Tax Impact Based on **1.5%** Tax Levy Average Assessed Value Not Market Value

	2020	2021	Increase/ (Decrease)
Average Assessment Single Family Home	\$338,121	\$337,703	(\$418.00)
School Tax	\$2.601	\$2.659	\$0.058
Average Annual Increase	\$8,795.17	\$8,981.17	\$186.00
Average Monthly Increase			\$15.50

*0% tax levy would represent a \$10.13 average monthly increase for a total differential of \$5.37

Tax Levy Cap *(Historical)*

	Original Tax Levy	Tax Levy Reductions	Final Tax Levy	Tax Levy Increase	Tax Levy % Increase
2010-2011	115,506,733		115,506,733		
2011-2012	114,498,112		114,498,112	(1,008,621)	(0.87)%
2012-2013	119,000,131		119,000,131	4,502,019	3.93%
2013-2014	120,538,165		120,538,165	1,538,034	1.29%
2014-2015	125,184,960		125,184,960	4,646,795	3.86%
2015-2016	126,326,356		126,326,356	1,141,396	0.91%
2016-2017	128,852,883		128,852,883	2,526,527	2.00%
2017-2018	133,615,444	(500,000)	133,115,444	4,262,561	3.31%
2018-2019	135,380,400	(3,000,000)	132,380,400	(735,044)	(0.55)%
2019-2020	137,645,823		137,645,823	5,265,423	3.98%
2020-2021	141,491,179		141,491,179	3,845,356	2.79%
2021-2022	143,613,547		143,613,547	2,122,368	1.50%

Available Banked CAP

SCHOOL YEAR	AMOUNT	EXPIRES
2018-19	\$3,438,571	2021-2022 BUDGET
2019-20	\$1,220,517	2022-2023 BUDGET
TOTAL	\$4,659,088	

Future Tax Levy Impact

Tax Levy Amount		% CAP			% CAP		
Year 1	141,491,179			141,491,179			
		2,829,824 (2%)			1,414,912 (1%)		
Year 2	144,321,003			142,906,091			
		2,886,420 (2%)			2,858,122 (2%)		
Year 3	147,207,423			145,764,213			
		2,944,148 (2%)			2,915,284 (2%)		
Year 4	150,151,571			148,679,497			
		3,003,031 (2%)			2,973,590 (2%)		
Year 5	153,154,603			151,653,087			
		3,063,092 (2%)			3,033,062		
Total Compounded Revenue		\$14,726,516			\$13,194,970		
Total Lost Revenue						\$1,531,546	10%

Budget Expenditures & Efficiencies



2021-2022 Preliminary Budget

Major Proposed Increases for 2021-2022 Budget

Salaries: (All Bargaining Units are in Negotiations) Includes Training Level Changes and Longevity		\$3,196,650
Benefits:		
Medical	11%	\$2,080,400
Prescription	13%	\$476,200
Dental	9%	\$125,450
Transportation: General Ed.	17%	\$682,600
Out of District Tuition	10%	\$876,600
Total		\$7,437,900

Budget Reductions:

- **Staffing**
 - 1 Administrator (Net-Restructure)
 - 9 Certificated FTEs
 - 12 Non Certificated FTEs
- **Instructional Supplies** - 20% Reduction
- **Non Instructional Supplies** - 10% Reduction
- **Transportation:**
 - Eliminate Grades 6-12 Courtesy Busing
 - Reduce MS and HS Late Bus Runs

Budget Additions and Efficiencies:

➤ Staffing

- 1 Occupational Therapist
- 1 BD Program Teacher
- 1 Autism Program Teacher
- 1 LLD Kindergarten Teacher
- 1 Grade 5 Teacher
- 2 Interventionists
- 1 Special Education Resource Room Teacher
- 1 Half-Time Non Certificated FTE

➤ Alyssa's Law - Security Compliance

➤ Capital Projects - HVAC Upgrades funded through ESSER II Grant -\$1.4 Million

➤ Technology Supplies - funded through ESSER II Grant -\$1.4 Million

Capital Projects Included in Budget:

- Gregory School Structural Wall
- Mt. Pleasant School Kitchen Roof Replacement
- High School Conforti Roof Replacement
- Edison Library Media Center Roof Replacement

*Capital Projects funded through withdrawal from Capital Reserve Fund-\$300K.

Thank you.



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