

Finance Committee Meeting

April 14, 2016

Today's Discussion

- How did we get here?
- How does the 2016-2017 Budget affect future budgets and planning?
- Listing of adjustments to the first draft of the 2016-2017 budget.
- Where do we need to go from here?

How did we get here? Comparison from 2011-2012 to the 2015-2016 Budget

	2011-2012		2015-2016		Variance
	Budget		Budget		
Estimated Revenues	\$ 194,719,267	\$	214,047,137	\$	19,327,870
Appropriations	198,719,267		220,493,881		21,774,614
Fund Balance Used	<u>\$ (4,000,000)</u>	<u>\$</u>	<u>(6,446,744)</u>	<u>\$</u>	<u>(2,446,744)</u>

How did we get here? What Changed in Revenues?

	ESTIMATED REVENUES		
	2011-2012	2015-2016	
	Budget	Budget	Variance
State Share of Retirement	\$ 4,587,188	\$ 14,037,635	\$ 9,450,447
Current Real Estate Taxes	134,733,991	141,223,380	6,489,389
Earned Income Taxes	13,100,000	16,000,000	2,900,000
Basic Education Subsidy	12,928,710	13,807,000	878,290
Realty Transfer	2,200,000	2,600,000	400,000
Per Capita Taxes	460,000	-	(460,000)
	<u>\$ 168,009,889</u>	<u>\$ 187,668,015</u>	<u>\$ 19,658,126</u>

How did we get here? What Changed in Appropriations?

	APPROPRIATIONS		
	2011-2012	2015-2016	
	Budget	Budget	Variance
Retirement	\$ 9,184,852	\$ 28,075,269	\$ 18,890,417
Healthcare	18,495,570	20,743,989	2,248,419
Adjusted Salaries and Wages	108,245,285	108,846,146	600,861
Buildings and Grounds - Purchased			
Property Services	5,855,610	6,590,449	734,839
Debt Service	17,035,321	17,355,467	320,146
Budgetary Reserve	1,000,000	-	(1,000,000)
	<u>\$ 132,136,216</u>	<u>\$ 132,792,062</u>	<u>\$ 21,794,682</u>

How did we get here? Comparison Between 2015-2016 And 2016-2017

	2015-2016 Budget	2016-2017 Proposed Budget	Increase (Decrease)	Percent
REVENUES AND OTHER FINANCING SOURCES:				
Revenues:				
Local Sources	\$ 165,112,412	\$ 166,927,771	\$ 1,815,359	1.10%
State Sources	47,127,891	49,896,052	2,768,161	5.87%
Federal Sources	1,806,834	1,765,418	(41,416)	-2.29%
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>214,047,137</u>	<u>218,589,241</u>	<u>4,542,104</u>	2.12%
EXPENDITURES AND OTHER FINANCING USES:				
Expenditures:				
Instruction	139,696,026	148,473,559	8,777,533	3.92%
Support Services	59,351,774	62,621,568	3,269,794	3.68%
Non Instructional Services	3,618,836	3,835,072	216,236	2.68%
Total Expenditures	<u>202,666,636</u>	<u>214,930,199</u>	<u>12,263,563</u>	6.13%
Other Financing Uses				
Debt Service	17,827,245	17,660,934	(166,311)	0.09%
Fund Transfers	-	-	-	N/A
Budgetary Reserve	-	-	-	N/A
Total Other Financing Uses	<u>17,827,245</u>	<u>17,660,934</u>	<u>(166,311)</u>	-0.93%
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>220,493,881</u>	<u>232,591,133</u>	<u>12,097,252</u>	5.55%
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (6,446,744)</u>	<u>\$ (14,001,892)</u>	<u>(7,555,148)</u>	

How did we get here? Comparison Between 2015-2016 And 2016-2017

	2015-2016		2016-2017		Variance	
	FTE	Amount	FTE	Amount	FTE	Amount
<u>Salaries</u>						
CREA	855.50	\$ 81,135,689	857.90	\$ 83,305,483	2.40	\$ 2,169,794
CRESPA	467.21	15,635,307	468.81	16,034,576	1.60	399,269
Administration	46.00	6,101,351	45.00	6,229,269	(1.00)	127,918
Confidential Employees	6.00	388,302	6.40	419,891	0.40	31,589
Other		5,585,497		5,486,097	-	(99,400)
Total Salaries	1,374.71	108,846,146	1,379.11	111,475,316	4.40	2,629,170
<u>Employee Benefits</u>						
Healthcare		20,743,989		21,677,544		933,555
Dental		1,516,464		1,646,146		129,682
Vision		-		107,542		107,542
403 (b) Contributions		99,400		116,358		16,958
Flex Contributions		138,000		138,500		500
Life Insurance		87,836		166,508		78,672
Disability		103,176		103,464		288
Social Security		8,014,348		8,215,806		201,458
Retirement		28,075,269		33,410,134		5,334,865
Tuition Reimbursement		-		100,000		100,000
Unemployment		271,265		278,159		6,894
Worker's Compensation		543,256		557,348		14,092
Total Employee Benefits		59,593,003		66,517,509		6,924,506
Total Salaries and Benefits		168,439,149		177,992,825		9,553,676
300-900 Objects		52,054,732		54,598,308		2,543,576
Total Budget		\$ 220,493,881		\$232,591,133		\$12,097,252

Staffing Overview

		2010-2011 Budget	2011-2012 Budget	2012-2013 Budget	2013- 2014 Budget	2014-2015 Budget	2015-2016 Budget	2016-2017 Budget	Seven Year Variance Increase (Decrease)
Administration	CRAA	49.00	45.00	45.00	46.00	46.00	46.00	45.00	(4.00)
Professional	CREA	894.40	853.02	841.23	859.30	854.01	855.50	857.90	(36.50)
Instructional Assistants	CRESPA	234.60	224.71	228.12	230.26	236.56	241.06	245.13	10.53
Monitors	CRESPA	40.11	39.41	40.20	39.94	40.05	42.07	38.81	(1.30)
Technicians	CRESPA	12.80	9.02	9.00	9.00	9.00	9.00	9.00	(3.80)
Clerical	CRESPA	100.61	100.10	98.90	95.30	98.82	98.19	100.44	(0.17)
Maintenance Personnel	CRESPA	36.73	33.00	32.90	32.73	32.73	32.73	31.73	(5.00)
Grounds	CRESPA	3.02	5.02	5.02	5.27	5.27	5.27	6.27	3.25
Security	CRESPA	6.60	6.60	6.94	8.94	9.00	9.00	9.00	2.40
Van Drivers	CRESPA	3.00	3.00	3.00	4.00	4.00	4.00	4.00	1.00
Bus Monitors	CRESPA	16.97	17.76	19.72	16.69	16.69	16.29	15.36	(1.61)
Athletic Trainers	CRESPA	-	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Staff Nurse	CRESPA	13.00	15.00	15.00	15.00	12.50	12.00	13.50	0.50
Totals		1,410.84	1,353.64	1,347.03	1,364.43	1,366.63	1,373.11	1,378.14	(32.70)

Staffing Overview

2015-2016 Additions:

- .4 Behavior Analyst
- 2 Elementary Sections
- Staff Nurse/Teacher Assistant (student needs)
- CRAA 1 Position removed (Supervisor, Grounds)
- .4 HR Assistant
- 2.25 Clerical (Health Aides/NES/HMS)

2014-2015 Additions:

- 2 Cares Counselors
- 1 Math Specialist
- 2 Special Education Teachers (Achieve)
- 2 Elementary Sections
- Additional Instructional Assistants, and Staff Nurse (student needs)

2013-2014 Additions:

- 17 Speech & Language Pathologists* (Program transfer from BCIU)
- .8 Social Worker (transfer of services from Lenape Valley)
- 8 new instructional assistants (student need and Achieve)
- 2 new security positions

Adjustments to 2016-2017 Budget

Description	Amount
Collections Reading Program	\$ 111,667
MS New Fiction	20,757
Music Equipment	20,000
Math Books to be purchased this year	9,179
Textbook Foundations of Chemistry	42,951
Technology Instructional Funds	3,000
Technology Instructional Software	9,500
Technology Library Software	12,000
Technology Refresh	275,000
Building and Grounds	582,500
South Athletics	10,000
Newtown Middle Sports Transportation	(18,256)
North Band Uniforms	78,000
Administrative Technology	13,997
I.U./Achieve	200,000
Elementary Education Staffing, -9.5 FTE	863,330
High School Staffing, -3.4 FTE	308,982
Middle School Staffing, -2.0 FTE	181,754
Total Adjustments	<u>\$ 2,724,361</u>

Current Status of the 2016-2017 Budget

	2016-2017 Budget
Estimated Revenues	\$ 218,589,241
Appropriations	232,591,133
Revenues over (under) Expenditures	<u>(14,001,892)</u>
 <u>Budget Adjustments</u>	
Budget Adjustments to date	2,724,361
25 Retirements (Assumed)	1,300,000
Increase in Real Estate Milage Rate 2.40% (Assumed)	3,402,177
Total Budget Adjustments	<u>7,426,538</u>
Adjusted Use of Fund Balance	<u>\$ (6,575,354)</u>

Five Year Projection Spreadsheets

- CURRENT BUDGET STATUS
- ADDITIONAL BUDGET ADJUSTMENTS

Additional Adjustments

Description	Amount
Increases In Estimated Revenues:	
Realty Transfer Tax	\$ 150,000
Basic Education Subsidy	88,296
Total Estimated Revenues	<u>238,296</u>
Expenditure Reductions:	
Reduction in Per Pupil Allocations and Athletic Program	181,776
Facilities and Maintenance	468,000
Superintendent's Office	9,500
Student Transportation Services - 4PM Buses	100,000
EDRPP Adjustments	165,378
Administrative Position -1	157,853
Professional -3.9	308,990
Support - 21.5	1,172,071
	<u>2,563,568</u>
Total Additional Adjustment to the Budget	<u>\$ 2,801,864</u>

Status of the 2016-2017 Budget – Additional Adjustments

	2016-2017 Budget
Estimated Revenues	\$ 218,589,241
Appropriations	232,591,133
Revenues over (under) Expenditures	<u>(14,001,892)</u>
 <u>Budget Adjustments</u>	
Budget Adjustments to date	2,724,361
Additional Budget Adjustments	2,801,864
25 Retirements	1,300,000
Increase in Real Estate Milage Rate 2.40%	3,402,177
Total Budget Adjustments	<u>10,218,902</u>
 Adjusted Use of Fund Balance	 <u>\$ (3,773,490)</u>

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Staffing Reductions

	Staffing Reductions	% change against 15-16 staffing totals
Administrative	1	2.2%
Professional	18.3	2.1%
Support	21.5	4.6%

Moving Forward

- Review of Five Year Projections
- Continue to monitor our revenues:
 - Local revenues
 - State Budget Situation
- Adoption of the Preliminary Budget on April 21, 2016