

Branchburg Township School District

2013–14 Budget Overview
February 28, 2013

Topics

- ▶ 2013–14 Budget Priorities
- ▶ Educational Highlights – What will the Community Gain
- ▶ Proposed Budget – Projected Enrollment, Class Size and Major Expenditures
- ▶ Efficiencies/Savings
- ▶ Preliminary Revenue Needs – Use of Reserves and Non-Tax Revenue Sources

Educational Highlights – What Will the Community Gain

- ▶ Increased Supervision of instructional programs & instruction.
- ▶ Consistent, common language in efforts of creating safe, caring climate and culture for all.
- ▶ Support student achievement, teacher practices, PLCs and implementation of new evaluation System

Educational Highlights – What Will the Community Gain

- ▶ All programs and services restored in FY12 and FY13 continue to be funded.
 - Foreign Languages in Grades K–5
 - Late Buses at BCMS and SBS
 - Intramurals at SBS
 - Restored and Expanded Clubs
 - Courtesy Busing
- ▶ Technology and facilities continue to be upgraded in all schools.
- ▶ Class size maintained in grades K–5 at 18–20 and in grades 6–8 at 18–22.

Enrollment Projections

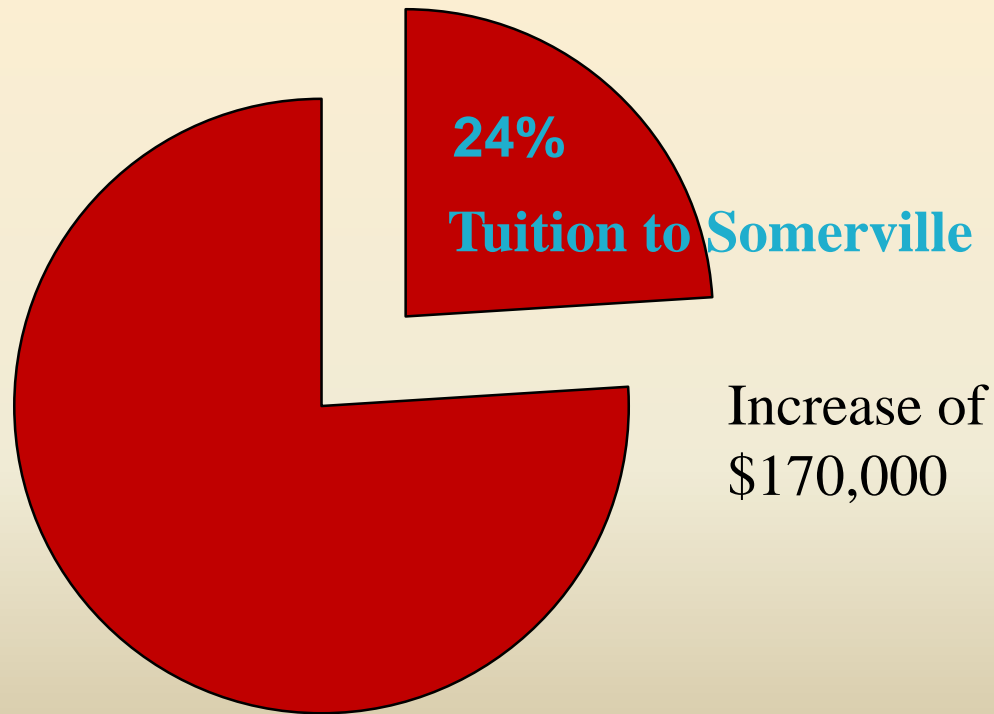
	<u>2012-13</u>	<u>2013-14</u>
▶ Preschool Students	54	37
• Parent Paid	37	20
▶ Half-Day Kindergarten	152	153
▶ Grades 1 - 3	526	528
▶ Grades 4 - 5	362	365
▶ Grades 6 - 8	<u>604</u>	<u>572</u>
Totals	1698	1655

Class Size Projections

	<u>2012-13</u>	<u>2013-14</u>	<u>Proj Enroll</u>
▶ Half-Day K (8 sections)	19	20	150
▶ Grades 1 (8 & 9 sections)	21	20	180
▶ Grades 2 (9 & 8 sections)	20	20	166
▶ Grades 3 (9 sections)	20	20	182
▶ Grades 4 (9 sections)	20	20	178
▶ Grades 5 (9 sections)	21	20	187
▶ Grades 6 (10 sections)	22	18	175
▶ Grades 7 (10 sections)	18	22	216
▶ Grades 8 (10 sections)	20	18	181

Preliminary Budget – Key Expenditures

FY14 Budget – \$41.5 million



Somerville Tuition

24% (approx. \$10 million)
of Branchburg's budget is
sent to Somerville to pay for
Branchburg's high school
Students

What does the \$10 million to Somerville pay?

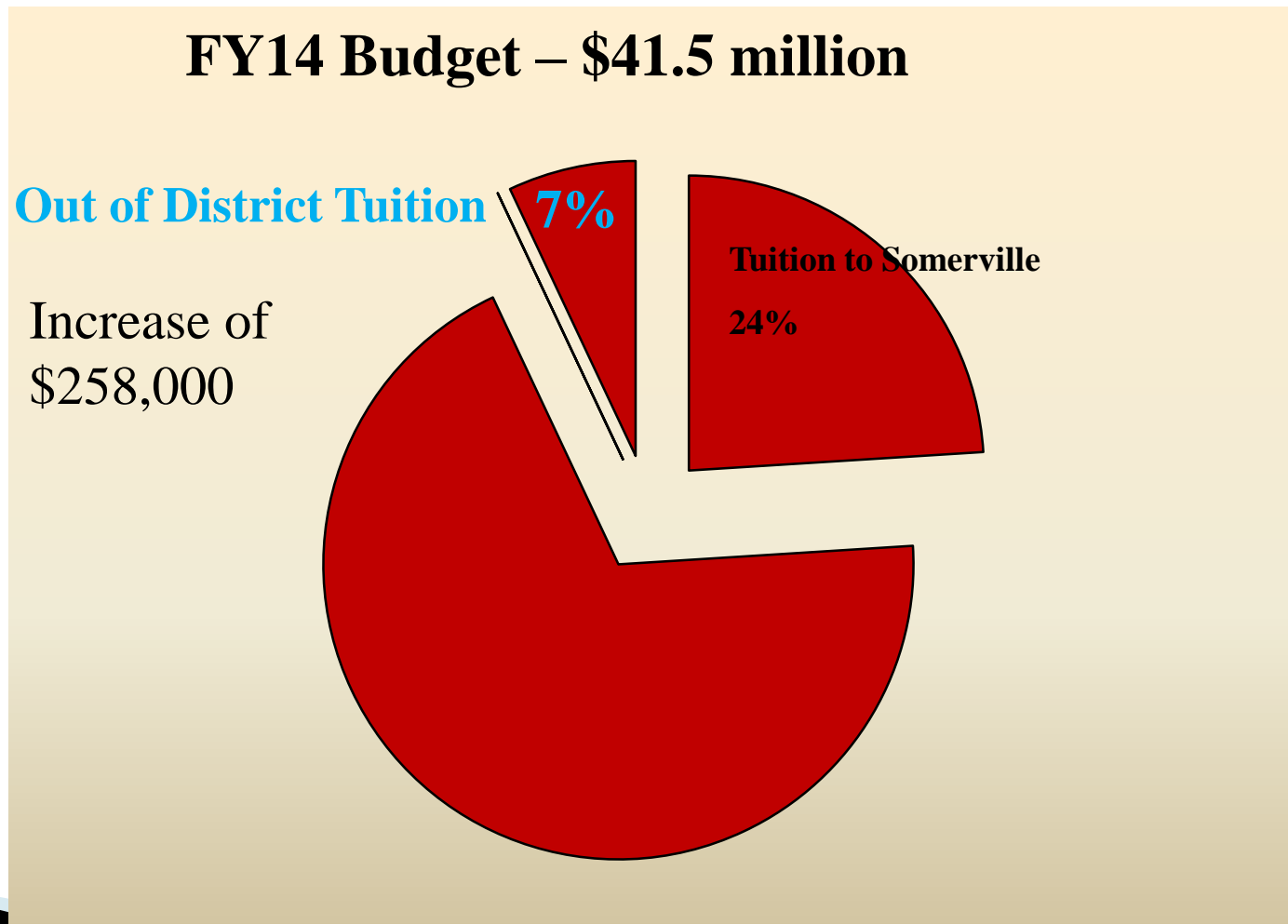
Branchburg pays for over 60% of all Somerville HS costs, for example:

- ▶ 60% of HS Teacher salaries/benefits
- ▶ 60% of HS materials, textbooks, extracurricular
- ▶ 60% of HS building maintenance/custodial/energy
- ▶ 60% of HS Principal and other admin costs

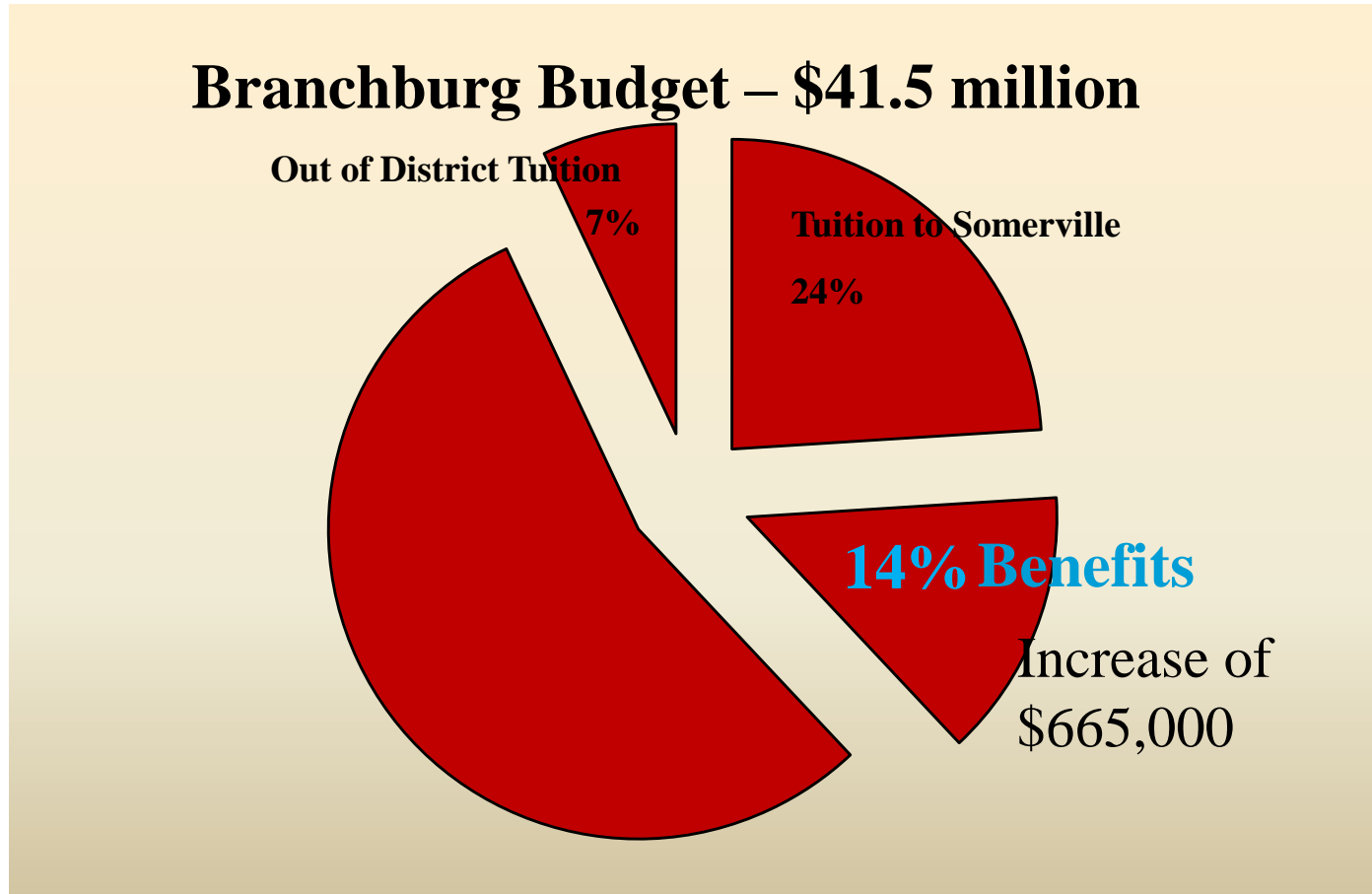
Somerville Districtwide Costs?

- ▶ We pay 30% of technology, legal, telephone, and other districtwide costs

Preliminary Budget – Key Expenditures



Preliminary Budget – Key Expenditures



What are benefits going up so much?

- ▶ Estimating an Increase in State Employee Health Benefit Program (SEHBP) similar to current year (16% medical, 15% prescription Increase):
 - Helping to offset increase are employee contributions that next year will range from 5% to 35% of their applicable premium (single, family, etc.) with minimum contribution of 1.5% of salary.
 - Required contributions will increase over the next four years until all employees are contributing at the maximum for their salary range.

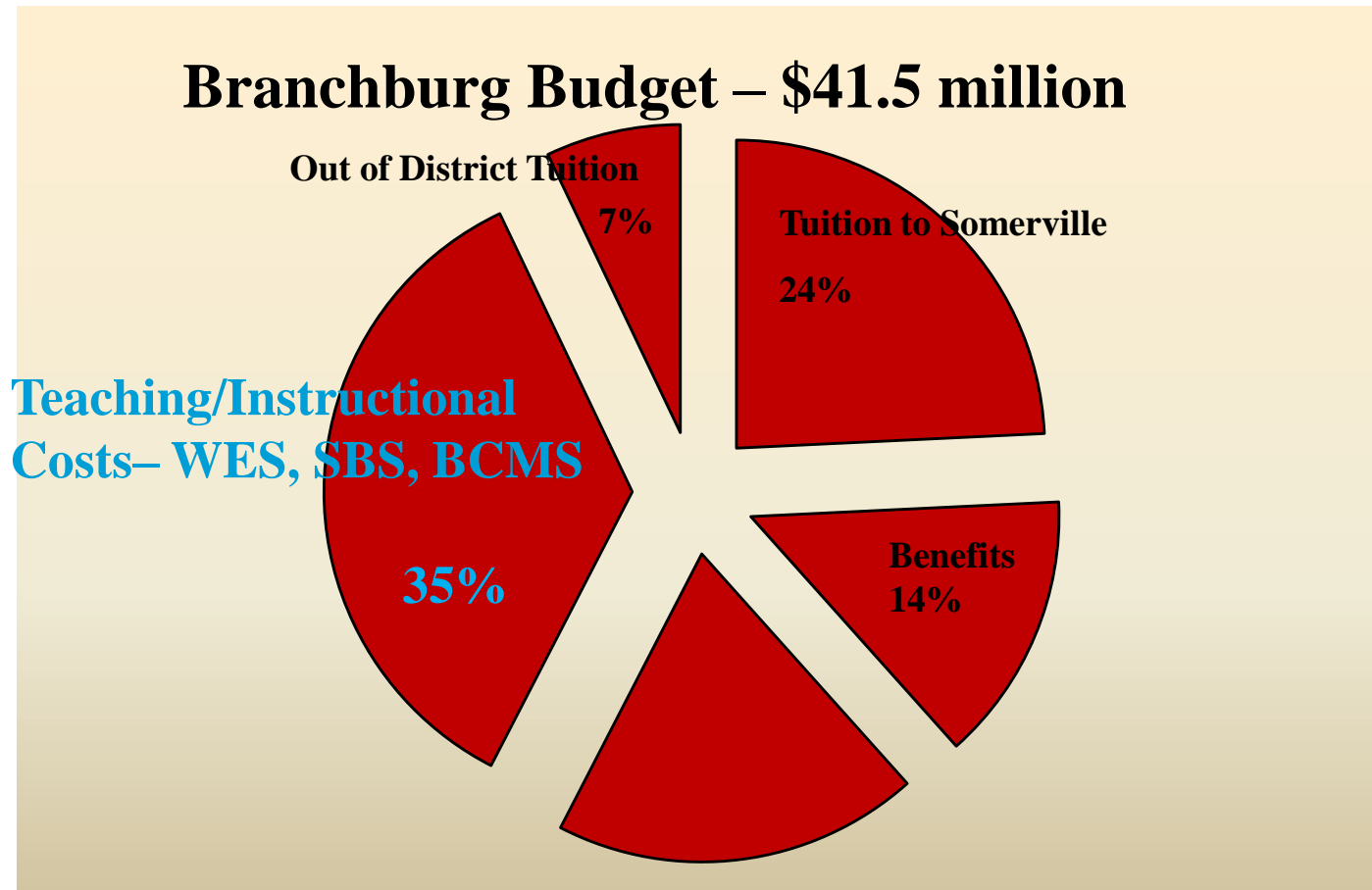
What are we also doing?

- Looking for other health plans that can cost us less.
 - No district is permitted to leave the SEHBP unless it can demonstrate to the State savings.
- Also shopping for less costly dental plans – current estimating a 6% increase
- Lastly, estimating lower amounts for vision reimbursements based on actual.

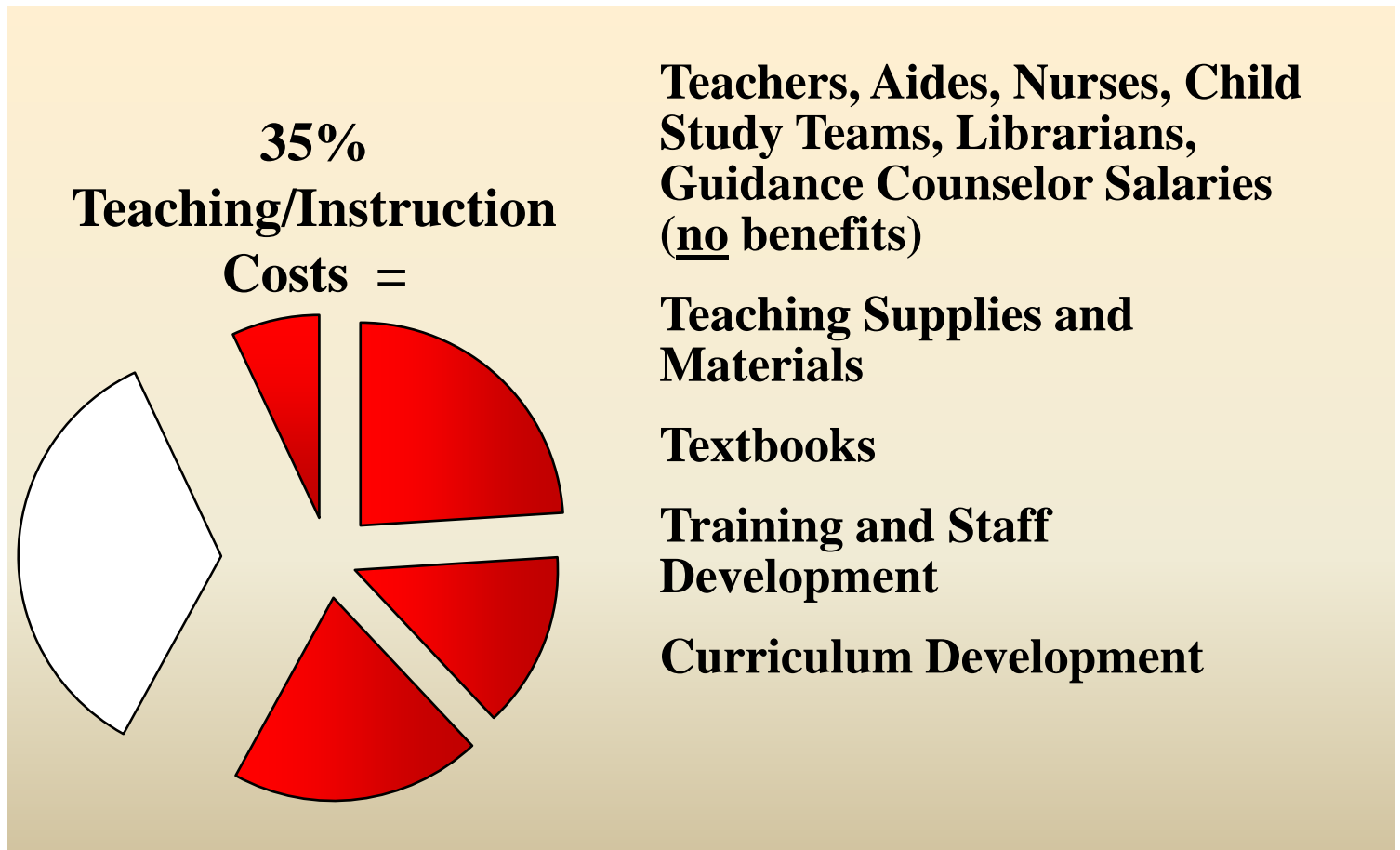
What are we NOT doing?

- There are no plans to increase our tax levy over 2% with the cost of the State Plan Increase.
- Such an adjustment over a 2% tax levy increase (without going to the voters) is permitted but the District is committed to a tax levy increase that is within the 2% base cap.

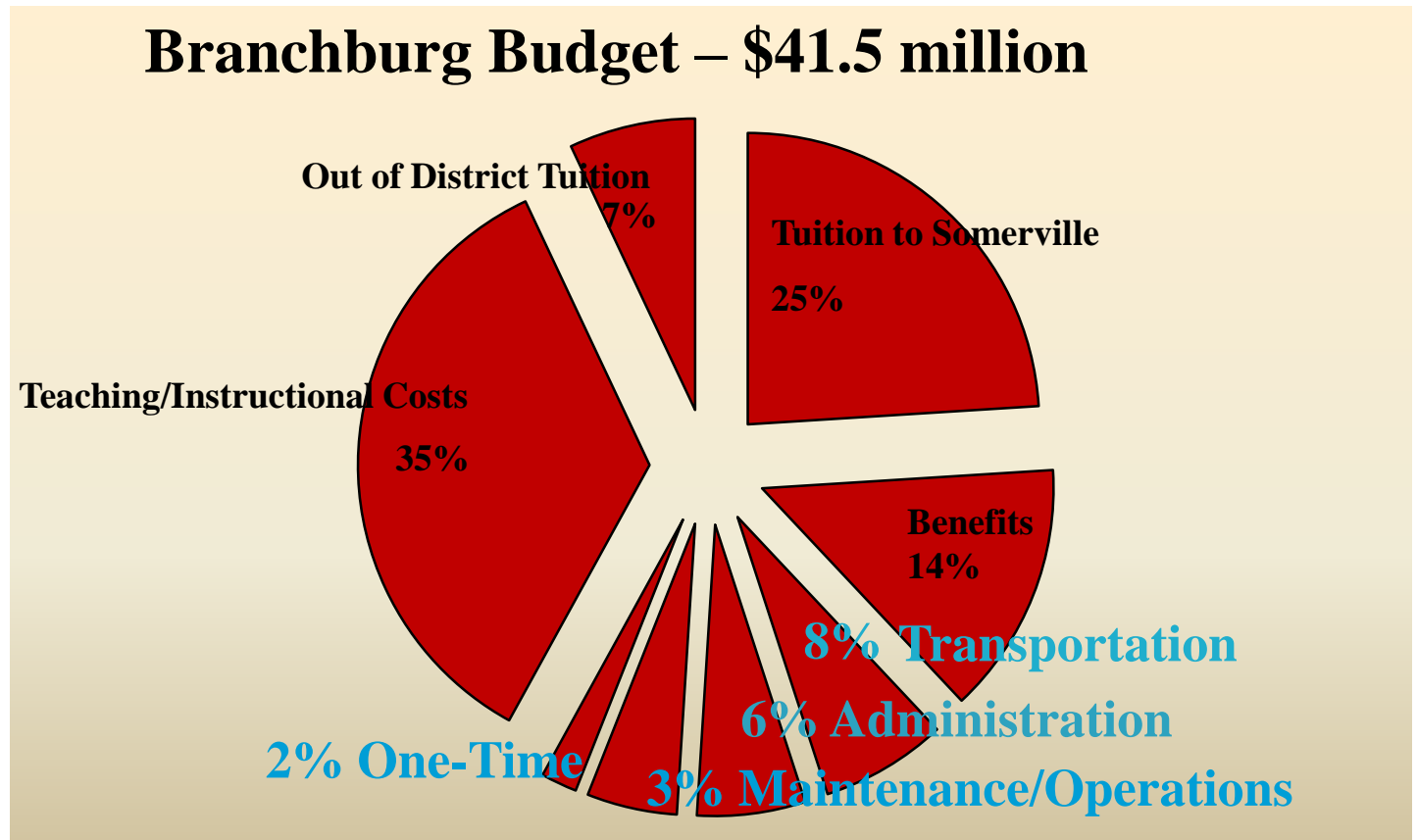
Preliminary Budget – Key Expenditures



Preliminary Budget – Key Expenditures



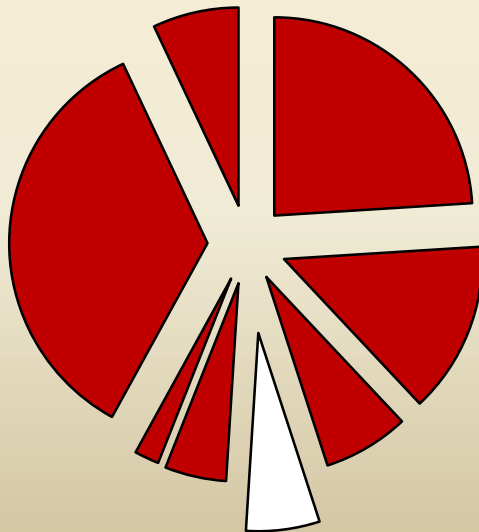
Preliminary Budget – Key Expenditures



What is considered “Administration” ?

**Superintendent’s Office, Business
Office Salaries/Supplies, BOE Dues
Principals, Directors**

6% Administration =



School Secretaries/Office

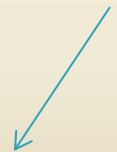
**Technology Office and
Infrastructure**

**Telephone, Internet, Postage,
Copiers/Paper**

Board Attorney/Legal

Auditor

**Also
Includes**



Preliminary Budget Summary

- ▶ \$41.5 Million – \$800k increase or 2% over current budget
- ▶ Key Expenditure Drivers
 - \$665,000 Increase in Benefits
 - \$170,000 Increase in Somerville Tuition
 - \$258,000 Increase in Out of District Tuition
- ▶ Expenditure Savings
 - Retirement Breakage
 - Districtwide reductions in materials, supplies, and purchased services
 - Reduction in one-time expenditures (e.g. phone system)

Other operational Efficiencies

- ▶ Savings from continued Shared Transportation Service with Readington – \$80 to \$100k savings/year
- ▶ Use of Purchasing Cooperatives including the Pennsylvania (PEPPM) bids (phone, wireless)
- ▶ Lower Copier Maintenance Contracts

Preliminary Revenue Needs

- ▶ BOE is committed to a tax levy that is at or below the 2% cap.
- ▶ As in prior years, plan to use reserves and other savings to significantly fund the budget and offset tax need.
 - Use of Capital Reserve of over \$500,000
 - Use of Maintenance Reserve of \$100,000
 - Use of Savings or Surplus of \$800,000
- ▶ Budgeting Revenue from OYS Lease

Budget Priorities for 2013–14

1. Reduce achievement gap (literacy performance, special education).
2. Integrate technology, 21st century skills, differentiation, authentic assessments.
3. Support conditions to PLC Teams.
4. Implement new Evaluation System.
5. Strengthen school climate & culture and take proactive safety & security measures.
6. Improved alignment of resources with desired results of district.

Budget Priorities for 2013-14

7. Continue to upgrade technology and prepare for PAARC
8. Continue to upgrade facilities
 - Painting Districtwide
 - Stony Brook School Improvements
 - Consolidation of Administrative Space
 - Energy Efficiency Measures

Next Steps / Calendar

- ▶ **March 7, 2013** – Deadline for BOE to Submit Preliminary Budget to NJDOE Executive County Superintendent
- ▶ **March 21, 2013** – Branchburg's Public Hearing on the Budget