Preparing a School District Budget

The Board has prepared a budget that is sensitive to the needs of the community, while it endeavors to balance a quality education in a safe and technologically advanced environment. Given the economic impact we are facing, the Board has made difficult decisions in the development of this budget.

(Shortfall) Revenues = (Overage) Expenditures = (Un) Balanced Budget
# Audubon Board of Education: Subcommittee Meeting Schedule

<table>
<thead>
<tr>
<th>Committee</th>
<th>Governance</th>
<th>Operations</th>
<th>Education</th>
<th>Human Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOE Chair</td>
<td>Marianne Brown</td>
<td>Allison Cox</td>
<td>Ed Simpson</td>
<td>Ammie Davis</td>
</tr>
<tr>
<td>District Lead</td>
<td>Andy Davis</td>
<td>Deborah Roncace &amp; Bud Rutter</td>
<td>Shamus Burke</td>
<td>Andy Davis</td>
</tr>
<tr>
<td>Committee Member</td>
<td>James Blumenstein</td>
<td>Ammie Davis</td>
<td>James Blumenstein</td>
<td>Marianne Brown</td>
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<tr>
<td>Committee Member</td>
<td>Joseph Ryan</td>
<td>Ralph Gilmore</td>
<td>Pam Chiaradia</td>
<td>Allison Cox</td>
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<tr>
<td>Committee Member</td>
<td>Ed Simpson</td>
<td>Jeff Whitman</td>
<td>Nancy Schiavo</td>
<td>Jeff Whitman</td>
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<tr>
<td>Alternate</td>
<td>Nancy Schiavo</td>
<td>Pam Chiaradia</td>
<td>Joseph Ryan</td>
<td>Ralph Gilmore</td>
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<table>
<thead>
<tr>
<th>Location</th>
<th>AHS Principal's Conference Room</th>
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<tbody>
<tr>
<td>Time</td>
<td>6:00 - 7:00</td>
</tr>
<tr>
<td></td>
<td>7:30 - 8:30</td>
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<td></td>
<td>6:30 - 8:00</td>
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<td>6:00 - 6:50</td>
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<table>
<thead>
<tr>
<th>Actual &amp; Tentative Dates</th>
<th>February 13</th>
<th>March 6</th>
<th>April 3</th>
<th>May 22</th>
<th>June 26</th>
<th>July 31</th>
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<tr>
<td>Actual</td>
<td>February 14</td>
<td>March 28</td>
<td>April 11</td>
<td>May 30</td>
<td>July 11</td>
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<tr>
<td>Tentative</td>
<td>Prior to BOE Meetings</td>
<td>And</td>
<td>April 10</td>
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Review of Current Year District Goals

- Complete a thorough review of district processes including but not limited to Board Policies & Regulations to maximize efficiency and effectiveness while staying compliant with New Jersey Department of Education code.

- Maintain and enhance school safety.

- Increase the use of objective data by all instructional staff in order to provide targeted, class and student specific, and differentiated (rigorous) instruction.

- Enhance the capacity of all teachers to understand and create New Jersey Student Learning Standards – based assessments to inform and further differentiate instruction.

- Refine and enhance communications with stakeholders through improvements to the district website and use of social media –

Four Schools, One District
## Student Enrollment by Grade: 2019-2020 Projections

<table>
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<tr>
<th></th>
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<td>32</td>
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<tr>
<td>K</td>
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<td>12</td>
<td>168</td>
<td>158</td>
<td>148</td>
<td>147</td>
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<td>1521</td>
<td>1501</td>
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## Elementary Homeroom Size: Projected

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<tbody>
<tr>
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<tr>
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<td>147</td>
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<td></td>
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<tr>
<td>Total</td>
<td>1510</td>
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</table>
Budget Calendar

- November 1, 2019 – Dr. Davis’ First Day
  - Review of Expenditures of 2018-2019 State Aid
  - Review of Staffing Recommendations
  - Walkthrough of Facilities with Mr. Rutter

- December 1, 2019 – Mrs. Roncace’s First Day
  - Walkthrough of Facilities with Mr. Rutter
  - Walkthrough of Facilities with County Office of Education (Q.S.A.C.)

- December 12 & 18, 2019 – Budget sheets disseminated and further explained to all administrators, respectively

- December through January – Reconciliation of all district accounts

- January 2019 – Leadership team and individual administrator meetings to review budget needs and wish lists

- February 7, 14, and 28, 2019 – Follow-up Leadership Team meetings; include individual budget manager questions

- March 5, 2019 – Governor’s Budget Address

- March 7, 2019 – State Aid Numbers Released

- March 11, 2019 – State of the District meeting between Superintendent and Business Administrator
Monies Used to Support the 2018-2019 Budget

**Operating Cost Revenue Expenditures:**

- Bank Cap = $97,062 (2019-20 = $0)
- Choice Formula = $250/per student = $2,600
- Health Adjustment = $196,029 (2019-20 = $0)
- Insurance Breakage = $289,518
- One Month Insurance Deferral = $325,000
- Send-Receive Tuition = $207,000
- State Aid 2018-19 = $395,123
Robust Budgeting Practices: Examples

- Cost Effective Health Benefits
- Curriculum Revision Cycle
- Evergreen Technology
- Fund Balance
- Maintenance Reserve (Facilities)
- Manageable Salary Guides
- Strong Special Education Programs
Budget Calendar (continued)

- March 14, 21, 27, 2019 – Formal meetings with Leadership Team
- March 20, 2019 – General BOE Meeting (approval for budget submission to County Office)
- March 28, 2019 – Meeting with FULL faculty & staff
- April 2, 3, 4, 2019 – Formal meetings with Leadership Team
- April 12, 2019 – Reduction in Force, Transfers, and Non-renewal meetings with staff
- May 1, 2019 – Public Hearing on 2019-2020 budget and Budget Adoption
- May 8, 2019 – General BOE Meeting (staffing contracts)
State School Funding Reform Act (SFRA): Explained

✓ Enacted in 2008 to equalize school funding in order to provide each student a thorough and efficient education

✓ Baseline per student spending set at ~$11,000; additional weighting variables include low income, ELL, special education

✓ State calculates Local Share; how much a district can afford to provide towards adequacy

✓ SFRA did not have enough votes to pass in 2008; state creates a provision (Adjustment Aid) that no district was to receive less aid than the previous year

✓ States were directed to use their Reserves in 2010; New Jersey did not have enough revenue to provide the promised funds
State School Funding Reform Act (SFRA): Continued

✓ Underfunding/Overfunding became the new norm for State Aid (origin of Flat State Aid)
✓ Percentage of monies received did not equate to SFRA formula
✓ Senator Sweeney added $100 million on State Aid for the fiscal year 2018; $31 million on Adjustment Aid was redistributed
✓ On Jul 24, 2018 Governor Murphy signed S-2:
  ✓ Repeals the enrollment cap
  ✓ Eliminates adjustment aid (180 districts) over a seven year period (five remaining)
  ✓ Allows adjustment to tax levy cap for certain school districts
  ✓ Bases state aid on the most current data (student population & local tax ratables)
  ✓ Over 60% of the state’s school districts have been considered “underfunded”
  ✓ Exempts certain districts to reductions (county vocational schools, SDA (former Abbott), and Non-SDA below adequacy with tax rates exceeding the state mean by more than 10%)
  ✓ Adjusts for municipalities that have a tax rate that exceeds the state average
  ✓ Districts receiving less than the SFRA receive an increase in state aid
  ✓ If a district is spending below adequacy and are losing state aid, they must increase its general fund tax levy to 2%
✓ Audubon Public School District receives additional funding through State Aid:
  ✓ 2018-2019 = $395,123
  ✓ 2019-2020 = $122,165
Fund Balance: Explained

- Excess Surplus must be utilized in the subsequent year’s budget


- Fund Balance is generated from year-to-year when budgeted funds are not spent

- Examples include cost savings on projects, material savings (lower cost), breakage in retiring teachers and new hires (salary \(\neq \downarrow\))
BANK CAP: Explained

- Enrollment (Increases)
- Health Care Adjustments
- Accrued Liabilities & Pension Deferrals (2008-2009)
- Adjustment Responsibility: From-To Entity (e.g. transportation to foster home)
Local Tax Levy: 2% Builds a Revenue Base

<table>
<thead>
<tr>
<th>Year</th>
<th>0% Tax Levy Increase</th>
<th>1% Tax Levy Increase</th>
<th>2% Tax Levy Increase</th>
<th>Difference from 0% to 2%</th>
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<tbody>
<tr>
<td>16/17</td>
<td>11,153,792</td>
<td>11,153,792</td>
<td>11,153,792</td>
<td>0</td>
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<tr>
<td>17/18</td>
<td>11,153,792</td>
<td>11,265,330</td>
<td>11,377,983</td>
<td>$223,076</td>
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<tr>
<td>18/19</td>
<td>11,153,792</td>
<td>11,377,983</td>
<td>11,604,405</td>
<td>$450,613</td>
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<td>19/20</td>
<td>11,153,792</td>
<td>11,491,763</td>
<td>11,836,493</td>
<td>$682,701</td>
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Tuition Revenues

- Tuition revenues contribute 10% toward the budget.

- Tuition revenue has decreased by $207,735 adversely impacting the 2019-2020 budget.

- Audubon Park is not a tuition revenue; part of APSD.

- Choice funding is not a tuition revenue; included in the State Aid formula.
Analysis of Revenue 2019-2020

Local Share Tax Levy 48%

State Aid 35%

Tuition Mt Ephraim 10%

Debt Service 3%

Federal Grant 2%

Other 2%

Budgeted Fund Balance 1%

Miscellaneous Revenue 1%

Tuition Preschool 0%

Other 2%
Analysis of Expenditures 2019-2020

INSTRUCTIONAL PROGRAMS
- General Education
- Special Education
- Basic Skills

SUPPORT SERVICES
- Administration
- Attendance
- Benefits
- Child Study Team
- Custodial, Maintenance, Grounds
- Extraordinary Services
- Food Services
- Guidance
- Health
- Library
- Speech, OT/PT
- Staff Training
- Transportation

- Tuition Out of District 5%
- Debt Service 4%
- Other 6%
- Co-curricular & Athletics 3%
- Federal Grants 2%
- Capital Outlay 1%
Budget Development Considerations: Expenditures Beyond District Control

- Contracted Services
- Enrollment
- Salaries & Benefits
- Utilities (Gas & Electric)
- Transportation
  - Buses
  - Diesel Fuel for Buses
- Tuition
  - Choice (changes)
  - Homeless
  - Sending-Receiving (changes)
  - Special Education
Audubon Public School District: Saving Efforts

- Out-of-District placement monitoring
- Paper-cut – System for tracking and reducing printing costs
- Minimizing redundancy in purchases (e.g. online licenses, consumables, etc.)

Shared Services
- Camden County Education Services Commission
- Educational Services Commission of New Jersey
- Fuel through Collingswood
- Maintenance & Custodial Services with Brooklawn
- Property Insurance through SAIF & BCIP
- Trash Removal through Audubon Borough
- Y.A.L.E. Classroom and Room Rental Space

Refurbishing technology (e.g. Chrome books, desktops, laptops, etc.)
Rethinking technology (e.g. Annotate vs Interactive Whiteboards)
Impact on Audubon Taxpayer

Increase in Tax Levy: General Fund = $239,670
Decrease in Tax Levy: Debt = ($60,500)
Total Tax Levy Increase = $179,170
2019 Ratables = $713,327,254

The 2019-2020 proposed budget represents an increase of 0.0351 cents per $100.00 of assessed value. For a home assessed at $209,000, this equates to an increase of $73.35 for the year.

($209,000/$100) X $0.0351 = $73.35  pre-tax assessor review
2% TAX LEVY: AVERAGE TOTAL COST TO AUDUBON BOROUGH HOMEOWNER

A home based on the average assessed value of $209,000 will cost approximately $73.35 more for the 2019-2020 school year; which equates to about $1.41 per week.
Balanced Budget

(Shortfall) Revenues
= Expenditures (Overage)
= (Un)
Balanced Budget
Non-renewals & Resignations and Retirements

**Non-Renewal & Resignations:**
- Instructional Aide (FTE 0.74)
- Certificated Staff (FTE 1.5)

**Retirements:**
- Teacher (FTE 2.0)
- Secretary (FTE 1.2)
Reduction(s) in Force Due to Economy

- Administration (FTE 0.50)
- Building, Maintenance, Grounds (FTE 0.44)
- Child Study Team (FTE 1.0 *)
- Secretarial (FTE 1.2 *)
- Support Staff (FTE 1.74)
- Certificated Staff
  - Elementary Prekindergarten through 3 (FTE 2.41)
  - Upper Elementary Grades 4 through 6 (FTE 0.59)
  - Junior – Senior High School 7 through 12 (FTE 2.8)

* Refers to previous slide; Non-renewals, Resignations, and/or Retirements
District Vision and Mission

- Remain committed to the Audubon education tradition of Pride & Excellence

- Ongoing commitment to:
  - Enhancing Student achievement and well-being
  - Instilling and supporting the community’s core values
  - Providing an equitable and well-rounded educational experience:
    - Academics (math pilot PreK – 5)
    - Affective (social-emotional)
    - Arts (visual & performing)
    - Athletics (school bus)
  - Supporting inclusive learning environments
  - Providing a safe learning environment (alert system at AHS; camera upgrades; ID scan HAS/MAS; VAP sensors)
  - Preparing students for the 21st Century (technology lease)

- Retain and create programs and opportunities for our students
  - Transfer of Aide to Kindergarten classroom
  - Full-time Basic Skills Instructor at Mansion
  - Shared Library Media Specialist at Haviland & Mansion
  - Reconfiguring Child Study Team structure - School Psychologist
  - Reconfiguring Administrative Team structure

- Accomplish these goals and more with a tax increase of $73.35 (2%) for the average Audubon Borough resident for the 2019-2020 school year.
Thank you for supporting the Audubon Public School District.