

**Piscataway  
Board of Education  
Thursday, March 14, 2013**

**Public Presentation  
Proposed Budget  
2013-14**

- Process started September 2012
- Fiscal Planning & Operations
- BOE initial presentation (January)
- State aid figures late February
- Budget brief and detailed book to BOE – this week
- Public presentation on budget today
- Board decision - March 21, 2013



## **Budget Calendar**

- Governor's budget address was February 26; State aid released on February 28. Piscataway net increase of \$311,000
- State audit showed \$123 million shortfall in state's FY2012 budget; add impact of Hurricane Sandy
- Piscataway continues to be underfunded; district receives 33.3 percent of its fair share of state aid. Local taxpayers pay disproportionate share of school budget.
- Governor pushing shared services to further reduce property taxes.
- We have an unsettled employment contract with our Principals and Supervisors Association

## **Background**

- CAP on tax levy
  - Can only increase 2% with minimal adjustments (health care costs, deferred pension costs, and costs associated with shifting responsibility from one district to another)
- CAP on administrative costs
  - Law limits administrative cost per pupil; 12-13 max was \$1,768 and Pway was \$1,206
- Ratables matter
  - Ratables on a steady decline for the past 8 years
  - 12-13 saw \$32 million increase, first time in 10 years.
- Adequacy Budget
  - 2012-2013 we were \$13.8 million under
  - 2013-14 calculations we are \$18.4 million under
- State formula aid
  - 2012-2013 Piscataway was entitled to \$46 million Actual was \$16.8 million or 36.4 percent of our share
  - 2013-14 Piscataway increase of \$311,000

## **Parameters in budget development**

- Originally built 13-14 budget with flat state aid, now slight increase.
- We anticipate special education extraordinary aid, transportation fees and tuitions from other districts will remain stable.
- New revenue source – SREC revenue of \$200,000
- We anticipate 2012-13 surplus of \$2.85 million



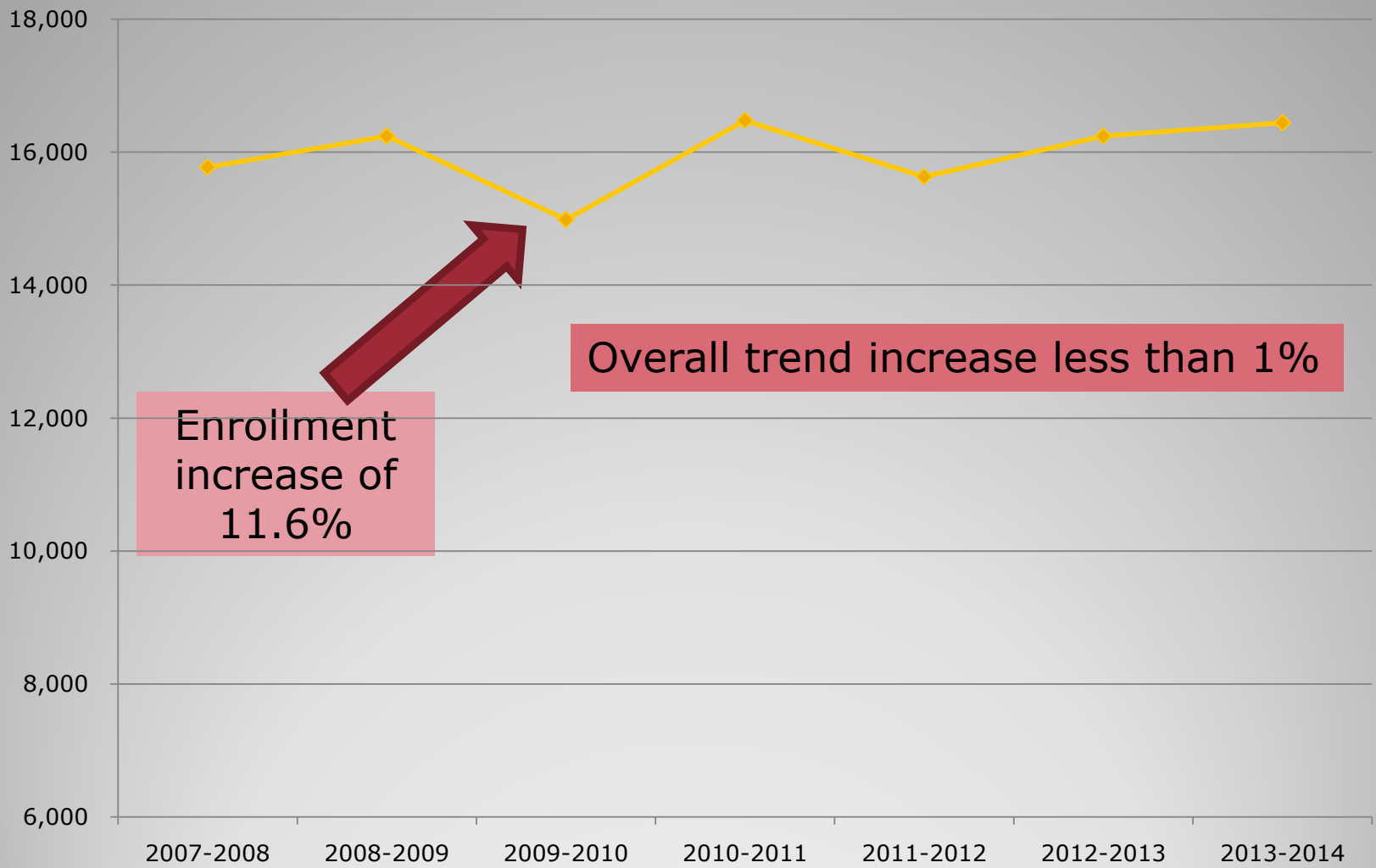
## **Revenue Assumptions**

<b>Indicators</b>	<b>State Average</b>	<b>Piscataway</b>	<b>(Favorable) Unfavorable</b>
i. Support Services cost per pupil equal to or less than State median	<b>\$1,988</b>	\$1,768	<b>(\$220)</b>
ii. Administrative cost per pupil equal to or less than State median	<b>\$1,460</b>	\$1,206	<b>(\$254)</b>
iii. Legal Services cost per pupil equal to or less than State median	<b>\$31</b>	\$23	<b>(\$8)</b>
iv. Operation and Maintenance of plant cost per pupil equal to or less than the State median	<b>\$1,554</b>	\$1,570	<b>\$16</b>
			<b>Favorable (Unfavorable)</b>
v. A ratio of students to Educational Support Personnel equal to or more than the State average	<b>79.70</b>	100.4	<b>20.70</b>
vi. A ratio of students to Administrative Personnel equal to or more than the State average	<b>175.30</b>	216.9	<b>41.60</b>
vii. A ratio of Faculty to Administrative Personal equal to or more than the State average	<b>15.90</b>	17.5	<b>1.60</b>

**State Approval of 13-14 budget looks at:**

- \$4.5 million savings in health insurance premiums over five years
- \$4.5 million in special education over six years
- \$2.2 million in transportation over five years
- \$1.1 million from outsourcing subs and aides over three years
- \$700,000 in energy savings over five years

## **Fiscal Management Contained Costs**



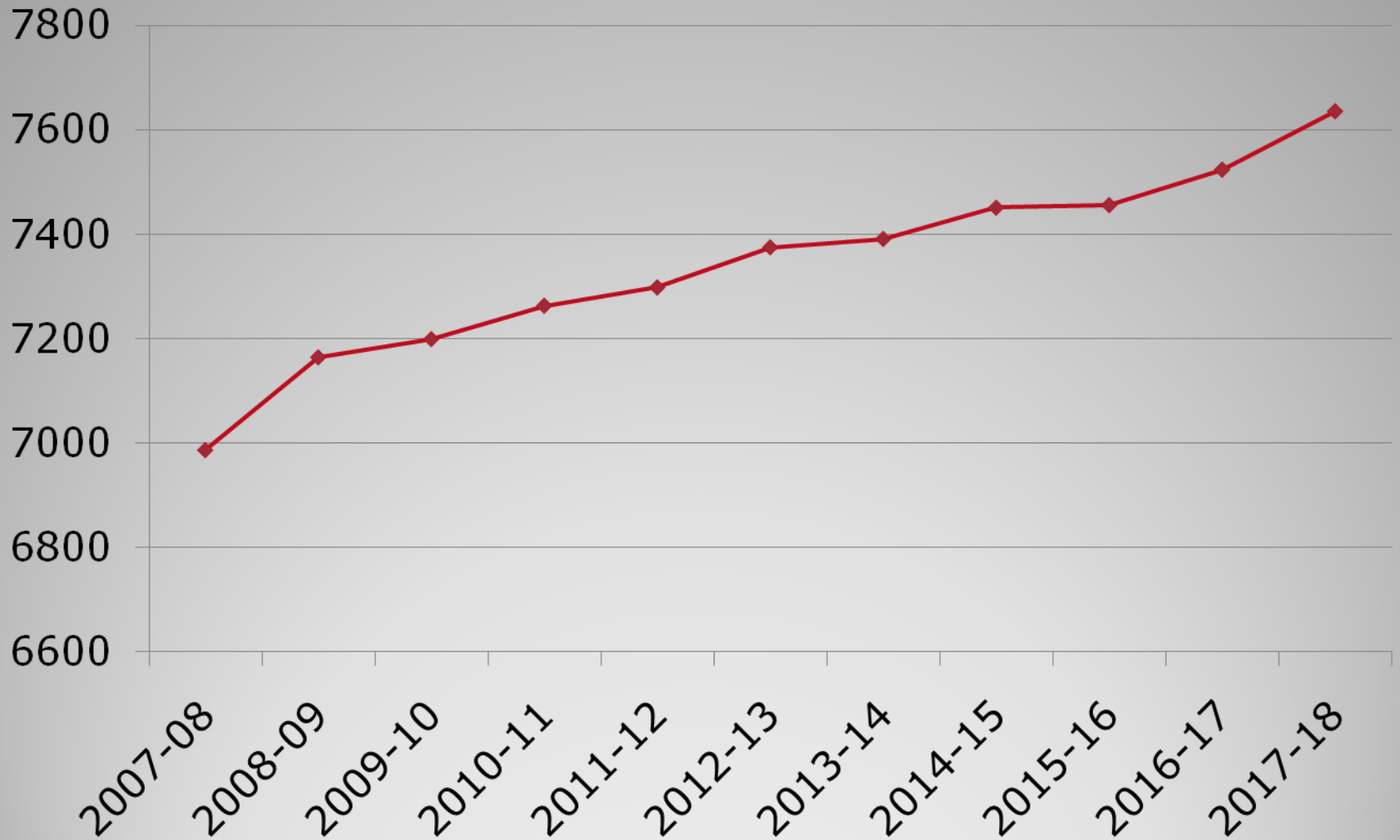
# Special education spending per pupil



- Enrollment trends
- Personnel adjustments
- Curriculum and special education initiatives
- Strategic Plan
- Health benefits



## **Budget Issues and Drivers**



## Enrollment Trend

- Visual and Performing Arts
- Assistant Supervisor of Athletics
- Practical arts chair
- Middle School cross country coach
- Teachers
  - One sped at Schor
  - Two .5 Admin BD
  - Three if average K-3 class size is 25 or less and 26 or less in the 4-5 buildings
    - This entails assigning students to other than home school.

- State of NJ reducing the required PERS pension payment by \$150,000
- Reduction in current year self insurance fund by \$150,000
- Reallocation of HS asst soccer coach

- Additional State Aid

# Staff Adjustments

Maintenance of student support/opportunities

- Saturday Academy (middle and high school)
- Summer Programs:
  1. Summer Academy (Tier 2-3 students),
  2. Sneak Peek (pre-courses),
  3. Academic Academies (advanced)
- MS Music Opportunity Program
- PHS Writing Conference Center
- MC State Teen Arts Festival (ms and hs)
- Gifted and Talented Workshops/Residencies (2-3)

## **Curriculum Programs & Initiatives**

- Common core Standards Alignment
  - Vocabulary Materials (grades 11-12)
  - My Access (online writing development)
  - Grade 6-8 Math program
- RTI – LAL Orton Gillingham materials and training for Grades 6-8
- Add AP European History, Applied Statistics, APP Creation
- Update AP Psychology and Sociology Texts
- Mini Q's American/World History (ms/hs)
- Assessments

## **Curriculum Programs & Initiatives**

- Common Core Alignment and Assessments at various levels
- Integrate 4/5 Math, Science, and Tech
- Revise Discrete Math, Topics in College Math, VPPA (align with NJCCCS)
- Update AP Bio, AP Chemistry, AP Physics
- Professional Development

## **Curriculum Design**

- The Haven
  - Addition of 2 intern positions
    - One intern/Behaviorist at the high school – observations of student behavior, teacher consultation, creation of behavior intervention plans, individual and group counseling
    - Second intern would provide additional on-site Haven services- crisis intervention, group, individual and family counseling
- Sped class expansions
  - Autistic Class at Schor – 8<sup>th</sup> in district
  - Behavior Disorder at Primary – open a K-1 in addition to 2-3 class
  - HS program at Admin needs grade 12

## **Special Education Initiatives**

- 2011-2012- switch prescription to self-insurance program
  - First year savings was \$283,000 or 12% of the prior year expenditures
  - Trend continued in 2012-2013, is projected to remain stable in 2013-2014 (i.e. savings approximately the same)
- 2012-2013 – switch medical to a self-insurance program
  - Savings for first half of this year is \$800,000 or 14.5% of the prior year expenditures
  - Administration and broker are closely monitoring claims and operational costs to meet the anticipated (budgeted) savings of \$1,760,676
  - 12-13 Chapter 78- employee contributions of \$1.4 million (already budgeted)
  - Continued implementation of Chapter 78 will further offset claims by \$400,000 for a total of \$1.8 million anticipated (budgeted) in 2013-2014
- Overall containment of health expenditures
  - Use of the Self Insurance Fund to account for and maintain all required reserves

## **Employee Health Benefits Budget**



- Enhance surveillance cameras at PHS and middle schools  
2012-2013 year
- High School student parking lot curbing and resurfacing  
Spring 2013
- Telephone system upgrade  
Summer 2013

- Roof and solar phase II (summer 2013)
  - Roof work at Knollwood, Grandview, King and possibly Eisenhower
  - Solar Panels at King, Knollwood and possibly Grandview



**Capital Projects funded by current reserves**

Let's do the numbers!



**2013 – 2014**  
**Proposed Budget**

	2012 - 2013	2013 - 2014		
<i><b>Appropriations:</b></i>	Budgeted	Proposed	Change	
Operating Fund	97,974,203	99,844,386	1,870,183	1.91%
Capital Fund	1,836,767	2,852,490	1,015,723	55.30%
Charter Schools	84,801	231,640	146,839	173.16%
	99,895,771	102,928,516	3,032,745	3.04%
Special Revenue Fund	3,000,000	2,500,000	(500,000)	-16.67%
Debt Service Fund	3,454,719	3,468,813	14,094	0.41%
	<u>106,350,490</u>	<u>108,897,329</u>	<u>2,546,839</u>	<u>2.39%</u>
<i><b>Revenues:</b></i>				
State Aid				
General Fund	16,009,189	16,412,804	403,615	2.52%
Special Revenue Fund	3,000,000	2,500,000	(500,000)	-16.67%
Other Local Sources				
Transportation	300,000	300,000	0	0.00%
Tuition	560,000	475,000	(85,000)	-15.18%
Miscellaneous	525,100	1,242,200	717,100	136.56%
Surplus Used	2,650,000	2,850,000	200,000	7.55%
Tax Levy				
General Fund	79,851,482	81,648,512	1,797,030	2.25%
Debt Service	3,454,719	3,468,813	14,094	0.41%
Total Revenues	<u>106,350,490</u>	<u>108,897,329</u>	<u>2,546,839</u>	<u>2.39%</u>

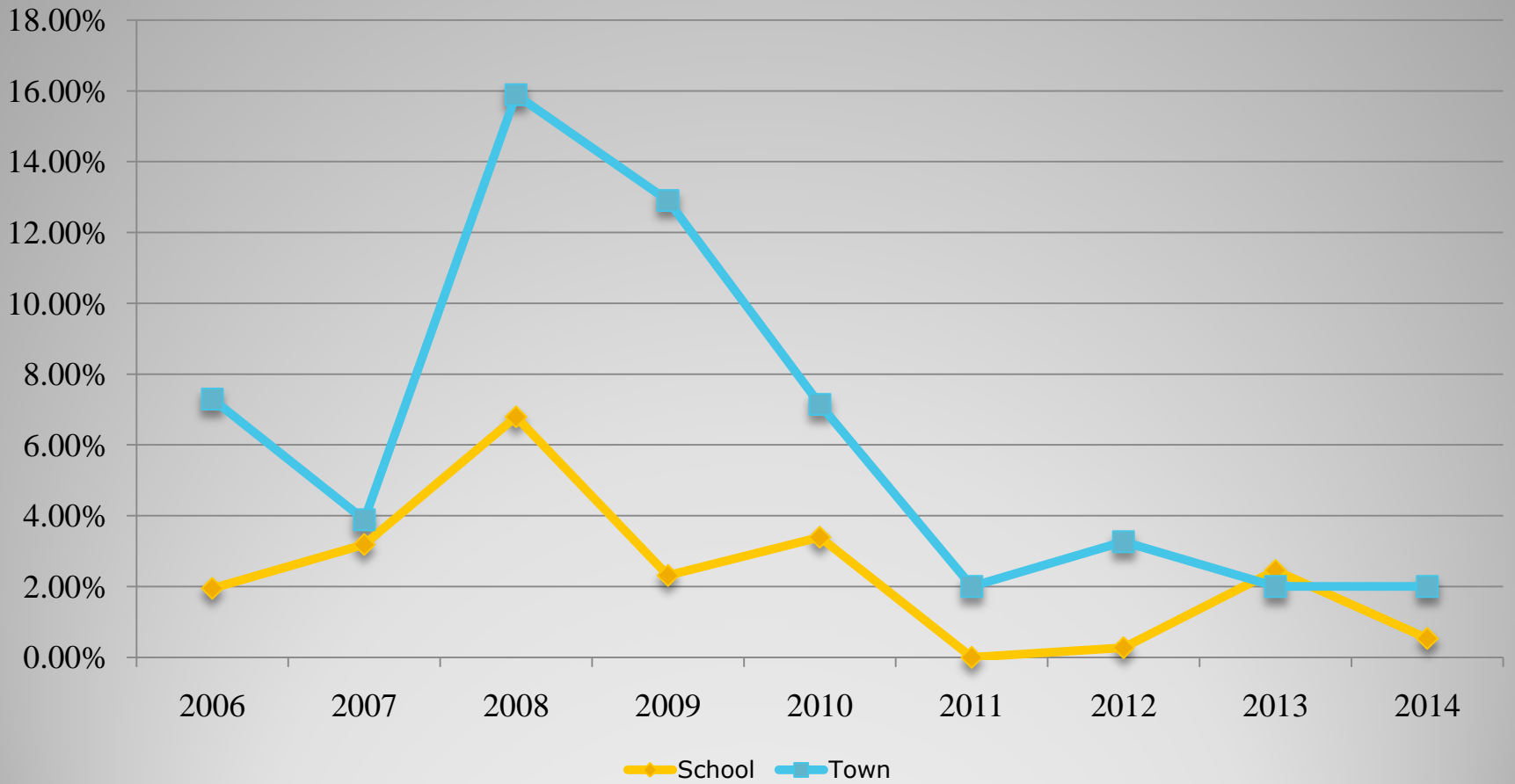
# Appropriations and Revenues

# Tax Impact



	<b>2012-2013 Budgeted</b>	<b>2013-2014 Proposed</b>	<b>Change</b>
Net Assessed Valuation	\$2.212 Billion	\$2.244 Billion	+ \$32 million or 1.45%
General Fund tax rate		\$3.6373	\$0.0286 or \$ 31.45 per average house

## **Tax rate impact**



## Pattern of Piscataway Tax Rates

- Facilities Projects
  1. Capital reserve for space needs
  2. Natural Gas generators at Randolphville and Knollwood
  3. Security and surveillance enhancements, district wide
  4. Auditorium lighting at Schor
  5. Expansion of the wireless network at PHS
- PARCC hardware requirements
- Upgrade to Windows 7 Operating system



**Looking ahead, what do we need?**

- Recommendation to upgrade computers with older operating systems and lower memory capacities to specs asap
- Machines, headsets, electronic keyboards to serve half of a grade level
- Upgrade from Windows XP to Windows 7; after April 14, Microsoft will not support XP
- Must teach keyboarding skills to 2<sup>nd</sup> - 3<sup>rd</sup> graders

## **PARCC Requirements**



# Technology Guidelines for Windows Desktops, Laptops and Netbooks

## Currently

- **Windows XP**
- Memory- 1 GB RAM or greater
- Wired or Wireless Internet connectivity
- 9.5 inch screen or larger
- Screen Resolution:
  - Desktops and Laptops 1024 x 768 or better
  - Netbooks : 1024 x 600
- Keyboard, Mouse/touchpad

## Recommended Specs

- **Windows 7 or Newer**
- Memory- 1GB RAM or greater
- Wired or Wireless Internet connectivity
- 9.5 inch screen or larger
- Screen Resolution: All Machines 1024 x 768 or better
- Keyboard, Mouse/Touchpad
- Headphones/earphones
- Microphones

- Elementary e.g. Knollwood: 495 students; 42 netbooks without resolution, 12 Windows 7 laptops
- Intermediate e.g. King: 532 students, 76 computers, 26 need replacement
- Middle schools – ok
- HS 2,300 students, 333 machines need upgrade to Windows 7
- Needs 75 laptops
- Needs 150 laptops
- Will use iPads; may need external keyboards
- Needs 300 laptops

## Preparation for PARCC

### Cost breakdown by Grade Level/Buildings

Elementary	\$	343,500.00
Intermediate	\$	333,500.00
Middle	\$	7,000.00
High School	\$	300,000.00
Administration	\$	<u>116,000.00</u>
<b>Total cost for Proposed PARCC project</b>	<b>\$</b>	<b>1,100,000.00</b>

## Windows 7 Upgrade/Replacement

### Cost breakdown by Grade Level/Buildings

Elementary	\$	68,436.00
Intermediate	\$	102,676.00
Middle	\$	88,914.00
High School	\$	360,260.00
Administration	\$	<u>57,526.00</u>
<b>Total Cost for Proposed Windows 7 Project</b>	<b>\$</b>	<b>677,812.00</b>

# Technology