

Montclair Public Schools

2016-2017 Draft Budget

February 29, 2016



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Interim Superintendent

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Business Administrator

Guiding Principles

- o Invest in instructional programs, technology/STEM and facilities
- o Designate budgeted surplus for one-time expenses
- o Find opportunities for “in-sourcing” to reduce cost of purchased services
- o Enhance transparency by reflecting anticipated employee health benefit contributions and Federal E-Rate reimbursements as revenue rather than a reduction of expenditures

Expenditure Highlights

Working Operating Budget Total Expenditures
\$123.3 Million

o Health Insurance:

- o Utilization is still high but with this year's higher premiums our loss ratios are much lower than last year.
- o Anticipated cost increase of 14.0% on medical
- o Census is down from 2014-2015 resulting in current year projected savings

o Federal E-Rate Reimbursement:

- o Telecommunications will no longer eligible for reimbursement

o Custodial Overtime:

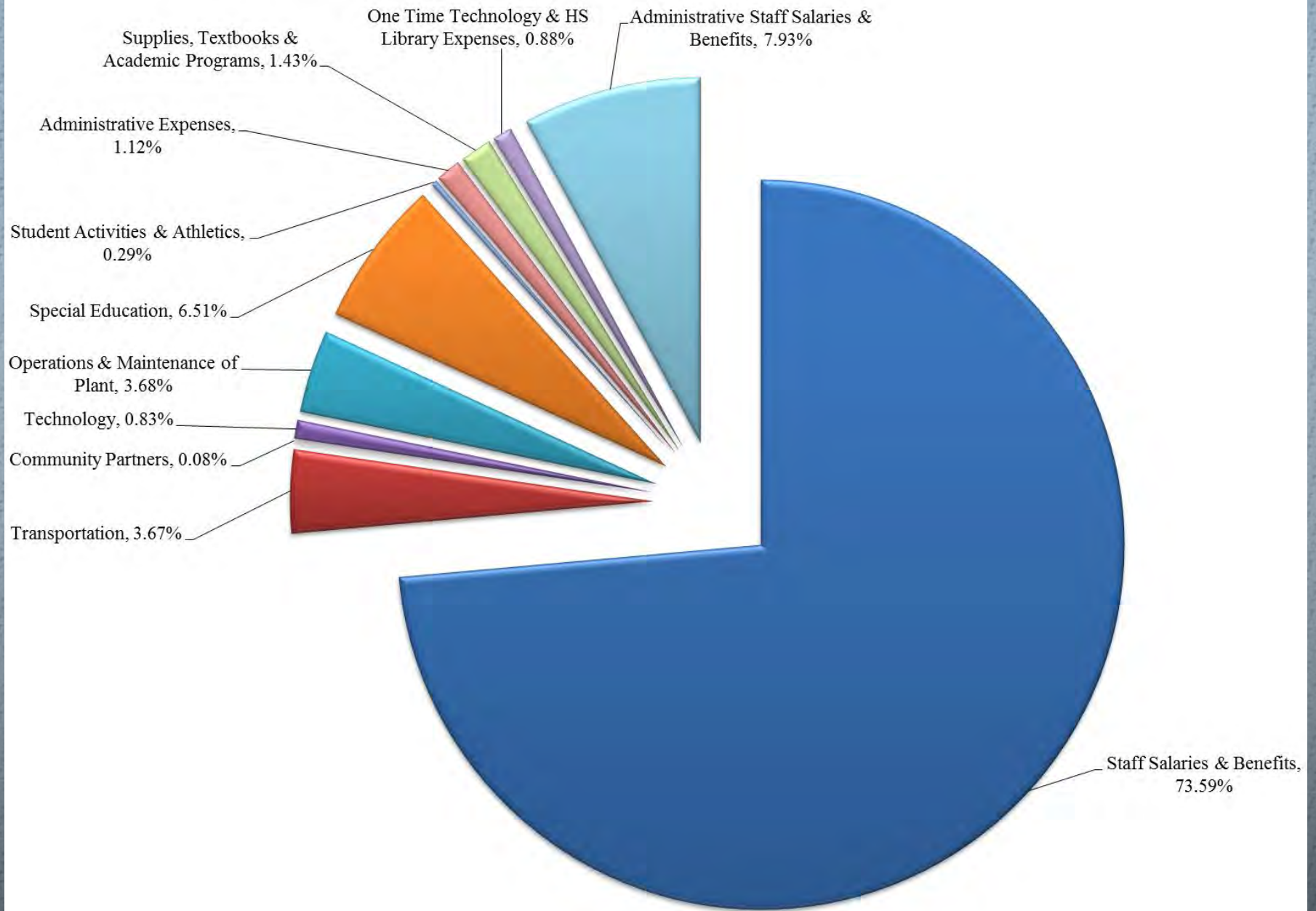
- o Increasing the 2016-2017 budget to enhance opportunities for schools, PTAs and community partners to offer evening/weekend programs

- o Additional staffing to reduce cost of purchased services while enhancing quality/control:
 - o Added 2 occupational therapists this year
 - o 2 Part-time nurses for field trips and students requiring medical support on bus runs
 - o 1 Bus driver for the emergency run, field trips and athletic trips
 - o 1 HVAC technician
- o Creating an additional MAP class to keep more special education students in district

o Implementation of Board Approved Technology Plan:

- o \$580,000 As a recurring cost for purchases and leases of student computers, teacher/administrator computers and classroom projectors.
- o Included in this are the 3 previously approved Apple leases.
- o Replacement cycle would be 7-8 years.

- o Proposed use of \$1.27 million required contribution of fund balance:
 - o \$750,000 – Ubiquitous Wi-Fi solution for all schools
 - o \$200,000 – Technology and furniture to supplement MFEE funded renovations to the MHS media center
 - o \$165,000 – Genesis student information system year 1 start up costs



Revenue Highlights

Working Operating Budget Total Revenues
\$123.3 Million

- o \$1,271,271 Required contribution of fund balance
- o \$4,518,652 Potential increase in school tax levy
 - o 2% Annual cap - \$2,114,080
 - o 2.27% Expiring banked cap - \$2,404,572
 - o Estimated tax impact of a 4.27% tax increase would be approximately \$79 for every \$100,000 of assessed home value
 - o Average assessment for Montclair as reported by the State of NJ is \$504,269 and the estimated tax increase would be approximately \$397 for the 2016-2017 school year at 4.27%

- o \$53,705 – Special Education Medicaid Initiative (SEMI) cost reimbursements
 - o Down \$44,377 (45.24%) as per the State budget software
- o State Aid increased \$140,377

- o Now reflected as revenue instead of netted against the associated expense:
 - o \$4,164,089 Employee health benefit contributions now reflected as revenue
 - o All employees currently in tier 4 of Chapter 78
 - o Current year contributions increased by 14.0%
 - o \$34,000 Federal E-Rate reimbursement for internet service and connectivity now reflected as revenue

Capital Budget Highlights

Working Capital Budget

\$14.3 Million for 2016-2017

\$9.7 Million for 2017-2018

o Ventilation System Remediation Projects

- o Bradford
- o Edgemont
- o Northeast
- o Watchung

o Masonry/Cornice Remediation Projects

- o Bradford
- o Buzz Aldrin
- o Northeast

o Traffic Circle/Parking Remediation Projects

- o Edgemont
- o Buzz Aldrin

- o Roofing/Ceiling Remediation Projects
 - o Hillside
- o Instructional Program & Classroom Upgrades and/or Renovations
 - o Hillside STEAM/Makerspace Programs
 - o MHS Food Science Program & Classroom Upgrades
 - o George Inness Science Room Upgrades
- o Potential Building Addition
 - o Renaissance Gymnasium

o Athletic Field Renovations

o Woodman Field Replacements

o Turf

o Track

o Bleachers

o Press Box

o Fortunato Turf Replacement

o Watchung Turf Replacement

o Renaissance Field Reconditioning

- o Board of Education Budget Workshop Meetings
 - o February 29, 2016
 - o March 3, 2016
 - o Board of Education adoption of tentative operating budget for submission to the County Superintendent's Office for review
 - o March 14, 2016
 - o Board of Education adoption of proposed operating budget and capital budget for presentation to the Board of School Estimates
- o Board of School Estimates Meetings
 - o March 22, 2016
 - o March 28, 2016
 - o April 4, 2016
 - o Final adoption of operating and capital budgets