

Caldwell-West Caldwell
School District
2015-2016
School Budget



PUBLIC HEARING
MAY 4, 2015

Agenda for Public Hearing



- The Objectives and Context of the 2015-2016 Budget
- What is contained in the 2015-2016 Budget
- Highlights of the 2015-2016 Budget
- Sources of Funding
- Expenditures by Type
- Impact on the Local Taxpayer
- Cost Containment
- Impact on the Students
- Some Interesting Facts

Objectives



- To apprise parents and members of the public of developments concerning the 2015-2016 School Year Budget
- To provide an opportunity for parents and community members to ask questions and give feedback about the proposed budget

Context: Budgetary Goals



- Maintain quality programs and appropriate staffing levels
- Meet state and federal requirements, while exercising due diligence in the expenditure of public funds
- Continue facility maintenance and improvements.
- Provide students and staff with educationally appropriate technology

Context: Budget Considerations



- Maintain existing programs at current level of service
- Continue updating curricula to comply with the Common Core Standards
- Anticipate out-of district special education placements
- Anticipate fixed cost increases
- Continue state initiative for evaluation & staff training
- Anticipate additional costs associated with PARCC testing
- Maintain basic facility upkeep and repairs, including health/safety maintenance, security, alarms, etc.
- Continue shared services

Context: Funding the Operating Budget



- **Current NJ School Funding Law**
 - Tax levy increase limited to 2%
 - Limited adjustments to cap spending (banked cap, enrollment growth, health insurance and certain pension-related increases)
- **Caldwell-West Caldwell Funding 2015-2016**
 - 2014-2015 operating budget= \$41,879,847
 - 2014-2015 operating budget tax levy= \$38,851,019
 - 2% of 2014-2015 tax levy = \$ 777,020
 - Banked cap & waivers available = \$ 1,467,026
 - Maximum allowable tax levy increase = \$2,244,046
 - 2015-2016 operating budget tax levy increase = \$1,359,785 or 3.50%

What is contained in the Budget?



- Maintain all current subject areas including special areas such as art, music, library science, and instrumental music
- Continuation of middle school STEM program
- Maintain extracurricular club, athletic and arts programs
- Current level of Special Education services will be offered including out-of-district placements
- Current instructional staffing levels remain the same
- Continued emphasis on student academic growth, requiring staff development through training and workshops
- Removal of capital improvement projects from the operating budget, since they are funded through a bond issue

Sources of Funding

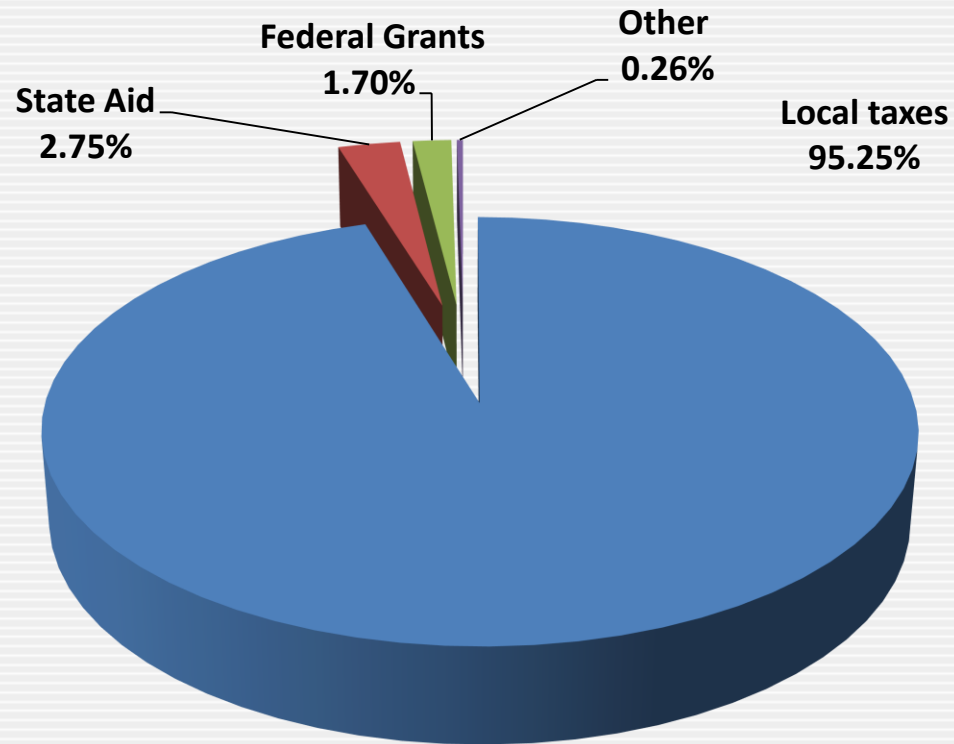


Revenue				
Description	2014-15	2015-16	\$ Change	% Change
Local Tax Levy	38,851,019	40,210,804	1,359,785	3.5%
Budgeted Fund Balance	559,500	451,178	(108,322)	(19.4%)
State Aid	1,404,451	1,213,340	(191,111)	(13.6%)
Miscellaneous Revenue*	175,971	175,971	0	0%
Total Withdrawals From Cap Reserve	532,461	0	(532,461)	(100.0%)
Medicaid Reimbursement	15,334	20,129	4,795	31.3%
Prior Year Encumbrances	368,740	0		(100.00%)
Total Operating Budget	41,879,847	42,057,422	177,575	0.4%
Grants and Entitlements	887,003	750,278	21,592	(15.4%)
Debt Service Tax Levy	950,124	1,365,293	415,169	43.7%
State Debt Service Aid	409,101	398,424	(10,677)	(2.6%)
Debt Service Fund Balance	0	71,907	71,907	-
Total Repayment of Debt	1,359,225	1,835,624	476,399	35.1%
TOTAL REVENUE/SOURCES	44,126,075	44,643,324	517,249	1.18%
* Rental of facility, athletics, play, dance receipts, bank interest, misc.				

Sources of Funding



Sources of Revenue



Expenditures by Type

The 2015-2016 school budget is comprised of the following categories:



Expenditures Budget					
Description	2014-2015	2015-2016	\$ Change	% Change	% of Total
Regular Instruction	12,825,064	12,948,929	123,865	1%	29%
Special Education/Basic Skills	3,123,087	3,236,475	113,388	4%	7%
Co-curricular/Athletics	1,081,468	1,114,871	33,403	3%	2%
Continuing Education	75,000	76,725	1,725	2%	0%
Out-of-District Tuition	2,839,903	2,549,986	(289,917)	(10%)	6%
Support Services*	5,078,342	5,641,497	563,155	11%	13%
Administration**	2,928,484	2,947,742	19,258	1%	7%
Technology	642,020	671,746	29,726	5%	2%
Buildings & Grounds	4,189,844	4,113,279	(76,565)	(2%)	9%
Transportation	1,281,840	1,321,581	39,741	3%	3%
Benefits	7,057,062	7,337,872	280,810	4%	16%
Capital Outlay	821,164	65,677	(755,487)	(92%)	0%
Grants (IDEA & NCLB)	887,003	750,278	(136,725)	(15%)	2%
Debt Service	1,359,225	1,835,624	476,399	(35%)	4%

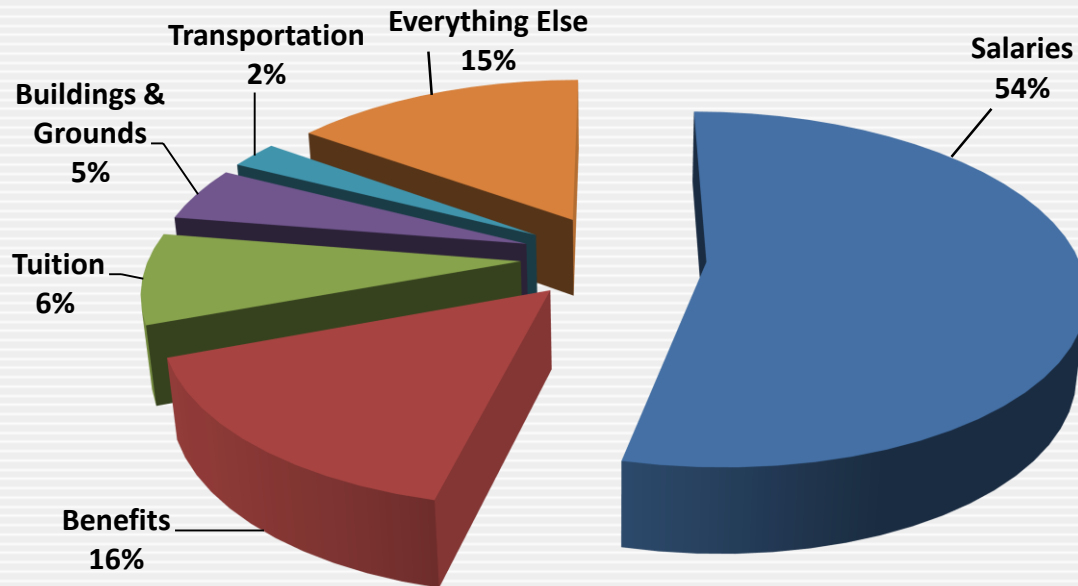
*Library, PT/OT/Speech, Special Ed Aides, Guidance, CST, Curriculum, Prof Development, Nursing, etc.

**School Admin, General Admin, Business Office

Expenditures by Type



2015-16 Operating Budget



Impact on local taxpayer



The 2015-2016 school operating budget contains a tax levy increase of \$1,359,785 or 3.50%, which is within the limits of the NJDOE and State regulations

Change in Equalized Valuations			% of Valuations	
Town	2014	2015	2014	2015
Caldwell	1,000,936,741	1,064,904,624	30.79%	32.78%
West Caldwell	2,249,860,770	2,183,656,002	69.21%	67.22%
Total	\$ 3,250,797,511	\$ 3,248,560,626	100.00%	100.00%

School Tax Levy	2014-2015 Budget	2015-2016 Budget	\$ change	% change
Operating Budget School Tax Levy	38,851,019	40,210,804	\$1,359,785	3.5%
Net Valuations: Total	3,239,735,250	3,244,295,748	\$4,560,498	0.1%
Estimated Tax Rate	1.1992%	1.2394%		3.4%

Impact on the Local Taxpayer



The operating budget tax increase is approximately:

- \$173 for the 2015-2016 school year
- between \$14 and \$15 per month, on average

Impact on Homeowners	2014-2015 Budget	2015-2016 Budget	Annual \$ change	% change
Operating budget school taxes on a home assessed at \$430,000	\$5,157	\$5,329	\$173	3.4%

Cost Containment Measures



- **Cooperative Purchasing:**

- Instructional/Non-instructional Materials and Supplies and Services purchased through the Ed-Data, Middlesex County, Hunterdon County cooperatives
- Special Education partnership with the Essex Regional Educational Services Commission
- Member of Sussex County Regional cooperative for out-of district placements and athletic transportation
- Natural Gas and Electrical provided through the ACES cooperative
- Fuel purchased through the Township of West Caldwell

- **Professional Development:**

- Agreement with 3 neighboring districts for staff development

- **Insurance Coverage and Benefits:**

- Member of School Alliance Insurance Fund (SAIF) for general liability, workers comp, property coverage
- Provides Health Benefits through School Employees Health Benefits Plans (SEHBP), a self-funded plan run by the state

- **Custodial/Maintenance:**

- Agreement with municipalities for use of heavy machinery, recycling, use of facilities and police coverage for recreational purposes

Impact on the Students



The Caldwell-West Caldwell school budget is the financial plan to accomplish educational objectives:

- Students continue to enjoy learning in a safe, clean, and high performing District
- Students benefit from a wide range of extracurricular opportunities in the arts, athletics, and academics
- Restructuring of technology department has allowed the District to upgrade and maintain the infrastructure and educational hardware, delivering reliable support
- The elementary school band program will continue to foster an appreciation of the fine arts in our district at a young age. After school clubs will continue to be encouraged
- We will continue to provide small group instruction for the enrichment program, basic skills program and the special education programs

Looking Beyond 2015-2016



- Teachers, custodial/maintenance, secretarial, and administrators' contracts expire June 30, 2015
- Investment in technology infrastructure
- Providing on-going professional development and curriculum development
- Funding for state-mandated staff evaluation system
- Continue to monitor out-of-district placements, developing more programs to keep children in-district for as long as possible

Some interesting facts

Comparative Spending Snapshot



Taxpayers' Guide to Education Spending **2015 Budgetary Cost Per Pupil**

District	\$ Amount	County Rank (Low to High)
Belleville	10,868	1
Bloomfield	12,803	2
Verona	13,084	3
Nutley	13,479	4
Cedar Grove	13,713	5
Caldwell-West Caldwell	13,801	6
Glen Ridge	13,887	7
South Orange-Maplewood	14,418	8
Livingston	14,791	9
Fairfield	15,003	10
Roseland	15,176	11
Montclair	15,298	12
Millburn	15,329	13
Orange	15,782	14
Newark	16,403	15
North Caldwell	16,497	16
West Orange	16,660	17
Irvington	16,825	18
West Essex	17,404	19
East Orange	17,922	20
Essex Co Voc-Tech	18,175	21
Essex Fells	19,769	22

- 2015 State Average:
 - \$15,067 for all districts
 - \$14,986 for 221 K-12 districts
- CWC School District:
 - \$14,290 per pupil cost budgeted for 2015-16

Some interesting facts

Comparative Spending Snapshot



Taxpayers' Guide to Education Spending **2015 Administrative Cost Per Pupil**

District	\$ Amount	County Rank (Low to High)
Montclair	1,265	1
Irvington	1,431	2
Millburn	1,483	3
Verona	1,505	4
South Orange-Maplewood	1,574	5
Livingston	1,633	6
Roseland	1,649	7
Caldwell-West Caldwell	1,663	8
East Orange	1,670	9
Nutley	1,697	10
Bloomfield	1,736	11
Fairfield	1,767	12
West Orange	1,810	13
Belleville	1,923	14
Newark	1,936	15
Cedar Grove	1,956	16
Orange	1,978	17
Glen Ridge	2,015	18
North Caldwell	2,033	19
Essex Fells	2,035	20
West Essex	2,035	21
Essex Co Voc-Tech	2,891	22

- Administrative cost per pupil was budgeted at \$1,663 in 2014-2015 and is expected to come in lower at \$1,624
- Budgeted to be \$1,624 again in 2015-2016
- Far below the regional limit of \$2,086

Some interesting facts

Comparative Spending Snapshot



Operating Budget Tax Levy

Year	\$ Amount	\$ Change
2015-2016	40,210,804	1,359,785
2014-2015	38,851,019	1,404,254
2013-2014	37,446,765	734,325
2012-2013	36,712,440	(227,422)
2011-2012	36,939,862	18,610
2010-2011	36,921,252	
	Net Change:	\$3,289,481

- With the steady rise in salaries, benefits, special education tuition and utilities costs, the average compounded annual increase of 1.73% over FIVE years on the operating budget tax levy is modest and fiscally sound
- If calculated on the allowable “cap” increases, the tax levy *could have* risen by over \$2.2 million, or 5.78%, to \$ 41,095,065 in 2015-16

Some interesting facts

Comparative Spending Snapshot



Operating Budget History

Year	\$ Amount	\$ Change
2015-2016	42,057,442	177,575
2014-2015	41,879,847	2,089,895
2013-2014	39,789,952	546,341
2012-2013	39,243,611	246,920
2011-2012	38,996,691	1,500,869
2010-2011	37,495,822	
	Total Change:	\$4,561,600

The five year compounded annual growth of the operating budget averages a modest 2.32%, higher than the tax increase due to revenue contributions outside of the tax levy

Thank You!



- It is no secret that CWC students receive outstanding and balanced opportunities to do well in our schools-even during a time when school budgets are in the news
- The Board of Education has built a budget that speaks to the continuing needs of our students. Thank you for your dedication and service to the children of the community:

Paula Getty, President

Thomas Adams, Vice-President

Daniel Cipoletti

John King

Marie Lanfrank

- Thank you to the District administrators, directors and staff who worked cooperatively to develop this budget plan in alignment with the district's educational programs.