

PRINCETON PUBLIC SCHOOLS

2019~2020 BUDGET

PUBLIC HEARING: MAY 7, 2019

BUDGET PROCESS

2019 ~ 2020

- **Staff Development (October – December)**
- **Administrative Review (December – March)**
- **Budget Workshop (March 12)**
- **Tentative Budget Approval (March 19)**
- **Submission of Budget to County Superintendent (March 20)**
- **Approval from County Superintendent (April 17)**
- **Potential Modifications to Budget**
- **Public Hearing and Final Approval (May 7)**

BUDGET PRIORITIES

2019 ~ 2020

- **Maintain focus on teaching, learning, and student achievement**
- **Support District Vision based on Strategic Planning Goals**
 - **Wellness, Every Child Known, Closing the Achievement Gap, Innovation, Communication and Equity**
- **Honor negotiated Agreements**
- **Maintain Programs while resources are not keeping pace with projected costs**
- **Fund State Mandates**
- **Limit Tax Impact**
- **Ensure fiscal sustainability for future years**

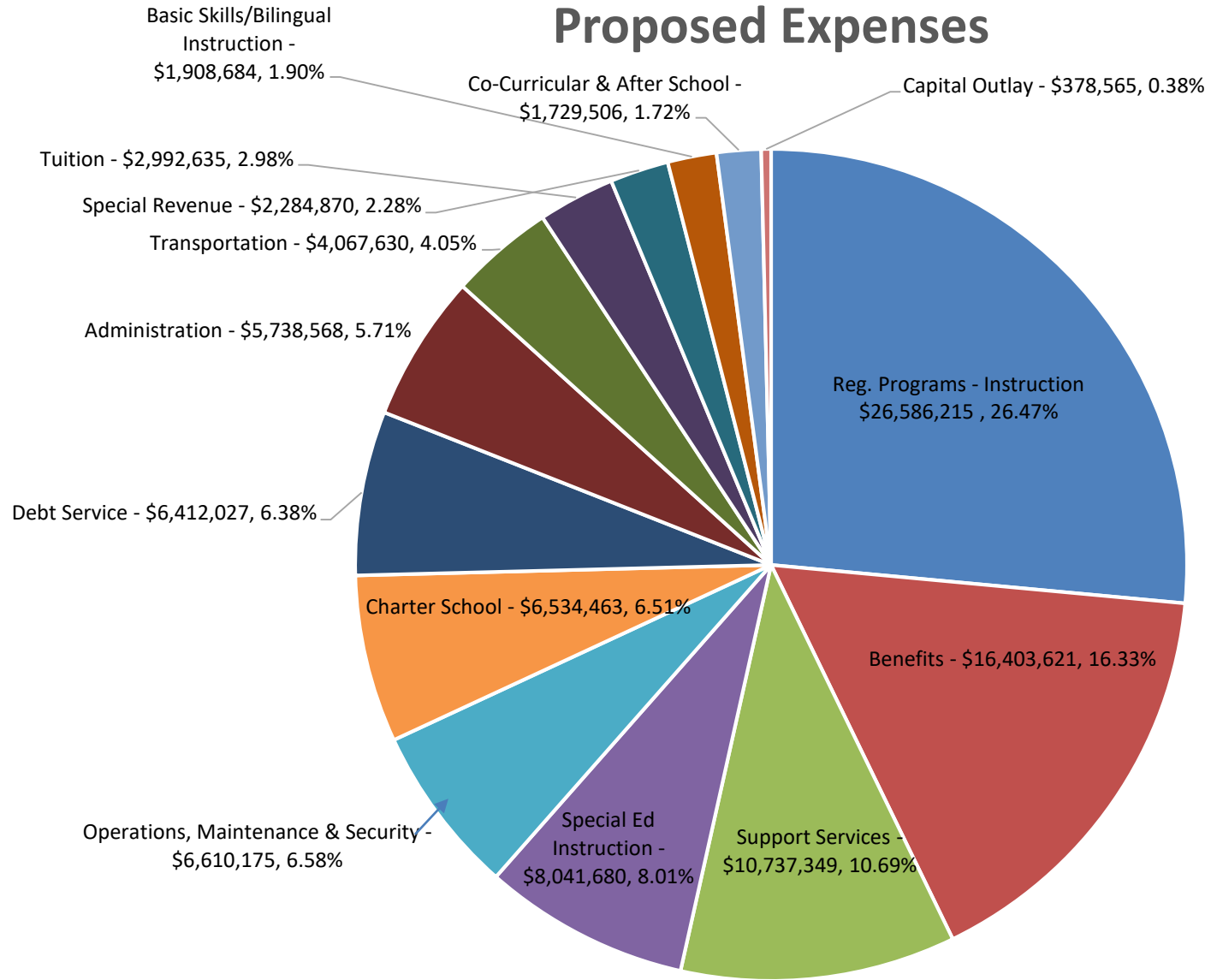
AGENDA FOR THIS EVENING'S PRESENTATION

- Proposed Expenses
- Proposed Revenues
- Projected School Tax Impact
- Historical Data on Expenses, Revenues and Enrollment
- Drivers Leading Toward a Reduction in Staffing
- Beyond 2019-2020
- Questions/Comments

PROPOSED EXPENSES

2019 ~ 2020 BUDGET

Proposed Expenses



- Reg. Programs – Instruction 26.47%
- Benefits 16.33%
- Support Services 10.69%
 - Child Study Teams 3.75%
 - Guidance 1.94%
 - Improvement of Instruction/Staff Dev 1.60%
 - Related Services – 1.32%
 - Attendance & Health 1.1%
 - Media Services 0.97%
- Special Ed Instruction 8.01%
- Operations, Maintenance & Security 6.58%
- Charter School 6.51%
- Debt Service 6.38%
- Administration 5.71%
- Transportation 4.05%
- Tuition 2.98%
- Special Revenue 2.28%
- Basic Skills/Bilingual Instruction 1.90%
- Co-curricular & After School 1.72%
- Capital Outlay 0.38%

PROPOSED EXPENSES

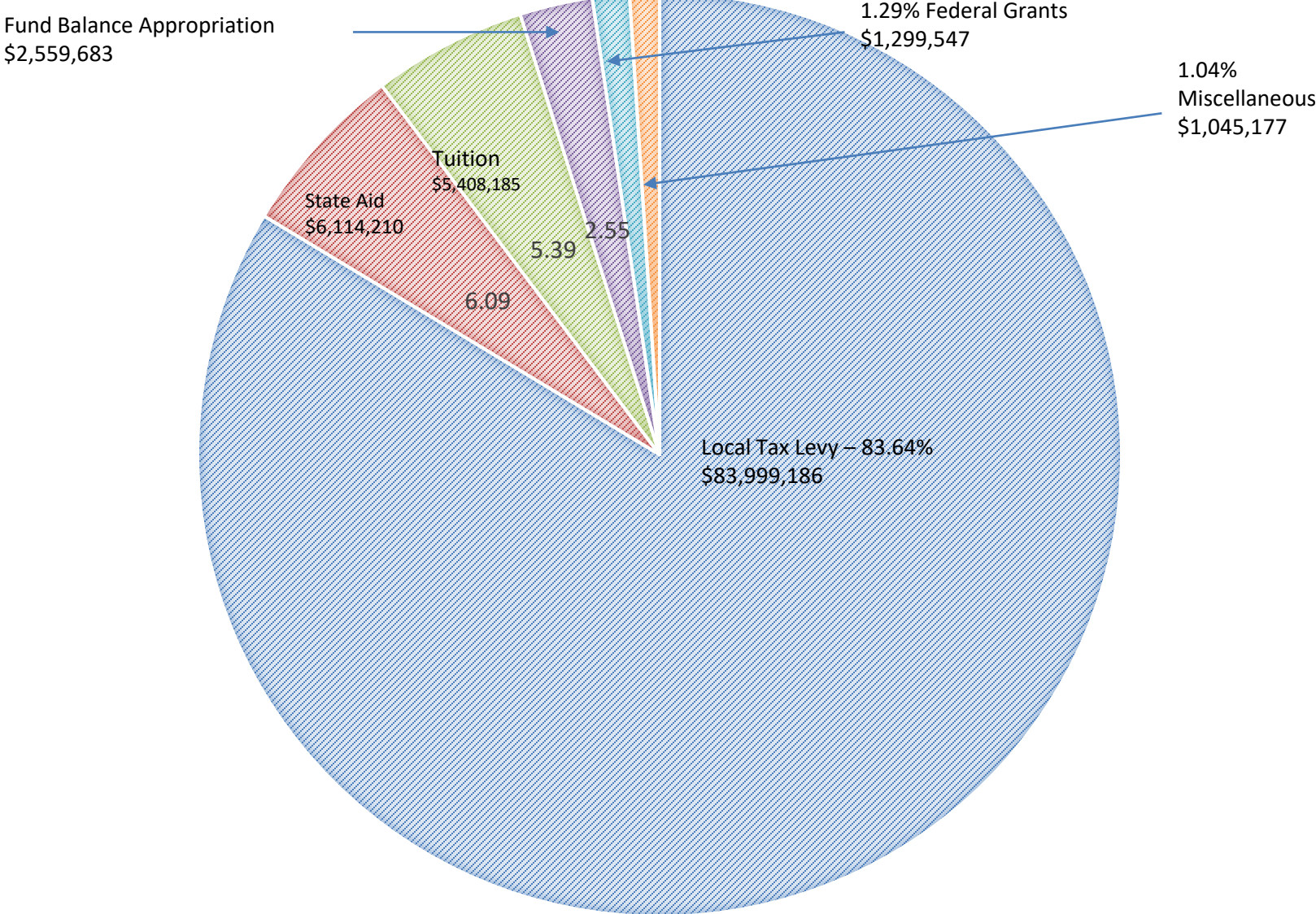
Category	2019-20 Proposed	2018-19 *	\$ inc/(dec)	% inc/(dec)
Regular Programs – Instruction	26,586,215	26,181,343	404,872	1.55%
Special Education – Instruction	8,041,680	8,070,728	(29,048)	-0.36%
Basic Skills/Bilingual – Instruction	1,908,684	2,174,128	(265,444)	-12.21%
Co-curricular & After School	1,729,506	1,722,561	6,945	0.40%
Tuition	2,992,635	2,746,479	246,156	8.96%
Attendance & Health	1,113,610	1,190,524	(76,914)	-6.46%
Related Services	1,325,877	1,337,584	(11,707)	-0.88%
Guidance	1,949,634	1,897,599	52,035	2.74%
Child Study Teams	3,768,182	4,003,157	(234,975)	-5.87%
Improvement of Instruction/Staff Development	1,608,062	1,628,850	(20,788)	-1.28%
Media Services	971,984	944,185	27,799	2.94%
Administration	5,738,568	6,040,276	(301,708)	-4.99%
Operations, Maintenance & Security	6,610,175	6,678,182	(68,007)	-1.02%
Transportation	4,067,630	3,840,487	227,143	5.91%
Benefits	16,403,621	15,162,847	1,240,774	8.18%
Charter School	6,534,463	6,288,629	245,834	3.91%
Capital Outlay	378,565	675,126	(296,561)	-43.93%
TOTAL GENERAL FUND	91,729,091	90,582,685	1,146,406	1.27%
TOTAL SPECIAL REVENUE FUND	2,284,870	2,679,347	(394,477)	-14.72%
TOTAL DEBT SERVICE FUND	6,412,027	5,755,550	656,477	11.41%
TOTAL PROPOSED EXPENSES	100,425,988	99,017,582	1,408,406	1.42%

*Revised as of February 1, 2019

PROPOSED REVENUES

2019 ~ 2020 BUDGET

PROPOSED REVENUES



PROPOSED REVENUES

Category	2019-20 Proposed	2018-19 *	(\$inc/(dec))	(%inc/(dec))
Local Tax Levy	78,244,588	76,246,634	1,997,954	2.62%
State Aid	4,906,141	4,773,203	132,938	2.79%
Tuition	5,408,185	5,299,711	108,474	2.05%
Fund Balance Appropriation	2,350,000	3,118,609	(768,609)	-24.65%
Miscellaneous	820,177	1,144,528	(324,351)	-28.34%
TOTAL GENERAL FUND	91,729,091	90,582,685	1,146,406	1.27%
Federal Grants	1,299,547	1,528,879	(229,332)	-15.00%
State Grants	985,323	1,150,468	(165,145)	-14.35%
TOTAL SPECIAL REVENUE FUND	2,284,870	2,679,347	(394,477)	-14.72%
Local Tax Levy	5,754,598	5,168,761	585,837	11.33%
State Aid	222,746	--	222,746	
Fund Balance Appropriation	209,683	586,789	(377,106)	-64.27%
Miscellaneous	225,000	--	225,000	
TOTAL DEBT SERVICE	6,412,027	5,755,550	656,477	11.41%
TOTAL PROPOSED REVENUES	100,425,988	99,017,582	1,408,406	1.42%

*Revised as of February 1, 2019

PROJECTED SCHOOL TAX IMPACT

- 2019 Assessed Valuation (AV) \$7,188,682,743
 - +\$46,597,843 (+.66%)

- 2019 School Tax Rate \$1.151 per \$100 AV
 - +.032 per \$100 AV (+2.82%)

- 2019 Average Assessed Value \$838,562
 - \$264 increase on Average Assessed Home

HISTORICAL DATA ON EXPENSES, REVENUES & ENROLLMENT

2019 ~ 2020 BUDGET

HISTORICAL DATA ON EXPENSES

	Expense 2015-16	Expense 2016-17	Expense 2017-18	Budget 2018-19	Proposed 2019-20
Salaries	47,396,062	48,907,740	51,289,283	54,181,149	54,086,559
\$ inc/(dec)		1,511,678	2,381,543	2,891,866	(94,590)
% inc/(dec)		3.19%	4.87%	5.64%	-0.17%
5 yr. avg					3.53%
Benefits	13,262,380	13,848,964	14,501,228	15,162,847	16,403,621
\$ inc		586,584	652,264	661,619	1,240,774
% inc		4.42%	4.71%	4.56%	8.18%
5 yr. avg					5.92%
Charter School	4,907,407	4,745,777	5,539,621	6,161,680*	6,534,463
\$ inc/(dec)		(161,630)	793,844	622,059	372,783
% inc/(dec)		-3.29%	16.73%	11.23%	6.05%
5 yr. avg					8.29%
TOTAL GENERAL FUND	78,303,202	80,097,227	85,465,985	90,582,685	91,729,091
\$ inc		1,794,025	5,368,758	5,116,700	1,146,406
% inc		2.29%	6.70%	5.99%	1.27%
5 yr. avg					4.29%

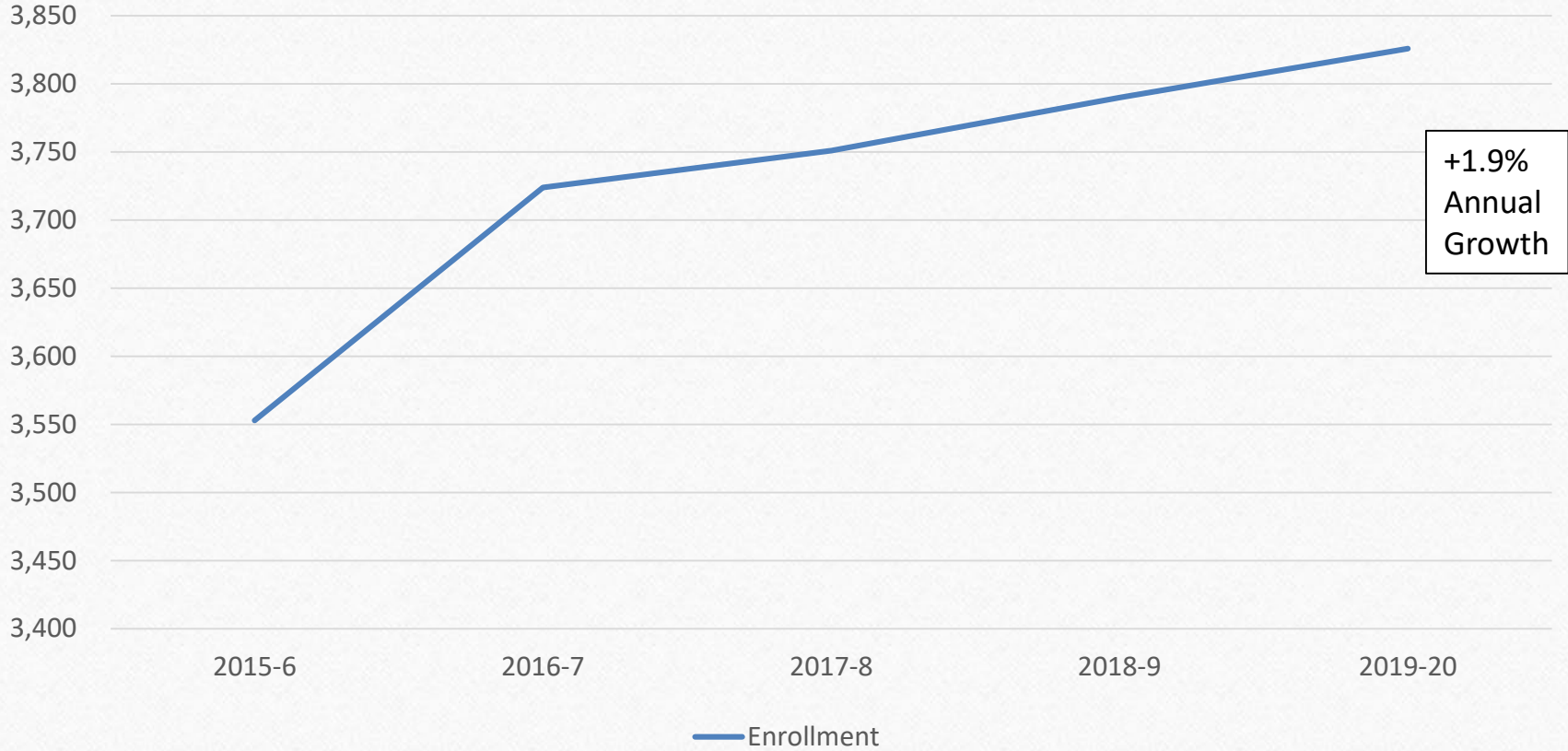
*Reflects actual expense for 2018-19.

HISTORICAL DATA ON REVENUES

	Revenue 2015-16	Revenue 2016-17	Revenue 2017-18	Budget 2018-19	Proposed 2019-20
Local Tax Levy (General)	68,227,892	70,148,719	73,055,295	76,246,634	78,244,588
\$ inc/(dec)		1,920,827	2,906,576	3,191,339	1,997,954
% inc/(dec)		2.82%	4.14%	4.3%	2.62%
5 yr. avg					3.67%
State Aid (General)	4,757,289	4,778,7999	4,992,040	4,773,203	4,906,141
\$ inc		21,510	213,241	(218,837)	132,938
% inc		0.45%	4.46%	-4.38%	2.79%
5 yr. avg					0.78%
Tuition	5,376,277	5,150,332	5,228,140	5,299,711	5,408,185
\$ inc/(dec)		(225,945)	77,808	71,571	108,474
% inc/(dec)		-4.20%	1.51%	1.37%	2.05%
5 yr. avg					0.15%
Fund Balance Appro (Gen)	2,821,108	2,541,897	3,601,453	3,118,609	2,350,000
\$ inc		(279,211)	1,059,556	(482,844)	(768,609)
% inc		-9.90%	41.68%	-13.41%	-24.65%
5 yr. avg Appro					2,886,613
Local Tax Levy (Debt Service)	5,184,676	5,447,926	5,512,273	5,168,761	5,754,598
\$ inc/(dec)		263,250	64,347	(343,512)	585,837
% inc/(dec)		5.08%	1.18%	-6.23%	11.33%
5 yr. avg % inc					2.75%

PRINCETON PUBLIC SCHOOLS

ENROLLMENT



ENROLLMENT

- Increase over 5 years (273 students)
- 2019-20 3,826 (Projected) +.95%
- 2018-19 3,790 (10/15) +1.04%
- 2017-18 3,751 (ADE) +.73%
- 2016-17 3,724 (ADE) +4.82%
- 2015-16 3,553 (ADE)

STAFF REDUCTIONS

10.2 FTE Teaching Positions

- 1 at Community Park (attrition)
- 1 at Little Brook (Grade 3)
- 4 AIS Teachers (1 at each elementary school)
- 4.2 at High School
 - 1-English, 1-Social Studies, 1 Science, .4 Latin, .4 Health/Adaptive PE, .4 Math

10 Instructional Assistants

- 2 at each building (K-8)

Stipends/Extra Periods

- 6 - .1 Stipends for Middle School Math Extra period
- 4 - .2 Stipends for High School Peer Group Extra period
- 1 - .2 Stipend for High School Teen Pep Extra period
- 1 - .2 Stipend for High School special ed Extra period
- 1 - .2 Stipend for High School Science Extra period
- 1 - .2 Stipend for Athletic Trainer
- 10 – Instructional Assistant stipends for “personal care”
- 1 - .15 Merit goal stipend for Superintendent

Other Staff including Administration

- 1 Director of Communications
- 1 Human Resources Staff Member (attrition)
- 1 - .4 Parent Education & Outreach Coordinator (attrition)
- 1 High School Secretary (attrition)
- 1 High School Building Monitor

DRIVERS LEADING TOWARD A REDUCTION IN STAFFING OF 3%

- **State Aid not fully funded by \$1 million**
- **Increase in tuition paid to Charter School \$6,534,463 (+\$372,783)(+6%)**
- **Cost of funding negotiated Agreements**
- **Dwindling reserves \$768,000 less available to go toward Budget**

BEYOND 2019-2020

- Less reserves expected to be available to go toward Budget
- Declining enrollment from Cranbury translates to less tuition revenue
- Uncertainty of State Aid
- Continued enrollment growth with no allowance beyond 2% increase in the local tax levy
- Need to explore other ways of doing business to maintain programs
 - Identify additional efficiencies and savings
 - Restructuring of certain functions
 - Reconsider staffing levels
 - Legislative assistance (fully fund state aid)
 - Through collective bargaining process (salary and benefits)
 - Develop additional partnerships and other sources of revenue

QUESTIONS/COMMENTS
