

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT

2018- 2019 Budget Update

Mr. Russell Lazovick, Superintendent
Mr. Peter F. Starrs, Business Administrator

Presented:
February 27, 2018
Board of Education Meeting



Budget 101

- Expenditures must = Revenues
- Revenue Sources:
 - Local Tax
 - State Aid
 - Other (Fund balance, facility use, tuition, hazardous busing, etc...)

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*We will teach them One and
All*

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\$10 budget

- Revenues:

✓ Local Tax	\$9.00
✓ Aid	\$0.64
✓ Other	\$0.36

- Expenditures:

✓ Salary	\$6.10
✓ Benefits	\$1.40
✓ All else	\$2.50

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\$10 budget – Year 2

- Revenues:

✓ Local Tax (2%)	\$9.18
✓ Aid (0%)	\$0.64
✓ Other (-5%)	\$0.34

Total **\$10.16**

- Expenditures:

✓ Salary (2.5%)	\$6.25
✓ Benefits (10%)	\$1.54
✓ All else (2%)	\$2.55

Total **\$10.34**

**Need to raise or cut
\$.18**

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\$10 budget – Year 3

- Revenues:

- ✓ Local Tax (2%) \$9.36
- ✓ Aid (0%) \$0.64
- ✓ Other (-5%) \$0.32

Total \$10.33

- Expenditures:

- ✓ Salary (2.5%) \$6.41
- ✓ Benefits (10%) \$1.69
- ✓ All else (2%) \$2.60

Total \$10.70

**Need to raise or cut
\$.38**

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\$10 budget

- On a \$150M budget

✓ Year 1 – no problem

✓ Year 2 - **\$2.7M** challenge

✓ Year 3 - **\$5.4M** challenge

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Revenues

	<u>17-18 Budget</u>	<u>18-19 Budget</u>	<u>% Difference</u>
Tax Levy	\$134,459,028	\$137,148,209	2.00%
State Aid	\$9,648,898	\$9,648,898	0.0%
Other (fund balance, investment income, facility rentals, etc.)	\$6,697,702	\$6,886,000	2.81%
Total	\$150,805,628	\$153,684,571	1.91%

Budget Development



Budget Drivers



□ Salaries – 59%

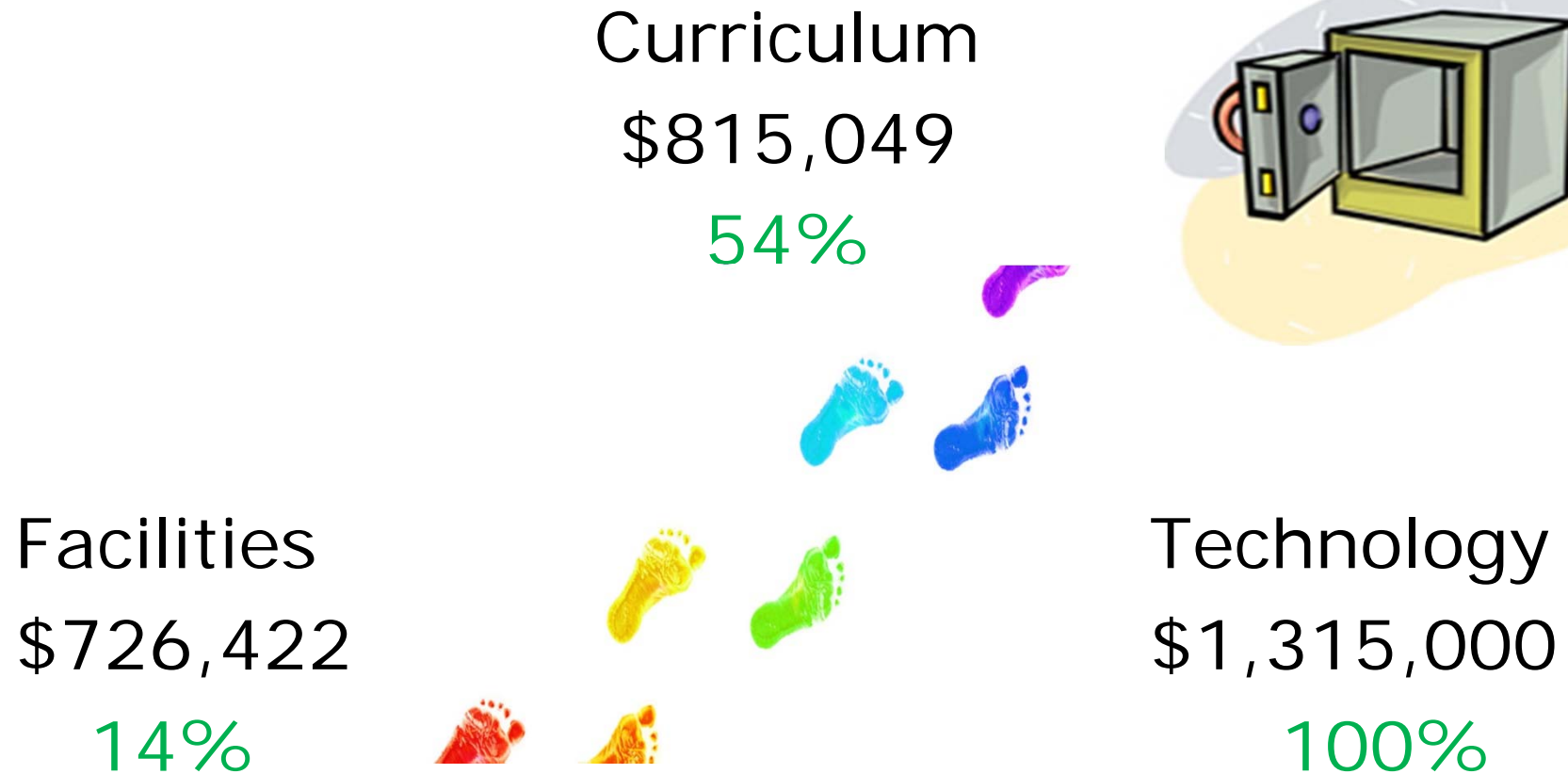


□ Benefits – 18%



□ All else – 23%

Permanent Allocations – 1st steps



Exceeding Tax Levy Cap

- ❖ Required to "exhaust all spending authority authorized" first

ADJUSTMENT WAIVERS

- ☐ Enrollment
- ☐ Responsibility Shifted From/To Another entity
- ☐ Deferred Pension Contributions
- ☐ Increase in Health Care Cost (anticipated \$1.6M)

BANKED CAP

Banked Cap



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Next Steps

- ☐ Continued discussions
- ☐ Await State Aid #'s (March 15th)
- ☐ BOE approves tentative budget – by March 29th
- ☐ Submit to County office for approval
- ☐ Further Board and public input
- ☐ Public hearing and final adoption – April 24th



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