Springfield Township Board of Education

Budget Presentation 2019-20

Springfield Township Board of Education

- Kristen Lippincott, President
- Andrew Eaton, Vice President
- Joseph Bucs
- Jason Angello
- Wade Hale
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Springfield Township Board of Education

Budget & Finance Committee

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- Jason Angello
- Wade Hale
- Kristen Lippincott

Springfield Township Admin Team

Craig Vaughn…….	Superintendent of Schools/Principal
Arlene Biesiada …….....……	Interim School Business Administrator
Kim Hannigan…….	Interim Supervisor Curriculum & Instruction
Joe Knewasser……...	Interim Supervisor of Buildings & Grounds

Introduction: Our School

- K-6
- 229 Students
- 48 Employees
- $5.1M Total Budget

Budget Strategy

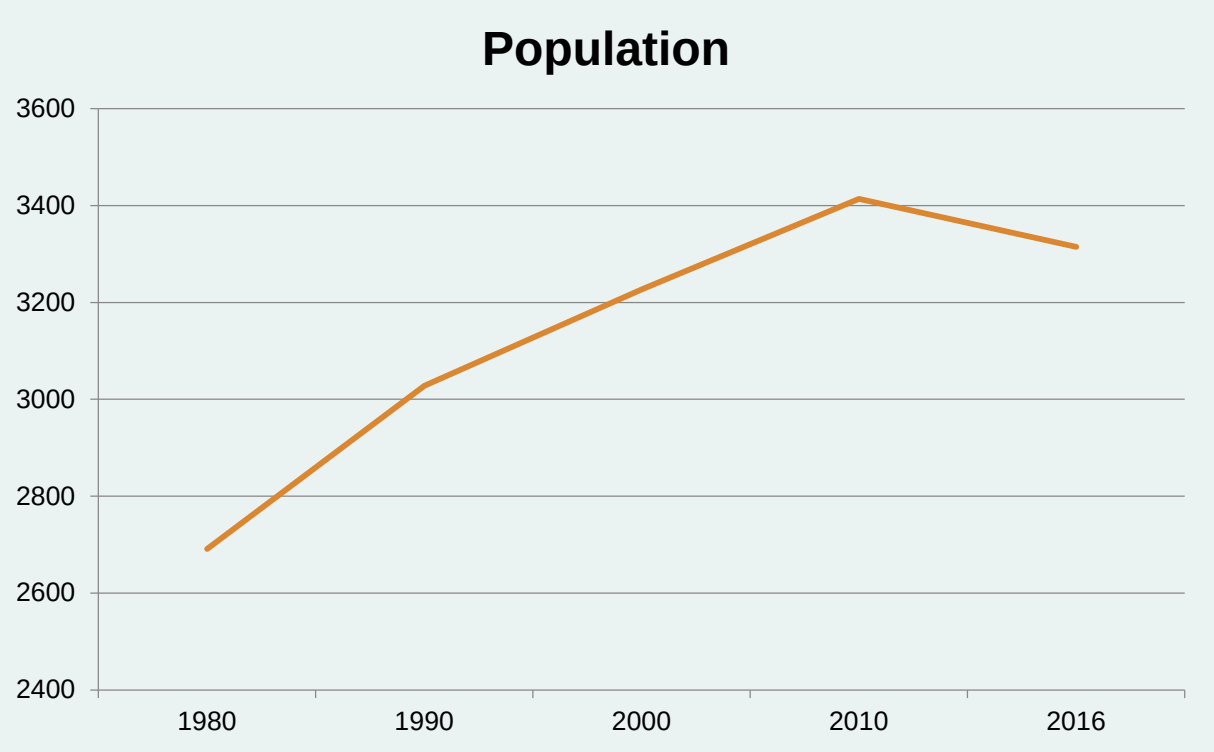
- **The FY 2019-2020 Budget Statement has continued the emphasis on more detailed and open budgeting.**
- **Changes continue to be made to create greater detail in line item categories.**
- **This approach will allow the public to better understand how resources are used to educate the students of Springfield Township.**
- **This budget method is intended to produce greater accountability and transparency.**
- **The Budget & Finance Committee's goal is to reduce our per pupil cost in order to be more closely aligned with the State and County averages.**
- **The 2019-20 budget process is based on prior year(s) actual expenditures.**

Budget Approach & Goals

- Utilize actual district spending as the basis for budgeting, not the prior year budget.
  - Goal: Propose a budget reflecting historical spending vs. historical budgeting
- Analyze historical surplus and reduce to a level which provides actual cash flow needed.
  - Goal: Reduce costs without impacting district operations
  - Continue to review annual surplus and adjust budgeting as necessary.
- Compare our overall budgeted per pupil costs to other districts.
  - Goal: Understand how we differ from similar districts
- Formulate a plan to align our budgeted costs with county and state averages for our DFG & EG*.
  - Five-year plan to align our “budgeted per pupil costs” with the state wide average by budget year 2022-23.

* DFG = District Factor Group EG = Enrollment Group

Springfield Township Population Growth

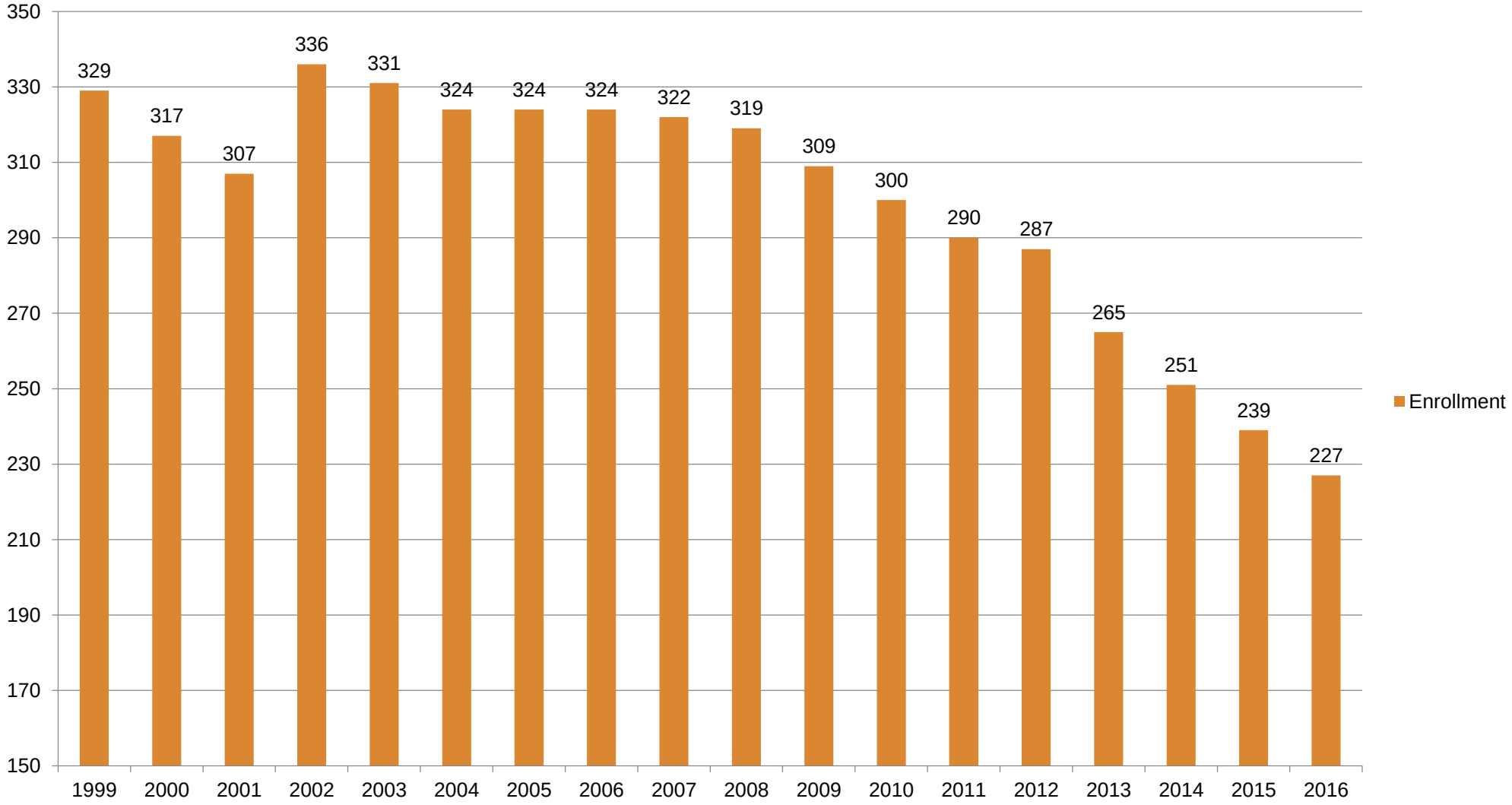


Year	Population
1980	2691
1990	3028
2000	3227
2010	3414
2016	3315

Est. based on 2016 US Census Data

Source - Wikipedia

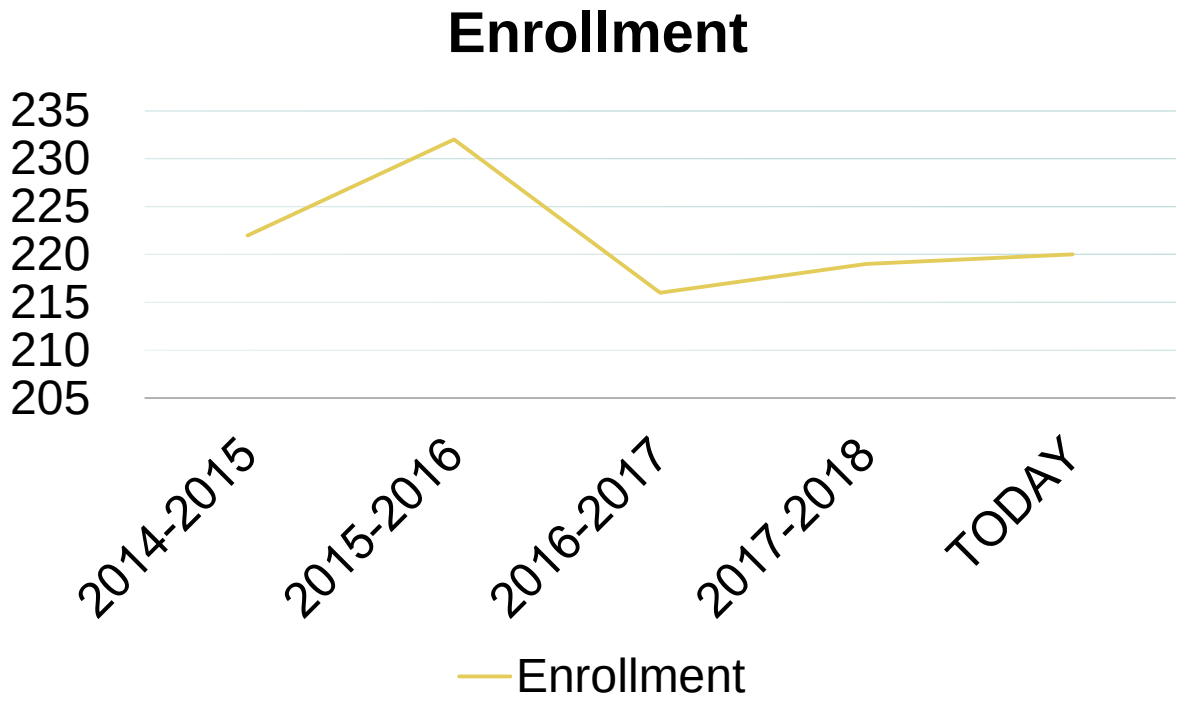
Student Enrollment



Source: NJ CAFR

Recent Enrollment Trends

	Enrollment (on 10/15) *
2015-2016	232
2016-2017	216
2017-2018	219
2018-2019	229
TODAY	229

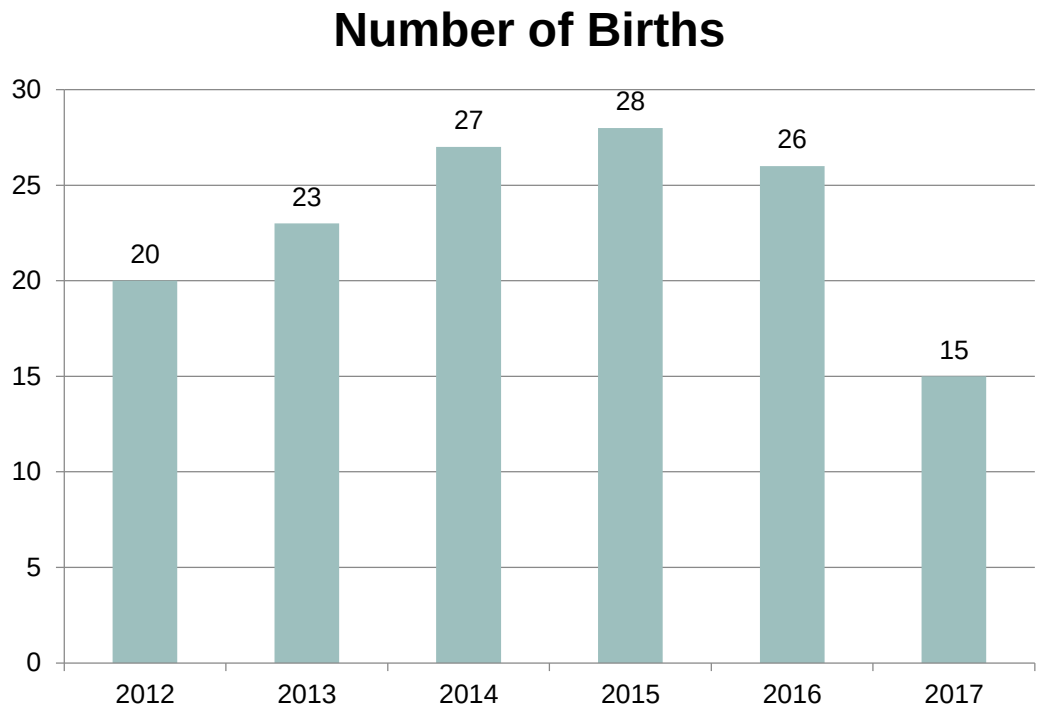


* Differs from historical enrollment chart which is taken at year end

Source: ASSA Audit

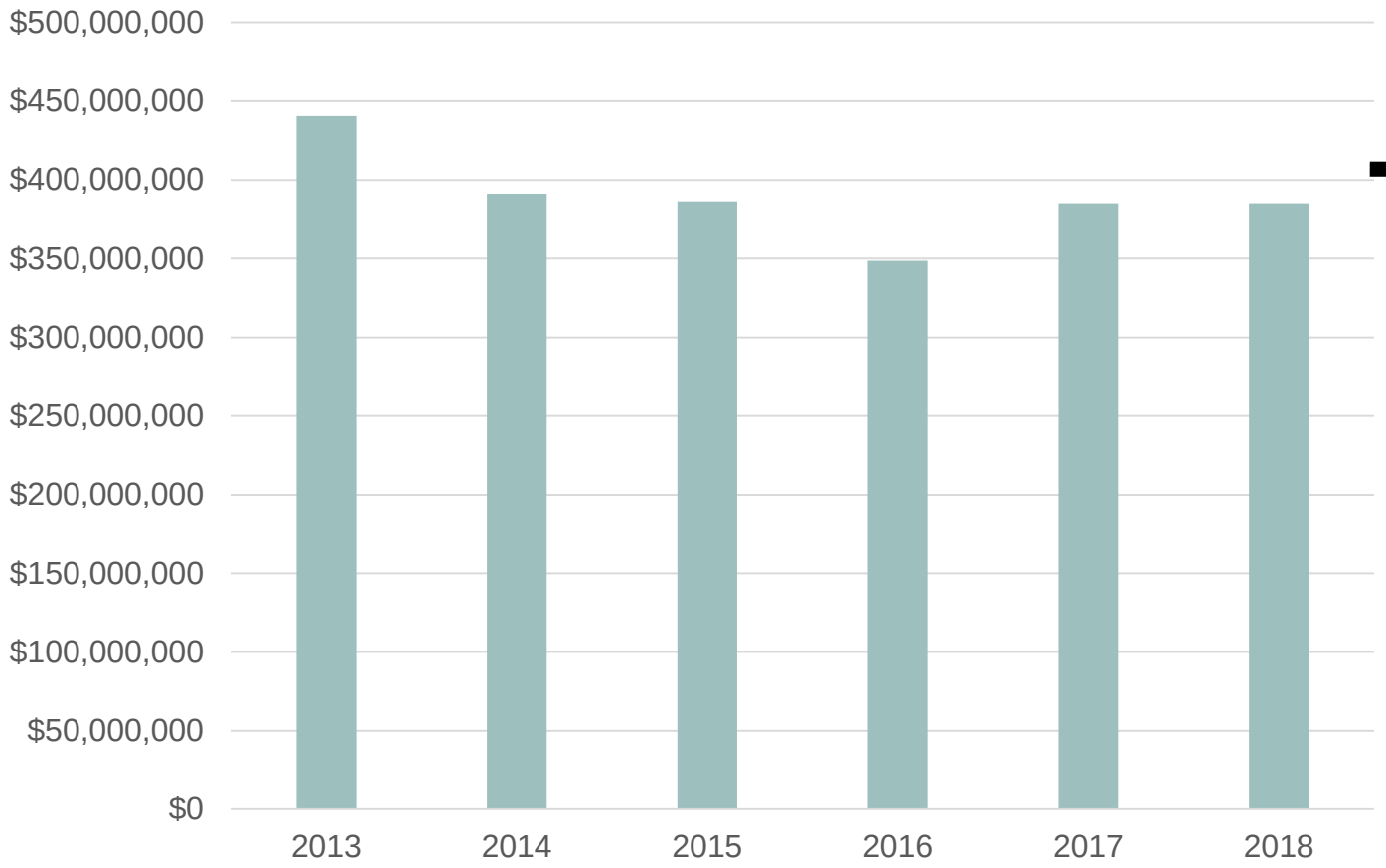
Enrollment Projections

Year	Number of Births	Grade
2012	20	2nd
2013	23	1st
2014	27	K
2015	28	Pre K (4)
2016	26	Pre K (3)
2017	15	Not Yet Enrolled



Source: NJ State Health Assessment Data

Assessed Values



2019
Total Assessed Value
$386,057,875

Source: Burlington County Equalization Table

Budget History

	2015-16	2016-17	2017-18	2018-19	2019-20
Local Tax Levy	$3,472,249	$3,240,838	$3,404,835	$3,262,213	$3,270,666
Debt Service	$0	$ 210,546	$ 138,129	$ 288,569	$128,919
TOTAL	$3,472,249	$3,451,384	$3,542,964	$3,550,782	$3,399,585
Difference		($20,865)	$91,580	$7,818	- ($151,197)

Tax Rate Changes

2018-19 Tax Levy	2019-20 Tax Levy	Amount Difference	Percentage Difference
$3,262,213	$3,270,666	8,453	0.26

Springfield Township Average Assessed Value = $275,858

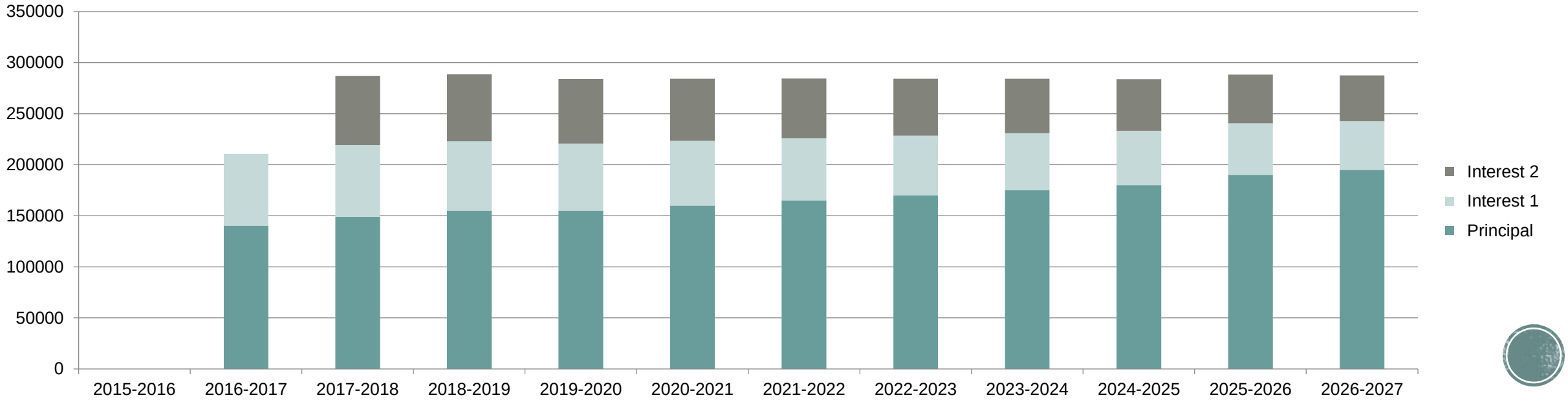
Dollar Tax **Increase**/Decrease = **$0.0769** (includes debt service)

Savings Derived From:

- **Breakage from employee resignations/reduction in staff**
- **Offset of maintenance budget with maintenance reserve funds**
- **Budgeting using actual costs based on 2018-2109 budget**

Debt Service Payments

Description	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Principal	**$0**	**$140,364**	**$149,000**	**$155,000**	**$155,000**	**$160,000**	**$165,000**	**$170,000**	**$175,000**	**$180,000**	**$190,000**	**$195,000**
Interest 1	**$0**	**$70,182**	**$70,182**	**$67,947**	**$65,622**	**$63,297**	**$60,897**	**$58,422**	**$55,872**	**$53,247**	**$50,547**	**$47,697**
Interest 2	**$0**	**$0**	**$67,947**	**$65,622**	**$63,297**	**$60,897**	**$58,422**	**$55,872**	**$53,247**	**$50,547**	**$47,697**	**$44,772**
TOTAL	**$0**	**$210,546**	**$287,129**	**$288,569**	**$283,919**	**$284,194**	**$284,319**	**$284,294**	**$284,119**	**$283,794**	**$288,244**	**$287,469**



District Financials

Reserve Balance Summary

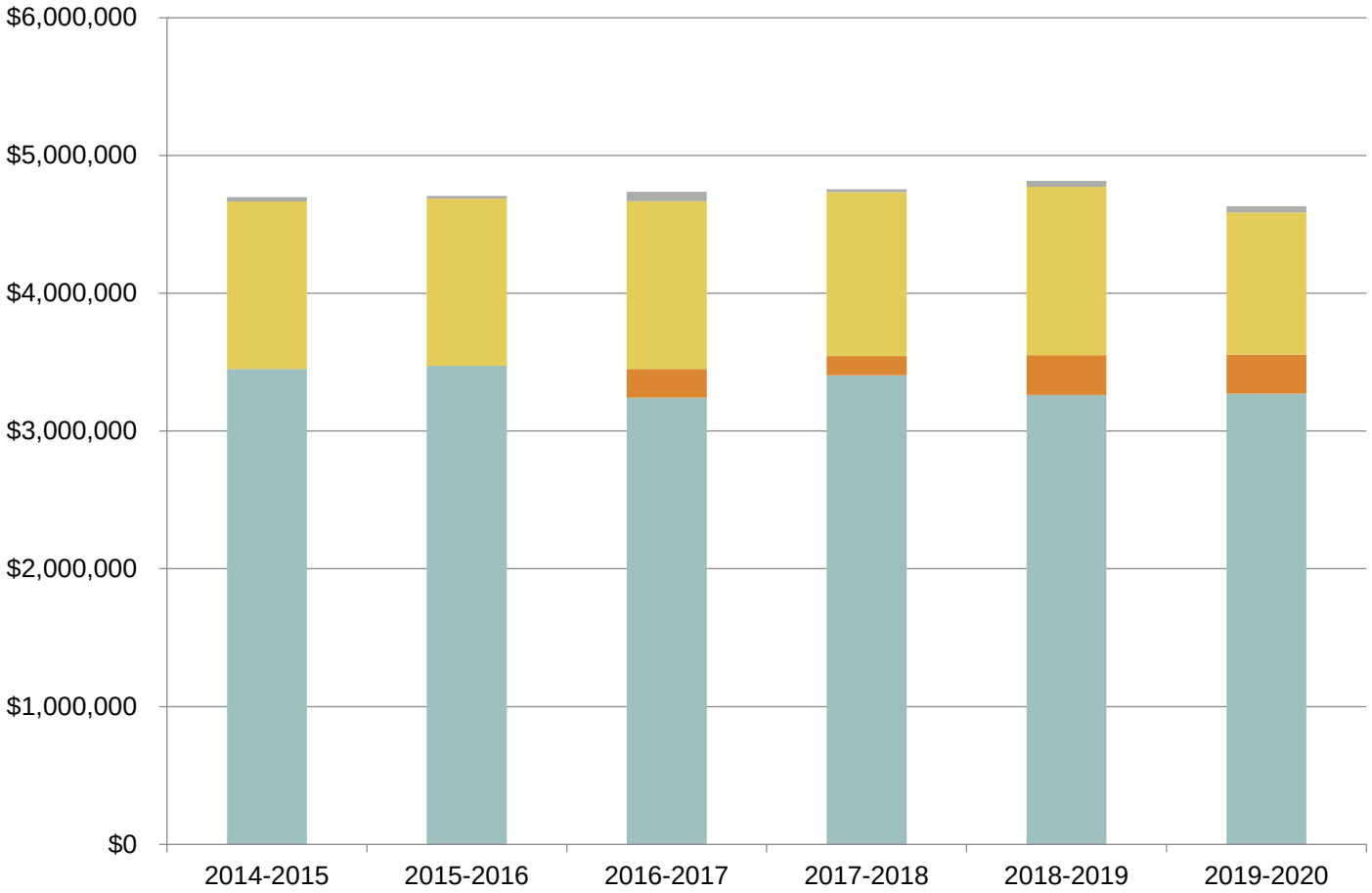
Fund	Balance
Capital Reserves	$66,121
Maintenance Reserves	$152,203

Debt Summary

	Project Cost	Annual Avg. Cost	Repay Date
Referendum 2015	$5,977,284	$284,329	July 2036

Debt Service: $283,919 in 2019-20 will be offset by unspent funds from the 2015 referendum to reflect a payment of $128,919

District Revenue



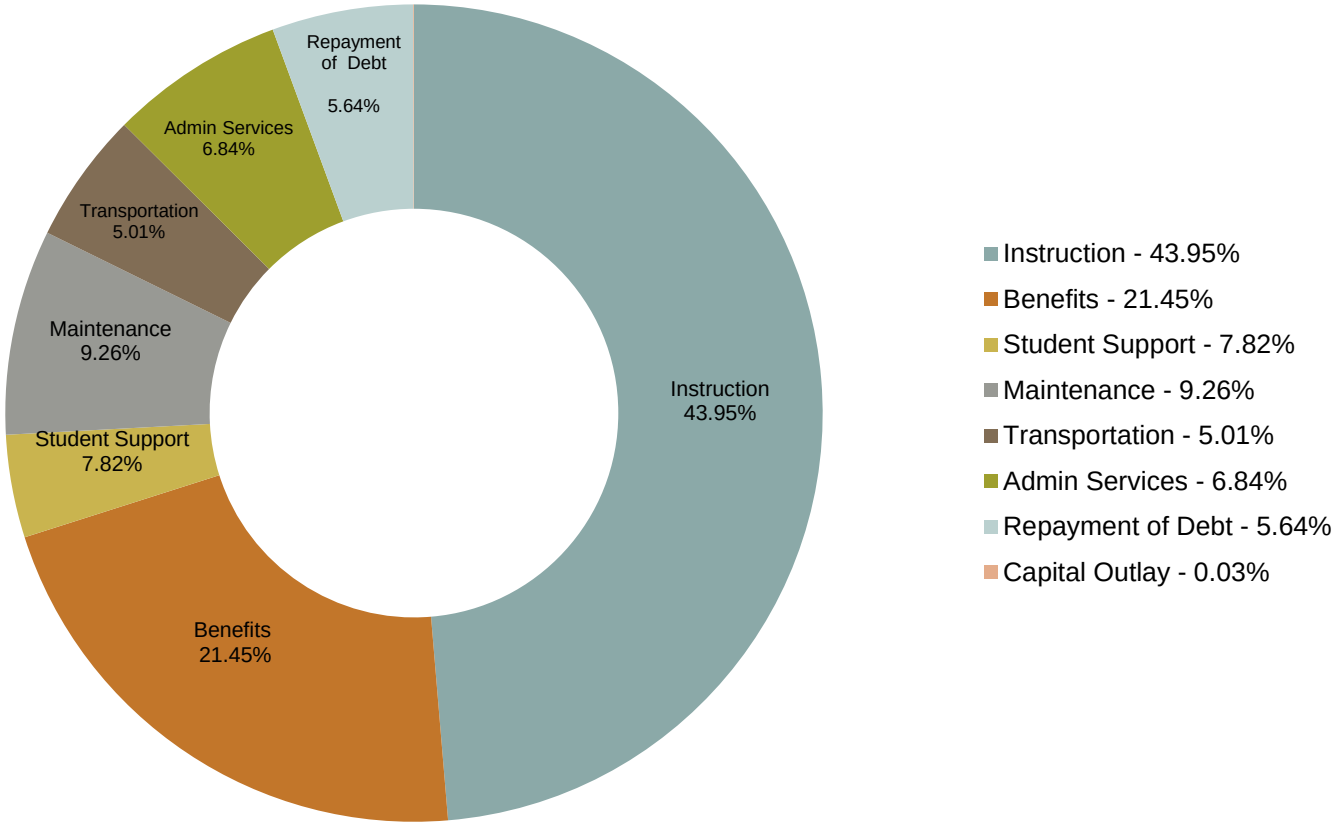
State Aid	$1,031,410
Federal Funds	$136,031
Local Tax Levy	$3,270,666
Local Debt Service	$283,919
Fund Balance	$315,227
Other	$44,830
Total Budget	$5,082,083

State Aid Comparisons

Description	2018-2019	2019-2020	Change
Equalization Aid	$763,643	$709,768	-7.050%
Cat Trans Aid	$139,769	$139,769	0.00%
Categ. Spec Ed	$159,516	$159,516	0.00%
Categ. Security	$ 22,357	$ 22,357	0.00%
Adjustment	$ 56,074	$0	-100.00%
Under Adequacy Aid	$0	$0	0.00%
PARCC	$0	$0	0.00%
Per Pupil Growth	$0	$0	0.00%
Prof. Learning	$0	$0	0.00%
TOTAL	**$1,141,359**	**$1,031,410**	**10.705%**

Reduction of $109,949 State Aid for 2019-20

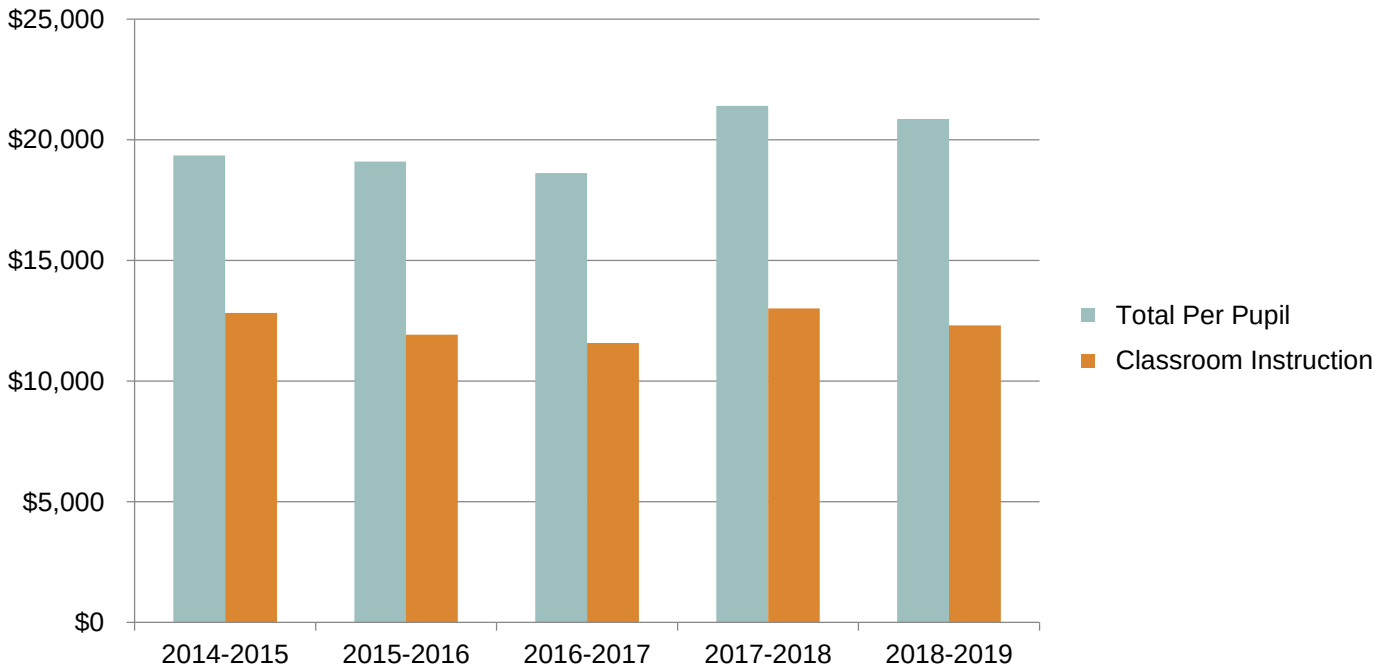
District Expenses



Instruction	**$**	**2,473,417.00**
Benefits	**$**	**1,088,327.00**
Student Support	**$**	**206,872.00**
Maintenance	**$**	**412,674.00**
Transportation	**$**	**263,367.00**
Admin Services	**$**	**351,98200**
Repayment of Debt	**$**	**283,919.00**
Capital Outlay	**$**	**1,525.00**

Per Pupil Costs

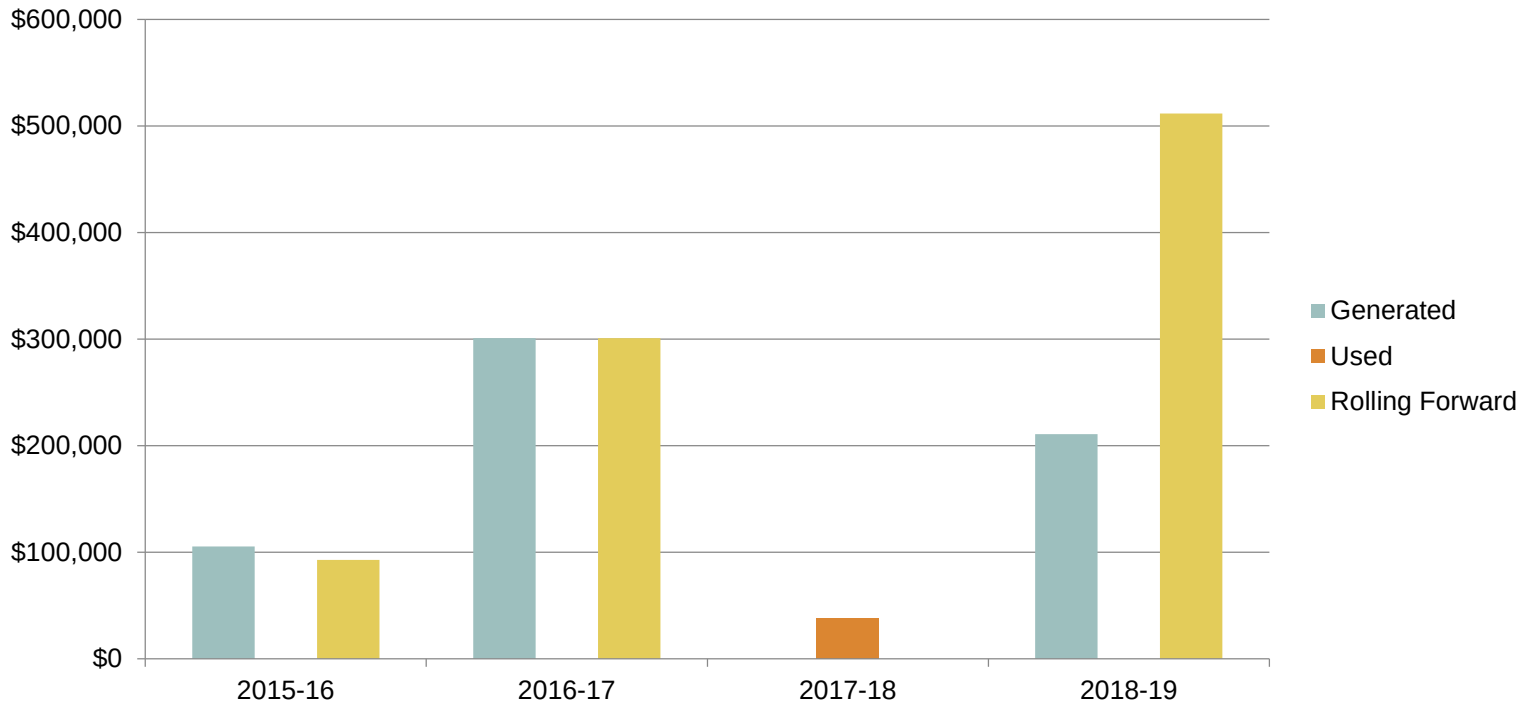
Year	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Total Per Pupil	$19,342	$19,098	$18,624	$19,482	$19,815	$19,299
Classroom Instruction	$12,826	$11,919	$11,578	$11,913	$11,304	$10,845



*Source: District Advertised Budget

Banked Cap

	Generated	Used	Rolling Forward
2016-17	$300,856	$0	$0
2017-18	$0	$0	$0
2018-19	$210,719	$0	$210,719
2019-20	$349,311	$0	$560,030



Banked Cap Explained

Weighted Enrollment *- The commissioner shall determine, based on the standards established pursuant to section 4 of the School Funding Reform Act (SFRA), a base per pupil amount, and shall develop appropriate weights reflecting the differing costs of providing education at the kindergarten, elementary, middle school, and high school levels, which weights shall be applied in determining a district's base cost as set forth in section 8 of this act.*

- 2018-19 Local Tax Levy
  - **$3,262,213**
    - X 2%
      - $65,244

- 2018-19 Weighted Enrollment Adjustment
  - $286,784
    - + $3,262,213 (18-19 local tax levy)
      - $3,548,997 (adjusted base cost; this is not representative of money collected from the tax payer)
- Weighted Enrollment Impact on Banked Cap
  - $3,458,997 X 2% = $70,979
    - Tax levy cap becomes $3,619,977
      - $3,619,977 – $3,270,666 = $349,311

Budget Summary

- 2019-20 Local Tax Levy is **$8,453 more** than 2018
  - **(.26% increase)**
- Increase to the average homeowner of **$0.0769** this year
- Prioritizes facility maintenance/projects and supports spending plan **without adding new debt**
- Maintains current educational programs
- Addresses class size/staffing concerns due to decreased enrollment

Budget Concerns
Why are we reducing the budget?

- The current political environment for school funding continues to be a risk for Springfield.
- Our State Aid was cut by NJ Senate Bill S2.
- Enrollment is a factor in determining State Aid, which is no longer frozen at 2008 enrollment levels.
- The Board's concern of State Aid getting re-calculated at Springfield's current enrollment levels is now a reality.
- We will continue to execute our plan of reducing the budget while minimizing the impact to programs.

Forecasted Loss of State Aid

- Aid will be reduced significantly over the next 6 years
- ***Estimated*** yearly reduction in aid as follows:

Fiscal Year	Reduction %	Springfield Reduction $
2019-20	13%	$115,984.96
2020-21	23%	$178,527.62
2021-22	37%	$221,141.39
2022-23	55%	$207,095.92
2023-24	76%	$128,776.01
2024-25	100%	$40,666.11
	Total	$892,192.01

Source: District Documents

Building Upon & Enhancing Opportunities for Students

- Creator Lab
- School Gardens
- Music Engineering
- Supplementary Online Support
  - Reading A-Z / RAZ Kids
  - Newsela
  - Brain Pop
  - IXL
  - Mystery Science
  - Happy Numbers
- Chromebook Replacement
- Stipends for
  - Drama Club
  - Art Show
  - Talent Show
  - Student Council
  - Winter & Spring Concerts
- Staffing & Class Size

Questions ?