

# **Springfield Township Board of Education**



## **Budget Presentation 2018-19**



# **Springfield Township Board of Education**

- **Wade Hale, President**
- **Kristen Lippincott, Vice President**
- **Joseph Bucs**
- **Andrew Eaton**
- **Eric Eaton**
- **Gregory Madia**
- **Michael Ramalho**
- **Gary Walker**
- **Jennifer Webb**



# **Springfield Township Board of Education**

## **Budget & Finance Committee**

- Joseph Bucs, Chair
- Andrew Eaton
- Wade Hale
- Kristen Lippincott



# **Springfield Township Admin Team**

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



# Introduction: Our School

- K-6
- 220 Students
- 48 Employees
- \$5M Total Budget



# Budget Strategy

- The FY 2018-2019 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, over time, will allow the public to have the ability to 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 average.
- The 2018-19 budget process is based on prior year(s) actual expenditures

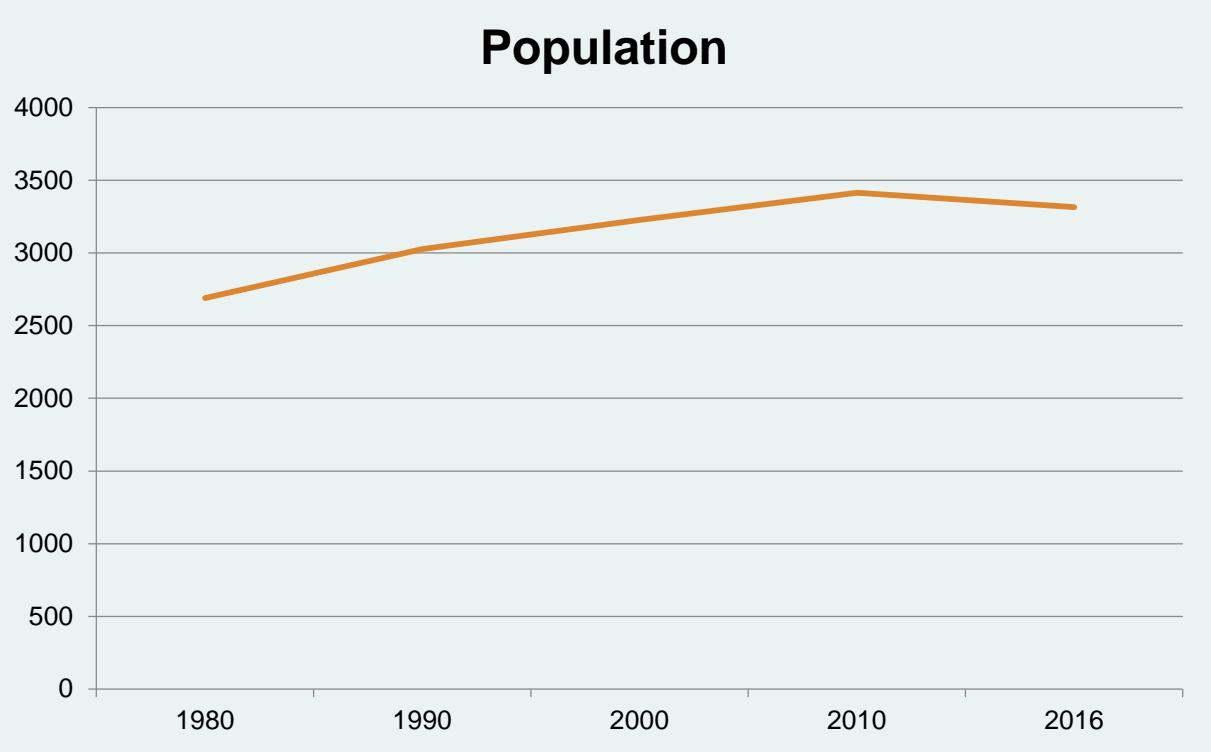


# Budget Goals

- 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.



# 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

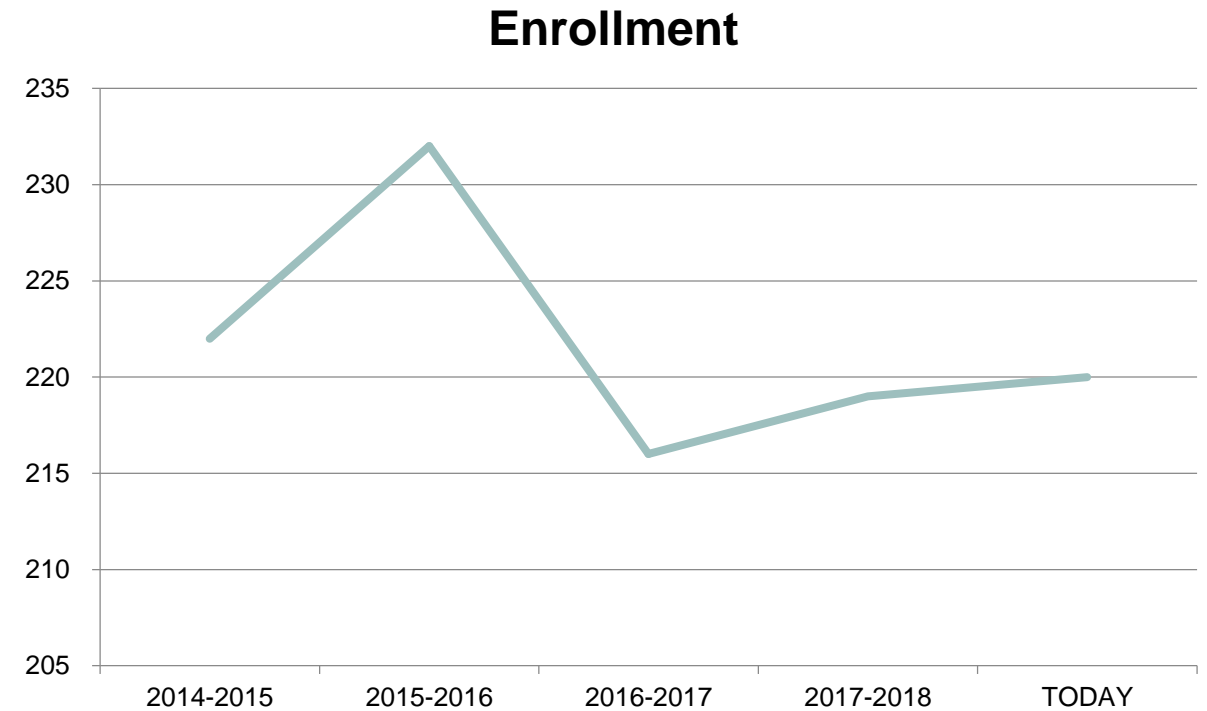




# Enrollment Trends

	Enrollment (on 10/15)
2014-2015	222
2015-2016	232
2016-2017	216
2017-2018	219
TODAY	220

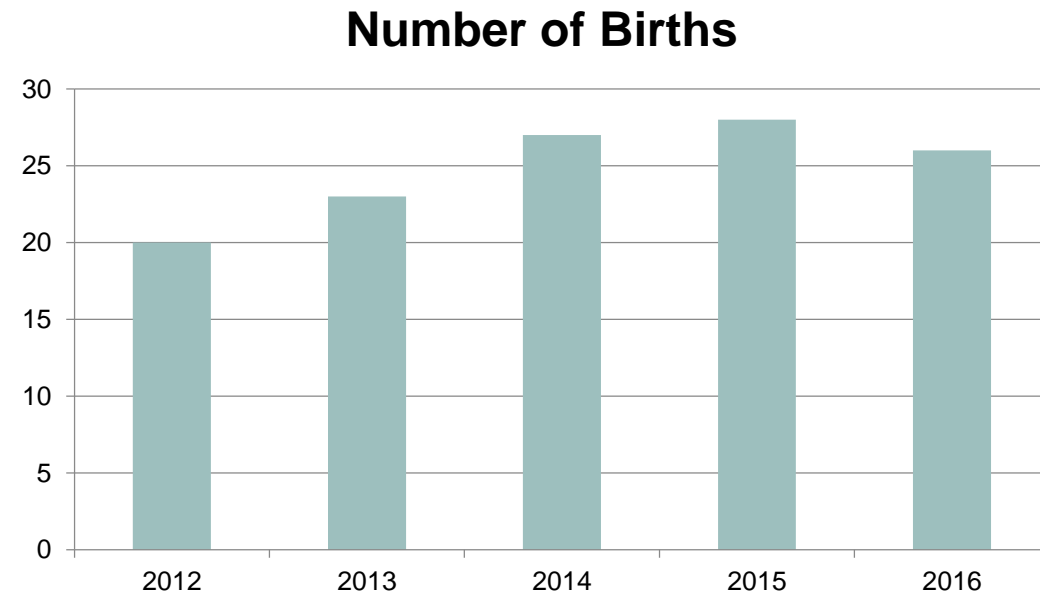
Source: ASSA Audit



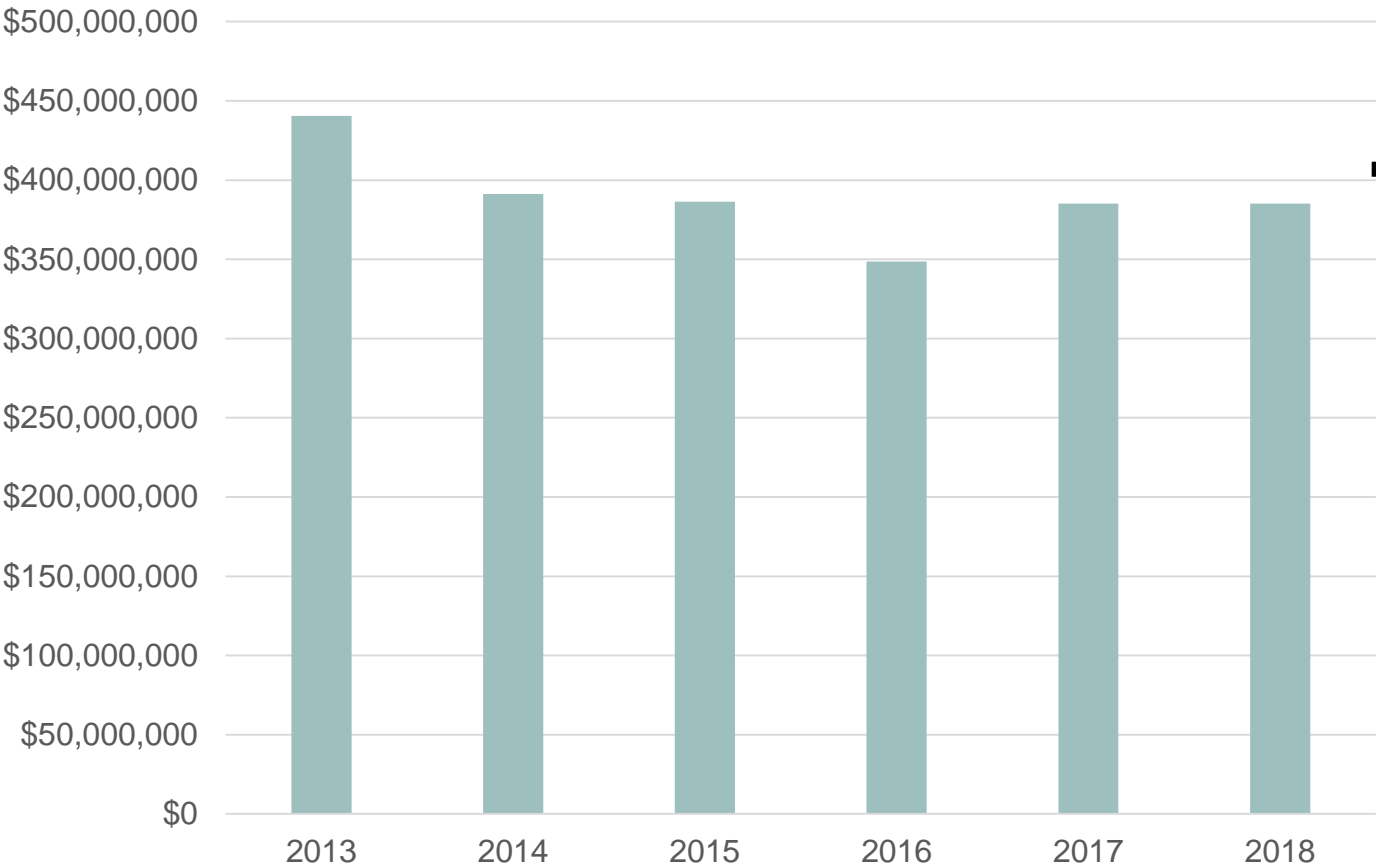
# Enrollment Projections

Year	Number of Births	Grade
2012	20	1 <sup>st</sup>
2013	23	K
2014	27	Pre K (4)
2015	28	Pre K (3)
2016	26	Not Yet Enrolled

Source: NJ State Health Assessment Data



# Assessed Values



**2018**  
**Total Assessed Value**  
**\$385,142,170**



Source: Burlington County Equalization Table



# Budget History

	2014-15	2015-16	2016-17	2017-18	2018-19
Local Tax Levy	\$3,450,249	\$3,472,249	\$3,240,838	\$3,404,835	\$3,262,213
Debt Service	\$0	\$0	\$210,546	\$138,129	\$288,569
TOTAL	\$3,450,249	\$3,472,249	\$3,451,384	\$3,542,964	\$3,550,782
Difference	\$67,652	\$22,000	(\$20,865)	\$91,580	\$7,818



# Tax Rate Changes

2017-18 Tax Levy	2018-19 Tax Levy	Amount Difference	Percentage Difference
\$3,404,835	\$3,262,213	- \$142,622	- 4.19%

Springfield Township Average Assessed Value = \$275,541

Dollar Tax **Increase/Decrease** = **\$0.36**

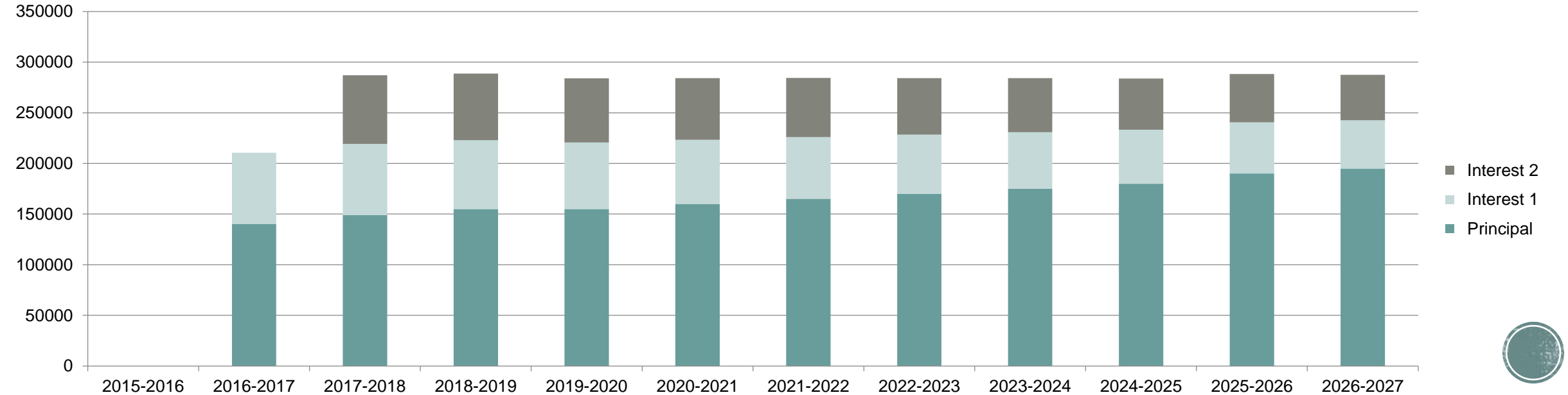
## Savings Derived From:

- Reduction in healthcare costs
- Breakage from employee retirements/resignations
- Offset of maintenance budget with maintenance reserve funds
- Additional State Aid funding



# 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	\$66,079
Maintenance Reserves	\$102,139

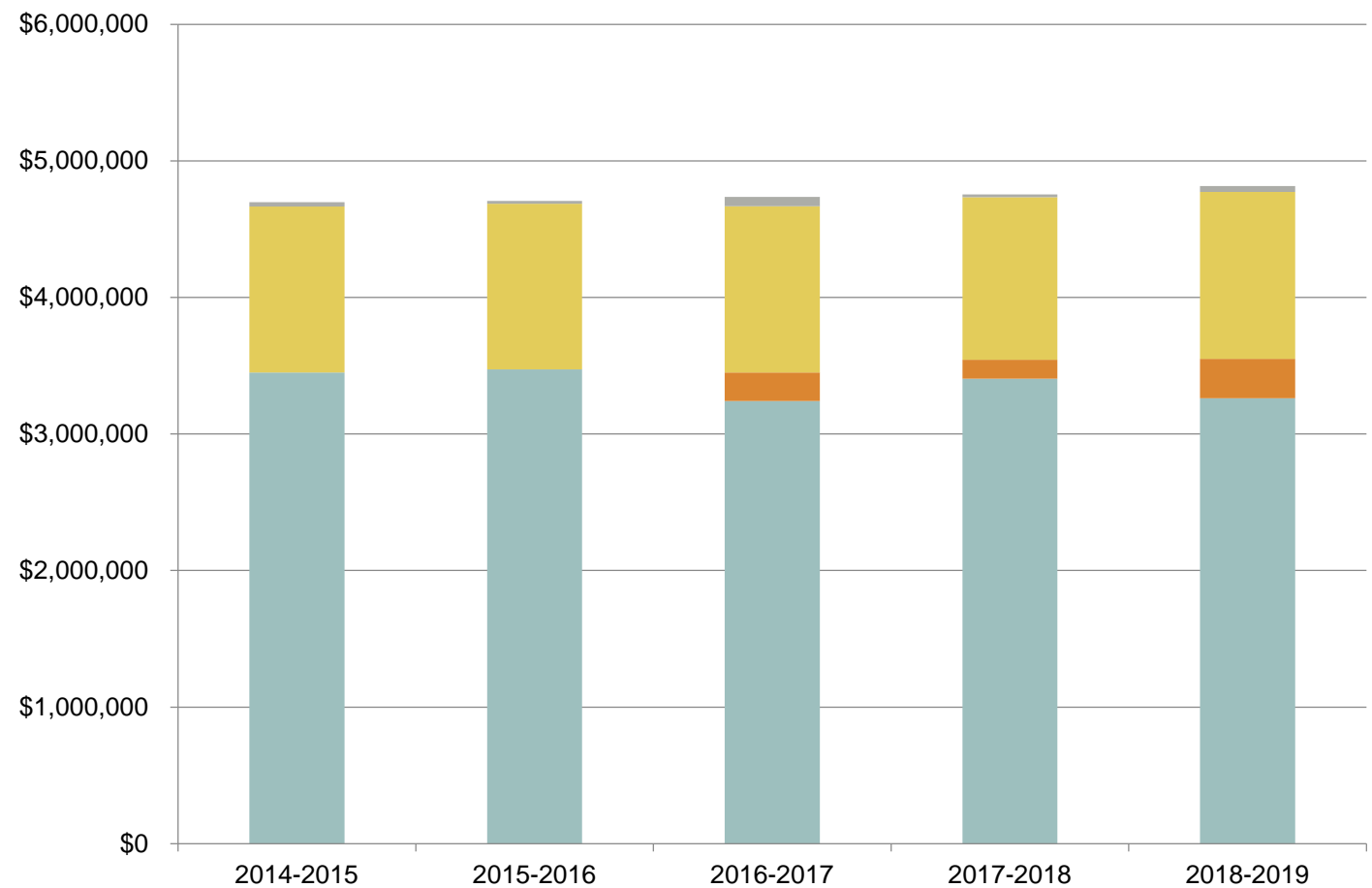
## Debt Summary

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

**Debt Service: \$288,569 in 2018-19**



# District Revenue



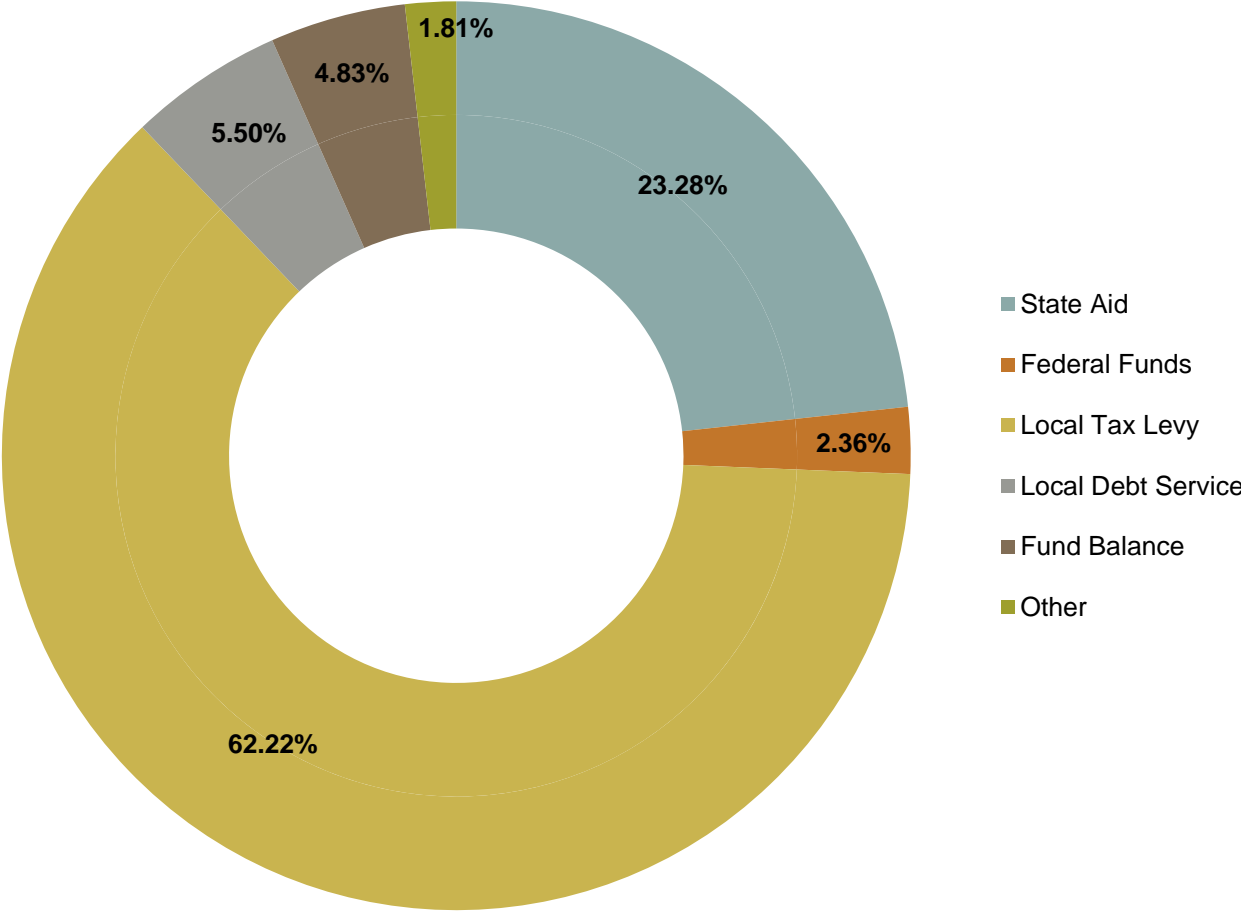
State Aid	\$1,220,618
Federal Funds	\$123,983
Local Tax Levy	\$3,262,213
Local Debt Service	\$288,569
Fund Balance	\$253,255
Other	\$94,800
Total Budget	\$5,243,438

- Other Revenue
- State Aid
- Debt Service
- Local Tax Levy





# District Revenue



State Aid	23.28%
Federal Funds	2.36%
Local Tax Levy	62.22%
Local Debt Service	5.50%
Fund Balance	4.83%
Other	1.81%



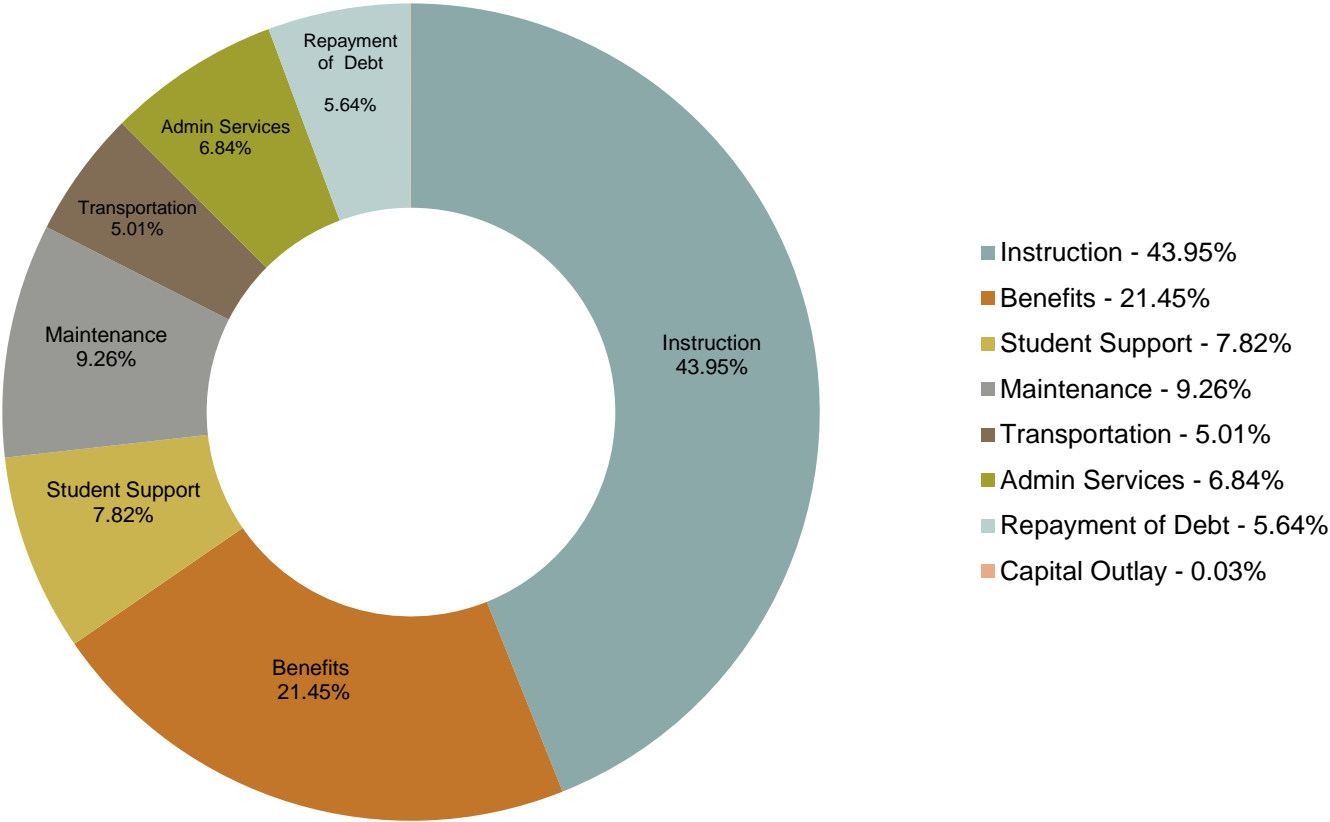
# State Aid Comparisons

Description	2017-2018	2018-2019	Change
Equalization Aid	\$763,643	\$763,643	0.00%
Cat Trans Aid	\$139,769	\$139,769	0.00%
Categ. Spec Ed	\$159,516	\$159,516	0.00%
Categ. Security	\$22,191	\$22,357	0.74%
Adjustment	\$99,279	\$135,333	26.64%
Under Adequacy Aid	\$0	\$0	0.00%
PARCC	\$2,420	\$0	-100.00%
Per Pupil Growth	\$2,420	\$0	-100.00%
Prof. Learning	\$2,000	\$0	-100.00%
<b>TOTAL</b>	<b>\$1,191,238</b>	<b>\$1,220,618</b>	<b>2.41%</b>

Anticipated \$29,380 additional State Aid for 2018-19



# District Expenses

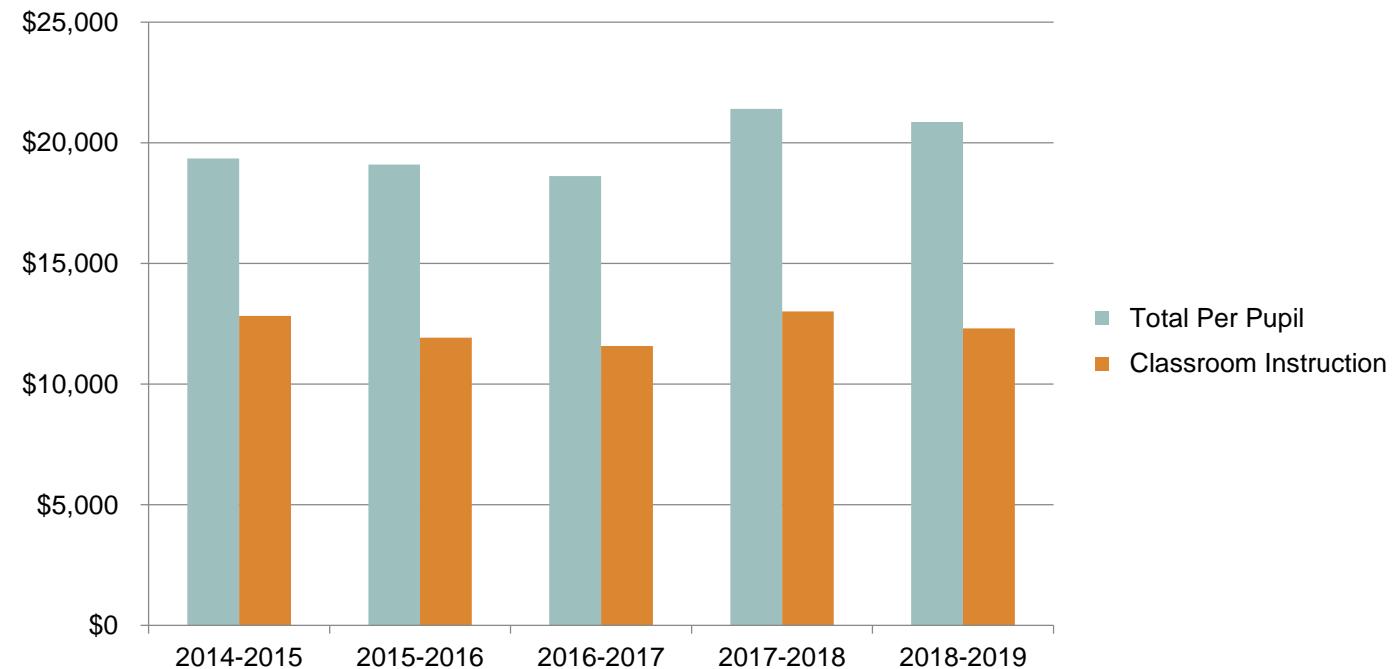


Instruction - 43.95%	\$ 2,249,878.00
Benefits - 21.45%	\$ 1,098,207.00
Student Support - 7.82%	\$ 400,238.00
Maintenance - 9.26%	\$ 473,891.00
Transportation - 5.01%	\$ 256,623.00
Admin Services - 6.84%	\$ 350,374.00
Repayment of Debt - 5.64%	\$ 288,569.00
Capital Outlay - 0.03%	\$ 1,375.00



# Per Pupil Costs

Year	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Total Per Pupil	\$19,342	\$19,098	\$18,624	\$21,402	\$20,857
Classroom Instruction	\$12,826	\$11,919	\$11,578	\$13,016	\$12,304

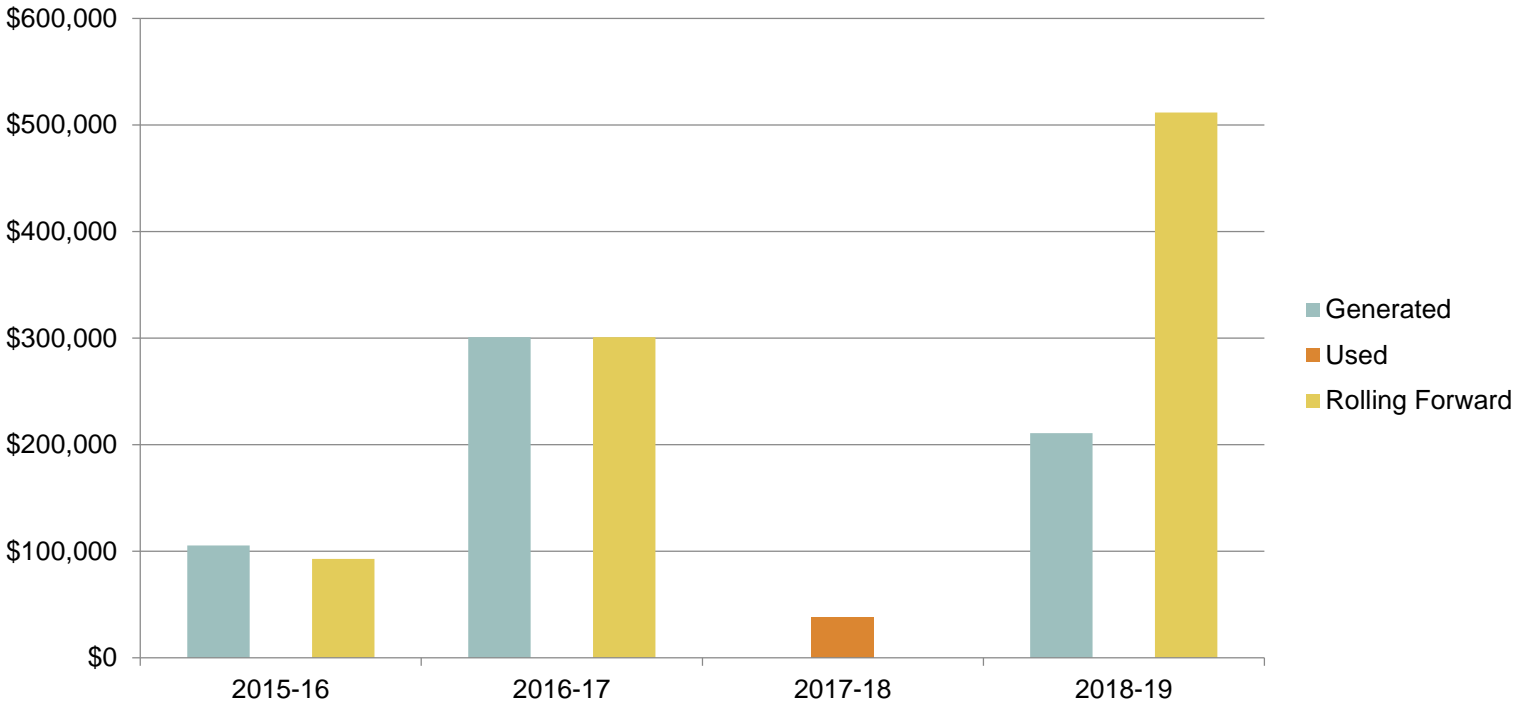


\*Source: District Advertised Budget



# Banked Cap

	Generated	Used	Rolling Forward
2015-16	\$105,354	\$0	\$92,755
2016-17	\$300,856	\$0	\$300,856
2017-18	\$0	\$38,533	\$0
2018-19	\$210,719	\$0	\$511,575



# Focused on the Present...

# Preparing for the Future

## Facilities Planning

- Focus on funding routine and preventative maintenance
- Anticipating a \$50k deposit into Maintenance Reserve
- Preparing for the future; Long Range Facilities Plan

## Transportation

- Joined Hunterdon County Co-op for bus lease/purchase

## Health Insurance

- Switched to School's Health Insurance Fund (SHIF) in 2018
- State Health Benefits Rate (SHBP) Increase 13% vs 6.5% with SHIF
- Increase in Medical Waiver Costs
  - SHBP capped waivers at \$5,000
  - Current CBA = No Cap (35% of Premium\*)
  - 2018-2019 Projected to spend over \$90,000 on medical waivers vs. \$33,125 in 16/17 (Increase of 174.5%)

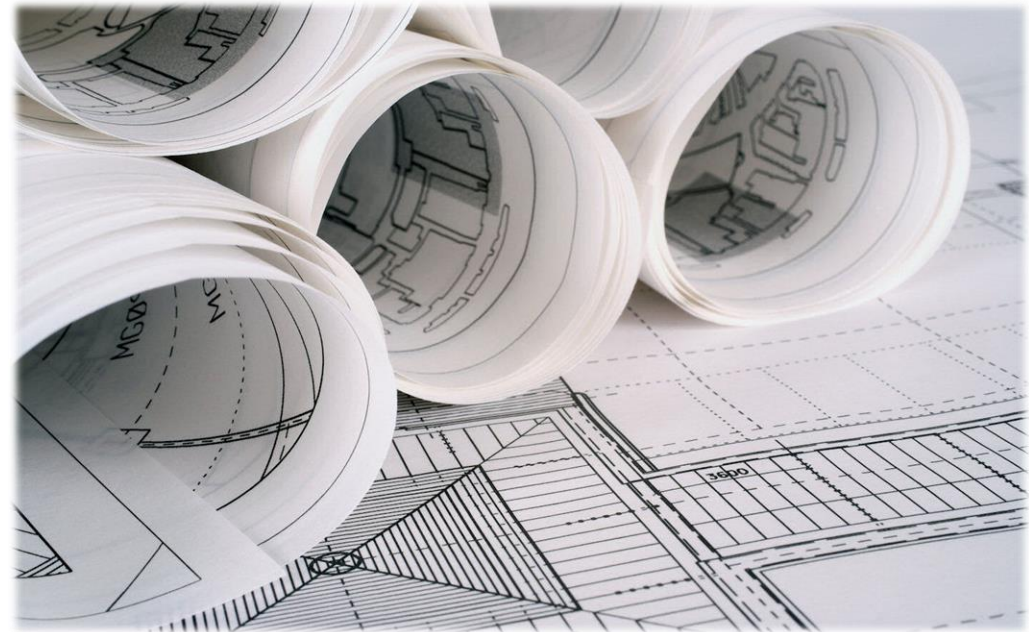
## Staffing

- Maintain appropriate class size
- Maximize skills and talents of staff



# Facilities Planning

- Computer Lab Reconfiguration/Relocation
- Sidewalk Repair/Replacement
- Parking Lot Repair/Replacement
- Playground Safety Code Requirements
- Roof Maintenance
- Security Upgrades (Doors)
- Additional Safety Measures
  - Fencing around Water Treatment Plant
  - Handrails
- Painting
  - Interior/Exterior
- Water Fountain Upgrades





# Budget Summary

- 2018-19 Local Tax Levy is **\$142,622 LESS** than 2017
  - **(4.19% decrease)**
- Minimal increase to the average homeowner of **\$0.36** this year
  - Directly related to Debt Service repayment
- Prioritizes facility maintenance/projects and supports spending plan **without adding new debt**
- Maintains current educational programs
- Addresses class size/staffing concerns due to decreasing enrollment





# **Budget Concerns**

## **Why are we reducing the budget?**

- The current political environment for school funding is a risk for Springfield.
- A warning was received in 2017-18 when our State Aid was cut after our budget was adopted.
- Enrollment is a factor in determining State Aid, which has been frozen at 2008 enrollment levels.
- If State Aid is re-calculated at Springfield's current enrollment levels we could lose a substantial amount of revenue.
- If we don't begin to reduce our costs, we may be forced to reduce rapidly in an unplanned way.



# Building Upon & Enhancing Opportunities for Students

- Creator Lab
- School Gardens
- Video Productions
- Common Assessments for Mathematics
- Supplementary Online Support
  - Reading A-Z / RAZ Kids
  - Newsela
  - Brain Pop
  - IXL
  - Mystery Science
  - Happy Numbers
- Chromebook Replacement
- Computer Lab Relocation
- Stipends for
  - Drama Club
  - Art Show
  - Talent Show
  - Student Council
  - Winter & Spring Concerts



# Questions

# ?

