



City Of Orange Township Public Schools

FY 2014-2015

Budget Presentation

To

Board of School Estimate

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OVERVIEW

2014 - 2015 BUDGET

Due to the current tight fiscal condition of the State of New Jersey, state aid allocation for the 2014-2015 budget year is unfavorable to our district.

The Orange Public Schools only received \$ 99,600 increase over and above the current year's state aid, which translates to a "flat budget" funding, it becomes extremely difficult to maintain some current and implement new instructional initiatives.

The state funding will create a deficit situation in our proposed budget. The deficit is created because of projected increases in non-discretionary costs of \$3.8 million, while revenue only increased by \$99,600.

Salaries	\$ 1,218,057
Benefits	942,554
Tuition	850,450
Transfer to Charter Schools	395,580
Facility maintenance, Insurance etc.	<u>475,000</u>
	<u>\$ 3,881,641</u>

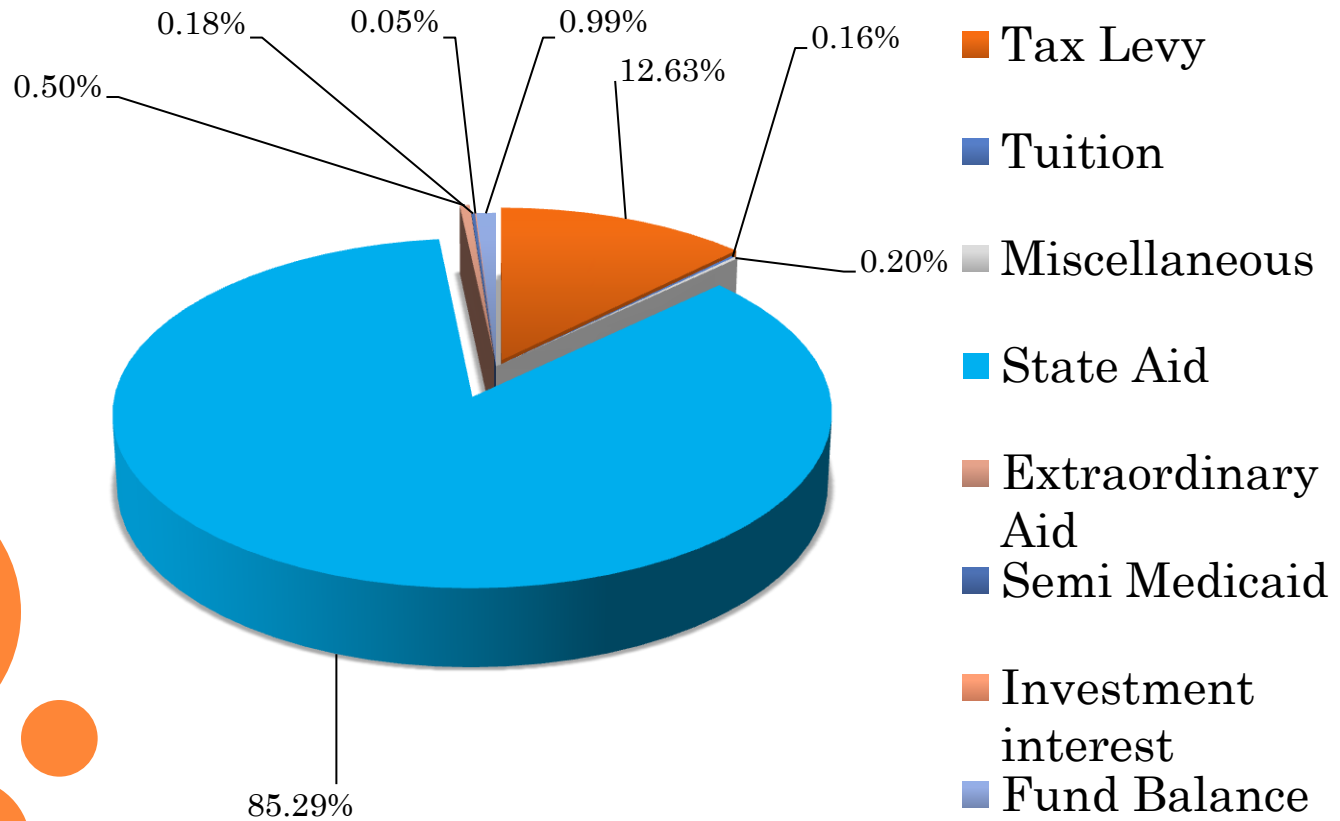
3 Years Revenue Comparisons

REVENUE SOURCE	2012-13	2013-14	2014-15	\$ Change 13/14 vs 14/15
Local Tax Levy	\$10,452,518	\$10,661,568	\$10,874,799	\$ 213,231
Tuition	52,500	50,000	140,000	90,000
Miscellaneous	173,250	160,000	170,000	10,000
State Aid	71,995,702	73,355,220	73,454,820	99,600
Extraordinary Aid	432,340	432,340	432,340	-
Semi Medicaid	156,130	154,387	152,995	(1,392)
Interest on Investments	40,000	45,000	45,000	-
Budgeted Fund Balance	850,000	850,000	850,000	-
Total Budget	\$ 84,152,440	\$ 85,708,515	\$86,119,954	\$ 411,439

STATE AID – FY 2014-2015

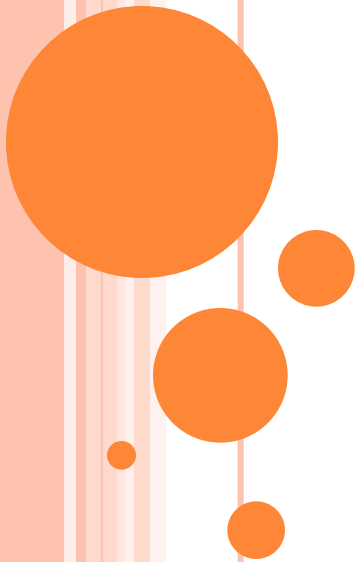
Equalization Aid	\$ 60,692,109
Special Ed. Categorical Aid	2,860,412
Education Adequacy Aid	7,152,931
Security Aid	1,838,577
Transportation Aid	545,602
PARCC Readiness Aid	49,800
Per Pupil Growth Aid	49,800
Under Adequacy Aid	265,589
Total	73,454,820
Extraordinary Aid	432,340
Total State Aid	\$ 73,887,160

% of Revenue by Source 2014-2015



This Chart reflects the percentage of each source to District's total budget.

INSTRUCTIONAL INITIATIVES FY 2014-2015



Balancing The Budget

Deficit	FTE	\$ (3,782,041)
Savings:		
Net reduction in existing/vacant positions	24	1,724,484
Reduction in Capital Projects		650,000
Reduction in School incentives		100,000
Reduction in Non-salary items (School level)		328,550
Reduction in Non-salary items (District level)		979,007
		<u>\$3,782,041</u>

Analysis of Tax History In Operating Budget (with 10 Prior Years' Data)

School Year	School Tax	\$ Increase over Prior Year	% Increase over Prior Year	Average % increase from base year 2003-04	
2004-2005	8,931,421	\$0	0.00%	0.00%	
2005-2006	8,931,421	\$0	0.00%	0.00%	
2006-2007	8,931,421	\$0	0.00%	0.00%	
2007-2008	8,931,421	\$0	0.00%	0.00%	
2008-2009	9,288,678	\$357,257	4.00%	0.44%	
2009-2010	9,660,225	\$371,547	4.00%	0.82%	
2010-2011	10,046,634	\$386,409	4.00%	1.10%	
2011-2012	10,247,567	200,933	2.00%	0.60%	
2012-2013	10,452,518	204,951	2.00%	0.33%	
2013-2014	10,661,568	209,050	2.00%	0.33%	
2014-2015	10,874,799	213,231	2.00%	0.33%	

**LOCAL TAX ASSESSMENT ANALYSIS
FOR SCHOOL OPERATIONS ONLY
DATA BASED UPON 2013**

	TOTAL CITY PROPERTY ASSESSED VALUE	INDIVIDUAL PROPERTY ASSESSED VALUE	2013-14 SCHOOL TAX LEVY	2014-15 SCHOOL TAX LEVY	Annual Increase Per Property
	1,509,210,806*		10,661,568	10,874,799	213,231
		200,000	1,413	1,441	28
		250,000	1,766	1,801	35
		300,000	2,119	2,162	42
		350,000	2,473	2,522	49
		400,000	2,826	2,882	57

* Source: Annual report of NJ Dept. of Treasury, Division of Taxation.

Tax Levy Cap Calculation

Pre-budget Year adjusted tax levy, including weighted increases for enrollment, inflated by 2%	\$ 11,045,628	(A)
Adjustment for increase in certain Health Care Costs	331,248	(B)
Adjustment for increase in certain normal and accrued liability pension contributions	0	(C)
Adjustment for responsibility assumed by district	0	(D)
Adjustment for responsibility shifted to another district or entity	0	(E)
Use of Banked Cap	0	(F)
Tax Levy Cap = sum (A) through (F)	\$ 11,376,876	(G)
Tax Levy	\$ 10,874,799	
Bank Cap available for use	502,077	
Cumulative Banked Cap available for 2015-2016	\$ 1,768,973	

QUESTIONS

