

Verona Board of Education

Final Budget and Financial Framework

March 2012

Overview

- Budget Timeline
- Strategic Goals
- What Is In the Budget
- Second Question
- Drivers of the Budget
- Budget Constraints
- Budget Breakdown
- Comparative Data
- Summary

Budget Timeline

November 2011	Administrative team identifies 2012-2013 budgetary needs
December 2011	Building budgets submitted to Superintendent of Schools for review
Jan/Feb 2012	Board of Education Finance Committee meets regularly to review budget requests
February 28, 2012	Board of Education public budget work session Adoption of preliminary 2012-2013 school budget
March 13, 2012	Board of Education meeting – Public Budget Hearing
March 27, 2012	Adoption of final public budget
March/April 2012	Public presentations
November 6, 2012	SCHOOL ELECTION DAY- vote for 2 BOE members and 2 nd question for full day kindergarten

Strategic Plan

OUR MISSION:

To prepare students to be scholars and productive citizens through outstanding teaching, challenging curricula* and engaging co-curricular programs in safe and modern facilities.

*All students will achieve the New Jersey Core Curriculum Content Standards

STRATEGY 1

We will align, modify, and develop an integrated K-12 curriculum with built-in assessments to support the achievement of our mission and strategic objectives.

- Result 1:** Train teachers to use a computer software program (Rubicon Atlas mapping software) that will allow them to document the taught curriculum within the classroom.
- Result 2:** Familiarize the content area faculty members with new district model for unit planning and curriculum writing, (Understanding by Design – UbD) as needed for curriculum development in the 5-year cycle.
- Result 3:** Conduct a curriculum audit of the Verona School District to determine the extent to which the district has developed and implemented a sound, valid, and operational system of curriculum management.

STRATEGY 2

We will imbue in students, through curricular and co-curricular programs, traits of character, service, citizenship and social awareness.

- Result 1:** Clarify, emphasize, and enforce a uniform K-12 Code of Conduct.
- Result 2:** Institute service projects within each school that attract student participation.
- Result 3:** Formalize and expand character education programs that promote peer leadership and social awareness.
- Result 4:** Improve student conduct and peer relationships.
- Result 5:** Include citizenship grade on HS report card to reflect school standards.

STRATEGIC GOALS:

1. All graduates will have mastered a challenging curriculum that prepares them for productive futures as problem solvers, independent thinkers and responsible citizens.
2. All students will demonstrate character, service, citizenship and social awareness through curricular and co-curricular programs.
3. All teachers will meet or exceed the highest level of professional teaching standards.
4. All district facilities will provide students and staff with state-of-the-art, safe learning and working environments.

STRATEGY 3

We will partner with the community to expand curricular and co-curricular opportunities and parenting seminars/programs.

- Result 1:** Create a resource data bank for classroom teachers to augment lessons.
- Result 2:** Enhance the relationship between the school community and families in order to produce a sustained, collaborative effort of education.
- Result 3:** Embrace a philosophy of respectful and trusting relationships between staff and families.

STRATEGY 4

We will provide staff members with the training and support necessary to achieve the mission and strategic objectives.

- Result 1:** Provide personnel support for professional development, curriculum development and grant writing.
- Result 2:** Create a formal program including policies and procedures for professional development.
- Result 3:** Establish a variety of professional development opportunities that support the strategic plan.

STRATEGY 5

We will establish a framework for learning and standards for excellence in teaching.

- Result 1:** Increase the use of a variety of proven instructional strategies to advance the achievement of our diverse learners.
- Result 2:** Use an assortment of assessments.
- Result 3:** Build students' habits of minds.
- Result 4:** Increase collaboration with other education professionals to improve student learning.

STRATEGY 6

We will provide students and staff with necessary technology to achieve excellence.

- Result 1:** Ensure working, reliable computers in each of our classrooms, labs, and offices.
- Result 2:** Improve the technology infrastructure.
- Result 3:** Continue a professional development program that will provide staff with the skills needed to use and integrate technology in every classroom.
- Result 4:** Purchase new equipment to provide for building computer labs and classrooms.
- Result 5:** Provide adequate technology staffing to ensure working reliable computers in each of our classrooms, labs and offices.

STRATEGY 7

We will create safe and inviting learning environments.

- Result 1:** Refurbish the existing structures at all school facilities not addressed during the construction and renovation projects, per LAN Associates Needs Assessment of 2004.
- Result 2:** Create safe and secure school facilities following local, state, and federal recommendations.
- Result 3:** Establish a checklist for safety and quality of life standards to be maintained at each school facility.
- Result 4:** Maximize parental cooperation in the following safety areas: (a) vehicular traffic at school drop-off and pickups and (b) food and snacks brought to and sold in schools.
- Result 5:** Provide a positive, inviting atmosphere in each building through welcoming facilities and courteous personnel.

What This Budget Buys

Staff

- Maintains existing staff and faculty
- Staff assignments realigned to maximize efficiency
- Temporary Technology and B & G employees for summer work

Neighborhood Schools

- Maintain principals and nurses in each building
- Specialized instruction in music, art, technology, media and world languages

Innovative Programs/ Implementation Five Year Strategic Plan

- Curriculum improvements, K-12
- Professional Development in Reading and Writing Workshop for K-6 faculty and staff
- \$85,000 in additional funds for needed B & G projects

Instructional Supplies & Co-Curricular

Activities

- Textbooks for US History I/II & Algebra I/II
- Writing Workshop - training grades 5 & 6
- Laptops for technology based AP Biology Labs
- Implementation of Reading Workshop in elementary schools
- Resources and ancillary materials for new VHS electives in Social Studies, 21st Century Careers, Fine and Performing Arts
- Material for new College Dual Enrollment Course- Careers in Education

Second Question

Full-day Kindergarten January to June Proposal

- On November 6, 2012 the public will vote on a “second question” to fund full time kindergarten from January 1-June 30, 2013
- September to December kindergarten will continue as an “extended day” program.
- The cost of the program is \$140,000
- Tax impact would be approximately \$28 per household.

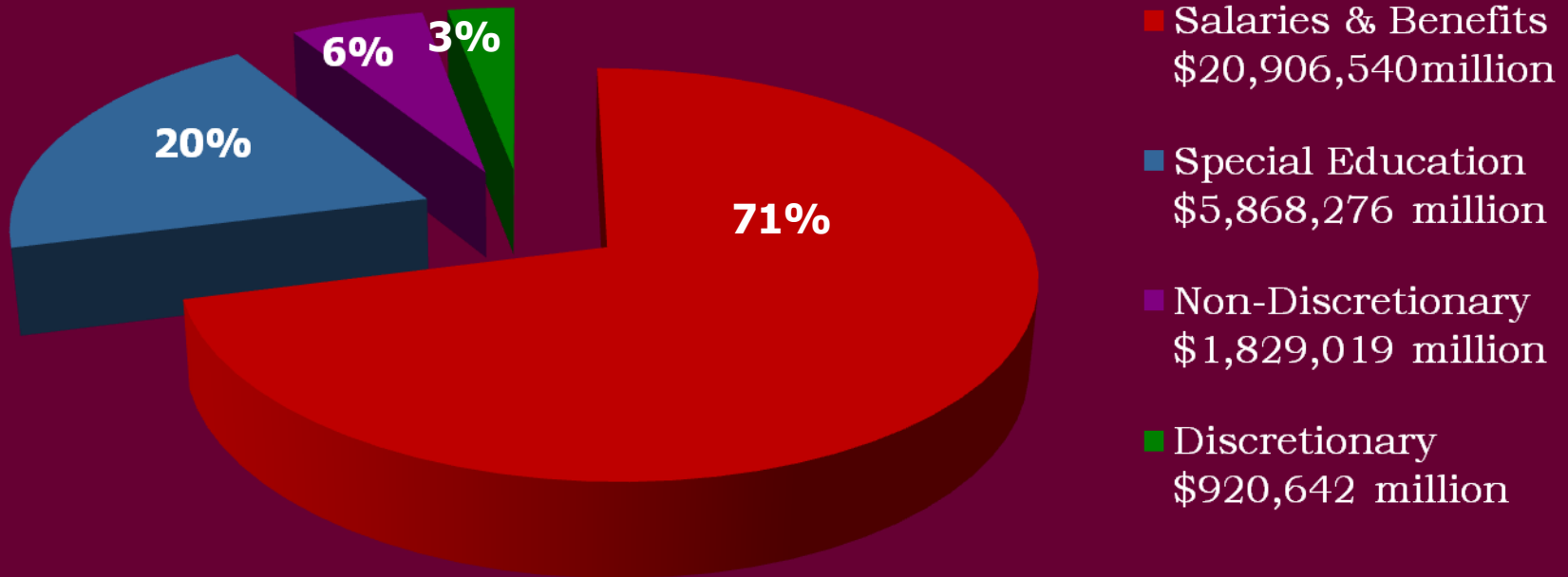
Budget Drivers

- Budget is driven largely by mandates
 - State standards and regulations
 - Special education: IEP-driven aides
- Majority of budget funds staff salaries & benefits
 - Benefits include \$990,000 mandated taxes/costs
 - Healthcare costs continue to stress budget (9.35% increase 2012/13)
 - Discretionary cost under constant pressure, yet provide for quality of instruction
- Enrollment
 - Enrollment up approximately 8 % over six years, in line with previous projections

Budget Constraints

- Tax levy for school budget growth capped by state legislation
- Verona is eligible for an automatic “cap adjustment” of \$248,347 (due to excessive increases in healthcare costs given the overall budget)
- We will allocate \$99,505 to balance the 2012/13 budget and “bank” the remaining \$148,842 for possible use over coming three years
- The net result is a tax levy increase of 2.37%

2012-2013 PROPOSED EXPENDITURES - \$29,524,477



Five-Year Summary

	2007/2008 ACTUAL	2011/2012 ACTUAL	2012/2013 ADOPTED	1-YEAR CHANGE	5 YEAR CAGR
SALARIES	\$13,821,517	\$15,872,819	\$16,130,928	1.6%	3.14%
BENEFITS	\$3,270,083	\$4,401,244	\$4,775,612	8.5%	7.87%
SPECIAL EDUCATION	\$5,433,788	\$5,733,184	\$5,868,276	2.4%	1.55%
NON- DISCRETIONARY	\$1,821,486	\$1,823,522	\$1,829,019	0.3%	.080%
DISCRETIONARY (class supplies, staff development, co-curricular)	\$1,174,518	\$801,460	\$920,642	14.9%	-4.75%
TOTAL	\$25,521,392	\$28,632,229	\$29,524,477	3.1%	2.96%

- Salaries includes additional staff hires & contractual salary changes
- Special Education was growing at 8.6% 2000-2005
- Discretionary budget was \$1.685m in 2000/2001

- Discretionary increase includes \$85k for B&G and Curriculum efforts
- Total increase of 3.12% includes 2.37% tax levy increase plus additional state aid

Benefit Costs

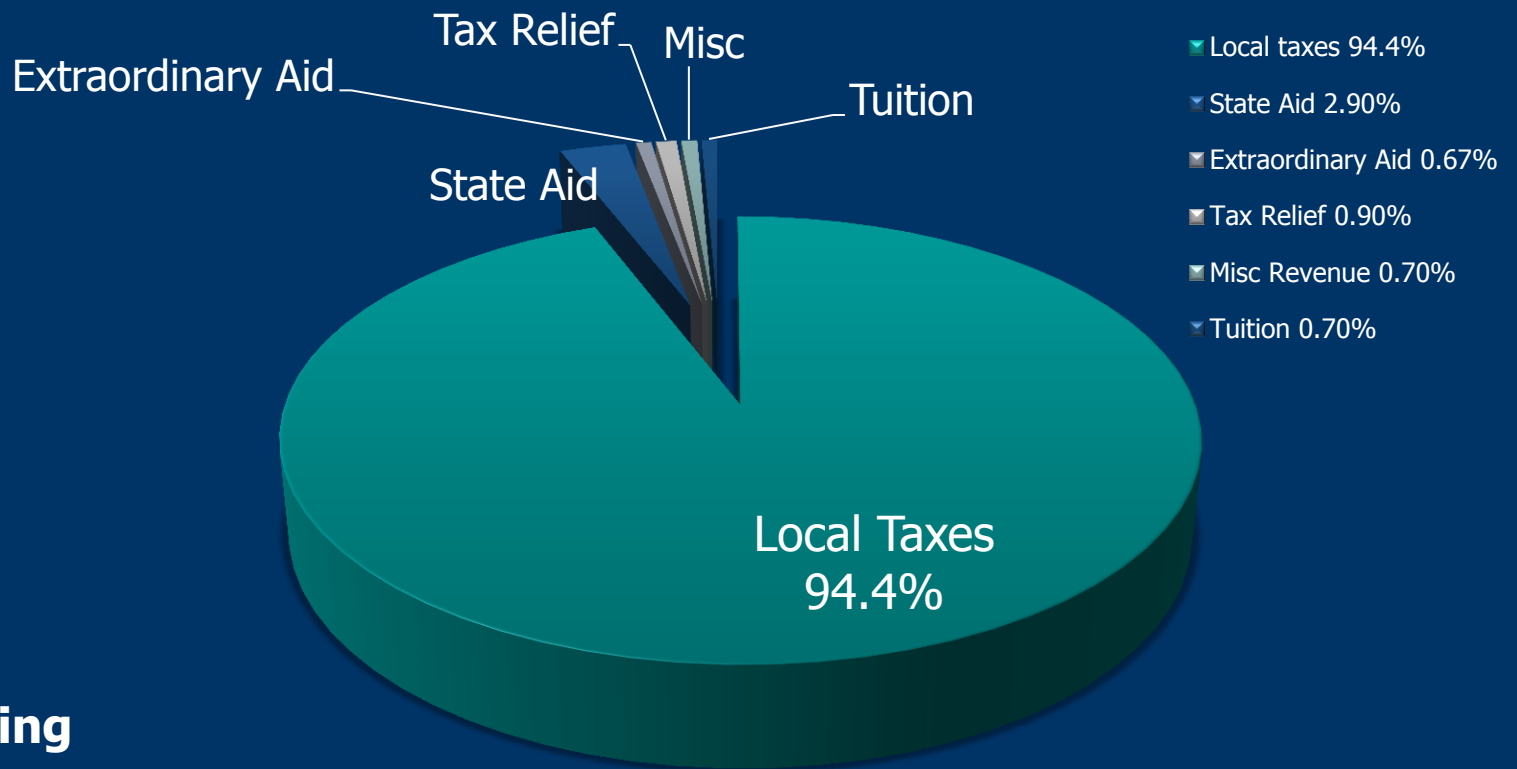
Summary of Benefits lines: \$4,775,612

Mandatory Benefits/Taxes	Total: \$990,077	
Social/Security/State Pensions	\$779,500	Includes \$352,000 in additional Pension taxes to repair state deficit.
Unemployment & Workers Compensation	\$210,577	

Negotiated Benefits/Healthcare	Total: \$3,785,535	
Healthcare	\$3,430,535	Law requires healthcare be provided, but some specifics are negotiated.
Dental Plan	\$260,000	
Opt-out incentives	\$215,000	Incentive results in over \$600k less premiums
Employee Contribution	-\$200,000	
Tuition Reimbursement	\$80,000	

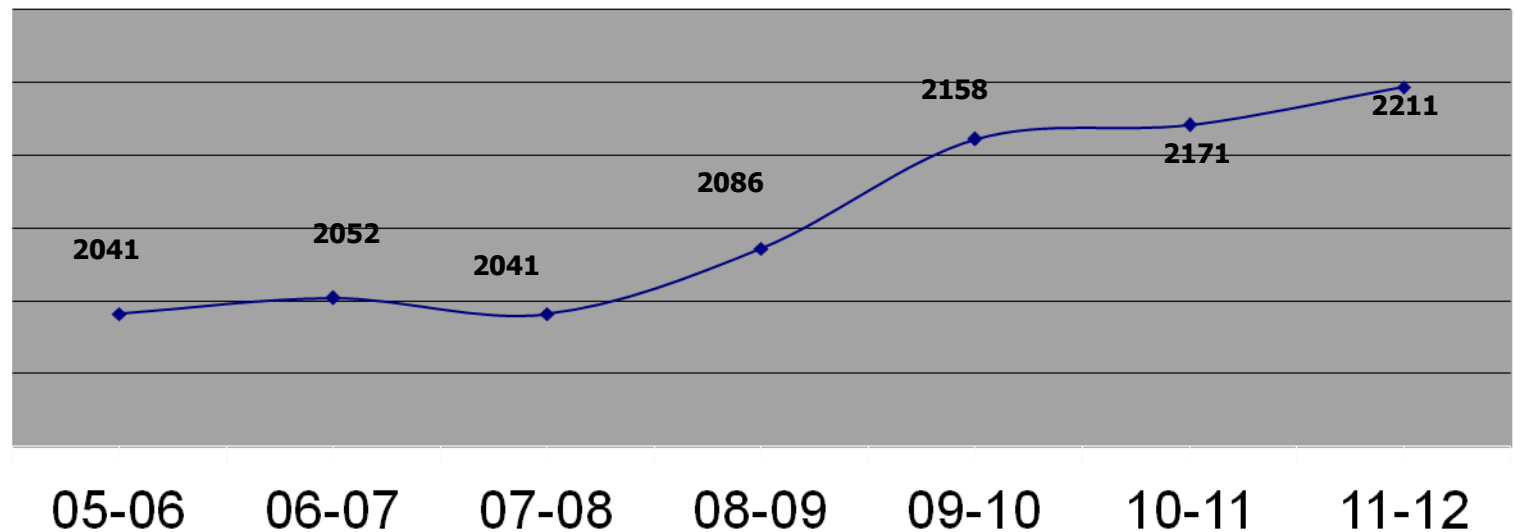
- CAGR for additional pension payment to state is 28.5% since 2006
- CAGR for Healthcare is 6.87% 2000-2012

Revenue



Enrollment

VERONA PUBLIC SCHOOLS ENROLLMENT



*8% enrollment increase since 05-06 (additional 170 students)

Comparable Districts

SCHOOL DISTRICTS	
BERKELEY HEIGHTS TWP	<p>Similar size</p> <ul style="list-style-type: none"> • K-12 • 1800-3500 students <p>Similar socio-economic category</p> <ul style="list-style-type: none"> • “I” district factor group • Essex and surrounding counties (added Mahwah & Ramsey in 2012) <p>* Indicates district previously included but no longer at 1800-3500 students</p>
CALDWELL-W. CALDWELL	
CEDAR GROVE TWP*	
CRESSKILL BORO*	
GLEN RIDGE BORO	
KINNELON BORO	
MADISON BORO	
MAHWAH TWP	
NEW PROVIDENCE BORO	
PARK RIDGE BORO*	
RAMSEY BORO	
VERONA BORO	

Average Property Tax Levy 2010/11

2011 Levy							
MUNICIPALITY	COUNTY	Total County Levy	Total School Levy	Total Local Municipal Tax Levy	Total Levy on Which Tax Rate is Computed	Average Total Property Taxes	School Levy as % of Total
Glen Ridge Borough	Essex	6,549,824.16	26,030,506.00	9,537,942.39	42,118,272.55	\$16,791	62%
Cresskill Borough*	Bergen	4,700,938.73	23,884,267.00	12,881,733.00	41,466,938.73	\$13,571	58%
Kinnelon Borough	Morris	5,378,060.94	32,852,998.00	8,666,524.94	46,897,583.88	\$12,496	70%
New Providence Borough	Union	10,855,381.74	31,936,573.00	11,943,074.26	54,735,029.00	\$11,635	58%
Ramsey Borough	Bergen	7,671,354.65	49,109,082.47	15,993,238.30	72,773,675.42	\$10,831	67%
Madison Borough	Morris	8,497,952.00	34,733,011.00	13,593,420.19	56,824,383.19	\$10,805	61%
Berkeley Heights Township	Union	14,603,528.71	37,606,723.00	11,636,445.53	63,846,697.24	\$10,676	59%
Park Ridge Borough*	Bergen	3,623,439.17	23,505,631.00	8,472,640.00	35,601,710.17	\$10,055	66%
Verona Township	Essex	10,319,746.00	29,396,707.00	14,865,208.00	54,581,661.00	\$9,527	54%
West Caldwell Township	Essex	10,618,353.28	26,042,046.02	12,237,414.57	48,897,813.87	\$9,141	53%
Cedar Grove Township*	Essex	10,608,493.35	23,930,225.00	8,544,393.04	43,083,111.39	\$8,799	56%
Mahwah Township	Bergen	13,022,491.60	55,129,065.50	22,448,768.07	90,600,325.17	\$7,193	61%

* = <1800 students

• 2011- 13.1% Below Comp Group Average

• Verona % of levy for schools has been consistent 1998-2012

<http://www.state.nj.us/dca/lgs/taxes/taxmenu.shtml>

Comparative Spending

State Taxpayer Guide to Education Spending – May 2011 (2009-10 budget)

District	Total Spending	Budgeted Cost	Classroom Salaries & Benefits	Class Supplies/ texts	Extra-curricular Costs	Median Teacher salary
Park Ridge	\$18,522	\$15,469	\$7,911	\$334	\$546	\$65,266
Madison	\$18,072	\$13,970	\$7,720	\$362	\$513	\$65,955
Mahwah	\$17,975	\$13,770	\$7,929	\$201	\$404	\$68,668
Kinnelon	\$17,737	\$12,858	\$7,372	\$237	\$421	\$74,650
Ramsey	\$17,157	\$14,865	\$8,985	\$200	\$352	\$66,354
Berkeley Heights Twp	\$17,113	\$13,496	\$7,734	\$222	\$438	\$64,022
Caldwell/West Caldwell	\$16,419	\$13,099	\$6,994	\$174	\$458	\$60,945
New prov	\$16,399	\$12,955	\$7,523	\$182	\$453	\$64,811
Cedar Grove	\$16,279	\$12,642	\$6,571	\$268	\$351	\$57,500
Cresskill	\$15,967	\$12,759	\$7,091	\$193	\$345	\$65,935
Verona	\$15,631	\$11,874	\$6,637	\$244	\$399	\$64,377
Glen Ridge	\$15,402	\$12,819	\$7,098	\$332	\$499	\$65,098
Verona vs group (high to low) in peer group	11 of 12	12 of 12	11 of 12	5 of 12	9 of 12	9 of 12
Verona vs group (low to high) vs full comp group of 69	17 of 69	16 of 69	17 of 69	42 of 69	46 of 69	45 of 69

• Total spending low while routing more funds into classrooms

<http://www.state.nj.us/education/guide/2011/>

• Teacher salaries reflected as median of actual staff – driven by experience level. Not directly reflective of contract.

Community Schools

Comparison of costs relative to number of buildings

District	Students enrolled	Number of Buildings	Per Pupil Admin Salaries & Benefits	Operations Plant/ Maint	Total Admin per building
Berkeley Heights	2,873	4	\$1,176	\$1,501	844,662
Cresskill *	1,762	3	\$1,298	\$1,717	762,359
Mahwah	3,186	6	\$1,347	\$1,593	715,257
New Providence	2,237	4	\$1,277	\$1,935	714,162
Ramsey	3,158	5	\$1,082	\$1,480	683,391
Glen Ridge	1,947	4	\$1,364	\$1,401	663,927
Kinnelon	2,227	4	\$1,147	\$1,393	638,592
Cedar Grove *	1,663	4	\$1,511	\$1,483	628,198
Park Ridge *	1,340	3	\$1,401	\$1,617	625,780
Madison	2,305	5	\$1,288	\$1,346	593,768
Caldwell/West Caldwell	2,607	6	\$1,303	\$1,595	566,154
Verona	2,114	6	\$1,409	\$1,282	496,438
Verona vs group (high to low)			2	12	12
Verona vs group (high to low) vs full comp group of 69			61 of 69	11 of 69	

• Median Admin salaries 11 of 12 (35 of 69 in state group)
<http://www.state.nj.us/education/guide/2011/>

• Per pupil cost reflects costs of 6 buildings by comparison

Did you know...

- ...the Verona Schools received over \$380,000 in private grants over the last five years
- ...SCA's have raised funds to provide meaningful programs and supplies for our students.
- ...general education tuition-paying students generate about \$30,000 per year in revenue
- ...changes to our registration system now lead to some increased revenue

In Summary

- Budget represents 2.37% increase on tax levy
- Maintains existing academic programs
- Funds curricular enhancements
- Budget delivers great value and supports strategic goals
- Begins to address some needed facilities repairs