

# **BOUND BROOK SCHOOL DISTRICT 2023-2024 BUDGET PRESENTATION**

**Presented by:**

**Dr. Alvin L. Freeman, Superintendent of Schools**

**Mrs. Elizabeth Fischer, Assistant Superintendent of Curriculum and Instruction**

**Mr. Michael C. Gorski, CPA, Business Administrator/ Board Secretary**

# **Members of the Board of Education**

- ▶ Mr. Richard Jannuzzi, Board President
- ▶ Mr. Michael Bal, Board Vice President
- ▶ Mr. Roger Zupko
- ▶ Ms. Lisa Guzzino
- ▶ Ms. Joanna Musson
- ▶ Mr. Gagandeep Minhas
- ▶ Mr. Sidney Dawson
- ▶ Ms. Therese Sue High
- ▶ Mr. Donald Vollmer
- ▶ Ms. Edith Lima, South Bound Brook Representative

## **Student Board Representatives**

Mr. Emanuel Munoz Cordero

Alternate: Ms. Brenda Olivera Hernandez

# **Operations Committee**

Mr. Roger Zupko, Chairperson

Mr. Sidney Dawson

Mr. Richard Jannuzzi

Ms. Lisa Guzzino

# Thank You

Central Office Administration

School Administration

District Supervisors

Teachers



# **Goal of Budget Process**

**To develop a budget that supports an educational program that meets the learning needs of ALL students while giving strong consideration to fiscal efficiency and the impact on the local taxpayer.**

# **Mission Statement**

The Bound Brook Public Schools is a supportive multicultural community that provides an innovative and academically challenging educational program while offering a variety of extracurricular and social opportunities that encourage life-long learning and citizenship.

# **District Goals**

**Goal #1:** The Superintendent will establish himself as the educational leader of the Bound Brook School District.

**Goal #2:** To create a safe environment where students and staff feel comfortable taking risks and work collaboratively toward a common goal.

**Goal #3:** Incorporate qualitative and quantitative measures to inform and refine curriculum and instruction through the effective utilization of data.

# **Board Goals**

**Goal 1:** Continue to support the strategic plan and the district's efforts through the pandemic.

**Goal 2:** Continue to evaluate and adopt a plan for enrollment growth and facility needs.

**Goal 3:** Continue professional development for board members and achieve Board Certification through NJSBA's Academy Program in 2021. Boardsmanship training to be included within this goal to improve effectiveness of the board. (2-year goal)



# **Key Budgetary Considerations**

- Increased Enrollment
- Aging Facilities
- New Jersey Student Learning Standards
- Student Performance Data
- Student / Teacher Ratios
- Tax Impact On Community

# Executive Summary

The Bound Brook School Budget for the 2023/2024 school year was developed within specific parameters set forth by the Board of Education:

To prepare a comprehensive, zero-based budget, within tight revenue constraints:

- ❖ Meeting the needs of 37 projected additional students.
- ❖ Allocate an increased amount of resources to Programs and Instruction.
- ❖ Expansion of curriculum programs and staffing to broadly improve student performance.
- ❖ Budget for Capital Outlay Projects taking advantage of the new NJ ROD Grant program which reimburses districts 40% of eligible project costs, and other projects required for health & safety.
- ❖ Budget for inflation especially in the areas of Transportation-contracted routes, Maintenance-contracted janitorial services, and Energy.
- ❖ Budget to cap to meet the needs of student growth.

The budget has been professionally constructed to afford every student an opportunity for an exemplary education by well-trained, committed staff in a safe and secure environment. Opportunity is made available through a comprehensive curriculum which offers diverse course offerings and co-curricular clubs and activities. We believe that our proposed budget continues to become more efficient as evidenced by a successful County Budget Efficiency Review.

# **Executive Summary- Continued**

## **Under-Adequacy Status Improvement.**

Fund	2022-2023	2023-2024
General Fund Levy	\$13,082,282	\$13,670,661
Equalization Aid	\$22,232,004	\$27,742,287
Total Budget Adequacy Spending	\$35,314,286	\$41,412,948
District Adequacy Budget	<u>\$38,741,501</u>	<u>\$42,943,601</u>
Under Adequate Amount	<u>(\$3,427,215)</u>	<u>(\$1,530,653)</u>

Adequacy is a state model which calculates what would be the necessary funding level to provide a “thorough and efficient” education to every pupil in the district.

# **What Is The Budget Creation Timeline?**

- ▶ Establishment of Budget Philosophy
- ▶ Enrollment Patterns and Projections
- ▶ Review of Staffing Needs
- ▶ Budget Development
- ▶ Budget Defense Rounds
- ▶ Governor's Budget Address
- ▶ Award of State Aid
- ▶ Adoption of Tentative Budget
- ▶ Public Hearing

# Zero Based Budgeting

The 2023/2024 School Budget was constructed implementing a zero based budgeting approach.

## **What is zero-based budgeting (ZBB)?**

Zero-based budgeting (ZBB) is a budgeting technique in which all expenses must be justified for a new period or year starting from zero, versus starting with the previous budget and adjusting it as needed.

ZBB is a highly effective business-planning tool to help a organization identify and eliminate unnecessary costs, keep control of your spending, and focus on high-profit initiatives.

Budgeting, including ZBB, is the tactical implementation of a organization's strategic plan. To deliver the financial and operational goals in the strategic plan, an organization needs to translate its long-range plan into a detailed set of expected revenues and expenses that can be measured to track performance. These can be refined and adjusted along the way to keep the company on track with its goals to achieve the desired business outcomes.

Above all, budgets enforce ownership and accountability so that financial decisions are made sensibly. They help companies project profits, spot potential problems, and identify new opportunities so that finance leaders can make the necessary adjustments.

# Zero-based budgeting vs. traditional budgeting

## Traditional budgeting

Based on the previous year's budget

Based on previous expense levels

Cost accounting-oriented

Justification is not typically required

Management decides on expenditures

Less clarity and responsiveness

Repetitive

## Zero-based budgeting (ZBB)

Started from scratch (zero base)

Requires new expenditure justification

Decision-oriented

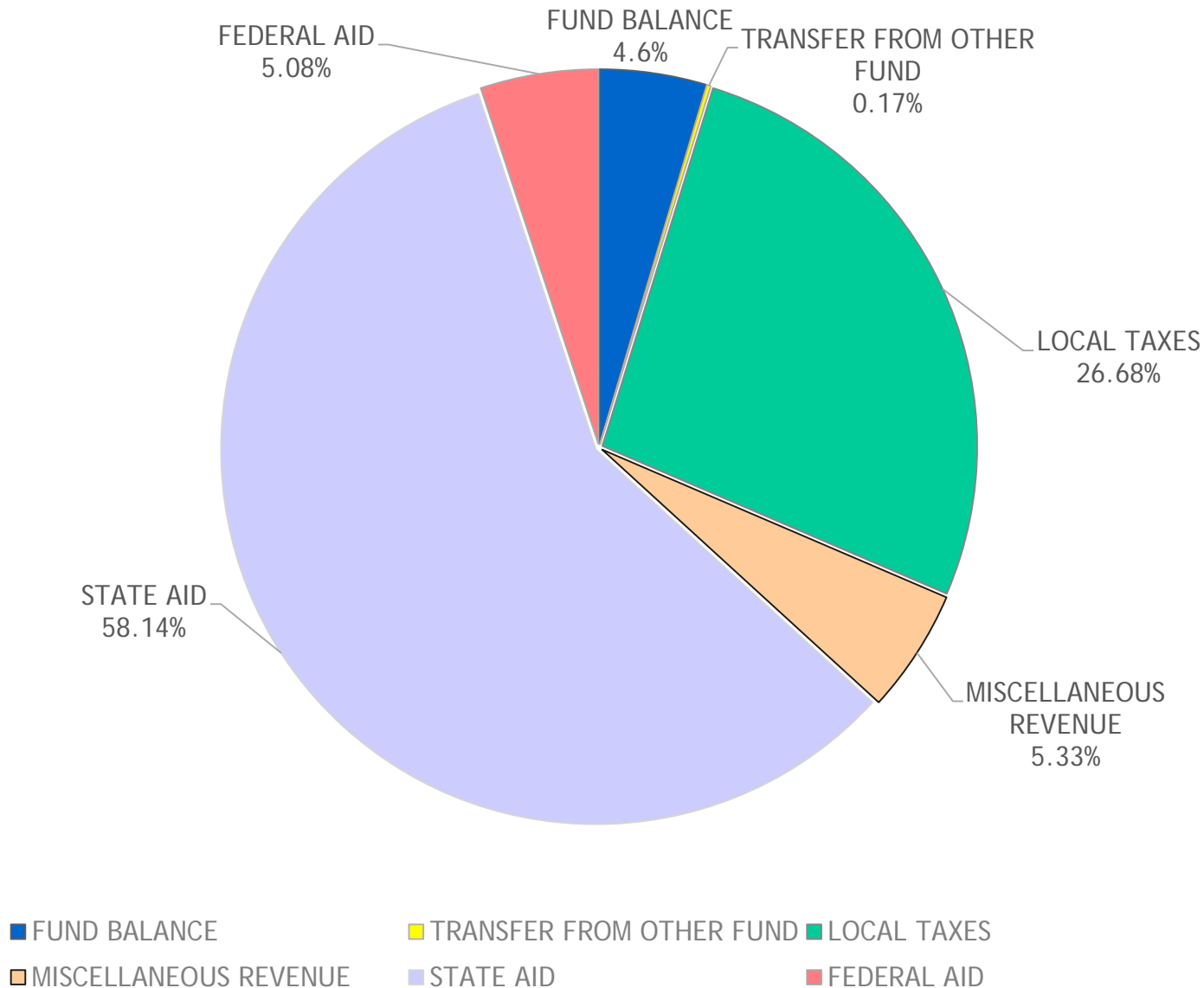
Cost and benefit justification required

Line(s) of business management  
propose expenditures

Greater clarity and responsiveness

Thought-provoking

# Where Does The Money Come From ? 23/24



# **Dollars and Cents**

**Sources of Revenue**

**See handout A**



# General Fund Tax Levy

22/23 Adjusted Tax Levy with Enrollment Adjustment	\$13,513,745
Adjustment for Healthcare	<u>\$156,916</u>
23/24 Tax Levy Cap	\$13,670,661
22/23 Tax Levy Cap	<u>\$13,082,282</u>
Increase in General Fund Levy	<u><u>\$588,379</u></u>

Note: No prior years banked cap has been appropriated.

# **School Funding Law NJ S-2**

## **Modification of School Law SFRA**

### **2008**

#### **Bill Summary:**

The "School Funding Reform Act of 2008" (SFRA), P.L.2007, c.260, was enacted with the purpose of determining the amount of State school aid each school district would receive based on the needs of the student population and local fiscal capacity. However, the SFRA has not been fully implemented since the 2008-2009 school year, resulting in school districts receiving levels of State school aid inconsistent with their current circumstances. This bill makes two modifications to the SFRA with the intent of realigning the amount of State aid provided to school districts with their current needs. First, under the provisions of the SFRA, a school district's State aid may not increase from one year to the next by more than the State aid growth limit (10 percent for school districts spending above their adequacy threshold, and 20 percent for school districts spending below that threshold). The bill eliminates that cap beginning in the 2018-2019 school year. Second, the bill transitions school districts towards the amount of State aid that the school district would receive in the absence of the State aid growth limit and the adjustment aid that the school district received under the SFRA. The Phase in period for this law is over a six year period beginning in 2019-2020 and concluding in year 2024-2025.

# **Key Facts On State Aid**

► **There are two types of State Aid:**

**Equalization Aid-** Distributed by property wealth and income levels Bound Brook has been awarded \$27,742,287 in this category.

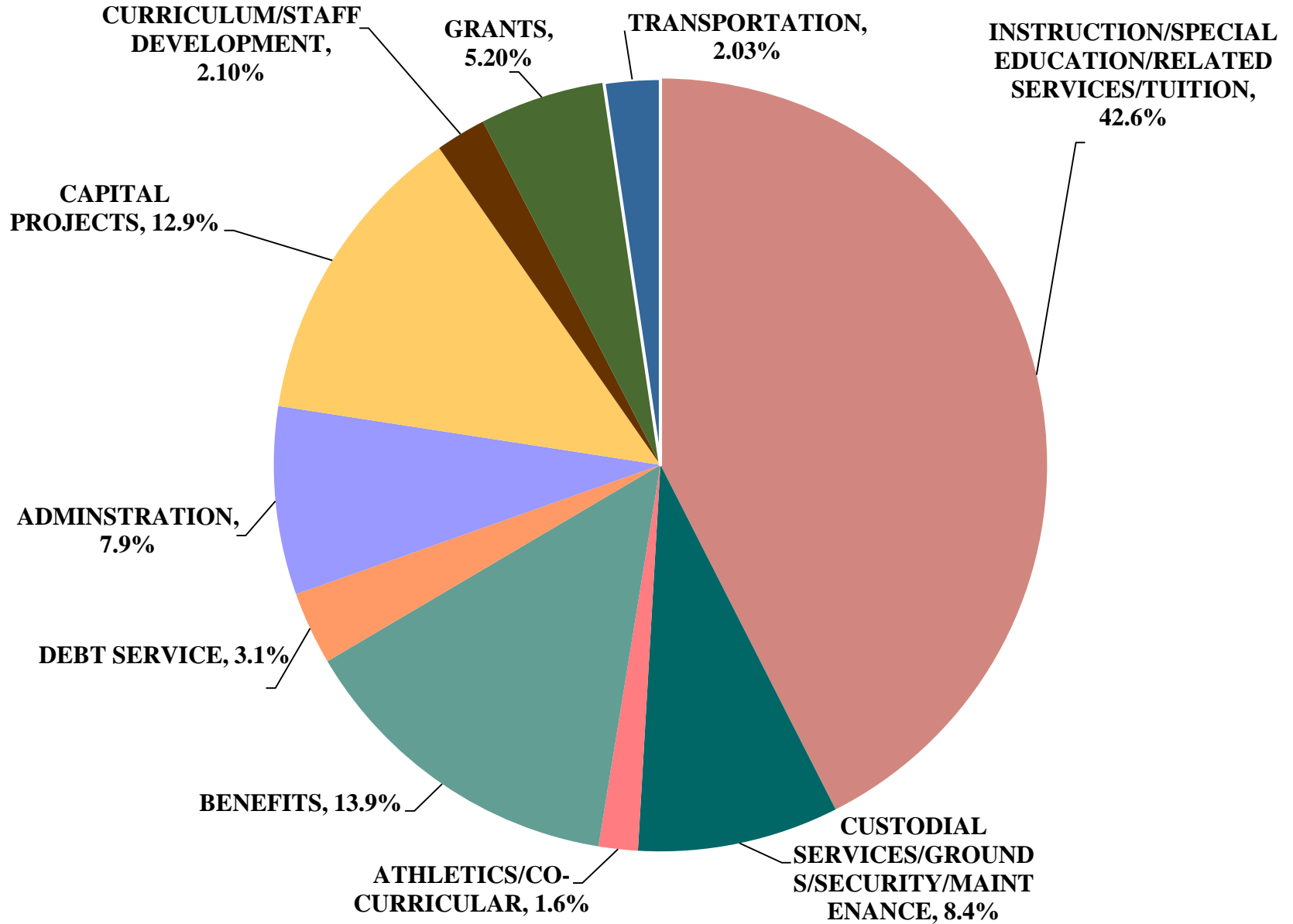
**Categorical Aid-** Awarded by number of students who qualify for each individual aid category. Bound Brook qualifies for a few categories. but is limited in award due to over adequacy status.

**General Fund State Aid is 58% of our total revenue to support the school budget. The District has been underfunded by the State and has been a beneficiary of the redistribution of school aid under S-2.**

# General Fund State Aid

	2020/2021	2021/2022
Equalization Aid	<u>\$22,232,004</u>	<u>\$27,742,287</u>
Categorical Aid:		
Special Education Aid	\$1,574,377	\$1,574,377
Security Aid	\$784,650	\$784,650
Transportation Aid	\$124,699	\$124,699
Preschool Education Aid	\$1,340,688	\$1,602,405
School Choice Aid	\$177,481	\$86,598
Debt Service Aid	\$874,852	\$881,139
<u>SDA Assessment for funding</u>	<u>(\$9,836)</u>	<u>(\$9,836)</u>
Total	<u>\$27,098,915</u>	<u>\$32,786,319</u>
Increase in General Fund State Aid	\$5,687,404	
Percent increase vs. last year	+20%	

# Where Does The Money Go?

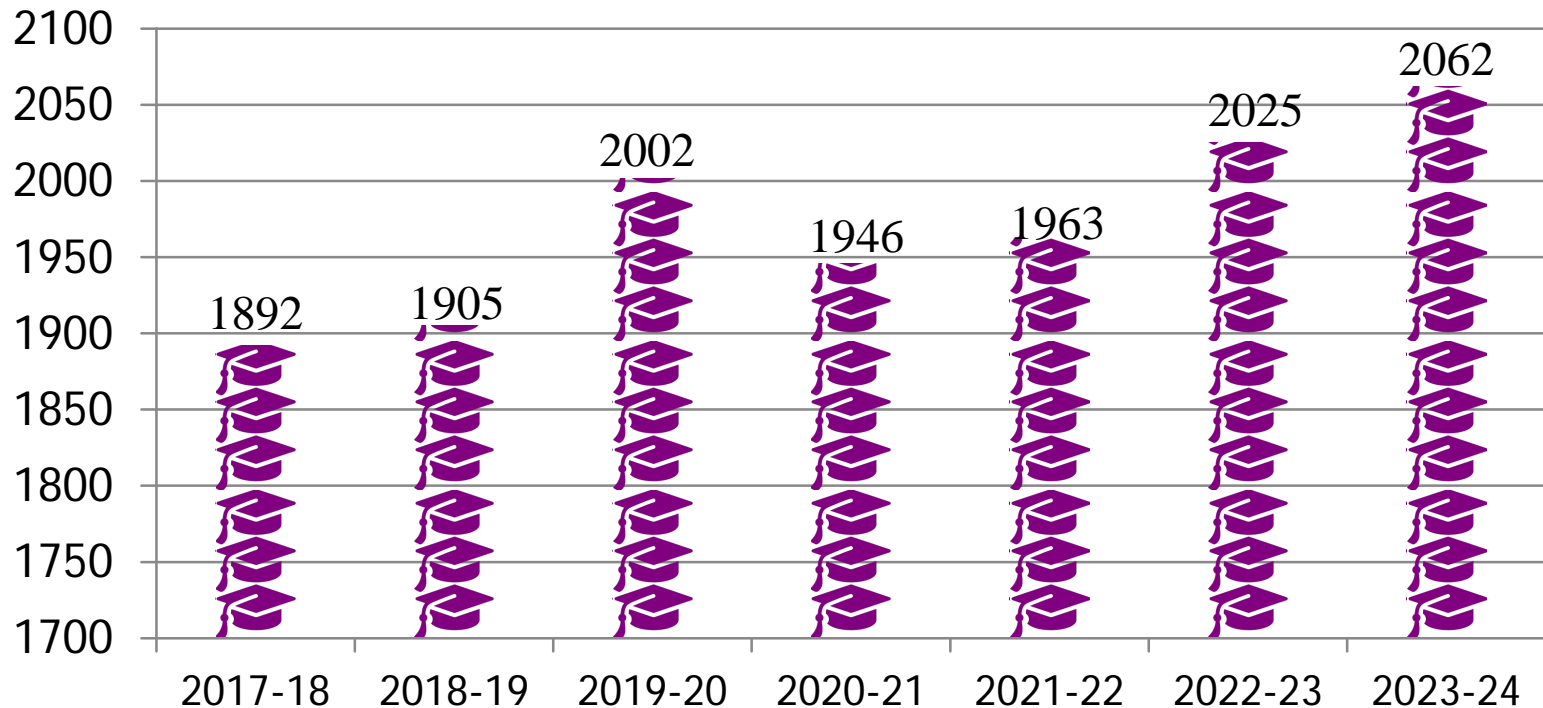


# **Appropriations Detail**

▶ See handout B

# Budget Appropriations Considerations

**Budgets are driven by student enrollment**



Enrollment Data from ASSA except projected year.

\* Projected from Ross Haber Associates February 2023

# What is Included in This Budget

## Transportation Costs

### Special Education Transportation

Transporting students to out-of-district schools and programs can quickly deplete special education funding. The SCESC works cooperatively with districts to plan, bid and coordinate daily transportation for special needs students.





# Aging Facility Needs



Bathrooms



Roof



Track



Boiler

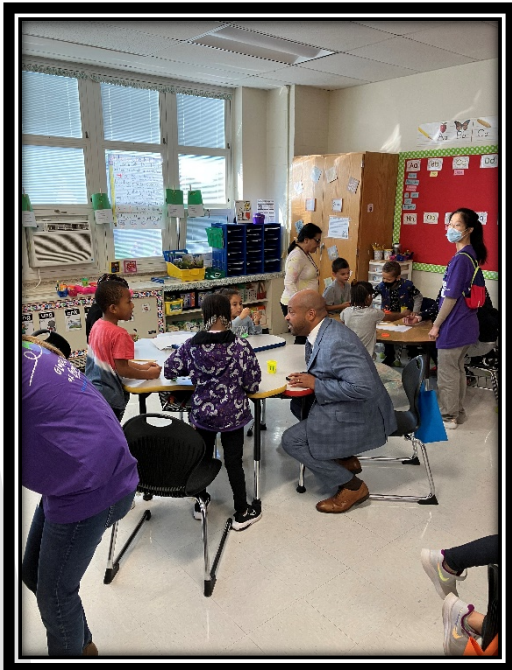




## Staff & Curriculum







# What Programs Are In This Budget?

## **Curriculum and Instruction**

- Maintaining 2020 New Jersey Student Learning Standards
- Maintaining Curriculum Writing and Mapping
- Multi-tiered Systems of Support
- In-School, After-School, and Summer Support for Students
- Textbook Replacement/Adoptions
- Technology Replacement/Additional Online Programs
- Gifted and Talented
- English Language Learners



## **Assessment to Guide Instruction**

- LinkIt Data warehouse and Benchmarks
- DRA3
- Dibels
- Key 3 Math
- IXL

**Professional Development**  
**Professional Memberships**  
**AVID**



# What new staff positions are included in this budget?

- ▶ District Behaviorist
- ▶ Supervisor of Instruction
- ▶ ESL Director
- ▶ Grant Coordinator/Business Assistant
- ▶ G & T Teacher
- ▶ 6<sup>th</sup> Grade Teacher
- ▶ Special Education (3)ICS/(1)BD/(1)LLD Teachers
- ▶ HS Computer Science Teacher
- ▶ ABA Teacher Assistant
- ▶ ESL Teacher Annex
- ▶ ESL Teacher Lafayette
- ▶ Bilingual Math Teacher



# What Is Included In This Budget

## Capital Improvements & Equipment –

➤ High School & Lafayette bathroom renovations	* \$1,800,000
➤ Boiler replacements High School, Lafayette, Lamonte Elem., Smalley	* \$2,736,000
➤ Architectural Fees for above	\$274,000
➤ High School Track and Fences	\$415,000
➤ Copy Machines for instruction	\$142,947
➤ High School Field House Roof Replacement	\$60,000
➤ High School Gym Floor	\$17,000
➤ District Instructional Teaching Monitors	\$19,000
➤ Security Cameras	\$88,000
➤ Phone System installment payment	\$35,000
➤ All schools & central office building capital repairs	\$ 78,000
Total \$5,664,947	

\* Gross cost \$6,960,000 less ROD grant est. \$2,424,000=\$4,536,000

# Cost Savings From Shared Services

Shared Services-0490(BOUND BROOK BORO) 02/28/2023 13:07:41	
Shared Service Category Type	Shared Service Category Description
Special Education Services	Somerset County Educational Services Commission-Out of district special education tuition
Special Education Services	Educational Services Commission of NJ-Out of district special education tuition
Special Education Services	Morris Union County Jointure Commission-Out of district special education tuition
Others	Somerset County Vocational and Technical High School-Out of district vocational and technical education tuition
Others	Somerset County Parks Commission-Shared Service for the district use of fields for sports
Special Education Services	Shared Service Agreement with South Bound Brook BOE for shared Child Study Team
Recycling	Somerset County-Joint recycling services
Transportation Services, including Fuel	Somerset County-Shared vehicle maintenance services
Transportation Services, including Fuel	Somerset County Educational Services Commission-Shared consortium student transportation services
Transportation Services, including Fuel	Educational Services Commission of NJ-Shared consortium student transportation services
Transportation Services, including Fuel	South Bound Brook BOE-Shared student transportation services
Purchasing	ACES-Consortium purchasing of energy utilities
Purchasing	Educational Services Commission of NJ-Consortium purchasing of supplies and equipment
Purchasing	Camden County Educational Services Commission-Consortium purchasing of supplies and equipment
Food Services	US Commodities-Application with the USDA for no-cost government commodities in lieu of purchases for food service programs
Insurance Coverages and Benefits	Participation in NJSIG pool for workers compensation insurance
Insurance Coverages and Benefits	Participation in NJSIG pool for Property and Casualty insurance
Staffing - Other	Agreement with Local Police Department for three SRO's to provide school security
Staffing - Other	Agreement with Local Police to provide security coverage at sports and graduation events
Transportation Services, including Fuel	Jointures with numerous other school districts to share transportation route costs
Purchasing	Somerset County Roads and Bridges-Agreement to share the costs of salt and fuel for vehicles

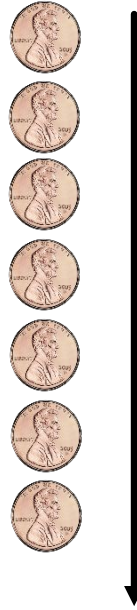
# **What factors influence the tax rate?**

- **State Aid**
- **Fund Balance Applied**
- **Ratables**
- **Increased Student Enrollment effect on Appropriations**



# School District Average Assessed Tax Levy Impact

2022/2023 School Tax Rate - 1.278%



2023/2024 School Tax Rate - 1.210%

The average assessed home of 390,700 will experience a 2023/2024  
School Tax decrease of \$264.

**Thank You To All Who  
Contributed  
To Developing This Budget**

