

**MONTVALE PUBLIC SCHOOLS
2017-18 PROPOSED SCHOOL DISTRICT BUDGET**

REVENUE:

	2016-17 Revised Budget	% of Total Budget	2017-18 Proposed Budget	% of Total Budget	Change
BUDGETED FUND BALANCE	\$1,036,131	5.76%	\$548,681	3.10%	(\$487,450)

Budgeted funds and unanticipated revenue that are not spent in prior years become available free balance. Each year a portion of the free balance is used to offset the amount to be raised for taxes. The 2017-18 amount is lower than that of 2016-2017 because in 2016-2017, \$300,000 was withdrawn from capital reserve to fund the 2016 Fieldstone School replacement roof project. Also, the 2016-17 revised budget includes \$202,218 of payables carried over from the 2015-16 budget.

TUITION	\$12,500	0.07%	\$12,500	0.07%	\$0
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The district anticipates that six children, chosen by lottery, will pay tuition of \$2,500 for participation in the pre-school class.

MISCELLANEOUS	\$80,600	0.45%	\$80,600	0.45%	\$0
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Interest earnings are anticipated on available cash flow. Building rental fees are anticipated from the before/after school program, the Regional Summer School Program, and community based programs.

TRANSPORTATION FEES	\$39,000	0.22%	\$39,000	0.22%	\$0
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The Board offers parents of students who are not eligible for busing the opportunity to purchase transportation services, if seats are available on a vehicle.

STATE AID	\$638,778	3.55%	\$638,778	3.60%	\$0
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The district receives State Aid for special education, transportation programs, and stability aid. For the 2017-18 school year, the State Aid to be received is the same as the amount of aid in 2016-2017. The budget anticipates that the district will qualify for extraordinary aid in the amount of \$125,000 for special education costs in excess of \$40,000 for in-district placement or \$50,000 for out-of-district private school placements. The actual cash received will be reduced by an assessment of \$29,393 for the State's interest payments on school construction bonds.

CURRENT EXPENSE TAX LEVY	\$15,191,614	84.41%	\$15,495,446	87.42%	\$303,832
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The local tax levy is determined by subtracting the above noted anticipated revenue items from the total proposed appropriations. Due to Montvale's property wealth, the majority of the funds to support public education come from local property taxes.

REVENUE & TAX ANALYSIS	<u>2016-17</u>	<u>2017-18</u>	<u>Change</u>	
<i>Fund Balance Appropriated</i>	\$1,036,131	\$548,681	(\$487,450)	-47.05 %
<i>Local Sources (Interest/fees)</i>	\$132,100	\$132,100	\$0	0.00%
<i>State Aid</i>	\$638,778	\$638,778	\$0	0.00%
<i>Current Expense Tax Levy</i>	<u>\$15,191,614</u>	<u>\$15,495,446</u>	<u>\$303,832</u>	<u>2.00%</u>
<i>Total Operating Budget</i>	\$16,998,623	\$16,815,005	(\$183,618)	-1.08%

SPECIAL PROJECTS AND DEBT SERVICE

<i>Local, State & Federal Programs</i>	\$367,802	\$286,676	(\$81,126)	(22.06%)
<i>Capital Projects Reserves Applied</i>	\$30,000	\$30,000	\$0	0%
<i>Debt Service Tax Levy</i>	\$601,672	\$594,222	(\$7,450)	(1.24%)

BUDGET GRAND TOTAL	<u>\$17,998,097</u>	<u>\$17,725,903</u>	<u>(\$272,194)</u>	<u>(1.51%)</u>
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APPROPRIATIONS:

	2016-17 Revised Budget	% of Total Budget	2017-18 Proposed Budget	% of Total Budget	\$ Change
INSTRUCTION	\$7,175,758	40%	\$7,199,750	41%	\$23,992

Costs for services provided in the classroom are recorded as instruction. This account includes the salaries of all regular education classroom teachers, including full-day kindergarten, world language, integrated pre-school and extra academic enrichment. Salaries for lunch, playground, and bus supervision are also included. Textbooks, instructional materials, classroom supplies, computer software, and other pupil/teacher costs are included here. The district continues to invest in technology; the 2017-18 budget includes 100 new chrome-books, 55 desktops, as well as digital projection replacements. This section also includes student support services such as guidance and nursing. Professional Development of teaching staff remains a priority with increased investment in these services planned for 2017-18.

EMPLOYEE BENEFITS & OTHER EMPLOYEE SUPPORT SERVICES	\$2,897,043	16%	\$2,923,848	16%	\$26,805
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Benefits and other support services including costs such as FICA contributions remain a material component of the budget. Costs for health benefits are anticipated to rise year-on-year, the district participates in the NJ State Health Benefits Plan, the largest medical insurance pool in the State. All participating staff contributes toward the cost of health premiums.

SPECIAL EDUCATION	\$2,114,264	12%	\$2,364,063	13%	\$248,799
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Designated for activities primarily for students having special needs, this account contains the salaries of the district's CST Team, speech therapists, Pre-K teacher, LLD teacher, Resource Room teachers and teaching assistants. In addition to salaries, this area includes related services received by students per their IEPs, such as speech therapy, OT, PT, applied behavior analysis, and one-to-one nursing services. The district continues working with the Pascack Valley Special Education Region Office to establish specific criteria and cost effective delivery of services to students. Supplies for special education are also included. For the 2017-18 school year, the district is budgeting for an additional LLD class for older students, one additional resource room teacher at Fieldstone, and additional teaching assistants.

SCHOOL AND GENERAL ADMINISTRATION	\$1,485,827	8%	\$1,475,534	8%	(\$10,923)
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Funds to support the management of the district are in this account. The salaries for school administration are included here as well as district operating expenses including office supplies, postage, telephones, auditing, legal services, risk management, recruitment, architectural services, commencement, school elections, New Jersey School Boards Association membership, State mandated in-service programs for board members, printing costs, research and development, Federal & State Mandated Right-to-Know Survey, and cooperative purchasing costs, are appropriated in this part of the budget. The anticipated reduction is driven by salary breakage.

OPERATION OF PLANT	\$1,357,022	8%	\$1,372,395	8%	\$15,373
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Activities to keep the physical plant and grounds open, comfortable, and safe for use include the salaries of three full-time custodians, a maintenance person, and lunchroom supervision personnel. Funds have been provided for contracted cleaning services, utilities, property insurance, service contracts, repairs, cleaning supplies, snow removal and lawn care. Increases in this account are driven by year-on-year price increases across buildings and grounds services and equipment.

DEBT SERVICE	\$631,672	4%	\$624,222	4%	(\$7,450)
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The District has two outstanding bonds, one maturing in 2021 and one maturing in 2027. Annual interest and principal payments are funded through the debt service tax levy and funds remaining from past referendums.

APPROPRIATIONS CONTINUED:

	2016-17 Revised Budget	% of Total Budget	2017-18 Proposed Budget	% of Total Budget	\$ Change
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TUITION \$655,893 4% \$611,498 3% (\$44,395)

Tuition for eight resident pupils who attend out-of-district special education classes is included here. In 2017-18, it is anticipated that four students will be placed in other area school districts' classes, one in a Bergen County program, and three in a private school programs. Federal Grant funds, in the amount of \$130,000 will supplement this allocation. The number of out-of-district students for 2017-18 is one less than in 2016-17, driving the decrease.

TRANSPORTATION \$499,508 3% \$524,024 3% \$24,516

Costs for contracted transportation for public and non-public elementary pupils living more than two miles from their schools, children in special education programs, as well as transportation costs for student events. Students will continue to be transported on eight busses and a late bus will be available to Fieldstone Students two days a week. Transportation appropriations are anticipated to rise in 2017-18 with an additional route for special-education students.

CAPITAL OUTLAY \$814,306 5% \$343,893 2% (\$470,413)

Capital outlay is the designation for equipment with a cost greater than \$2,000 and major building repairs. For 2017-18, funds are included for a partial roof replacement project at Memorial Elementary School and an updated School Access System. The district will pay the State an interest assessment charge for state-wide costs under the School Construction Authority in the amount of \$28,393. The year-on-year reduction is attributable to a more expensive roof project conducted at Fieldstone school during the 2016-17 school year.

LOCAL, STATE, & FEDERAL PROGRAMS \$367,802 2% \$286,676 2% (\$81,126)

The District receives grants from local sources such as the PTO and MEF, state grants such as Chapter 192/193, and federal grants including IDEA and NCLB. In 2017-18, the NCLB program is being replaced with the ESSA program. It was recommended the district assume funding under ESSA will be approximately 80% of what it was under NCLB.

<i>PROPOSED EXPENSES SUMMARY</i>	<u>2016-17</u>	<u>2017-18</u>	<u>Change</u>	
<i>CURRENT EXPENSE (including Capital Outlay)</i>	\$16,999,623	\$16,815,005	(\$183,618)	(1.08%)
<i>STATE & FEDERAL PROJECTS</i>	\$367,802	\$286,676	(\$81,126)	(22.06)
<i>DEBT SERVICE</i>	<u>\$631,672</u>	<u>\$624,222</u>	<u>(\$7,450)</u>	<u>(1.18)%</u>
TOTAL	\$17,998,097	\$17,725,903	(\$272,194)	(1.51)%

TAX IMPACT OF PROPOSED BUDGET
SCHOOL YEAR BASIS

Based on the current average assessed value of a Montvale home of \$519,086, it is estimated that taxes (inclusive of debt service) to support the 2017-18 proposed school budget will increase \$75.13 annually on the average assessed home.

Year	Current Net Taxable Valuation	Budget Tax Levy	Mil Rate	Current Average Assessed Home Value	Montvale School Taxes per Average Home	Increase	
2016-17	\$2,047,653,647	\$15,793,286	0.7713	\$519,086	\$4,003.64		
2017-18	\$2,047,653,647	\$16,089,668	0.7858	\$519,086	\$4,078.78	\$75.13	1.88%



Special projects planned for the 2017-18 school year include:

- Continued purchase of technology for student use to maintain the 1-1 Digital Learning Initiative for grades 6, 7, 8 and digital device availability for grades K-5. Also, replacing older Smart Boards with new digital projection set-ups.
- Roofing project for the area above the third grade wing at Memorial Elementary School.
- Establishment of an LLD class at Fieldstone Middle School, providing special-education students the opportunity to remain in-district.
- Continued focus on staff development through the office of the Director of 21st Century Technology, Curriculum and Instruction.
- On-going student support with additional teaching assistants and lunchroom aides.
- Additional special-education teacher at Fieldstone.
- Safety and security updates through a centralized building security access system.

Additional information about the Montvale Public Schools and the User Friendly Budget are available on our website: www.montvalek8.org

Questions or comments about the budget?

E-mail our Business Administrator at awasserman@montvalek8.org

Students entering kindergarten will be the high school class of 2030 and will retire around 2079. We need to do our best to educate them for all our futures.