



**HACKENSACK
PUBLIC SCHOOLS**
EXCELLENCE IN EDUCATION



Welcome

**Budgeting
for
2019-2020**

Budget Process . . .

Budget preparation is defined in N.J.S.A. 18A:22-7. The process varies by District. Here in Hackensack the process began in November. School principals, department heads and supervisors were asked to prepare their respective budgets, including a Table of Organization (staffing) for the 2019/20 school year.

All stakeholders were asked to be cognizant of the current economic conditions and the District's ability to fund programs for next school year, so budgets should not be a "Wish List" but "Factual" with relevant back-up information.

This Business Administrator met with each school principal and department head to discuss budget needs and specific requests for next school year. All budgets were reviewed by the Superintendent during the month of February.

The preliminary budget was constructed. It comes down to total expenditures verses anticipated revenues. The "bottom line" is expenditures cannot exceed revenues.

The Preliminary 2019/20 school year budget was presented to the Board on March 11, 2019. The Final 2019/20 school year budget is presented at this Public Hearing March 26, 2019.

2019/20 Budget Calendar . . .

Monday, March 11, 2019

Preliminary Budget adopted by the Board

Tuesday, March 12, 2019

Preliminary Budget submitted to County Superintendent

Friday, March 22, 2019

Preliminary Budget approved by County Superintendent

Tuesday, March 26, 2019

Public Budget Hearing

Final Budget Approval by the Board

Definitions . . .

Tax Levy – The amount of revenue raised through property taxes to support the General Fund

Budgeted Fund Balance – Surplus Funds from prior year budgets used as revenue in future budget years and/or unused appropriations from prior budget year

Extraordinary Aid – State aid for special education costs that exceed \$40,000 per year/per student (public school) and \$55,000 per year/per student (private school)

SEMI Aid – Federal aid for services provided to special education students eligible for Medicaid reimbursement

Maintenance Reserve - Surplus Funds reallocated from Fund Balance and set aside to be used to implement required maintenance of school district's facilities

Capital Reserve – Surplus Funds reallocated from Fund Balance and set aside for future capital improvement projects

Debt Service – Funds for payment of principal and interest on outstanding bonded debt previously approved by the voters

Other Funds . . .

Fund 12 – Capital Outlay, items that are funded by general fund revenues, includes increases in the general fund capital reserve account, equipment purchases, and facilities acquisition and construction services.

Fund 20 – Special Revenue, accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, i.e., ESSA (Title I) and IDEA funds. The amount of grant funds received differ from year to year.

Fund 30 – Capital Projects, the source of revenue in this fund would be the sale of bonds, grants, or transfers from the general fund to augment the grant. Separate accounting must be used for each capital project.

Fund 40 – Debt Service, accounts for the accumulation of resources for, and the payment of long-term debt, principal and interest.

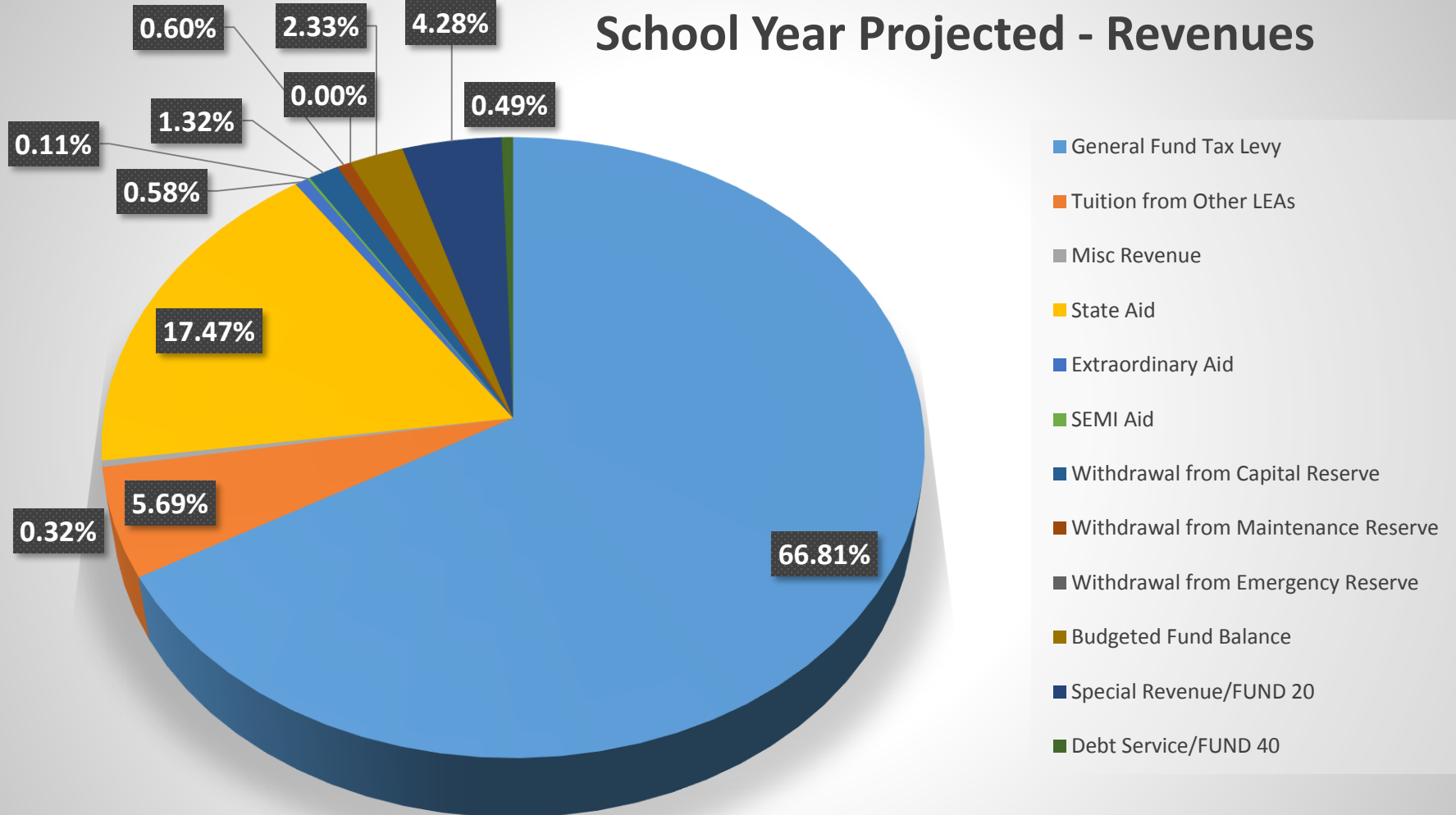
Fund 60 – Food Service, used to account for any activity for which a fee is charged to external users for goods and services.

2019/20 Projected Revenue

| Current Expense/FUND 11 | 2018/19 | \$ Changes \$ | 2019/20 | % Change |
|---|---------------|---------------|---------------|----------|
| General Fund Tax Levy | \$82,865,444 | +\$1,657,308 | \$84,522,752 | 2.00% |
| Tuition from Other LEAs | \$8,126,176 | (\$924,056) | \$7,202,120 | (11.40%) |
| Misc Revenue | \$411,025 | (\$1,025) | \$410,000 | 0.00% |
| State Aid | \$19,221,282 | +2,875,682 | \$22,096,964 | 14.30% |
| Extraordinary Aid | \$750,000 | (\$18,299) | \$731,701 | (2.40%) |
| SEMI Aid | \$150,434 | (\$6,426) | \$144,008 | (4.15%) |
| Withdrawal from Capital Reserve | \$2,250,000 | (\$586,000) | \$1,664,000 | (26.04%) |
| Withdrawal from Maintenance Reserve | \$250,000 | +511,306 | \$761,306 | 204.52% |
| Withdrawal from Emergency Reserve | \$0.00 | +2,335 | \$2,335 | 100.00% |
| Budgeted Fund Balance | \$1,979,730 | +971,102 | \$2,950,832 | 49.05% |
| Adjustment for Prior Year Encumbrances | \$2,133,044 | | | |
| Total Revenue | \$118,137,135 | +\$2,348,883 | \$120,486,018 | +1.99% |
| Special Revenue/FUND 20 | \$6,648,755 | (\$1,238,220) | \$5,410,535 | (18.62%) |
| Preschool Education Aide | \$2,690,381 | (\$526,844) | \$2,163,537 | |
| NCLB/Title I, Title IIA, Title III, Title III (Immigrant) | \$2,440,290 | (\$439,759) | \$2,000,531 | |
| IDEA I(Basic/Preschool) | \$1,558,084 | (\$311,617) | \$1,246,467 | |
| Debt Service/FUND 40 | \$635,813 | (\$12,550) | \$623,263 | (1.97%) |
| Grand Total Revenue | \$125,421,703 | \$1,098,113 | \$126,519,816 | 0.88% |

2019/20

School Year Projected - Revenues

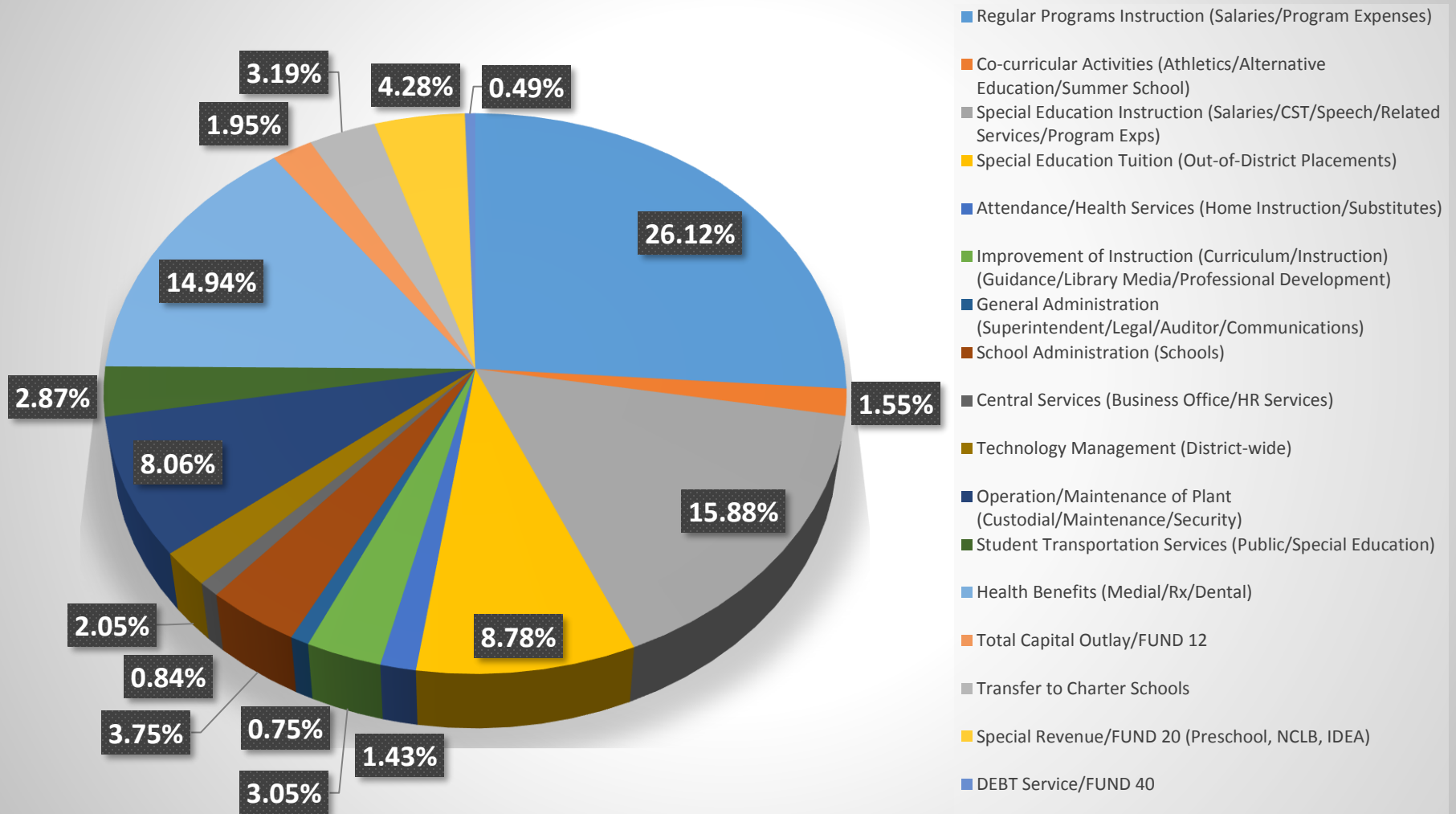


2019/20 Projected Expenditures

| Current General Expense | 2018/19 Budget | \$ Changes \$ | 2019/20 Budget | % of Budget |
|--|----------------|---------------|----------------|-------------|
| Regular Programs Instruction (Salaries/Program Expenses) | \$ 34,481,361 | (\$1,431,471) | \$ 33,049,890 | (4.15%) |
| Co-curricular Activities (Athletics/Alternative Education/Summer School) | 2,007,862 | (\$42,771) | 1,965,091 | (2.10%) |
| Special Education Instruction (Salaries/CST/Speech/Related Services/Program Exps) | 19,307,936 | +\$782,061 | 20,089,997 | 4.05% |
| Special Education Tuition (Out-of-District Placements) | 8,863,117 | +\$2,249,917 | 11,113,034 | 25.37% |
| Attendance/Health Services Home Instruction/Substitutes | 1,842,812 | (\$33,176) | 1,809,636 | (1.80%) |
| Improvement of Instruction (Curriculum/Instruction) (Guidance/Library Media/Professional Development) | 4,261,304 | (\$404,226) | 3,857,078 | (9.40%) |
| General Administration (Superintendent/Legal/Auditor/Communications) | 949,313 | +\$3,840 | 953,153 | 0.40% |
| School Administration (Schools) | 4,475,703 | +\$264,473 | 4,740,176 | 5.90% |
| Central Services (Business Office/HR Services) | 812,347 | +\$254,190 | 1,066,537 | 31.30% |
| Technology Management (District-wide) | 962,784 | +1,629,074 | 2,591,858 | 169.20% |
| Operation/Maintenance of Plant (Custodial/Maintenance/Security) | 9,740,983 | +\$462,490 | 10,203,473 | 4.75% |
| Student Transportation Services (Public/Special Education) | 3,511,497 | +\$119,822 | 3,631,319 | 3.41% |
| Health Benefits (Medical/Rx/Dental) | 14,320,861 | +\$771,622 | 15,092,483 | |
| Other Employee Benefits | 3,684,117 | +\$127,761 | 3,811,878 | 5.00% |
| Total General Current Expense/FUND 11 | \$ 109,221,997 | +4,753,606 | \$ 113,975,603 | 4.35% |
| Total Capital Outlay/FUND 12 | 5,153,905 | (\$2,682,787) | 2,471,118 | (52.05%) |
| Transfer to Charter Schools | 3,761,233 | +278,064 | 4,039,297 | 7.39% |
| General Fund Grand Total | \$ 118,137,135 | +\$2,348,883 | \$ 120,486,018 | 1.99% |
| Special Revenue/FUND 20 (Preschool, NCLB, IDEA) | 6,648,755 | (\$1,238,220) | 5,410,535 | (18.62%) |
| DEBT Service/FUND 40 | 635,813 | (\$12,550) | 623,263 | (1.97%) |
| Total Expenditures/Appropriations | \$ 125,421,703 | +\$1,098,113 | \$ 126,519,816 | 0.88% |

2019/20 Budget

School Year Projected - Expenditures



Regular Program Instruction (Salaries/Program Expenses)

Comprises 27.40% of the district's proposed budget for the 2019/20 school year. These line items represent salaries for Preschool, Kindergarten, Bilingual, and Grades 1 thru 12 teachers \$31,215,433; classroom aides \$482,567; General Supplies (District-wide) \$1,102,125; Textbooks (District-wide) \$29,500; Purchased Services \$213,205; and Misc Expenses \$7,050; total \$33,049,890

As a result of account reclassification appropriations decrease \$1,431,471 (4.15%)

Co-curricular Activities/Athletics Alternative Education/Summer School

Comprises 1.60% of the district's proposed budget for the 2019/20 school year. These line items represent Co-curricular Activities, Athletics, Alternative Education, and Summer School programs; total \$1,965,091

Appropriations decrease \$42,771 (2.10%)

Special Education Instruction (Salaries/Program Expenses)

Comprises 16.65% of the district's proposed budget for the 2019/20 school year. These line items represent salaries for LLD, BD, MD, Resource Room, and PSD teachers \$8,468,728; classroom aides \$3,364,596; speech \$2,224,495; Related Services, i.e. O/T and P/T \$1,920,502; administration, secretarial, CST \$4,111,676; total \$20,089,997

Appropriations increase \$782,061 (4.05%)

Special Education Tuition (Out-of-District Placements)

**Comprises 9.20% of the district's proposed budget for the 2019/20 school year. These line items represent tuition for out-of-district placements (148) to other LEAs, Vo Tech, CSSD/Regional Day, and Private NJ schools;
total \$11,113,034**

Appropriations increase \$2,249,917 (25.37%)

**Total special education expenditures = \$31,203,031
plus transportation \$3,631,319 = \$34,834,350
(28.90% of 2019/20 school year budget)**

Attendance/Health Services Home Instruction/Substitutes

Comprises 1.60% of the district's proposed budget for the 2019/20 school year. These line items represent salaries for Attendance \$5,400); Health Services (School Nurse) \$962,736; Home Instruction other than Sp Ed \$20,000; and Substitutes for the academic year \$821,500; total \$1,809,636

Appropriations decrease \$33,176 (1.80%)

Improvement of Instruction

Comprises 3.20% of the district's proposed budget for the 2019/20 school year. These line items represent salaries, purchased services, supplies and materials, and misc expenses for Guidance \$1,445,345; Instructional Supervisors \$1,549,074; Secretarial \$226,903; Library Media \$603,281; and professional development \$32,475;

total \$3,857,078

Appropriations decrease \$404,226 (9.50%)

General Administration

Comprises 0.80% of the district's proposed budget for the 2019/20 school year. These line items represent salaries for the Superintendent; Legal services, Audit services, Architect services; copiers, communications, postage, supplies, NJSBA dues, and misc Board expenditures;
total \$953,153

Appropriations increase \$3,840 (0.40%)

School Administration

Comprises 3.95% of the district's proposed budget for the 2019/20 school year. These line items include salaries for administration (Principals) \$3,403,779; secretarial \$1,286,357; purchased services, supplies, and misc expenses \$50,040;

total \$4,740,176

Appropriations increase \$264,473 (5.85%)

Central Services

**Comprises 0.90% of the district's proposed budget for the 2019/20 school year. These line items support the Business Office and include administrative and staff salaries, misc purchased services, i.e., budget software, payroll, supplies and misc expenses;
total \$1,066,537**

Appropriations increase \$254,190 (31.30%)

Technology (District-wide)

**Comprises 2.15% of the district's proposed budget for the 2019/20 school year. These line items support the district's technology initiatives and include salaries for staff, purchase technical services, misc expenses and tech supplies;
total \$2,591,858**

As a result of account reclassification appropriations increase \$1,629,074 (169.20%)

Operation/Maintenance of Plant

Comprises 8.45% of the district's proposed budget for the 2019/20 school year. These line items support the district's maintenance and custodial services, including salaries for staff, general supplies, cleaning/repair/maintenance services, purchase of professional technical services, i.e., maintenance software, other purchased property services (water, sewerage, trash removal, insurance);
total \$10,203,473

Appropriations increase \$462,490 (4.75%)

These line items include \$562,876 for security services.

Student Transportation

Comprises 3.00% of the district's proposed budget for the 2019/20 school year. These line items support the district's student transportation services and include salaries for bus drivers, maintenance of school vehicles, special education transportation expenditures, jointure transportation agreements, and field trips;

total \$3,631,319

Appropriations increase \$119,822 (3.41%)

Health Benefits

Other Employee Benefits

**Comprises 15.70% of the district's proposed budget for the 2019/20 school year. This budget includes \$15,092,483 for medical/prescription/dental benefits;
and \$3,811,878 for other employee benefits, i.e. FICA contributions, PER\$ contributions, unemployment, workers' comp, tuition reimbursement and compensated absences;
total \$18,904,361**

Appropriations increase \$899,383 (5.00%)

Capital Outlay/FUND 12

Comprises 2.05% of the district's proposed budget for the 2019/20 school year. These line items represent a withdrawal from Maintenance Reserve \$761,306; a transfer from Capital Reserve \$1,664,000; SDA debt Service Assessment \$37,812; and capital reserve interest \$10,000; total \$2,471,118

Withdrawal from Capital Reserve

The transfer of these reserves supports the following capital and maintenance/repair projects that are in addition to the Facilities Efficiency Standards determined by the Commissioner of Education as necessary to achieve the Student Learning Standards:

| Project Number | Description | Estimated Cost |
|----------------|---|----------------|
| 2020-01 | Lease/Installation of Modular Classrooms (ECDC Annex) | \$1,664,000 |
| 2020-02 | Middle School Cafeteria/Gym Lighting Replacement | \$59,000 |
| 2020-03 | Middle School Chimney Repair | \$23,000 |
| 2020-04 | High School Kitchen Roof Repair/Replacement | \$150,000 |
| 2020-05 | High School Gym Lighting Replacement | \$38,400 |
| 2020-06 | High School Chimney Repair | \$23,000 |
| 2020-07 | Parker School Retain Walls/Masonry Repairs | \$456,000 |
| 2020-08 | Fairmount School Re-caulk Maintenance/Repairs | \$11,906 |

Transfer to Charter Schools

Comprises 3.35% of the district's proposed budget for the 2019/20 school year. This line item supports an enrollment of 293 students in six (6) Charter Schools

Bergen Arts and Sciences 278

John P. Holland 1

Paterson Arts and Sciences 3

Englewood on the Palisades 9

Paterson Science Tech 1

Teaneck Community 1

total \$4,039,297

Appropriations increase \$278,064 (7.39%)

Special Revenue/FUND 20

Comprises 4.25% of the district's proposed budget for the 2019/20 school year

These line accounts receive grant funds, i.e., Preschool aid, IDEA Flow-Thru, and ESSA consolidated aid

The Special Revenue Fund does not require a contribution from the General Fund and is supported in total by grant funds received from State and Federal sources

total \$5,410,535

Debt Service/FUND 40

Comprises 0.50% of the district's proposed budget for the 2019/20 school year. These line items support the repayment of district debt;

total \$623,263

Appropriations decrease \$12,550 (1.97%)

RECAP

General Current Expense \$113,975,603

Capital Outlay \$2,471,118

Transfer to Charter Schools \$4,039,297

Special Revenue Fund \$5,410,535

Debt Service \$623,263

total \$126,519,816

Appropriations increase \$1,098,113 (0.88%)

Be It Resolved, that the Hackensack Board of Education, County of Bergen, approves the ***Final 2019/20 school year budget as follows:***

| | |
|--|----------------------|
| Current General Expense (Fund 11) | \$113,975,603 |
| Capital Outlay (Fund 12) | 2,471,118 |
| Transfer to Charter Schools | 4,039,297 |
| TOTAL GENERAL FUND | \$120,486,018 |
| Special Revenue (Fund 20) | 5,410,535 |
| Debt Service (Fund 40) | 623,263 |
| TOTAL EXPENDITURES/APPROPRIATIONS | \$126,519,816 |
| and | |

Be It Resolved, that the **GENERAL FUND** tax levy **\$84,522,752** and **DEBT SERVICE** tax levy **\$623,263** are approved to support the 2019/20 school year budget;
and

Be It Further Resolved, that this budget includes a budgeted withdrawal from Capital Reserve, in the amount of **\$1,664,000**, representing expenditures for capital projects; and budgeted withdrawal from Maintenance Reserve, in the amount of **\$761,306**, representing expenditures for required maintenance repairs; these capital and maintenance projects are in addition to the Facilities Efficiency Standards determined by the Commission of Education necessary to achieve the Student Learning Standards adopted by the State Board of Education:

| <i>Project Number</i> | <i>Description</i> | <i>Estimated Cost</i> |
|------------------------------|---|------------------------------|
| 2020-01 | Lease and Installation of Modular Classrooms (ECDC Annex) | \$1,664,000 |
| 2020-02 | Middle School Cafeteria/Gym Lighting Replacement | \$59,000 |
| 2020-03 | Middle School Chimney Repair | \$23,000 |
| 2020-04 | High School Kitchen Roof Repair/Replacement | \$150,000 |
| 2020-05 | High School Gym Lighting Replacement | \$38,400 |
| 2020-06 | High School Chimney Repair | \$23,000 |
| 2020-07 | Parker School Retain Walls/Masonry Repairs | \$456,000 |
| 2020-08 | Fairmount School Re-caulk Maintenance/Repairs | \$11,906 |

and

Be It Further Resolved, that this budget also includes a budgeted withdrawal from Emergency Reserve, in the amount of **\$2,335**, to support the SHBP increase (6.6%) in health care costs.

**2018 Average Home Assessment
\$245,431.00**

Current Tax Rate 1.536

Proposed Tax Rate 1.553

**2019 Average Home Assessment
\$250,634.00**

**Est Increase to Average Home
Assessment \$10.29 per month**

**Budgeted Per Pupil Cost - \$19,463
Employee Benefits as a percentage of
salaries - 27.9%**

QUESTIONS

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