

# **SOUTH HARRISON TOWNSHIP ELEMENTARY SCHOOL DISTRICT**



## **2017 – 2018 TENTATIVE DISTRICT BUDGET STATEMENT**

# 2017-18 District Budget - Tentative

## Executive Summary

### Introduction

Currently, the operating budget totals \$5,216,129 which equates to an increase of \$29,912 (0.58%) from current year. The tentative budget was developed with a 2.98% increase in the general fund tax levy. The tax levy includes the use of banked cap in the amount of \$30,652 that was generated in the 2016-17 fiscal year. Initial state aid figures remain flat from current year. The special revenue fund totals \$140,279, a projected increase of \$818 from current year. The debt service fund totals \$872,550, which equates to an increase of \$5,900.

	2016-17	2017-18	Variance
Total Operating Budget	\$5,186,217	\$5,216,129	\$29,912
Total Special Revenue	\$139,461	\$140,279	\$818
Total Debt Service	\$866,650	\$872,550	\$5,900
Total Budget	\$6,192,328	\$6,228,958	\$36,630

### Process

The budget development process began in November when district and school administrators were requested to assess their current programs and practices, identify their needs for the subsequent year and submit their funding requests. Initial budgetary requests exceeded projected revenues by \$199,697. Through discussions with school administrators and district level supervisors we were able to close the gap and bring proposed appropriations in line with projected revenues.

### Vision 2018

The 2017-18 district budget is the fifth budget developed under the auspices of the District's strategic plan. The South Harrison Township School District embarked on [Vision 2018, a strategic planning](#) initiative that engaged employees, parents, students, community members, business owners, and government leaders in the future planning of our school system in spring 2013. This collaborative planning process resulted in a five-year plan, which will focus the district's efforts and financial resources on mutually determined goals that support the needs of our students and the district as a whole.

### Board Goals

The South Harrison Twp. Board of Education has adopted the mantra "Committed to Excellence" and a mission to develop and maintain a comprehensive education program that will foster the academic, social, and personal growth of all students. The Board is also committed to providing high quality resources to challenge and empower each individual to pursue his/her potential, to develop a passion for learning in a diverse and challenging world, to encourage citizenship, and to reach a high standard of achievement at all grade levels as defined by the Common Core Standards and NJ Core Curriculum Content Standards. The 2017-18 budget considered specific goals and action items adopted by the

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Board of Education on October 17, 2016. This collaborative process sets the tone and direction for the district and the [Board's Goals](#) influenced the development of the 2017-18 school budget.

### Enrollment

District enrollment is expected to decrease for the 2017-18 School Year when compared to actual enrollment for the 2016-17 School Year. Available school choice seats will be held to the District maximum of 27 students in September 2017. In total, the District projects an enrollment decrease of 5.46% to 363 Pre-School to 6<sup>th</sup> grade students for the 2017-18 school year.

	Current Enrollment 2016-2017	No. of Teachers 2016-2017	Avg. Class Size	Projected Enrollment 2017-18	No. of Teachers 2017-18	Avg. Class Size	Percent (Dec)/ Inc.
PS-3	10	1	-	7	1	-	
PS-4	10	-	-	10	-	-	
K	44	2	22	38	2	19	
1 <sup>st</sup>	55	3	18	44	2	22	
2 <sup>nd</sup>	45	2	23	56	3	18	
3 <sup>rd</sup>	53	3	18	46	3	15	
4 <sup>th</sup>	52	3	17	53	3	17	
5 <sup>th</sup>	57	3	19	52	3	17	
6 <sup>th</sup>	58	3	19	57	3	19	
District Total	384	20	19.2	363	20	18.2	-5.46%
Resident Students	358			336			
Choice Students	26			27			

### Average Class Size

Average class size is expected to be eighteen (18) students to one (1) classroom teacher. This 18:1 ratio remains under the District's 25:1 ratio in grades kindergarten-six. Second grade is expected to increase to fifty-six (56) students and we are planning to reassign a lower elementary teacher to 2nd grade, increasing 2nd grade teaching assignments to three, while lowering teaching assignments in 1st grade to two. (*Policy 2311 Class Size and Strategic Plan Alignment: Goal II: 6*)

Grade	Maximum
Kindergarten	25 26-30 (with aide)
1 – 6	25
Special Education	Pursuant to State law

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### Budget Development Considerations

#### Personnel

The 2017-18 tentative budget reduces certificated staff by 0.3 FTE and maintains the same number of non-certificated staff positions from current year. Therefore, this budget supports the following:

- **Special Education Teacher.** The 2017-18 budget supports the increase of a part-time (.50 FTE) special education teacher to full-time (1.0 FTE) to provide one-on-one instruction pursuant to a child's individual education plan (IEP). *(Strategic Plan Alignment: Goal II: 6)*
- **Instructional Coach/Interventionist.** Through the use of the District's available Rural Education Achievement Program (REAP) grant, South Harrison will hire a part-time (0.6 FTE) Instructional Coach/Interventionist. This individual will work to improve students' academic achievement by providing targeted supports to students in the classroom and during RTI, with a specific focus on math. Additionally, the Instructional Coach will assist teachers in the classroom to increase their capacity and confidence in using evidenced-based practices related to instruction. *(Strategic Plan Alignment: Goal I: 3, 4, 6, 8)*
- **Faculty.** With the increase of a part-time special education teacher to full-time (0.5 FTE), a part-time instructional coach/interventionist (0.6 FTE), the reduction of the music teacher to part time (-0.4 FTE) and the reduction of one classroom teacher (-1.0 FTE), the 2017-18 budget supports 31.8 certificated faculty members to discharge the instructional program. This represents a reduction of 0.3 FTE for the 2017-18 school year. Faculty is comprised of: twenty (20) classroom teachers, six (6.0) special education teachers and 5.8 special area teachers. *(Strategic Plan Alignment: Goal II: 6)*
- **Paraprofessional.** Paraprofessionals are used to support students with individual education plans (IEPs). With the exception of one (1) paraprofessional employed by South Harrison Twp. Elementary, paraprofessionals will continue to be contracted through MissionOne during the 2017-18 School Year. *(Strategic Plan Alignment: Goal II: 3)*

#### Curriculum & Instruction

At present, the District will be entering its fifth year under contract with the Kingsway Regional School District to provide curricular articulation and guidance. The cost is \$60,000 and includes the support of the Chief Academic Officer as well as a dedicated Elementary Supervisor and Data/Assessment Supervisor. The goal of this shared endeavor continues to be vertical and horizontal alignment of curriculum as well as development of teachers' classroom practice. Curriculum and instruction remains a priority in the 2017-18 school year. *(Strategic Plan Alignment: Goal I)*

This budget supports the following curricular initiatives:

- **Curriculum Writing.** This budget will support the development and alignment of the K-6 science curricula as we implement the New Jersey Student Learning Standards for Science (NJSLS-S) beginning September 2017. Curriculum will be written during the summer months with strategic revisions throughout the school year. \$14,420 has been appropriated for curriculum writing in 2017-18. *(Strategic Plan Alignment: Goal I: 3, 4, 6, 8)*

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- **Reading Series Adoption:** This budget will support the adoption of a new reading series, SchoolWide (\$55,000.) During the 2016-2017 school year, teachers and administrators engaged in a review of several reading series and selected SchoolWide due to its balanced literacy framework. Within this framework, there are opportunities to read to students (mentor texts), to read with students (shared texts), and to have students read independently (books and other texts at their independent reading levels). This reading series also aligns with Calkins writing units, currently used in grades K-2 and implemented 3-5 in the 2017-18 school year. *(Strategic Plan Alignment: Goal I: 3, 4, 6, 8)*
- **Professional Development for Staff.** During the 2017-18 school year, voluntary summer workshops and afterschool professional learning workshops (PLWs) for teachers will provide trainings on a variety of instructional topics. The District will also support out-of-district workshops that align with the professional development goals outlined in the District's annual Professional Development Plan (PDP). Focus will remain on balanced literacy and data-driven decision making as well as differentiated instruction, a concept reinforced through RTI. Additional professional development topics for staff will include: New Jersey Student Learning Standards (NJSLS), inclusion of students with special needs, assessment literacy, the use of technology to support instruction, and applicable special area content workshops. *(Strategic Plan Alignment: Goal I: 3, 4, 5, 6, 7, 8, 9)*

### Child Study Team Services

This budget supports the shared child study team supervisory services and allocates \$16,000 for this service. The savings generated through this shared service has been appropriated to the employment of a full-time learning disability teacher consultant (LDT/C) and a full-time secretary to assist with special services and data input. *(Strategic Plan Alignment: Goal II: 3).*

This budget supports the following special services initiatives:

- **Special Education Programming.** The transition of the part-time special education teacher to full-time will allow South Harrison to better meet the individual learning needs of students who may otherwise be placed out-of-district. Funds have also been allocated to continue with popular programs that support student achievement such as FURever as Friends literacy program. Additionally, we will operate an expanded academically enriching, cost-effective extended school year program for our pre-school disabled students during July and August. ESY permits disabled youngsters to work towards their IEP goals in the summer months in a fun and stimulating environment. *(Strategic Plan Alignment: Goal II: 5)*

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### Extra-Curricular Programs

After Governor Christie's cuts in the 2010-11 SY, reducing South Harrison's budget by \$205,000, extracurricular programs were eliminated from the operating budget. Clubs were returned in the 2013-14 School Year and have continuously been increased in successive budgets. Therefore, extracurricular programs will remain a priority in this budget, appropriating \$11,854 for FY18.

**Clubs & Activities.** The 2017-18 budget will support the following clubs/activities: Chorus, Newspaper, Stokes Coordinators, Student Council, Fuel up to Play 60, art club, battle of the books, and the school play. (*Strategic Plan Alignment: Goal I: 10*)

	Actual 2012-13	Actual 2013-14	Actual 2014-15	Actual 2015-16	Budget 2016-17	Proposed 2017-18
Allocation	\$ -	\$ 4,400	\$ 7,200	\$ 8,244	\$ 9,543	\$ 11,854
Percent Change		0%	64%	15%	16%	24%

### Technology

The District is completing the third year of a shared services arrangement with the Kingsway Regional School District for the provision of technology services. Technology remains a priority in this budget and \$35,000 has been re-appropriated for the shared service arrangement. The total technology budget for FY18 totals \$104,150. Included within the technology budget is the replacement of SMART boards, wireless access points, Chromebook cart, and additional classroom computers and iPads. (*Strategic Plan Alignment: Goal V: 1, 2, 3, 6*).

### Maintenance

At present the District is under contract with the Kingsway Regional School District to provide maintenance services. The cost of the fourth year of the contract is \$60,000. With the help and expertise of Kingsway's Maintenance staff, the building is getting some much-needed attention. The maintenance staff has spent a significant amount of time in the building this year, and the Maintenance Supervisor has assisted administration by scheduling maintenance projects with KRSD staff, and has coordinated with vendors when needed, while overseeing their work. The maintenance budget includes funds for the upgrade of HVAC controls in the B, C, D, E & F wings. This will complete the conversion of the buildings automated HVAC controls over to Reliable. Also included within the budget are funds to make permanent repairs to the gymnasium roof. (*Strategic Plan Alignment: Goal III: 1, 2, 3*).

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### Revenue Summary

#### General Fund

The South Harrison Township Elementary School District's operating budget (general fund) totals \$5,216,129 for fiscal year 2018. The general fund is made up five main sources of revenue: (1) Fund Balance, or surplus; (2) State Aid; (3) Local Tax Levy; (4) Tuition; and (5) Other miscellaneous sources (Facility rental, interest, E-Rate reimbursements, etc.)

- **Fund Balance.** The FY18 operating budget utilizes \$347,899 of surplus to fund current expenditures. Although helpful for 2017-18, it remains a priority to wean the district off of the reliance on surplus to fund recurring fixed expenditures. We make every attempt to maintain the amount of surplus budgeted for future year expenditures, with any excess dedicated toward non-recurring expenditures such as instructional equipment and capital improvements.
- **State Aid.** On February 28, 2017, Governor Christie delivered his budget address to a joint session of the Legislature. Two days later school districts throughout the State received their anticipated state aid figures. Total state aid for FY18 is projected to be held flat at \$1,634,459.
- **Local Tax Levy.** The FY18 general fund is supported by \$3,209,771 in local property taxes. This represents an increase of \$92,988 or 2.98%. It is important to note that this increase does not include debt service, which will decrease by \$75,370. This decrease in debt service is primarily due to the refunding of existing bonds that were issued in 2006. This year the District has elected to utilize a "banked" cap waiver of \$30,652 to exceed the 2% tax levy cap. A detailed analysis of the preliminary tax impact has been included in the Appendix.
- **Miscellaneous.** The FY18 budget includes miscellaneous anticipated revenue in the amount of \$24,000. This includes estimated revenue of \$10,000 for interest and other miscellaneous revenues and \$14,000 for preschool tuition.
- **Supplemental Enrollment Growth Aid (SEGA).** In August 2012 the South Harrison Township School District was one of a few districts to receive a supplemental appropriation from the Property Tax Relief Fund as a result of significant enrollment growth. South Harrison received \$149,760 of the \$4.141 million appropriated. To qualify a school district's enrollment had to increase by at least 13% between October 2008 and October 2011. The supplemental growth aid has become a permanent part of South Harrison's state aid and stands at \$149,760 for FY18.

#### Special Revenue

The special revenue fund accounts for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The special revenue fund totals \$140,279 for FY18. This is an anticipated increase of \$818 from FY17.

- **NCLB Title I.** Title I funds are federal dollars dedicated specifically to our at-risk students. Anticipated revenue for FY18 is \$18,565.
- **NCLB Title IIA.** Title IIA funds are federal dollars dedicated to the recruitment and training of teachers and principals. Anticipated revenue for FY18 is \$4,892.

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- **IDEA.** IDEA funds are federal dollars dedicated to our students with special needs. We anticipate \$60,000 for FY18, which have historically been used to offset our costly out of district tuition placements, as well as to support related services for our preschool disabled students.
- **REAP.** REAP (Rural Education Achievement Program) funds are federal dollars designed to assist rural districts that may lack the personnel and resources to compete effectively for Federal competitive grants. We anticipate REAP funds in the amount of \$56,822 for the 2017-18 school year.

### Debt Service

The debt service fund accounts for the accumulation of resources for, and the payment of, long-term debt, principal and interest. The sources of revenue in this fund are state aid and local tax levy.

- **Debt Service Aid.** The state share dedicated to the payment of our long-term debt stands at \$168,014 for FY18, an increase of \$15,413 from FY17.
- **Debt Service Tax Levy.** The total debt service tax levy for FY18 will be \$630,394. This equates to a reduction of the debt service tax levy in the amount of \$74,370 from FY17. This reduction is attributed to the fund balance remaining in the debt service fund from the 2015-16 fiscal year. Excess fund balance was generated by a refunding of the existing debt. The appendix includes a detailed analysis of the debt service levy's impact on the average homeowner.

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### Appendix

	Assessed Value 2016	Assessed Value 2017	Tax Levy 2016-17	Tax Levy 2017-18	Tax Rate 2017-18	Tax Rate 2016-17	Rate Change
General Fund	378,324,352	379,454,625	3,116,783	3,209,771	0.8459	0.8238	0.0221
Debt Service	378,324,352	379,454,625	705,764	630,394	0.1661	0.1865	-0.0204
Total Tax Levy			3,822,547	3,840,165	1.0120	1.0104	0.0016

#### ESTIMATED ANNUAL TAX IMPACT

	16-17	17-18	Increase
\$200,000	2,020.78	2,024.04	3.27
\$300,000	3,031.17	3,036.07	4.90
\$321,471	3,248.11	3,253.36	5.25
\$400,000	4,041.56	4,048.09	6.53
\$500,000	5,051.94	5,060.11	8.17