

North Hanover Township School District

2019-2020 District Budget

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Superintendent

Budget Considerations

BIG IDEA: Support and improve programs and student achievement while managing uncertain revenues.

- Support high quality learning experiences like STEM, specialized reading, positive behavior intervention and supports, staff development needs, technology infrastructure, data tracking and accountability
- Position for complete loss of B2 (Heavily Impacted funding)
- Prepare for threat of a second sequestration
- Improve services for all students, including special education, gifted and talented, students needing intervention and English Language Learners

Program Goals

- Improve student achievement with continued focus on literacy and mathematics
- Sustain Next Generation Science Standards district-wide; implement systematic STEM/pre-engineering experiences (Project Lead the Way).
- Implement full day, high quality 3 year old and 4 year old pre-school, with transportation
- Foster standards-based, data rich instruction with high levels of classroom and intra-team differentiation and collaboration

Program Goals, continued

- Maintain “living,” hands-on, teacher developed, tightly aligned curriculum, instruction and assessment (ELA, Math, Special Areas)
- Improve systemic intervention program for struggling and excelling learners by expanding the continuum of services available (Reading Specialist, Behavior Support Specialist, additional Math Intervention teacher, additional Special Education teacher)
- Provide for 21st Century skill development through authentic, active learning and functional, seamless use of technology resources (one-one device access)

Program Goals, continued

- Provide intensive and continuous opportunities for high quality professional learning for all staff (ex: PLC, multi-sensory reading, STEM, supporting military connected students, positive behavior intervention/support, mathematics instruction).
- Further develop Social-emotional learning opportunities, supports and interventions and family connections in order to address the needs of the whole child (Transition Coordinator/Community Parent Involvement Specialist, Social Wellness for Academic Growth, Responsive Classroom, Behavior Specialist)

Program Goals, continued

- Ensure all facilities are updated, safe and secure and support current programs (opening of Endeavour School, renovation at CB Lamb School, planning for UES upgrades).

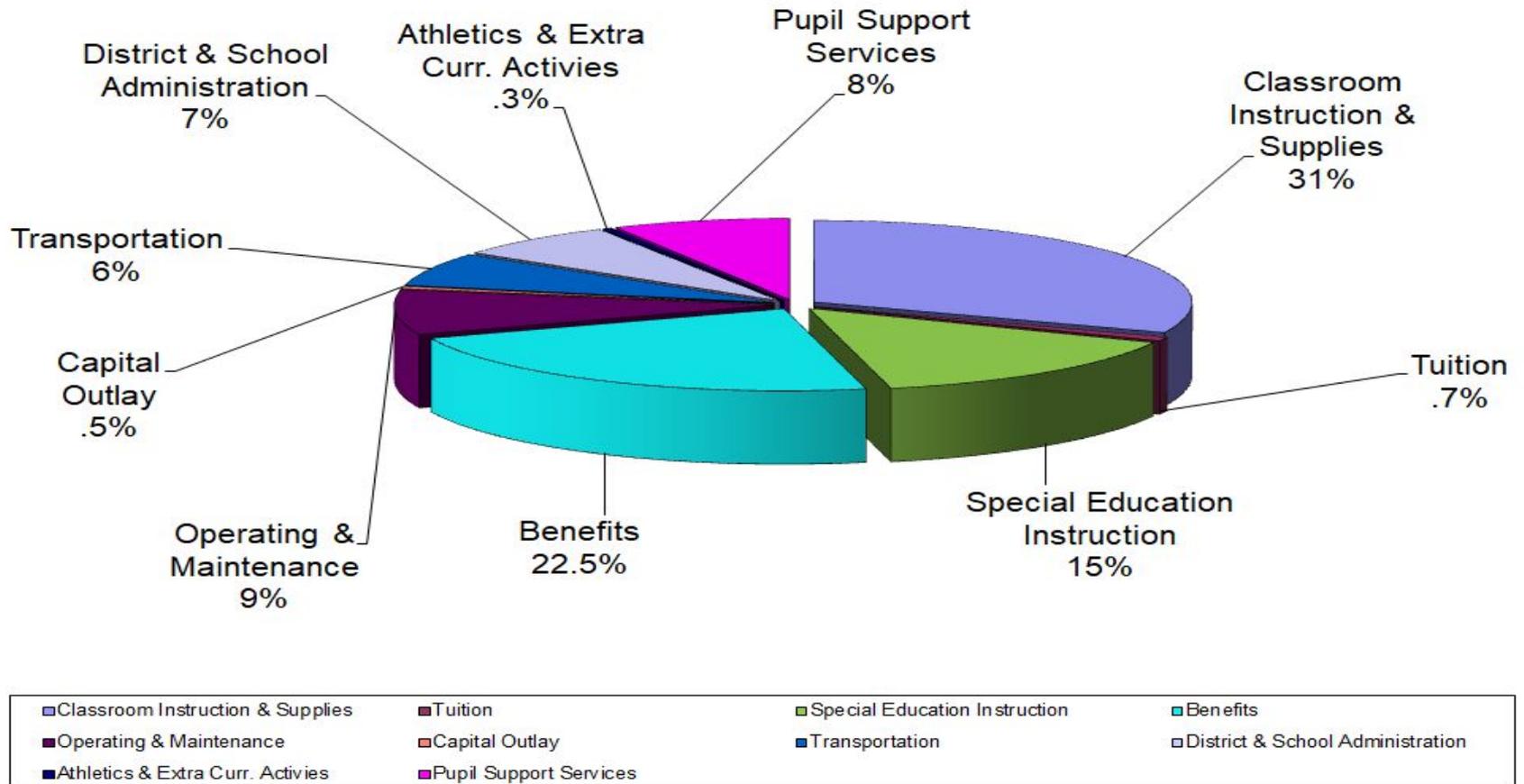
2019-2020 Budget Goals

The proposed budget represents the Administration and Board of Education's best recommendation that

1. Meets program goals
2. Continues the commitment to professional development and support
3. Controls spending to address declining revenue
4. Maintains a local tax effort at 2% cap
5. Maintains enough Impact Aid in reserve to adjust/respond to future volatility and short and long-term facility needs

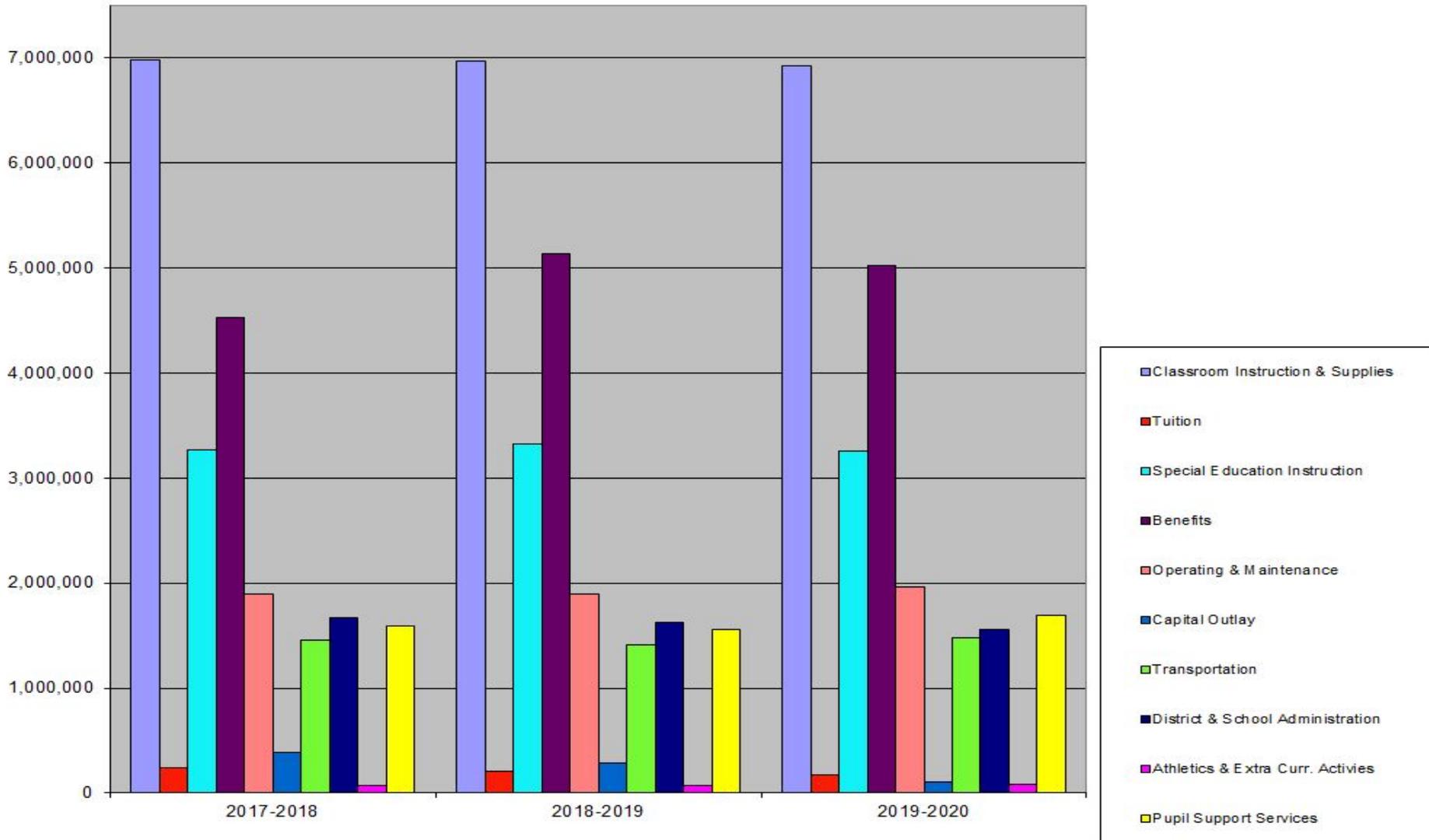
Where Do We Spend?

North Hanover Township Board of Education 2019-2020 School Budget Expenditures



What is the trend?

Budget Expenditures – 3 Years



Budget Summary

	18-19 Budget	19-20 Budget	Comments
Expenses:	\$22,508,590	\$22,253,027	Over past 7 budget cycles -\$1.7m (was \$23,995,695 in 2013-2014) Approx. same as 2009-2010
Revenues			
• State Aid	\$11,803,550	\$11,817,391	slight increase
• Projected Impact Aid	Projected: \$7,000,000 Basic Support	Projected: \$7,000,000 Basic Support	19-20 Final Year of hold harmless Some additional hold harmless may come in
• Addl Misc	\$365,000	\$355,000	
• Local Tax Levy	\$3,028,417	\$3,088,985	2%
Tax Rate:	.712	.717	half a penny
Total Shortfall as budgeted	-\$44,087	\$0	

Impact Aid Reserve Report

Total Impact Aid Reserve as of July 2018 Audit	\$26,288,110	NOTES:
Regular IA Reserve Total	\$25,963,787	
encumbered for 18-19	\$44,088	
est. obligation to CBL Project	\$12,000,000	
Minimum to reserve for cash flow and volatility	\$7,200,000	
Estimated uncommitted IA Reserve	\$6,719,699	To be used for UES Safety and Security project
Impact Aid Capital Reserve	\$324,323	Balance of Endeavour commitment

Estimated Tax Impact

Estimated Net Taxable Valuation	\$433,306,910			
General Fund School Tax Levy	\$3,088,985			
Estimated Gen. Fund Tax Rate	0.717			
Property Assessment	Taxes 2018-2019	Taxes 2019-2020	Increase 2019-2020	Increase/month
\$121,000	\$862	\$868	\$6	\$0.50
\$221,000	\$1,573	\$1,585	\$11	\$0.90
\$315,602	\$2,247	\$2,263	\$15	\$1.29
\$400,000	\$2,848	\$2,868	\$20	\$1.64
\$500,000	\$3,560	\$3,585	\$25	\$2.05
\$600,000	\$4,272	\$4,302	\$29	\$2.46

Good News/ Bad News

Good News

- FY18 Impact Aid is looking better than anticipated
- FY19 IA Basic Support appropriations are up \$31m program-wide
- FY20 IA request +50m (long way to go in budget process) This would keep payments at FY18 levels.
- Operating Budget is balanced this year based on \$7m IA payment
- State Aid is stable
- Tax impact is small (\$15 for average home/year)
- All programs intact, with planned improvements
- Taking advantage of grant opportunities for alternative revenue sources
- Adequate reserve for payment volatility and future facility needs

Bad news

- Second round sequester is still possible (5% cut)
- Hold Harmless payments final step down next year, and then end.

Bottom Line

- Impact Aid is a moving target. Other revenues are essentially flat or growing at a fractional pace. Property taxes support a very small portion of the budget.
- We have reduced expenditures >\$2.6 million in 7 years to cope with declining revenue.
- We will not maintain B2 status, and FY19 is our last year of Hold Harmless.
- We must hold the line at approx \$7m in IA or less going forward
- If strong appropriations continue, we will be able to sustain this spending level but we cannot grow our budget.