

**May 1, 2018**



# Hoboken Public Schools

**District Budget Hearing**  
2018-2019

# Adoption of the Budget

The preliminary district budget was submitted to and approved by the New Jersey Department of Education – Hudson County Office.

The Hudson County Office approval allows the district to advertise and present budget information at today's budget hearing.

The Hoboken Board of Education will take action on adopting the 2018-2019 District budget at their May 8, 2018 regular meeting.

# Presentation Overview

- Macro Level
- Enrollment Assumptions
- Charter Schools
- Micro Goals
- Budget Highlights
- Appropriations
- Debt Service
- Revenue Projections
- Fund Balance

# Macro Level: Budget Factors

- ❑ The district is in an improved financial condition.
- ❑ The district has a healthy general surplus position.
- ❑ Preserve Maintenance Reserve to better protect the district with facility repair and maintenance projects.
- ❑ Continue to build Capital Reserve to address facility needs for renovations, upgrades, and expansions that the School Development Authority (“SDA”) has not met.
- ❑ Maintain Food Service reserve to cover bad debts by June 30, 2018.
- ❑ Reduce the reliance on surplus as a source of funds in future district budgets.

# Macro Level: Budget Factors

- ❑ Increased net Charter School Payments projected for 2018-2019.
- ❑ Reduced rental income from Preschool Providers.
- ❑ Additional White Board technology.
- ❑ New textbook series.
- ❑ Decreased state aid level.
- ❑ Increase in district salaries.
- ❑ Increase in the cost of Health Benefits due to contractual changes.

# Macro Level: Budget Factors

- ❑ Historical trends are major concerns for the Board of Education and district administration.
- ❑ Upward trends indicate areas of the budget that, due to growth, absorb resources.
- ❑ These increasing trends, if not completely offset by declining areas, use up available funds and draw resources away from other programs or instructional uses.

# Macro Level: Goals

- ❑ Fund current employment contract obligations. District collective bargaining agreements expire as follows:
  - ✓ Hoboken Education Association – June 30, 2019
  - ✓ Hoboken School Employees Association – June 30, 2017
  - ✓ Hoboken Administrators' Association – June 30, 2019
- ❑ Review district personnel needs in regards to projected enrollment trends.
- ❑ Maintain the district's current programs and services.
- ❑ Confirm 2017-2018 spending and project for fiscal year end June 30, 2018.

# Macro Level: Abbott v. Burke

- ❑ Hoboken Public School's budget financial structure is influenced by our former status as an Abbott district in the following ways:
  - ✓ School Based Budgeting ("SBB")
  - ✓ Mandated School Level programs  
(Parent Outreach Activities, After School Programs, Student Field Trips, Kindergarten)
  - ✓ Pre-School program
  - ✓ School Development Authority ("SDA")

# Enrollment Assumptions

- ❑ A net increase in total district population is estimated to be 94 students, which represents a conservative 3.50% growth rate over last year.
- ❑ Elementary Schools expect a total net increase of 47 students or half of the total increase. Kindergarten continues to reflect strong enrollment growth on the district side along with large grade levels moving up to 3<sup>rd</sup> grade.
- ❑ The middle school grade levels should see additional students as well representing 39 students. This increase is due mainly to a large cohort moving into the 6<sup>th</sup> grade.
- ❑ Hoboken High School will remain stable with no major change in total enrollment.

# Charter Schools: Enrollment Assumptions

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- ❑ Total enrollment in Charter Schools is expected to increase by 5 students moving from 774 in 2017-2018 to 779 projected for 2018-2019.
- ❑ Total Charter School projected enrollment is as follows:

|              | 2017-2018  | 2018-2019  | CHANGE    |
|--------------|------------|------------|-----------|
| HoLa CS      | 307        | 309        | +2        |
| Elysian CS   | 254        | 256        | +2        |
| Hoboken CS   | 207        | 207        | 0         |
| Other        | 6          | 7          | +1        |
| <b>TOTAL</b> | <b>774</b> | <b>779</b> | <b>+5</b> |

# Charter Schools: Appropriations

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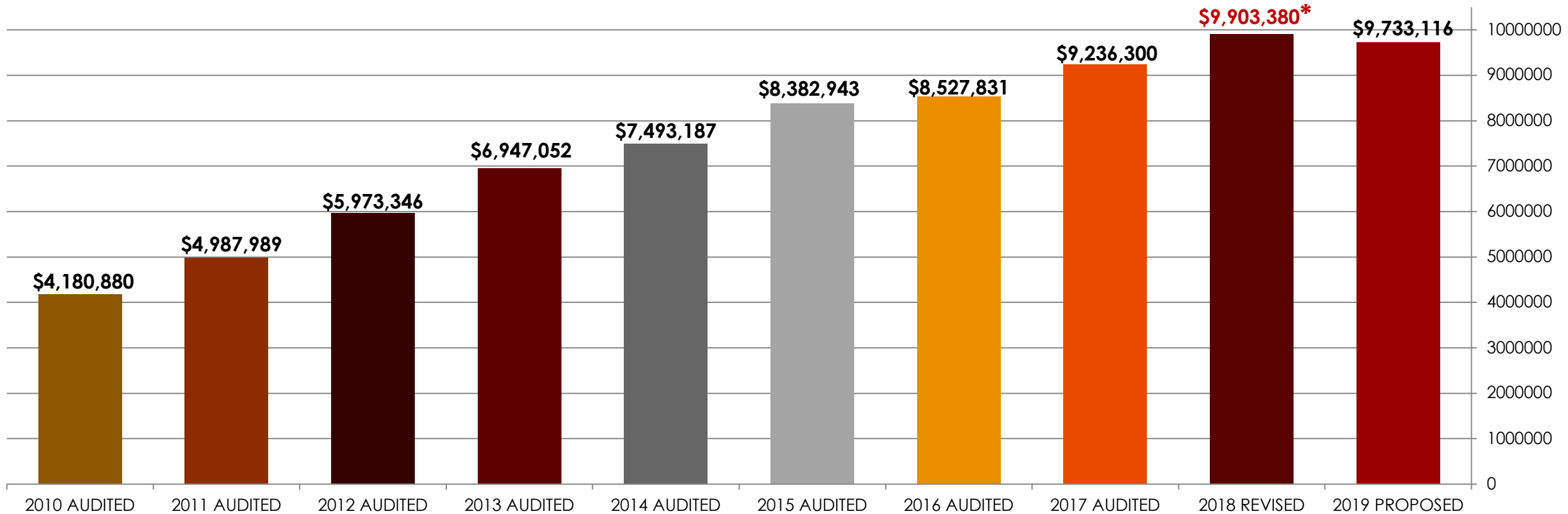
- ❑ Charter School payments are increasing by 6.04% in 2018-2019, growing from \$ 9,178,681 to \$9,733,116.
- ❑ The increase can be attributed to the following:

|              | <b>2017-2018</b>    | <b>2018-2019</b>    | <b>Increase</b>   |
|--------------|---------------------|---------------------|-------------------|
| HoLa CS      | \$ 3,446,419        | \$ 3,820,971        | \$ 374,552        |
| Elysian      | 3,184,913           | 3,211,109           | 26,196            |
| Hoboken CS   | 2,444,615           | 2,576,355           | 131,740           |
| Others       | 102,734             | 124,681             | 21,947            |
| <b>TOTAL</b> | <b>\$ 9,178,681</b> | <b>\$ 9,733,116</b> | <b>\$ 554,435</b> |

# Charter Schools: Appropriations

(continued)

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**Note: The final 2018 transfer to Charter Schools will be advised down; the current revised payment is \$9,178,681. The NJDOE will make a final adjustment as of June 30, 2018.**

# Micro Level: School Level Goals

- ❑ Maintain core mission – educational foundation programs (Language Arts, Math, Science).
- ❑ Review district personnel needs at the school level and adjust for projected enrollment trends.
- ❑ Maintain the district's other existing programs (Art, Music, World Language).

# Micro Level: Special Education Goals

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- ❑ Budget for all out-of-district student tuitions and related transportation.
- ❑ Provide required student services:
  - ✓ Evaluations
  - ✓ Speech therapy
  - ✓ Occupational therapy
  - ✓ Physical therapy
  - ✓ Medical services
- ❑ Provide required student instructional supplies and materials as per Individual Education Plan (IEP).

# Micro Level: Special Education Goals

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- ☐ Return students to less restrictive environments.
- ☐ Expand Autistic Supplemental Program (ABA).
- ☐ Provide self-contained classrooms.
- ☐ Additional resource centers.

# Micro Level: Technology Goals

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- ❑ Maintain core mission providing instructional and administrative technology support.
- ❑ Secure additional resources, expanding department support and maintenance capabilities.
- ❑ Continue to implement the district's technology plan and support district's devices (Tablets, Switches, Network Devices, Upgraded Smart Boards and Printers).
- ❑ Acquire additional Chrome Books and LED/whiteboards for all sites.

# Micro Levels: Security Goals

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- ☐ Additional supervisory position.
- ☐ Maintain existing security systems.
- ☐ Expand hardware capacity and capabilities.
- ☐ Acquire additional resources, expanding and upgrading existing security, monitoring, and entry systems.

# Micro Level: Facilities Goals

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- ☐ Repair, or coordinate vendor services for, all district facility systems
  - ✓ Heat Ventilation and Air Conditioning
  - ✓ Electric
  - ✓ Water
- ☐ Fire Alarm and other safety systems
- ☐ Purchase repair and maintenance supplies and material.
- ☐ Continue preventative maintenance programs.
- ☐ Provide acceptable property insurance.
- ☐ Manage use of SDA funds (when provided).

# Budget Highlights: Programs & Staffing

- ❑ Additional Staffing to Cover Increasing Enrollment
- ❑ Project Lead the Way
- ❑ Fine & Performing Arts, World Languages, PE/Health + Connors Interdisciplinary Pilot (K-2)
- ❑ High School Personal Growth Period Learning Experiences
- ❑ Passport to Learning After School Program at Elementary & Middle Levels
- ❑ Summer Theater, Music, Enrichment & Sports Program
- ❑ Extended School Year Program
- ❑ Co-curricular Programs
- ❑ RTI Support Instruction
- ❑ Dual Enrollment Programming
- ❑ Gifted and Talented Programming + Johns Hopkins/GiftedAndTalented.com Courses

# Budget Highlights: High School Level

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- ❑ Newly Designed Program of Studies with New Courses
  - ✓ Black History and Experience in America
  - ✓ Latino History and Experience in America
  - ✓ AP Computer Science
  - ✓ Dual Enrollment Courses (NJIT)
  - ✓ Required Foundational Engineering and Computer Science Courses
- ❑ Curricular Development, Training, and Classroom Enhancements
- ❑ Math Lab Support
- ❑ Athletic Expansion
- ❑ Field Trip Experiences
- ❑ Advanced Placement Institute
- ❑ Virtual School Lab

# Budget Highlights: Middle School Level

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- ❑ Facilities Project to Build Outdoor Activity Park and Indoor Living Classroom
- ❑ Mathematics Professional Development
- ❑ Literacy Program Core Novel Expansion
- ❑ RTI Math and ELA Support
- ❑ Field Trip Experiences
- ❑ Enrichment Courses Including Coditum Coding Program
- ❑ Passport to Learning After School Program Expansion
- ❑ Passport to Wellness + Intramural Sports

# Budget Highlights: Elementary School Level

- ❑ Mathematics Program Overhaul (K-4)
- ❑ Orton Gillingham Multi-Sensory Reading Training
- ❑ Literacy Program Core Novels Expansion
- ❑ Brandt School Grade Three Addition & Related Arts
- ❑ 5th & 6th Grade Advanced Mathematics Program
- ❑ School-wide Enrichment Program Development to Enhance Challenge & Support
- ❑ Passport to Learning After School Program Expansion
- ❑ Passport to Wellness Extension

# Budget Highlights: Early Childhood Education & Technology

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## Early Childhood Education

- ❑ Four (4) Additional Kindergarten Classrooms
- ❑ Seeking Facilities Options for Pre-K

## Technology

- ❑ Future Ready Schools Initiative
- ❑ Chromebook Carts
- ❑ Google Apps for Educator Training and Certification
- ❑ Ricoh Boards
- ❑ Technology + Internet Access Initiative
- ❑ Professional Development Training: Transition from Smart Boards to LED Interactive Boards

# Appropriations: 2018-2019 Projections

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|                     |   |
|---------------------|---|
| \$ 56,841,997       | General Fund Appropriations 2017-2018             |
| \$ 58,445,613       | General Fund Appropriations 2018-2019             |
| <b>\$ 1,603,636</b> | <b>General Fund <i>Increase</i> for 2018-2019</b> |

**Note:** *The General Fund Appropriations (Operating Budget) includes Charter School payments. Total increase is 2.82% over prior year.*

# Resources & Uses

## (Summary)

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### RESOURCES

|                                   |                     |
|-----------------------------------|---------------------|
| Tax Levy Increase                 | \$ 1,971,980        |
| General Fund Balance Increase     | 239,690             |
| Tuition Increase                  | 83,455              |
| Charter School Payment Adjustment | 170,264             |
| State Aid Decrease                | (121,353)           |
| Other Revenue Decrease            | (203,827)           |
|                                   | <b>\$ 2,140,209</b> |

### USES

|   |                       |
|---|-----------------------|
| New Staff (Kindergarten Teachers/Aides) | \$ (589,850)          |
| New Security Resources                  | (55,000)              |
| New Lease Purchase (Student Technology) | (128,825)             |
| Increase in Lease Purchase (Other)      | (572,276)             |
| Contractual Salary & Benefits Increases | (794,258)             |
| - Net                                   |                       |
|   | <b>\$ (2,140,209)</b> |

**ADVERTISED APPROPRIATIONS**

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| <b>Budget Category</b>                             | <b>2016-17 Actual</b> | <b>2017-18 Revised</b> | <b>2018-19 Proposed</b> | <b>% Change</b> |
|--|-----------------------|------------------------|-------------------------|-----------------|
| <b>GENERAL CURRENT EXPENSE</b>                     |                       |                        |                         |                 |
| <b>INSTRUCTION</b>                                 |                       |                        |                         |                 |
| Regular Programs - Instruction                     | \$ 1,672,156          | \$ 1,800,855           | \$ 957,557              | -46.83%         |
| Special Education - Instruction                    | 47,858                | 84,379                 | 20,000                  | -76.30%         |
| School-Spon. Co/Extra Curr. Actvts. - Inst         | 174,826               | 113,856                | 137,309                 | 20.60%          |
| Summer School                                      | 151,578               | 180,493                | 209,927                 | 16.31%          |
| <b>SUPPORT SERVICES</b>                            |                       |                        |                         |                 |
| Undistributed Expenditures - Instruction (Tuition) | \$ 2,149,804          | \$ 2,205,501           | \$ 2,177,167            | -1.28%          |
| Undist. Expend.-Attendance And Social Work         | 123,227               | 142,758                | 170,769                 | 19.62%          |
| Undist. Expenditures - Health Services             | 25,911                | 34,742                 | 54,651                  | 57.31%          |
| Undist. Expend.-Speech, OT, PT And Related Svcs    | 899,795               | 909,020                | 970,964                 | 6.81%           |
| Undist Expend-Oth Supp Serv Std-Extra Serv         | 1,009,997             | 1,165,209              | 1,327,610               | 13.94%          |
| Undist. Expenditures - Child Study Teams           | 1,259,930             | 1,472,142              | 1,554,131               | 5.57%           |
| Undist. Expend.-Improv. Of Inst. Serv.             | 434,694               | 475,386                | 394,078                 | -17.10%         |
| Undist. Expend.-Edu. Media Serv./Library           | 426,604               | 502,645                | 554,338                 | 10.28%          |
| Undist. Expend.-Instr. Staff Training Serv.        | 17,105                | 11,300                 | 10,800                  | -4.42%          |
| Undist. Expend.-Support Serv.-Gen. Admin.          | 907,180               | 1,105,665              | 1,001,335               | -9.44%          |
| Undist. Expend.-Support Serv.-School Admin.        | 5,766                 | 2,750                  | 3,225                   | 17.27%          |
| Undist. Expend. - Central Services                 | 710,432               | 702,805                | 762,791                 | 8.54%           |
| Undist. Expend. - Admin. Info Technology           | 129,383               | 106,899                | 108,535                 | 1.53%           |
| Undist. Expend.-Oper. And Maint. Of Plant Serv.    | 5,114,950             | 5,168,517              | 4,933,586               | -4.55%          |
| Undist. Expend.-Student Transportation Serv.       | 1,440,249             | 1,374,257              | 1,369,164               | -0.37%          |
| Personal Services - Employee Benefits              | 3,230,907             | 2,861,114              | 2,939,237               | 2.73%           |
| Undistributed Expenditures-Food Services           | 433,995               | 104,821                | 50,000                  | -52.30%         |
| <b>Total Undistributed Expenditures</b>            | <b>\$ 18,319,929</b>  | <b>\$ 18,345,531</b>   | <b>\$ 18,382,381</b>    | <b>0.20%</b>    |
| Interest Earned On Maintenance Reserve             | 0                     | 2,700                  | 2,700                   | -               |
| Increase In Current Expense Emergency Reserve      | 580,000               | 0                      | 0                       | -               |
| Interest Earned On Current Expense Emergency Res   | 0                     | 1,200                  | 1,200                   | -               |
| <b>Total General Current Expense</b>               | <b>\$ 20,946,347</b>  | <b>\$ 20,529,014</b>   | <b>\$ 19,711,074</b>    | <b>-3.98%</b>   |

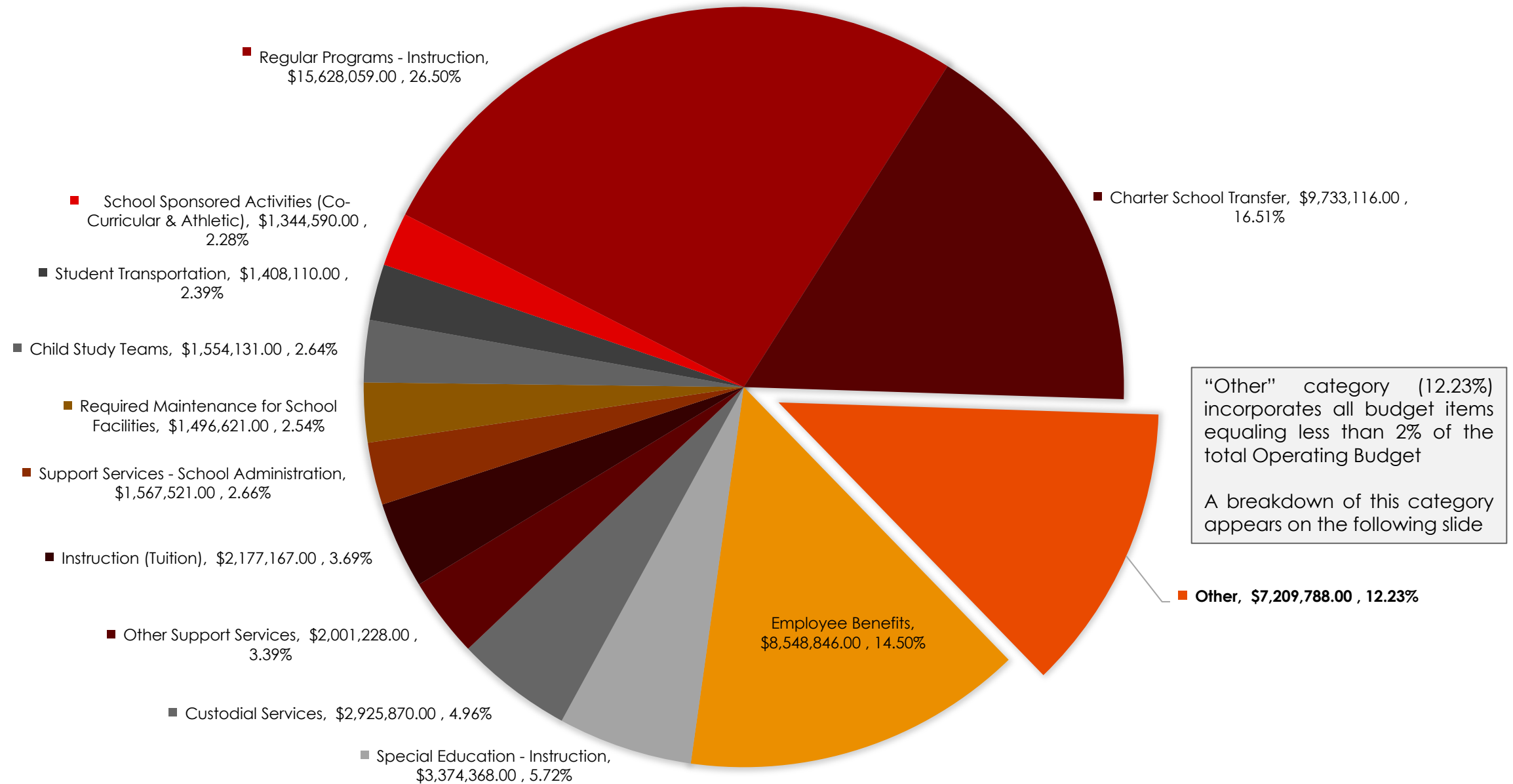
# ADVERTISED APPROPRIATIONS

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| Budget Category   | 2016-17 Actual       | 2017-18 Revised      | 2018-19 Proposed     | % Change     |
|---|----------------------|----------------------|----------------------|--------------|
| <b>CAPITAL EXPENDITURES</b>   |                      |                      |                      |              |
| Total Capital Outlay  | \$ 5,298,240         | \$ 713,785           | \$ 1,161,774         | 62.76%       |
| Transfer Of Funds To Charter Schools                                  | 9,236,300            | 9,903,380            | 9,733,116            | -1.72%       |
| General Fund Contribution To SBB                                      | 23,682,043           | 25,695,798           | 27,839,649           | 8.34%        |
| <b>General Fund Grand Total</b>                                       | <b>\$ 59,162,930</b> | <b>\$ 56,841,977</b> | <b>\$ 58,445,613</b> | <b>2.82%</b> |
| <b>SPECIAL GRANTS AND ENTITLEMENTS</b>                                |                      |                      |                      |              |
| Total Preschool Education Aid   | \$ 12,404,076        | \$ 13,559,452        | \$ 12,844,295        | -5.27%       |
| Total Other State Projects  | 794,581              | 650,522              | 650,522              | 0.00%        |
| Total State Projects  | \$ 13,198,657        | \$ 14,209,974        | \$ 13,494,817        | -5.03%       |
| Total Federal Projects  | \$ 1,939,081         | \$ 1,764,368         | \$ 1,637,028         | -7.22%       |
| Total Special Revenue Funds   | \$ 15,147,593        | \$ 15,981,242        | \$ 15,138,745        | -5.27%       |
| Total Expenditures/Appropriations                                     | \$ 74,310,523        | \$ 72,823,219        | \$ 73,584,358        | 1.05%        |
| <i>Deduct Transfer-Local Contrib. - Trans To Special Rev- Regular</i> | 443,340              | 344,820              | 344,820              | 0.00%        |
| <b>Total Expenditures Net of Transfers</b>                            | <b>\$ 73,867,183</b> | <b>\$ 72,478,399</b> | <b>\$ 73,239,538</b> | <b>1.05%</b> |

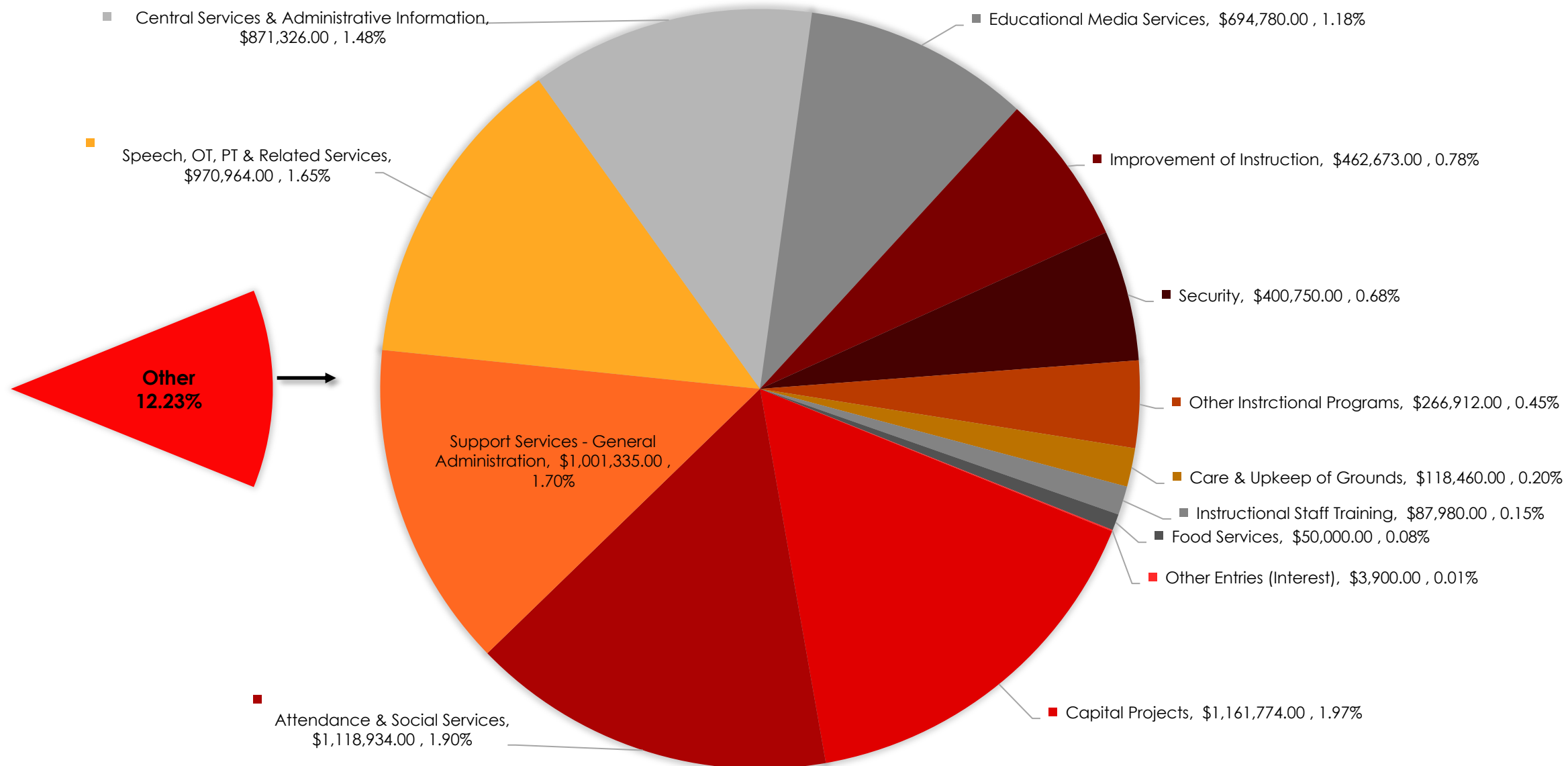
# Operating Budget: 2018-2019

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# Operating Budget: 2018-2019

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# School Based Budgets

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- Hoboken Public Schools' history with Whole School Reform, as a former Abbott District, required that school based resources be isolated. These school based resources increased as follows:

|              | <b>2017-2018</b>     | <b>2018-201</b>      | <b>INCREASE</b>     |
|--------------|----------------------|----------------------|---------------------|
| Instruction  | \$ 17,513,904        | \$ 19,284,036        | \$ 1,770,132        |
| Support Svc  | 8,705,696            | 9,079,415            | 373,719             |
| <b>TOTAL</b> | <b>\$ 26,219,600</b> | <b>\$ 28,363,451</b> | <b>\$ 2,143,851</b> |

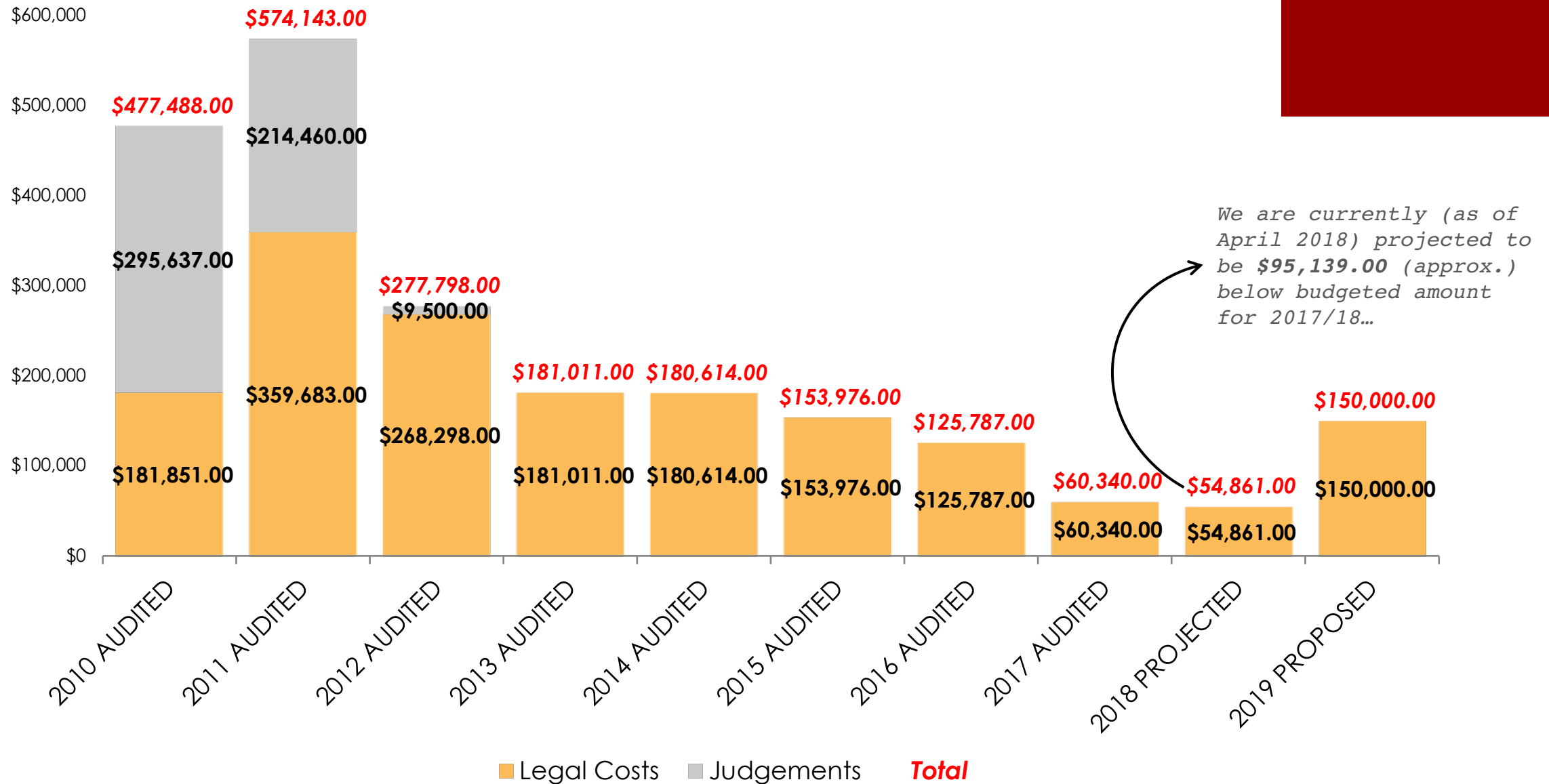
# Appropriations: Overview

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- ❑ Contractual increases in district salaries
- ❑ Five additional teaching positions
- ❑ New district security position
- ❑ Increase in Charter School payments
- ❑ Educational Programs and Initiatives
- ❑ Growing Special Education costs

# Legal Costs (Including Judgements)

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# Pre-K Program (State Required)

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- ❑ As required by the State of New Jersey, the Hoboken Public Schools offer a Preschool program for the district's state approved and eligible 3- and 4-year old children.
- ❑ This program includes instruction, support, and facility appropriations, which are submitted each year for New Jersey Department of Education ("NJDOE") approval.
- ❑ The plan is estimated at \$12,844,295 for 2018-2019.

# NCLB/IDEA (Federal Programs)

- ❑ Hoboken Public Schools provide various programs to comply with the federal Every Student Succeeds Act (“ESSA”) legislation. The program plans are submitted to the NJDOE for approval. Resources identified for these activities in 2018-2019 are \$914,791.
- ❑ Individuals with Disabilities Education Act (IDEA) provides additional federal resources for the district’s special education students. This budget plan, in the amount \$722,237, is mainly for student tuition and is also approved by the NJDOE.

# Debt Service

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- ❑ Purpose: The original loans from the NJEDA funded various environmental projects dating back to 1993. Projects included asbestos removal and tank remediation projects throughout the district.

|  |           |
|--|-----------|
| ✓ Debt Service Tax Levy / Payment 2013-2014: | \$273,706 |
| ✓ Debt Service Appropriation 2014-2015:      | \$0       |
| ✓ Debt Service Appropriation 2015-2016:      | \$0       |
| ✓ Debt Service Appropriation 2016-2017:      | \$0       |
| ✓ Debt Service Appropriation 2017-2018:      | \$0       |
| ✓ Debt Service Appropriation 2018-2019:      | \$0       |

# Revenue: Types

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- ❑ Local Taxes - General Fund Tax Levy
- ❑ Formula Based Aid – General Fund
  - ✓ Special Education
  - ✓ Extraordinary Aid (Special Education)
  - ✓ School Choice
- ❑ Restricted Aid – State
  - ✓ Pre-School Aid
  - ✓ Non Public (Textbooks, Security, Nursing, 192/193, Technology)
- ❑ Restricted Aid – Federal
  - ✓ ESSA
  - ✓ IDEA
  - ✓ Non-Public (Grant Portions)

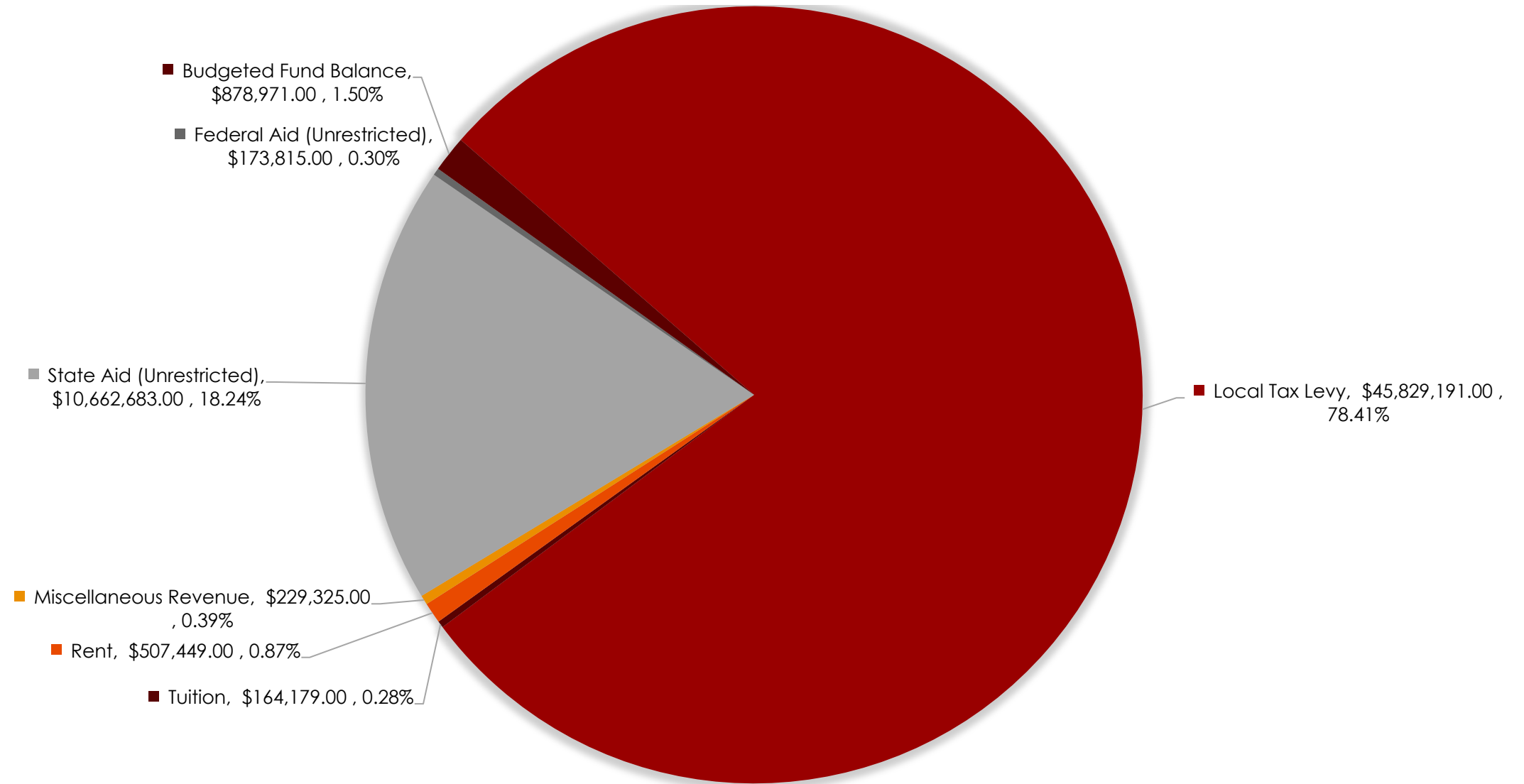
# Revenue Picture 2018-2019

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| REVENUE SOURCE                    | AMOUNT               |
|-----------------------------------|----------------------|
| Local Tax Levy                    | \$ 45,829,191        |
| Tuition                           | 164,179              |
| Rent                              | 507,449              |
| Miscellaneous Revenue             | 229,325              |
| State Aid (Unrestricted)          | 10,662,683           |
| Federal Aid (Unrestricted)        | 173,815              |
| Budgeted Fund Balance             | 878,971              |
| <b>TOTAL GENERAL FUND REVENUE</b> | <b>\$ 58,445,613</b> |

# Revenue Projections: 2018-2019

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**Note:** Local Tax Levy covers the amount transferred to Charter Schools.

**ADVERTISED REVENUES**

**Budget Category**

**2016-17 Actual**

**2017-18 Revised**

**2018-19 Proposed**

**% Change**

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**OPERATING BUDGET**

**REVENUES FROM LOCAL SOURCES**

|  |                      |                      |                      |              |
|--|----------------------|----------------------|----------------------|--------------|
| Local Tax Levy                                   | \$ 42,502,765        | \$ 43,857,211        | \$ 45,829,191        | 4.50%        |
| Total Tuition                                    | 199,242              | 80,724               | 164,179              | 103.38%      |
| Transportation Fees From Other LEAs              | 22,570               | 28,316               | 28,316               | -            |
| Rents and Royalties                              | 649,883              | 550,824              | 507,449              | -7.87%       |
| Unrestricted Miscellaneous Revenues              | 450,505              | 321,140              | 190,709              | -40.61%      |
| Interest Earned On Current Expense Emergency Res | 0                    | 1,200                | 1,200                | -            |
| Interest Earned On Maintenance Reserve           | 0                    | 2,700                | 2,700                | -            |
| Interest Earned On Capital Reserve Funds         | 1,800                | 6,400                | 6,400                | -            |
| <b>Subtotal - Revenues From Local Sources</b>    | <b>\$ 43,826,765</b> | <b>\$ 44,848,515</b> | <b>\$ 46,730,144</b> | <b>4.20%</b> |

**REVENUES FROM STATE SOURCES**

|   |                      |                      |                      |               |
|---|----------------------|----------------------|----------------------|---------------|
| School Choice Aid                             | \$ 2,645,874         | \$ 2,645,874         | \$ 2,357,767         | -10.89%       |
| Categorical Transportation Aid                | 124,453              | 124,453              | 124,453              | 0.00%         |
| Extraordinary Aid                             | 258,417              | 101,516              | 193,813              | 90.92%        |
| Categorical Special Education Aid             | 1,492,059            | 1,492,059            | 1,604,666            | 7.55%         |
| Categorical Security Aid                      | 727,825              | 727,825              | 750,149              | 3.07%         |
| Adjustment Aid                                | 5,617,129            | 5,617,129            | 5,631,835            | 0.26%         |
| PARCC Readiness Aid                           | 24,610               | 24,610               | 0                    | -100.00%      |
| Per Pupil Growth Aid                          | 24,610               | 24,610               | 0                    | -100.00%      |
| Professional Learning Community Aid           | 25,960               | 25,960               | 0                    | -100.00%      |
| <b>Subtotal - Revenues From State Sources</b> | <b>\$ 10,940,937</b> | <b>\$ 10,784,036</b> | <b>\$ 10,662,683</b> | <b>-1.13%</b> |

**REVENUES FROM FEDERAL SOURCES**

|   |                   |                   |                   |                |
|---|-------------------|-------------------|-------------------|----------------|
| Impact Aid                                      | \$ 151,854        | \$ -              | \$ -              | -              |
| Impact Aid - 8002 Or 8003 General               | 0                 | 139,275           | 104,456           | -25.00%        |
| Medicaid Reimbursement                          | 93,635            | 64,561            | 69,359            | 7.43%          |
| ARRA/SEMI Revenue                               | 7,258             | 0                 | 0                 | -              |
| <b>Subtotal - Revenues From Federal Sources</b> | <b>\$ 252,747</b> | <b>\$ 203,836</b> | <b>\$ 173,815</b> | <b>-14.73%</b> |

|  |                      |                      |                      |              |
|--|----------------------|----------------------|----------------------|--------------|
| Budgeted Fund Balance - Operating Budget | \$ -                 | \$ 639,281           | \$ 878,971           | 37.49%       |
| Withdrawal From Emergency Rsv For Excess | 0                    | 12,781               | 0                    | -100.00%     |
| Adjustment For Prior Year Encumbrances   | 0                    | 353,528              | 0                    | -100.00%     |
| <b>Total Operating Budget</b>            | <b>\$ 59,162,930</b> | <b>\$ 56,841,977</b> | <b>\$ 58,445,613</b> | <b>2.82%</b> |

# ADVERTISED REVENUES

## Budget Category

2016-17 Actual

2017-18 Revised

2018-19 Proposed

% Change

40

## GRANTS AND ENTITLEMENTS

|                                  |          |          |          |   |
|----------------------------------|----------|----------|----------|---|
| Other Revenue From Local Sources | \$ 9,855 | \$ 6,900 | \$ 6,900 | - |
|----------------------------------|----------|----------|----------|---|

|                                   |          |          |          |   |
|-----------------------------------|----------|----------|----------|---|
| Total Revenues From Local Sources | \$ 9,855 | \$ 6,900 | \$ 6,900 | - |
|-----------------------------------|----------|----------|----------|---|

## REVENUES FROM STATE SOURCES

|   |      |              |           |         |
|---|------|--------------|-----------|---------|
| Preschool Education Aid - Pr Yr Carryover | \$ - | \$ 1,027,360 | \$ 94,001 | -90.85% |
|---|------|--------------|-----------|---------|

|                         |            |            |            |       |
|-------------------------|------------|------------|------------|-------|
| Preschool Education Aid | 11,960,736 | 12,187,272 | 12,405,474 | 1.79% |
|-------------------------|------------|------------|------------|-------|

|                               |         |         |         |   |
|-------------------------------|---------|---------|---------|---|
| Other Restricted Entitlements | 794,581 | 650,522 | 650,522 | - |
|-------------------------------|---------|---------|---------|---|

|                                   |               |               |               |        |
|-----------------------------------|---------------|---------------|---------------|--------|
| Total Revenues From State Sources | \$ 12,755,317 | \$ 13,865,154 | \$ 13,149,997 | -5.16% |
|-----------------------------------|---------------|---------------|---------------|--------|

## REVENUES FROM FEDERAL SOURCES

|         |            |            |            |        |
|---------|------------|------------|------------|--------|
| Title I | \$ 950,214 | \$ 667,905 | \$ 643,534 | -3.65% |
|---------|------------|------------|------------|--------|

|          |         |         |         |        |
|----------|---------|---------|---------|--------|
| Title II | 226,904 | 216,837 | 253,052 | 16.70% |
|----------|---------|---------|---------|--------|

|           |        |        |        |        |
|-----------|--------|--------|--------|--------|
| Title III | 12,009 | 19,258 | 18,205 | -5.47% |
|-----------|--------|--------|--------|--------|

|          |   |        |   |          |
|----------|---|--------|---|----------|
| Title IV | 0 | 10,677 | 0 | -100.00% |
|----------|---|--------|---|----------|

|                               |         |         |         |         |
|-------------------------------|---------|---------|---------|---------|
| I.D.E.A. Part B (Handicapped) | 749,954 | 849,691 | 722,237 | -15.00% |
|-------------------------------|---------|---------|---------|---------|

|                                     |              |              |              |        |
|-------------------------------------|--------------|--------------|--------------|--------|
| Total Revenues From Federal Sources | \$ 1,939,081 | \$ 1,764,368 | \$ 1,637,028 | -7.22% |
|-------------------------------------|--------------|--------------|--------------|--------|

|                                      |         |         |         |   |
|--------------------------------------|---------|---------|---------|---|
| Transfers From Operating Budget-Prek | 443,340 | 344,820 | 344,820 | - |
|--------------------------------------|---------|---------|---------|---|

|                               |               |               |               |        |
|-------------------------------|---------------|---------------|---------------|--------|
| Total Grants And Entitlements | \$ 15,147,593 | \$ 15,981,242 | \$ 15,138,745 | -5.27% |
|-------------------------------|---------------|---------------|---------------|--------|

|                        |               |               |               |       |
|------------------------|---------------|---------------|---------------|-------|
| Total Revenues/Sources | \$ 74,310,523 | \$ 72,823,219 | \$ 73,584,358 | 1.05% |
|------------------------|---------------|---------------|---------------|-------|

|  |         |         |         |   |
|--|---------|---------|---------|---|
| Deduct Transfer-Transfers From Operating Budget-Prek | 443,340 | 344,820 | 344,820 | - |
|--|---------|---------|---------|---|

|   |               |               |               |       |
|---|---------------|---------------|---------------|-------|
| Total Revenues/Sources Net of Transfers | \$ 73,867,183 | \$ 72,478,399 | \$ 73,239,538 | 1.05% |
|---|---------------|---------------|---------------|-------|

# Revenue: Overview

41

- ❑ General Fund Tax levy increased by 4.50% utilizing the 2% CAP and adjustments for increased health care costs and enrollment growth.
- ❑ Reduced State Aid (\$213,659).
- ❑ Declines in Rental Income (\$43,375) and miscellaneous revenues (\$130,431).
- ❑ Increased Budgeted Fund Balance \$239,690 and student tuition \$83,455.
- ❑ Total Operating Revenue increase of \$1,603,636, as adjusted for prior year encumbrances.

# Revenue: General Tax Levy

42

|       |                  |                             |
|-------|------------------|-----------------------------|
| \$    | 43,857,211       | 2017-2018 Tax Levy          |
|       | 45,829,191       | 2018-2019 Tax levy          |
| <hr/> |                  |                             |
| \$    | <b>1,971,980</b> | <b>Increase in Tax Levy</b> |

**Note:** District utilized an Enrollment Adjustment in the amount of \$718,200, health care for \$362,272. The tax levy increase is 4.50%.

# Revenue: General Tax Levy

43

## ❑ Minimum Tax Levy - \$43,857,211

- ✓ Represents the NJDOE calculated minimum for the amount that must be raised by the local community to support the school budget.
- ✓ Last year's levy \$43,857,211.

## ❑ Banked Tax Levy From Prior Year - \$0

- ✓ Represents an amount accumulated over the prior years. Unused and acceptable tax levy increase not utilized in the previous fiscal year in which the tax levy could have been increased but was not.
- ✓ Banked Cap results from the 2018-2019 budget for potential use in the 2019-2020 budget - \$0.

# Revenue: State Aid

44

|                      |                                     |
|----------------------|-------------------------------------|
| \$ 10,682,520        | 2017-2018 State Aid                 |
| 10,468,870           | 2018-2019 State Aid                 |
| <hr/>                |                                     |
| <b>\$ ( 213,659)</b> | <b>Decrease in State Aid (2.0%)</b> |
| <hr/>                |                                     |

# Fund Balance Projection

45

|                              |                     |
|------------------------------|---------------------|
| Available as of 06/30/17     | \$ 2,074,683        |
| Use for 2017-2018            | 639,281             |
| <b>Remaining at 06/30/17</b> | <b>\$ 1,435,402</b> |
| Projected at 06/30/17        | \$ 2,278,971        |
| Amount for 2017-2018         | 878,971             |
| <b>Remaining at 06/30/18</b> | <b>\$ 1,400,000</b> |

**Note:** *An increase in available fund balance may be used to continue to replenish the Maintenance and Capital Reserves. Available funds for future budgets are expected to decrease.*

# Reserve Targets

- A. General Fund (2.0%) – Unrestricted: \$1,400,000
- B. Maintenance Reserve: \$1,100,000
  - ✓ Target is based on 25% of Comprehensive Maintenance Plan's maximum reserve amount.
- C. Capital Reserve: \$6,500,000
  - ✓ Amount represents 10% of the district's approved Long Range Facility Plan.

# Tax Impact

47

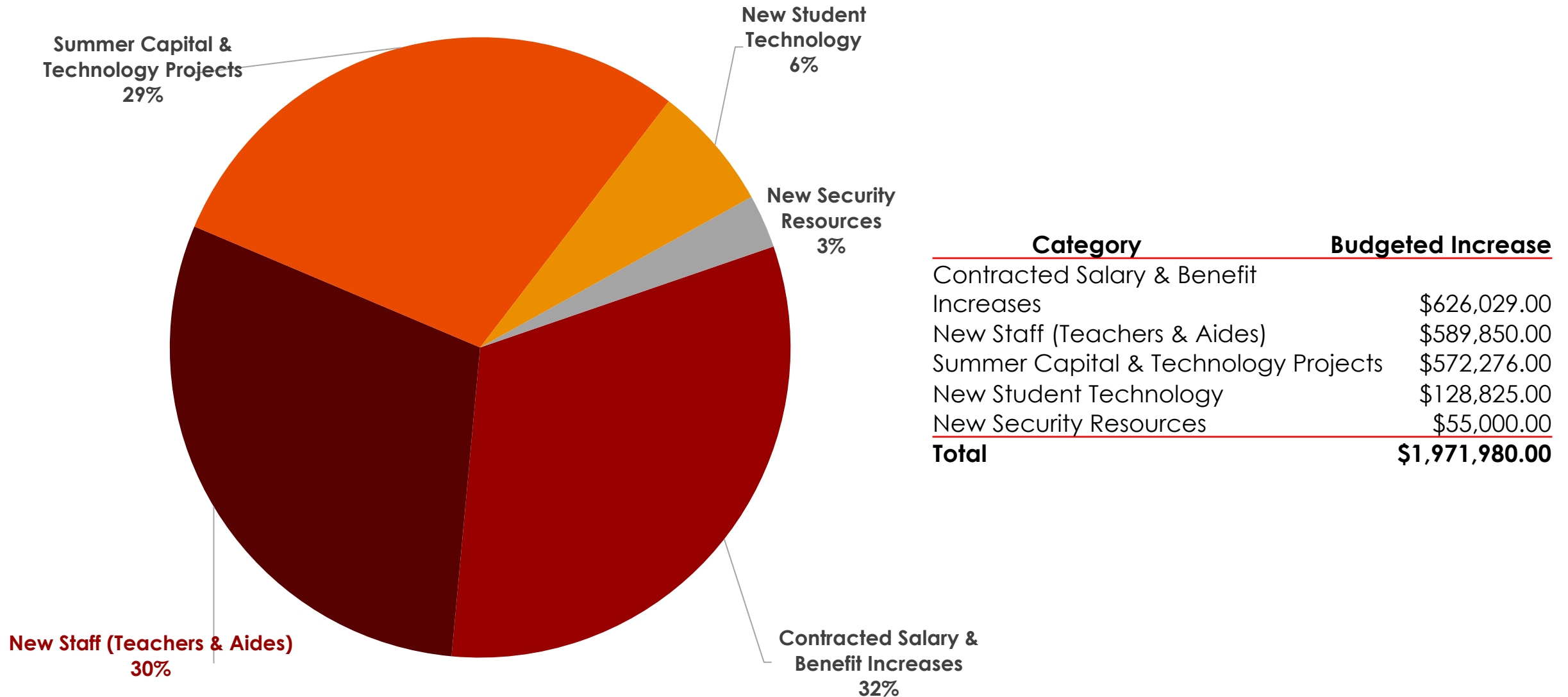
The 2018-2019 school district budget is estimated to increase property taxes by an **\$65.63 per year on a home assessed at \$521,200** – the current average assessment. Your overall property tax bill may increase or decrease due to the City of Hoboken and Hudson County budgets. Estimates for other assessed values are as follows:

| Assessed Value     | Estimated Increase | Assessed Value | Estimated Increase |
|--------------------|--------------------|----------------|--------------------|
| \$400,000          | \$50.37            | \$700,000      | \$ 88.15           |
| \$500,000          | \$62.96            | \$800,000      | \$100.74           |
| → <b>\$521,200</b> | <b>\$65.63</b>     | \$1,000,000    | \$125.92           |
| \$600,000          | \$75.55            |                |                    |

**Note:** The above information is \$12.59 per \$100,000 of assessed value. Above estimates are based on current tax information and is subject to change.

# Where the Tax Increase Goes

48



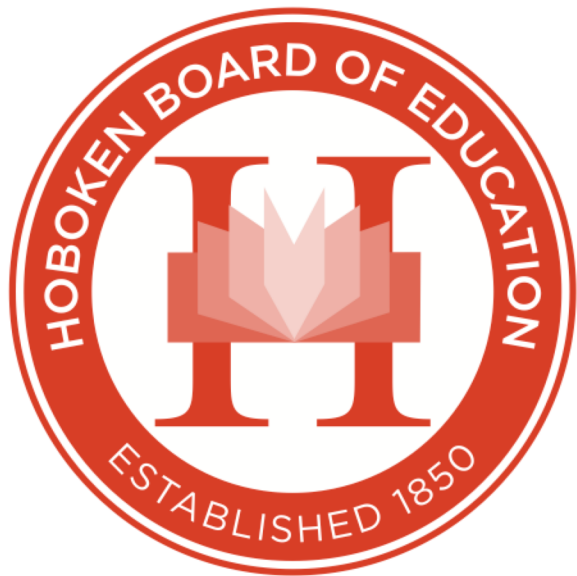
# What's Next?

- ❑ If adopted on May 8, 2018, the 2018-2019 will be finalized with the New Jersey Department of Education - Hudson County Office.
- ❑ Information will be sent to the City of Hoboken for use in the collection of real estate taxes.
- ❑ In mid-May 2018 the final budget will be open for use.
- ❑ The subject budget can be modified in the event of changes in aid from the State of New Jersey.

Presentation Ending

Questions ?????

**May 1, 2018**



# Hoboken Public Schools

## **District Budget Hearing**

### 2018-2019