



Mountain Lakes Board of Education

2016-2017 Budget

Mountain Lakes School District Budget Goals

- We are committed to providing the resources that allow us to build upon the successful educational partnership that exists among staff, family, and community.
- We provide a dynamic and continuously evolving curriculum with a focus on rigorous academic preparation, developing personal resiliency and promoting life-long learning skills for all learners.
- MLHS consistently places graduates in the most competitive colleges and universities around the world. Achieving our goals enables each student to actualize his or her unique potential.

Objectives

- Discuss Proposed 2016-2017 Budget
 - œ Provide resources to support student achievement and district curriculum goals, reflecting:
 - œ Reallocation of secretarial duties for better workflow and to create a full-time college placement counselor
 - œ In-district Therapeutic Services
 - œ Increased shared services with the Borough
 - œ Continued opportunities for Administrators to assume increased teaching responsibilities
 - œ Continued expansion of the On-Line Academy
 - œ Maintain buildings and grounds in support of district goals
 - œ Maintain manageable tax increase to provide a thorough and efficient education
 - œ Savings realized from MLEA contract
 - œ Budgets for the past 6 years included tax levy increases at an average of 1.34%
 - œ Maximize alternate revenue sources
 - œ Before and after-care program at Wildwood
 - œ Alumni Association
 - œ Grow tuition students to upper end of historical average of 12-18
- Engage in a Community Dialogue

Proposed 2016-17 Budget⁽¹⁾

	2015-2016	2016-2017	\$ (+/-)	% (+/-)
<u>General Fund</u>				
Current Expenses	\$25,217,834	\$26,093,222	\$875,388	3.5 %
Capital Outlay ⁽²⁾	\$340,000	\$249,298	-\$90,702	-26.7%
Subtotal	\$25,557,834	\$26,342,520	\$784,686	3.1%
Fed/State programs	\$275,946	\$287,737	\$11,791	4.3%
Debt Service	\$1,179,605	\$1,158,625	-\$ 20,980	-1.8%
Total	\$27,013,385	\$27,788,882	\$775,497	2.9%

(1) For Wildwood School, Briarcliff Middle School, and Mountain Lakes High School

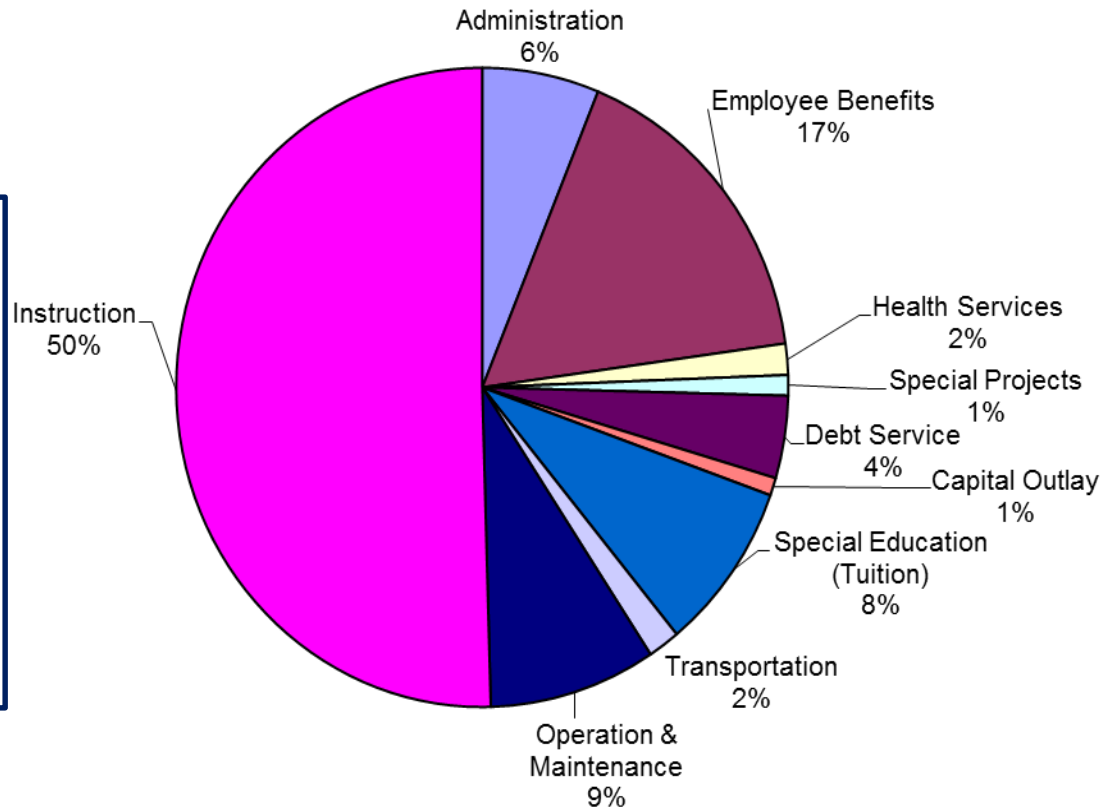
(2) Decrease offset by \$2.4 million ESIP and possible referendum project

2016-17 Budget Analysis

Current Expenses: \$27,788,882

2016-17 vs. 2015-16:

- Employee Benefits – up 1%⁽¹⁾
- Instruction – down 1%⁽¹⁾
- Maintains budget goals
- Maintains class sizes:
 - K-3 - 18
 - 4-5 - 21
 - 6-8 - 22
 - 9-12 - 24 (core academic content)



(1) Percent of total budgeted expenses for 2016-17 compared to a year-ago

Questions: Contact Daniel A. Borgo; dborgo@mlschools.org; 973-334-8280

Capital Projects: \$249,298

High School: \$23,000

Sanitary Sewer Line Repair
Project Adventures Upgrades

Briarcliff School: \$44,000

Sanitary Sewer Line
Floor Covering Replacement
Interior Finishes Repair / Painting

Wildwood School: \$80,250

Install AC Lower Level

District: \$102,048

SDA – State Debt Assessment: \$48,298
Replace GMC Dump Truck (2000): \$53,750

Revenue Sources – 2 Yr. Period

	Current Budget 2015-2016	Tentative Budget 2016-2017	Change 2016-2017
Balances			
Appropriated + Reserves	\$857,773	\$950,000	\$92,227
Capital Reserve	\$250,000	\$200,000	-\$50,000
Tuition (Btn. Twp. = 263)	\$4,196,612	\$4,200,636	\$4,024
	\$15,972		
Tuition (Non-res. =13) (9) HS (3) WW (1) BC (28) Faculty	\$170,000	\$207,100	\$37,100
Btn. Twp. Reconciliation	-\$200,178	\$0	\$200,178
State Aid	\$772,752	\$787,376	\$14,624
Other/Debt Service Aid	\$401,258	\$333,950	-\$67,308
Miscellaneous	\$187,229	\$187,229	\$0
Sub Total	\$6,635,446	\$6,866,291	\$230,845
Local Taxes	\$20,377,939	\$20,922,591	\$544,652
TOTAL REVENUE	\$27,013,385	\$27,788,882	\$775,497

Tax Impact for Mountain Lakes Homeowner

	2015-2016	2016-2017	Impact	% (+/-)
General Fund	\$19,307,492	\$19,810,179	\$502,687	2.60% ⁽¹⁾
Debt Service ⁽²⁾	\$1,070,447	\$1,112,412	\$41,965	3.09%
Total	\$20,377,939	\$20,922,591	\$544,652	2.67%

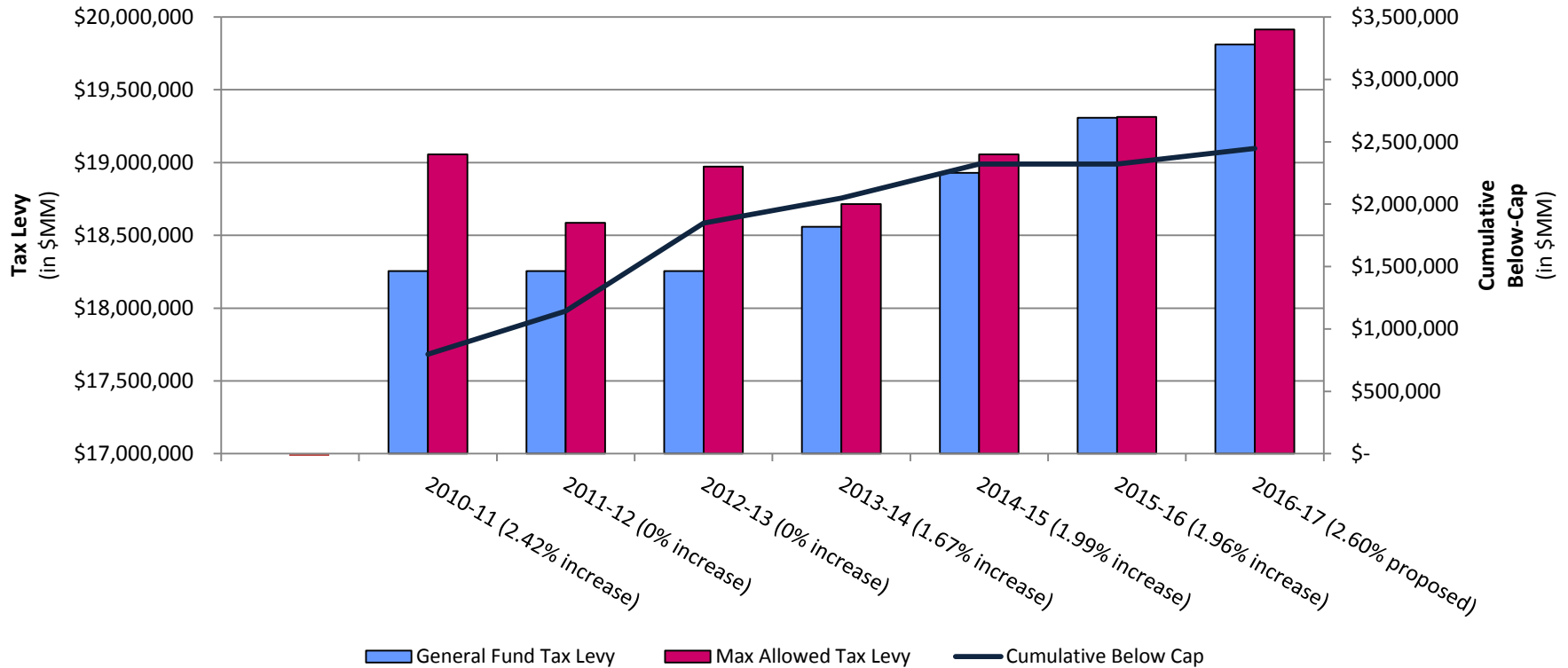
- Tax increase of approximately \$252 (GF) and \$275 total on the average home assessed at \$783,584
- Tax levy attributable to Schools represents ~68% of Homeowners' local taxes, with balance going to Borough, County, and Open Space
- Refinancing of Serial Bonds in 5/2015 will reduce annual debt service by \$30 - \$35K per year through 2023

(1) Tax levy cap adjustment due to state-wide increases in healthcare costs would have allowed for a 3.25% increase

(2) Includes debt service aid of \$109,158 and \$46,213, respectively, for 2015-16 and 2016-17

Financial Management

Financial Management



Appropriations from 2010-11 through 2016-17 were \$2.5M below allowable cap

Our \$27.8 million budget is hard to find in state & news reporting

- **\$36.2 million overall 2016-17 school budget**
Per state reports and news reporting
Including debt service and all forms of federal/state aid
- **\$8.4 million attributable to Lake Drive**
Fully charged back to sending districts
Absorb some overhead/other expenses (Approx. \$1.0 million)
- **\$27.8 million “Mountain Lakes” 2016-17 budget**
\$26.6 million projected spending
\$1.2 million debt service (previously approved via referendums)

Referendum - Exceptional Educational Programs Require Investment

- Aging facilities, constrained instruction space and changing needs will require increased and sustained investment:
 - Infrastructure improvements/upgrades including enhanced security
 - Educational spaces at MLHS, Briarcliff and Wildwood
 - Phasing out temporary classrooms at MLHS (4)
 - Operating near capacity; constrains scheduling options, innovation at MLHS
 - Possible maker lab, art room and TV studio at Briarcliff
 - Possible art room, tech lab and media center at Wildwood
 - Create dedicated performing arts spaces at all three schools and/or renovate existing space
 - Expand and update cafeterias
 - Relocate and/or renovate locker rooms at Briarcliff; possible Health & Wellness center

Future Budget Considerations

- Debt service increase from a \$10 to \$20 million referendum bond issue equals \$720,000 to \$1,500,000 p.a. or a tax increase of approximately \$470 to \$1,000 on the average home assessed at \$783,584
- Increase in operating cost incurred in conjunction with potential referendum
- Healthcare Cadillac tax
- Uncertainty regarding future funding of teacher pensions