

Middletown Township Board of Education 2008-2009 Proposed School Budget



In the planning and construction of the proposed 2008-2009 school budget, administration and the Board of Education made every effort to craft a budget that balances the fiscal concerns of the community with the needs of Middletown's 10,000+ elementary and secondary school students.

Increases in State Aid of a little over 2% (the new State Aid formula provided little relief to Middletown, after having been in essence frozen in several of the previous years) and surplus utilized for tax relief have helped provide revenues to keep down the cost increase to our local taxpayers. While there were inescapable increases in utilities, insurance, health benefit costs and transportation costs as well as contractual obligations, every effort was made to minimize the overall tax impact to residents without negatively affecting the educational program for our students. This budget maintains funding for all current programs and staff, with an addition of five positions to address much-needed elementary services and one new student/club stipend for each of the middle and high schools. On April 15th, voters will decide whether they will support maintaining the quality of education in Middletown schools.

Expenditure Category Analysis	Current Budget 2007-2008	Proposed Budget 2008-2009	Percentage Difference
Salaries	\$85,727,664	\$88,369,820	3.1%
Employee Benefits (Health, worker's comp, PERS & Soc. Sec)	21,539,232	22,609,421	5.0%
Transportation	9,571,674	9,830,283	2.7%
Tuition (Private schools for handicapped, vocational school, career academies, etc)	4,124,109	4,069,475	-1.3%
Utility Costs & Communications	3,759,350	3,947,318	5.0%
Curriculum, Textbooks, Teacher Training, Supplies & Educational Media	3,165,299	3,367,917	6.4%
Capital Lease Principal and Interest	2,085,969	2,089,029	0.1%
Technology	818,113	942,500	15.2%
Capital Projects/Services	292,526	320,000	9.4%
Non-Instructional Equip. & Facilities	30,000	30,000	0.0%
Other: Includes Legal, Insurance, Building Maintenance, Audit, Copiers, Athletics, Testing, Health & Admin.	4,829,551	4,978,458	3.1%
TOTAL	\$135,943,487	\$140,554,221	3.4%

The 2008-2009 school budget maintains funding for:

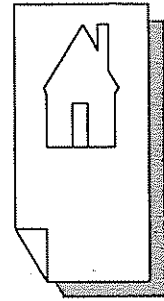
- Current school programs
- Current staff positions
- Staff development
- New and revised curriculum for students
- Continuation of hazardous busing
- Regular maintenance of all 17 school buildings

In addition, proposed in the 2008-2009 school budget:

- 2 new elementary world language teachers
- 2 elementary reading specialists
- 1 new elementary co-teacher for special education/academic assistance
- 1 new student club/stipend for each high school and middle school
- Additional technology to supplement instruction in accordance with the three-year technology plan
 - 4 new bus routes to address transportation for various district programs
- Increase in athletic budget for swimming pool rental costs (location change to a closer, more suitable facility-- Raritan Bay Area YMCA) and increase in hockey program funding (more than 50% of this program will still be funded by parent fundraising)

Tax Impact for Middletown Homeowners

For A Home Assessed* at:	Total Increase Per Month	Total Increase Per Year	Total Percentage Increase	Total Proposed School Tax
\$100,000	\$ 5.63	\$ 68	2.9%	\$2,402
\$150,000	\$ 8.44	\$101	2.9%	\$3,602
\$200,000	\$ 11.25	\$135	2.9%	\$4,803
\$250,000	\$ 14.06	\$169	2.9%	\$6,004
\$300,000	\$ 16.88	\$203	2.9%	\$7,205



* Assessed valuation is the amount on a tax bill from the township not the market value of a home.

The budget carries a 6.7¢ total tax increase (includes a \$.1 cent debt service fund decrease due to bond payment schedules). This represents a tax increase of 2.9% over the prior year. This is the lowest proposed tax increase in five years. This budget is under the State-established cap.

The employee benefits line is up 5.0%, due primarily to the State's required increase for PERS pension costs. As required by the State, for 2008-09 we have had to budget for an increase of \$693,004, or over 82%, for PERS pension costs, bringing the district total for PERS pension costs to an anticipated total in the budget of \$1,532,500. Excluding the **State mandated** PERS increase, the health insurance budget is only going up \$377,185 or 1.82%.

The tuition budget (private schools for the handicapped, vocational school, etc) is projected to decrease by 1.3%, or \$54,634. This is based on a lower increase in the number of anticipated out-of-district placements and a lower number of students placed in State Facilities.

The utility budget (electric, gas, water/sewer, communications) is up 5% or \$187,968 based primarily on projected rate increases (notably for electric starting July 1, 2008).

The technology budget increase of 15.2% or \$124,387, includes computer upgrades at HS North (approx. 100), Thorne and Thompson Middle School (approx. 93) and elementary laptop upgrades (approx. 90).

We are \$417 per pupil below the State's imposed administrative cost limitations in the proposed 2008-9 budget.

State Aid, are we getting our fair share?



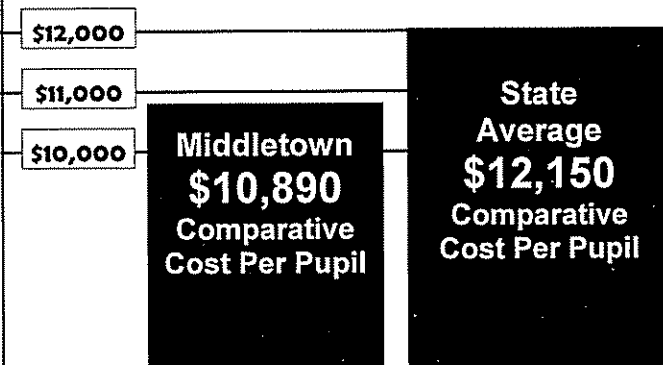
Because of the disproportionate amount of State Aid going to some New Jersey School Districts, middle-income districts such as Middletown receive **LESS** State Aid than other districts.

	District		State Avg.
State Aid	16%	compared to	39%
Local (incl. taxes)	79%	compared to	52%

The percentage of State Aid to Middletown has actually dropped from 18% to 16% since 2003.

Comparing Per Pupil Expenditure

In the most recent N.J. School Report Card, Middletown was \$1,260 below the state average in per pupil spending for N.J. K-12 school districts.



Annual School Election will be held on:

Tuesday, April 15, 2008

Polling Hours are 4:00 pm - 9:00 pm

Polling locations are the same
as General Election

See your sample ballot for your polling location

Additional information is available at:
www.middletownk12.org