

# Middletown Township Board of Education 2009-2010 Final Proposed School Budget



*In the planning and construction of the proposed 2009-2010 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.*

*State Aid for Middletown was slightly reduced for 2009-2010. Surplus utilized for tax relief has 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. On April 21st, voters will decide whether they will support maintaining the quality of education in Middletown schools.*

⇒ **The proposed budget carries a 2.6% total tax increase** (including debt service and ratable base increase, therefore why this is less than the 2.7% general fund increase) or **2.7 ¢**

⇒ **This is the lowest proposed tax increase in 10 years**

Expenditure Category Analysis	Current Budget 2008- 2009	Proposed Budget 2009- 2010	Percentage Difference
Salaries	\$88,369,820	\$91,746,452	3.8%
Employee Benefits (Health, worker's comp, PERS & Soc. Sec)	21,988,165	22,380,712	1.8%
Transportation	9,830,283	9,916,047	0.9%
Utility Costs & Communications	3,947,318	4,170,000	5.6%
Tuition (Private schools for handicapped, vocational school, career academies, etc)	3,630,475	3,778,214	4.1%
Curriculum, Textbooks, Teacher Training, Supplies & Educational Media	3,429,668	3,382,550	-1.4%
Capital Lease Principal and Interest	2,089,029	2,087,456	-0.1%
Technology	942,500	932,500	-1.1%
Capital Projects/Services	770,000	320,000	-58.4%
Other: Includes Legal, Insurance, Building Maintenance, Audit, Copiers, Athletics, Testing, Health & Admin.	5,556,963	5,610,590	1.0%
<b>TOTAL GENERAL FUND INCREASE</b>	<b>\$140,554,221</b>	<b>\$144,324,521</b>	<b>2.7%</b>

## The 2009-2010 school budget maintains funding for:

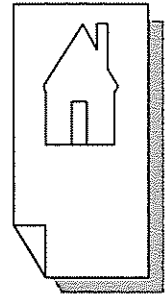
- Current instructional programs/services/student activities
- Current staff positions that maintain reasonable class size
- High quality professional development
- New and revised curriculum for students
- Continuation of hazardous route busing
- Regular maintenance for all 17 school buildings

## The proposed 2009-2010 school budget allows the district to:

- Continue to work in alignment with the District Strategic Plan.
- Continue to implement the successful state literacy models with their co-teaching components for all exceptional students in the general education classroom.
- Support the infusion of technology through the provision of more computers and web-based instruction.
- Continue to focus resources on early intervention and opportunities for students who are falling behind to catch up in effective, targeted instruction during the school day and in the summer programs using sound, research-based design.

## 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
\$300,000	\$ 6.75	\$ 81	2.6%	\$3,252
\$400,000	\$ 9.00	\$108	2.6%	\$4,336
\$435,000**	\$ 9.79	\$117	2.6%	\$4,715
\$500,000	\$ 11.25	\$135	2.6%	\$5,420
\$600,000	\$ 13.50	\$162	2.6%	\$6,504



\* New assessments (post-revaluation). Note that increase columns are based on averages-- actual increases will vary based on whether an individual assessment increased more or less than the average throughout the township.  
 \*\* The new post-revaluation average assessment is \$433,900, so we will use \$435,000 in providing an example.

We are \$454 per pupil below the state's central region administrative cost limitations for the proposed 2009-10 budget.

The 2009-10 budget as proposed is more than \$478,000 under the State mandated cap.

The curriculum budget is the same as the prior year. This area only appears to be decreasing by 1.4% because there was a one-time budget transfer in the 2008-9 column for pre-school furniture which is not necessary for 2009-10.

The technology budget will be decreasing by 1.1%, but will still provide for replacement of several out-dated existing computers and much needed technology to support educational initiatives and to address district priorities.

The employee benefits line is up only 1.8% due to the early negotiation of low health insurance renewals, a lower incurred but not reported (IBNR) reserve requirement and a lower anticipated payment as calculated for PERS pension costs.

The utility budget (electric, gas, water/sewer, communications) is up 5.6% based primarily on projected cost and rate increases, netted with an expected reduction in utilization due to district efforts to reduce energy consumption for electricity and natural gas.

The tuition budget (private schools for the handicapped, vocational school, etc) is projected to increase by 4.1%. This is primarily due to anticipated out-of-district tuition rate increases, which are out of the district's control.

The change in the salary line is due primarily to increases from previously negotiated contracts. Unless undertaken by the State with the state-wide teachers association, we don't feel that the local teacher contract can be renegotiated. The recent contract with the Administrator's Association was settled for 2.5% for 2009-10.

### 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.

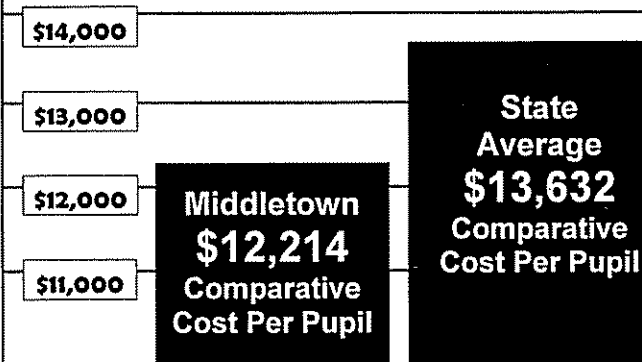


	<u>District</u>		<u>State Avg.</u>
State Aid	16%	compared to	39%
Local (incl. taxes)	79%	compared to	52%

Higher levels of State Aid have allowed other districts to put forth budgets with low or no tax increases.

### Comparing Per Pupil Expenditure

In the most recent N.J. Comparative Spending Guide, Middletown was **\$1,418 below** the state average in per pupil spending for N.J. K-12 school districts.



**Annual  
School Election  
will be held on:**

**Tuesday, April 21, 2009**

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](http://www.middletownk12.org)