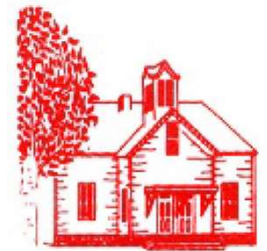


Clinton Township School District
FY 2018-19
Budget Update
July 31, 2018

Clinton Township School District
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Objective

***To provide a clear and accurate overview
of the recent events affecting the Clinton
Township School District FY 2018-19
Budget***

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Agenda

- What events have occurred?
- How are these events being addressed?
- What is the implication to the tax payer?
- Tax Levy Information

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What events have occurred that affect the Approved 2018-19 Budget?

- Reduction in State Aid **\$ 302,694**
 - **13 % Decrease**
 - **2nd Highest (\$ & %) in the County**
 - **2nd Highest % in the State**
- Reorganization of the School District



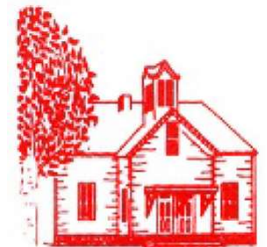
Essential Question/Answer

How does the Reduction in State Aid affect the Reorganization of the district?

No Impact on the Reorganization

- The Stars are aligned for CTSD
- Large pool of Retirements, 12
- Reorganization is self-funded and pays for itself
 - Anticipated savings in Transportation alone expected to compensate for the Reduction in State Aid
 - Anticipated Transportation Savings: \$ 300,000
 - Reduction in State Aid: **\$ 302,694**

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Essential Question/Answer

What is the impact of a Reduction in State Aid to our operations (Students, Teachers, Administration)?

- Curriculum and Programs **Not Affected**
- Student Achievement Programs **Not Affected**
- Teachers NO RIFs and NO increase in class size
- Administration must work harder to make good with less!

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Reorganization Benefits

Impact of Reorganization for students and staff are positive!

- Class sizes remain the same
- Additional programs available to students in music, sports and clubs
- NO Reduction In Force

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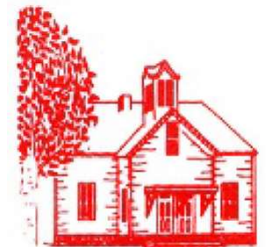
How is the District handling these events?

DOE Options to handle Reduction in State Aid:

1. Use unassigned general fund surplus to maintain budgeted appropriations; or
2. Request Commissioner approval to withdraw from emergency reserve; or
3. Pursuant to N.J.A.C. 6A23A-14.2(d), withdraw from maintenance reserve to cover budgeted required maintenance costs; or
4. Reduce appropriations for 2018-19; or
5. A combination of 1, 2, 3, and 4 above

Proposed Board Motion to allow District's Excess Surplus to cover the Reduction in State Aid (19-FF- 024)

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How is the District handling these events?

Reorganization continues as planned

Clinton Township Middle School:

- Summer programs in session during the entire month of July limited access to the building but some unoccupied areas were able to be cleaned and some items to be delivered from RVS to those unoccupied rooms.
- Summer Recreation ended Friday, July 27th allowing for some moves and cleaning to take place.
- Extended School Year program ended today, July 31st which will allow the cleaning and moving crew to access all areas of the building.



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How is the District handling these events?

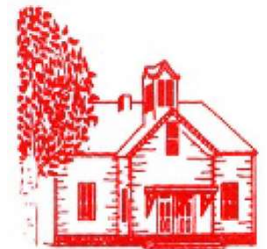
Reorganization continues as planned

Round Valley School:

- Mrs. Postma and Mr. Connelly are in the process of annual summer tasks for the new school year.
- 3rd and 4th grade classrooms have been organized so Teachers can arrive and set up remaining items.
- 5th grade organization of classrooms is beginning as the grade 6 materials are moved over to the middle school this week.



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How is the District handling these events?

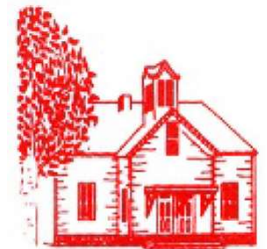
Reorganization continues as planned

Patrick McGaheran School:

- Mrs. Goad is busy preparing for students and staff.
- All K, 1st and 2nd classrooms are being organized for the upcoming school year.
- Main office secretarial staff continue to organize and prepare for the students.
- Material orders have started to arrive.



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How is the District handling these events?

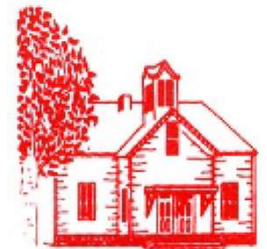
Reorganization continues as planned

Spruce Run School:

- Extended School Year Program ends today so the cleaning of the remaining rooms will take place this week.
- All items from SRS going to PMG have successfully made the trip.
- Child Study Team materials have arrived at the main office and are being set up for the upcoming year.
- Material orders are arriving in the main office for delivery to the classrooms.



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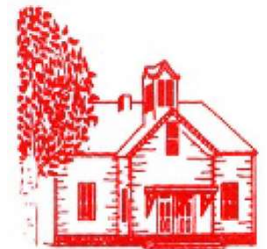


How is the District handling these events?

Summer Projects:

- School Security-Programs in process, as planned
 - RVS and CTMS Public Address Upgrades
 - Full Security Audit for the District
- RVS Science Rooms HVAC Upgrade
- PMG Airedale and air duct contract cleaning & servicing

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Reorganization

Anticipated Savings: \$ 957,500

Savings:

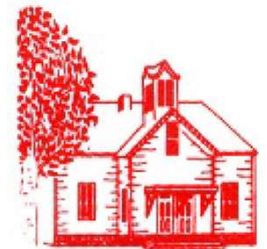
Personnel: \$ 800,000

Transportation: \$ 300,000

Expenditures:

One-Time \$ 142,500

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Implication to the Taxpayer

Impact of Reorganization may have come at just the right time!

Taxpayer is NOT impacted for this Year.

- Reduction in State Aid (especially so late in the Budget Process) creates Financial Hardship on how to handle the reduction.
- Timing eliminated any opportunity to obtain additional Tax levy from Township taxpayers.
- Reduction will NOT be returned moving forward, nor in years to follow.
- Potential for the Reduction to lead to future Tax Levy increases.

We don't know what will happen next year!

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Tax Rate Information

***NO CHANGE to the previously Approved
FY 2018-19 TAX RATES!***

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Next Steps

- Send Hunterdon County Office Motion on how District is handling Reduction in State Aid
- Monitor and report Anticipated Savings from the Reorganization
- Continue to closely monitor Expenditures
- During FY 2019-20 Budget Cycle District is required to show the Reduction in its State Aid and the use of Excess Surplus to cover the Approved Appropriations

