

THE WARREN TOWNSHIP PUBLIC SCHOOLS

To: Members of the Board of Education
From: Peter Daquila
Re: PRELIMINARY DRAFT 2011/2012 Budget
Date: January 24, 2011

The PRELIMINARY DRAFT of the proposed budget for the 2011/2012 school year has been created based on the following assumptions that are important to highlight at this time.

Assumptions included in the preliminary proposed budget:

1. Local Tax Levy increases by 2%, which is the maximum amount. Trenton has not released any information regarding budget, waivers, or adjustments.
2. State Aid will not be further reduced and remains at the prior year amount.
3. Projects totaling \$720,000 will be funded from Capital Reserve funds.
4. Health benefits costs with the SEHBP are estimated to increase by 25% for the period of January 1, 2012 to June 30, 2012.
5. The staffing for 2011/2012 remains at the prior year levels. There is only a requested increase of 1.7 fte's, at a salary and benefit cost of \$78,900, which is included in the preliminary budget. (1.0 fte - Behavior Disabilities Aide, 0.2 fte - Child Study Team and 0.5 fte - Mandarin Teacher for 6th grade at Middle School.)
6. Heat and electricity costs will increase by 2%.
7. Contracted Transportation costs increase is estimated at 2.0% (anticipated state CPI).
8. Majority of the expenses remain at the 2010/2011 levels or have been slightly reduced.
9. The settlement of the contract for the teachers, secretaries and paraprofessionals and the administrators will affect the 2011/2012 budget.
10. The above assumptions in combination with the requests from the various administrators results in a preliminary budget that must be cut by approximately \$87k.