



# Instructional Space Considerations 8-19-2019



# Problem

- K-5 Schools are at/over capacity and have started to take special classrooms for instruction. (i.e. music, art)
  - RV- enrollment 19-20= 410 NJDOE Capacity 351
  - LV- enrollment 19-20= 635 NJDOE Capacity 643
- It took the district 13 years to eliminate the use of trailers & other substandard space for instruction after the last population increase in the early 2000's



# What Changed?

- Full-day Kindergarten, new PK programs, and additional special education programs required additional space as well as the elimination of trailers for student use stressed our facilities
- Demographic study shows an increase in our K-5 population which will eventually move to Valleyview.
- The demographic study did not project the substantial K increase for 19-20 that we are seeing in registrations.
- Average actual Kindergarten enrollment from 2013-2019 was 149 students
- Projected enrollment for 2019-20 is 190 students (up 41 students)
- Twp of Denville Planning Board has approved 180+ new condo-rental units



# Solutions Considered

## One Time Costs Associated

- New K-5 school to be built on district owned property on Nicole Drive (south of Route 10) Approximate Cost- \$30M- referendum and debt required
- 10 Room addition including elevator and renovations to HVAC at Riverview- Approximate Cost- \$10M- referendum and debt required
- Small addition to Lakeview in rear- Approximate Cost- \$8M- referendum and debt required
- Leasing the former St. Mary's Prep school on Route 46- 16 classrooms, gym & cafeteria- Approximate Costs for Start Up: referendum and debt not required
  - Renovations: \$350,000 (EI-roof, masonry, accessibility, technology, security, electric, etc)
  - Class/office setup: \$26,000
  - Estimated total: \$376,000

Max lease term per NJDOE= 5 years



# Saint Mary's Possibilities Considered

- Central PK-K: high costs for adding lavatories and additional busing needed
- Central Five: additional busing and more disruption to community
- New K-5 School: rezoning, additional bussing, too small

## **Recommended Solution**

Split Riverview into two buildings on one campus- remaining one school

- Move one class of students in each grade in *flex zone* (south of route 46) to Riverview
- To be phased in over the next few years as to not unseat students



# ESTIMATED

## Recurring Costs & One Time Costs From Regular Operating Budget (not from reserves)

- All of the options listed on the previous slide have recurring costs associated: Utilities, Insurance, Maintenance, Personnel
- St. Mary's approximate recurring costs (operating budget):
  - Utilities: \$40,000 per year
  - Lease: \$125,000 per year (net)
  - Grass/snow: \$7,000 per year
  - Insurance: \$1,500 per year
  - Technology: \$15,000 per year
  - Personnel: \$250,000 per year
  - Total \$438,000 per year

### One time costs (operating budget):

- Technology: \$44,000
- Class/office set up: \$26,000
- Total: \$70,000

**Estimated Total Funds Required from  
Operating Budget: \$508,000**



# How do we pay for this? & How much do we have?

- Renovations, technology, security- capital and maintenance reserves
- One time start up costs from the 2020-21 budget
- Recurring costs- personnel, lease, utilities, etc from the 2020-21 budget
- Capital and Maintenance reserve accounts have \$4M+
- **Projected** total the 2020-21 budget can increase without a public funding question: **(using past information to project the future):**

○ 2% increase	\$623,372.00
○ Banked cap	\$141,769.00
○ Additional state aid	\$122,000.00
○ 20/21 Health Benefits waiver	\$140,000.00
○ <b><u>Total budget inc 20-21</u></b>	<b><u>\$1,027,141.00</u></b>

Total estimated budget increase:	\$1,027,141
Costs from operating budget:	\$508,000
<b><u>Funds remaining for typical increases:</u></b>	<b><u>\$519,141</u></b>



# New Personnel Included & Not Included in the Plan

## **Included:**

- 1.5 custodians
- 1 Counselor/CST
- Additional Tech Support
- Additional Speech & OT
- 5 hrs/day nursing services
- Stipend for Teacher in Charge

## **Not Included but Considered**

- Additional Administrative Personnel
- Additional Class III officer
- Additional Teachers
- Additional Transportation
- Behaviorist
- Additional Secretarial Staff





# Estimated Impact to Taxpayers

**Based on 2019 tax data**

**\$405,400 average assessed value**

- New School \$30M: \$229.62/ year for 25 years \*
- Addition at Riverview \$10M: \$69.31/year for 25 years \*
- Addition at Lakeview \$8M: \$55.38/year for 25 years \*
- Leasing St. Mary's \$508,000: \$42.00 year 1 \*\*

**\* Figures are estimates based on 3.6% interest for 25 years using 2019 financial data**

**\*\* No debt for SMP and recurring costs are \$438,000 based on 2019 data.**



# Going Further- Discussion

- Draft Lease review in September
- BOE and NJDOE Approval October
- Architect plans for renovations Oct-Dec
- Projects out to bid- Jan-Feb
- Future possibilities- growth RV-LV-VV

Discussion??