



Montclair Public Schools 2023 – 2024 Preliminary Budget

March 20, 2023

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School Business Administrator/Board Secretary

"All Kids Can Learn. All Kids Are Special."

BUDGET PROCESS

- ❖ Ongoing process of evaluating, processing, developing, and implementing the goals and objectives of the school district.
- ❖ Administrators, Principals, and Supervisors all worked with their respective departments/buildings to identify needs and initiatives.
- ❖ Formal process began the week of October 24, 2022.
- ❖ School and department budgets due the week of December 12, 2022.
- ❖ Between December 19, 2022 through March 12, 2023, review and analyzed school and department budgets, updated salary guides, and data collection.
- ❖ Continuous collaboration and transparency until final Budget Adoption on May 15, 2023.
 - ❖ Bi-weekly and/or weekly meetings with the Finance Committee, Administration, MEA and MPA.
 - ❖ Next meeting scheduled for March 28th

Budget Timeline (Statutorily Driven)

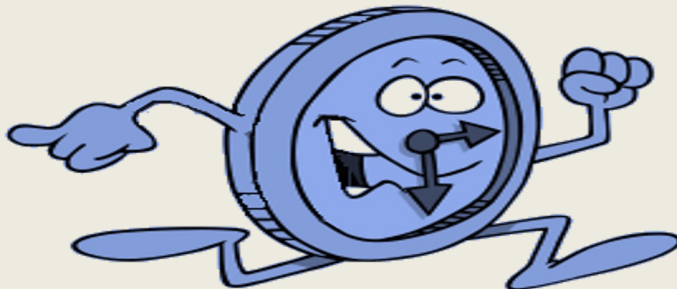
Step #1:
Governor's Budget
Address
February 28, 2023

***Step #3:**
*Board approval to submit
Preliminary Budget*
March 20, 2023

Step #5:
Board of Education
Adopt Budget & Certify Tax Levy
May 15, 2023

Step #2:
Release of State Aid
March 2, 2023

Step #4:
Board of Education
Public Hearing
May 3, 2023



Overall Budget

	Budgeted 2021-2022	Budgeted 2022-2023	Proposed 2023-2024
Operating Budget	\$138,326,639	\$141,935,282	\$138,858,260
Grants & Entitlements	\$11,070,511	\$11,225,672	\$7,509,399
Repayment of Debt	\$0	\$0	\$2,241,990
Grand Total	<u>\$149,397,150</u>	<u>\$153,160,954</u>	<u>\$148,609,649</u>
2023-2024 Withdrawal from Capital Reserve =\$0			
2023-2024 Withdrawal from Maintenance Reserve =\$0			

Tax Levy Impact of Budget

2023-2024 General Fund Budget: \$138,858,260

- Comprises all areas of spending (payroll, benefits, programs, transportation, facilities, supplies, etc.)
- Subject to Board approval
- Mandated tax levy cap on annual increase

2023-2024 Debt Service Budget: \$2,241,990

- Bond Issuance of \$70m on February 1, 2023
 - Interest payments due semi-annually on July 15th and January 15th

GENERAL FUND REVENUES (FUND 10)

General Fund Revenues

	2023-2024	% of Budget
Misc., Local Revenue & SEMI	\$391,903	0.28%
State Aid (includes Ex-Aid)	\$10,457,817	7.53%
Tax Levy	\$128,008,540	92.19%
Total	\$138,858,260	100.00%

General Fund Budgeted Revenues

	2020-2021	2021-2022	2022-2023	2023-2024	+ / (-)
Tax Levy	\$120,625,307	\$123,037,813	\$125,498,569	\$128,008,540	\$2,509,971
Misc. Local Revenue	\$437,084	\$554,509	\$347,200	\$295,100	(\$52,100)
Budgeted Fund Balance	\$0	\$0	\$4,000,000	\$0	(\$4,000,000)
Withdrawal from Capital/Maint. Reserve	\$0	\$0	\$750,000	\$0	(\$750,000)
SEMI	\$81,434	\$58,947	\$87,584	\$96,803	\$9,219
State Aid	\$9,836,726	\$11,735,295	\$10,113,637	\$10,457,817	\$344,180
Actual Revenue (over)/Under Expenditures	(\$3,413,781)	\$2,940,075	\$0	\$0	\$0
Adjust for Prior Year Encumbrances	\$0	\$0	\$1,138,292	\$0	(\$1,138,292)
Total	\$127,566,770	\$138,326,639	\$141,935,282	\$138,858,260	(\$3,077,022)

STATE AID

Category	2020-2021	2021-2022	2022-2023	2023-2024
Special Education	\$5,444,123	\$5,780,579	\$6,160,484	\$6,504,664
Security	\$755,225	\$755,225	\$755,225	\$755,225
Transportation	\$1,175,389	\$1,175,389	\$1,175,389	\$1,175,389
Adjustment Aid	\$322,539	\$322,539	\$322,539	\$322,539
Subtotal	\$7,697,276	\$8,033,732	\$8,413,637	\$8,757,817
Est. Ex-Aid	\$1,991,060	\$3,630,513	\$1,700,000	\$1,700,000
Other State Aid	\$148,400	\$71,050	\$0	\$0
Total	\$9,836,736	\$11,735,295	\$10,113,637	\$10,457,817

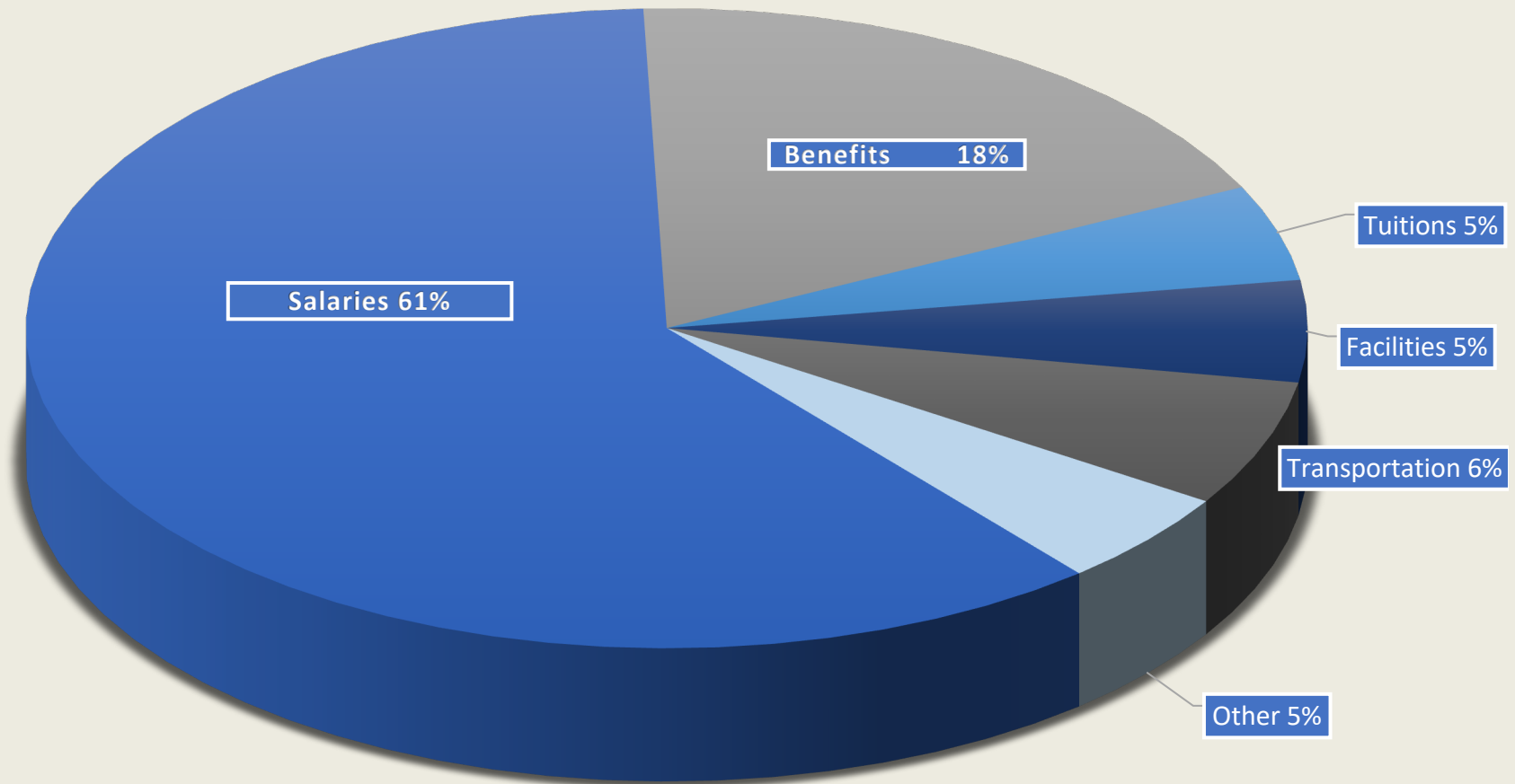
**GENERAL FUND
APPROPRIATIONS
(FUND 10)**

General Fund Budgeted Appropriations

	2020-2021	2021-2022	2022-2023	2023-2024	+ / (-)
General Current Expense (Fund11)	\$127,053,125	\$137,946,547	\$141,403,289	\$138,678,884	(\$2,724,405)
Capital Outlay (Fund 12)	\$494,480	\$247,071	\$436,038	\$85,938	(\$350,100)
Charter Schools (Fund 10)	\$19,165	\$133,021	\$95,955	\$93,438	(\$2,517)
Total	\$127,566,770	\$138,326,639	\$141,935,282	\$138,858,260	(\$3,077,022)

Appropriations as Percentage of Budget

Total \$138,858,260



■ Salaries \$84,048,016

■ Benefits \$25,440,986

■ Tuitions \$6,742,711

■ Facilities \$7,129,374

■ Transportation \$8,849,485

■ Other \$6,647,688

2023-2024 Appropriations Increase

	2023-2024	% Increase
Salaries - Districtwide	\$2,885,970	3.5%
Health Insurance (Net employees' contribution)	\$1,949,620	10.2%
Out of District Tuition	\$1,594,457	10%
Preschool Inclusion	\$542,508	100%
Transportation	\$335,000	2.5%
Custodial/Maintenance	\$238,615	15.3%
Total	\$7,546,170	

2023-2024 Budget Deficit

	2023-2024
Total General Fund Revenues	\$138,858,260
Total General Fund Appropriations	\$146,404,430
Total Deficit	(\$7,546,170)

SPECIAL REVENUE FUND (FUND 20)

Special Revenue Fund - Revenues

Grant	2021-2022	2022-2023	2023-2024	+ / (-)
State Sources	\$1,003,391	\$2,074,890	\$3,059,556	\$984,666
Federal Sources	\$9,453,000	\$8,751,282	\$3,607,335	(\$5,143,947)
Local Sources (includes Student Activities)	\$614,120	\$399,500	\$300,000	(\$99,500)
Preschool Inclusion Funding	\$0	\$0	\$542,508	\$542,508
Total	\$11,070,511	\$11,225,672	\$7,509,399	(\$3,716,273)

Special Revenue Fund - State

Grant	2021-2022	2022-2023	2023-2024	+ / (-)
Preschool Education Aid	\$0	\$1,028,392	\$2,170,032	\$1,141,640
Non-Public Aid	\$1,003,391	\$1,046,498	\$889,524	(\$156,974)
Total	\$1,003,391	\$2,074,890	\$3,059,556	\$984,666

Special Revenue Fund - Federal

Grant	2021-2022	2022-2023	2023-2024
ESEA Grant	\$736,324	\$692,000	\$780,868
IDEA Grant	\$1,707,713	\$1,436,000	\$1,514,406
CARES	\$2,246	\$8,000	\$0
CRRSA (ESSER II)	\$1,627,915	\$1,694,000	\$211,591
CRRSA Accelerated Learn	\$87,595	\$109,000	\$57,317
CRRSA Mental Health	\$0	\$34,000	\$26,000
ARP (ESSER III)	\$4,542,599	\$3,807,000	\$266,472
ARP Accelerated Learning Coach	\$0	\$413,000	\$230,417
ARP EB Summer Learning	\$0	\$40,000	\$40,000
ARP EB Beyond the School Day	\$0	\$40,000	\$31,982
ARP Mental Health	\$45,000	\$45,000	\$45,000
ARP IDEA	\$4,799	\$403,537	\$378,537
ARP Homeless	\$0	\$29,745	\$24,745
Add'l Compensatory Sp.Ed.	\$698,809	\$0	\$0
Total	\$9,453,000	\$8,751,282	\$3,607,335

DEBT SERVICE FUND (FUND 40)

Debt Service Fund - Revenues

	2023-2024	% of Budget
Debt Service Tax Levy	\$1,200,000	53.0%
Debt Service Aid	\$729,339	33.0%
Interest on Investment	\$312,651	14.0%
Total	\$2,249,990	100.0%

Debt Service Property Tax Impact

Debt Service Tax Impact – Deferred Debt Service Aid to FY25

Fiscal Year	Ratable Escalated @ 0.00%	Est. 2023 Debt Service	Bond Tax Impact per \$100	Est. Impact on Avg Home @ \$628,952
7/01/23 – 6/30/24	\$7,101,614,300	\$2,241,990	\$0.0316	\$199

Revised Debt Service Property Tax Impact

Debt Service Tax Impact – Debt Service Aid FY24

Fiscal Year	Ratable Escalated @ 0.00%	2023 Debt Service	Bond Tax Impact per \$100	Est. Impact on Avg Home @ \$628,952
7/01/23 – 6/30/24	\$7,101,614,300	<i>\$1,200,000</i>	<i>\$0.0169</i>	<i>\$106</i>

Due to Debt Service Aid to be received in FY24 and interest earned, the estimated debt service tax levy is lower than previously projected.

***SAVINGS OF \$93 ON AVERAGE HOME ASSESSED @ \$628,952**

TAX LEVY

Property Tax Impact

Tax Impact	2020-2021	2021-2022	2022-2023	2023-2024	Inc
General Fund	\$22,344,274	\$123,037,813	\$125,498,540	\$128,008,540	2%
Debt Service	\$0	\$0	\$0	\$1,200,000	100%
Totals	\$24,227,937	\$123,037,813	\$125,498,540	\$129,208,540	



THANK YOU!

**Montclair Board of Education
Montclair Board of Education Administration
Our Residents**