



# Montclair Public Schools 2024 - 2025 Preliminary Budget Presentation #3

March 18, 2024

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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, 2023.
- ❖ School and Department Budget meetings conducted by Assistant BA and Assistant Director of Personnel November 14 through November 17, 2023.
- ❖ School and department budgets due the week of December 12, 2023.
- ❖ Between November 27, 2023 through January 1, 2024, review and analyzed school and department budgets, updated salary guides, and data collection.

# BUDGET CALENDAR (NEXT STEPS)

ACTION	DATE	PROCESS	RESPONSIBLE PARTY
NJDOE Budget Calendar and Procedures	Released January 2, 2024	NJDOE releases the budget guideline	Business Administrator
NJDOE Budget Software	January 17, 2024	Data entry of the budget from district system to state system	Assistant BA and Business Administrator
Review Budget with Finance Committee	January 18, 2024	Business Administrator reviews the budget with Superintendent & Finance Committee	Business Administrator
Governor's Budget Address	February 27, 2024 at 2:00 pm	State Aid Released 48hrs after budget address. Update State Aid Revenue in Budget	Business Administrator
Preliminary Budget Presentation #2	March 6, 2024 Workshop Meeting	Revised presentation based on State Aid and other adjustments (if needed)	Business Administrator
Review Budget with Finance Committee	March 14, 2024	Business Administrator reviews the budget with Superintendent & Finance Committee	Business Administrator

# BUDGET CALENDAR (NEXT STEPS)

ACTION	DATE	PROCESS	RESPONSIBLE PARTY
Preliminary Budget Presentation #3	March 18, 2024 Board Meeting	Revised presentation based on State Aid and other adjustments (if needed)	Business Administrator
Adoption and Filing of Tentative Budget	March 18, 2024 Board Meeting	Adoption and filing of tentative budget to Executive County Superintendent <b>N.J.S.A. 18A:7F-5 and 18A:7F-6</b>	Board of Education Business Administrator
Budget Approval by Executive County Superintendent	April 19, 2024	Last day for Executive County Superintendent to approve the budget, prior to advertisement. <b>N.J.S.A. 18A:22-7 and 18A:22-8</b>	Business Administrator
Public Budget Hearing	May 1, 2024 Public Hearing/Board Meeting	Presentation of final budget <b>N.J.S.A. 18A:22-32</b>	Business Administrator
User-Friendly Budget Posting to Website	May 3, 2024	Within 48 hours after the public hearing on the budget <b>N.J.A.C. 6A:23A-8.1(c)</b>	Business Administrator
Final Budget Adoption	May 13, 2024 Board Meeting	Final budget adoption <b>N.J.S.A. 18A:22-32</b>	Board of Education

# Overall Budget

	Budgeted 2022-2023	Budgeted 2023-2024	Proposed 2024-2025
Operating Budget	\$141,935,282	\$138,858,260	\$147,470,393
Grants & Entitlements <small>(includes Student Act. &amp; Pre-k Inclusion)</small>	\$11,225,672	\$7,509,399	\$8,909,043
Repayment of Debt	\$0	\$2,241,990	\$4,446,269
<b>Grand Total</b>	<b><u>\$153,160,954</u></b>	<b><u>\$148,609,649</u></b>	<b><u>\$160,825,705</u></b>

**2024-2025 Withdrawal from Capital Reserve = \$0**

**2024-2025 Withdrawal from Maintenance Reserve = \$0**

# Tax Levy Impact of Budget

## 2024-2025 General Fund Budget: \$147,470,393

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

## 2024-2025 Debt Service Budget: \$4,446,269

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

# GENERAL FUND REVENUES (FUND 10)

# General Fund Revenues

Revenue Source	2024-2025	% of Budget
Misc., Local Revenue & SEMI	\$978,188	0.66%
Budgeted Fund Balance	\$3,405,499	2.31%
State Aid (includes Ex-Aid)	\$12,517,995	8.49%
Tax Levy	\$130,568,711	88.54%
<b>Total</b>	<b>\$147,470,393</b>	<b>100.00%</b>



# General Fund Budgeted Revenues

	2021-2022	2022-2023	2023-2024	2024-2025	+ / (-)
Tax Levy	\$123,037,813	\$125,498,569	\$128,008,540	\$130,568,711	\$2,560,171
Health Ins. Adjustment Banked Cap	\$0	\$0	\$0	\$0	\$0
Misc. Local Revenue	\$554,509	\$347,200	\$295,100	\$876,091	\$580,991
Budgeted Fund Balance	\$0	\$4,000,000	\$0	\$3,405,499	\$3,405,499
Withdrawal from Capital/Maint. Reserve	\$0	\$750,000	\$0	\$0	\$0
SEMI	\$58,947	\$87,584	\$96,803	\$102,097	\$5,294
State Aid <small>(includes Ex-Aid)</small>	\$11,735,295	\$10,113,637	\$10,457,817	\$12,517,995	\$2,060,178
Actual Revenue (over)/Under Expenditures	\$2,940,075	\$0	\$0	\$0	\$0
Adjust for Prior Year Encumbrances	\$0	\$1,138,292	\$0	\$0	\$0
<b>Total</b>	<b>\$138,326,639</b>	<b>\$141,935,282</b>	<b>\$138,858,260</b>	<b>\$147,470,393</b>	<b>\$8,612,133</b>

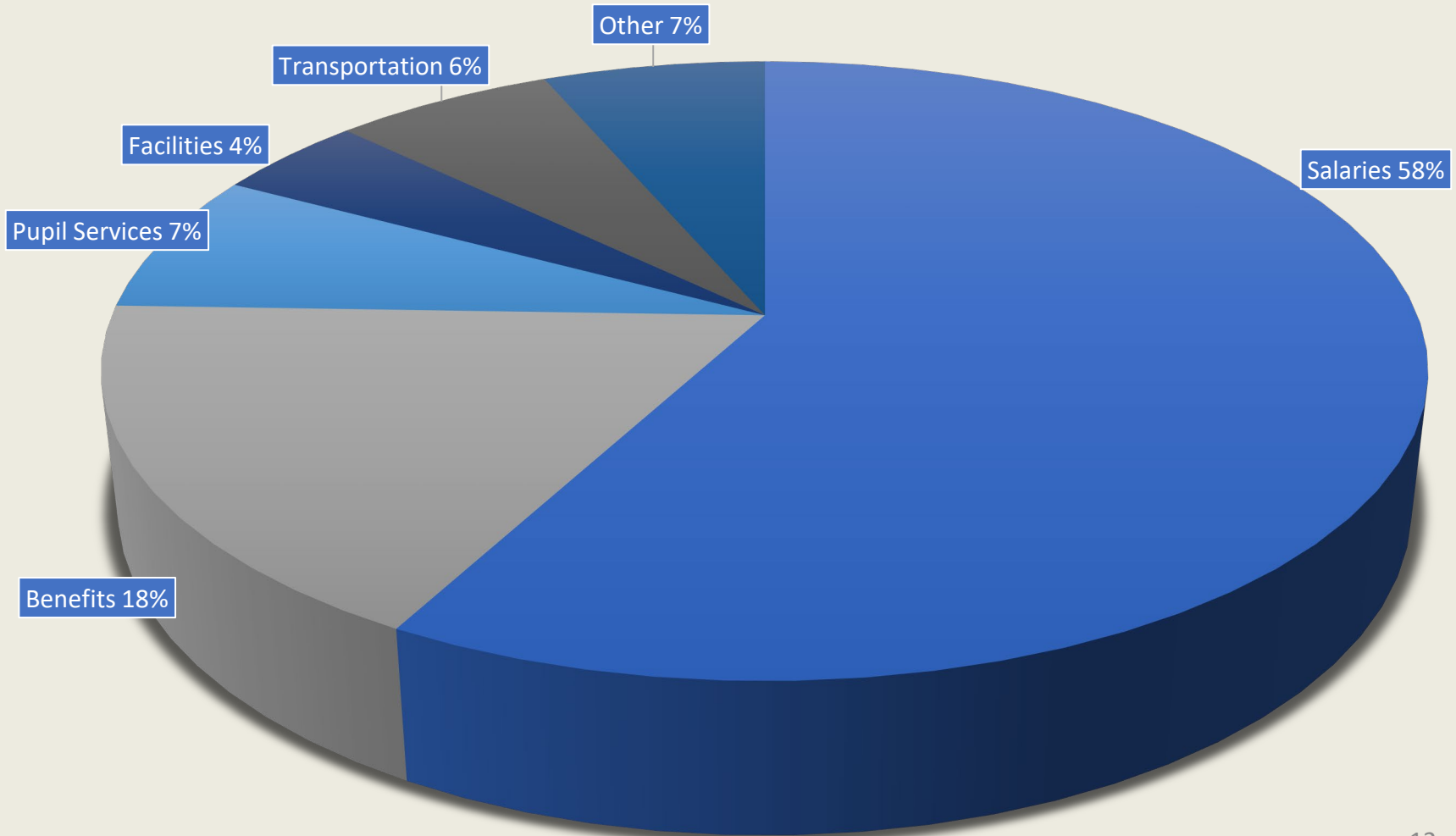
# STATE AID

Category	2021-2022	2022-2023	2023-2024	2024-2025	Inc/(Dec)	% +/-
Special Education	\$5,780,579	\$6,160,484	\$6,504,664	\$7,021,827	\$517,163	7.95%
Security	\$755,225	\$755,225	\$755,225	\$761,731	\$6,506	1.13%
Transportation	\$1,175,389	\$1,175,389	\$1,175,389	\$1,211,898	\$36,509	3.11%
Adjustment Aid	\$322,539	\$322,539	\$322,539	\$322,539	\$0	0%
<b>Subtotal</b>	<b>\$8,033,732</b>	<b>\$8,413,637</b>	<b>\$8,757,817</b>	<b>\$9,317,995</b>	<b>\$560,178</b>	<b>6.40%</b>
Est. Ex-Aid	\$3,630,513	\$1,700,000	\$1,700,000	\$3,200,000	\$1,500,000	88.24%
Other State Aid	\$71,050	\$0	\$0	\$0	\$0	0%
<b>Total</b>	<b>\$11,735,295</b>	<b>\$10,113,637</b>	<b>\$10,457,817</b>	<b>\$12,517,995</b>	<b>\$2,060,178</b>	<b>19.70%</b>

# **GENERAL FUND APPROPRIATIONS (FUND 10)**

# Appropriations as Percentage of Budget

Total \$147,470,393



# General Fund Budgeted Appropriations

	2021-2022	2022-2023	2023-2024	2024-2025	+ / (-)
General Current Expense (Fund11)	\$137,946,547	\$141,403,289	\$138,678,884	\$147,224,838	\$8,545,954
Capital Outlay (Fund 12)	\$247,071	\$436,038	\$85,938	\$85,938	\$0
Charter Schools (Fund 10)	\$133,021	\$95,955	\$93,438	\$159,617	\$66,179
<b>Total</b>	<b>\$138,326,639</b>	<b>\$141,935,282</b>	<b>\$138,858,260</b>	<b>\$147,470,393</b>	<b>\$8,612,133</b>

# 2024-2025 Balanced Budget

	2024-2025
Total General Fund Revenues	\$147,470,393
Total General Fund Appropriations	(\$147,470,393)
<b>Total</b>	<b>\$0</b>

# 2024-2025 Budget

**NO STAFF CUTS**  
**FOR**  
**BUDGETARY**  
**REASONS**  
**FOR FY25!!**

# **SPECIAL REVENUE FUND (FUND 20)**



# Special Revenue Fund - Revenues

Grant	2022-2023	2023-2024	2024-2025	+ / (-)
State Sources	\$2,074,890	\$3,059,556	\$4,761,110	\$1,701,554
Federal Sources	\$8,751,282	\$3,607,335	\$2,903,071	(\$704,264)
Local Sources (includes Student Activities)	\$399,500	\$300,000	\$300,000	\$0
Preschool Inclusion Funding (from General Fund)	\$0	\$542,508	\$944,862	\$402,354
<b>Total</b>	<b>\$11,225,672</b>	<b>\$7,509,399</b>	<b>\$8,909,043</b>	<b>\$1,399,644</b>

# Special Revenue Fund - State

Grant	2022-2023	2023-2024	2024-2025	+ / (-)
Preschool Education Aid	\$1,028,392	\$2,170,032	\$3,889,135*	\$1,719,103
Non-Public Aid	\$1,046,498	\$889,524	\$871,975	(\$17,549)
<b>Total</b>	<b>\$2,074,890</b>	<b>\$3,059,556</b>	<b>\$4,761,110</b>	<b>\$1,701,554</b>

**\*FY25 Preschool Education Aid includes FY23 carryover of \$109,687  
Total Preschool Budget with Inclusion is \$4,833,997**

# Special Revenue Fund - Federal

Grant	2022-2023	2023-2024	2024-2025
ESEA Grant	\$692,000	\$780,868	\$675,198
IDEA Grant	\$1,436,000	\$1,514,406	\$1,671,054
CARES	\$8,000	\$0	\$0
CRRSA (ESSER II)	\$1,694,000	\$211,591	\$0
CRRSA Accelerated Learn	\$109,000	\$57,317	\$0
CRRSA Mental Health	\$34,000	\$26,000	\$0
ARP (ESSER III)	\$3,807,000	\$266,472	\$0
ARP Accelerated Learning Coach	\$413,000	\$230,417	\$38,000
ARP EB Summer Learning	\$40,000	\$40,000	\$40,000
ARP EB Beyond the School Day	\$40,000	\$31,982	\$0
ARP Mental Health	\$45,000	\$45,000	\$0
ARP IDEA	\$403,537	\$378,537	\$0
ARP Homeless	\$29,745	\$24,745	\$24,745
Add'l Compensatory Sp.Ed.	\$0	\$0	\$454,074
<b>Total</b>	<b>\$8,751,282</b>	<b>\$3,607,335</b>	<b>\$2,903,071</b>

# DEBT SERVICE FUND (FUND 40)

# Debt Service Fund - Revenues

	2023-2024	2024-2025	% of Budget
Debt Service Tax Levy	\$1,200,000	\$0	0%
Debt Service Aid	\$729,339	\$1,446,408	32.53%
Debt Service Fund Balance	\$0	\$1,325,554	29.81%
Interest on Investment	\$312,651	\$1,674,307	37.66%
<b>Total</b>	<b>\$2,249,990</b>	<b>\$4,446,269</b>	<b>100.0%</b>

# Debt Service Property Tax Impact

Debt Service Tax Impact FY25				
Fiscal Year	Ratable Escalated @ 0.00%	Est. 2024 Debt Service	Bond Tax Impact per \$100	Est. Impact on Avg Home @ \$631,882
7/01/24 – 6/30/25	\$7,129,175,489	\$2,999,861	\$0.0421	\$266

**Due to interest earnings,  
the estimated debt service tax levy is ZERO for the FY25 Budget.**

**\*SAVINGS OF \$266 ON AVERAGE HOME ASSESSED @ \$631,882**

# TAX LEVY

# Property Tax Impact

Tax Impact	2021-2022	2022-2023	2023-2024	2024-2025	+ / (-)
General Fund	\$123,037,813	\$125,498,540	\$128,008,540	\$130,568,711	2.00%
Health Ins Adjust (Banked Cap)	\$0	\$0	\$0	\$0	0%
Debt Service	\$0	\$0	\$1,200,000	\$0	(100%)
<b>Totals</b>	<b>\$123,037,813</b>	<b>\$125,498,540</b>	<b>\$129,208,540</b>	<b>\$130,568,711</b>	<b>2.00%</b>





**THANK YOU!**

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