

Harding Township School Tentative Budget Report- 2023-2024 School Year

Dr. Matthew A. Spelker-Superintendent
John Jennings- Business Administrator

March 13th, 2023

Board of Education

- **Mr. Davor Gjivoje - President**
- **Dr. Alex Anastasiou–Vice-President**
- **Mr. Abi Singh***
- **Mr. Richard Bruno***
- **Mrs. Melissa Krikos**

*** Facilities and Finance Member**

2022-2023 District Goals

- **To identify learning gaps and measure the academic progress of our students through the administration of pre- and post-grade-level assessments in Reading, Math, and Writing that correlate with the NJSL standards and Reader's/Writer's Workshop.**
- **Continue to expand student exploration opportunities, such as (examples) the Performing Arts, Husky TV, debate, a student newsletter, and other feasible collaborative projects that empower students to become active participants in their learning.**
- **Work with the appropriate local, county and state authorities to assess the safety/security of the district's buildings and ground, protocols/guidelines/practices, and continue to foster a safe learning environment.**
- **To articulate student learning differentiation strategies currently utilized, and to further challenge and enhance learning for each student based on their individual needs, strengths, and interests.**

The proposed 2023-2024 budget will support yet to be named goals for the 2023-2024 school year.

Inflationary Pressures impacting the 2023-2024 budget

- Salaries - yearly increases far above the 2% cap number
- Transportation - busing increased **18.1%** year over year
- Healthcare - **19.4%** year over year
- Property Insurance - **10%** increase year over year
- Energy - **12.5%** increase year over year

2023-2024 Operating Budget

- **The operating budget is:**
 - A collective document – BOE, Administration, Parents, Staff, Community.
 - A statement, in financial terms, of the district's educational priorities.
 - A management tool that projects and balances the district's revenues and expenses.
 - A reflection of the community's values (small class size, technology, co-curricular activities, facilities maintenance, etc.)

2023-2024 Operating Budget

- Projections are made up to 15 months in the future. For example, budget (revenues and expenses) estimates made in March 2023 will have to remain accurate until June 30, 2024.
- This remains a draft adjustment and is subject to change prior to the Public Hearing on the budget.
- Our budget has many line items that are increasing at a faster rate. These items include salaries, health benefits, and special education. These items “crowd out” other portions of the operating budget.
- Inflation has had a major impact on this budget.
- The 2023-2024 budget was not developed by increasing each line by a certain preset percentage; virtually all line items were scrutinized individually.

Budget Process

- Audit health benefits roster. **(completed)**
- Review CAFR, the 22/23 budget, and plan ahead for 23/24 operating budget. **(completed)**
- Forecasting and budgeting for OOD placements for 2023-2024. **(completed)**
- Principal/Director of Curriculum—review of curriculum items. **(completed)**
- Refine revenue (tuition, federal grants) estimates for 2023-2024. **(completed)**
- Refine and update position control roster. **(completed)**

Budget Process

- **Factors affecting the operating budget:**
 - Maintaining small class size.
 - Ongoing maintenance needs.
 - HTEA salary increases. (as per Collective Bargaining Agreement/contract)
 - Continued technology upgrades.
 - Curriculum development and support.
 - Student achievement-maintain excellent results.
 - Increases in health benefits premiums.
 - Enrollment - predicted to be even.
 - Professional development and other unfunded mandates from the state.

Revenue

• State aid *	\$716,619	+\$84,425
• Tuition revenue	\$70,000	+\$5,600
• Budgeted fund balance	\$380,548	+\$19,526
• Misc. revenue	\$62,500	Unchanged
• Transportation fees	\$13,000	+\$4,000
• Extraordinary Aid	\$250,700	Unchanged
• Building usage fees	\$9,000	Unchanged

* **Subject to change**

Expenses

- HTEA salary increase (as per Collective Bargaining Agreement)
- Transportation Increase 18%- a material increase
- Health benefits premium increase-estimated 10%
- Out Of District special education tuition +6-9%.
- Facilities improvements:
 - Capital improvement: HVAC Nurses Room, HVAC project Middle School 2nd floor, planned for 2024 summer completion. Roof maintenance, access ramps and stairways MS and Elementary buildings. All other necessary and prudent capital expenditures.

State Aid

- 2009-2010 \$364,473
- 2010-2011 \$0
- 2011-2012 \$181,191
- 2012-2013 \$225,137
- 2013-2014 \$225,137
- 2014-2015 \$233,677
- 2015-2016 \$233,677
- 2016-2017 \$238,834
- 2017-2018 \$270,110
- 2018-2019 \$406,173
- 2019-2020 \$440,532
- 2020- 2021 \$462,201
- 2021-2022 \$532,750
- 2022-2023 \$632,194
- 2023-2024 \$716,619 *

A smaller percentage increase than in many prior years.

*Subject to change, based on past experience.

The Tentative 2023-2024 Budget Includes Important Funding To Ensure Continued High Academic Performance

- **Link-it Data Warehouse System**
- **Genesis.**
- **School Messenger Instant Alert.**
- **T-Eval/Marshall Model.**
- **STAR assessment program.**
- **Rubicon online curriculum tool.**
- **My Learning Plan.**
- **My School Building/School Dude.**
- **AESOP (staff attendance and substitute procedures).**
- **Applitrack (human resources tool).**
- **School Wires (website management).**
- **Safe Schools (staff professional development).**
- **CDK (accounting software).**
- **Professional development and curriculum development.**
- **Technology upgrades.**
- **Capital improvements.**

Banked Cap

Year Saved	\$ Amount	Year Expires
2012-2013	\$82,496	(Used in 2015-16)
2013-2014	\$74,390	(Used in 2016-17)
2014-2017	\$0	N/A
2017-2018	\$51,437	2020-2021 (used 2020-2021)
2018-2019	\$275,249	2021-2022 (only \$90,392 used 21-22 from \$275,249 available, with the balance expired forever)
2019-2020	\$20,000	2022-2023 Expired
2022-2023	\$87,151	2025-2026
2023-2024	\$144,755	\$98,126 used in 23-24 \$46,629 remaining expires 2026-2027

Local Tax Levy

- 1997-2011 +6.01% (average across 15 years)
- 2011-2012 +1.96%
- 2012-2013 +1.78%
- 2013-2014 +1.50%
- 2014-2015 +2.60%
- 2015-2016 +3.32%
- 2016-2017 +2.90%
- 2017-2018 +1.48%
- 2018-2019 +2.51%
- 2019-2020 +1.81%
- 2020-2021 +2.49% (with use of banked cap)
- 2021-2022 +3.52% (with use of banked cap, driven by covid expenses)
- 2022-2023 + 1.56%
- **2023-2024** +**2.87%** (with use of healthcare adjustment)

The 2023-2024 budget reflects diligent expense prudence and care to result in a reasonable figure in light of extraordinary inflationary pressures.

General Timeline

- Oct.-Dec. – Administrative meetings
- November – Budget guidelines approved/BOE
- February 28th – State aid figures were released
- March 13th – Tentative budget presented to BOE
- Prior to March 28th – Tentative budget submitted to Executive County Superintendent for approval
- May 1st – Public Hearing on the budget
- July 1 – New fiscal year begins

Harding Township Tentative School Budget

- **Questions or comments from Board members?**