

Carlstadt Public Schools

2023-2024 Budget
March 15, 2023

Objectives

- Budget Calendar
- Budget Process
- Tax Cap / Banked Cap
- Anticipated Revenue
- Appropriations (Anticipated Expenditures) / Cost Drivers
- Tax Impact
- Anticipated Revenue and Anticipated Expenditure Forecast

Calendar

Calendar

January 4:	Calendar Approved
January 31:	Submit Audit Summary
February 28:	Governor's Address
March 2:	State Aid Released
March 15:	Board Approves Preliminary Budget
March 17:	ACFR Due
March 20:	Preliminary Budget County Submission Deadline
May 1:	Tax Levy Meeting

Updated this slide after posting the agenda.

Budget Process

Budget Process

- Determine / Estimate Revenue
 - Tax Levy
 - State Aid
 - Federal Grants
 - Misc Revenue (Facility Usage, Interest, Tuition, etc.)
- Determine / Estimate Appropriations (Anticipated Expenditures)
 - Contractual Salaries, Debt Service, Contracts, etc.
 - Estimate tuition, transportation, utilities, etc.
- Balance the Budget
 - Compare Revenues to Expenditures
 - Using board and district goals as a guide, determine priorities and adjust expenditures

Tax Cap / Banked Cap

Revenue - Tax Levy

- According to statute, the board can increase school tax levy by up to 2%, plus allowable adjustments as determined by enrollment and health care cost increases, plus banked taxing authority.

Revenue - Tax Levy

- 11,323,329 Current tax levy
 - 112,110 Adjustment for enrollment growth
 - 11,435,439 Adjusted tax cap due to enrollment
 - 11,664,148 2% increase from adjusted tax cap due to enrollment
 - 102,981 Adjustment due to health care costs
 - 11,767,129 Tax Levy Cap for the 23-24 school year
- or
- 443,800 Additional Revenue

Revenue - Banked Taxing Authority

- If the Board of Education does not use available taxing authority, the taxing authority can be “banked” and used up to three years later.
- During the last three budget cycles the board did not use its full taxing authority.
- The banked tax authority is:
 - \$113,787 from the 2021-2022 school year.
 - \$ 15,736 from the 2020-2021 school year.
 - \$284,949 from the 2019-2020 school year.
- If the Board decides to use any banked taxing authority, the current tax authority of \$443,800 must be used and then the additional taxing authority can be used from the oldest year to the most recent year.
- If the \$284,949 is not used this year, it expires and can never be considered again.

Revenue - Tax Cap

- \$11,323,329 Current tax levy
- \$ 443,800 Tax Cap
- \$ 113,787 Banked Cap
- \$ 15,736 Banked Cap
- \$ 284,949 Banked Cap
- \$12,181,601 Maximum Tax Levy Cap

Or

- \$ 858,272 Maximum Taxing Authority for the 2023-2024 School Year

Anticipated Revenue

Anticipated Revenue

There are two parts to consider

- The operating budget
- Debt service

Revenue - Operating	2022-2023	2023-2024 (Projected)	Change (\$)	Change (%)
Tax Levy	11,323,329	11,486,129	162,800	1.44%
Required Fund Balance	1,811,795	2,173,772	361,977	19.98%
Misc. Revenue	107,186	107,186	0	0.00%
Categorical Special Education Aid	459,161	560,882	101,721	22.15%
Categorical Transportation Aid	45,263	45,263	0	0.00%
Categorical Security Aid	56,138	90,471	34,333	61.16%
Special Education Medicaid Initiative	0	19,169	19,169	
FEDERAL PROGRAMS (ESSEA, IDEA)	324,447	298,022	-26,425	-8.14%
Extraordinary Aid	150,000	150,000		0.00%
Reserves	2,000,000	0		-100.00%
Prior Year Encumbrances	103,043			-100.00%
Total Operating w/ Capital	16,380,362	14,930,894	-1,449,468	-8.85%
Total Operating w/o Capital	14,380,362	14,930,894	550,532	3.83%

\$162,800 increase out of a cap of \$858,272

Unexpended funds in excess of unbudgeted fund balance reserve as of June 30th

Increase in State Aid

Increase in State Aid

Guidance is 15% reduction

No additional capital projects approved

Revenue - Debt Service / Total Budget

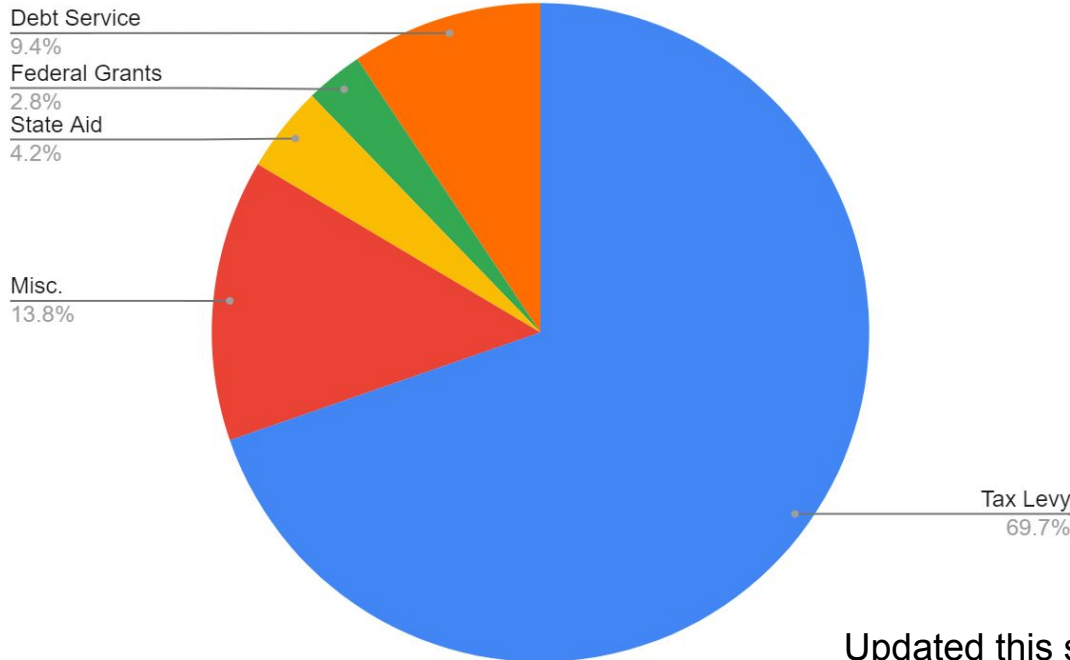
	2022-2023	2023-2024 (Projected)	Diff	Change (%)
Debt Service Tax Levy	1,551,038	1,551,038	0	0.00%
Debt Service State Aid	0	0	0	
Total Debt Service	1,551,038	1,551,038	0	0.00%

	2022-2023	2023-2024 (Projected)	Diff	Change (%)
Total Operating	16,380,362	14,930,894	-1,449,468	-8.85%
Total Debt Service	1,551,038	1,551,038	0	0.00%
Total Budget	17,931,400	16,481,932	-1,449,468	-8.08%

Anticipated reduction in Title funding and no approved capital projects

Anticipated Revenue

2023-2024 Estimated Revenue



- Operating budget: 70% of revenue is from local tax levy.
- Debt Service: 100% from local tax levy
- Total Budget: 79.1% of revenue from local tax levy.
- A 2% tax levy increase on the operating budget is \$226,467 of additional revenue.

Updated this slide after posting the agenda.

Appropriations

Data Collection to Determine Appropriations

Data Collection

- Salary Projections - Bargaining contracts
- Employee Benefits (Health Care, Tuition Reimbursement, Pension Contributions, Sick and Vacation Payout, etc.)
- Tuition (Out of district placements, receiving students i.e. pk tuition)
- Transportation (Out of district students for the school year and the extended school year (ESY))
- Enrollment Projections including charter school enrollment
- Debt Service
- Supervisor / Building budget requests
- Statement of Priorities - How the district supports student programs

Appropriations (Anticipated Expenditures)

Appropriations

There are two parts to consider

- The operating budget
- Debt service

Cost Drivers - Anticipated expenditures exceeding a 2% (base tax levy cap) increase

- Salaries - 3% contractual increases
- Tuition - Typical for a 5% increase
- Transportation - Typical for a 5% increase
- Health Care - Typically ranges from 5% to 15%
State Health Benefits increasing by 15.1%

Appropriations	2022-2023 Adj. Budget	2023-2024	Difference	% Inc
Salaries	7,268,708.00	7,515,947.00	247,239.00	3%
Benefits	2,451,951.00	2,627,311.00	175,360.00	7%
Tuition	1,387,674.00	1,561,520.00	173,846.00	13%
Transportation	410,000.00	428,701.00	18,701.00	5%
Operations and Facilities	780,635.00	885,525.00	104,890.00	13%
Purchased Services	523,009.00	620,991.00	97,982.00	19%
Supplies	257,400.00	333,186.00	75,786.00	29%
Textbooks	17,960.00	38,337.00	20,377.00	113%
Food Service	-	-	-	0%
Federal Grants	324,447.00	298,022.00	(26,425.00)	
Capital Expense	2,958,578.00	621,354.00	(2,337,224.00)	-79%
Operating Budget	16,380,362.00	14,930,894.00	(1,449,468.00)	-9%

Contractual Increases, Additional Staff

7.5% incr Health, inc workers comp, unemp, pension

3% plus 2 new students, 3 placeholders

Incr repairs and utilities

Insurance incr, guidance programs

Increase as a result of federal grant reductions (ESSER - Not shown in table)

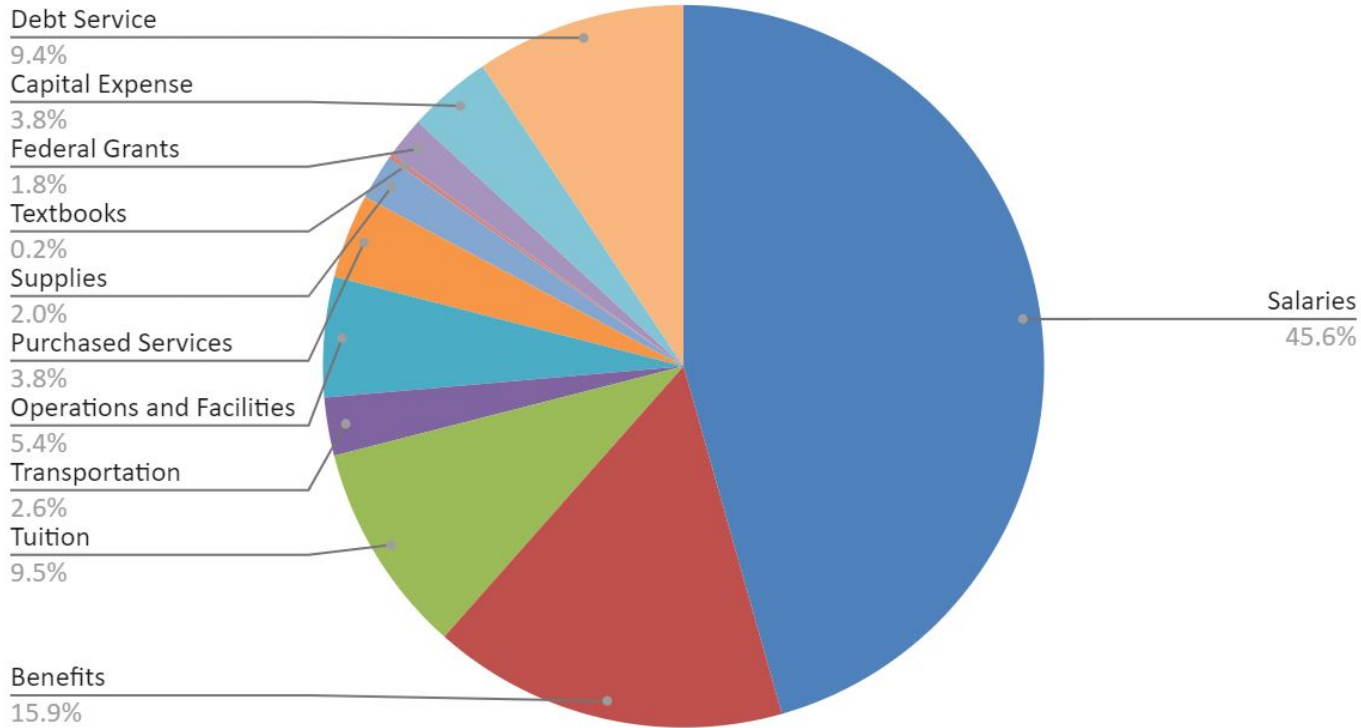
Fees for assessment on SDA funding and a transfer of \$585,163 into cap res

Appropriations

	2022-2023 Adj. Budget	2023-2024	Difference	% Inc
Operating Budget	16,380,362.00	14,930,894.00	(1,449,468.00)	-9%
Debt Service	1,551,038.00	1,551,038.00	-	0%
Total Budget	17,931,400.00	16,481,932.00	(1,449,468.00)	-8%

Last Debt Service Payment 5/1/2030

2023-2024 Anticipated Expenditures



62% is Salaries and Benefits

Tax Impact

Tax Impact

Current Tax Levy Operating	11,323,329
Current Tax Levy Debt Service	1,551,038
Current Combined Tax Levy	12,874,367
Proposed Tax Levy Operating	11,486,129
Proposed Tax Levy Debt Service	1,551,038
Proposed Combined Tax Levy	13,037,167
Operating School Tax Increase	1.44%
Debt Service School Tax Increase	0.00%
Combined School Tax Increase	1.26%

Tax Impact	2022-2023	2023-2024
(A) General Fund School Levy	11,323,329	11,486,129
(D) Total School Levy	12,874,367	13,037,167
(B) Estimated Net Taxable Valuation (as of 10/01/22)	2,804,272,386	2,804,272,386
(H) Estimated Equalized Valuation (as of 10/01/22)	2,818,342,029	2,818,342,029
(C) Estimated General Fund School Tax Rate, Without Repayment of Debt or Adjustments= $100 \times (A)/(B)$	0.4038	0.4096
(F) Estimated Total School Tax Rate, With Repayment of Debt and Adjustments= $100 \times (D)/(B)$	0.4591	0.4649
(I) Estimated Equalized General Fund School Tax Rate, Without Repayment of Debt or Adjustments= $100 \times (A)/(H)$	0.4018	0.4075
(L) Estimated Equalized Total School Tax Rate, With Repayment of Debt and Adjustments= $100 \times (D)/(H)$	0.4568	0.4626
Median listing home price (realtor.com)	512,000	512,000
Estimated School Tax per Household	2,339	2,368
Estimated School Tax Increase		30