



Presentation of Budget, 2023-24

April 25, 2023



Vision

The Watchung Borough School District is committed to inspiring learners to explore, inquire, and collaborate on their joyful journey toward discovery, independent thinking, and creative problem solving. Our culture of acceptance and inclusion provides the foundation for learning and social and emotional growth. Through reflection and ethical decision-making, we continue to learn and grow, embrace differences, and prepare for an increasingly complex, ever-changing world.



Budget Objectives

- Support teaching and learning in accordance with the district vision and seek to reduce class sizes
- Stay within the 2% cap
- Manage budget efficiently and seek to reduce expenditures
- Find creative ways to generate surplus and build reserves



Past Budgetary Accomplishments

- Redesigned preschool
- Improved special services and stabilized special services costs
- Restructured technology support services
- Restructured music staffing (move to 3.0 FTEs from 3.6)
- Restructured ESL/WL staff at Bayberry (move to 1.0 FTE from 1.83)
- Restructured maintenance staff
- Maintained all other staffing levels and hired state-required ESL position



Current Year's Budgetary Accomplishments

- Used federal grant funds to enhance academic and social-emotional support, including additional counseling support at Bayberry
- Addressed staffing shortage for ELL students pursuant to state requirement
- Maintained all other staffing levels
- Collaborated with school-community groups on grants
- Continued professional learning and collaboration



Key Decisions to Meet Objectives, 2023-24

- Add staff to reduce class sizes
- Address staffing shortage for autism program pursuant to state requirement
- Maintain all other staffing levels
- Use federal grant funds to enhance academic and social-emotional support
- Grants from school-community groups and other sources
- Continue professional learning and collaboration



Budget Timeline

Nov. 2022 - Jan. 2023	Requests from district budget managers and staff
January - March 2023	Tentative budget developed by interim business staff
March 14, 2023	Board of Education vote on tentative budget
March 20, 2023	Tentative budget due to county office
April 25, 2023	Public hearing on the budget
April 27, 2023	User-friendly budget on district website (pending county approval)



Anticipated Enrollment - District

Valley View	Bayberry	Valley View	Out of District	Total
FY18	368	341	3	712
FY19	358	295	4	657
FY20	340	271	8	619
FY21	344	268	8	620
FY22	378	256	7	641
March 2023	420	253	10	683
FY24 Projected	415	281	7	703



Anticipated Enrollment - Bayberry ES

Bayberry	Pre-K	MD / Autistic	K	1	2	3	4	Total
FY18	34	2	63	70	64	64	71	368
FY19	31	4	66	62	68	66	61	358
FY20	26	1	60	68	61	60	64	340
FY21	23	*	57	67	66	65	63	341
FY22	34	*	57	67	77	74	69	378
March 2023	37	*	87	64	75	75	82	420
FY24 Projected	34	*	80	87	64	75	75	415



Anticipated Enrollment - Valley View MS

Valley View	5	6	7	8	Total
FY18	95	67	76	103	341
FY19	66	89	69	71	295
FY20	59	63	81	68	271
FY21	71	62	63	78	274
FY22	67	68	58	65	258
March 23	64	66	69	54	253
FY24 Projected	82	64	66	69	281



Key Factors in Budget Development

Revenue Sources

- State aid (determined by state)
- Preschool tuition (based on enrollment)
- Local taxes (2% cap)
- Excess surplus (from prior year)

Appropriations

- Salaries
- Benefits
- General education
- Special education
- Student transportation
- Facilities
- Other

Fixed Cost Increases

- Salaries
- Health benefits
- Student transportation



General Fund Revenue Projections

★ General fund budgeted revenues (Fund11):		\$15,378,477
○ Local tax levy	\$12,786,815 - at 2%	
○ Other local revenues	\$ 235,000	
○ Referendum interest	\$ 75,000	
○ Budgeted fund balance (from FY22)	\$ 855,390	
○ State aid (includes anticipated extraordinary aid)	\$ <u>1,426,272</u> (State Aid increased \$229,450)	
	\$15,378,477	
★ Special Revenue (Grants) (Fund 20)	\$ 366,865	\$366,865
★ Debt Service (Fund 40)	\$ 556,503	\$556,503
	Total Revenue (All Funds)	\$16,301,845



General Fund Revenue Projections

Changes in general fund revenues from FY23 to FY24: \$1,118,585

- Local tax levy increase (2%): +\$250,722
- State Aid increase/Extraordinary Aid: +\$379,450
- Budgeted excess surplus: +\$398,413
- Miscellaneous +\$ 15,000
- **Additional miscellaneous (referendum interest) +\$ 75,000**



Shared Services

- ★ Custodial and maintenance services
 - Municipality assists with snow removal and field maintenance
 - Waste management services purchased through joint purchasing agreement with Watchung Hills Regional High School

- ★ Transportation services, including fuel
 - Regular education transportation purchased through joint purchasing agreement with Watchung Hills Regional High School
 - Fuel for district vehicles supplied at cost by municipality

- ★ Purchasing - leverage cooperative purchasing systems, state contract vendors, and educational services commissions to maximize cost savings

- ★ Insurance coverages and benefits - property and casualty insurance purchased through Diploma Joint Insurance Fund and health insurance provided through a SHIF



Increased Fixed Operating Costs

★	Salaries & Health Benefits - Total Increase:	\$838,797
○	Salary increases (includes FICA)	\$252,354
○	Elementary school teacher salary	\$ 57,320
○	Health benefits	\$511,443
○	Additional health benefits	\$ 17,680
★	Student Transportation	<u>\$ 94,740</u>
★	Total Increase in Fixed Operating Costs:	\$933,537
★	Amount available for increased operating costs:	\$185,048
●	Utility costs	
●	Custodial and maintenance costs	
●	Pension costs - PERS	



Tax Impact - General Operating

School Year	Rateables	Tax Levy	Tax Rate	Avg Home Assessment	Estimated School Tax
2019-2020	\$1,801,789,204	\$11,813,040	0.00655	\$714,870	\$4,686.89
2020-2021	\$1,815,666,300	\$12,049,301	0.00663	\$719,783	\$4,776.69
2021-2022	\$1,836,075,954	\$12,290,287	0.00669	\$730,568	\$4,890.26
2022-2023	\$1,908,500,900	\$12,536,093	0.00656	\$760,895	\$4,997.98
2023-2024	\$2,012,143,800	\$12,661,454	0.00629	\$802,735	\$5,049.20
Increase	\$103,642,900	\$125,361	(0.00027)	\$41,840	\$51.22

Estimated School Tax incremental change per \$100k assessed value is \$6.38



Budget 2023-24

Opportunity for Comments and Questions

