

2024-2025 Annual School Budget

Matawan-Aberdeen Regional School District



May 6, 2024

Agenda for Tonight

The Budget Process

State Aid “Formula” History

Revenues

Appropriations

Comparable Efficiency Standards

Cap on the General Fund Local Tax Levy

Tax Impact

Looking Ahead



The Budget Process

October

November

February

March-
April

April-
May



Budget Review
& Information
to
Administration

Current
Mid-year
Review
with
DOE

Department
Budget
Preparation
Meetings
-State Aid
Allocation
Release:
February 29, 2024

Budget
Allocation
Reviews &
Budget Final
Preparation
-Sent to
DOE March
26, 2024

Public
Hearing &
Budget
Adoption



State Aid History

- **2023-24** **\$19,797,837** (includes PK)
Preschool Expansion included \$5,656,030
- **2022-23** **\$17,954,301** (includes PK)
Preschool Expansion included \$4,778,850
- **2022-21** **\$16,064,068** (includes PK)
Preschool Expansion included \$2,385,456
- **2021-20** **\$14,581,198** (includes PK)
Preschool Expansion included \$1,574,034
- **2020-19** **\$12,897,478**



2024-2025 School State Aid

Equalization Aid	\$ 9,347,032
*Transportation Aid	\$ 954,542
Special Education Categorical Aid	\$ 4,171,667
Security Aid	\$ 778,693
Preschool Aid	\$ 6,931,341
Less: Debt Service Aid	<u>\$ 335,598</u>
TOTAL	\$22,078,301

Note: Total Transportation Cost \$5,000,000

What is Non-Discretionary vs. Discretionary

Non-Discretionary:

- Transportation
- Out-of-District Tuition
- Utilities
- Legal
- Auditing Fees
- Lease payments
- Building & Grounds
Operating Expenses
- Tuition Reimbursements
- Aid - In - Lieu

Discretionary:

- Curriculum & Instruction
- HR
- Athletics &
Extra-curricular
- Information & Technology
- Program resources
- School supply budgets
- Professional Development
- Professional Services
- Security

Comparable Efficiency Standards

Budgetary Cost per Pupil	\$15,970
State Average (22-23 Budgeted)	\$19,072 (Enrollment 3,501+, K-12)
6th lowest out of 95 district	
Administrative Cost per Pupil	\$1,872
Regional Maximum permitted	\$2,443
State Median (22-23 Budgeted)	\$2,092
47th lowest out of 95 districts	
Operations & Maintenance Cost per Pupil	\$1,476
State Average (22-23 Budgeted)	\$2,327
5th lowest out of 95 districts	
Extracurricular Cost per pupil	\$438
State Average (22-23 Budgeted)	\$354
81st out of 95 districts	

How will the budget be spent in 2024-2025?

Extracurricular Costs

2.9%

Operations & Maintenance

9.8%

Legal Costs

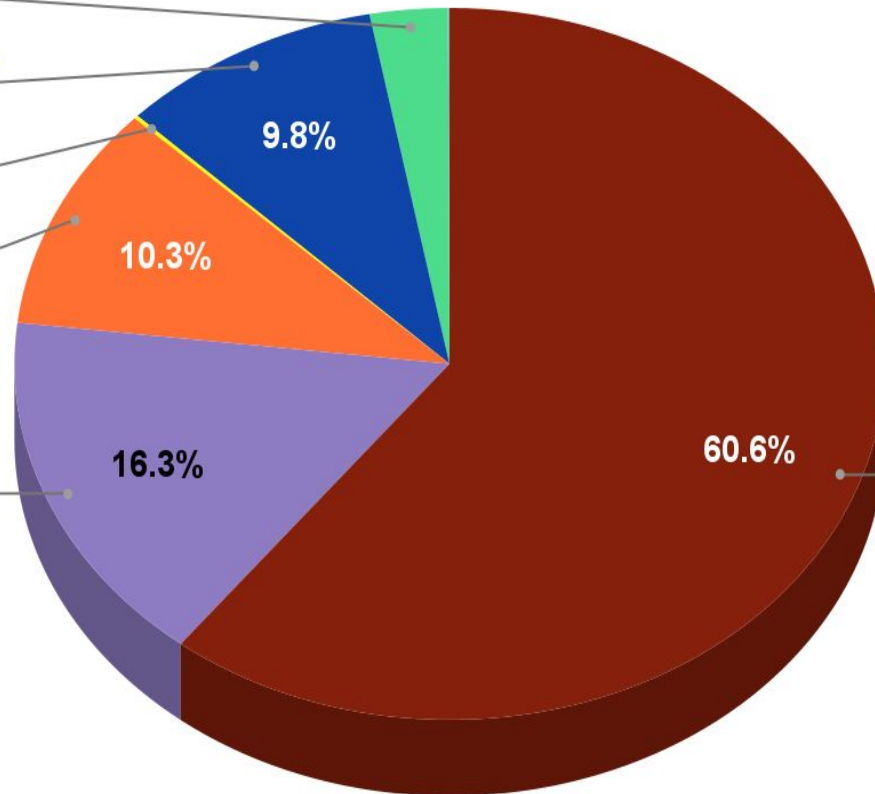
0.2%

Administrative Costs

10.3%

Support Services

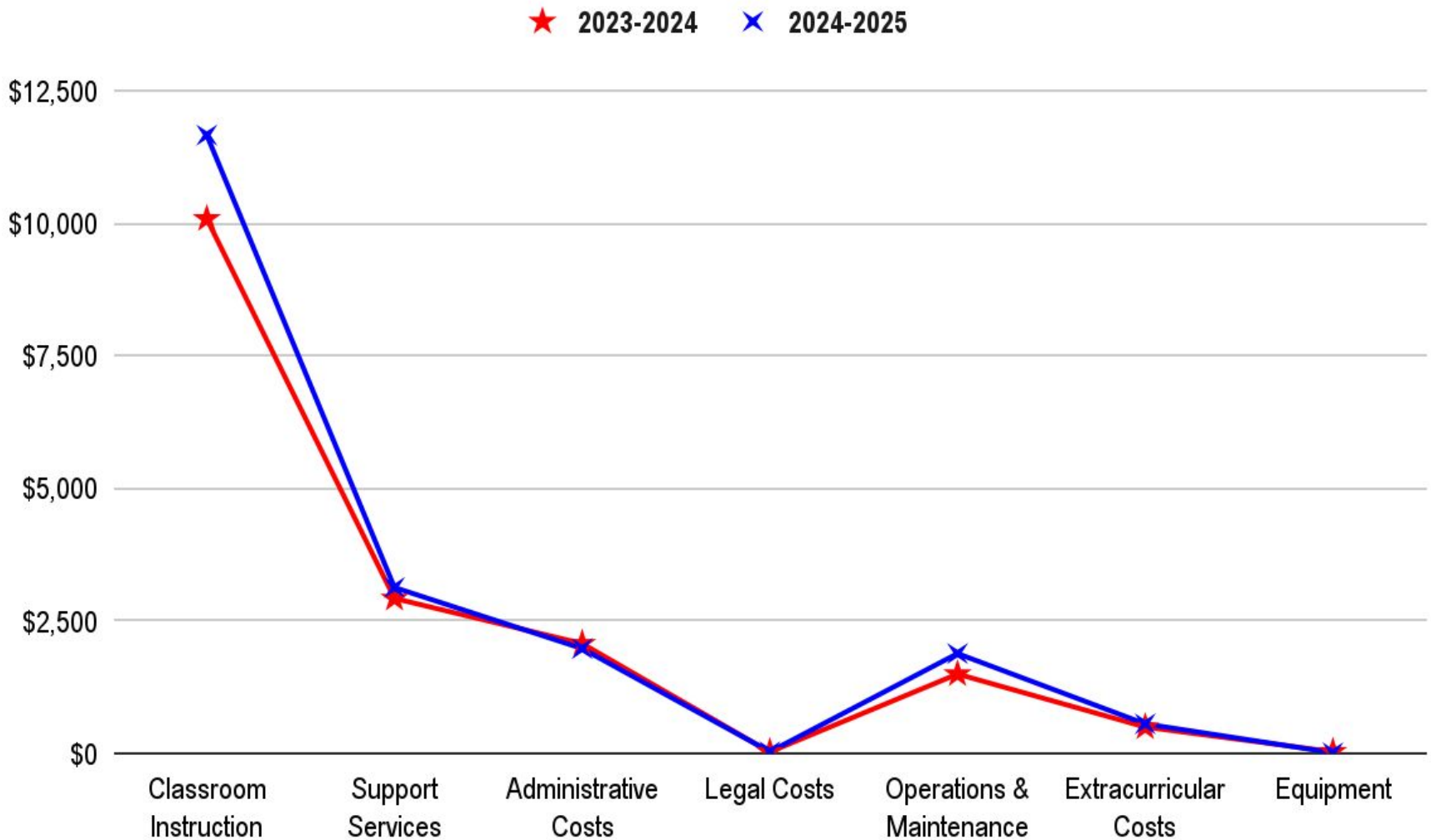
16.3%



Classroom Instruction

60.6%

Per Pupil Comparison from 2023-2024 to 2024-2025



Appropriations

<u>Budget Category</u>	<u>2023-2024 Budget</u>	<u>2024-2025 Proposed</u>	<u>Change</u>	<u>% Change</u>
Program Cost	\$32,204,059	\$32,570,071	\$366,012	1.14%
Employee Benefits	\$15,431,761	\$17,129,005	\$1,697,244	10.99%
Maint & Operations	\$7,168,996	\$7,145,068	-\$23,928	-0.33%
Transportation	\$4,622,985	\$4,911,818	\$288,833	6.25%
Administrative Costs	\$6,919,649	\$6,029,768	-\$889,881	-12.86%
Tuition	\$4,717,864	\$5,063,252	\$345,388	7.32%
Capital Outlay	\$2,239,563	\$134,756	-\$2,104,807	-93.9%

Special Education & Support Services

- Increased enrollment
- Out of District placements
- Over last 2 years
 - Additional Programs
 - K-5 (+AU, MD)
 - 6-8 (+ERI)
 - 9-12 (+ERI)
- Contracted Services
 - Speech
 - OT & PT
 - Nursing
- Mental Health
 - Effective School Solutions
 - MAMS & HS

Solutions- strengthen programs to retain students; offer support services in district

*AU = Autism; MD= Multiply Disabled; ERI= Emotional Regulation Impairment

School Safety

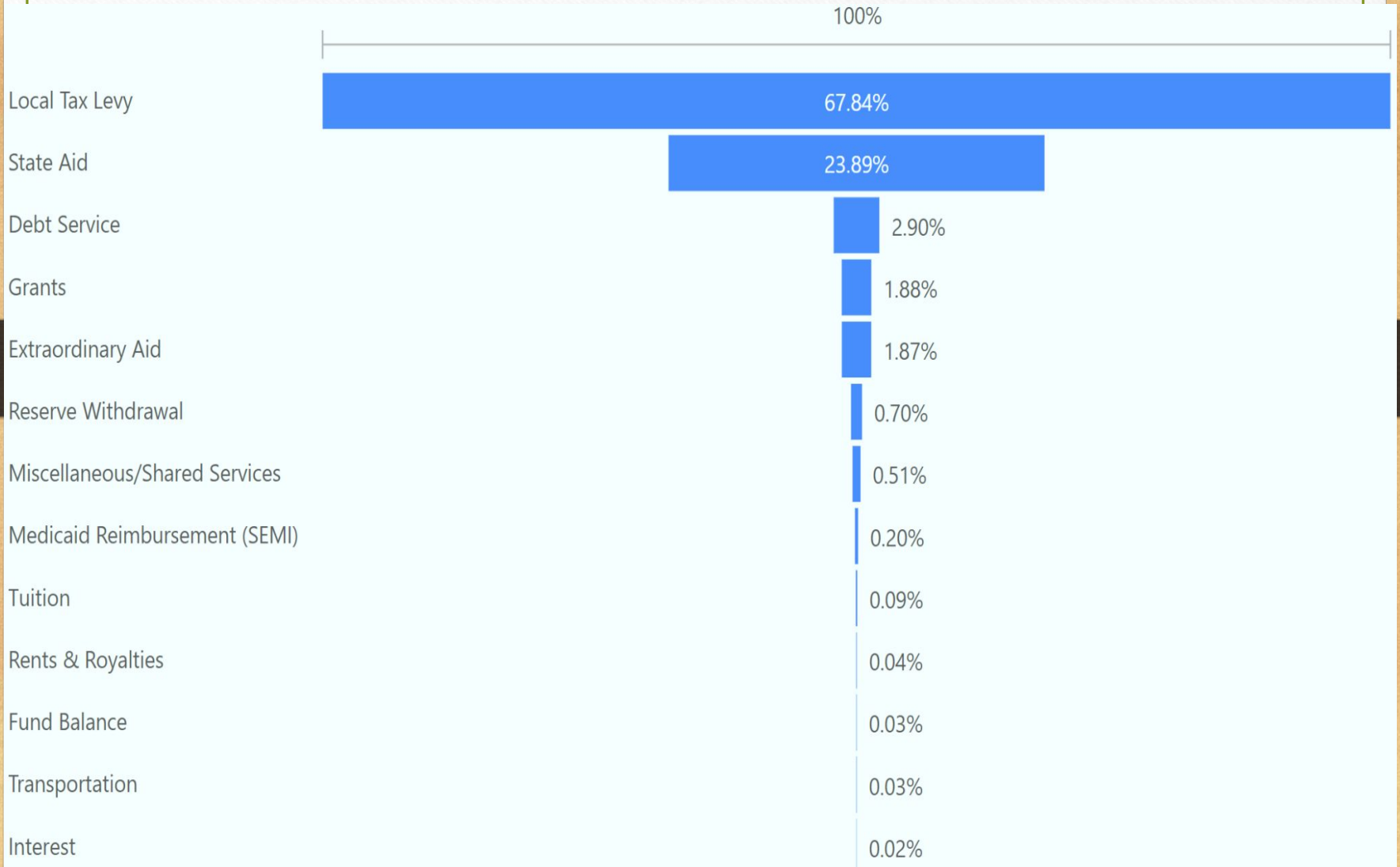
- Continued collaboration and ongoing discussions with Aberdeen Township and Matawan Borough
- District received increased funds for school security to *potentially* be used for -
 - Technology
 - Cameras
 - Potential Class III officers
 - (1) Security Resource Officer (SRO)

Budget Impact on Personnel

- Reduction in staff for SY24-25
 - District Administration (2.5)
 - Teachers (11)
 - Certificated Support Staff (1)
 - Clerical (4)
 - Central Office non bargaining clerical (2)
[resignation/attrition]
- Service delivery model
- Classroom Sizes - minimal change

Staff retirements/resignations filled internally or combined sections

Revenue



Health Care Impact : Chapter 44 Fiscal Implications

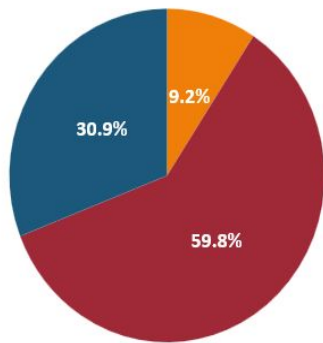
- State mandates
- In the future years:
 - Potential double digit growth
 - Responsible to cover more costs per year
- Challenges
 - District's financial burden

Tax Impact Borough of Matawan

(Calendar Year Tax Rate)

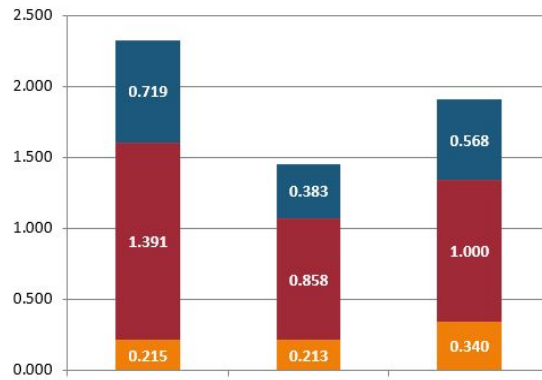
Year	Avg. Assessment	School Tax Rate	School Taxes
2023-22	\$377,500	1.6630	\$6,277.83
2024-23	\$413,916	1.5341	\$6,349.89
<u>2025-24</u>	<u>\$493,555</u>	<u>1.3304</u>	<u>\$6,566.26</u>
Tax Impact		-0.2037	\$216.37/annually \$18.03/monthly

Property Tax Shares



- County Share of Property Taxes
- School Share of Property Taxes
- Municipal Share of Property Taxes

Property Tax Rates vs. State & County Average



- County Eq. Property Tax Rate
- School Eq. Property Tax Rate
- Municipal Eq. Property Tax Rate

Avg. Resid. Property Taxes vs. State & County Average



- Average County Property Taxes
- Average School Property Taxes
- Average Municipal Property Taxes

*Source 2023 Average Assessment and total assessed value of \$1,569,818,300 – [Monmouth County Abstract of Ratables](#)

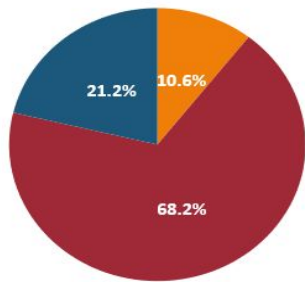
Tax Impact Township of Aberdeen

(Calendar Year Tax Rate)

Year	Avg. Assessment	School Tax Rate	School Taxes
2023-22	\$327,900	1.7365	\$5,693.98
2024-23	\$354,213	1.5953	\$5,650.76
<u>2025-24</u>	<u>\$410,114</u>	<u>1.4165</u>	<u>\$5,809.26</u>
Tax Impact		-0.1788	\$158.50/annually \$13.21/monthly

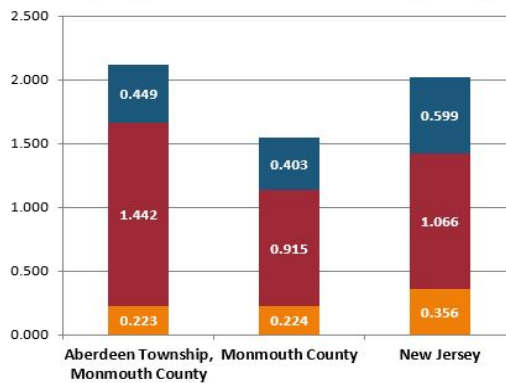
Aberdeen Township, Monmouth County

Property Tax Shares



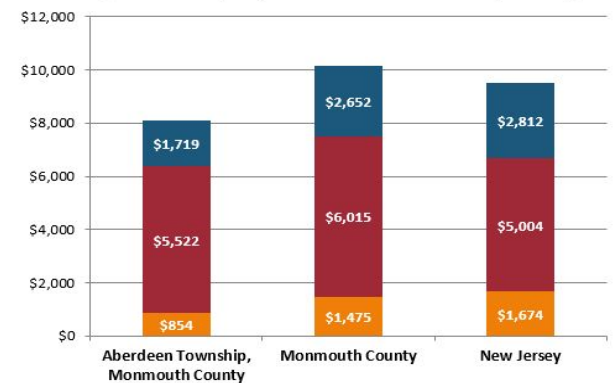
■ County Share of Property Taxes
■ School Share of Property Taxes
■ Municipal Share of Property Taxes

Property Tax Rates vs. State & County Average



■ County Eq. Property Tax Rate
 ■ School Eq. Property Tax Rate
 ■ Municipal Eq. Property Tax Rate

Avg. Resid. Property Taxes vs. State & County Average



■ Average County Property Taxes
 ■ Average School Property Taxes
 ■ Average Municipal Property Taxes

*Source 2023 Average Assessment and total assessed value of \$3,070,814,300 – [Monmouth County Abstract of Ratables](#)

Local Tax Levy Proposal

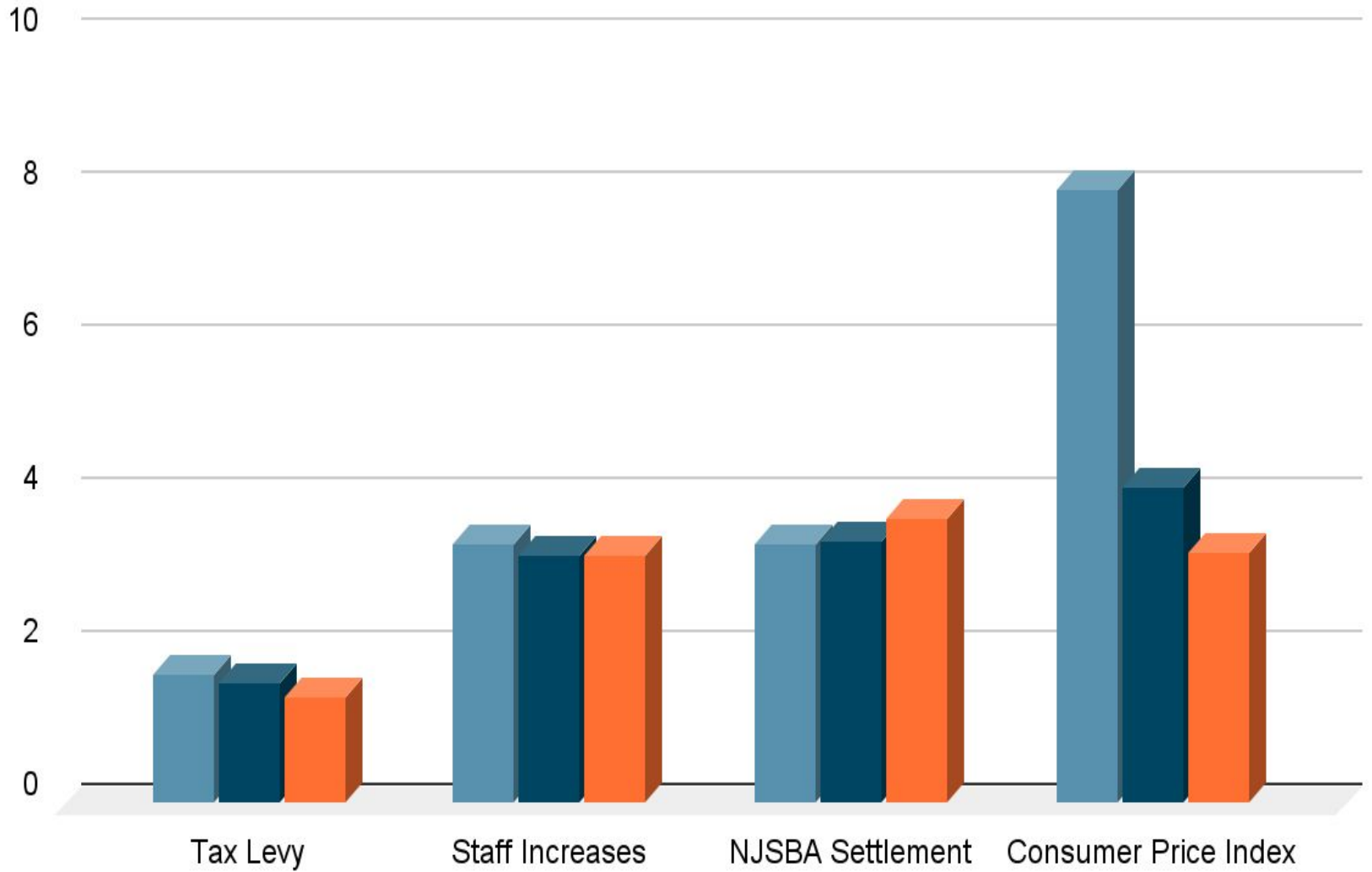
	Total	Matawan	Aberdeen
General Fund	\$62,995,444	\$20,129,967	\$42,865,477
Debt Service Fund	\$2,357,457	\$753,317	\$1,604,140
Total Taxes to be Raised	\$65,352,901	\$20,883,284	\$44,469,617

History on Budget Waivers & Use of Banked Cap

- 2% increase on general fund local tax levy
- Reasons for Waivers and/or Banked Cap:
 - Increased Enrollment
 - Send To/From
 - Deferred Pension Liability
 - **Healthcare Increases**
- Amounts of unused waivers are banked for up to 3 years for future use



FY23 FY24 FY25





NEW JERSEY SCHOOL BOARDS ASSOCIATION

SETTLEMENT RATE PERCENTAGE INCREASES-BY COUNTY*

AS OF: Wednesday, April 3, 2024

FOR CONTRACTS COVERING:
2022-23 2023-24 2024-25
 # averaged # averaged # averaged

ATLANTIC	3.36 21	3.30 21	3.49 13
BERGEN	3.25 67	3.31 66	3.23 47
BURLINGTON	3.40 33	3.49 34	3.47 28
CAMDEN	3.46 30	3.37 30	3.44 19
CAPE MAY	3.09 14	3.18 14	3.26 11
CUMBERLAND	3.19 12	3.19 12	3.19 7
ESSEX	3.27 17	3.42 17	3.76 6
GLOUCESTER	3.33 21	3.56 19	3.32 14
HUDSON	3.11 8	3.70 7	4.01 6
HUNTERDON	2.96 22	3.10 22	3.28 10
MERCER	3.34 9	3.44 8	3.44 7
MIDDLESEX	3.57 22	3.66 20	3.63 12

MONMOUTH	3.38 43	3.43 39	3.44 24
MORRIS	3.15 30	3.24 28	3.36 16
OCEAN	3.52 21	3.50 20	3.56 12
PASSAIC	3.17 16	3.35 16	3.56 7
SALEM	3.12 14	3.27 10	3.33 7
SOMERSET	3.12 16	3.21 15	3.28 11
SUSSEX	2.90 19	2.95 19	3.06 13
UNION	3.27 18	3.22 16	3.26 10
WARREN	3.08 19	3.17 18	3.19 10

<u>CUMULATIVE AVERAGE</u>	<u>3.26</u>	<u>3.34</u>	<u>3.37</u>
TOTAL NUMBER AVERAGED:	472	451	290

*Note: All settlement information is reported to NJSBA through surveys of the district administration offices. Districts are requested to report settlements inclusive of increment and any increases in longevity. However, the settlement figures do not include any savings or additional costs associated with changes to fringe benefits.

Looking Ahead...

Opportunities

- Alternative Funding (ie. Grants)
- Strategic Planning
- Maintain ongoing communication with Legislators
- Participates in Garden State Coalition *Non-Partisan, Non-Profit Education Advocacy Organization*
- Shared Services (ie. Tuition in)
- Free & Reduced Applications

Challenges

- Funding Formula Changes
- 2% Budget Cap
- Unfunded Mandates
- State Budget Obligations
- State Healthcare Benefit Increase
- Scope of Student Needs
- Building Needs & Space



Budget Information

MARSD Budget Website

2024-2025 Budget Presentation
2024-2025 User Friendly Budget

District Approved Contracts



Legislators Contact Information

Governor Murphy

TEXT: 732-605-5455

CALL: 609-292-6000

OR EMAIL:

constituent.relations@nj.gov

OR

<https://www.nj.gov/governor/contact>

Commissioner of Education

CALL: 609-376-3500

Thank You!

