

Haworth School District



2024-2025 Proposed Budget Presentation

April 24, 2024

District Mission Statement

The Haworth Public School District, a safe and nurturing small school environment, in partnership with our community, is dedicated to providing every student with educational excellence through a comprehensive, innovative and rigorous curriculum that fosters productive and responsible lifelong learners in a global society.



Financial Mission Statement

The budget is driven by our commitment to student accomplishment in a way that is fiscally responsible to the taxpayer.

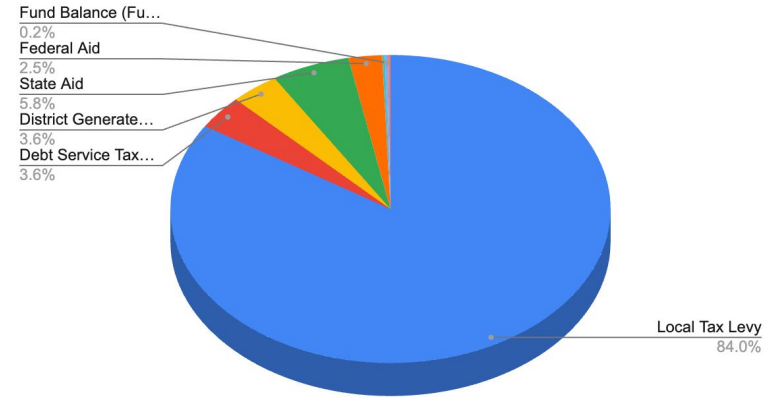
Making a budget we always keep in mind that **we never want to sacrifice one for the other.**

REVENUES



2024-2025: Revenue Sources

Source	Dollar Amount	Percent
Local Tax Levy	10,396,336	84.04%
Debt Service Tax Levy	440,442	3.56%
District Generated Revenue	440,790	3.56%
State Aid	712,994	5.76%
Federal Aid	305,737	2.47%
Debt Service Aid	24,138	0.20%
Fund Balance (Fund 10)	27,306	0.22%
Fund Balance (Fund 40)	23,470	0.19%
Total	12,371,213	100.00%
Revenue Not From Local Taxes	1,534,435	12.40%



District Revenue Generation

School Year	Revenue Generated
2020-2021	144,307*
2021-2022	217,837*
2022-2023	158,750
2023-2024	211,343
2024-2025	\$440,790

* Figures includes collected tuition during COVID and for Cresskill flooding

2024-2025 District Revenue Generation Sources

Program	Revenue Generated
Pre-K	\$220,000
Before Care & After Care	\$30,000
Building Rent	\$160,000
School Lunch	\$15,000
Operating Interest	\$25,000
Capital Reserve Interest	\$25,000
Building Usage	\$5,000

RELEVANT DISTRICT & MARKET CONDITIONS



District Growth: Enrollment Rates



School Year	Enrollment	Annual % Increase
2019-2020	387	—
2020-2021	408	5.4%
2021-2022	414	1.4%
2022-2023	427	3%
2023-2024	464	7.9%
Total Percent Increase (since 20-21 School Year)		19.9%

District growth creates:

- a need more teachers
- the needs of increasing number students
- increased special ed costs
- increased transportation costs

Economic Market Conditions



Transportation Costs

School Year	Cost	Annual Cost Increase	Annual % Increase
2020-2021	\$35,617	---	—
2021-2022	\$95,445	\$59,828	168%
2022-2023	\$194,000	\$98,555	103%
2023-2024	\$205,000	\$11,000	6%
2024-2025	\$194,542	-\$10,458	-5%
Total Cost Increase	\$158,925	Total Percent Increase	446.21%

Healthcare Costs

School Year	Cost	Annual Cost Increase	Annual % Increase
2020-2021	\$1,164,351	--	—
2021-2022	\$1,347,624	\$183,273	15.74%
2022-2023	\$1,580,769	\$233,145	17.30%
2023-2024	\$2,294,715.24	\$713,946.34	45.16%
2024-2025	\$2,409,451.00	\$114,735.76	5.00%
Total Cost Increase	\$1,245,100.00	Total Percent Increase	106.94%

Economic Market Conditions: CPI



Consumer Price Index (CPI)	
School Year	CPI Increase
2020-2021	1.70%
2021-2022	1.69%
2022-2023	1.91%
2023-2024	5.86%
2024-2025	5.81%
Total Percent Increase: 16.97%	

SCHOOL BUDGETING



School Budgeting 101: “The Two Percent Cap”

The “Two Percent Cap”:

As of 2010, the New Jersey Legislature mandated a “**2% Cap**” forcing towns and school districts to restrict spending so as to not overburden taxpayers with large annual increases.



Special Circumstances:

- Financing for debt service
- Increasing pension, healthcare/insurance costs
- Enrollment increases
- Inflationary conditions

State Calculations of Special Circumstances:

- The DOE provides ratios and corresponding dollar figures to account for these possible adjustments.
- Such adjustments allow districts to tax residents above the “2% Cap” based on the aforementioned conditions

School Budgeting 101: “Banked Cap”

“Banked Cap”:

Districts who do not budget the full 2% allotment as determined by the State of New Jersey accumulate “banked cap”.

The “**Banked Cap**” figure is the:

- remaining portion of the 2% which might not been budgeted by a school district for that fiscal year.
- state calculations of special circumstances DOE provides from the ratios and corresponding dollar figures to make up for possible adjustments

Districts have three years to spend the “**Banked Cap**” before they lose access to the money.



HPS: The “2% Percent Cap” and “Banked Cap”

Haworth Tax Rate & Allotted Banked Cap		
School Year	Rate (%)	Banked Cap
2021-2022	2%	\$1
2022-2023	2%	\$506,091
2023-2025	2%	\$416,622
2024-2025	5.6%	\$108,582
Total Accumulated Banked Cap (in green) & Additional Available Adjustments (in pink)		\$1,031,295

**Given our average district budget,
the 2% cap translates to roughly
\$200,000.**

2024-2025 BUDGET OVERVIEW



Major Factors Considered in the School Budget Process

- Continued Efforts to Address Student Learning Gaps
- Program Offerings (Academics, Social & Emotional, Enrichment Activities)
- Student Achievement/Growth*
- Enrollment Increase
- Safety and Security*
- Additional Services and Supports
- Facilities and Maintenance (Including Technology)
- Staffing (New Positions, Continuing Positions)
- Rising Costs
 - CPI
 - Healthcare Costs
 - Transportation Costs
- Other:
 - Technology (STEAM)
 - Professional Development
 - Curriculum and Instruction (New Texts and Subscriptions)
 - Contracts and Benefits (≅ 65%)
 - Supplies
 - Special Education (Programing and Format - ICS)

Other Major Factors Considered in the School Budget Process

- Professional Development aligned with Math and ELA curriculum updates
- Curriculum and Instruction (New Texts and Subscriptions)
 - Math Curriculum Updates
- HTA, Three-year teacher contract settlement
- Special Education (Programing and Format - ICS)
- Predicted housing projections and population growth

Calculated Tax Levy

Haworth Tax Rate & Allotted Banked Cap		
<i>School Year</i>	<i>Rate (%)</i>	<i>Banked Cap</i>
2021-2022	2%	\$1
2022-2023	2%	\$506,091
2023-2024	2%	\$416,622
2024-2025	5.6%	\$108,582
Total Accumulated Banked Cap		\$1,031,295

- Rate increase is inclusive of debt service → meaning that the debt service for the referendum rate fell due to falling principle
- Still left \$108,582 of state adjustment left over we are NOT claiming and thus keeping the tax rate lower and absorbing costs associated with enrollment increases and CPI spikes.

Calculated Tax Levy

REQUIRED SPENDING (Including DS)

\$12,371,203

- BUDGETED FUND BALANCE
- REVENUE NOT FROM TAXES

\$ 27,306

\$ 1,507,129

Total

\$1,534,435

Debt Service Tax Collected (Required Pmt)

\$ 440,442

GENERAL FUND LOCAL TAXES NEEDED TO SUPPORT SCHOOL BUDGET

\$10,396,326

Net Tax Impact

- Increase to 24-25 Local Tax Levy @ 5.99% (General Fund)

23-24 Local Tax Levy - \$9,807,932*.0599

\$ 588,394

(Used State Calculated Cap adjustments due to Enrollment Increase and Healthcare Costs)

- Use of Banked Cap Eligibility

\$ 0

(\$1,031,295 of eligible banked cap and additional adjustments not used)

- Debt Service (Small decrease in pmt due)

\$ (12,732)

Net Impact on 2023-24 Tax Levy

\$575,744

2023-24 Budget Tax Levy

HAWORTH



1134 Households

Approx. Tax Levy Increase For Each Household:

Total Tax Levy Increase (General and Debt Service)

\$575,744

Total Increase per Household (median assessed value)

\$508/year or \$42.30/month

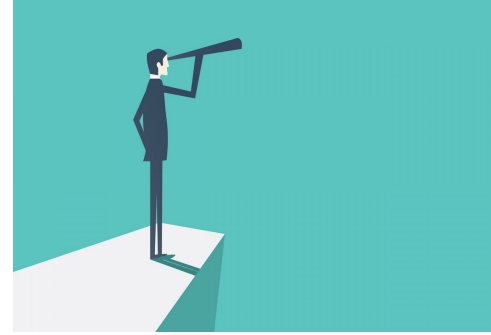
ADVERTISED BUDGET

	BUDGET	TOTAL TAX LEVY
General Fund (Fund 10)	\$11,577,416.00	\$10,396,326.00
Special Revenue Fund (Fund 20)	\$305,737.00	
Debt Service Fund (Fund 40)	\$488,050.00	\$440,442.00
Total Tentative Budget	\$12,371,203.00	

Highlights

The Proposed 2024-2025 Budget: “To address shifting needs”

- Offers a fiscal plan which priorities student learning
- Expands the existing **Pre-K** Program
- Expands **Spanish** program into the kindergarten
- Accommodates for state mandated math curriculum updates
 - **Purchase of new math program resources**
- Expands existing **Basic Skills** program into the **middle school levels** (K-8)
- **Increases grade level sections (4th & 5th) to ensure smaller class sizes**
- Increases staffing to accommodate student population growth (**3 FTEs added**)
- **Expands** upon existing **revenue generating programs**
- Aligns with the district’s strategic plan & Long Range Facilities Plan (LRFP)
- Addresses facility concerns with regard to: security, food service, required maintenance
- Continues district technology initiatives (Infrastructure/Web Filtering/1:1)
- Absorbs the current increasing **CPI index** as dictated by market factors
- **Supports NJ Sustainability Certification**



**Thank you for viewing the
2024-2025
Haworth School District
Budget.**