

2023/2024 BUDGET PHILOSOPHY

**Ms. Chari Chanley,
Superintendent of Schools**

**Dr. Adam Layman,
Assistant Superintendent of Schools**

**Ms. Laura Allen, CPA,
Acting Business Administrator**

Members of the Board of Education

Ms. Chrissy Skurbe, Board President

Ms. Karen Bierman, Board Vice President

Ms. Michele Arminio

Ms. Katie Belko

Ms. Gazala Bohra

Mr. Ken Chiarella

Ms. Katie Fabiano

Mr. Adi Nikitinsky

Ms. Kate Rattner

Ms. Michelle Scott, Jamesburg Representative

Budget Creation Timeline

- **Establishment of Budget Philosophy**
- **Enrollment Patterns and Projections**
- **Review of Staffing Needs**
- **Budget Development**
- **Budget Defense Rounds**
- **Governor's Budget Address**
- **Award of State Aid**
- **Adoption of Tentative Budget**
- **Public Hearing**

A Budget Philosophy ...

- ▶ The philosophy of establishing the annual school budget should entail the creation of a framework for a budget that supports a democratic plan of appropriate funding for the implementation of educational programs so that students may develop and learn from quality experiences based on educationally sound and fiscally prudent planning.
- ▶ A solid financial base is paramount to ensuring that the school district will be able to meet the responsibility of preparing our students for an increasingly competitive environment.
- ▶ The budget philosophy stage should be macro-focused rather than micro-focused, as much more refinement will be required and implemented in the future through the rigorous budget process.

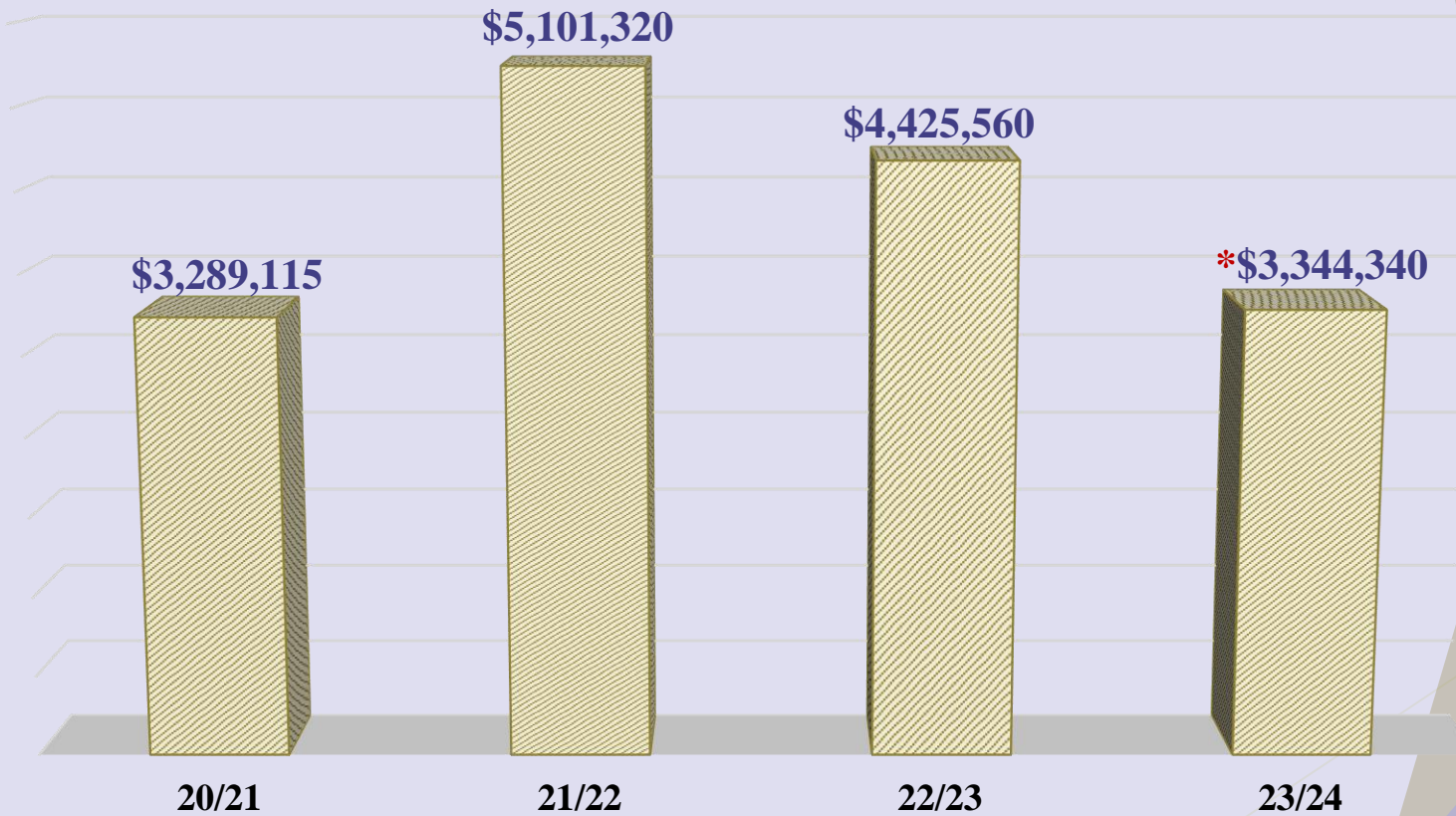
■ Priorities:

- Student and Staff safety
- Maintain current programs and staff
- Address capital improvement needs

PROJECTED INCREASES/DECREASES IN 2023-24 BUDGET NEW RESOURCES

- ▶ **Additional General Fund State Aid**
-0-
- ▶ **Additional General Fund Tax Levy**
\$2,248,560
- ▶ **Decrease in Excess Surplus**
<\$1,081,220>
- ▶ **Decrease in Transfer from Other Funds**
<\$625,000>
- ▶ **Decrease in Transfer from Unassigned Fund Balance**
<\$2,330,570>
- ▶ **Total Net Projected Reduction in New Budget Resources**
<\$1,788,230>

Excess Surplus is the aggregate difference between actual revenues and budgeted revenues plus the difference between actual expenditures and budgeted appropriations. It is required that the excess surplus from 06/30/22 be used as a revenue source in the 23/24 Budget as per N.J.S.A. 18A:7F-7.



Decrease in projected revenue for the 23/24 Budget <\$1,081,220>

*** Preliminary from Auditor – subject to change**

2023/24 School District Budget Statement Tax Levy Cap Revenue

	Amount
Prebudget year adjusted tax levy, including weighted increases for enrollment, inflated by 2%	\$114,676,549
Adjustment for increase in health care costs	-0-
Adjustment for increase in certain normal and accrued liability pension contributions (pension deferral)	-0-
Adjustment for responsibility assumed by district	-0-
Adjustment for responsibility shifted to another district or entity	-0-
Other Adjustments	-0-
Increase in SDA District Local Share	-0-
Use of Banked Cap	-0-
Tax Levy Cap	<u>\$114,676,549</u>
Maximum statutory increase in General Tax Levy from 22-23	<u>+\$2,248,560</u>

General Fund State Aid Revenues

	<u>2022/23</u>	<u>2023/24</u>	<u>Increase</u>
Equalization Aid	<u>0</u>	<u>0</u>	<u>0</u>
Categorical Aid:			
Special Education Aid	\$6,744,811	\$6,744,811	0
Security Aid	103,764	103,764	0
Transportation Aid	2,753,019	2,753,019	0
	<u> </u>	<u> </u>	<u> </u>
	<u>\$9,601,594</u>	<u>\$9,601,594</u>	<u>0</u>
 Anticipated Increase in General Fund State Aid			-0-

BUDGET APPROPRIATION CONSIDERATIONS

Salaries and Benefits

- ▶ **Salaries and Benefits are approximately 78% of the General Fund Budget.**
- ▶ **Aggregate 2022/23 District Salaries are approximately \$73.3 million**
- ▶ **2022/23 Health Benefit premiums are 29.4 million and are offset by contractual contributions of approximately 3.8 million by District staff members.**

It is recommended that Administration prepare a budget that responsibly meets the demands of continuing, significant student growth and facility needs as well as program and service requirements without exceeding the Board's maximum spending authority, while prioritizing the following items, subject to the restrictions presented by Administration:

- **Construction Projects, to be recommended by Administration on priority basis;**
- **Curriculum Recommendations, to be recommended by Administration;**
- **Salary and Benefit Increases, at a conservative range due to their contingent status;**
- **Transportation Recommendations, recommended by Administration;**
- **Programs as recommended by Administration; and**
- **Administration review of non-mandated programs and services with eliminations as a possibility.**