



Hawthorne Public Schools

2025 - 2026 Budget Presentation

Creating Future Generations of Leaders





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The Budget Process

- ❖ November and December, our building administrators and department leaders meet with the Superintendent and Business Administrator to discuss their school and individual budgets
- ❖ January and February, the district Administration along with the Finance Committee begin reviewing the proposed budget
- ❖ Finance Committee and Administration review state aid numbers, tax levy, projected revenues and possible cuts needed to balance the budget
- ❖ Preliminary budget shared with the entire Board of Education for their review
- ❖ Once approved by the full Board (March 18, 2025), the Budget is submitted to the Passaic County Office of Education on or before **March 20, 2025, for approval**
- ❖ Budget Hearing and final approval of the 2025-26 budget on April 29, 2025





Challenges of Rising Costs

- ❖ Rising inflation rates
- ❖ Nationwide teacher, paraprofessional, and bus driver shortages, which has increased salaries and increased costs for outsourced bus routes
- ❖ For the third year in a row, we were burdened with double digit increases in school employee health benefits
- ❖ Increases in district security costs, out-of-district student costs, including PCTVS, special education, and transportation
- ❖ The above items create significant challenges for school districts with a 2% CAP
- ❖ Although our state aid increased for 2025-26 over our 2024-25 aid, the total is still \$651,092 below the 2023-24 state aid amount





Supplementing Your Tax Dollars

- ❖ Federal grant funds estimated to be \$1,214,224
- ❖ Previously approved grants (2024-2025)
 - Regular Operating Districts (ROD) grant application for 40% of project costs of partial roof replacement at Roosevelt Elementary
 - Community Oriented Policing Services (COPS) School Violence Prevention Program grant for district wide Public Address communication system replacement (Grant award of \$500,000)



Fiscal Efficiencies

- ❖ Insurance consortium for liability and workers compensation insurance
- ❖ Statewide consortium to purchase internet access
- ❖ Bid consortiums for all instructional and office supplies, technology equipment, and special education transportation
- ❖ E-rate program for telecommunications
- ❖ Outsourced cafeteria services
- ❖ Shared service contracts for garbage, recycling, and school security with the Borough





Hawthorne Public Schools

Hawthorne High School
Lincoln Middle School
Jefferson, Roosevelt, and Washington Elementary Schools
Pre-School Program
Bear Cave Transition Program
Out of District / PCTVS

Projected Enrollment of 2,401

2025-2026 Budget
\$57,407,446*

**Prior to approval of Additional Expenditure application*

Tax Levy

**Prior to approval of Additional Expenditure application*



The statutory tax levy cap per N.J.S.A. 18A:7F-38 includes a 2 percent increase over the prior year general fund levy, plus allowable adjustments for enrollment increases, health care cost increases, deferred pension cost increases, etc.

	2024-2025	2025-2026	Difference	% Change
General Tax Levy	43,582,206	45,074,339	854,553	3.42%
Debt Service	1,370,701	1,381,683	(14,901)	0.80%
Totals	\$44,952,907	\$46,456,022	\$839,652	3.34%



Tax Impact (3.34%)

**Prior to approval of Additional Expenditure application*

Average Hawthorne home valued at
\$381,881

The tax increase from 2024/2025 to 2025/2026 is
\$132.81 per year or \$11.07 per month



STATE OF NEW JERSEY DEPARTMENT OF EDUCATION

Eligibility to Apply for Additional Expenditures Pursuant to Language Provision Included in Proposed FY 2026 State Budget

- ❖ **On Friday, March 28, 2025**, we received notification from the NJDOE that we were eligible to increase expenditures.
- ❖ This provision provides certain school districts the opportunity to apply to the Commissioner of Education (Commissioner) to increase expenditures, including an allocation of Tax Levy Incentive Aid, in order to satisfy the thoroughness and efficiency standards established pursuant to N.J.S.A. 18A:7F-46
- ❖ A school district is eligible to apply to the Commissioner if the district: 1) has an FY 2025 general fund tax levy that is less than its **FY 2026 local fair share**, as calculated pursuant to N.J.S.A. 18A:7F-52; and 2) is spending below adequacy as determined pursuant to N.J.S.A. 18A:7F-70

County	Dist	District	Under LFS		Under ADQ	Banked Cap Available	Levy Cap Available		Max Additional Revenue	Levy Portion	Aid Portion		
PASSAIC	2100			HAWTHORNE BORO	5,880,818		3,099,549	0	0		3,099,549	2,951,951	147,598



STATE OF NEW JERSEY DEPARTMENT OF EDUCATION

Eligibility to Apply for Additional Expenditures Pursuant to Language Provision Included in Proposed FY 2026 State Budget

- ❖ *Whereas, in the proposed FY2026 State Budget, certain districts had the opportunity to apply to the Commission of Education to increase expenditures, including an allocation of Tax Levy Incentive Aid, in order to satisfy the thoroughness and efficiency standards established pursuant to N.J.S.A. 18A:7F-46*
- ❖ *Whereas Hawthorne Board of Education is below local fair share and spending below adequacy to be eligible to participate in this program*
- ❖ ***Whereas Hawthorne Board of Education is eligible to increase expenditures by \$311,007 and qualify for Tax Levy Incentive Aid of \$15,550 (5% from the state)***
- ❖ When we include this increased expenditure, the tax levy increases by **\$326,557** and from 3.34% to 4.04%
- ❖ At 4.04% the updated increase to the taxpayer is as follows...



Updated Tax Impact (4.04%)

2025 -2026 Budget

\$57,734,003*

**Reflecting approval of Additional Expenditure application*

Average Hawthorne home valued at

\$381,881

The tax increase from 2024/2025 to 2025/2026 is

\$177.12 per year or \$14.76 per month

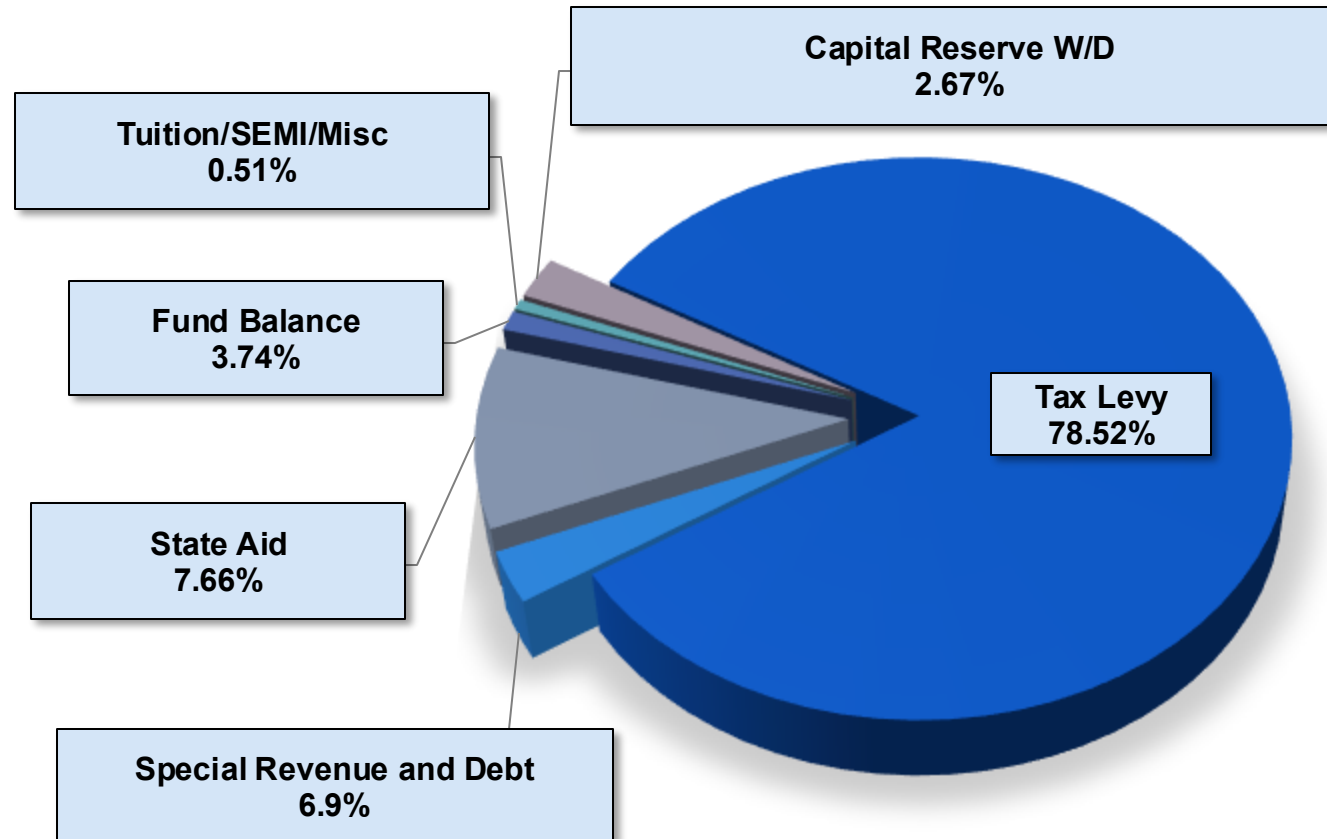
REVENUES \$57,407,446

**Prior to approval of Additional Expenditure application*

General
Fund:
\$53,447,572

Special
Revenue
\$2,009,952

Debt
Payments
\$1,949,922



- Tax Levy
- Special Revenue
- State Aid
- Fund Balance
- Tuition/SEMI/Misc
- Capital Reserve W/D

General Fund Revenues

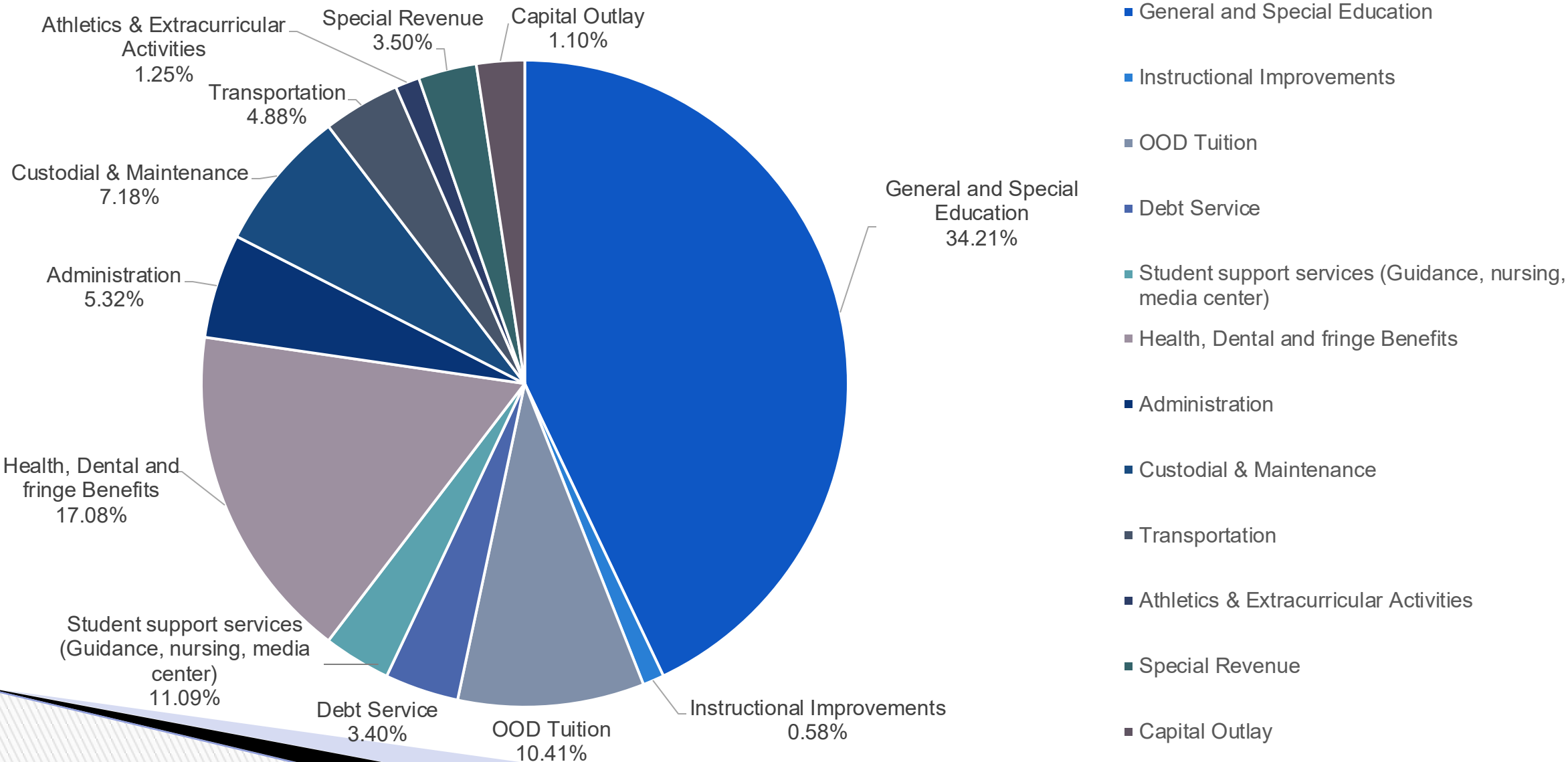
**Prior to approval of Additional Expenditure application*



<u>Revenues</u>	<u>Original Budget 2024-2025</u>	<u>Proposed Budget 2025-2026</u>	<u>Change</u>
Tax Levy	43,582,206	45,074,339	1,492,133
State Aid	4,166,397	4,400,025	233,628
Budgeted Fund Balance	2,187,905	2,149,034	(38,871)
Capital / Maint. Reserve	230,000	1,530,000	1,300,000
Misc. Revenues	272,250	156,250	(116,000)
Tuition	122,478	121,494	(984)
Medicaid Reimbursement	126,312	16,430	(109,882)
TOTAL OPERATING BUDGET	50,687,548	53,447,572	2,760,024

APPROPRIATIONS - \$54,093,330

**Prior to approval of Additional Expenditure application*



General Fund Appropriations

**Prior to approval of Additional Expenditure application*



<u>Appropriations</u>	<u>Original Budget 2024-2025</u>	<u>Proposed 2025-2026</u>	<u>Increase/ (Decrease)</u>
OOD Tuition	4,872,850	5,975,045	1,102,195
General & Special Ed Instruction	19,599,607	19,637,018	37,411
Support Services	6,647,903	6,700,058	52,155
Administration	3,220,582	3,056,455	(164,127)
Employee Benefits	9,004,143	9,806,495	802,352
Athletics/Co-Curricular	664,403	718,710	54,307
Transportation	2,666,952	2,799,339	132,387
Maintenance/Custodial/ Security	3,810,869	4,124,214	313,345
Capital Projects	200,238	630,238	430,000
	\$50,687,547	\$53,447,572	\$2,760,025

Hawthorne Public Schools



2025 - 2026 Budget Supports.....





Budget Supports...

- ❖ Minor reductions to district faculty and staff
- ❖ All current extra curricular activities, clubs, and athletic programs
- ❖ Minor reductions to professional development at all levels
- ❖ Curricular revisions in accordance with the New Jersey Student Learning Standards
- ❖ Bear Cave, transition program for our 18-21 year old special education students
- ❖ Continued support of our NJTSS programs and staff (*Multi-Sensory teachers at elementary schools*)





Technology Highlights

- ❖ Maintains our one-to-one initiative for students in grades 6-12
- ❖ Replacement of designated staff laptops, including administrators and support staff
- ❖ New Chromebook for our incoming 6th and 9th graders
- ❖ Continued Cyber Security training for staff
- ❖ Installing Environmental Sensors (VAPE) at LMS and HHS
- ❖ Replacement of public address systems in all schools
- ❖ Replacement of handheld radios to improve communication between schools, buses, and local police department
- ❖ Expanding cybersecurity protection for our servers and network





Curriculum and Instruction

At Hawthorne High School, the 2025-2026 budget will . . .

- ❖ Maintain current academic programs, dual enrollment, and AP course offerings
- ❖ New Dual enrollment course: *Honors Calculus, Acting, Sports Medicine, Advanced Drawing and Design, and Broadcasting II*
- ❖ Supports the development of curriculum for the following new course; *AP Economics and curricular revisions for English as a Second Language (ESL), and Algebra II*
- ❖ Implementation of new universal screener (I-READY), which includes instructional support for students
- ❖ Provides continued professional development opportunities to all staff





Curriculum and Instruction

At the Middle and Elementary schools, the 2025-2026 budget will...

- ❖ Maintain all academic programs
- ❖ Supports curricular revisions of elective courses
- ❖ Implementation of new universal screener (I-READY), which includes instructional support for students
- ❖ New supplemental Math intervention programs (Do the Math / Transition to Algebra)
- ❖ Provides for continued professional development opportunities to all staff, including Conquer Mathematics training and training for our ELA series





Hawthorne Public Schools

Creating Future Generations of Leaders