



Montclair Public Schools 2024 – 2025 Preliminary Budget Presentation #1

January 4, 2024

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School Business Administrator/Board Secretary

"All Kids Can Learn. All Kids Are Special."

BUDGET PROCESS

(through January 1, 2024)

- ❖ Ongoing process of evaluating, processing, developing, and implementing the goals and objectives of the school district.
- ❖ Administrators, Principals, and Supervisors all worked with their respective departments/buildings to identify needs and initiatives.
- ❖ Formal process began the week of October 24, 2023.
- ❖ School and Department Budget meetings conducted by Assistant BA and Assistant Director of Personnel November 14 through November 17, 2023.
- ❖ School and department budgets due the week of December 12, 2023.
- ❖ Between November 27, 2023 through January 1, 2024, review and analyzed school and department budgets, updated salary guides, and data collection.

BUDGET CALENDAR (NEXT STEPS)

ACTION	DATE	PROCESS	RESPONSIBLE PARTY
NJDOE Budget Calendar and Procedures	Released January 2, 2024	NJDOE releases the budget guideline	Business Administrator
NJDOE Budget Software	To be release mid-January	Data entry of the budget from district system to state system	Assistant BA and Business Administrator
Review Budget with Finance Committee	January 18, 2024	Business Administrator reviews the budget with Superintendent & Finance Committee	Business Administrator
Governor's Budget Address	TBD February 2024	State Aid Released 48hrs after budget address. Update State Aid Revenue in Budget	Business Administrator
Preliminary Budget Presentation #2	March 6, 2024 Workshop Meeting	Revised presentation based on State Aid and other adjustments (if needed)	Business Administrator
Preliminary Budget Presentation #3	March 18, 2024 Board Meeting	Revised presentation based on State Aid and other adjustments (if needed)	Business Administrator

BUDGET CALENDAR (NEXT STEPS)

ACTION	DATE	PROCESS	RESPONSIBLE PARTY
Adoption and Filing of Tentative Budget	March 18, 2024 Board Meeting	Adoption and filing of tentative budget to Executive County Superintendent N.J.S.A. 18A:7F-5 and 18A:7F-6	Board of Education Business Administrator
Budget Approval by Executive County Superintendent	April 19, 2024	Last day for Executive County Superintendent to approve the budget, prior to advertisement. N.J.S.A. 18A:22-7 and 18A:22-8	Business Administrator
Public Budget Hearing	May 1, 2024 Public Hearing/Board Meeting	Presentation of final budget N.J.S.A. 18A:22-32	Business Administrator
User-Friendly Budget Posting to Website	May 3, 2024	Within 48 hours after the public hearing on the budget N.J.A.C. 6A:23A-8.1(c)	Business Administrator
Final Budget Adoption	May 13, 2024 Board Meeting	Final budget adoption N.J.S.A. 18A:22-32	Board of Education

Overall Budget

	Budgeted 2022-2023	Budgeted 2023-2024	Proposed 2024-2025
Operating Budget	\$141,935,282	\$138,858,260	\$145,904,921
Grants & Entitlements	\$11,225,672	\$7,509,399	<i>Pending PreK Budget</i>
Repayment of Debt	\$0	\$2,241,990	\$4,446,269
Grand Total	<u>\$153,160,954</u>	<u>\$148,609,649</u>	<u>\$150,351,190</u>
2024-2025 Withdrawal from Capital Reserve =\$0 2024-2025 Withdrawal from Maintenance Reserve =\$0			

Tax Levy Impact of Budget

2024-2025 General Fund Budget: \$145,904,921

- Comprises all areas of spending (payroll, benefits, programs, transportation, facilities, supplies, etc.)
- Subject to Board approval
- Mandated tax levy cap on annual increase
- Utilizing health insurance adjustment (banked cap)

2024-2025 Debt Service Budget: \$4,446,269

- Bond Issuance of \$70m on February 1, 2023
 - Principal and Interest payments due semi-annually on July 15th and January 15th

GENERAL FUND REVENUES (FUND 10)

General Fund Revenues

	2024-2025	% of Budget
Misc., Local Revenue & SEMI	\$1,378,393	0.94%
Budgeted Fund Balance	\$2,000,000	1.37%
State Aid (includes Ex-Aid)	\$11,957,817	8.20%
Tax Levy (includes Health Ins. Adj)	\$130,568,711	89.49%
Total	\$145,904,921	100.00%

General Fund Budgeted Revenues

	2021-2022	2022-2023	2023-2024	2024-2025	+ / (-)
Tax Levy	\$123,037,813	\$125,498,569	\$128,008,540	\$129,426,766	\$1,418,226
Health Ins. Adjustment Banked Cap	\$0	\$0	\$0	\$1,141,945	\$1,141,945
Misc. Local Revenue	\$554,509	\$347,200	\$295,100	\$1,281,590	\$986,490
Budgeted Fund Balance	\$0	\$4,000,000	\$0	\$2,000,000	\$2,000,000
Withdrawal from Capital/Maint. Reserve	\$0	\$750,000	\$0	\$0	\$0
SEMI	\$58,947	\$87,584	\$96,803	\$96,803	\$0
State Aid	\$11,735,295	\$10,113,637	\$10,457,817	\$11,957,817	\$1,500,000
Actual Revenue (over)/Under Expenditures	\$2,940,075	\$0	\$0	\$0	\$0
Adjust for Prior Year Encumbrances	\$0	\$1,138,292	\$0	\$0	\$0
Total	\$138,326,639	\$141,935,282	\$138,858,260	\$145,904,921	\$7,046,661

STATE AID

Category	2021-2022	2022-2023	2023-2024	2024-2025
Special Education	\$5,780,579	\$6,160,484	\$6,504,664	\$6,504,664
Security	\$755,225	\$755,225	\$755,225	\$755,225
Transportation	\$1,175,389	\$1,175,389	\$1,175,389	\$1,175,389
Adjustment Aid	\$322,539	\$322,539	\$322,539	\$322,539
Subtotal	\$8,033,732	\$8,413,637	\$8,757,817	\$8,757,817
Est. Ex-Aid	\$3,630,513	\$1,700,000	\$1,700,000	\$3,200,000
Other State Aid	\$71,050	\$0	\$0	\$0
Total	\$11,735,295	\$10,113,637	\$10,457,817	\$11,957,817

**GENERAL FUND
APPROPRIATIONS
(FUND 10)**

General Fund Budgeted Appropriations

	2021-2022	2022-2023	2023-2024	2024-2025	+ / (-)
General Current Expense (Fund11)	\$137,946,547	\$141,403,289	\$138,678,884	\$146,157,598	\$7,478,714
Capital Outlay (Fund 12)	\$247,071	\$436,038	\$85,938	\$85,938	\$0
Charter Schools (Fund 10)	\$133,021	\$95,955	\$93,438	\$142,122	\$48,684
Total	\$138,326,639	\$141,935,282	\$138,858,260	\$146,385,658	\$7,532,398

2024-2025 Budget Deficit

	2023-2024
Total General Fund Revenues	\$145,904,921
Total General Fund Appropriations	\$146,390,158
Total Deficit	(\$485,237)

2024-2025 Budget Deficit

	2023-2024
Total General Fund Revenues	\$145,904,921
Total General Fund Appropriations	\$146,390,158
Total Deficit	(\$485,237)

2024-2025 Budget

NO STAFF CUTS
FOR
BUDGETARY
REASONS
FOR FY25!!

DEBT SERVICE FUND (FUND 40)

Debt Service Fund - Revenues

	2023-2024	2024-2025	% of Budget
Debt Service Tax Levy	\$1,200,000	\$0	0%
Debt Service Aid	\$729,339	\$1,446,411	33.0%
Interest on Investment	\$312,651	\$2,999,858	67.0%
Total	\$2,249,990	\$4,446,269	100.0%

Debt Service Property Tax Impact

Debt Service Tax Impact FY25				
Fiscal Year	Ratable Escalated @ 0.00%	Est. 2024 Debt Service	Bond Tax Impact per \$100	Est. Impact on Avg Home @ \$631,882
7/01/24 – 6/30/25	\$7,129,175,489	\$2,999,859	\$0.0421	\$266

**Due to interest earnings,
the estimated debt service tax levy is ZERO for the FY25 Budget.**

***SAVINGS OF \$266 ON AVERAGE HOME ASSESSED @ \$631,882**

TAX LEVY

Property Tax Impact

Tax Impact	2021-2022	2022-2023	2023-2024	2024-2025	+/(-)
General Fund	\$123,037,813	\$125,498,540	\$128,008,540	\$129,426,766	1.11%
Health Ins Adjust (Banked Cap)	\$0	\$0	\$0	\$1,141,945	100%
Debt Service	\$0	\$0	\$1,200,000	\$0	(100%)
Totals	\$123,037,813	\$125,498,540	\$129,208,540	\$130,568,711	



THANK YOU!

**Montclair Board of Education
Montclair Board of Education Administration
Our Residents**