



West Milford Township Public Schools
REVISED BUDGET PRESENTATION
2024-2025

Presented by

Dr. Lydia E. Furnari and Mr. William Scholts

Board of Education

Claire Lockwood, President

William Cytowicz

Miranda Jurgensen

Stephanie Marquard

Lynda Van Dyk

Tara Racano, Vice President

Teresa Dwyer

Peter Lippe

Kate Romeo

Legal Updates Impacting the 2024/2025 Budget

- On May 14, 2024, two new bills signed into law:
 - P.L. 2024, c.12 – Extends deadlines in the 2024 budget procedures calendar for certain Districts, authorizing submission no later than July 5th, 2024.
 - P.L. 2024, c.13 – Provides Stabilized School Budget Aid Grants for 2024/25 to eligible school districts equal to 45% of the amount of a District's 2024/25 State Aid reduction, and also allows certain Districts the ability to increase their 2024/25 tax levy by a certain amount.
 - For Non-SDA Districts, the levy can be increased by the district's net reduction in State school aid in the 2024/25 school year compared to the 2020/21 school year. The 2024/25 cap adjustment is limited to a levy increase of 9.90% over the 2023/24 adjusted tax levy.

Legal Updates Impacting the 2024/2025 Budget

(continued)

• Impact on our District

- West Milford Township Public Schools is eligible to utilize both of these adjustments.
 - The District's State Aid (Equalization Aid) was initially reduced by \$81,537 for 2024/25.
 - The Stabilized School Budget Aid Grant will replenish 45% of this reduction, restoring \$36,692 in State Aid for the District's use in the 2024/25 school year.
- The District's net reduction in State School Aid in the 2024/25 school year compared to the 2020/21 school year totals \$5,782,990.
 - The District received \$11,272,970 in State Aid in the 2020/21 school year, compared to an anticipated amount of \$5,489,980 in 2024/25.
 - Although our total reduction in State Aid over this time period totals \$5,782,990, our **maximum allowable tax levy adjustment** is capped at \$4,237,007, as this would represent a 9.90% increase over the 2023/2024 general fund local tax levy.
 - Since the implementation of S2, the District's State Aid has been reduced by \$9,121,140 (\$14,611,120 in 2017/18 vs. \$5,489,980 in 2024/25)
 - Cumulatively, if State Aid had remained at the 2017/18 level for the period of 2018/19 through 2024/25, this would have resulted in \$36,878,530 of additional State Aid revenue available for usage by the District.

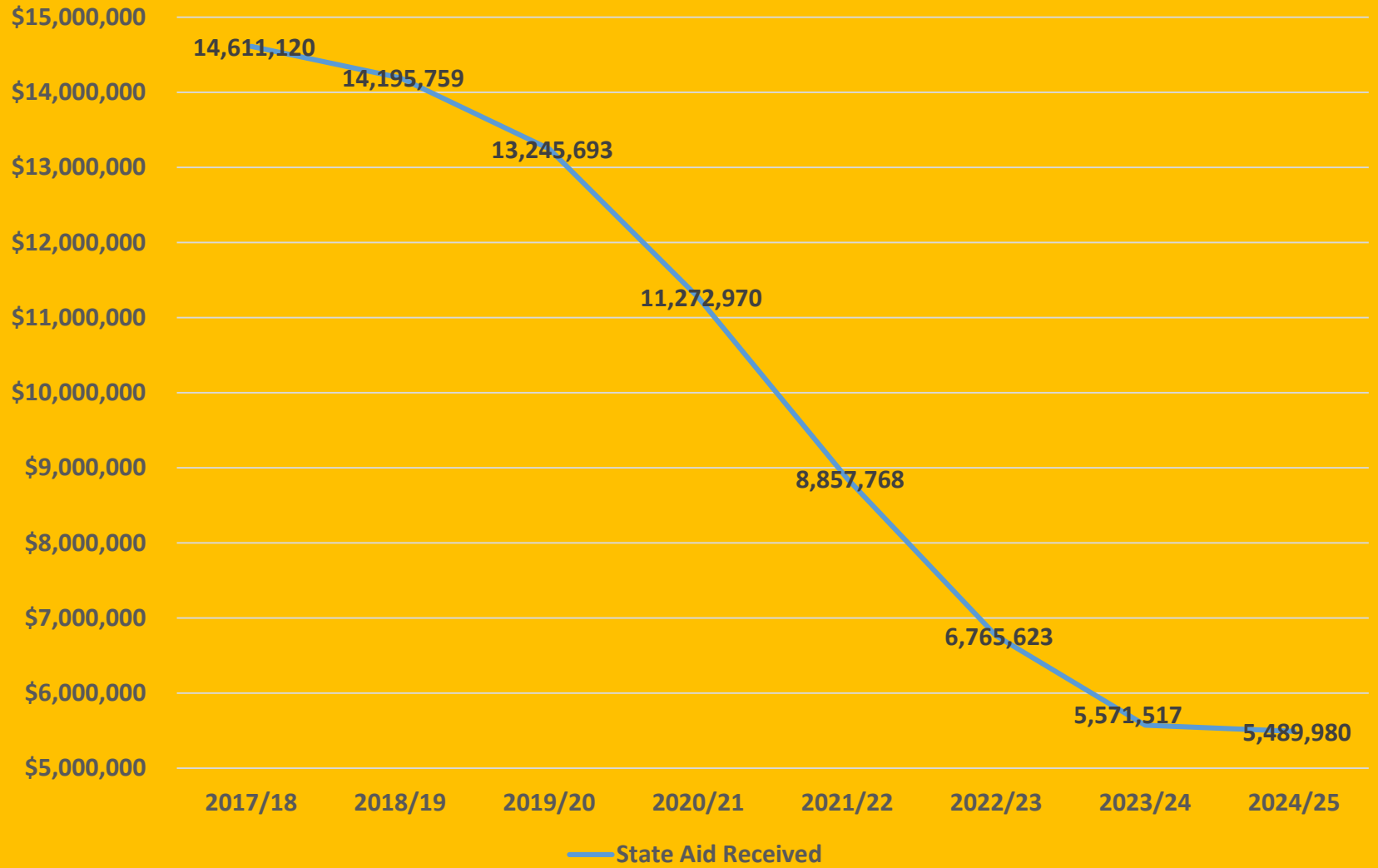
Legal Updates Impacting the 2024/2025 Budget

(continued)

- Tax Levy Adjustment

- This tax levy cap adjustment is a one-time adjustment for 2024/25 and **will not** fall to banked cap if not used in 2024/25. If this adjustment is not utilized now, it will not be available for use in the future.
- This adjustment is the State of New Jersey providing a one time opportunity for S2 impacted Districts to add to their tax base to offset State Aid funding decreases. The State Aid funding formula moving forward is currently unknown.
- The maximum allowable adjustment equals \$4,237,007. The District can utilize any amount up to this maximum amount.
- Districts with new cap adjustments that requested the use of banked cap (like us) in the previously certified 2024/25 budget must remove the requested use of banked cap from the budget. Districts utilizing banked cap and the maximum adjustment would exceed the 9.9% allowable cap under P.L. 2024, c.13.

Impact of S2 Cuts – State Aid Received



Proposed Increases/Adjustments

- The revised 2024/25 budget proposes a total adjustment of \$1,177,708, with an increase in appropriations totaling \$1,049,169 broken down as follows:
 - Utilization of \$36,692 by appropriating funds provided through the Stabilized School Budget Aid Grant
 - Utilization of \$1,141,016 by appropriating funds provided through the Tax Levy Adjustment, with a net tax increase of \$1,012,477.
 - The current 2024/25 budget includes the utilization of \$128,539 of banked cap. The revised budget proposes the reclassification of this banked cap amount to be utilized as a tax levy adjustment instead, as recommended by the State. This allows the District flexibility for banked cap usage of \$128,539 as part of the 2025/26 budget cycle, as well.
 - Proposed Increases are predominantly non-personnel expenditures, so that they will not be recurring budgetary expenses. Once these appropriations are fulfilled, funding can be repurposed in future years to address other District needs that we normally would not be able to address.

Proposed Increases/Adjustments

(Continued)

| Budgetary Item | Amount to Be Allocated | Notes |
|---|------------------------|---|
| Adjustment of 0.6 Math Position to be a 1.0 Position | \$76,562 | Currently have a 0.6 vacant math position advertised. Changing to a 1.0 would allow expansion of the math program. |
| Encore Program – Absorb ESEA Offset | \$150,710 | District’s ESEA funding has been significantly reduced for the 2024/25 school year. |
| Addition of a 0.5 Social Worker | \$33,708 | Would allow current District staff to allocate more time and resources to our elementary ERI program. |
| Middle School Math Program Replacement | \$250,000 | Natural progression to work currently being completed with the elementary math replacement. (Partially State Aid funded). |
| Maintenance/Groundskeeping Staff | \$113,189 | Increased District fields and maintenance responsibilities warrants additional staffing. |
| Replacement of Maintenance Vehicles | \$100,000 | Current vehicles aging rapidly. Would allow implementation of replacement schedule without pulling from other budgeted areas. |
| Update of the Long Range Facilities Plan | \$75,000 | LRFP is in need of being updated for District projects. |
| Deposit Into Capital Reserve | \$200,000 | Increase in reserve account for future capital projects (Supports future budgets). |
| Deposit Into Maintenance Reserve | \$50,000 | Increase in reserve account for future required maintenance expenditures (Supports future budgets). |
| Reclassification of Banked Cap | \$128,539 | Reclassification of funding source for existing budget expenditures. |
| <i>Totals</i> | \$1,177,708 | |

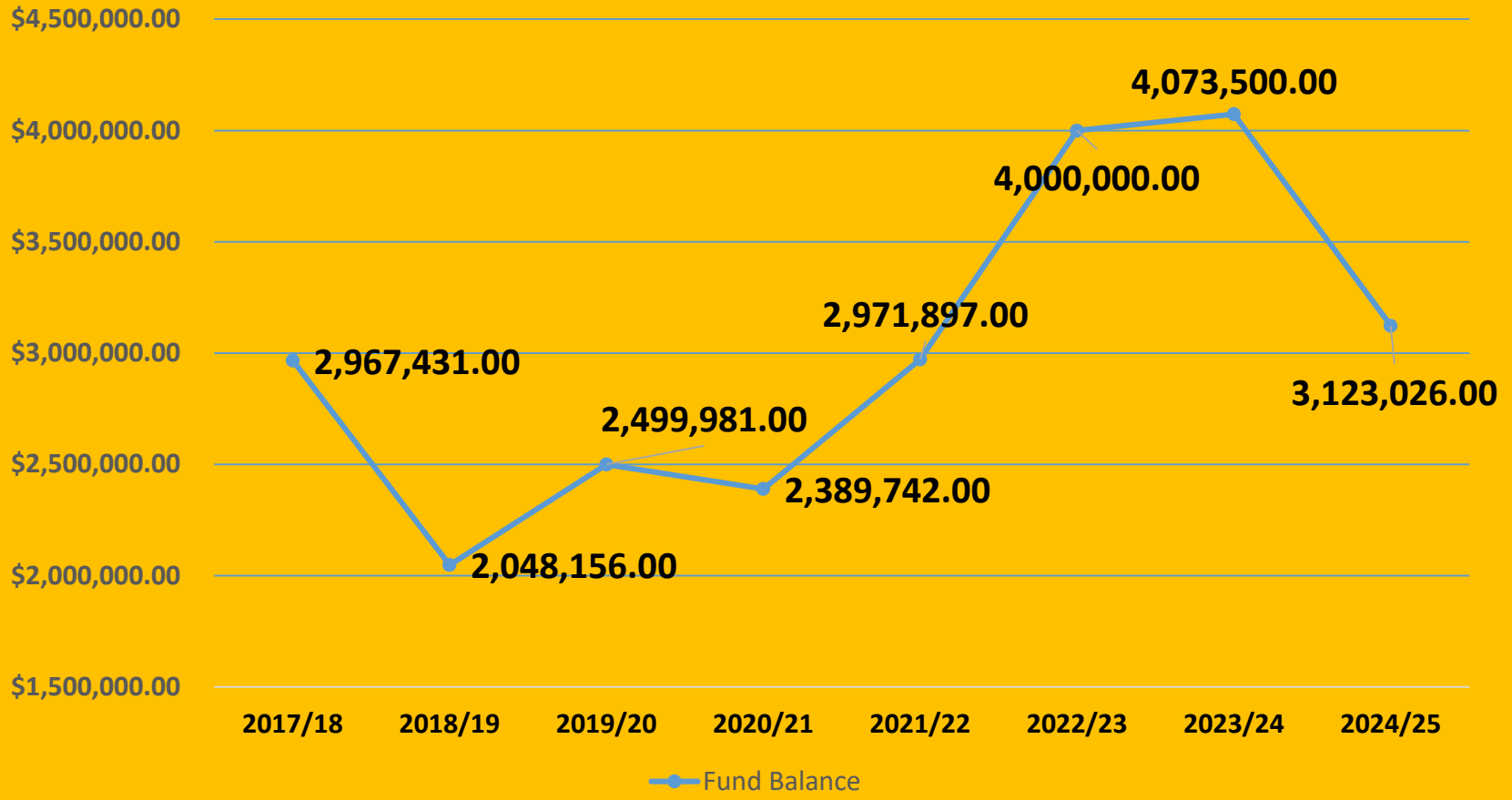
Budget Comparison - Adopted 2024-2025 vs Proposed Revised 2024-2025

| Expenditure Categories | 2024-2025 Approved | 2024-2025 Revised | Change \$ | Change % |
|--------------------------------|----------------------|----------------------|---------------------|--------------|
| Special Programs | \$ 7,274,010 | \$ 7,274,010 | \$ - | 0.00% |
| Regular Education | \$ 19,028,454 | \$ 19,303,504 | \$ 275,050 | 1.45% |
| Tuition | \$ 3,231,502 | \$ 3,231,502 | \$ - | 0.00% |
| Speech, OT, PT, Extra Services | \$ 1,676,818 | \$ 1,676,818 | \$ - | 0.00% |
| Child Study Teams | \$ 2,462,114 | \$ 2,462,114 | \$ - | 0.00% |
| General Administration | \$ 1,477,896 | \$ 1,552,896 | \$ 75,000 | 5.07% |
| School Administration | \$ 2,398,875 | \$ 2,398,875 | \$ - | 0.00% |
| Central Services | \$ 1,175,382 | \$ 1,175,382 | \$ - | 0.00% |
| Operation & Maintenance | \$ 6,782,188 | \$ 6,941,263 | \$ 159,075 | 2.35% |
| Student Transportation | \$ 6,634,703 | \$ 6,634,703 | \$ - | 0.00% |
| Employee Benefits | \$ 17,257,275 | \$ 17,376,007 | \$ 118,732 | 0.69% |
| Other Expenditures | \$ 5,156,573 | \$ 5,377,885 | \$ 221,312 | 4.29% |
| Facilities | \$ 563,139 | \$ 763,139 | \$ 200,000 | 35.52% |
| TOTAL OPERATING BUDGET | \$ 75,118,929 | \$ 76,168,098 | \$ 1,049,169 | 1.40% |
| Special Revenue Budget | \$ 1,186,286 | \$ 1,186,286 | \$ - | 0.00% |
| Debt Service Budget | \$ 616,000 | \$ 616,000 | \$ - | 0.00% |
| TOTAL DISTRICT BUDGET | \$ 76,921,215 | \$ 77,970,384 | \$ 1,049,169 | 1.36% |
| | | | | |
| | | | | |

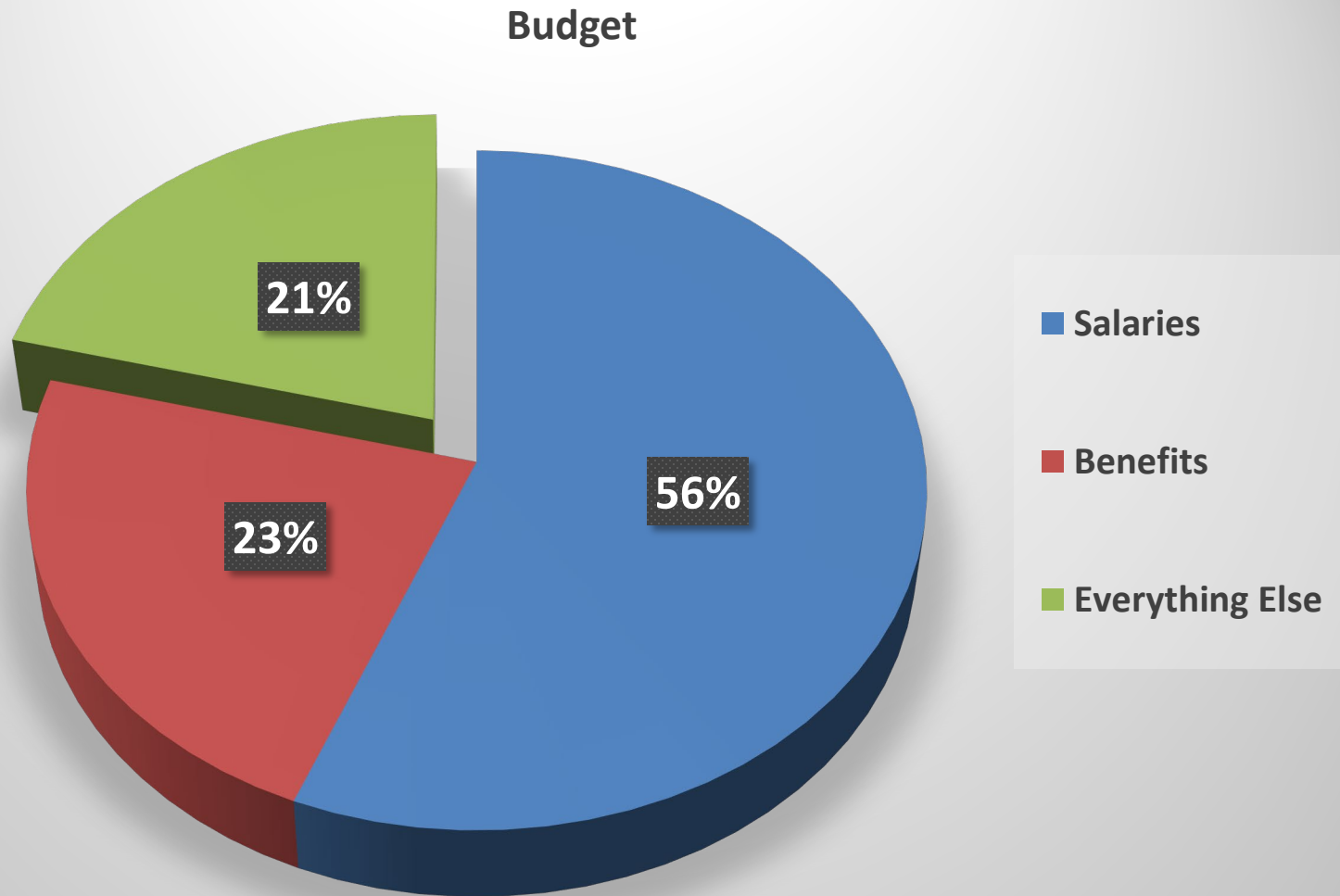
Grant Funding - Current 2023-2024 vs 2024-2025

| Funding Source | 2023-2024 Current | 2024-2025 Anticipated | Change \$ | Change % |
|------------------------------------|-------------------|-----------------------|----------------|----------|
| ESEA Entitlement Grants: | | | | |
| Title I | \$ 424,451 | \$ 192,871 | \$ (231,580) | -54.56% |
| Title IIA | \$ 59,810 | \$ 50,251 | \$ (9,559) | -15.98% |
| Title III | \$ 7,357 | \$ 6,759 | \$ (598) | -8.13% |
| Title III Immigrant | \$ 4,105 | \$ 2,741 | \$ (1,364) | -33.23% |
| Title IV | \$ 34,065 | \$ 30,423 | \$ (3,642) | -10.69% |
| | | | | |
| IDEA: | | | | |
| Basic | \$ 912,114 | \$ 888,269 | \$ (23,845) | -2.61% |
| Preschool | \$ 40,954 | \$ 39,664 | \$ (1,290) | -3.15% |
| | | | | |
| ARP ESSER Grants (Partial): | | | | |
| ESSER III | \$ 1,527,647 | \$ - | \$ (1,527,647) | -100.00% |
| Learning Acceleration | \$ 182,415 | \$ - | \$ (182,415) | -100.00% |
| Summer Enrichment | \$ 27,675 | \$ - | \$ (27,675) | -100.00% |
| Beyond the School Day | \$ 10,542 | \$ - | \$ (10,542) | -100.00% |
| Mental Health Support | \$ 45,000 | \$ - | \$ (45,000) | -100.00% |
| ARP Homeless II | \$ 14,997 | \$ - | \$ (14,997) | -100.00% |
| | | | \$ - | |
| TOTAL Grant Allocations | \$ 3,291,132 | \$ 1,210,978 | \$ (2,080,154) | -63.20% |

Fund Balance Utilization to Support Budget – 2017/18 – 2024/25



Updated Proportion of Expenditures



Tax Levy Impact

| | 2023-2024 | 2024-2025 (Adopted) | Increase (Adopted) | 2024-2025 (Revised) | 2024-2025 (Revised Increase) | 2024-2025 (Adopted vs. Revised) |
|---------------------------|--------------|----------------------------------|-----------------------|----------------------------------|------------------------------------|---------------------------------------|
| General Fund | \$62,383,738 | \$64,322,721 | \$1,938,983 | \$65,335,198 | \$2,951,460 | \$1,012,477 |
| Debt Service | \$293,153 | \$406,560 | \$113,407 | \$406,560 | \$113,407 | \$0 |
| Average Assessed Home | \$242,700 | \$243,300 | \$600 | \$243,300 | \$600 | |
| Average Tax Levy Increase | \$235.44 | \$187.71 (\$15.64 Monthly) | | \$277.56 (\$23.13 Monthly) | | \$89.85 (\$7.49 Monthly) |

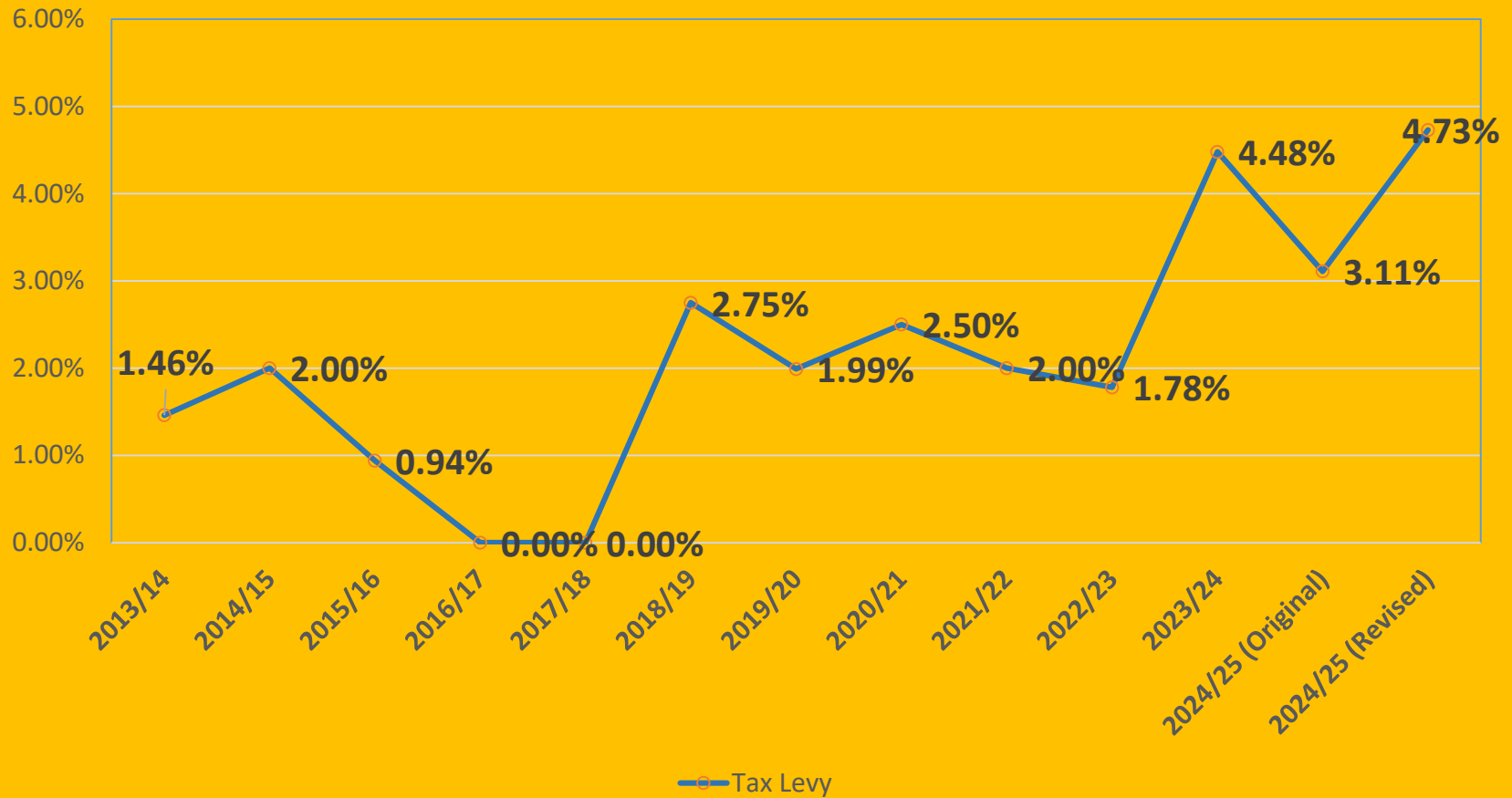
*2023-2024 Health Care adjustment increased tax levy above 2% = \$1,478,570 (4.48%)

**2024-2025 Health Care adjustment & Tax Levy Adjustment increases tax levy above 2% = \$1,575,246. (\$562,769 Health Care Adjustment, \$1,012,477 Tax Levy Adjustment)

****4.73% General Fund Tax Levy Increase (3.11% Original Adopted Budget)**

****4.89% Overall Tax Levy Increase (including debt service) (3.27% Original Adopted Budget)**

General Fund Tax Levy Trend Over 12 Years



Revised Budget Calendar

- June 27, 2024– Presentation for Board approval of Revised Preliminary Budget
- July 5, 2024 – Last Day for Submission of Preliminary Budget to County Office
- Once County Approval Obtained - Advertisement of Revised Preliminary Budget
- July 16, 2024 – Planned Revised Public Budget Hearing for Board adoption of the budget (Latest Allowable Date for Public Budget Hearing is July 19th.)
- July 18, 2024- Budget must be posted to District website no later than 48 hours after Public Budget Hearing and adoption

QUESTIONS

- The Revised User Friendly Budget will be posted to the District website once the revised preliminary budget has been submitted to and approved by the Executive County Superintendent and the final budget has been approved by the West Milford Board of Education.
- Please address questions concerning the District budget to:
- Dr. Lydia E. Furnari lydia.furnari@wmtps.org
- Dr. Brian Kitchin brian.kitchin@wmtps.org
- Mr. William Scholts william.scholts@wmtps.org

Thank You!