

# HAMPTON PUBLIC SCHOOL DISTRICT 2024-2025 BUDGET

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Mr. Daniel Kerr, Chief School Administrator  
Mr. James Schlessinger, School Business Administrator

# BOARD OF EDUCATION MEMBERS

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- Elizabeth Monaghan, *President*
- Dana Daneault, *Vice President*
- Denise Bryant
- Heather Burd
- Nicole Panaro



# SCHOOL HIGHLIGHTS

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- Full Day Preschool
- Small School Environment
- Supportive Learning Environment
- Mental Health Support/ Hunterdon Behavioral Health

# FISCAL EFFICIENCY

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The proposed 2024-2025 budget has been developed in a *fiscally responsible manner* to continue to achieve established educational goals by being fiscally efficient in the areas of:

- Part-Time Child Study Team Services
- Contracted Business Services to improve efficiencies
- Agreement with Hunterdon County Educational Services Commission for Technology Services
- Transportation Jointure with Hunterdon County Educational Services Commission and Warren County Special Services School District
- ERATE Purchasing for Savings and Rebates
- Shared State-Mandated Preschool Instructional Coach
- Shared Specials Teachers
- Contracted related services



# BUDGET GOALS

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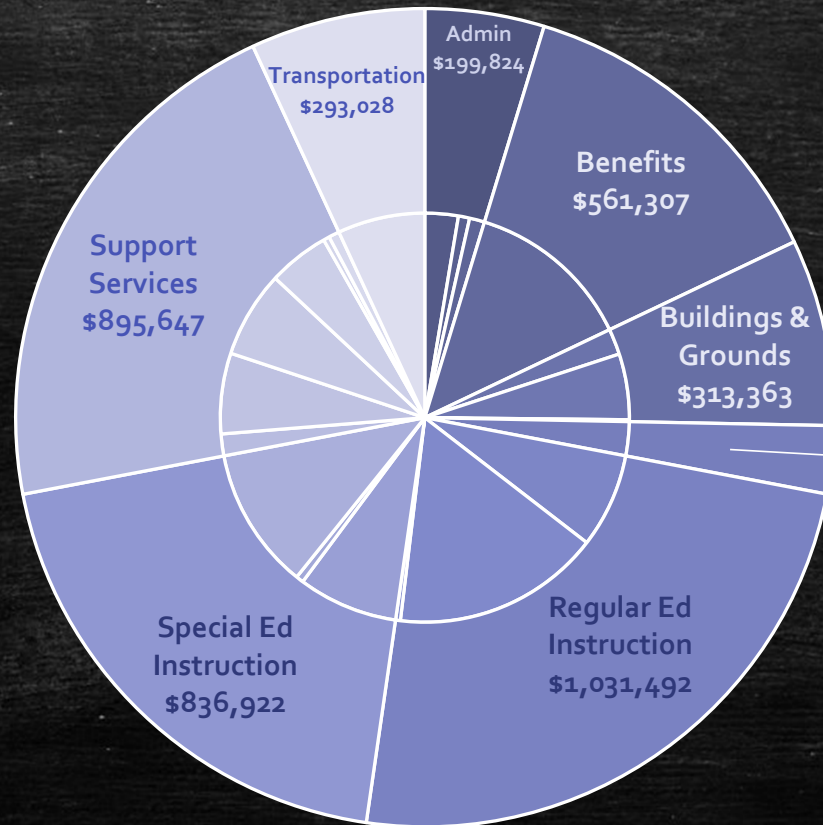
- Provide a thorough and efficient education to the students of Hampton Public School.
- Maintain safe, functional and clean facilities
- Meet contractual obligations
- Meet NJ State Mandates
- Prepare a budget that is fiscally responsible to the district's taxpayers
- Support initiatives to ensure physical and mental health of students and staff
- Support professional development of staff
- Support sustainable and green initiatives to reduce our energy consumption - carbon footprint
- Develop initiatives to foster our relationships with the school community

# GENERAL EXPENDITURE BREAKDOWN

<b>Regular Ed Instruction</b>	<b>1,031,492</b>
Tuition	317,198
In-District	698,294
Extracurricular	16,000

<b>Special Ed Instruction</b>	<b>836,922</b>
In-District	335,422
ESY	25,000
Tuition	476,500

<b>Support Services</b>	<b>895,647</b>
Health Services	73,228
Related Services	270,500
Other Services	290,541
Child Study Team	204,678
Curriculum Improvement	20,500
Library/Media	36,200



<b>Admin</b>	<b>199,824</b>
District	111,729
Building	37,600
Business	50,495

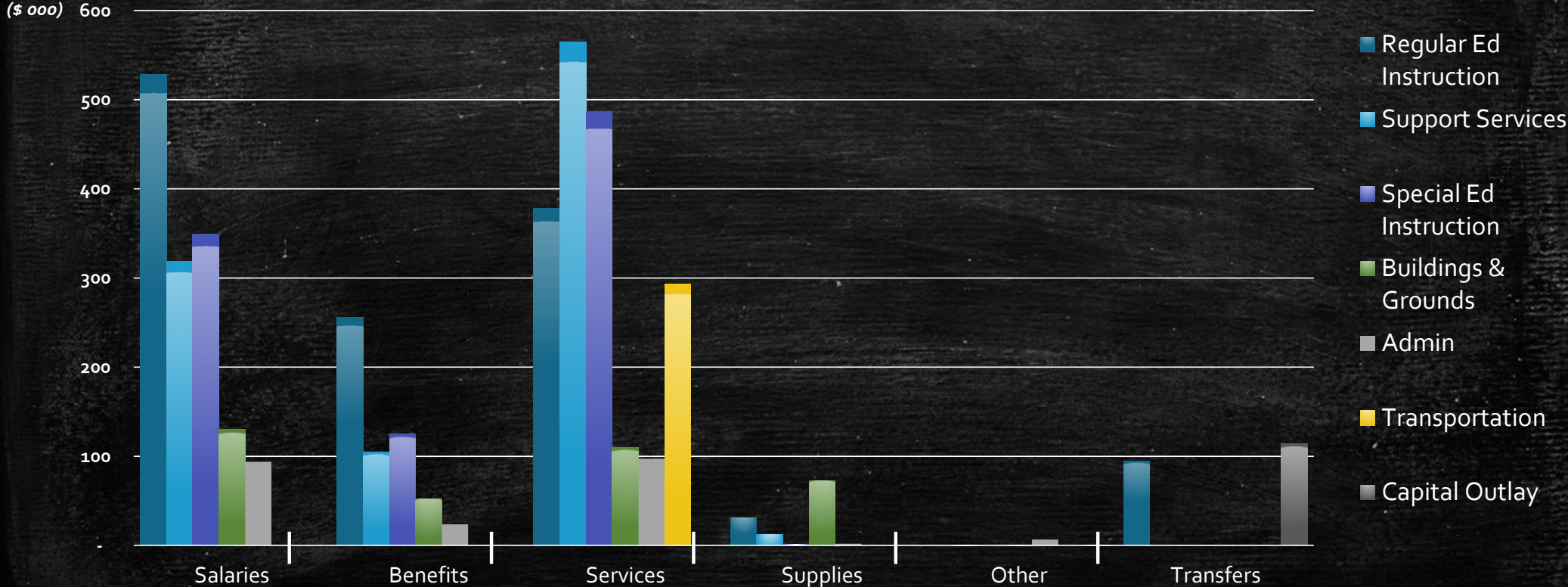
Capital Outlay  
\$114,038

<b>Buildings &amp; Grounds</b>	<b>313,363</b>
Maintenance	86,592
Custodial	220,771
Grounds	6,000



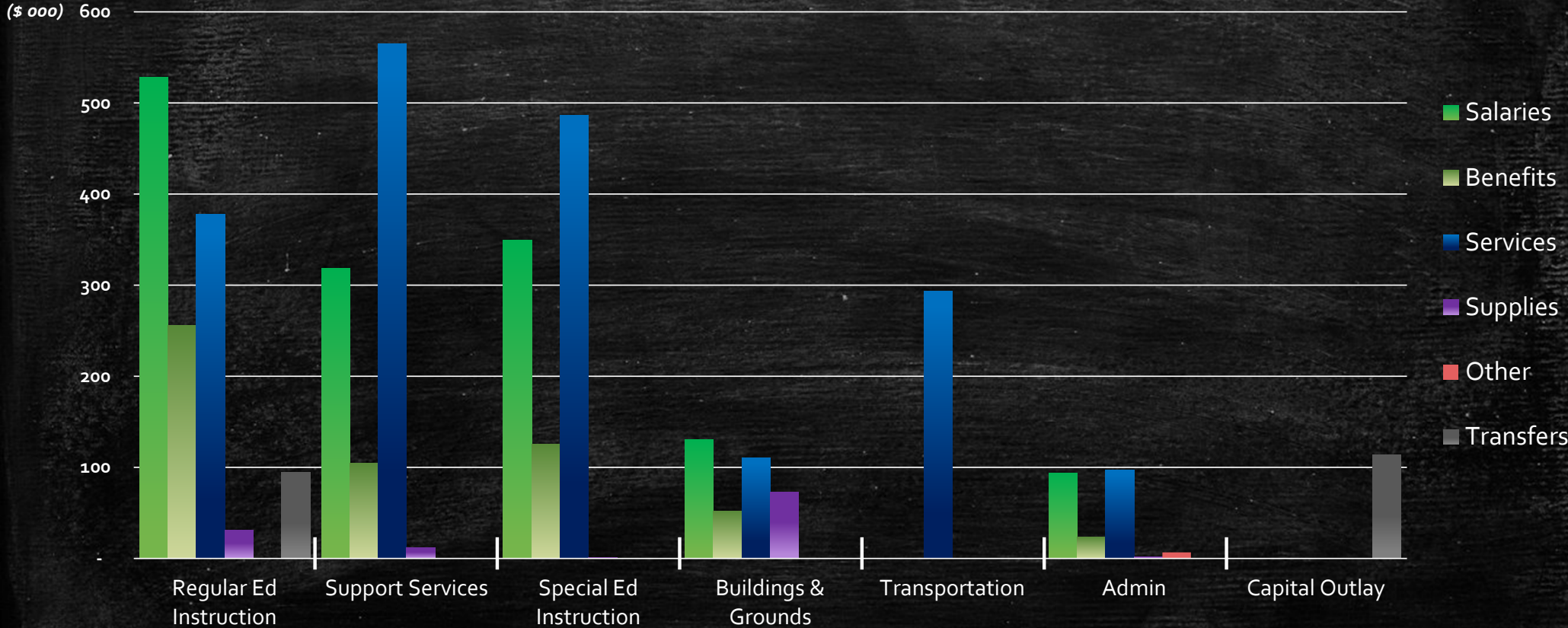
# EXPENDITURE DISTRIBUTION

(Grouped by expenditure type, each bar is a functional area)



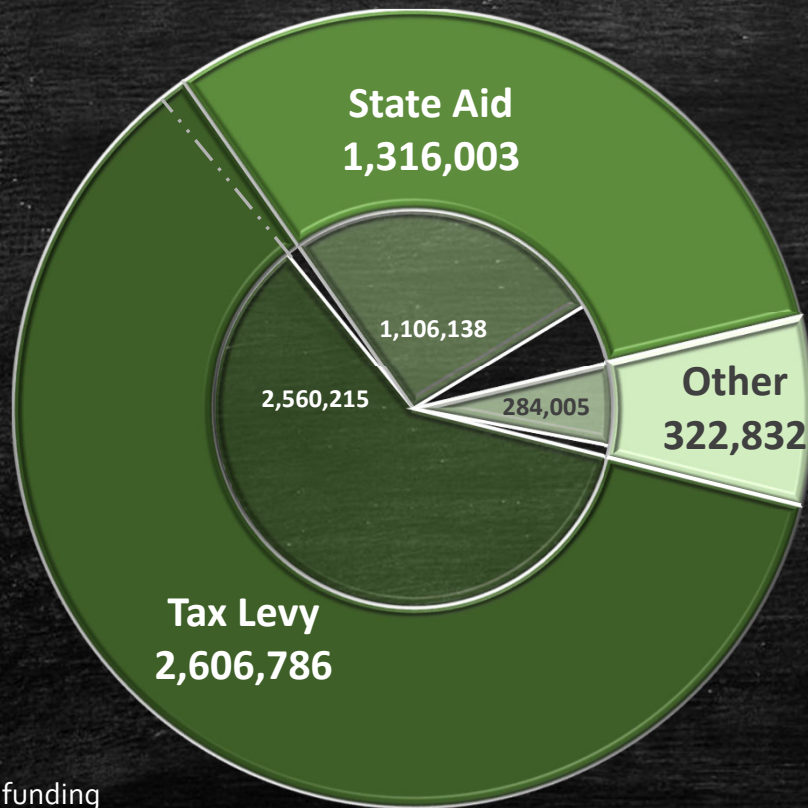
# EXPENDITURE DISTRIBUTION

(Grouped by functional area, each bar is an expenditure type)





# REVENUE BREAKDOWN: GENERAL FUND



- General fund tax levy increase offset by new ratables and by using capital reserve against debt service levy
- Other:
  - Usage of capital reserve (\$114k)
  - Excess surplus (\$209k)
  - Bank interest
- State aid increased over last year due to enrollment and demographic factors

- Outer circle: 2024-25 funding
- Inner circle: 2023-24 funding

# TOTAL TAX LEVY

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	<u>2023-24</u>	<u>2024-25</u>
Base Tax Levy	\$ 2,508,245	\$ 2,560,215
Annual Increase	51,970	46,571
<i>Increase %</i>	2.07%	1.82%
<b>General Fund Levy</b>	<b>2,560,215</b>	<b>2,606,786</b>
Debt Service Levy	140,969	139,154
Capital Reserve Usage	(77,416)	(113,788)
<b>Total Tax Levy</b>	<b>\$ 2,623,768</b>	<b>\$ 2,632,152</b>
<i>Change From Prior</i>	0.55%	0.32%



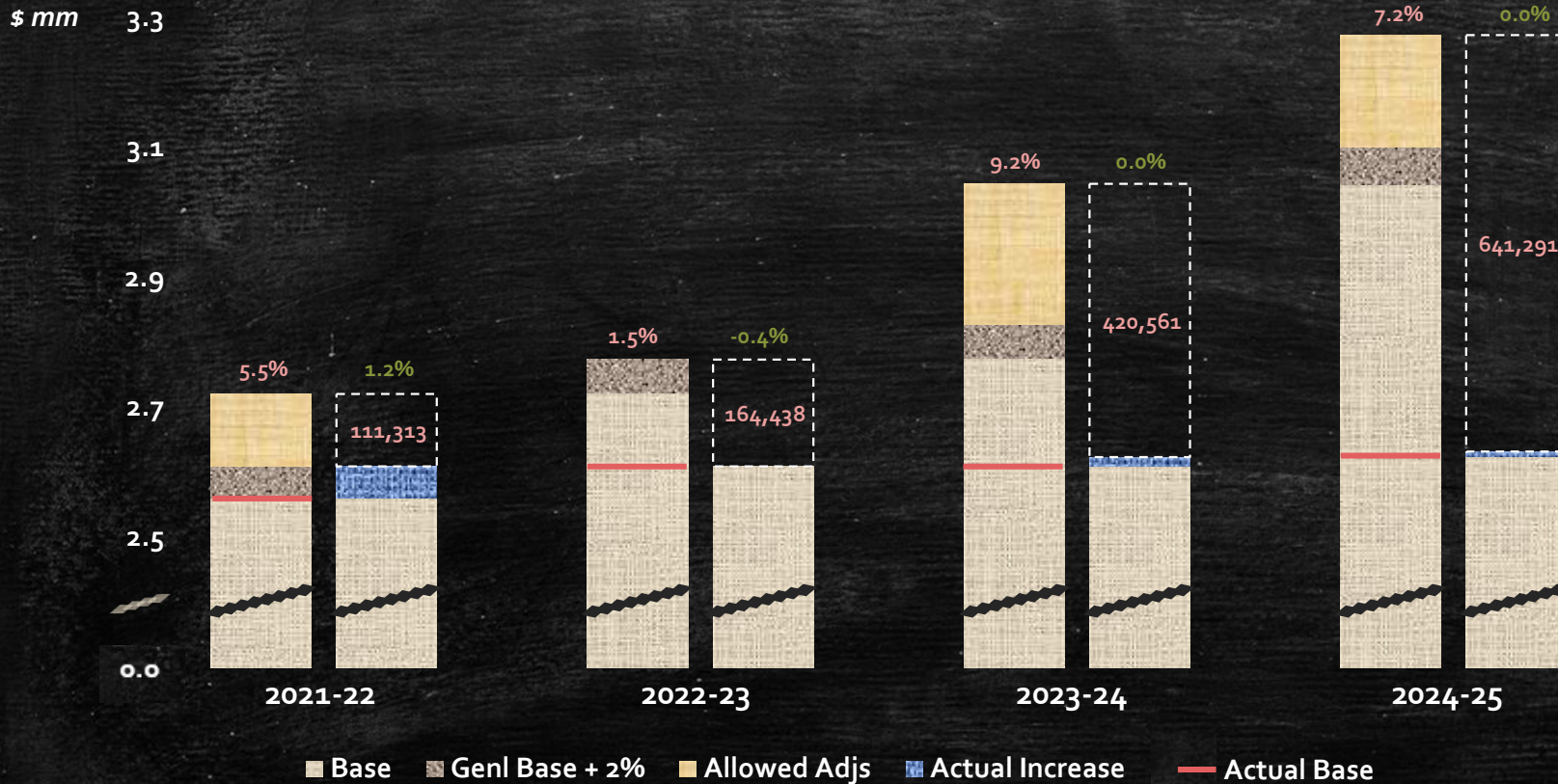
# BUT YOU SAID ZERO?

	<u>Tax Levy</u>	<u>Ratables</u>	<u>Pct</u>
2023-24	\$ 2,623,768	\$ 121,944,436	2.1516%
2024-25	<u>2,632,152</u>	<u>122,333,936</u>	<u>2.1516%</u>
Change \$	<u>\$ 8,384</u>	<u>\$ 389,500</u>	
Change %	<u>0.3195%</u>	<u>0.3194%</u>	<u>0.0000%</u>

Taxes are raised in absolute, however it is *limited to the increase in taxable property*.

In other words, the increase is absorbed by the new taxpayers. Returning taxpayers with no change in assessed property value will see no increase in taxes from the district.

# TAX LEVY: ALLOWABLE vs. ACTUAL



If the District simply increased the tax levy every year to the extent allowed by law, it would have resulted in

**\$1,337,603 \***

of additional taxes paid by Hampton residents over this 4-year period, which would have also contributed to a

**25.3%**

cumulative increase to the tax rate.

\* Nearly \$1,100 per \$100k assessed property value



# BANKED CAP: GENERATION & EXPIRATION

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Enrollment adjustment	111,313	-	217,637	141,708
Under (over) 2% increase	-	12,356	(1,805)	4,633
Chapter 44 adjustment	-	-	(12,076)	-
Health care cost adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,162</u>
	<u>111,313</u>	<u>12,356</u>	<u>203,756</u>	<u>158,503</u>

- *\$111,313 of banked cap generated in the 2021-22 budget expires unused with this 2024-25 budget.*
- *\$374,615 remains eligible (though not planned) to be included in 2025-26 and beyond.*

# UNDERSTANDING THE DEBT SERVICE OFFSET

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Debt Obligation	243,600	246,200	248,400	245,200	246,800
State Aid	<u>(105,354)</u>	<u>(106,479)</u>	<u>(107,431)</u>	<u>(106,046)</u>	<u>(106,738)</u>
Prelim DS Tax Levy	138,246	139,721	140,969	139,154	140,062
Capital Reserve	<u>-</u>	<u>(38,543)</u>	<u>(77,416)</u>	<u>(113,788)</u>	<u>(140,062)</u>
Net DS Tax Levy	<u>138,246</u>	<u>101,178</u>	<u>63,553</u>	<u>25,366</u>	<u>-</u>
Cumulative GF incr @ 1.5%	-	38,543	77,416	113,788	152,000
Offset	<u>-</u>	<u>(38,543)</u>	<u>(77,416)</u>	<u>(113,788)</u>	<u>(140,062)</u>
Offset Shortfall	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,938</u>

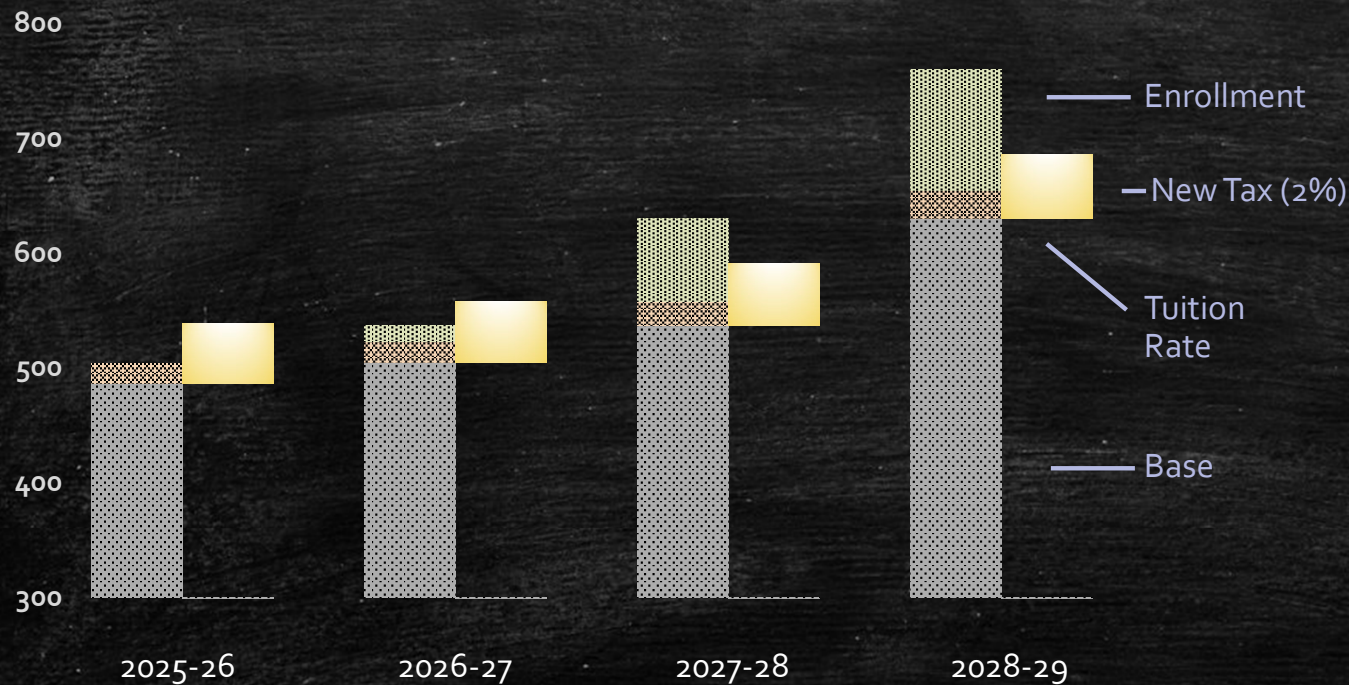
The District has been executing on a plan to keep the total tax levy (general fund and debt service combined) flat year-over-year:

- General fund tax levy has increased 1.5% annually
- Capital reserve has been deployed to offset the debt service tax levy such that the total tax rate is held at 2.15161% since 2022-23.

The plan has one limitation – that eventually there won't be enough of a DS tax levy to offset the cumulative GF increase. This will occur in the 2025-26 year.



# Regular Education Tuition



- 6-8<sup>th</sup> grade enrollment is projected between 34-37 for a couple of years, then increases to 50 by 2028-29
- Cost per student increases \$500 each year of the contract
- Tuition increase initially accounts for a third of a 2% general fund tax increase, but ultimately outpaces it by nearly 3x
- This tuition analysis does not consider special education, transportation, or related services
- Sending 120 K-8 students under the same agreement would cost \$1.6mm in 2024-25, rising to \$1.9mm in 2028-29
  - (excluding >\$1.0mm special education, transp, support)

# What Does a 2% Tax Increase Cover?

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<b>2% GF Tax Increase</b>	<b><u>51,204</u></b>
<i>Instructional/Custodial Salaries @ 3%</i>	38,600
<i>Benefits Increase @ 10%</i>	50,500
<i>Contracted Services @ 2%</i>	24,300
<i>Tuition &amp; Transportation @ 2%</i>	<u>20,600</u>
<b>District "Cost of Living" Needs</b>	<b><u>134,000</u></b>
<b>Needs vs. 2% Deficit</b>	<b><u><u>(82,796)</u></u></b>



**QUESTIONS?**

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