

HAMPTON PUBLIC SCHOOL DISTRICT 2025-2026 BUDGET

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

BOARD OF EDUCATION MEMBERS

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

SCHOOL HIGHLIGHTS

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

FISCAL EFFICIENCY

The proposed 2025-2026 budget has been developed in a *fiscally responsible manner* to continue to achieve established educational goals by being fiscally efficient in the areas of:

- Contracted Business Services to Improve Efficiencies and Costs on Admin, Payroll, and HR
- Part-Time Child Study Team Services
- Agreement with Hunterdon County Educational Services Commission for Technology Services
- Transportation Jointure with Hunterdon County Educational Services Commission
- ERATE Purchasing for Savings and Rebates
- Alliance for Competitive Energy Services (ACES) Consortium for Energy Savings
- Shared State-Mandated Preschool Instructional Coach
- Shared Specials Teachers
- Contracted Related Services

BUDGET GOALS

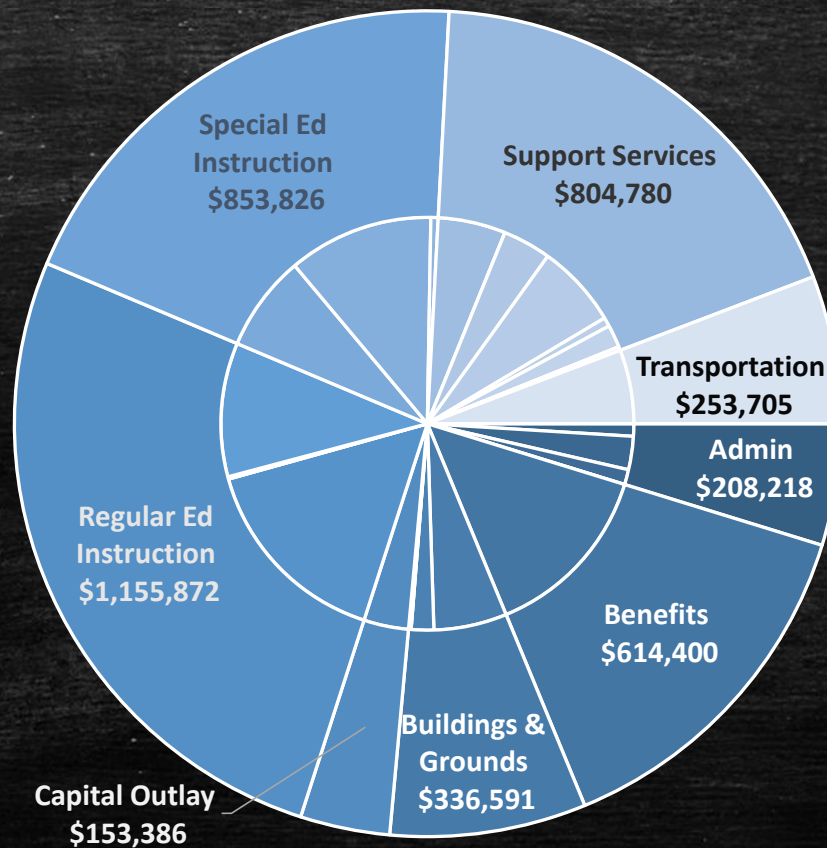
- Provide a thorough and efficient education to the students of Hampton Public School
- Maintain safe, functional and clean facilities
- Prepare a budget that is fiscally responsible to the district's taxpayers
- Meet contractual obligations
- Meet NJ State Mandates
- Support initiatives to ensure physical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

GENERAL EXPENDITURE BREAKDOWN

Special Ed Instruction	853,826
In-District	330,545
Tuition	498,281
ESY	25,000

Regular Ed Instruction	1,155,872
Tuition	459,144
In-District	688,728
Extracurricular	8,000

Buildings & Grounds	336,591
Custodial	250,446
Maintenance	77,445
Grounds	8,700

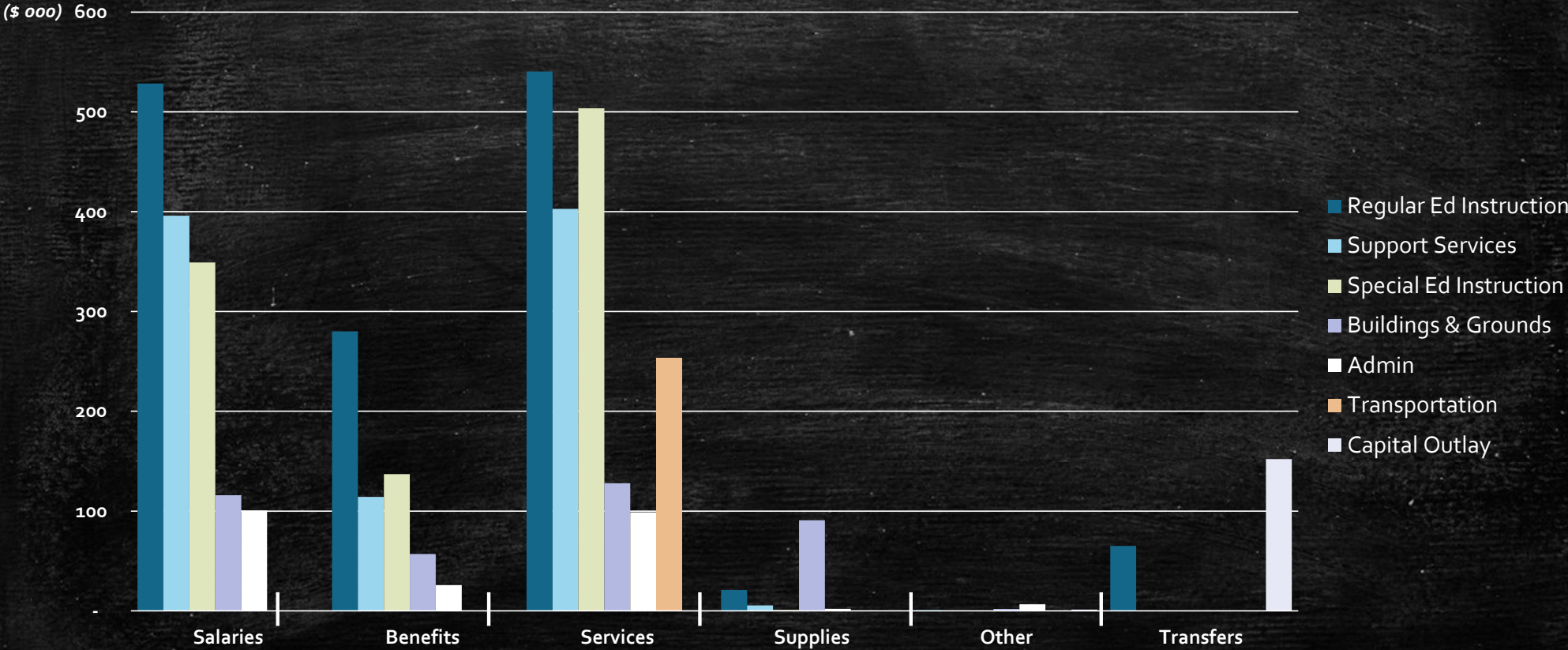


Support Services	804,780
Child Study Team	232,075
Other Services	165,874
Related Services	285,500
Library/Media	30,750
Health Services	77,831
Curriculum Improvement	12,750

Admin	208,218
Building	42,600
District	114,229
Business	51,389

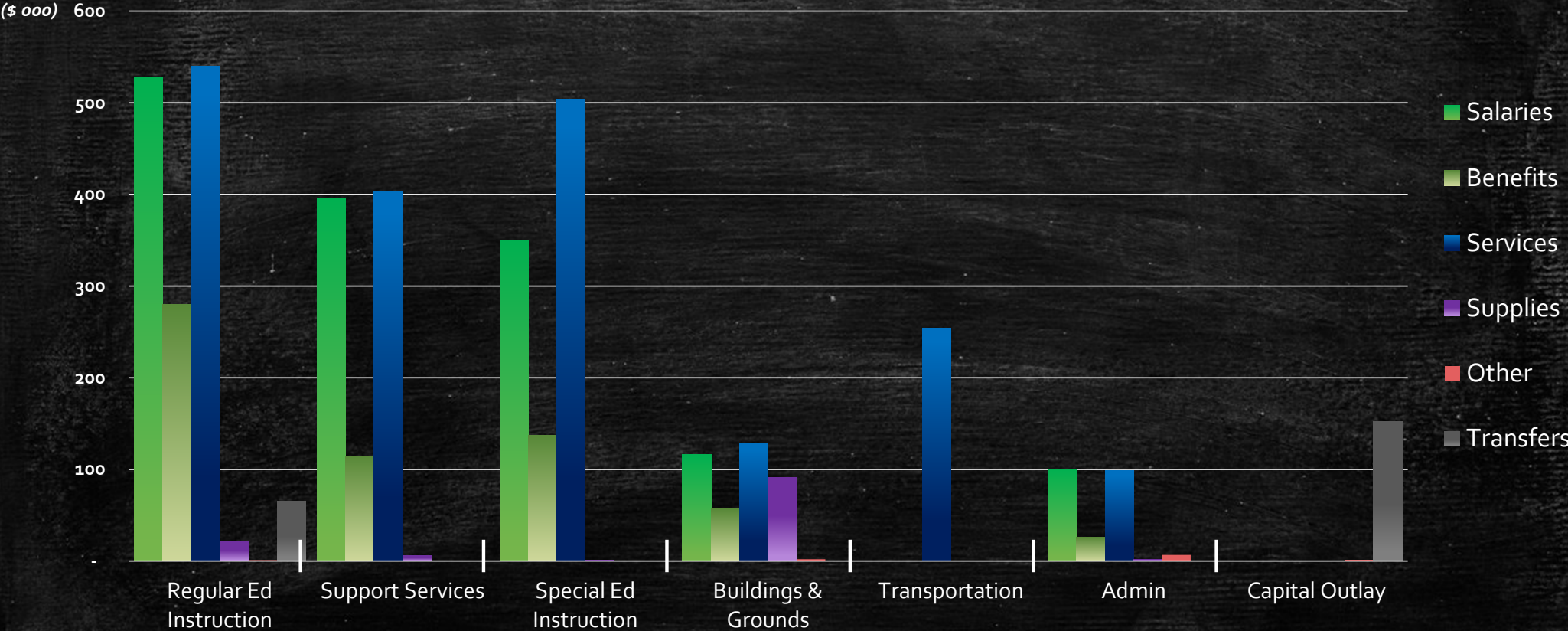
EXPENDITURE DISTRIBUTION

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

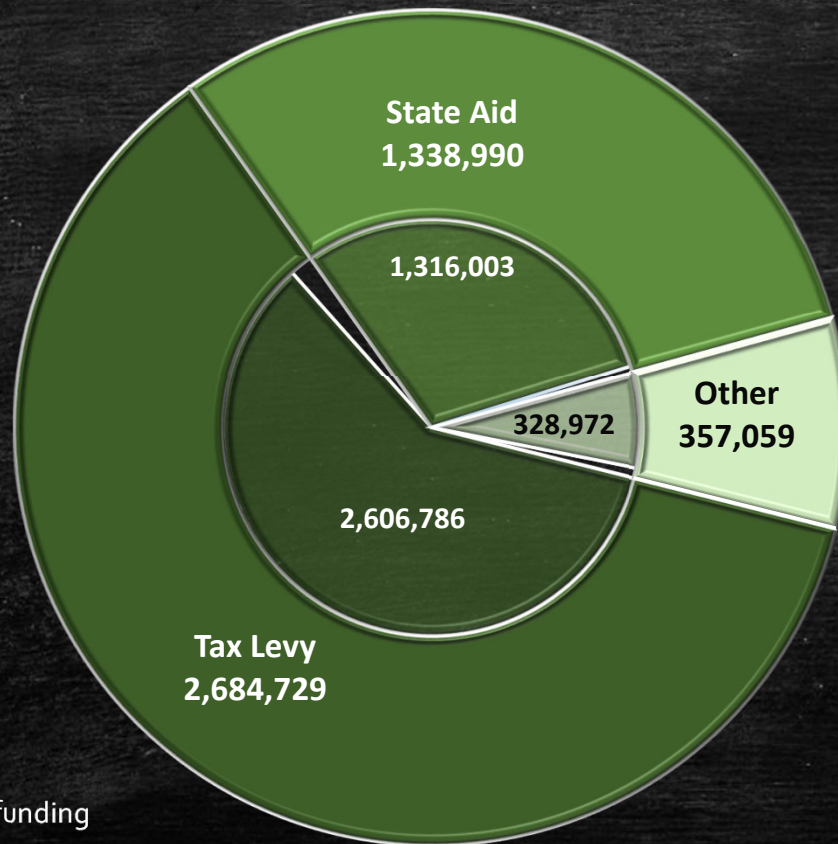


EXPENDITURE DISTRIBUTION

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



REVENUE BREAKDOWN: GENERAL FUND



- General fund tax levy increase mostly offset by new ratables and by using capital reserve against debt service levy
- Other:
 - Usage of capital reserve (\$140k)
 - Excess surplus (\$204k)
 - Bank interest (\$13k)
- State aid increased over last year due to enrollment and demographic factors

- Outer circle: 2025-26 funding
- Inner circle: 2024-25 funding

TOTAL TAX LEVY

	<u>2024-25</u>	<u>2025-26</u>
Base Tax Levy	\$ 2,560,215	\$ 2,606,786
Annual Increase	46,571	77,943
<i>Increase %</i>	1.82%	2.99%
General Fund Levy	2,606,786	2,684,729
Debt Service Levy	139,154	140,061
Capital Reserve Usage	(113,788)	(140,061)
Total Tax Levy	\$ 2,632,152	\$ 2,684,729
<i>Change From Prior</i>	0.32%	2.00%

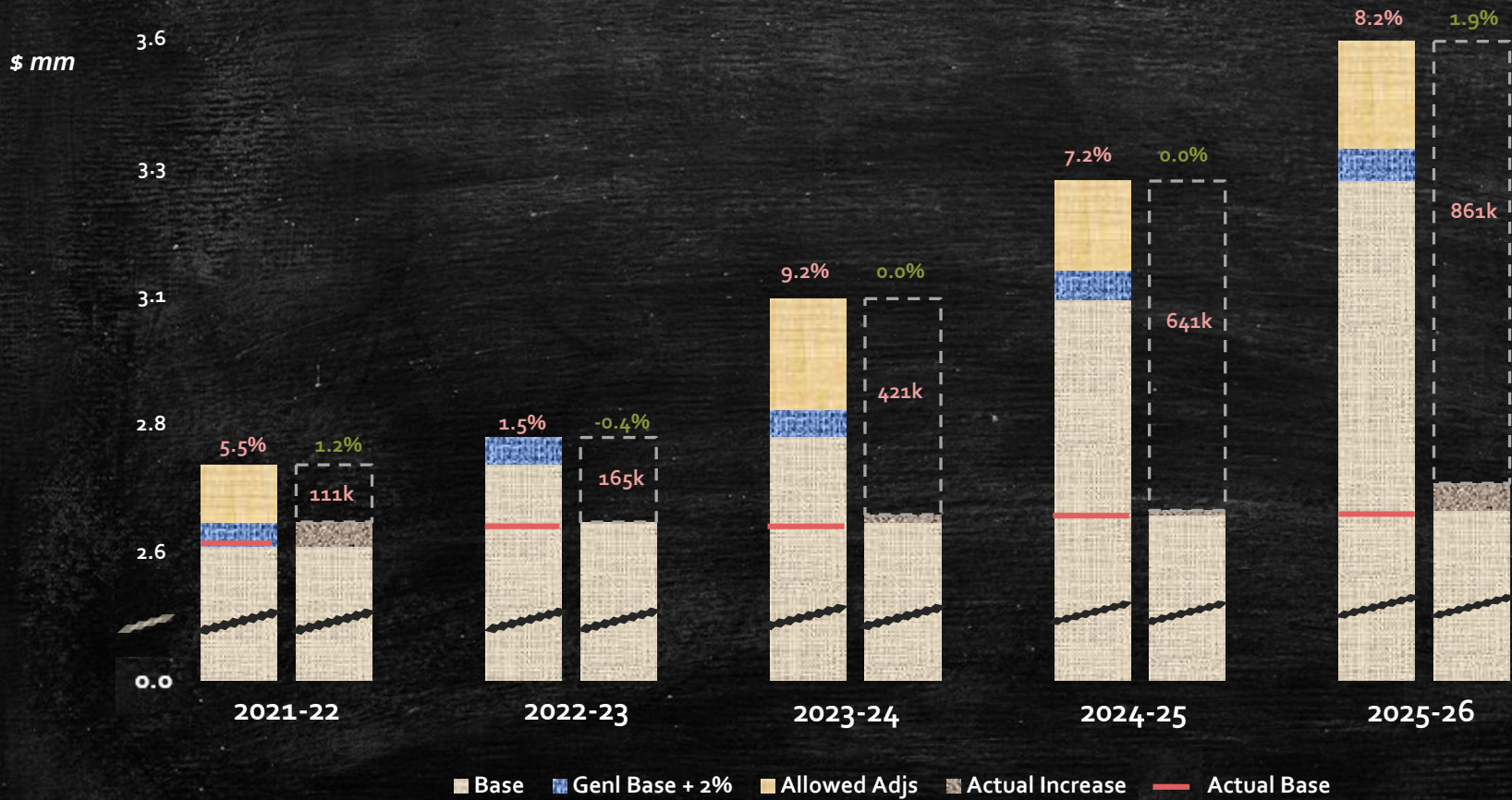
TAX RATE IMPACT

	<u>Tax Levy</u>	<u>Ratables</u>	<u>Pct</u>
2024-25	\$ 2,632,152	\$ 122,333,936	2.1516%
2025-26	<u>2,684,729</u>	<u>122,501,401</u>	<u>2.1916%</u>
Change \$	<u>\$ 52,577</u>	<u>\$ 167,465</u>	
Change %	<u>1.9975%</u>	<u>0.1369%</u>	<u>0.0400%</u>

Taxes are raised in absolute, however it is *offset by the increase in taxable property*.

In other words, the increase is dampened by the new taxpayers. Returning taxpayers with no change in assessed property value will see a *0.04% rate increase due to district taxes*.

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

\$2,198,407 *

of additional taxes paid by Hampton residents over this 5-year period, which would have also contributed to a

32.06%

cumulative increase to the tax rate.

** Nearly \$1,800 per \$100k assessed property value*

BANKED CAP: GENERATION & EXPIRATION

	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Enrollment adjustment	-	217,637	141,708	38,536
Under (over) 2% increase	12,356	(1,805)	4,633	4,717
Chapter 44 adjustment	-	(12,076)	-	-
Health care cost adjustment	-	-	12,162	38,679
	<u>12,356</u>	<u>203,756</u>	<u>158,503</u>	<u>81,932</u>

- *\$12,356 of banked cap generated in the 2021-22 budget expires unused with this 2025-26 budget.*
- *\$444,191 remains eligible (though not planned) to be included in 2026-27 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>(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>(38,543)</u>	<u>(77,416)</u>	<u>(113,788)</u>	<u>(140,062)</u>
Offset Shortfall	-	-	-	-	<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:

- Capital reserve has been deployed to offset the debt service tax levy such that the total tax rate had been held at 2.1516% since 2022-23.
- 2025-26 is the first year the tax rate has increased in five years, due to one limitation – that eventually there wouldn't be enough of a DS tax levy to offset the cumulative GF increase.

What Does a 2% Tax Increase Cover?

2% GF Tax Increase	<u>52,136</u>
<i>Instructional/Custodial Salaries @ 3%</i>	40,400
<i>Benefits Increase @ 10%</i>	55,300
<i>Contracted Services @ 2%</i>	20,400
<i>Tuition & Transportation @ 2%</i>	<u>23,000</u>
District "Cost of Living" Needs	<u>139,100</u>
Needs vs. 2% Deficit	<u><u>(86,964)</u></u>

QUESTIONS?
