



**Public Budget Presentation  
April 25, 2022  
(2022-2023 Budget)**

# Mission Statement

The South Hunterdon Regional School District, a small, close-knit school district working in partnership with our community, provides dynamic and innovative educational experiences that challenge and empower each student to strive for personal excellence and positive global citizenship.

# 2022-2023 Budget Calendar

October	Budget discussions with Administrative team
November/December	Budget discussions with the Business Administrator and Superintendent
End of December	Budgets due to the Business Administrator
January 5, 2022	Mid Year Budget Review with Executive County Superintendent
February 17, 2022	Preliminary budget reviewed by the BOE Finance Committee
February 23, 2022	BOE Budget Work Session
March 10, 2022	State Aid Figures Released from NJDOE
March 28, 2022	BOE approval of the preliminary 2022-2023 budget
March 28, 2022	Submit preliminary budget to Executive County Superintendent
April 25, 2022	Public Hearing and Adoption of the Final Budget

# What Makes SHRSD Unique?

- Small class sizes, private school feeling in a public school setting.
- Students and staff all know each other by name.
- Focus on the “whole” child - Academics and Social Emotional Learning(SEL).
- Wide variety of extra-curricular/co-curricular activities.
- Mental Health supports for students and staff.
- Community Connections (Hurricane Ida).

# What is a School Budget?

- **A Budget Is:** A Planning Tool that Reflects What We Value
- **A Budget Is:** Fiscally Responsible to those we serve
- **A Budget Is:** A Planning Tool that...
  - Considers Contingencies and Manages Risk

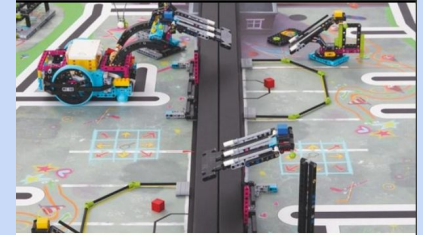


# What do we value?



## For Students and Staff

- Providing academic opportunities for all students
- Providing extra and co-curricular opportunities for all students
- Developing the whole child with social-emotional supports
- Supporting and developing staff for excellence



## For the District

- Long-term planning for academics
- Long-term planning for staff
- Long-term planning to address aging facilities



# Quick Terms

**General Fund** - The total amount of money required to pay for current-year programs, staffing and services at next year's prices — i.e., what the next year's budget would be if the current year's budget were simply "rolled over."

**Tax Levy** - Total sum to be raised by the school district after subtracting out all other revenues including state aid. The tax levy is used to determine the tax rate for property owners in each of the cities, towns or villages that makes up a school district.

**Debt Service** -The money that is required to cover the repayment of interest and principal on a debt for a particular project.

**Fund balance/Surplus** - A fund balance is created when the school district has money left over at the end of its fiscal year from either under spending the budget or taking in additional revenue.

**Banked Cap** - unused spending authority that can be saved for 3 budget cycles and is generated by not spending all of the allowable 2% cap or using automatic cap waivers for health benefit increases, enrollment increases, or deferred pension contributions. (**we have \$17,343 - expires after 2023-2024**)

**Capital Reserve** - A reserve account that is to be used for approved capital projects. Money can be withdrawn by board resolution for projects otherwise eligible for state funding. Monies can also be withdrawn for projects not eligible for state funding at budget time. Capital reserve funds can also be used to pay debt service costs through an appropriation during budget time.

**Equalization rate:** In simple terms, an equalization rate represents the average level of assessment in each community. (Equalization Rate = Total Assessed/Total Market Value)

# Key Factors that Affect the Budget

- ◆ Fixed costs
    - ◆ Staffing
    - ◆ Benefits
- 76.3% of the budget with increases over 2%**
- ◆
    - Currently in negotiations with our largest bargaining unit
  - ◆ Special Education programs and services
  - ◆ Extra/Co-Curricular activities
  - ◆ Maintenance and Operations (cost of fuel and energy already rising)
  - ◆ Transportation (shortage of bus drivers)
  - ◆ Ratables and State Aid (we received an increase of \$52,373 for state aid)



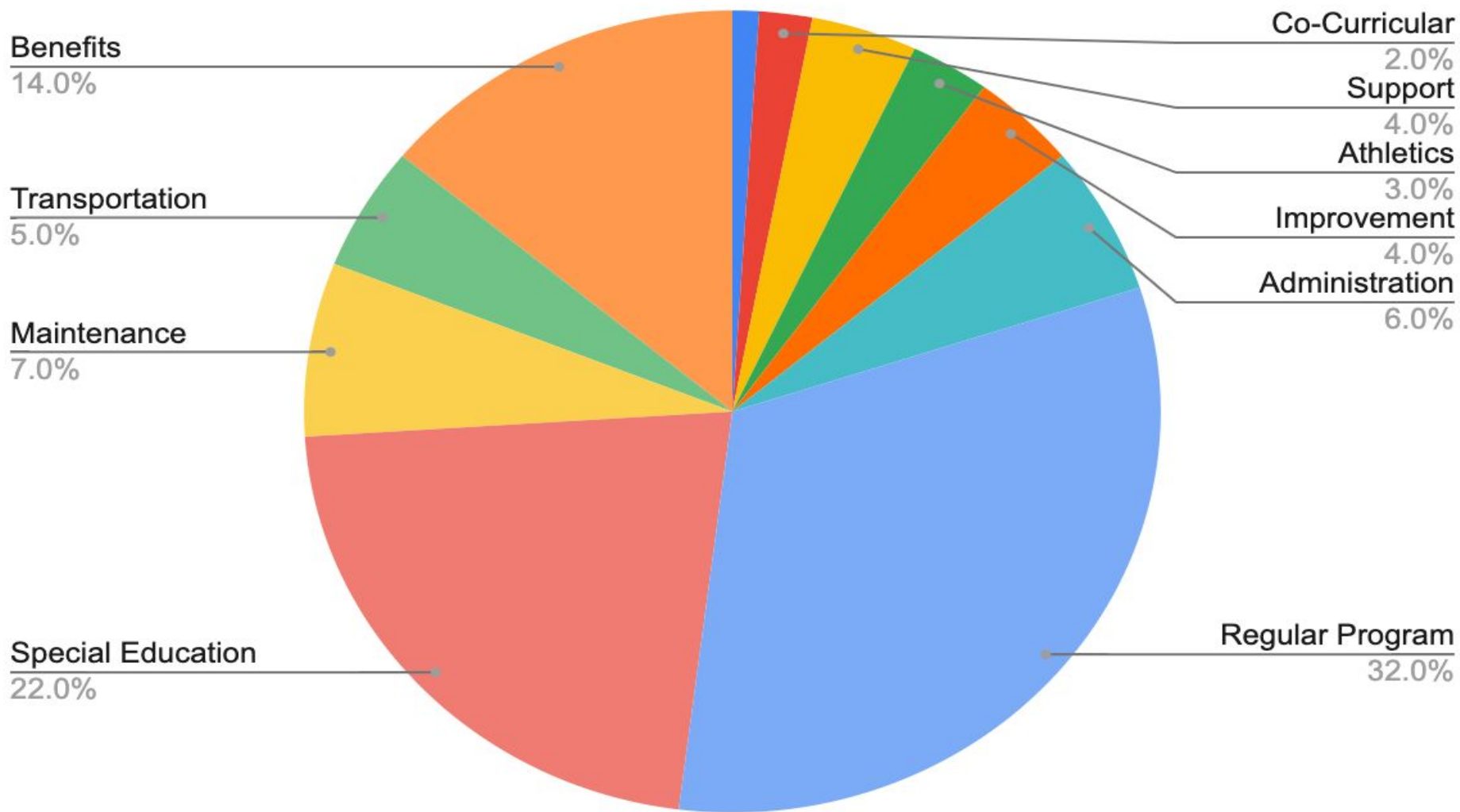
# Different Line Items in our Budget - Revenues

- State Aid - 13.6%
- Federal Aid - 2.1%
- Tax Levy (property taxes - 84.3%)
- CEA Program rent (middle/high school - \$155,000)
- Fund Balance (\$279,136)
- Pay to play (\$16,000)
- Interest (\$1,100)

# Capital Reserve Account

## 2022-2023 Proposed Projects

- Pole Barn at middle/high school for storage - \$191,000
- Upgrade to the auditorium - \$246,000
- Renovation of a current classroom at the high school into a practical life skills space for our Special Education Academy Program - \$50,000.
- Cameras on all school buses - \$60,000



# What does this draft budget include?

- Maintain small class sizes
- Expansion of the Preschool Program
- AP Environmental Science
- Cybersecurity
- Expansion of our Academy Program for special education students
- K-12 Therapy Dog Program
- Late bus for extracurricular activities
- Additional mental health supports and training for students and staff
- Maintain athletic offerings in grades 7-12
- Continue equity work
- Support the findings and recommendations from the ESL Program Review
- Review of our PreK-12 Special Education Program




# Return on Investment

- Facility plan to address the long standing issues at LPS and WAS.
- Preschool expansion with the goal of providing free preschool for all.
- Program review of the college planning process.
- Program review of the ESL program.
- Program expansion in computer science, pre-engineering, TV/Media, Podcasting, Social Justice.
- Additional AP/Honors classes (Studio Art, Environmental Science, US History).
- Dual enrollment program with Seton Hall University.
- District Equity Work
- Facility upgrades (track, soccer field, irrigation, scoreboards, security upgrades, audio/visual/lighting for auditorium)
- Mental health supports for students and staff.
- Technology (hot spots, 1:1, cybersecurity)
- Sustainability awards (SHRSD Green Team)
- Communication (District Parent Council, streaming board meetings, boarddocs, newsletters, website upgrade)

# Class Sizes

# Things We Don't Control: The Ratables\*

\*The overall ESTIMATED value of all taxable properties in the town (determined by the Hunterdon County Tax Assessor)

Municipality	10/1/2020 use for 21-22 budget est.	10/1/2021 used for 22-23 budget est.	Difference
Lambertville	795,337,992	802,923,992	 \$7,586,000
Stockton	91,487,500	91,302,000	 \$185,500
West Amwell	545,474,464	572,256,038	 \$26,781,574

# Things We Don't Control: The Percentage Share\*

\*How the school tax is distributed between the towns we serve (determined by the Hunterdon County Tax Assessor)

## SFRA Allocation of Equalized Valuation - Oct. 2021

	2019-20	2020-21	2021-22	2022-2023
Lambertville	52.2187%	52.4791%	53.3476%	53.6911%
Stockton	5.6920%	5.6211%	5.2679%	5.6922%
West Amwell	42.0893%	41.8998%	41.3545%	40.6166%

**Equalization rate:** In simple terms, an equalization rate represents the average level of assessment in each community. (Equalization Rate = Total Assessed/Total Market Value)



# 2021 Hunterdon County District/Regional School Tax Rates

Municipality	District/Regional School Tax
High Bridge Borough	2.728
Hampton Borough	2.714
Califon Borough	2.51
Milford Borough	2.392
Holland Township	2.352
Glen Gardner Borough	2.328
Frenchtown Borough	2.289
Bethlehem Township	2.195
Union Township	2.195
Bloomsbury Borough	2.116
Town of Clinton	2.039
Alexandria Township	1.963
Raritan Township	1.91
Clinton Township	1.875
Franklin Township	1.857
East Amwell Township	1.848
Flemington Borough	1.79
Lebanon Township	1.781
Delaware Township	1.696
Kingwood Township	1.69
Lebanon Borough	1.612
Readington Township	1.577
West Amwell Township	1.484
Tewksbury Township	1.453
Lambertville City	1.345
Stockton Borough	1.22

# A General Fund Tax Levy History

	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-2023</b>
<b>General Fund</b>	\$18,398,918	\$18,841,727	\$19,245,663	\$19,630,576
<b>% Increase</b>	2.72%	2.41%	2.14%	2.00%
<b>Debt Service</b>	\$ 1,325,040	\$ 1,369,165	1,351,120	1,346,401
<b>% Increase</b>	2.20%	3.33%	-1.32%	-0.35%
<b>Total Tax Levy</b>	\$19,723,958	\$20,210,892	\$20,596,783	\$20,976,977
<b>% Increase</b>	2.37%	2.47%	1.91%	1.85%

\* There will be no referendum debt included in the 2022-2023 budget

# ESTIMATED TAX LEVY - LAMBERTVILLE

	2020	2021	2022
Tax Levy	\$10,453,049	\$10,797,197	\$11,262,769
Equalized Valuation	\$807,744,909	\$818,922,974	\$864,288,474
Tax Rate/\$100	\$1.2941	\$1.3185	\$1.3031
Avg. Assessed Home Value School Tax	$\$381,342/100 \times 1.2941 = \$4,934.95$	$\$389,155/100 \times 1.3185 = \$5,131.01$	$\$409,665/100 \times 1.3031 = \$5,338.34$

Estimated Equalized Values (as of 10/1/2021) with Debt - Based on Calendar year

# ESTIMATED TAX LEVY - STOCKTON

	2020	2021	2022
Tax Levy	\$1,129,373	\$1,113,635	\$1,194,067
Equalized Valuation	\$91,726,067	\$88,359,571	\$95,554,160
Tax Rate/\$100	\$1.2312	\$1.2603	\$1.2496
Avg. Assessed Home Value School Tax	$\$364,700 / 100 \times 1.2312$ = \$4,490.19	$\$363,800 / 100 \times 1.2603$ = \$4,584.97	$\$364,800 / 100 \times 1.2496$ = \$4,558.54

Estimated Equalized Values (as of 10/1/2021) with Debt - Based on Calendar year

# ESTIMATED TAX LEVY - WEST AMWELL

	2020	2021	2022
Tax Levy	\$8,385,000	\$8,493,006	\$8,520,142
Equalized Valuation	\$514,048,377	\$541,203,821	\$564,085,729
Tax Rate/\$100	\$1.6312	\$1.5693	\$1.5104
Avg. Assessed Home Value School Tax	$\$451,058 / 100 \times \$1.6312 = \$7,357.66$	$\$472,755 / 100 \times \$1.5693 = \$7,418.94$	$\$513,943 / 100 \times \$1.5104 = \$7,762.60$

Estimated Equalized Values (as of 10/1/2021) with Debt - Based on Calendar year

# Public Comment