



North Hunterdon-Voorhees
REGIONAL HIGH SCHOOL DISTRICT

2023-2024 SCHOOL BUDGET



BUDGET GOALS

- Provide a thorough and efficient education to the entire student population (10/15/2022 ASSA enrollment was 2,043, plus over 300 vocational academy students). Projection for next year is 2,036 + 413 academy students.
- Maintain current level of student academic courses, co-curricular offerings (clubs/activities/intramurals), and athletic programs (19 different types of sports offered, girls/boys, multiple levels, Unified)
- Maintain safe, functional and clean facilities
- Meet contractual obligations
- Attract and retain highly qualified staff members
- Meet NJ State Mandates
- Prepare a budget that is fiscally responsible to the district's taxpayers

LOCAL TAX LEVY

- The Board has proposed an increase of 3.3% to the local tax levy for general fund for 2023-2024. This increase includes using banked cap generated in FY20/21, and a health benefits waiver (both increases are allowed by law to exceed the 2% cap). There is NO increase to the tax levy for debt service as the Board is utilizing excess funds from the 2016 referendum to cover existing debt service tax principal obligations.

Local Tax Levy Increase	
2019-2020	2%
2020-2021	0%
2021-2022	1.6% *
2022-2023	1.7% *
2023-2024	2.2% *

**net increase with a reduction in debt service obligation*

LOCAL TAX LEVY - BANKED CAP

- District is using banked cap:
 - What is “banked cap”? N.J.S.A. 18A:7F-39(e) permits districts to bank the difference between the maximum allowable amount to be raised by taxation for the current school budget year and the actual amount raised by taxation for the current school budget year. This banked cap amount may be used to increase the district tax levy cap in any of the next three budget years.
 - Cap was generated in the 20/21 School Year, and is available for the subsequent three budget years - 21/22, 22/23 and 23/24.
 - Banked Cap was utilized in 21/22 and 22/23, and is now planned for the 23/24 budget year.

STATE AID

- The state aid allocation to the district is anticipated to decrease for a sixth year in a row, by \$315,126.

School Year	State Aid	Increase/Decrease
2018-2019	\$5,880,854	- 71,469
2019-2020	\$5,679,962	- 200,892
2020-2021	\$5,312,611	- 367,351
2021-2022	\$4,823,706	- 488,905
2022-2023	\$4,354,228	- 469,478
2023-2024	\$4,039,102	- 315,126*

- State aid is anticipated to decrease through 2025. The district has lost \$1.9 million of state aid in six years.

**Per 2023 Senate Bill 3732, certain school districts may receive Supplemental Stabilization Aid.*

REVENUE COMPARISON

Major Fund Area	2022-2023 Budget	2023-2024 Budget	Dollar Change
Local Tax Levy	51,751,185	53,476,493	1,725,308
Other Revenues/Tuition/Interest	367,207	361,223	-5,984
State Aid, including Special Ed. Aid	4,354,228	4,039,102	-315,126
Medicaid Reimbursement	23,532	21,875	-1,657
Budgeted Fund Balance (excess surplus)	4,779,456	4,560,617	-218,839
Adjustment for Prior Year Encumbrances	1,876,568	-	-1,876,568
Transfer from Capital Reserve	-	4,240,356	4,240,356
Total Revenue for Operating Budget	63,152,176	66,699,666	3,547,490*
Federal & State Aid Revenue/Grants	2,871,613	1,699,291	-1,172,322
Debt Service	578,794**	584,777**	5,983
Debt Service Aid from State	195,094	2,456,755	2,261,661
Total Revenues/Sources	66,797,677	71,440,489	4,642,812

*Actual change in Operating Revenue is \$1,183,702, which is not inclusive of prior year encumbrances or capital reserve transfer.

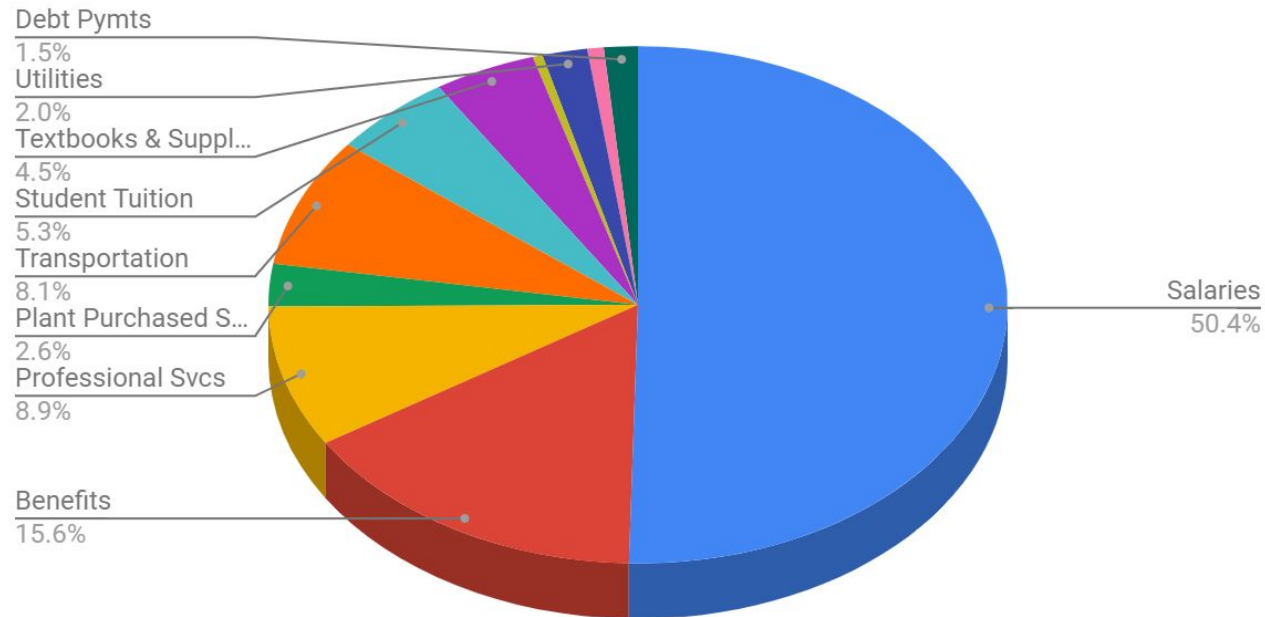
** Debt Service revenue is not being funded by tax levy; it is being funded by unspent 2016 referendum funds.

REVENUE COMPARISON

- The revenue for the operating budget is \$66,699,666, which is \$1.18 million* more than the current year. Changes include:
 - Increase in Tax Levy
 - Transfer from Capital Reserve account
 - Decrease in state aid
 - Decrease in anticipated tuition
 - Decrease in excess surplus rolled over
- Another change in revenue is the district received \$668,530 from American Rescue Plan (ESSER) funds in 2022-2023, which may not be available next year.

**2022-2023 budget includes \$1.9 million in prior year encumbrances that will not be shown in the projected FY23/24 budget. Prior year encumbrances are purchase orders not yet paid, carried over from the previous school year.*

MAJOR BUDGET ALLOCATIONS



Salaries	\$ 31,473,434
Benefits	\$ 9,769,894
Professional Services	\$ 5,534,234
Plant Purchased Services	\$ 1,654,696
Transportation	\$ 5,056,000
Student Tuition	\$ 3,308,011
Textbooks & Supplies	\$ 2,787,200
Capital Outlay	\$ 268,700
Utilities	\$ 1,232,700
Misc Expenditures	\$ 448,634
Debt Payments	\$ 925,807
Total	\$ 62,459,310

Salaries and Benefits are over 66% of the total operating budget



BUDGET TAX IMPACT

SHARE OF TAX LEVY AND TAX RATES



TAX SHARE PER MUNICIPALITY

Municipality	Equalized Valuation of Municipality	Regional HS Enrollment 10/15/2022	Share of Regional Tax Levy 2023-2024*	Share of Regional Tax Levy 2022-2023*	Difference
Bethlehem Township	670,819,003	149.50	6.8468298%	6.9586007%	-0.1117709%
Califon Borough	171,387,307	42	2.2116034%	2.3670185%	-0.1554151%
Clinton Town	460,622,796	147	5.3580234%	5.5189166%	-0.1608932%
Clinton Township	2,412,609,080	535.50	26.1550132%	26.6820191%	-0.5270059%
Franklin Township	574,413,681	136	6.6268056%	7.2515727%	-0.6247671%
Glen Gardner Borough	193,970,925	68.50	2.3535316%	2.0663964%	0.2871352%
Hampton Borough	127,730,634	48.50	1.2614530%	1.5093180%	-0.2478650%
High Bridge Borough	417,874,514	147	4.7182671%	4.4598105%	0.2584566%
Lebanon Borough	291,020,644	49.50	3.1390660%	3.3751614%	-0.2360954%
Lebanon Township	1,096,925,861	238	12.0787719%	11.7551051%	0.3236668%
Tewksbury Township	1,787,195,058	190	17.4916714%	16.9723817%	0.5192897%
Union Township	984,354,310	220	11.7589636%	11.0836993%	0.6752643%

* Tax share percentages change every year based on the municipality's **high school enrollment** and **property values**.

ESTIMATED HIGH SCHOOL TAX RATES

Municipality	Tax Rate per \$100 of Property Value per year		Difference	Inc/Dec per year for \$100,000 property *
	2023-2024 Tax Rate	2022-2023 Tax Rate		
Bethlehem Township	0.6934	0.6834	0.0100	\$10.00
Califon Borough	0.7938	0.8380	-0.0442	-\$44.20
Clinton Town	0.6450	0.6838	-0.0388	-\$38.80
Clinton Township	0.6488	0.6411	0.0077	\$7.70
Franklin Township	0.6477	0.6916	-0.0439	-\$43.90
Glen Gardner Borough	0.9022	0.7635	0.1387	\$138.70
Hampton Borough	0.5514	0.6441	-0.0927	-\$92.70
High Bridge Borough	0.6589	0.6870	-0.0281	-\$28.10
Lebanon Borough	0.6148	0.6133	0.0015	\$1.50
Lebanon Township	0.6959	0.6527	0.0432	\$43.20
Tewksbury Township	0.5925	0.5585	0.0340	\$34.00
Union Township	0.5804	0.8194	-0.2390	-\$239.00

* Ex: \$100,000 property in Glen Gardner- Increase in tax rate for year (1000 x 0.1387) = \$138.70

Tax rates based on estimated net taxable valuation of municipality as of 3/2/2023

What are the next steps?

- Public Hearing and Adoption of Budget tonight April 25, 2023
- Certify Taxes to the Municipal Clerks
- Implement 2023-2024 Budget
- Online Resources:
 - User-Friendly Copy of Budget
 - Advertised Budget
 - Share of Tax Levy Chart



THANK YOU

Kathryn Blew, CPA
Business Administrator/Board Secretary

THIS PRESENTATION AND THE USER-FRIENDLY FORMAT OF THE 2023-2024 BUDGET ARE AVAILABLE ONLINE AT WWW.NHVWEB.NET, UNDER DISTRICT & BOE SERVICES MENU TAB.