

## **Budget Presentation - Virtual to Parents**

**February 7, 2023**

**6:00pm via Zoom**

**Presented by: Helen G. Haley, CPA - Business Administrator &  
Danielle Trucano, MA, RSBO - Assistant Business Administrator**

### **Timeline:**

- **January**
  - Meet with and compile budget documents from Principals and Administrators
  - NJDOE Budget Software - becomes available late January
  - Consumer Price Index (CPI) is posted in the NJDOE Budget Guidelines Manual
    - For FY 2023-2024 CPI = 5.86%
      - FY 2022-2023 CPI = 1.91%
    - Note: Tax levy increase can only increase by 2% (unless banked cap adjustments are applied)
      - Concerns: the revenue side of the budget needs to balance with the appropriations (expense) side of the budget
- **February**
  - Enter info as of February 1st from the current year budget into the NJDOE Budget software
  - Open up the budget module in Systems 3000 (District Accounting Software) for FY 2023-2024 budget
    - Import salary information
    - Enter budget detail in Systems 3000 and then in the NJDOE Budget
  - Last Tuesday of February - Governor gives the Budget Address and two days later, the state aid amounts are released
    - Prior to that, build the budget using flat state aid (or anticipated amounts)

### **Discussion & Questions:**

- The Governor's Budget address would be on February 28, 2023 unless it is postponed.
  - Does anyone know the percentage of our revenue that state aid represents?
  - Does anyone know what state aid is based on?
  - Excerpt from State Aid Printouts for FY 2023-2024:
    - [State Aid - FY 2022-2023.pdf](#)
  - Does anyone know what "banked cap" is?
  - Did you know that the various dates for the budget process are dictated by state law?
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- **March**
    - Finish entering information into the NJDOE Budget Software

- Prepare Budget Binders and meet with Finance Committee; deliver binders to the remainder of the Board Members the next day
- March 15, 2023 Board Meeting - the Board votes to approve the budget for submission to the County Office of the NJDOE for their review and approval.
- March 20, 2023 - Budget due to the County Office of NJDOE
- **April**
  - County Office sends any questions to the District regarding the budget and then approves it
  - Advertised budget must be in the newspaper four days prior to the Public Hearing

**Discussion & Questions:**

- Is everyone aware of the County Office of the NJDOE and what their function is?
- Can anyone think of a type of question that the County Office of the NJDOE might ask the District to explain?
- Have you seen the advertised budgets of local school districts in the newspaper?

- **May**
  - May 5, 2023 Board Meeting - Public Hearing on the budget is held and the Board votes on approval of the budget.
    - [Budget Packet - Public Hearing 5.4.22.pdf](#)
  - User-Friendly Budget must be posted on the District website within 48 hours:
    - User-Friendly Budget: <https://www.voorhees.k12.nj.us/Page/89697>
  - Mid-May - begin to enter purchase orders for FY 2023-2024

**Discussion & Questions:**

- Are there any questions regarding the public hearing and approval of the budget?

**General Fund (10) Budget Details:**

**Revenue Items:**

- State Aid: [State Aid Comparison - FY 2022-23](#) - anticipate flat funding
- Other Revenue Items:
  - Local Tax Levy - budget for 2% increase without adding banked cap
  - Interest Earned
  - Medicaid Reimbursement (SEMI)
  - Budgeted Fund Balance
  - Withdrawals from:

- Capital Reserve
- Maintenance Reserve
- Emergency Reserve

**Appropriation Items:**

- Maximum of CPI increase of 5.86% for contract renewals (transportation, contracts that were awarded via bid for up to three years)
- Increase in salaries per collective bargaining agreements
- Increase in healthcare & prescription insurance - 8.72% per the insurance broker
- Increase in property, liability, workers compensation, cyber security, etc insurance
- Increase in utilities
- New positions

**Discussion & Questions:**

- Fund 10 - General Fund is the fund that we mostly refer to when we talk about the budget
- Did you notice how most of the appropriations are related to contractual items?

**Danielle Trucano, Assistant Business Administrator will continue the presentation with Funds 20, 30, 40, 60, and 61:**

- **Special Revenue (20), Capital Projects (30) and Debt Service (40) are part of the budget**
- **Enterprise Funds (60 and 61) are accounted for separately**

**Special Revenue Fund (20)**

- Accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. For our district this includes state, federal and local grants.
- Annually we receive IDEA (Individuals with Disabilities Education Act) and ESEA (Elementary and Secondary Education Act) grant funding. Both of which we budget for at 85% of the prior year's funding.
- We receive various local grants (Municipal Drug Alliance and SHIF Wellness) but these we do not budget for as they fluctuate from year to year and are not guaranteed.
- Also recorded in this fund are the COVID related grants we have received since 2020 - CARES, ESSER II (CRRSA), ARP ESSER (ESSER III), ARP IDEA, ARP HCY. As these are one time grants, they are not budgeted for and must be fully expended by specific dates – 9/30/22, 9/30/23, 9/30/24, 9/30/23 and 9/30/23 respectively.
- [FY23 Grant Funding and Uses](#)
- Preschool Expansion Aid (PEA) is tracked in Special Revenue as it is restricted for the preschool program. There is an annual budget process for PEA that is separate from

our regular budget and is submitted to the Department of Education, Office of Early Childhood Education.

### **Capital Projects Fund (30)**

- Accounts for financial resources used to acquire or construct major capital facilities, including but not limited to sale of bonds, grants, or transfers from the general fund.
- This fund was utilized in the 2021-2022 and 2022-2023 fiscal years to account for the costs of construction of the Kresson Early Childhood Addition and was funded by a transfer from the general fund.

### **Debt Service Fund (40)**

- Accounts for the accumulation of resources for, and the payment of, long-term debt, principal and interest.
- Bonds were originally issued in August 2015 at a value of \$5,720,000.
- Our debt will be completely paid off by March 1, 2023, so we will not need to budget for payments in the upcoming fiscal year.

### **Enterprise Funds (60 and 61)**

- Enterprise funds are not part of the budget since they are used for activities in which a fee is charged for goods and services. Examples are:
  - Community Education Recreation (CER) Program (Fund 60)
  - Food Service (Fund 61)

#### **Discussion & Questions:**

- Are there any questions relating to grants?
- Are there any questions about capital projects & debt service?
- Are you aware of the programs offered by CER?
- Any questions about our Food Service Program?

### **Are there any other questions about the presentation?**

Thank you for attending our Budget Presentation.

If you have any questions in the future, please contact Helen Haley ([haley@voorhees.k12.nj.us](mailto:haley@voorhees.k12.nj.us)) or Danielle Trucano ([trucano@voorhees.k12.nj.us](mailto:trucano@voorhees.k12.nj.us))