

Ridgewood Public Schools
2023-24 Budget Crosswalk

Introduction

Although there was a brief interruption of the district's Budget process in mid-March of this year, the Ridgewood Board of Education & Business Office staff have done much work over the past few months to analyze, review and re-align the choices and strategies used in the Preliminary Budget submitted on March 20, 2023.

The result is a well-vetted Final Budget document that was curated through close collaboration between all Board members and the Business Office that better addresses the needs of the district while still being mindful of the local fiscal goals of the Ridgewood community.

The Budget Crosswalk as a Tool

This Crosswalk is a tool that can guide the reader from the Preliminary/Advertised Budget submitted on March 20, 2023, to the Final Budget that will be proposed at the Public Hearing on May 8, 2023, will help explain the changes that were made for the proposed Final Budget for 2023-24.

At the hearing on May 8, there will also be a more comprehensive presentation of the Final Budget including overview, details of the choices made for Revenue Streams and Cost Allocations and some focus on several key budget sections.

The Crosswalk

Revenue Amounts & Strategies

- Revisions

First, all revenue choices were reviewed and re-examined for sustainability, appropriateness and Board/District goals. Changes were made to use of Revenues in the Preliminary Budget as shown in the Summary on the following two (2) pages.

The rationale for a few of these changes will be reviewed just after the Summary and also in more depth at the Public Hearing on the Budget, May 8, 2023.

The use of alternate Revenue strategies coupled with a Re-Alignment of Appropriations has allowed the Board of Education to lower the proposed GF Tax Levy from 3.11% to 2.0% for the 2023-24 school year.

Bergen County - Ridgewood Village

CROSSWALK From Newspaper-Advertised Preliminary Budget Revenues (3.11% GF Levy Increase)

To REVISED/Final Budget Revenues (2.00% GF Levy Increase)

Budget Category	Account	2021-22 Actual	2022-23 Revised	3.11%	2.00% FINAL	DIFFS
				PRELIM BUD 2023-24 Proposed	REV BUDGET 2023-24 Proposed	
Operating Budget:						
Revenues from Local Sources:						
Local Tax Levy	10-1210	99,241,616	101,198,061	404,347,364	103,222,022	(1,125,339)
Total Tuition	10-1300	1,795,021	2,953,809	2,953,894	2,953,894	-
Rents and Royalties	10-1910	341,936	874,571	875,000	875,000	-
Unrestricted Miscellaneous Revenues	10-1XXX	475,558	1,106,864	1,111,101	1,111,101	-
Interest Earned On Current Expense Emergency Reserve	10-1XXX	0	1,500	1,500	1,500	-
Interest Earned on Maintenance Reserve	10-1XXX	450	3,500	3,500	3,500	-
Interest Earned on Capital Reserve Funds	10-1XXX	958	1,225	1,225	1,225	-
Other Restricted Miscellaneous Revenues / Paycheck Protection Program (APSSDs Only)	10-1XXX	1,690,463	793,700	851,030	851,030	-
Total Revenues from Local Sources		103,546,002	106,933,230	410,144,614	109,019,272	(1,125,339)
Revenues from State Sources:						
Categorical Transportation Aid	10-3121	620,535	620,535	620,535	620,535	-
Extraordinary Aid	10-3131	3,010,867	3,010,867	3,010,867	3,010,867	-
Categorical Special Education Aid	10-3132	3,896,003	4,885,005	5,706,363	5,706,363	-
Categorical Security Aid	10-3177	447,742	447,742	447,742	447,742	-
Other State Aids	10-3XXX	380,843	57,628	57,628	57,628	-
Total Revenues from State Sources		8,355,990	9,021,777	9,843,135	9,843,135	-
Revenues from Federal Sources:						
Medicaid Reimbursement	10-4200	12,762	5,930	37,249	37,249	-
FFCRA/SEMI and ARRA/SEMI Revenue	10-4210	0	30,818	5,930	5,930	-
Total Revenues from Federal Sources		12,762	36,748	43,179	43,179	-
Budgeted Fund Balance-Operating Budget	10-303	1,575,539	2,353,934	4,968,043	2,729,048	(2,238,995)
Withdrawal from Capital Reserve for Local Share	10-307	0	529,002	0	0	-
Withdrawal from Capital Reserve for Excess Cost and Other Capital Projects	10-309	1,242,837	0	1,203,500	1,877,114	673,614
Withdrawal from Maintenance Reserve	10-310	0	62,036	0	1,519,085	1,519,085
Other Financing Sources (W/D From Current Expense Emergency Reserve)	10-5XXX	306,616	0	0	500,000	500,000
Adjustment for Prior Year Encumbrances		0	634,508	0	0	
Actual Revenues (Over)/Under Expenditures		-6,006,802	0	0	0	
Total Operating Budget		109,032,944	119,571,235	426,202,468	125,530,833	(671,635)

Bergen County - Ridgewood Village

CROSSWALK From Newspaper-Advertised Preliminary Budget Revenues (3.11% GF Levy Increase)

To REVISED/Final Budget Revenues (2.00% GF Levy Increase)

<u>Budget Category</u>	<u>Account</u>	3.11% PRELIM BUD			2.00% FINAL REV BUDGET		DIFFS
		<u>2021-22 Actual</u>	<u>2022-23 Revised</u>	<u>2023-24 Proposed</u>	<u>2023-24 Proposed</u>		
(Continued)							
Grants and Entitlements:							
Other Revenue from Local Sources	20-1XXX	524,487	0	0	0	0	-
Total Revenues from Local Sources	20-1XXX	524,487	0	0	0	0	-
Revenues from State Sources:							
Other Restricted Entitlements	20-32XX	0	30,518	30,518	30,518	30,518	-
Total Revenues from State Sources		0	30,518	30,518	30,518	30,518	-
Revenues from Federal Sources:							
Title I	20-4411-4416	1,000	61,473	61,473	61,473	61,473	-
Title II	20-4451-4455	68,225	82,703	82,703	82,703	82,703	-
Title III	20-4491-4494	33,182	28,227	28,227	28,227	28,227	-
Title IV	20-4471-4474	0	9,275	9,276	9,276	9,276	-
ARP-IDEA Preschool	20-4409	0	39,510	39,510	39,510	39,510	-
ARP-IDEA Basic	20-4419	82,604	64,542	64,542	64,542	64,542	-
IDEA Part B (Handicapped)	20-4420-4429	1,095,673	1,178,888	1,178,888	1,178,888	1,178,888	-
ARP-ESSER Subgrant-Accelerated Learning Coaching and Educator Support Grant	20-4541	22,441	22,440	0	0	0	-
ARP-ESSER Subgrant-Evidence-Based Comprehensive Beyond the School Day Activities Grant	20-4543	37,157	37,157	0	0	0	-
ARP-ESSER Subgrant-New Jersey Tiered System of Supports (NJTSS) Mental Health Support Staffing Grant	20-4544	24,000	0	0	0	0	-
ARP-ESSER	20-4540	433,038	530,282	0	0	0	-
CARES Act Education Stabilization Fund	20-4530	1,026	5	0	0	0	-
CRRSA Act-ESSER II	20-4534	247,320	0	0	0	0	-
CRRSA Act-Learning Acceleration Grant	20-4535	25,970	40,969	0	0	0	-
Other	20-4XXX	0	24,000	0	0	0	-
CRRSA Act-Mental Health Grant	20-4536	19,789	24,923	0	0	0	-
Additional or Compensatory Special Education and Related Services (ACSERS)	20-4537	211,975	211,975	0	0	0	-
Total Revenues from Federal Sources		2,303,400	2,356,369	1,464,619	1,464,619	1,464,619	-
Total Grants and Entitlements		2,827,887	2,386,887	1,495,137	1,495,137	1,495,137	-
Repayment of Debt:							
Revenues from Local Sources:							
Local Tax Levy	40-1210	3,459,251	3,441,293	2,555,769	2,555,769	2,555,769	-
Total Revenues from Local Sources			3,441,293	2,555,769	2,555,769	2,555,769	-
Revenues from State Sources:							
Debt Service Aid Type II	40-3160	134,499	133,782	135,331	135,331	135,331	-
Budgeted Fund Balance	40-303	0	0	455,150	455,150	455,150	-
Total Local Repayment of Debt		3,593,750	3,575,075	3,146,250	3,146,250	3,146,250	-
Actual Revenues (Over)/Under Expenditures		-455,150	0	0	0	0	-
Total Repayment of Debt		3,138,600	3,575,075	3,146,250	3,146,250	3,146,250	-
Total Revenues/Sources		114,999,431	125,533,197	430,843,855	130,172,220	130,172,220	(671,635)
Total Revenues/Sources Net of Transfers		114,999,431	125,533,197	430,843,855	130,172,220	130,172,220	(671,635)

Capital Projects

The Preliminary Budget included appropriations for only two (2) Capital Projects:

- (1) The High School Science Wing Roof Replacement, and
- (2) The High School Wood Shop Dust Collection System

The projected costs for these two projects were very rough estimates and have been updated and finalized as well as ROD grant applications submitted for potential reimbursement of 40% of eligible costs.

Two additional Capital Projects have been added to the Final Budget showing final projected costs:

- (3) The High School STEM Lab Vent Replacements, and
- (4) The Orchard School Stairs

You will find both Summary and Detail Sheets on the next two pages to demonstrate the changes made for the Final Budget. Again, ROD grant applications were submitted for the two added projects, for potential reimbursement of 40% of eligible costs.

Capital Project Details -- Increases to Final Budget

<u>Line Description</u>	<u>Prelim Budget (3.11% Levy Incr)</u>	<u>Rev/Final Budget (2.00% Levy Incr)</u>	<u>Difference</u>
Replace High School Science Wing Roof	815,000	1,204,990	389,990
Replace High School Woodshop Dust Collector	388,500	401,036	12,536
High School STEM Lab Vents	0	204,869	204,869
Orchard School Stairs	0	66,219	66,219

Total Increase in Costs for Capital Projects: 673,614 *

*** Funded by Budgeted Withdrawal from Capital Reserves**

Capital Projects Increased in Final Budget (see Detailed Slide)

<u>Line Description</u>	<u>Prelim Budget (3.11% Levy Incr)</u>	<u>Rev/Final Budget (2.00% Levy Incr)</u>	<u>Difference</u>
Architectural/Engineering Services	43,500	105,896	62,396
Construction Services	1,160,000	1,771,218	611,218

Total Additons to Capital Projects (SEE Detailed Slide): 673,614 *

*** Funded by Budgeted Withdrawal from Capital Reserves**

Capital Reserve
Funding the Changes

In order to fund these four (4) projects at current cost projections, the district increased its Withdrawal from Capital Reserves from \$1,203,500 in the Preliminary Budget to \$1,877,114 in the Final Budget.

Currently, the district has Capital Reserves in the amount of \$3,286,528 with plans to replenish this amount at 2022-23 fiscal year end.

Use of Maintenance Reserves

The Ridgewood Board of Education has planned very carefully and prudently by taking steps in prior years to deposit funds at year end into Maintenance Reserves. In this particular year, the timing is excellent to utilize a portion of those reserves to enhance the stability of our district's revenue streams.

Although no use Maintenance Reserves was proposed in the Preliminary Budget submitted on March 20, 2023, the district has chosen to incorporate use of Maintenance Reserves in the Final Budget being proposed on May 8, 2023. In summary, the use a of Maintenance Reserve Withdrawal was \$0.00 in the Preliminary Budget and is now proposed to be \$1,519,085 in the Final Budget.

Maintenance Reserve

Funding the Changes

Currently, the district has Maintenance Reserves in the amount of \$5,223,567. The withdrawal of \$1,519,085 in the Final Budget would be for the sole and specific use of supporting “Required Maintenance” activities throughout the district. These activities, by definition, are those that restore our assets and infrastructure throughout our buildings extending the useful life of those assets.

By law, any reserves that are not used for Required Maintenance at 2023-24 fiscal year’s end would then be returned to the Maintenance Reserve balance for use in a subsequent year.

The next page shows a summary of the district’s overall budget for Required Maintenance in the 2023-24 school year. The reserves will be used to support these lines in the budget.



Line Num	Line Description	Account	Actual Audited 2021-22	Revised Budget 2022-23	Proposed Budget 2023-24	Proposed - Revised Amount Diff	Proposed - Revised Percent Diff
46000	Salaries of Principals/Asst. Principals/Prog Dir	11-000-240-103	2,733,547	2,762,673	2,369,584	-393,089	-14.23
46040	Salaries of Secretarial and Clerical Assistants	11-000-240-105	951,763	976,871	1,010,975	34,104	3.49
46100	Other Purchased Services (400-500 series)	11-000-240-500	2,686	18,235	17,400	-835	-4.58
46120	Supplies and Materials	11-000-240-600	75,110	114,592	123,432	8,840	7.71
46140	Other Objects	11-000-240-800	2,160	4,500	4,500	0	0.00
46160	TOTAL UNDIST. EXPEND.-SUPPORT SERV.-SCHOOL ADMIN.	11-000-240-XXX	3,765,266	3,876,871	3,525,891	-350,980	-9.05
47000	Salaries	11-000-251-100	1,149,339	1,188,251	1,161,769	-26,482	-2.23
47020	Purchased Professional Services	11-000-251-330	97,476	220,567	242,892	22,325	10.12
47060	Misc. Purchased Services (400-500) [O/T 594]	11-000-251-592	15,203	37,394	56,903	19,509	52.17
47100	Supplies and Materials	11-000-251-600	52,567	43,519	38,500	-5,019	-11.53
47180	Miscellaneous Expenditures	11-000-251-890	5,051	12,186	6,575	-5,611	-46.04
47200	TOTAL UNDIST. EXPEND. - CENTRAL SERVICES	11-000-251-XXX	1,319,636	1,501,917	1,506,639	4,722	0.31
47500	Salaries	11-000-252-100	782,302	680,874	900,486	219,612	32.25
47520	Purchased Professional Services	11-000-252-330	201,002	345,210	313,154	-32,056	-9.29
47560	Other Purchased Services (400-500 series)	11-000-252-500	1,411	11,735	11,985	250	2.13
47580	Supplies and Materials	11-000-252-600	1,899	3,000	3,000	0	0.00
47600	Other Objects	11-000-252-800	575	2,125	2,125	0	0.00
47620	TOTAL UNDIST. EXPEND. - ADMIN. INFO TECHNOLOGY	11-000-252-XXX	987,189	1,042,944	1,230,750	187,806	18.01
48500	Salaries	11-000-261-100	112,773	164,446	231,152	66,706	40.56
48520	Cleaning, Repair, and Maintenance Services	11-000-261-420	1,465,439	1,696,112	1,823,042	126,930	7.48
48540	General Supplies	11-000-261-610	280,305	302,628	317,600	14,972	4.95
48560	Other Objects	11-000-261-800	0	2,000	2,000	0	0.00
48580	TOTAL UNDIST. EXPEND.-REQUIRED MAINT FOR SCH FAC.	11-000-261-XXX	1,858,517	2,165,186	2,373,794	208,608	9.63
49000	Salaries	11-000-262-100	23,104	179,148	181,000	1,852	1.03
49020	Salaries of Non-Instructional Aides	11-000-262-107	204,300	207,161	208,161	1,000	0.48
49040	Purchased Professional and Technical Services	11-000-262-300	6,450	2,950	15,000	12,050	408.47
49060	Cleaning, Repair, and Maintenance Services	11-000-262-420	4,563,796	4,617,205	4,889,419	272,214	5.90
49080	Rental of Land & Bldg. Oth. than Lease Pur Agrmt	11-000-262-441	123,451	205,433	210,340	4,907	2.39

Required Maint.

Use of Emergency Reserves

The Ridgewood Board of Education has also planned very carefully by taking steps in prior years to deposit funds at year end into the Emergency Reserves. The district has used its Emergency reserves in its budget almost annually to assist with skyrocketing Health Benefit increases, one of the few allowed uses for this fund.

Although no Withdrawal from Emergency Reserves was planned in the Preliminary Budget submitted on March 20, 2023, the district has revised its plan and will use a \$500,000 Emergency Reserve withdrawal in the Final Budget being proposed on May 8.

The district has been advised by its Health Benefit brokers to expect a 12-15% increase in its already looming health benefit costs during the 2023-24 fiscal year. This follows on the heels of a 12% increase that just occurred in the current fiscal year, 2022-23.

Emergency Reserves

Funding the Changes

The district currently has \$1,000,000 in Emergency Reserves with plans to replenish this fund at year end of fiscal year 2022-23.

Please see – on the following page -- the effect that the use of \$500,000 Emergency Reserves will have on the Health Benefit cost calculations for next year. This step will ease the strain of the cost increase and lessen the amount the district will need to derive from added tax levy increase.

2023-24

Adjustment for Increase in Health Care Costs

Line	Name	Amount
A1	2023-24 Health Benefits	13,503,779
A2	Less 2023-24 Dental and Vision costs included in object 270	664,880
A3	Less 2023-24 Budgeted Withdrawal from Current Expense Emergency Reserve used for Health Care Costs	0
A4	Subtotal 2023-24 Health Care Costs	12,838,899
B1	2022-23 Health Benefits Original Budget	12,070,195
B2	Less 2022-23 Dental and Vision costs included in object 270	586,313
B3	Less 2022-23 Budgeted Withdrawal from Current Expense Emergency Reserve used for Health Care Costs	0
B4	Subtotal 2022-23 Health Care Costs - Original Budget	11,483,882
C	Inflate 2022-23 Health Care Costs by 2%	11,713,560
D	Increase in Health Care Costs	1,125,339
E	SHBP percentage increase	15.1%
F	2022-23 Health Care Costs multiplied by average percentage increase in SHBP over 2%	1,504,389
G	Maximum Adjustment for Health Care Costs	1,125,339

Use of Emerg. Res. <500,000>
Balance to be Covered 625,339

Appropriation Amounts & Strategies

- Revisions

Next, Appropriations were carefully reviewed to ensure that necessary costs were covered while still allowing room for the district to grow. Changes to the appropriations were made for a variety of reasons specific to the account line being reviewed at the time. Projections were fine tuned; reduced when appropriate, increased when necessary, corrected as to proper account lines and eliminated when the cost was unnecessary.

The next page is a summary of the Appropriation Re-Alignments for the Final Budget. This review created a savings for the district of \$1,345,249. No positions were eliminated and no programs were reduced.

Appropriations Re-Alignment from Preliminary to Final Budget

IMPORTANT NOTE: No positions were eliminated and no programs were reduced.

<u>Line Description</u>	<u>Prelim Budget</u> <u>(3.11% Levy Incr)</u>	<u>Rev/Final Budget</u> <u>(2.00% Levy Incr)</u>	<u>Difference</u>
Grades 6-8 Salaries of Teachers	9,158,249	9,093,432	(64,817)
General Supplies	1,069,263	1,014,471	(54,792)
Tuition- Cty Voc. Schl -Reg	617,148	567,378	(49,770)
Tuition- Priv Sch for Disabled W/in State	6,864,794	6,544,932	(319,862)
Tuition- Priv Sch Disabled, Oth LEAs O/S	-	319,862	319,862
Supplies & Materials	41,605	29,225	(12,380)
Purch Professional- Ed Svcs	338,966	88,966	(250,000)
Salaries of Other Professional Staff	3,950,899	3,841,372	(109,527)
Gen'l. Admin. Judgments against Dist	84,744	14,744	(70,000)
Gen'l. Admin- Misc. Expenditures	29,235	27,955	(1,280)
Central Svcs- Salaries	1,251,769	1,161,769	(90,000)
Central Svcs- Purch Professional Svcs	263,892	242,892	(21,000)
Custodial Svcs- Clean/Repair & Maint	5,039,908	4,889,419	(150,489)
Grounds Maint- Purch Prof'l Tech Svc	118,012	58,012	(60,000)
Security- Clean/Repair/Maint Svc	79,985	29,985	(50,000)
Social Security Contributions	1,288,719	1,111,000	(177,719)
Workmen's Compensation	390,138	281,663	(108,475)
Tuition Reimbursement	295,000	220,000	(75,000)

Total of Appropriations Re-Alignment:	(1,345,249)
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Use of the Budget Crosswalk

The following documents will be posted on the Ridgewood Public Schools website – under Our District / Business Office Forms & Files / Budgets -- to assist the community with learning about the differences between the 2023-24 Preliminary and Final Budgets:

1. Advertised Budget (Preliminary Budget)

This will appear in the newspaper (The Record) and has been approved by the Bergen County Office of Education. The proposed 3.11% Tax Levy increase is to be reduced to 2.00% in the proposed Final Budget.

2. Crosswalk from the Preliminary/Advertised Budget to the Final Budget

Explains the differences between the two proposed budgets.

3. Coming soon – Budget Presentation for the proposed Final Budget hearing being presented on May 8, 2023.