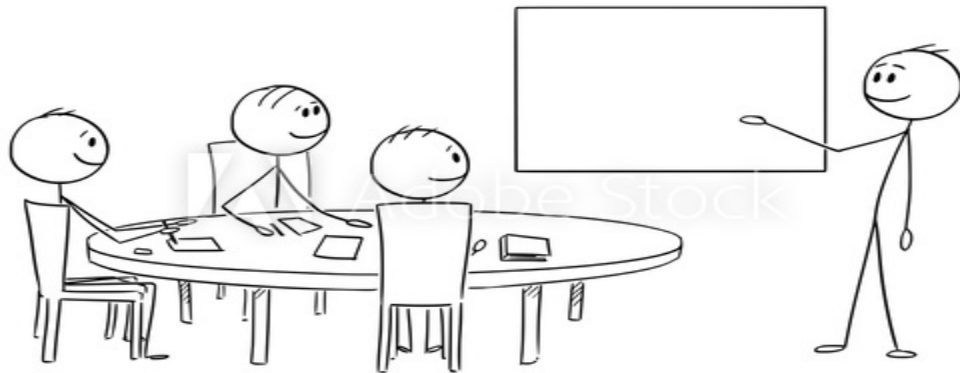




# VERNON TOWNSHIP SCHOOL DISTRICT

## **2021-2022 Budget Preliminary Budget Presentation**



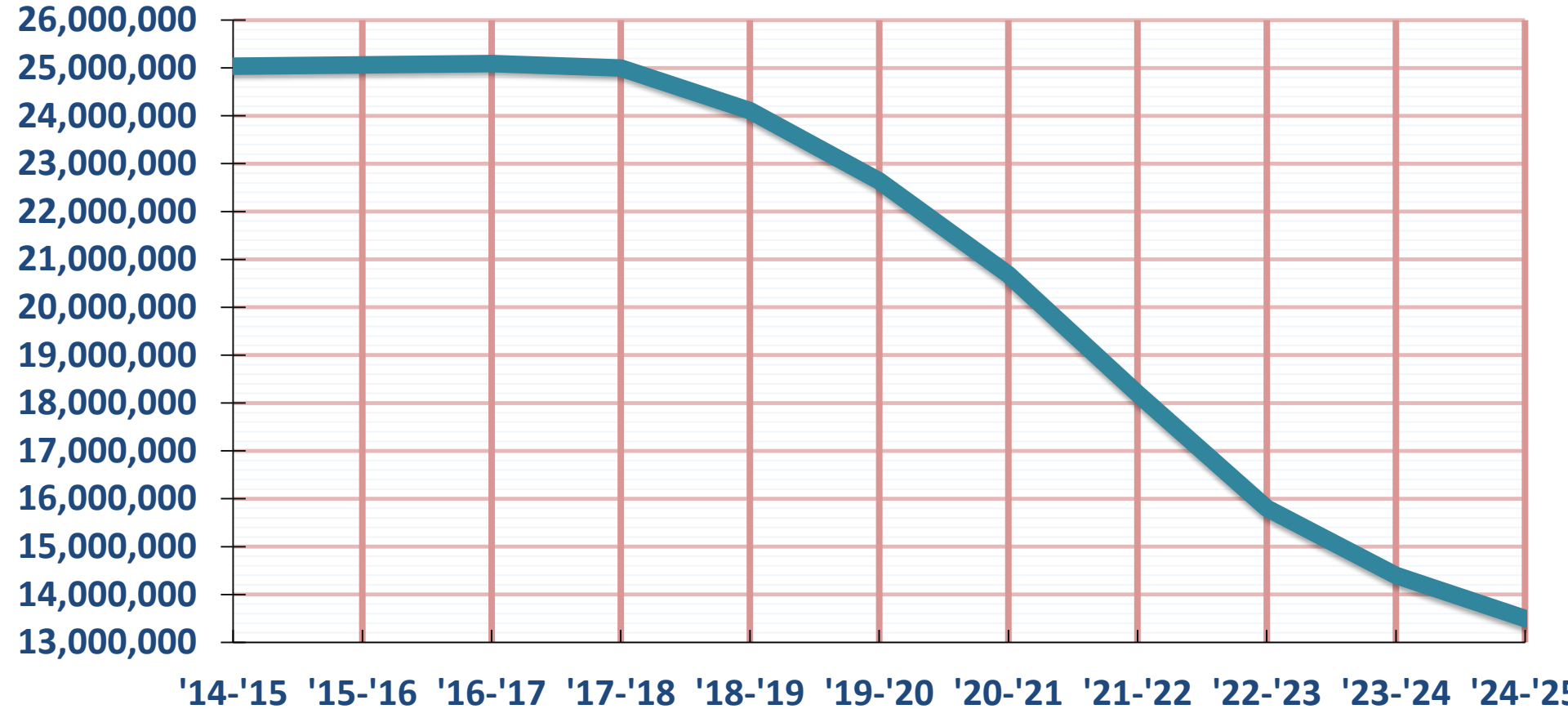
# Revenue Budget 3-Year Projection

REVENUE CATEGORY	2020-2021 Budget	PROJECTED REVENUES					
		2021-2022 Budget		2022-2023 Proposed		2023-2024 Proposed	
<b>Fund 10 Operating</b>							
Budgeted Fund Balance	331,077	Assumes 500k in cap res.	2,922,734	Assume	1,950,638		850,000
Local Tax Levy	<b>43,001,584</b>		<b>44,303,357</b>		<b>45,189,424</b>		<b>46,093,212</b>
Tuition	161,000	Assumes only preschool	115,500		115,500		115,500
Interest Earned on Capital Reserve	500		500		500		500
Special Ed. Medicaid Initiative (SEMI)	87,632		87,632		87,632		87,632
Unrestricted Miscellaneous Revenue	47,000		47,000		47,000		47,000
Capital Reserve/Maintenance Reserve	0		0		0		0
Extraordinary Aid	850,000		0		850,000		850,000
Other State Aid	20,681,955		18,210,746		15,896,493		14,457,448
Aid Adjustment							
<b>TOTAL REVENUE BUDGET</b>	<b>65,160,748</b>		<b>526,721 65,687,469</b>		<b>(1,550,282) 64,137,187</b>		<b>(1,635,894) 62,501,292</b>
		compared to prior year:	0.81%	compared to prior year:	-2.36%	compared to prior year:	-2.55%
Levy 2019-2020	42,060,058	Levy 2020-2021	43,001,584	Levy 2021-2022	44,303,357	Levy 2022-2023	45,189,424
2% Increase	841,201	2% Increase	860,032	2% Increase	886,067	2% Increase	903,788
Banked Cap use	100,325	Banked Cap (use or expires)	441,741	Banked Cap	0	Banked Cap	0
<b>LEVY</b>	<b>43,001,584</b>	<b>PROPOSED LEVY</b>	<b>44,303,357</b>	<b>PROPOSED LEVY</b>	<b>45,189,424</b>	<b>PROPOSED LEVY</b>	<b>46,093,212</b>
Banked Cap expired	9,721	Levy Increase	3.03%	Levy Increase	2.00%	Levy Increase	2.00%
Banked Cap remain	441,741	Banked Cap remaining	0	Banked Cap remaining	0	Banked Cap remaining	0

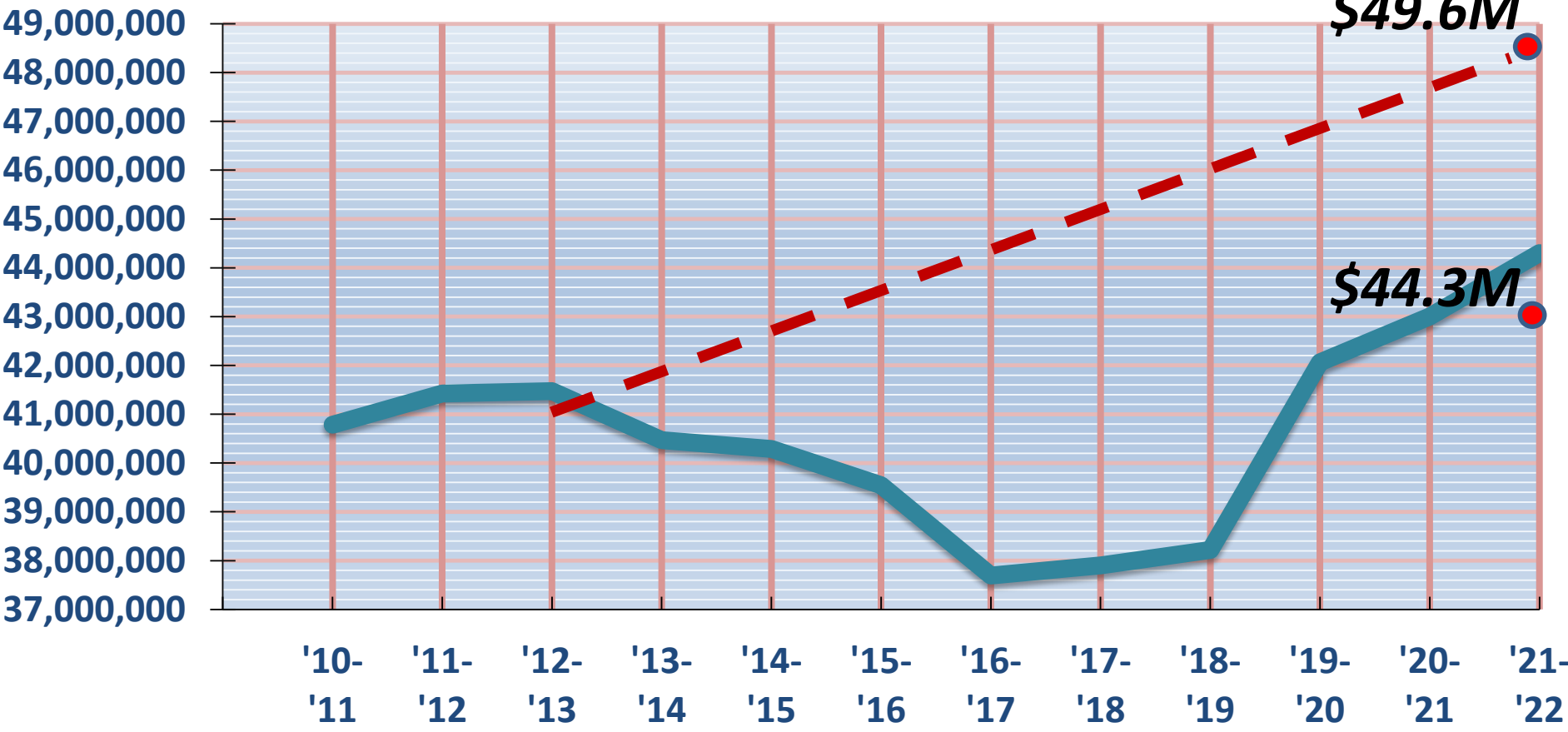
# STATE AID REDUCTION

<u>"Uncapped SFRA Aid"</u>	<u>Est. Aid Reduction</u>			
$23,949,639 - 13,979,580 = 9,970,059$	13%	1,296,108	<u>2019-2020</u>	
$22,653,531 - 13,979,580 = 8,673,951$	23%	1,995,009	<u>2020-2021</u>	
$20,658,523 - 13,979,580 = 6,678,943$	37%	2,471,209	<u>2021-2022</u>	
$18,187,314 - 13,979,580 = 4,207,734$	55%	2,314,254	<u>2022-2023</u>	
$15,873,060 - 13,979,580 = 1,893,480$	76%	1,439,045	<u>2023-2024</u>	
$14,434,015 - 13,979,580 = 454,435$	100%	454,435	<u>2024-2025</u>	

# STATE AID TREND



# TAX LEVY TREND

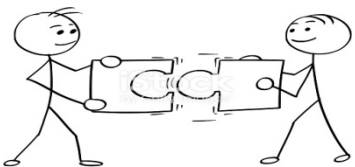


# Proposed Tax Levy 2021-2022

Levy 2020-2021 Budget	\$	43,001,584
2% Increase	\$	860,032
Maximum Banked Cap	\$	<u>441,741</u>
	\$	<u><u>44,303,357</u></u>

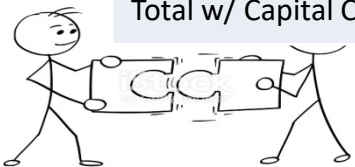
# 2021-2022 General Fund Revenues

	2020-2021 Budget	2021-2022 Proposed Budget	\$ Change	% Change
Local Tax Levy	\$43,001,584	\$44,303,357	\$1,301,773	3.03%
State Aid	\$20,681,955	\$18,490,441	-\$2,191,514	-10.6%
Tuition	\$161,000	\$112,500	-\$48,500	-30.12%
Unrestricted Misc. Revenue	\$47,500	\$47,000	-\$500	-1.05%
Extraordinary Aid	\$850,000	\$682,128	-\$167,872	-19.75%
Medicaid Reimbursement	\$87,632	\$86,457	-\$1,175	-1.34%
Withdrawal Capital Reserve	-0-	\$792,899	\$792,899	100%
Budgeted Fund Balance	\$331,077	\$2,922,734	\$2,591,657	782.80%
Total General Fund Revenues	\$65,160,748	\$67,437,516	\$2,276,768	3.49%



# 2021-2022 General Fund Expenditures

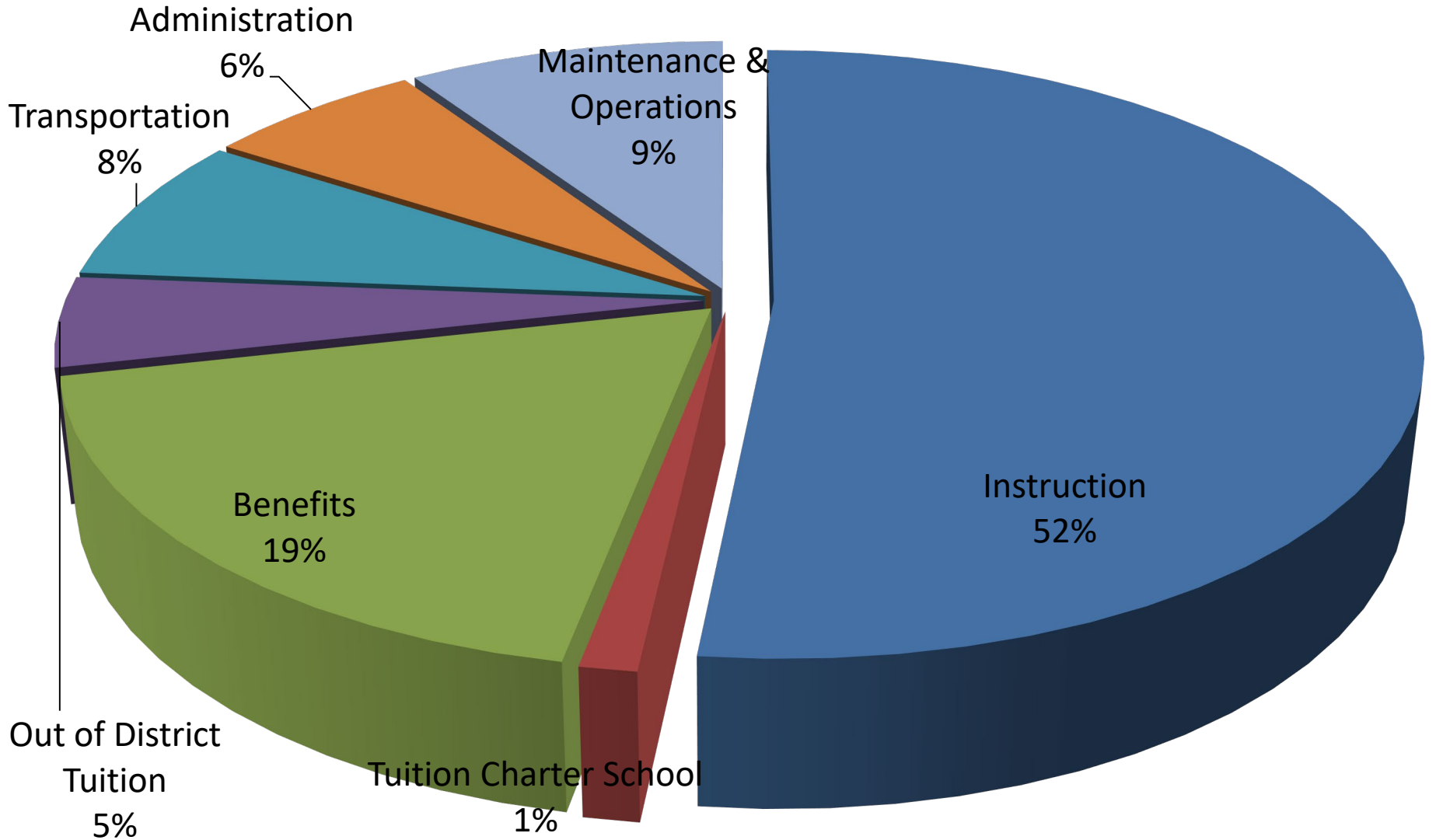
	2020-2021 Budget	2021-2022 Proposed Budget	\$ Change	% Change
Teaching and Instructional Programs	\$24,848,721	\$25,282,240	\$433,519	1.74%
Instructional Services	\$9,552,136	\$9,134,007	-\$418,129	-4.37%
Benefits	\$11,280,029	\$12,279,566	\$999,537	8.86%
Out of District Tuition	\$2,904,350	\$3,194,567	\$290,217	9.99%
Charter School Tuition	\$802,000	\$814,261	\$12,261	1.53%
Transportation	\$5,775,174	\$5,233,380	-\$541,794	-9.38%
Administration	\$4,212,142	\$4,283,288	\$71,146	1.69%
Maintenance & Operations	\$6,247,600	\$6,242,718	-\$4,882	-.08%
Total w/o Capital Costs	\$65,622,152	\$66,464,027	\$841,875	1.28%
Capital Costs	\$214,169	\$973,488	\$759,319	354.54%
Less Year End Encumbrances	-\$675,573			
Total w/ Capital Costs	\$65,160,748	\$67,437,515	\$2,276,767	3.49%





# 2021-2022 General Fund Current Expenditures

## \$66,464,027



# Tax Rate Comparison

School Year	General Tax Levy	% Change	Debt Service Tax Levy	% Change	Total Tax Levy	% Change
2018-2019	38,220,407		989,945		39,210,352	
2019-2020	42,060,058	10.05%	651,880	-34.15%	42,711,938	8.93%
2020-2021	43,001,584	2.24%	274,409	-57.90%	43,275,993	1.32%
2021-2022 (proposed)	44,303,357	3.03%	206,055	-24.91%	44,509,412	2.85%
Inc(Dec)	<u>1,301,773</u>		<u>(68,354)</u>		<u>1,233,419.37</u>	

Average of 2 years = 2.09%

434,020.00 2019-2020 Debt Service Aid  
 2020-2021 Debt Service Aid @  
 198,391.00 41.96%  
 2021-2022 Debt Service Aid @  
 148,970.00 41.96%

Calendar Year	Levy Collected	Net Valuation Taxable	Average Assessment	Tax Rate	Average Tax Payment
2019	40,961,145	2,587,727,369	214,963	1.583%	\$ 3,402.65
2020	42,993,965	2,402,779,700	199,218	1.789%	\$ 3,564.69
2021 (proposed)	43,892,702	2,457,194,600	206,351	1.786%	\$ 3,686.03
Change	898,737	54,414,900	7,133	-0.003%	\$ 121.34

every change of: **0.001** on the tax rate, requires a levy change in budget year of : **24,571.95**

## Potential Tax Rate Impact on Class size The Value of Education

	3%	2%	1.5%
Kindergarten	22.9	26.7	
1 <sup>st</sup> grade	21.6	27.0	
2 <sup>nd</sup> grade	22.1	29.5	
3 <sup>rd</sup> grade	23.9	30	
4 <sup>th</sup> grade	25.5	31	
5 <sup>th</sup> grade	26.3	30	
6 <sup>th</sup> grade	22.1	22.1	29
7 <sup>th</sup> grade	23.6	23.6	28.7
8 <sup>th</sup> grade	24.3	24.3	30

6 teachers @ \$75,000 = 1%

9 teachers @ \$75,000 = 1.5%

# Next Steps



- ❖ Board Vote on Preliminary Budget – March 18, 2021
- ❖ Itemized Budget Submitted to the Sussex Executive County Superintendent of Schools – March 22, 2021
- ❖ Budget Approval by Sussex Executive County Superintendent of Schools – April 20, 2021
- ❖ Public Hearing for Final Budget – April 29, 2021
- ❖ User Friendly Budget Posted to School Website – Within 48 hours after Public Hearing
- ❖ Certification of Amount Fixed and Determined by the School Board to the County Board of Taxation – May 19, 2021

QUESTIONS?

