



Public Hearing 2025-2026 Budget

Maintaining Excellence

April 29, 2025

Montgomery Township School District



Agenda

- District Goals
- Budget Development Process
- General Fund Tax Levy Calculation
- Tax Impact
- Tentative Budget Summary
- Major Sources of Revenue
- Advertised Appropriations
- Cuts
- Major Drivers of Cost
- New Positions
- Major Capital Improvements
- ***Banked Cap/Health Waiver Options***

Montgomery Township School District



Goals

Goal 1: The Student Experience: Student Achievement, Teaching and Learning

To cultivate a learning community that is safe, comprehensive, and customized to provide a balanced academic, creative, and engaging experience to prepare students to make an impact on the future.

Montgomery Township School District



Goals

Goal 2: Communication, Community Engagement and Outreach

Increase community engagement by improving two-way communication so that all community members are well-informed and feel connected.

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Goals

Goal 3: Climate and Culture (Social-Emotional Learning (SEL) – Cultural Sensitivity, Health and Wellness, Resilience)

Enhance the social-emotional learning environment to support the development and resiliency of all learners.

Montgomery Township School District 2025-26 Budget Development Process



The budget development process is always ongoing with the board, administration and community.

- **October:** Budget Managers informed of the budget development process.
- **December:** Budget requests due from all budget managers. Administrative review of budget requests and meetings with budget managers in an ongoing process through the receipt of state aid.
- **January/February:** Development of budget by Administration.
- **February 27, 2025:** Received State Aid amounts.

Montgomery Township School District 2025-26 Budget Development Process



- **March 11, 2025** – Discussion of Recommended Budget with the Operations, Finance and Facilities Committee (OFF) of the Board.
- **March 18, 2025** – Presentation of Recommended Budget and Tentative Adoption of the 2025-2026 Budget.
- **March 19, 2025** – Due Date for Budget Submission to the Executive County Superintendent for Review and Approval.
- **Between March 19, 2025 and April 29, 2025** - The tentative budget can be changed during this period.
- **April 29, 2025** – Public Hearing on the 2025-2026 Budget and Final Adoption.

Montgomery Township School District

General Fund Local Tax Levy Calculation



2025-2026 General Fund Local Tax Levy

2024-2025 Starting Point for Local Tax Levy
\$89,042,150

page 1 line 100

2% Increase permitted on Base
\$1,780,843

page 1 line 100

2025-2026 Board Supported General Fund Tax Levy
\$90,822,993

page 1 line 100

Montgomery Township School District

General Fund Local Tax Levy Impact



MONTGOMERY BREAKOUT

	2024 Levy	2025 Levy
General Fund	86,877,216	88,643,241
Debt Service	<u>6,786,230</u>	<u>5,238,524</u>
	<u>93,663,446</u>	<u>93,881,765</u>

	GENERAL FUND PORTION		Difference
AVERAGE HOME ASSESSMENT			
800,000	17,181.27	17,505.47	324.20
900,000	19,328.93	19,693.65	364.73
1,000,000	21,476.58	21,881.84	405.25

Information supplied by Suplee Clooney

Montgomery Township School District General Fund Local Tax Levy Impact



MONTGOMERY BREAKOUT

	DEBT SERVICE PORTION		Difference
AVERAGE HOME ASSESSMENT			
800,000	1,342.08	1,034.52	(307.56)
900,000	1,509.84	1,163.83	(346.01)
1,000,000	1,677.60	1,293.14	(384.45)
	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			
800,000	18,523.35	18,539.98	16.64
900,000	20,838.76	20,857.48	18.72
1,000,000	23,154.18	23,174.98	20.80

Information supplied by Suplee Clooney

Montgomery Township School District

General Fund Local Tax Levy Impact



ROCKY HILL BREAKOUT

	2024 Levy	2025 Levy
General Fund	2,096,928	2,179,752
Debt Service	<u>44,855</u>	<u>29,533</u>
	<u>2,141,783</u>	<u>2,209,285</u>

	GENERAL FUND PORTION		Difference
AVERAGE HOME ASSESSMENT			
800,000	9,919.68	9,950.37	30.68
900,000	11,159.64	11,194.16	34.52
1,000,000	12,399.60	12,437.96	38.35

Information supplied by Suplee Clooney

Montgomery Township School District

General Fund Local Tax Levy Impact



ROCKY HILL BREAKOUT

	DEBT SERVICE PORTION		Difference
AVERAGE HOME ASSESSMENT			
800,000	212.19	134.82	(77.37)
900,000	238.71	151.67	(87.05)
1,000,000	265.24	168.52	(96.72)

	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			
800,000	10,131.87	10,085.18	(46.69)
900,000	11,398.36	11,345.83`	(52.53)
1,000,000	12,664.84	12,606.48	(58.36)

Information supplied by Suplee Clooney

Montgomery Township School District

2025-26 Budget



Revenues	2024-2025	2025-2026	+/- \$	+/- %
General Fund	\$106,064,456	\$109,925,364	3,860,908	3.64%
Special Revenue Fund	\$1,174,600	\$1,063,987	(110,613)	-9.42%
Debt Service Fund	\$7,424,648	\$5,947,273	(1,477,375)	-19.9%
Total Recommended Budget page 12 line 90000	\$114,663,704	\$116,936,624	2,272,920	1.98%

Montgomery Township School District

2025-26 Budget Major Sources of Revenue

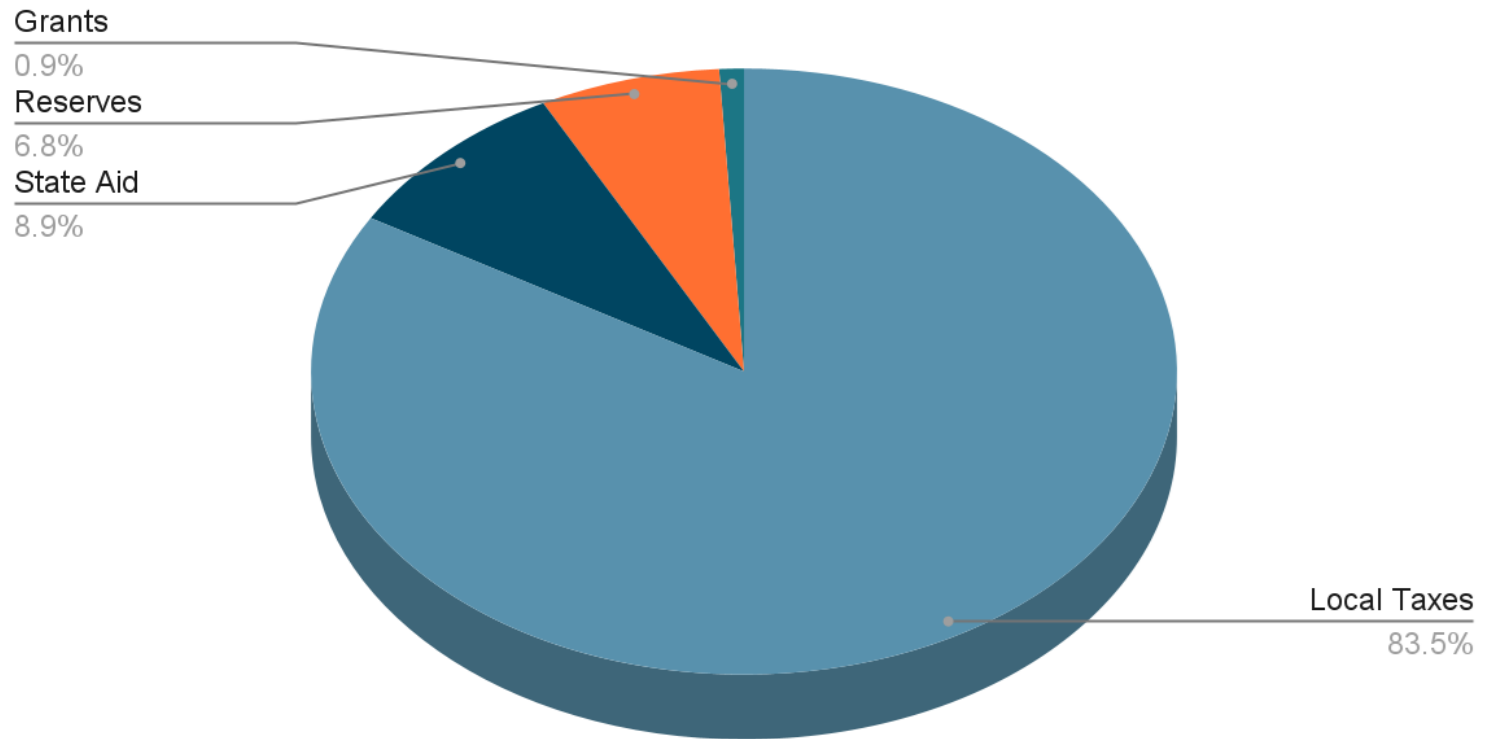


Source		2025-2026	+/--\$	+/-%
Local Taxes page 1 line 100	General Fund	\$90,822,993	\$1,780,843	2.0%
page 2 lines 885+890	Debt Service	\$5,947,273	-\$1,477,375	-19.9%
State and Federal Aid NJ state aid lines 420-470 pg1	General Fund	\$8,532,681	\$-255,980	-3.0%
	Debt Service	\$554,377	-\$43,363	-7.25%
Reserves line 580,600,620,630 pg 1	Fund Balance	\$4,546,048	\$332,199	7.88%
	Capital	\$2,207,920	\$1,493,582	309%
	Maintenance	\$555,500	\$-6,000	-1.1%

Montgomery Township School District



2025-2026 Revenue Distribution



Montgomery Township School District

2025-26 Appropriations



<u>Function</u>	<u>2025-2026</u>	<u>+/--\$</u>	<u>+/-%</u>
Regular Program Instruction page 3 line 3200	29,905,764	605,676	2.07%
Special Education Instruction page 4 line 10300	8,846,085	-790,913	-8.21%
Extracurricular Activities page 4 line 17100	585,824	16,960	2.98%
Athletics page 5 line 17600	1,335,049	90,327	7.26%
Tuition page 5 line 29180 (lines 29000-lines 29160)	3,597,403	242,885	7.24%
General Administration page 7 line 45300	1,537,239	23,414	1.55%
Operations/Maint. of Plant/Security page 9 line 51120	9,594,317	-198,281	-2.02%
Transportation page 9 line 52480	6,969,283	606,816	9.54%
Employee Benefits page 10 line 71260 (lines 71000-71220)	25,299,292	2,258,085	9.80%

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2025-2026 Major Budget Cuts

Total Budget Cuts: \$3,427,742

<u>Function</u>	<u>2025-2026</u>
Position reductions for 2025-2026	\$1,620,767
Facilities/Equipment	\$1,117,000
Requested Staffing positions	\$ 415,000
Services/Supplies	\$ 177,195
Professional Development	\$ 97,780

Montgomery Township School District



2025-26 Major Drivers of Cost

<u>Driver</u>	<u>% of Current Expense</u>
Salaries	63.00%
Benefits	<u>22.93%</u>
Total	85.93%

Note: Except in rare situations most school budgets in the state have the salaries and benefits make up 75-85% of the total budget.

Montgomery Township School District

2025-26 Major Capital/Maintenance Projects

Funded Through Reserves



Project_____	Amount
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ADA walkway at UMS \$450,000	
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Roof Top A/C Unit at MHS \$325,000	
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ROD Grant - UMS Roof \$1,153,890	
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ROD Grant - UMS Chiller Replacement	\$279,030
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**Presentation Updates from the
Tentative Budget Hearing
on March 18, 2025**

Montgomery Township School District

2025-26 Banked Cap - Option #1



What if we had additional funds in 2025-2026

Option #1

\$2,600,000

\$1,594,643 to staff salaries and benefits

\$1,005,357 to operations and maintenance

This option would add 95% of the salaries, benefits and operations budgets requests that were cut back into the 2025-2026 budget.

This would keep our staffing levels nearly the same and provide more funding to our operations and maintenance department.

Tax Increase 4.98%

Montgomery Township School District

General Fund Local Tax Levy Impact



MONTGOMERY BREAKOUT

Option # 1 \$2,600,000	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			ANNUAL
500,000	11,577.09	11,900.70	323.61
600,000	13,892.51	14,280.84	388.33
700,000	16,207.93	16,660.98	453.05
800,000	18,523.35	19,041.12	517.77
900,000	20,838.76	21,421.25	582.49
1,000,000	23,154.18	23,801.39	647.21

Montgomery Township School District General Fund Local Tax Levy Impact



ROCKY HILL BREAKOUT

Option # 1 \$2,600,000	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			ANNUAL
500,000	6,332.42	6,481.27	148.85
600,000	7,598.90	7,777.52	178.62
700,000	8,865.39	9,073.78	208.39
800,000	10,131.87	10,370.03	238.16
900,000	11,398.36	11,666.29	267.93
1,000,000	12,664.84	12,962.54	297.70

Montgomery Township School District

2025-26 Banked Cap - Option #2



Option #2

\$1,600,000

\$779,863 to staff salaries and benefits
\$820,137 to operations and maintenance

This option would add many of the positions that were cut back into the 2025-2026 budget. This would also add \$820,137 back into the operations and maintenance budget that was cut.

This would help us retain many key staff that were cut and provide more funding to our operations and maintenance department.

Tax Increase 3.79%

Montgomery Township School District General Fund Local Tax Levy Impact



MONTGOMERY BREAKOUT

Option # 2 \$1,600,000	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			ANNUAL
500,000	11,577.09	11,780.23	203.14
600,000	13,892.51	14,136.28	243.77
700,000	16,207.93	16,492.33	284.40
800,000	18,523.35	18,848.37	325.03
900,000	20,838.76	21,204.42	365.65
1,000,000	23,154.18	23,560.47	406.28

Montgomery Township School District General Fund Local Tax Levy Impact



ROCKY HILL BREAKOUT

Option # 2 \$1,600,000	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			ANNUAL
500,000	6,332.42	6,412.80	80.38
600,000	7,598.90	7,695.36	96.45
700,000	8,865.39	8,977.91	112.53
800,000	10,131.87	10,260.47	128.60
900,000	11,398.36	11,543.03	144.68
1,000,000	12,664.84	12,825.59	160.75

Montgomery Township School District

2025-26 Banked Cap - Option #3



Option #3

\$779,863

\$382,131 to staff salaries and benefits
\$397,732 to operations and maintenance

This option would add some staff salaries and benefits that were cut back into the 2025-2026 budget. This would also add \$397,732 back into the operational and maintenance budget that was cut.

This would help us retain some staff that were cut and provide more funding to our operations and maintenance department.

Tax Increase 2.87%

Montgomery Township School District General Fund Local Tax Levy Impact



MONTGOMERY BREAKOUT

Option # 3 \$779,863	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			ANNUAL
500,000	11,577.09	11,681.44	104.34
600,000	13,892.51	14,017.72	125.21
700,000	16,207.93	16,354.01	146.08
800,000	18,523.35	18,690.30	166.95
900,000	20,838.76	21,026.58	187.82
1,000,000	23,154.18	23,362.87	208.69

Montgomery Township School District General Fund Local Tax Levy Impact



ROCKY HILL BREAKOUT

Option # 3 \$779,863	TOTAL LEVY		Difference
AVERAGE HOME ASSESSMENT			ANNUAL
500,000	6,332.42	6,356.64	24.22
600,000	7,598.90	7,627.97	29.06
700,000	8,865.39	8,899.29	33.91
800,000	10,131.87	10,170.62	38.75
900,000	11,398.36	11,441.95	43.59
1,000,000	12,664.84	12,713.28	48.44

Montgomery Township School District

2025-26

Option #4



Option #4
banked cap

2% tax levy increase no

This option would not use any banked cap or health waiver funds.

This option would be a final approval of the tentative budget that was passed on March 18, 2025 with a 2% tax levy increase only.

This option would results in multiple staff in every building affecting and a lean facilities budget for 2025-2026.

Tax Increase 2.00%

Montgomery Township School District General Fund Local Tax Levy Impact



MONTGOMERY BREAKOUT

Option # 4 (2% no banked cap or waiver funds)	TOTAL LEVY		Difference
AVERAGE HOME VALUE			ANNUAL
500,000	11,577.09	11,587.49	10.40
600,000	13,892.51	13,904.99	12.48
700,000	16,207.93	16,222.49	14.56
800,000	18,523.35	18,539.98	16.64
900,000	20,838.76	20,857.48	18.72
1,000,000	23,154.18	23,174.98	20.80

Montgomery Township School District

General Fund Local Tax Levy Impact



ROCKY HILL BREAKOUT

Option # 4 (2% no banked cap or waiver funds)	TOTAL LEVY		Difference
	AVERAGE HOME VALUE		ANNUAL
500,000	6,332.42	6,303.24	(29.18)
600,000	7,598.90	7,563.89	(35.02)
700,000	8,865.39	8,824.53	(40.86)
800,000	10,131.87	10,085.18	(46.69)
900,000	11,398.36	11,345.83	(52.53)
1,000,000	12,664.84	12,606.48	(58.36)

Montgomery Township School District



This concludes the Public Hearing for the
2025-2026 School Budget.