

Public Budget Hearing Orange Public Schools “Good to Great”



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Assistant School Business Administrator/
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Board of Education Members and Administration

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Budget Overview

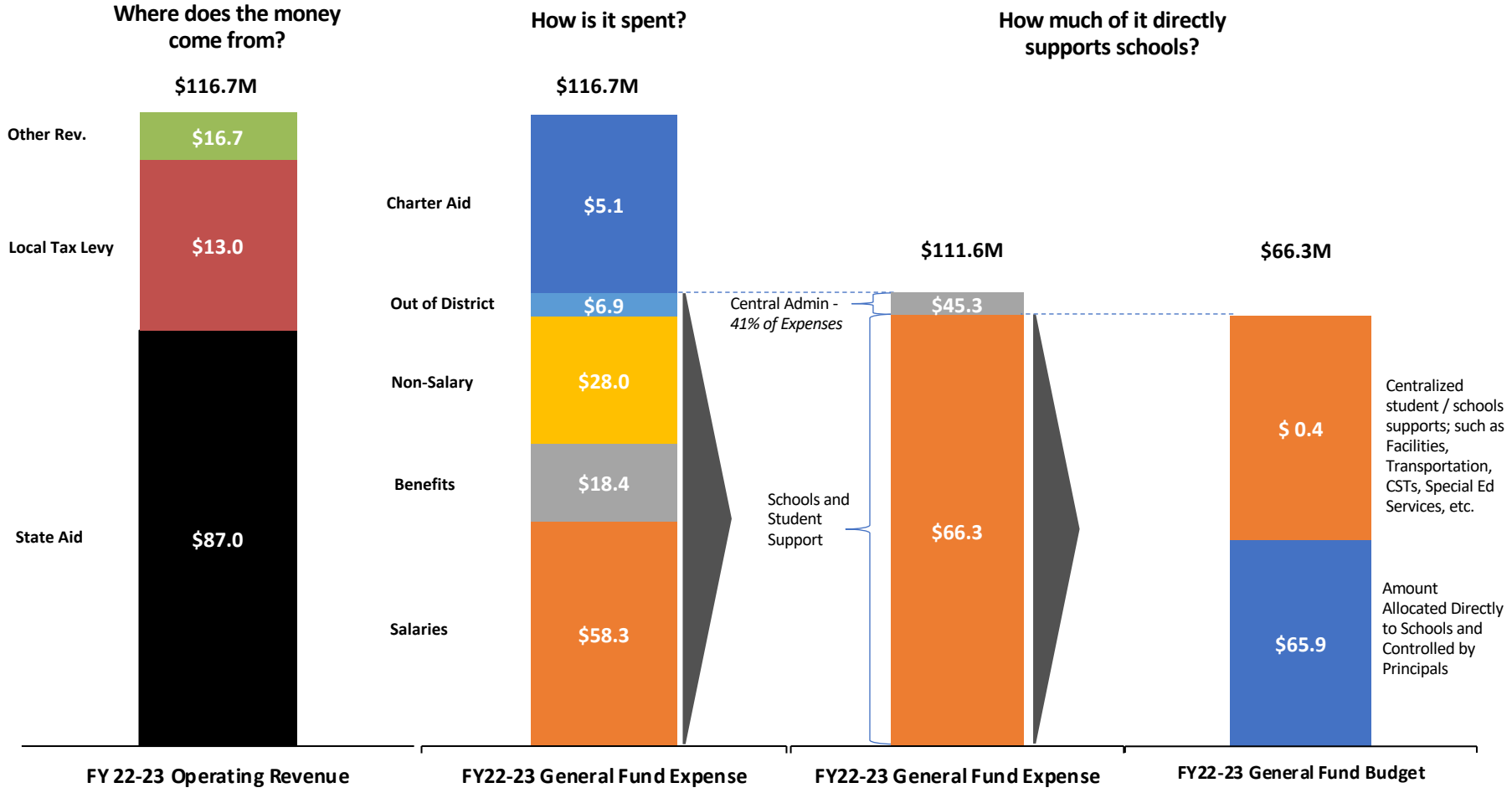
School budgets have increased as a result of aggressive budget management and additional state aid which directly benefits schools and academic programs.

Fund Sources (Revenue)			
Dollars in Millions	FY21-22 Original Budget	FY22-23 Original Budget	Variance
State Aids	\$93.5	\$103.1	\$9.6
Local Tax Levy	\$13.0	\$13.0	\$0.0
Other Local/Federal	\$0.6	\$0.6	\$0.0
Budgeted Fund Balance	\$2.6	\$0.0	(\$2.6)
Total General Fund Revenue	\$109.7	\$116.7	\$7.0
Fund Uses (Expenses)			
Charter Payment	\$4.1	\$5.1	\$1.0
Orange Total			
Orange: Central Office	\$47.2	\$45.3	(\$1.8)
School Supports (Centrally Budgeted)	\$0.4	\$0.4	\$0.0
Contribution to Schools (General Fund)	\$58.0	\$65.9	\$8.0
Total General Fund Expenses	\$109.7	\$116.7	\$7.1
Title I (Blended Funds)	\$1.5	\$1.4	(\$0.1)
Total Original Budget	\$111.2	\$118.1	\$7.0

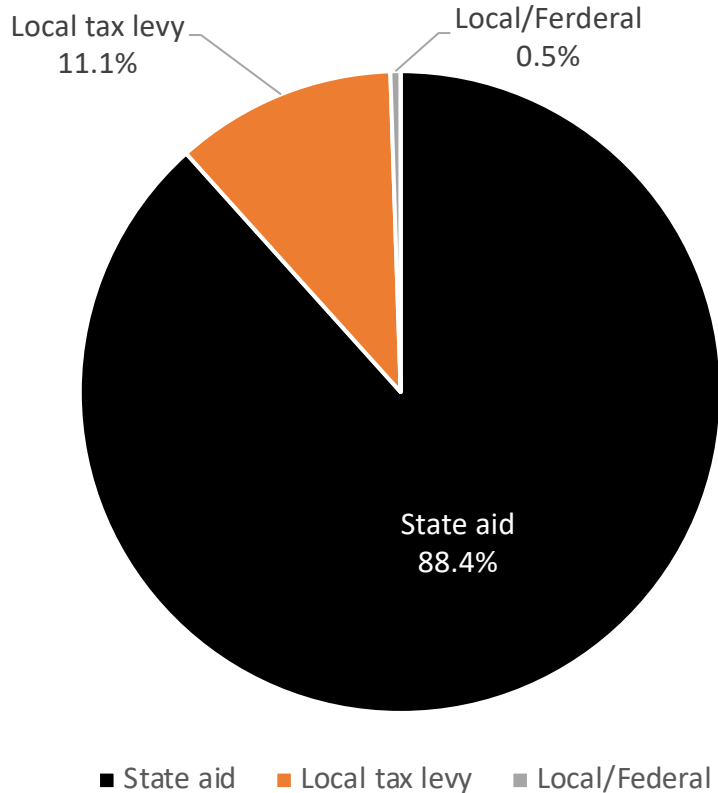
Note: The table above includes the General Fund and a portion of Special Revenue Fund budgets. The Special Revenue Fund also includes additional funding for student programs. In FY22-23, Orange Federal Funding is \$34.4M and includes funding for Pre-K programs (State and federal \$12.2M), IDEA (\$1.4M) and other Title and School Improvement funds (\$2.6M).



Where does the revenue come from & where does it go?



General Fund Revenue for FY 22-23



- The State provides 88.4% of Orange Public Schools (**OPS**) general funds.
 - General State Aid consists primarily of Equalization Aid, Categorical Special Ed Aid, Categorical Security Aid
- Local Tax Levy funds contribute an additional 11.1%
- None of the available fund balance was used to cover FY22-23 Budget expenses.
- Local/Federal includes Extraordinary Aid, Medicaid Reimbursement and Other Local for 0.5%



Changes in State Revenue

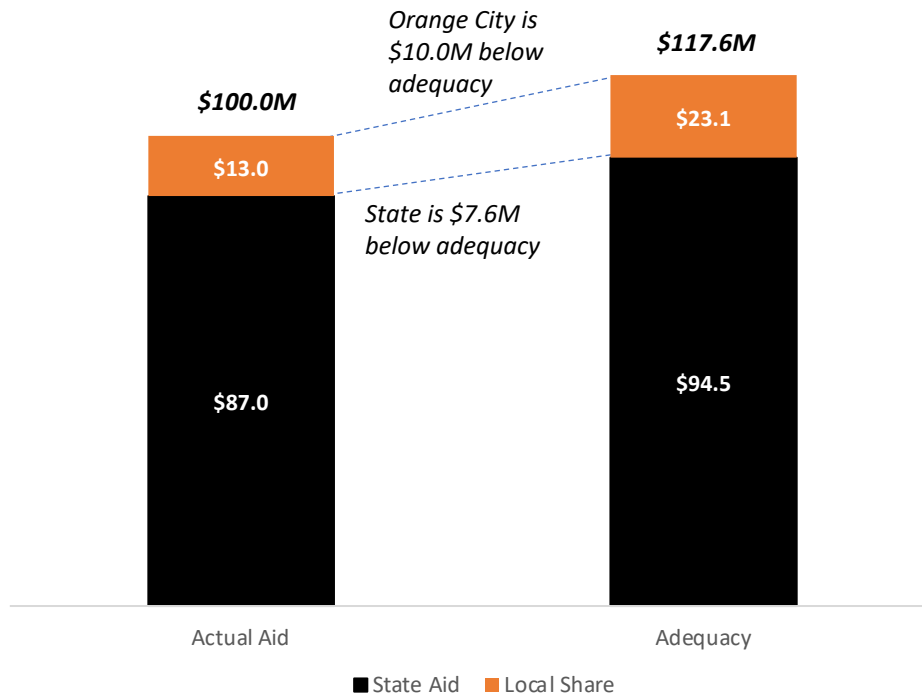
Year-Over-Year Comparison of State Aid

(\$ in millions)	State Revenue		YoY Change
	FY 21-22 Budget	FY 22-23 Budget	FY 22-23 v. FY 21-22
General State Aid			
Equalization Aid	\$ 85.2	\$ 94.8	\$ 9.6
Categorical Special Ed Aid	4.6	4.6	-
Categorical Security Aid	2.5	2.5	-
Adjustment Aid	-	-	-
Categorical Transportation Aid	1.2	1.2	-
Total State Aid	\$ 93.5	\$ 103.1	\$ 9.6

Funding from the State increased \$9.6M in FY22-23

Orange's Adequacy Status

Orange FY22-23 Adequacy Calculation



Orange is underfunded according to the School Funding Reform Act (SFRA).

State Adequacy

- For FY 22-23, the State has increased funding by 10.3%. The Governor continues to stay committed to moving New Jersey districts toward their SFRA adequacy calculations.
- Despite this effort for FY 22-23, Orange remains \$7.6M below adequacy according to SFRA.

Local Adequacy

- In FY22, the district did not raise its local taxes. In FY23, we will continue that trend and leaving the levy flat.
- Orange remains \$10M below the local fair share adequacy calculation according to SFRA.

Note: Adequacy figures here are according to the State of New Jersey School Funding Reform Act. The 'actual' numbers used above have been adjusted to reflect most recent budget and tax levy.



Projected Cost Increases

Description	FTE	Cost (Dollars in Millions)	Comments
Salaries		\$2.98	District wide Increases
School Repairs		\$0.28	Orange Prep Academy Renovation
Bell Stadium		\$0.40	Replacement of Bell Stadium Turf
School Repairs		\$0.25	Park Avenue Roof & Bleachers
Administration Repairs		\$0.20	Administrative Building
Charter School		\$0.94	Increased Charter Payment
New Positions	14	\$0.90	District wide new positions
Health Benefits		\$0.23	Proposed New Positions
AM/PM Monitors	14	\$0.06	Cleveland Elementary School
New Desks/Forest		\$0.02	Forest Street School
Pupil Transportation		\$0.80	Increased vendor rates
Grand Total	28	\$7.05	

Portion of Property Tax Levy for ORANGE Schools

Property taxes (attributable to Orange schools) will decrease \$169.15 annually for the average homeowner.

Average Orange Homeowner	
Average Property Assessed Value	\$175,000
Tax Levy: 2021-22	\$1,638.65
Tax Levy: 2022-23	\$1,469.50
Average Annual Increase/(Decrease)	(\$169.15)

CONCLUSION

In review, highlights of the FY22-23 Budget include:

1. **Increased Funding** – The district received additional aid of \$9.6M (7.0% increase over 21-22).
2. **Academic Funding** - We are investing \$7.9 million more directly to schools than 21-22, which will help us better support our students who need it most. Funding will support additional teachers, bilingual & ESL programming, special education, growing schools.
3. **Technology and Facility Upgrades** - We are also investing in critical technology and facilities needs. We have allocated funding for technology improvements that will aid student learning, as well as repairs & maintenance of facilities.
4. **Managing Financial Risks** – Given the uncertainty still present for this budget and in the future, we continue to identify efficiencies and cost savings opportunities to put Orange Public Schools in a more stable financial position.

Questions & Answers