

Mendham Township School District

2023-2024 Budget FAQs

The Mendham Township School District is proposing a \$22.36 million budget for the 2023-24 school year. The budget funds improvement and expansion of instructional programs that align with the district's commitment to quality education, especially in the areas of STEM, Social Emotional Learning, and Diversity, Equity, and Inclusion.

Even amid rising costs, the district's administration and Board of Education are working together to present a fiscally responsible budget that prioritizes the education of Mendham Township's children. They have continued to grow sustainable revenue streams and found creative ways to share services to offset local taxes.

The public is invited to learn about the proposed budget at upcoming Board of Education meetings, budget open houses in April, and through the district's social media and other channels. The public hearing and final budget vote will take place Tuesday, April 25 at 7:30 p.m.

Timeline:

Tuesday, March 21 (7:30 PM - Board of Education Meeting)

Thursday, April 13 (9:00 AM and 6:00 PM - Budget Open House)

Tuesday, April 18 (7:30 PM - Board of Education Meeting)

Tuesday, April 25 (7:30 PM - Board of Education Meeting - Public Hearing)

Wednesday, April 26 (7:00 PM – HSA Meeting)

TBD - Mendham Township Committee Presentation

How much is the proposed budget?

The proposed total operating budget for the 2023-24 school year is \$22,363,135. This represents a \$738,705 expenditure increase over last year's budget.

What is banked cap and how will it be used?

New Jersey allows school districts to raise the tax levy up to 2% each year. If a district doesn't raise the tax levy the full amount in a particular year, they can save or "bank" the difference to use in future years when they may need to exceed the 2% cap.

Because of the district's strategy of being fiscally conservative in previous years, MTSD has banked cap available that will expire if it isn't used over the next 2-3 years. The district is eligible to use this banked cap in two categories: enrollment adjustment (because MTSD's

enrollment has grown at a higher rate than the state's weighted rate) and health care adjustment (based on health care costs being below the anticipated rate). MTSD will therefore use this banked cap to increase the tax levy by 4.29%. This is \$394,807 above the cap (2.29%).

How much state aid will the district receive?

State aid will cover approximately \$1.27 million of the school's expenses in the 2023-24 school year. This is an increase of \$214,634 from last year's budget and will be used to fund programs that combat learning loss and help students get back to grade level achievement.

While the state aid increase is welcome news for Mendham Township, the district was surprised to receive a negative \$114,925 adjustment for not enrolling in the state's Chapter 44 health care plan for educators. MTSD was penalized by the state for continuing to offer an employee health plan that has better benefits for employees and costs the district less.

How will my taxes be impacted?

Residents will see a decrease in the school portion of their tax bills, even though the proposed budget increases the local tax levy. This is possible because:

1. The township went through a π in 2022, which increased the total ratables by \$168 million.
2. The bond referendum that voters approved in 2022 allowed the district to access even more state aid. In fact, the state committed to pay \$7.4 million of the \$19.9 million toward those specific projects over the life of the bonds.

A home assessed at Mendham Township's average (\$948,400) can expect to see a **\$363.44 decrease** over a year. Another way to think about the tax impact is that for every \$100,000 of assessed home value, you can expect to see a decrease of \$35.86 per year. Check the assessed value of your home [here](#).

How is enrollment growth impacting the budget?

The student population has grown steadily each year since 2019, especially in the lower grades (K-2). Enrollment increased from 727 students in April 2019 to 805 students in April 2023. This trend is expected to continue.

Because of the district's commitment to quality education for all students, the administration and Board of Education continue to pursue sustainable revenue streams and shared services to offset the financial impact of enrollment growth. The district also receives additional state aid to support these enrollment figures.

What strategies is the district using to contain costs?

Some rising costs are non-discretionary, meaning they are required by law. The administration and Board of Education proactively control costs to reduce the tax burden for township residents. Strategies include:

- Growing revenue by providing busing services to surrounding school districts. The district uses the significant surplus from this arrangement to fund educational priorities in our schools.
- Collecting tuition for preschool and special education services.
- Using shared service agreements in areas such as pooled health insurance, recycling/waste management, special education, cooperative purchasing, etc.
- Partnering with Education Staffing Solutions (ESS) to manage support staff.

The district is also pursuing a new LEAP program grant application with Mendham Township. With this grant, the Board and Township hope to expand our shared services, providing better programming for less cost in the years to come.

Will additional staff be hired?

The priority is to maintain our existing staff so we can continue to offer small class sizes with a low student/teacher ratio and enhanced programming. The 2023-24 budget would fund three new support staff positions and a special education staff position to support MTES students who need assistance while remaining in general education classrooms.

How does the budget prioritize curriculum expansion?

High-quality, top-ranked education is a hallmark of Mendham Township. In fact, it is why many residents choose to live here. The 2023-24 budget prioritizes expanding our curriculum in the areas of:

- New STEM units of study (K-8)
- Technology infusion across the curriculum
- New enrichment programs to support special education students and intervention/Smart Time programs
- New and revised initiatives and training for Social Emotional Learning and Diversity, Equity, and Inclusion (DEI) aligned with the District Strategic Plan and goals
- Professional development for staff in the areas of primary reading strategies/instruction (Science of Reading), special education, Applied Behavior Analysis (ABA), math instruction (complex problem solving), tiered systems of support, and DEI

What happens next in the budget process?

The budget process occurs over several months and lays the foundation for the following school year's success. The Board of Education tentatively approved the budget at its March 14 meeting, and the budget was sent to the New Jersey Department of Education for review.

The district invites the public to learn more and ask questions about the budget at two open houses on Thursday, April 13 (9 AM and 6 PM) and at its upcoming Board of Education meetings. The budget will also be presented to the Mendham Township Committee at an upcoming meeting.

During that time, the district will monitor conditions that could prompt changes and will hear the public's opinion before the board formally votes on the budget on Tuesday, April 25 at 7:30 p.m.

Thank you to the Board of Education, especially the Operations and Finance Committee, for their commitment to Mendham Township's children through this budget process.