

PATERSON PUBLIC SCHOOLS

Preparing All Children for College and Career



PTO Budget Workshop

February 28, 2023 - Board Workshop

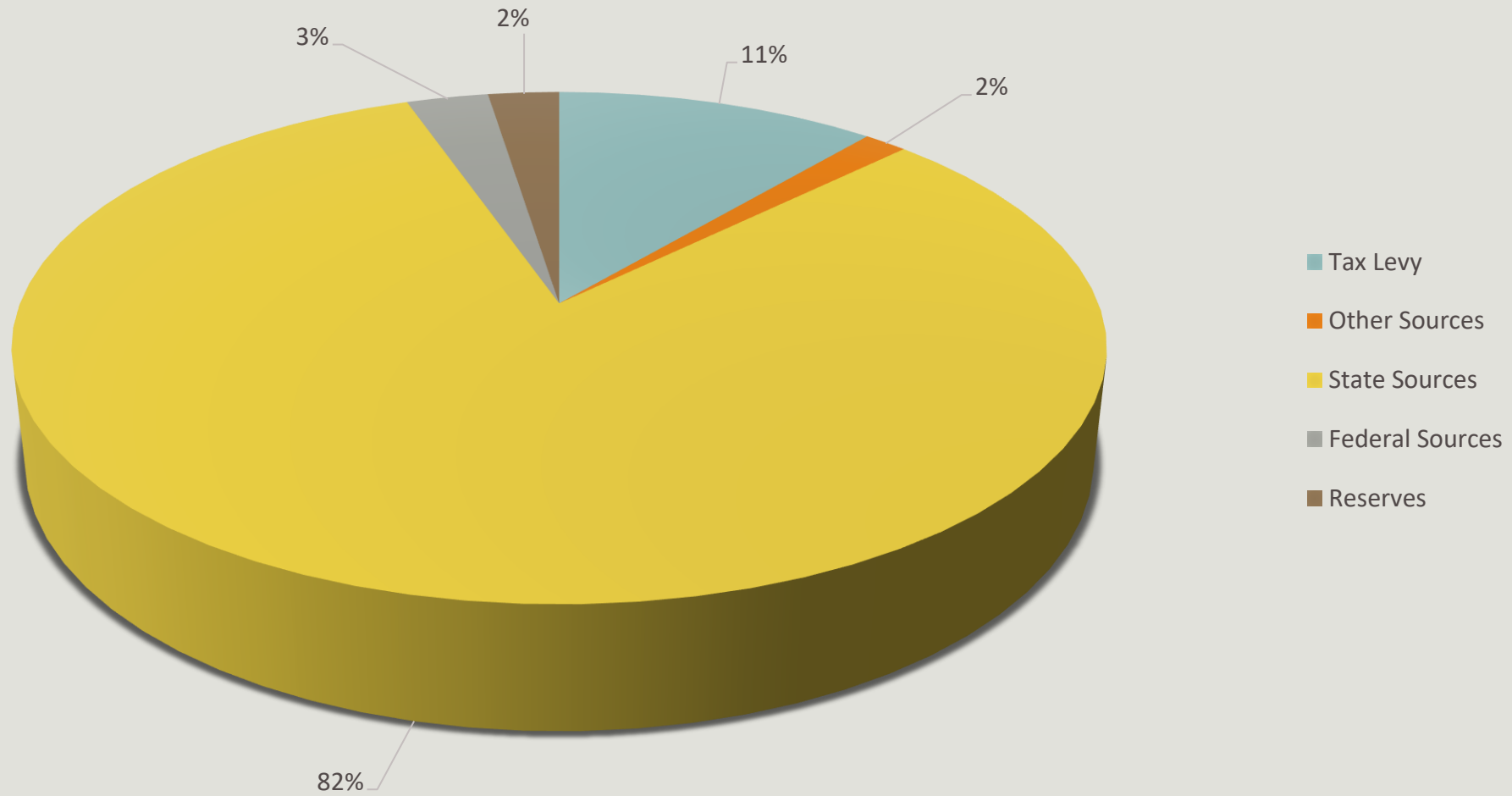
Presented by: Richard Leon Matthews, SBA

What we know...



- The District's revenue is not increasing as quickly as its expenses. See Structural Deficit.
- 2022-2023 State Aid increase by \$18.6M. We are entering year five (5) of New Jersey Legislation S2 to fully fund us by FY 2024-2025.
- Salaries and Benefits account for over half of the total budget.
- Charter School and Vocational costs continue to rapidly increase at about 18% per year. Total cost to PPS for FY 22-23 is in excess of \$120 Million.

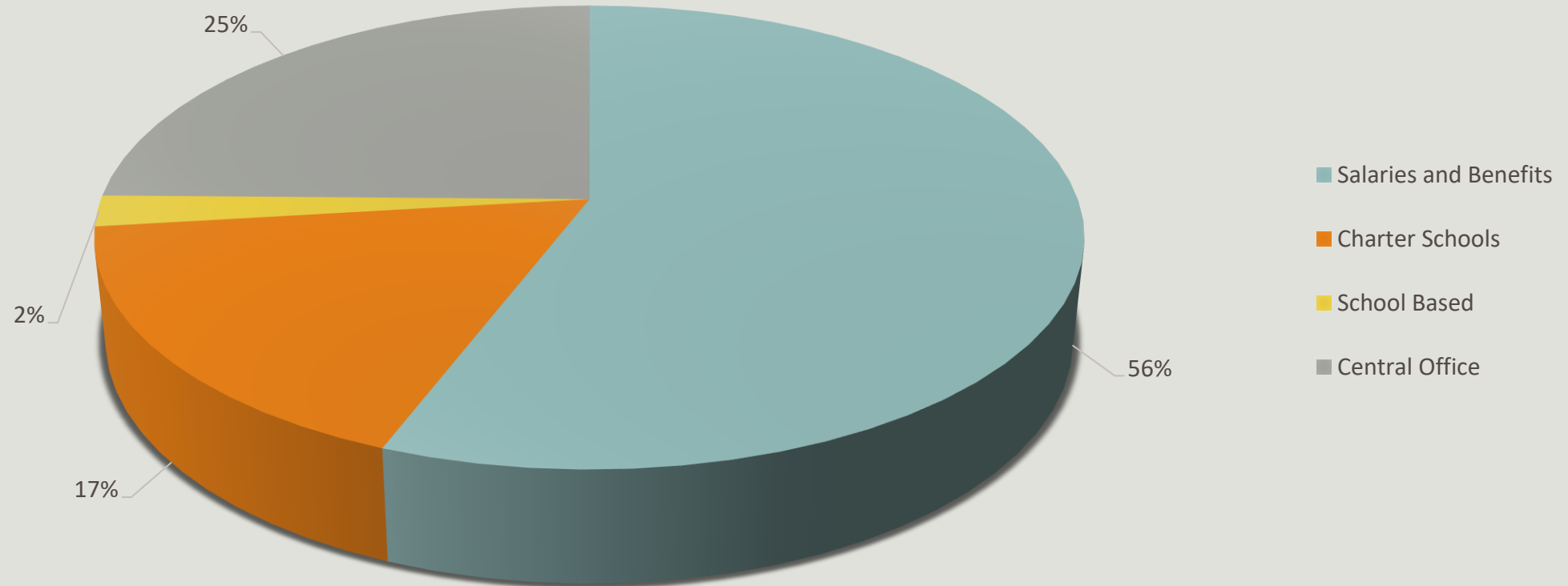
REVENUES



REVENUES

	2021-2022	2022-2023	\$ Change
Tax Levy	\$ 61,034,676	\$ 67,748,491	\$ 6,713,815
State Sources	\$ 476,291,788	\$ 494,915,582	\$ 18,623,794
Federal Sources	\$ 17,156,918	\$ 17,288,976	\$ 132,058
Other Sources	\$ 8,337,569	\$ 9,188,715	\$ 851,146
Reserves	<u>\$ 5,394,821</u>	<u>\$ 16,579,592</u>	<u>\$ 11,184,771</u>
Total	<u>\$ 568,215,772</u>	<u>\$ 605,721,356</u>	<u>\$ 37,505,584</u>

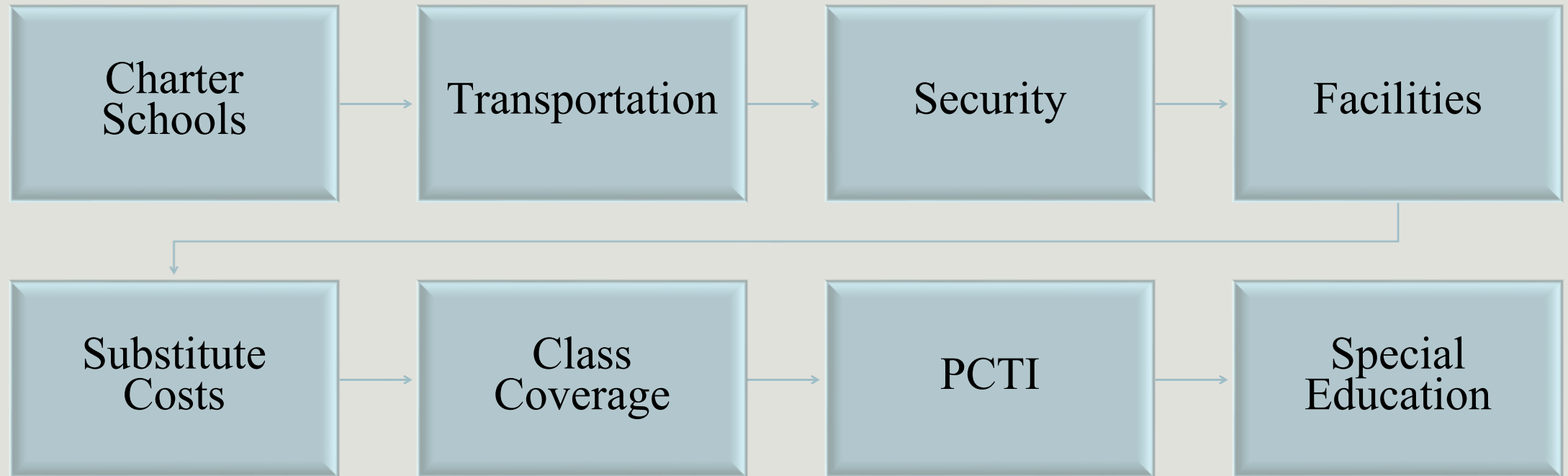
EXPENDITURES



EXPENDITURES

	2021-2022	2022-2023	\$ Change
Salaries and Benefits	\$ 335,029,268	\$ 338,212,392	\$ 3,183,124
Charter Schools	\$ 87,011,760	\$ 104,561,195	\$ 17,549,435
Non-Salary			
School Based	\$ 12,272,393	\$ 13,069,082	\$ 796,689
Central Office	<u>\$ 133,902,351</u>	<u>\$ 149,878,687</u>	<u>\$ 15,976,336</u>
Total	<u>\$ 568,215,772</u>	<u>\$ 605,721,356</u>	<u>\$ 37,505,584</u>

Cost Drivers

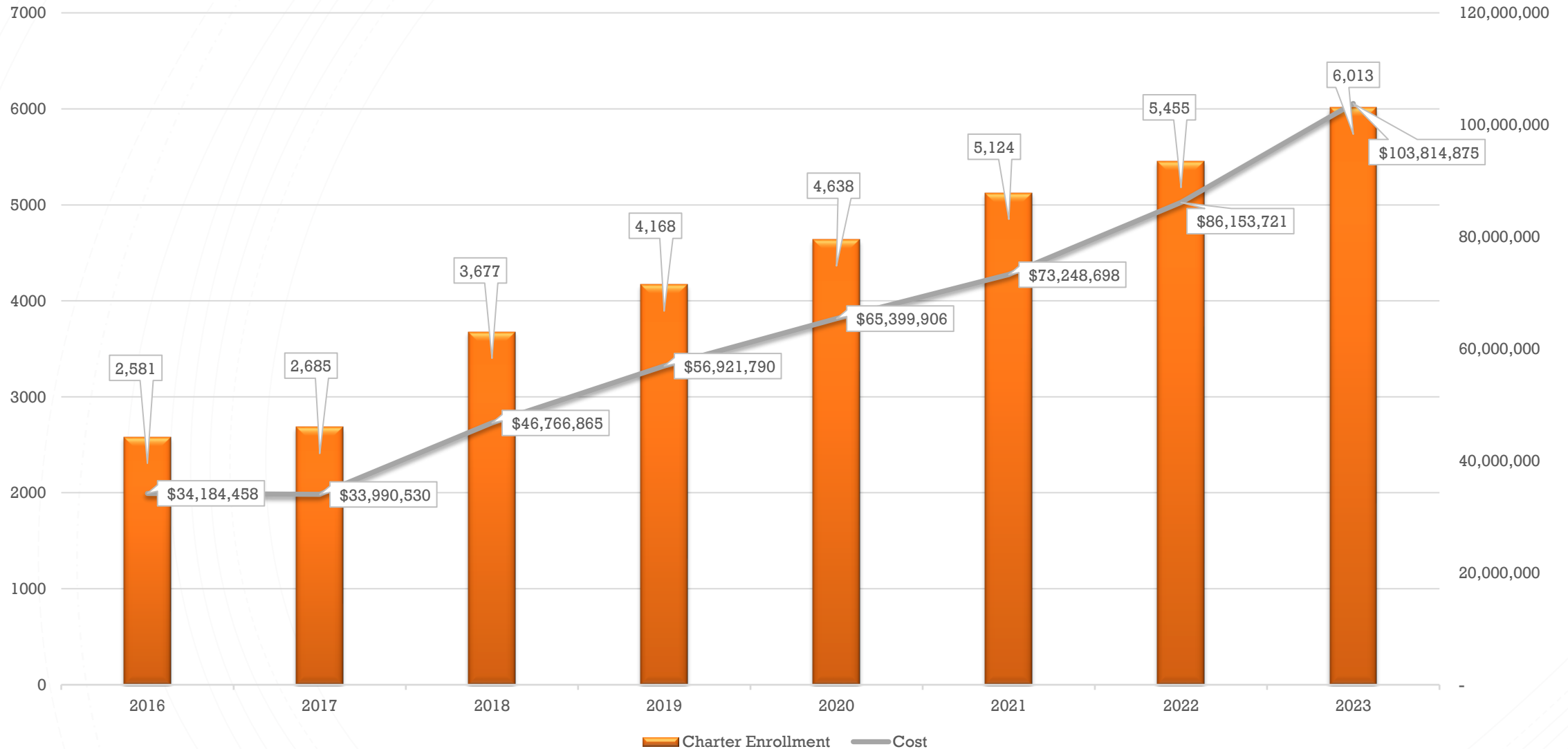


Cost Drivers – Historical View

Cost Center	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Budget
Transportation	17,168,373.00	18,522,353.00	17,152,555.00	5,535,787.00	19,004,566.75	24,936,968.00
Security	9,643,270.00	9,807,642.00	7,884,189.00	4,823,975.00	9,115,609.92	12,713,971.00
Facilities	33,947,408.00	34,680,718.00	33,494,866.00	35,517,310.00	38,441,589.63	32,996,196.00
Substitutes	8,857,037.00	9,823,028.00	6,866,066.00	1,427,463.00	5,811,464.00	6,084,181.00
Class Coverage	167,112.00	166,802.00	154,891.00	370,434.00	1,707,394.00	1,749,512.00
PCTI	17,212,361.00	19,095,815.00	20,177,828.00	20,175,596.00	20,497,130.00	18,758,493.00
Special Education	55,008,338.00	59,599,940.00	61,989,280.00	61,270,700.00	61,354,697.00	72,435,983.00
Grand Total	142,003,899.00	151,696,298.00	147,719,675.00	129,121,265.00	155,932,451.30	169,675,304.00



Charter School Enrollment and Total Cost



Local Tax Levy

- Local Fair share is the state's calculation of each district's ability to support its schools through the local tax levy.
- According to P.L. 2018, c 67 any SDA district can increase its levy up to the local share (above the 2% limit).
- Paterson's local fair share for FY23 is **\$112,768,575**, which means the district is permitted to levy **\$51.7M** above the 2% tax cap.

Source: Department of Education



Year	School's Tax Levy	Increase	% Increase
2007-2008	37,457,650		
2008-2009	38,955,956	1,498,306.00	4.00%
2009-2010	38,955,956	-	0.00%
2010-2011	38,955,956	-	0.00%
2011-2012	38,955,956	-	0.00%
2012-2013	38,955,956	-	0.00%
2013-2014	38,955,956	-	0.00%
2014-2015	38,955,956	-	0.00%
2015-2016	38,955,956	-	0.00%
2016-2017	41,455,956	2,500,000	6.42%
2017-2018	41,455,956	-	0.00%
2018-2019	41,455,956	-	0.00%
2019-2020	47,445,757	5,989,801	14.45%
2020-2021	54,495,247	7,049,490	14.86%
2021-2022	61,034,676	6,539,429	12.00%
2022-2023	67,748,491	<u>6,713,815</u>	11.00%
<i>Total Increase 2007-2023</i>		\$17,037,597	

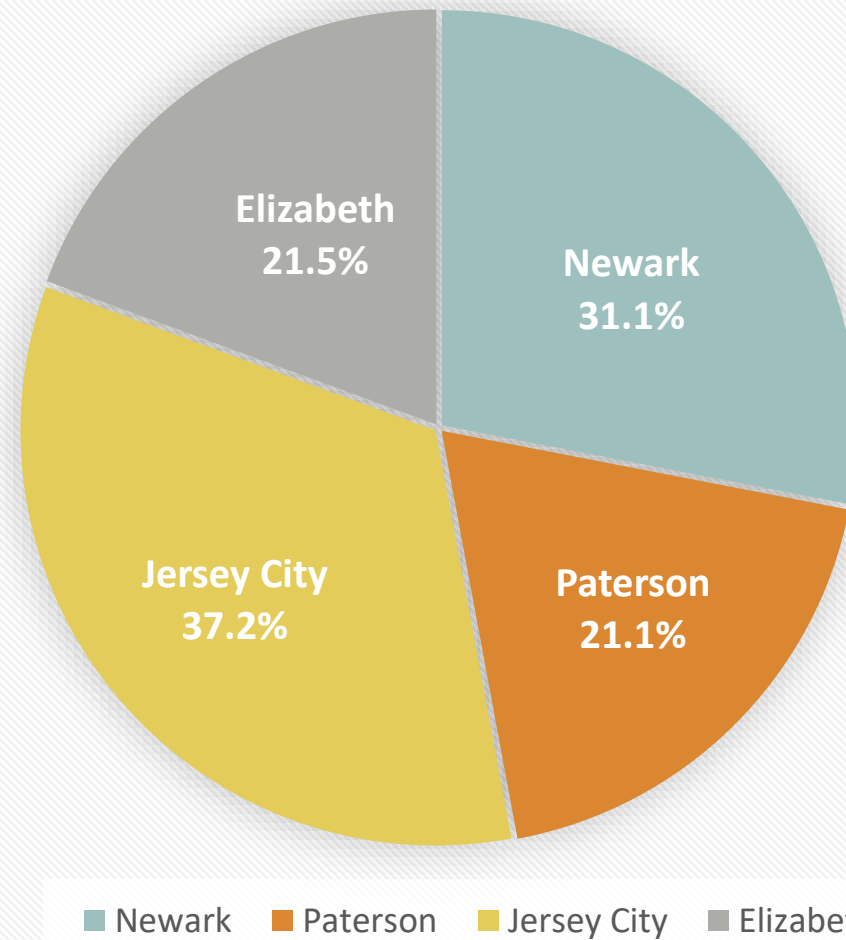
Budget Tax Levy

Homeowner Impact

\$ 236.40 ANNUAL INCREASE
OR .65 CENTS PER DAY

HOME ASSESSED @ \$197,000

Comparative School Districts Property Tax Share



Source: [Division of Consumer Affairs](#)

STUDENT ENROLLMENT RATES													
K-8 REGULAR STUDENTS.	\$	185.00											
K-8 SPECIAL EDUCATION STUDENTS	\$	195.00											
K-8 BILINGUAL STUDENTS	\$	195.00											
CUSTODIAL SUPPLIES	\$	2.50											

GRADE K- 8

SCHOOLS K-8	GRADE LEVELS BY SCHOOL	TOTAL # OF STUDENTS 2022-2023	TOTAL # OF STUDENTS - 2023-2024	CHANGE	K - 8 REGULAR EDUCATION STUDENTS	TOTAL COST PER PUPIL REGULAR EDUCATION	K - 8 SPECIAL EDUCATION STUDENTS	TOTAL COST PER PUPIL SPECIAL EDUCATION	K - 8 BILINGUAL STUDENTS	TOTAL COST PER PUPIL K-8 BILINGUAL	TOTAL NUMBER OF STUDENTS	CUSTODIAL SUPPLIES	TOTAL NON-SALARY/STIPENDS BUDGET TOTALS FOR 2023-2024
SCHOOL # 1	K-5	238	236	(2)	182	33,670.00	18	3,510.00	36	7,020.00	236	590.00	44,790.00

DCA Tax Viewer

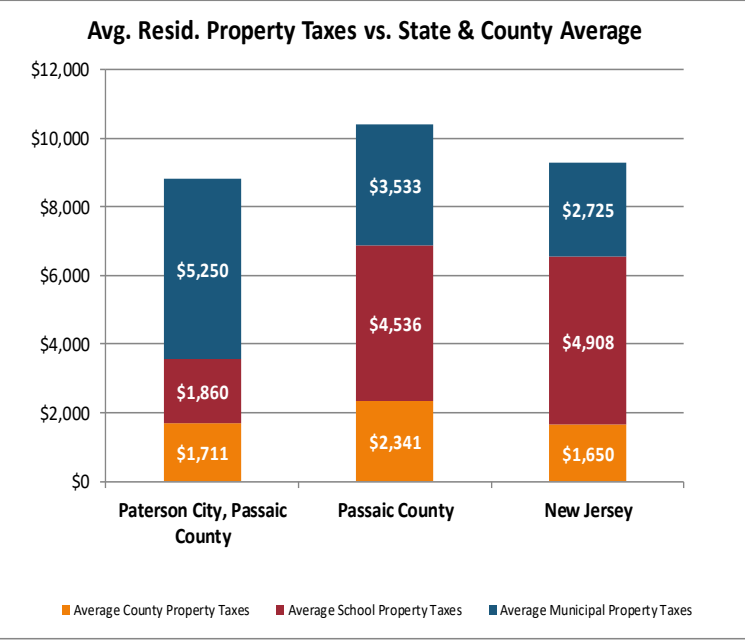
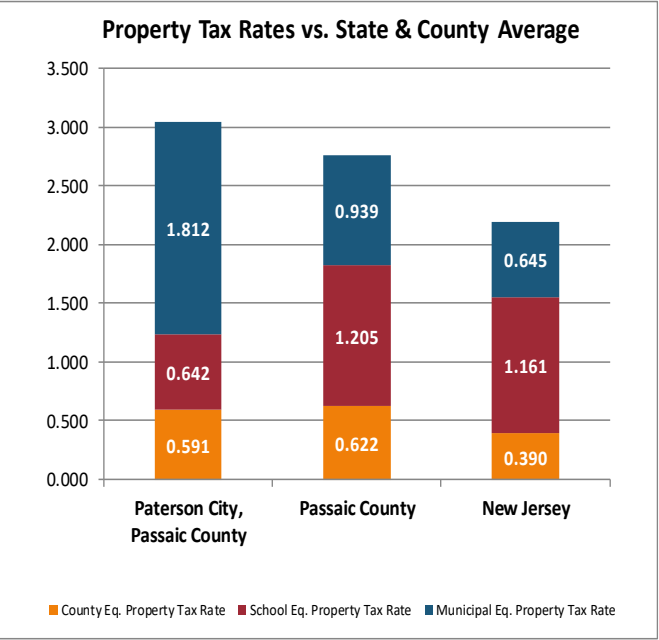
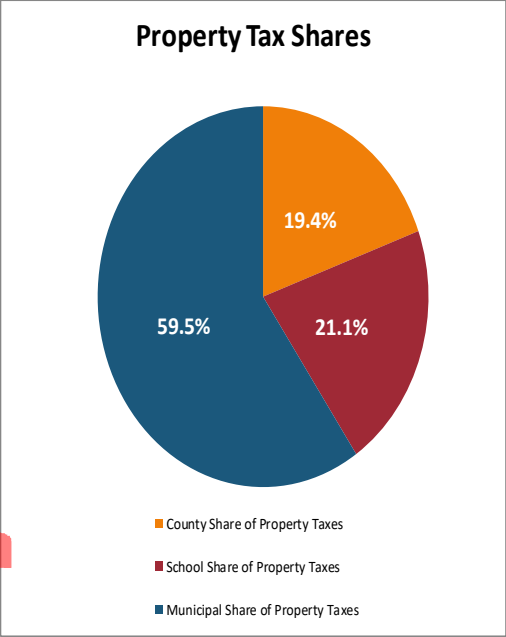
Select Municipality:

Paterson City, Passaic County

☐ Non-Equalized Tax Rates

☒ Equalized Tax Rates

Total Property Taxes	
Taxable Property Value	\$6,121,731,879
County Property Taxes	\$53,152,107
School Property Taxes	\$57,764,961
Municipal Property Taxes	\$163,056,241
Total Property Taxes	\$273,973,308
Property Tax Shares	
County Share of Property Taxes	19.4%
School Share of Property Taxes	21.1%
Municipal Share of Property Taxes	59.5%
Equalized Property Tax Rates	
County Equalized Property Tax Rate	0.591
School Equalized Property Tax Rate	0.642
Municipal Equalized Property Tax Rate	1.812
Total Equalized Property Tax Rate	3.044
Average Residential Property Taxes	
Average Residential Property Value	\$197,089
Average County Property Taxes	\$1,711
Average School Property Taxes	\$1,860
Average Municipal Property Taxes	\$5,250
Average Total Property Taxes	\$8,821



Source: [Division of Consumer Affairs](#)

DCA Tax Viewer

Select Municipality:

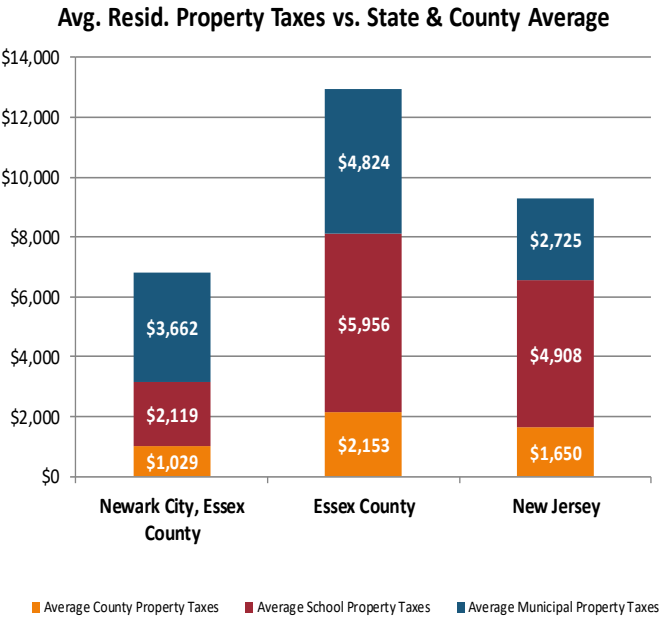
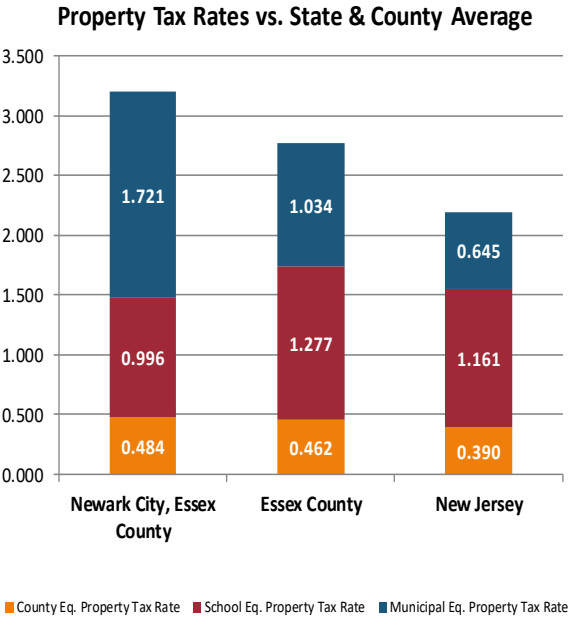
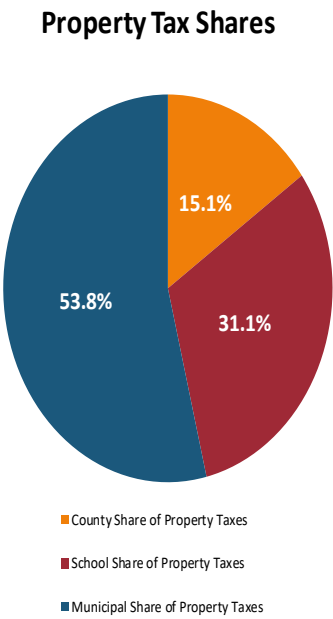
Newark City, Essex County

Non-Equalized Tax Rates

Equalized Tax Rates

Total Property Taxes	
Taxable Property Value	\$12,402,617,825
County Property Taxes	\$69,967,692
School Property Taxes	\$144,075,100
Municipal Property Taxes	\$248,965,722
Total Property Taxes	\$463,008,514
Property Tax Shares	
County Share of Property Taxes	15.1%
School Share of Property Taxes	31.1%
Municipal Share of Property Taxes	53.8%
Equalized Property Tax Rates	
County Equalized Property Tax Rate	0.484
School Equalized Property Tax Rate	0.996
Municipal Equalized Property Tax Rate	1.721
Total Equalized Property Tax Rate	3.201
Average Residential Property Taxes	
Average Residential Property Value	\$182,436
Average County Property Taxes	\$1,029
Average School Property Taxes	\$2,119
Average Municipal Property Taxes	\$3,662
Average Total Property Taxes	\$6,811

Newark City, Essex County



Source: [Division of Consumer Affairs](#)

DCA Tax Viewer

Select Municipality:

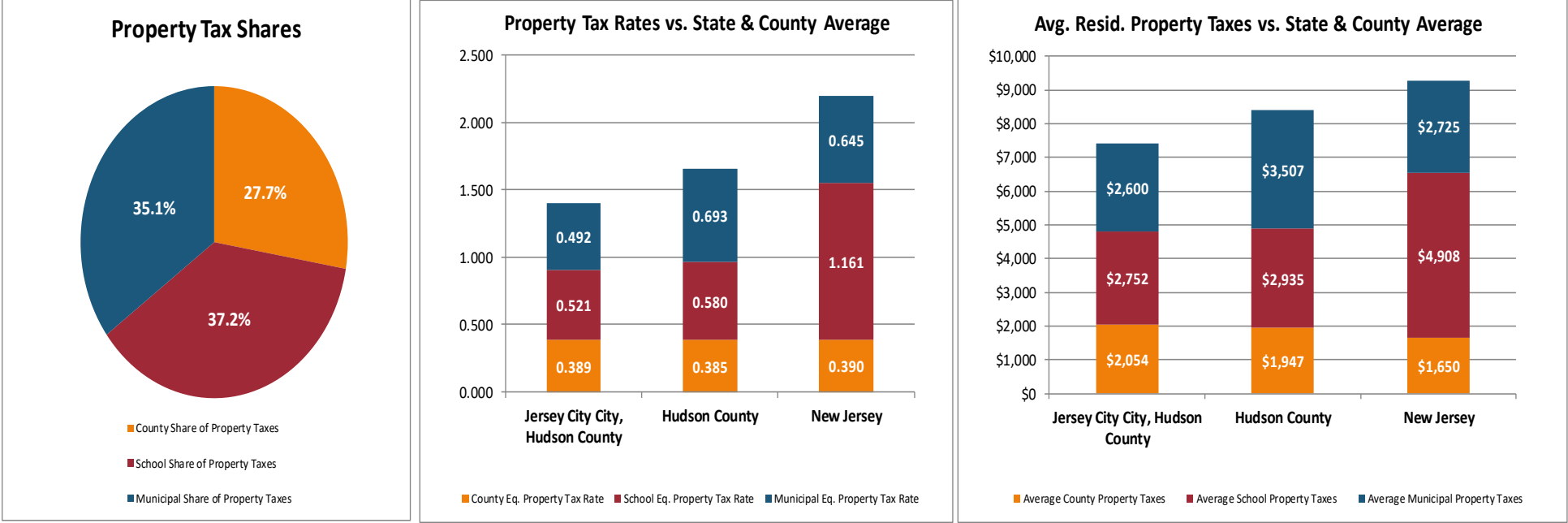
Jersey City City, Hudson County

☐ Non-Equalized Tax Rates

☒ Equalized Tax Rates

Total Property Taxes	
Taxable Property Value	\$39,640,675,892
County Property Taxes	\$176,301,994
School Property Taxes	\$236,154,248
Municipal Property Taxes	\$223,129,847
Total Property Taxes	\$635,586,089
Property Tax Shares	
County Share of Property Taxes	27.7%
School Share of Property Taxes	37.2%
Municipal Share of Property Taxes	35.1%
Equalized Property Tax Rates	
County Equalized Property Tax Rate	0.389
School Equalized Property Tax Rate	0.521
Municipal Equalized Property Tax Rate	0.492
Total Equalized Property Tax Rate	1.401
Average Residential Property Taxes	
Average Residential Property Value	\$461,925
Average County Property Taxes	\$2,054
Average School Property Taxes	\$2,752
Average Municipal Property Taxes	\$2,600
Average Total Property Taxes	\$7,406

Jersey City City, Hudson County



Source: [Division of Consumer Affairs](#)

DCA Tax Viewer

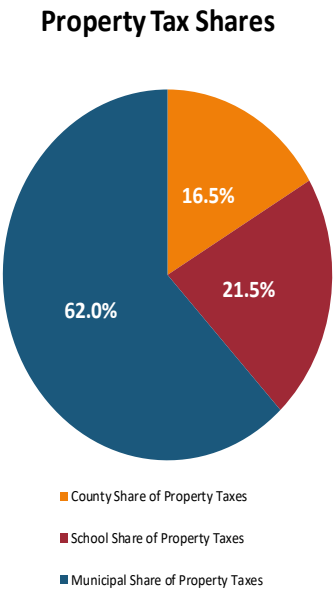
Select Municipality:

Elizabeth City, Union County

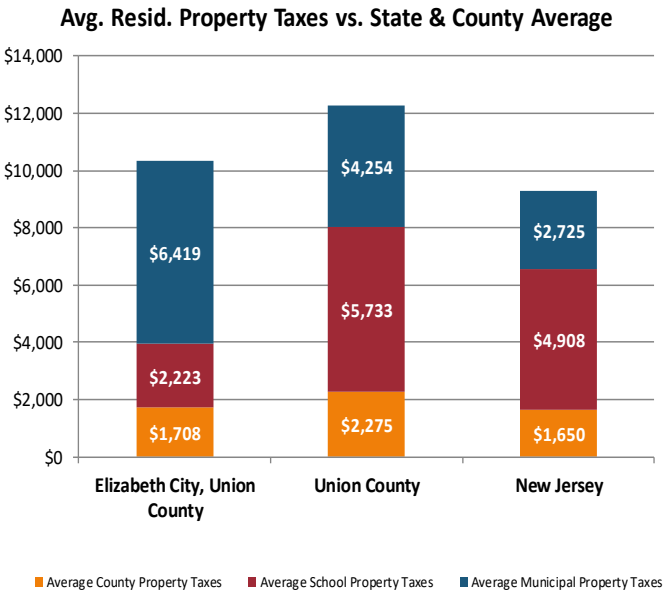
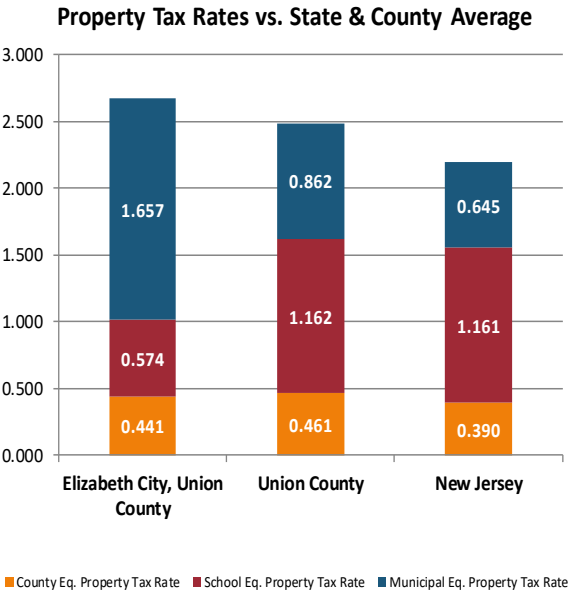
Non-Equalized Tax Rates

Equalized Tax Rates

Total Property Taxes	
Taxable Property Value	\$929,834,135
County Property Taxes	\$45,956,265
School Property Taxes	\$59,813,124
Municipal Property Taxes	\$172,688,087
Total Property Taxes	\$278,457,476
Property Tax Shares	
County Share of Property Taxes	16.5%
School Share of Property Taxes	21.5%
Municipal Share of Property Taxes	62.0%
Equalized Property Tax Rates	
County Equalized Property Tax Rate	0.441
School Equalized Property Tax Rate	0.574
Municipal Equalized Property Tax Rate	1.657
Total Equalized Property Tax Rate	2.673
Average Residential Property Taxes	
Average Residential Property Value	\$34,563
Average County Property Taxes	\$1,708
Average School Property Taxes	\$2,223
Average Municipal Property Taxes	\$6,419
Average Total Property Taxes	\$10,351



Elizabeth City, Union County



Source: [Division of Consumer Affairs](#)

Questions & Comments

