



A B C D E

2021-2022 BUDGET

PUBLIC HEARING

MAY 6, 2021

**LACEY TOWNSHIP
SCHOOL DISTRICT**

Mission Statement

The mission of the Lacey Township School District is to make student achievement its top priority and to educate and graduate responsible, compassionate, life-long learners who have analytical skills, intellectual resilience, and respect for self and others; who meet or exceed all New Jersey Core Curriculum Content Standards at all grade levels; and who are fully prepared to assume productive and personally fulfilling roles in the diverse, ever-changing world of the 21st Century.

The Board of Education

Donna McAvoy, President

Frank Palino, Vice President

Linda A. Downing

Regina Discenza

Harold (Skip) Peters, Jr.

Edward Scanlon

Kim Klaus

The Issue: State Aid

Amount of Categorical State Aid Lost/to be Lost under the Budget Reduction Act and S2:

School Year	Amount
2019-2020	623,156
2020-2021	1,310,170
2021-2022	1,345,629
2022-2023	1,260,163
2023-2024	783,593
2024-2025	<u>247,450</u>
	\$5,570,161

Path From Tentative to Final

Correction to Teacher Salaries	293,300
Further Reduction in Lease Payments	\$(153,449)
Further Reduction in Terminal Leave	(139,851)
Addition of 1 MD Teacher (Ages 18-21)	53,803
Reduction in Workers Compensation Insurance	(31,240)
Reduction in Athletics Equipment & Supplies	<u>(22,563)</u>
Net Increase/(Decrease)	\$0

Note: 1 additional school psychologist will be added through the ESSER 2 grant (Fund 20).

2021-2022 Budget

	2021-2022 Final	2020-2021 Revised	\$	%
Operating Budget (1)	\$72,658,823	\$72,447,298	\$211,525	.29%
Grants and Entitlements (2)	3,874,991	3,040,085	834,906	27.46%
Debt Service (3)	<u>3,650,200</u>	<u>3,733,800</u>	<u>(83,800)</u>	<u>(2.24)%</u>
Total	\$80,183,814	\$79,221,183	\$962,631	1.22%

- 1) Please see “Operating Budget” slides for detailed information related to the net increase.
- 2) The \$2.3 million ESSER II Federal Grant to be received in FY22 is \$1.9 million greater than the ESSER I Federal Grant received in FY21. The \$1.9 million is partially offset by the fact that although FY22 grant information includes 85% of grants such as ESEA and IDEA, it does not include “local” grants which are not typically budgeted for.
- 3) The annual repayment of the district’s outstanding debt continues to decrease over time.

Debt Service Budget

Debt Service

Issue	Original Principal	Interest Rate	Term	P&I 2021-2022	Principal Balance @ 06/30/21
2016	\$16,090,000	3.00%	10 Years	\$2,017,000	\$6,110,000
2016A	<u>11,595,000</u>	3.00%	15 Years	<u>1,663,200</u>	<u>7,940,000</u>
	\$27,685,000			\$3,650,200	\$14,050,000

Grants Budget

Grants

	2021-2022 Proposed	2020-2021 Revised	\$	%
ESEA (NCLB)	\$659,657	\$ 912,757	\$(253,100)	(27.73)%
IDEA	893,175	1,144,517	(251,342)	(21.96)%
ESSER	2,322,159	0	2,322,159	100%
CARES - Stabilization	0	503,505	(503,505)	(100)%
CARES - Digital Divide	0	346,456	(346,456)	(100)%
Coronavirus Relief	0	238,498	(238,498)	(100)%
Local	<u>0</u>	<u>436,596</u>	<u>(436,596)</u>	(100.00)%
Total	\$3,874,991	\$3,582,329	\$292,662	8.17%

Operating Budget

Revenue

Operating Revenue

	2021-2022 Final	2020-2021 Revised	\$	%
Property Tax Levy	\$50,966,035	\$49,672,583	\$1,293,452	2.60%
Categorical State Aid	17,691,445	19,037,074	(1,345,629)	(7.07)%
Extraordinary Aid	550,000	500,000	50,000	10.00%
Fund Balance	873,267	661,698	211,569	31.97%
Withdrawal from Reserves	2,034,000	1,280,000	754,000	58.91%
Encumbrances	0	332,744	(332,744)	(100.00)%
Miscellaneous	<u>544,076</u>	<u>963,199</u>	<u>(419,123)</u>	<u>(43.51)%</u>
Total	\$72,658,823	\$72,447,298	\$211,525	.29%

Property Tax Levy

	2021-2022
2020-2021 Operating Budget Property Tax Levy	\$49,672,583
2021-2022 Operating Budget Property Tax Levy:	
Statutory 2.0% Increase	993,452
Banked Cap	<u>300,000</u>
Total for Operating Budget	\$50,966,035
Pct. Increase	2.60%
2021-2022 Debt Service Budget Property Tax Levy	\$3,094,713
Pct. Decrease	-2.72%
Total 2021-2022 Property Tax Levy	\$54,060,748
Net Pct. Increase	2.28%

Categorical State Aid

	2021-2022
Special Education Aid	\$2,504,516
Equalization Aid	14,474,616
Security Aid	483,794
Transportation Aid	<u>228,519</u>
Total	\$17,691,445

Fund Balance

	2021-2022
Budgeted Fund Balance (1)	\$0
Excess Surplus (2)	<u>873,267</u>
Total	\$873,267

- (1) As of July 1, 2020, the district's undesignated fund balance is above the 2% permitted by law.
- (2) Per the 2019-2020 audit, the district is obligated to use these funds in the 2021-2022 budget on one-time expenditures. The district is purchasing new curriculum in order to remain compliant with the New Jersey Student Learning Standards (NJSLS).

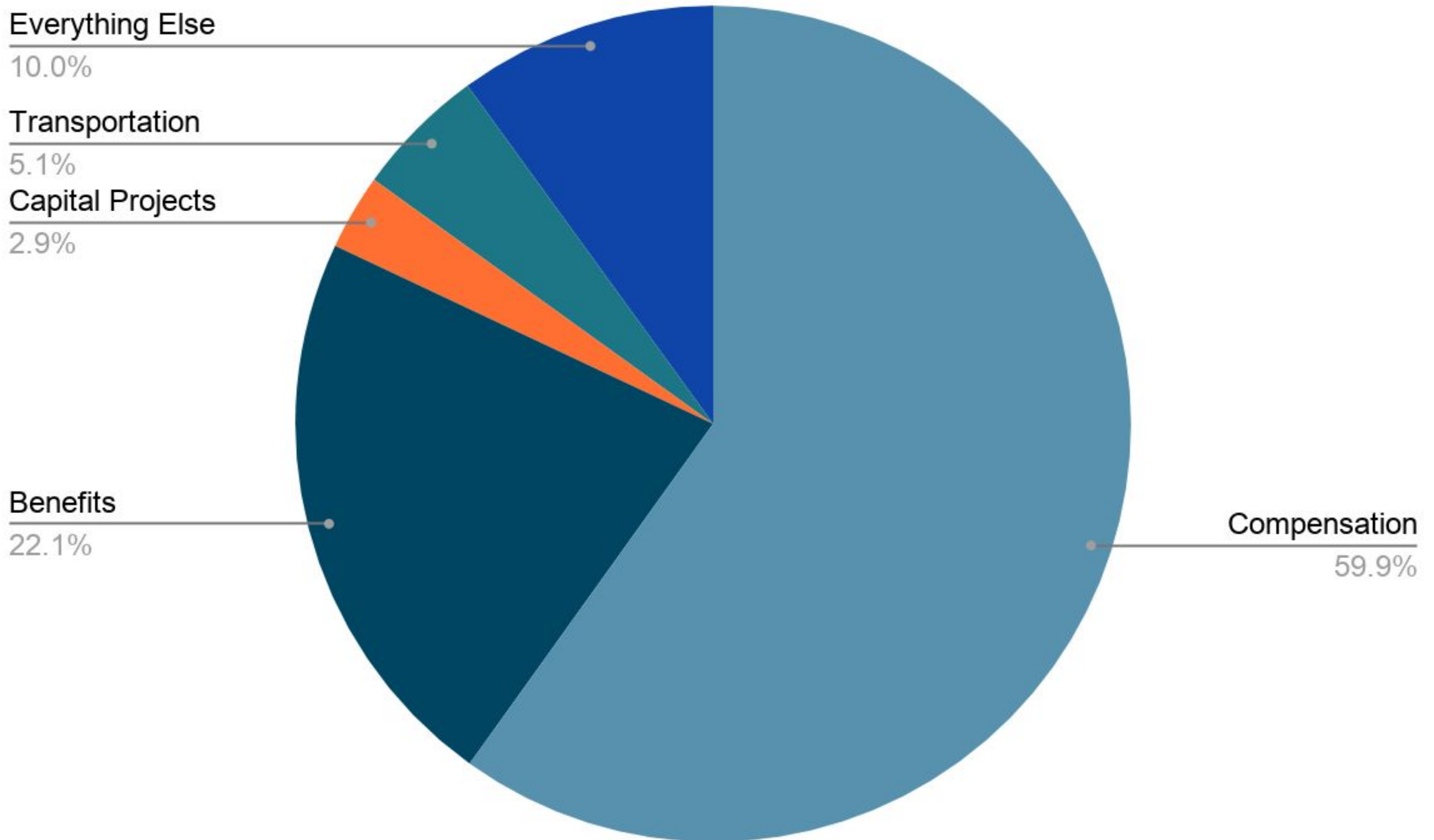
Withdrawal from Reserves

	2021-2022
Capital Reserve (1)	\$1,634,000
Maintenance Reserve (2)	<u>400,000</u>
Total	\$2,034,000

- (1) Per N.J.A.C. 6A:23A-14.1(h) funds withdrawn from this reserve account are restricted to capital projects included in the district's Long Range Facilities Plan (LRFP). Specifically, these funds will be used to replace fire alarm systems and intrusion detection systems at all schools.
- (2) Per N.J.A.C. 6A:23A-14.2(d) funds withdrawn from this reserve account are restricted to required maintenance appropriations; 11-0000-261-420.

Appropriations

The Breakdown



Budget to Budget

	2021-2022 Final	2020-2021 Revised	\$	%
Regular Programs - Instruction	\$21,573,532	\$20,299,575	\$1,273,957	6.28%
Special Education - Instruction	9,274,349	8,922,228	352,121	3.95%
Bilingual - Instruction	199,632	204,276	(4,644)	(2.27)%
Co-curricular & Athletics	1,573,297	1,586,995	(13,698)	(0.86)%
Tuition	2,060,611	2,544,546	(483,935)	(19.02)%
Attendance & Health	1,072,265	973,554	98,711	10.14%
Related Services & Other Support	1,087,591	1,036,200	51,391	4.96%
Guidance	1,470,828	1,391,655	79,173	5.69%
Child Study Teams	1,210,948	1,259,938	(48,990)	(3.89)%
Other Instruction & Library	1,825,174	1,796,038	29,136	1.62%

Budget to Budget (Cont.)

	2021-2022 Final	2020-2021 Revised	\$	%
Staff Training	65,500	57,825	7,675	13.27%
Administration (Building & CO)	3,251,638	3,289,808	(38,170)	(1.16)%
Information Technology	673,110	648,685	24,425	3.76%
Operations, Maintenance & Security	5,783,842	5,815,729	(31,887)	(0.55)%
Transportation	3,530,147	3,914,866	(384,719)	(9.83)%
Benefits (Net)	15,882,927	17,020,009	(1,137,082)	(6.68)%
Capital Outlay	<u>2,123,432</u>	<u>1,685,371</u>	<u>438,061</u>	<u>25.99%</u>
Total	\$72,658,823	\$72,447,298	\$211,525	0.29%

Per Pupil Costs

Projected 2021-2022 Total Resident Enrollment	3,934
2021-2022 LTSD Budgetary Per Pupil Cost	\$16,558
\$470 <u>below</u> the 2019-2020 statewide average of \$17,028 (1)	
2021-2022 LTSD Administrative Per Pupil Cost	\$ 1,301
\$942 <u>below</u> the 2021-2022 southern regional limit of \$2,243 (2)	

* Per Pupil costs presented are based on the Tentative Budget. Final Per Pupil costs will be lower.

- 1) Source: 2020 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.
- 2) Source: NJDOE 2020-2021 Budget Guidelines - Southern Region.
- 3)

Property Taxes

Property Taxes

Two Components:

- 1) Operating Budget Component
- 2) Debt Service Budget Component

Property Taxes (cont.)

“School Year” Tax Rate (1)

$$\text{Total Current Taxes (2)} \div \text{Total Current Assessed Valuation} \\ \times 100 \\ = \text{Current Tax Rate}$$

- 1) The “School Year” tax rate is from July 1st through June 30th.
- 2) Total taxes includes the levy on the operating budget + debt service.

Property Taxes (cont.)

Total Taxes to be Raised (Operating Budget)	\$50,966,035
Total Taxes to be Raised (Debt Service Budget)	<u>3,094,913</u>
	\$54,060,948
Divided by Total Current Assessed Valuation	\$3,948,705,270
	.01369
Multiplied by 100 = 2021 School Tax Rate	1.369

Property Taxes (cont.)

Your School Property Taxes

Assessed Value of Your Property

$\div 100$

x Current School Tax Rate

= Your School Property Taxes

School Year Property Taxes

July 2021 – June 2022

Year	Average Home Value *	School Tax Rate *	School Taxes
2021	\$281,265	1.369	\$3,850.52
2020	<u>\$279,403</u>	<u>1.352</u>	<u>\$3,777.53</u>
Change	+\$1,862	+0.017	+\$72.99
	<i>Less than 2 "Tax Pennies"</i>		\$6.08 Per Month

* Source: Municipal Tax Assessor.

Next Steps

- May 8th = Deadline to post User Friendly Budget to the district website.
- May 14th = Deadline for submission of final budget.
- July 1st = The 2021-2022 budget is enacted.
- July 1st = The 2022-2023 budget process begins.

Thank you!