



A B C D E

# 2022-2023 BUDGET

**PUBLIC HEARING**

**MAY 5, 2022**

**LACEY TOWNSHIP  
SCHOOL DISTRICT**

# **Mission Statement**

The mission of the Lacey Township School District is to inspire excellence in each student's educational experience and to instill strong values of pride and tradition.

# **The Board of Education**

Frank Palino, President

Edward Scanlon, Vice President

Linda A. Downing

Donna McAvoy

Harold (Skip) Peters, Jr.

Kim Klaus

Salvatore Armato

# The Issue: State Aid

Amount of Categorical State Aid lost/to be lost under the *Budget Reduction Act* ( S2):

School Year	Amount
2019-2020	623,156
2020-2021	1,310,170
2021-2022	1,345,629
2022-2023	3,251,565
2023-2024	2,021,883
2024-2025	<u>638,489</u>
	<b>\$9,190,892</b>

# Path From Tentative to Final

## *Revenue:*

Local Tax Levy - Restoration of Chapter 44 Reduction	\$447,309
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## *Appropriations:*

### Restoration of Prior Reductions:

Tuition PSD - Restoration	\$310,200
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Employee Health Benefits (Net) - Restoration	82,100
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Instructional Supplies - Restoration	37,509
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Maintenance Supplies - Restoration	14,730
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Staff Training - Restoration	9,500
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### Administrative Restructuring:

Guidance Salaries	(132,359)
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# Path From Tentative to Final (cont.)

Principal Salary	157,928
Business Administrator Office Salaries	(33,759)
Supervisor Salary - Administrative Reorganization	3,312
Operations/Maintenance Repairs/Services - Trash & Recycling	130,000
Security Contracted Services - Class 3 Officer Program	(184,320)
Security Salaries - 2 School Safety Officers	81,498
Tuition - State Facilities	(14,730)
Grades 1-5 - Teacher Extra Comp - Grade Level Coordinators	\$(13,500)
Contracted Professional Services - High School - Alumni Application	<u>(800)</u>
Total Revision to Appropriations	\$447,309

# 2022-2023 Budget

	2022-2023 Final	2021-2022 Revised	\$	%
Operating Budget (1)	\$72,790,700	\$76,028,717	\$(3,238,017)	(4.26)%
Grants and Entitlements (2)	1,764,530	10,347,235	(8,582,705)	(82.95)%
Debt Service (3)	<u>3,573,100</u>	<u>3,650,200</u>	<u>(77,100)</u>	<u>(2.11)%</u>
Total	\$78,128,330	\$90,026,152	\$(11,897,822)	(13.22)%

- 1) Please see “Operating Budget” slides for detailed information related to the net increase.
- 2) Please see “Major Grant Revenue” slides for detailed information related to the net decrease.
- 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 2022-2023	Principal Balance @ 06/30/23
2016	\$16,090,000	3.00%	10 Years	\$1,930,500	\$4,485,000
2016A	<u>11,595,000</u>	3.00%	15 Years	<u>1,642,600</u>	<u>6,615,000</u>
	\$27,685,000			\$3,573,100	\$11,100,000

# Grants Budget

# Grants

	2022-2023 Final	2021-2022 Revised	\$	%
ESEA	\$733,087	\$914,097	\$(181,010)	(19.80)%
IDEA	1,031,443	1,213,462	(182,019)	(15.00)%
ESSER I	0	1,198	(1,198)	(100.00)%
ESSER II	0	2,232,654	(2,232,654)	(100.00)%
ESSER III	0	5,279,883	(5,279,883)	(100.00)%
Local and Other	<u>0</u>	<u>705,941</u>	<u>(705,941)</u>	<u>(100.00)%</u>
Total	\$1,764,530	\$10,347,235	\$(8,582,705)	(82.95)%

Note: The district typical budgets between 85% and 90% of current year revenue for both ESEA and IDEA grants. 100% of ESSER grant revenue is recognized on the 2021-2022 school year. However, a large portion of that grant may be appropriated into the 2022-2023 school year via the encumbrance process.

# **Operating Budget**

**Revenue**

# Operating Revenue

	2022-2023 Final	2021-2022 Revised	\$	%
Property Tax Levy	\$51,985,356	\$50,966,035	\$1,019,321	2.00%
Categorical State Aid	14,439,880	17,691,445	(3,251,565)	(18.38)%
Extraordinary Aid	620,000	550,000	70,000	12.73%
Fund Balance	757,099	873,267	(116,168)	(13.30)%
Withdrawal from Reserves	4,416,810	2,034,000	2,382,810	117.15%
Stabilization Aid	0	1,322,429	(1,322,429)	(100.00)%
Education Rescue Grant	0	1,316,000	(1,316,000)	(100.00)%
Encumbrances	0	731,465	(731,465)	(100.00)%
Miscellaneous	<u>571,555</u>	<u>544,076</u>	<u>27,479</u>	<u>5.05%</u>
Total	\$72,790,700	\$76,028,717	\$(3,238,017)	(4.26)%

# Property Tax Levy

	2022-2023
2021-2022 Operating Budget Property Tax Levy	\$50,966,035
2022-2023 Operating Budget Property Tax Levy:	
Statutory 2.0% Increase	<u>1,019,321</u>
Total for Operating Budget	\$51,985,356
Pct. Increase	2.00%
2022-2023 Debt Service Budget Property Tax Levy	\$3,014,615
Pct. Decrease	(2.59)%
Total 2022-2023 Property Tax Levy	\$54,999,971
Net Pct. Increase	1.74%

# Categorical State Aid

	2022-2023
Special Education Aid	\$2,504,516
Equalization Aid	11,223,051
Security Aid	483,794
Transportation Aid	<u>228,519</u>
Total	\$14,439,880



# Fund Balance

	2022-2023
Budgeted Fund Balance	\$0
Excess Surplus (1)	<u>757,099</u>
Total	\$757,099

- (1) Per the 2020-2021 audit, the district is obligated to use these funds in the 2022-2023 budget on one-time expenditures. The district is purchasing new curriculum in order to remain compliant with the New Jersey Student Learning Standards (NJSLS).

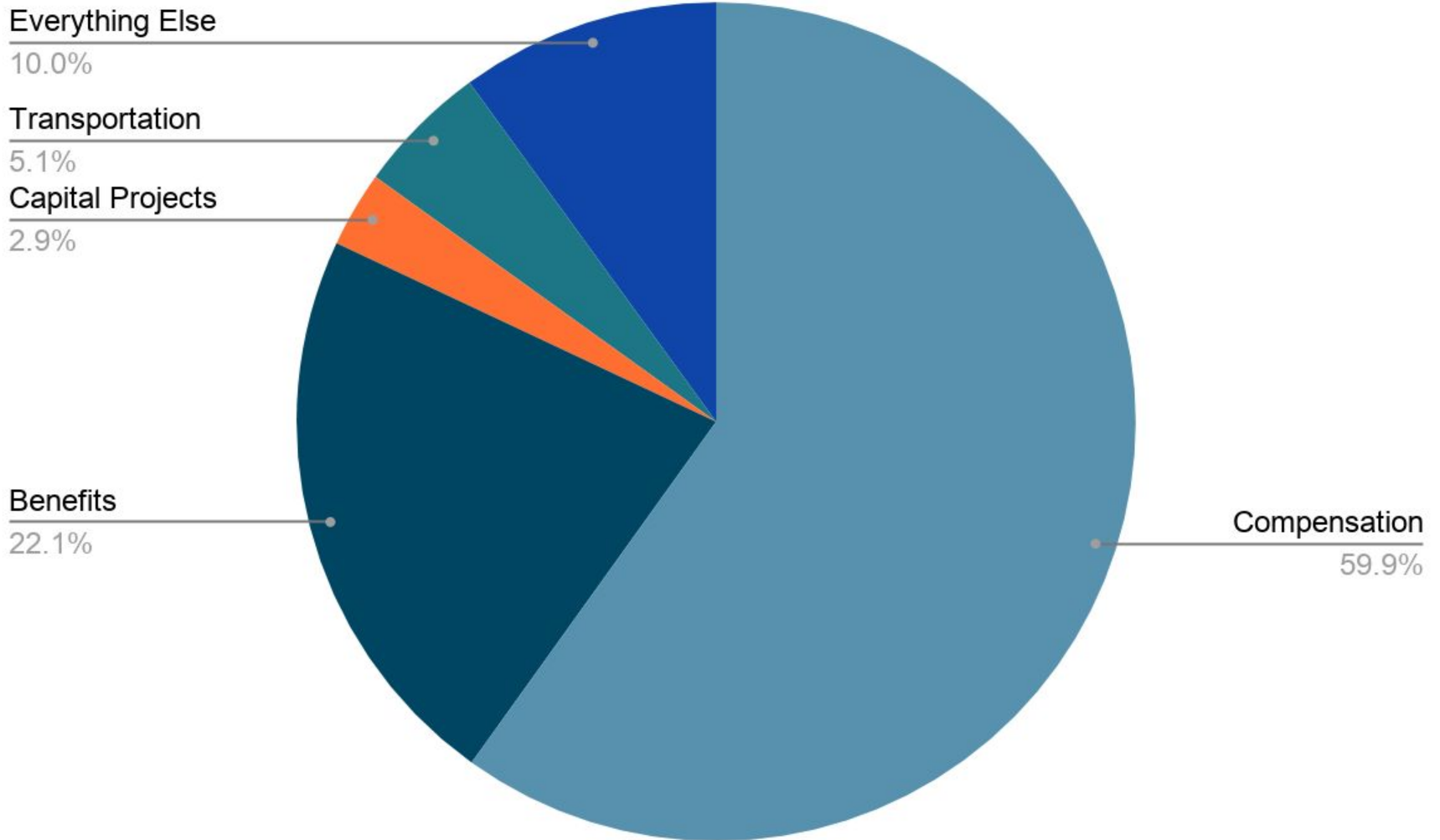
# Withdrawal from Reserves

	2022-2023
Capital Reserve (1)	\$3,766,810
Maintenance Reserve (2)	<u>650,000</u>
Total	\$4,416,810

- (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 public address systems and at all schools, to replace boilers at the Cedar Creek Elementary School and the Middle School, and renovate the STEM lab at the High School.
- (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

	<b>2022-2023 Final</b>	<b>2021-2022 Revised</b>	<b>\$</b>	<b>%</b>
Regular Programs - Instruction	\$20,033,757	\$21,765,738	\$(1,731,981)	(7.96)%
Special Education - Instruction	9,165,802	9,706,007	(540,205)	(5.57)%
Bilingual - Instruction	169,500	199,632	(30,132)	(15.09)%
Co-curricular & Athletics	1,439,813	1,588,930	(149,117)	(9.38)%
Tuition	2,109,479	2,074,086	35,393	1.71%
Attendance & Health	1,054,782	1,133,617	(78,835)	(6.95)%
Related Services & Other Support	1,218,126	1,106,802	111,324	10.06%
Guidance	1,284,935	1,512,219	(227,284)	(15.03)%
Child Study Teams	1,415,190	1,214,448	200,742	16.53%
Other Instruction & Library	1,959,759	1,877,455	82,304	4.38%

# Budget to Budget (Cont.)

	2022-2023 Final	2021-2022 Revised	\$	%
Administration (Building & Central Office)	3,282,529	3,296,892	(14,363)	(0.44)%
Information Technology	658,621	680,110	(21,489)	(3.16)%
Operations, Maintenance & Security	5,706,554	5,983,638	(277,084)	(4.63)%
Transportation	2,976,881	3,666,361	(689,480)	(18.81)%
All Benefits (Net of Staff Contributions)	16,099,231	16,320,653	(221,422)	(1.36)%
Capital Outlay	<u>4,215,741</u>	<u>3,902,129</u>	<u>313,612</u>	<u>8.04%</u>
Total	\$72,790,700	\$76,028,717	\$(3,238,017)	(4.26)%

# Per Pupil Costs \*

Projected 2022-2023 Total Resident Enrollment	3,735
2022-2023 LTSD Total Budgetary Per Pupil Cost	\$17,117
<b>\$1,678 <u>below</u> the 2020-2021 statewide median of \$18,795 (1)</b>	
2022-2023 LTSD Administrative Per Pupil Cost	\$ 1,371
<b>\$928 <u>below</u> the 2022-2023 southern regional limit of \$2,299 (2)</b>	

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

- 1) Source: 2021 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.
- 2) Source: NJDOE 2022-2023 Budget Guidelines - Southern Region.

# Property Taxes



# Property Taxes

Two Components:

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

# Property Taxes (cont.)

## “School Year” Tax Rate (1)

$$\begin{aligned} & \text{Total Current Taxes (2)} \div \text{Total Current Assessed} \\ & \quad \text{Valuation} \\ & \quad \times 100 \\ & = \text{Current Tax Rate} \end{aligned}$$

- 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)	\$51,985,356
Total Taxes to be Raised (Debt Service Budget)	<u>3,014,615</u>
	\$54,999,971

Divided by Total Current Assessed Valuation \$3,948,705,270

.01382

Multiplied by 100 = 2022 School Tax Rate 1.382

# Property Taxes (cont.)

## *Your School Property Taxes*

Assessed Value of Your Property

÷ 100

x Current School Tax Rate

= Your School Property Taxes

# School Year Property Taxes

*July 2022 – June 2023*

Year	Average Home Value *	School Tax Rate *	School Taxes
2022	\$283,417	1.382	\$3,916.82
2021	<u>\$281,265</u>	<u>1.369</u>	<u>\$3,850.52</u>
Change	+\$2,152	+0.013	+\$66.30
	<i>Less than 2 "Tax Pennies"</i>		<b>\$5.52</b> <b>Per Month</b>

\* Source: Municipal Tax Assessor.

# Next Steps

- May 8th = Statutory deadline to post User Friendly Budget to the district website.
- May 14th = Statutory deadline for submission of final budget.
- July 1st = The 2022-2023 budget is enacted.
- July 1st = The 2023-2024 budget process begins.

**Thank you!**