



**LACEY TOWNSHIP SCHOOL DISTRICT
2023-2024 BUDGET
PUBLIC HEARING
MAY 4, 2023**



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

Linda A. Downing, President

Harold (Skip) Peters, Jr., Vice President

Frank Palino

Kim Klaus

Salvatore Armato

Jack Conaty

Cheryl Armato

The Issue: State Aid

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

School Year	Amount
2018-2019	586,536
2019-2020	623,156
2020-2021	1,310,170
2021-2022	1,345,629
2022-2023	3,251,565
2023-2024	1,349,457
2024-2025	<u>2,000,000</u>
	\$10,466,513

Path From Tentative to Final

Revenue:

Local Tax Levy - Health Benefit Waiver	\$167,866
Restoration of 66% of State Aid	2,619,533
Allocation of free balance	795,286
Donation from LMUA	<u>456,000</u>
Total New Revenue	\$4,038,685

Appropriations:

Restoration of Prior Reductions:

6 Health Aides to Full-Time - Restoration	\$69,482
34 Paraprofessionals to Full-Time - Restoration	362,503
12 Paraprofessionals to Replace Retirements/Resignations	248,772
Child Study Team Salary - Restoration	79,570

Path From Tentative to Final (cont.)

34 Certificated Positions - Restoration	2,161,461
Reduction to Guidance 1 FTE	(67,651)
Resignation Breakage - Bus Driver	(2,838)
Bus Lease Payments - Restoration	201,595
Employee Health Benefits (Net) - Restoration	1,064,424
Instructional Supplies/Contracted Services - efficiencies	(118,869)
GCN Training increase in pricing	280
Professional Development Reduction	(37,150)
New Out of District Tuition	<u>77,106</u>
Total Revision to Appropriations	\$4,038,685

2023-2024 Budget

	2023-2024 Final	2022-2023 Revised	\$	%
Operating Budget (1)	\$70,708,158	\$75,362,869	\$(4,654,711)	(6.17)%
Grants and Entitlements (2)	2,122,721	7,523,899	(5,401,178)	(71.79)%
Debt Service (3)	<u>3,388,850</u>	<u>3,573,100</u>	<u>(184,250)</u>	<u>(5.16)%</u>
Total	\$76,218,729	\$86,459,868	\$(10,240,139)	(11.84)%

- 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 2023-2024	Principal Balance @ 06/30/24
2016	\$16,090,000	3.00%	10 Years	\$1,739,250	\$2,970,000
2016A	<u>11,595,000</u>	3.00%	15 Years	<u>1,649,600</u>	<u>5,230,000</u>
	\$27,685,000			\$3,388,850	\$8,200,000

Grants Budget

Grants

	2023-2024 Final	2022-2023 Revised	\$	%
ESEA	\$806,095	\$1,069,315	\$(263,220)	(24.62)%
IDEA	950,000	1,076,569	(126,569)	(11.76)%
ESSER I	0	0	0	0%
ESSER II	0	582,432	(582,432)	(100.00)%
ESSER III	0	4,246,290	(4,246,290)	(100.00)%
Local and Other	<u>366,626</u>	<u>549,293</u>	<u>(182,667)</u>	<u>(33.25)%</u>
Total	\$2,122,721	\$7,523,899	\$(5,401,178)	(71.79)%

Note: The district typical budgets between 85% and 90% of current year revenue for both ESEA and IDEA grants. The rollover portion of ESSER grant revenue is recognized on the 2022-2023 school year. However, a portion of that grant will be appropriated into the 2023-2024 school year via the encumbrance process.

Operating Budget

Revenue

Operating Revenue

	2023-2024 Final	2022-2023 Revised	\$	%
Property Tax Levy	\$53,192,929	\$51,985,356	\$1,207,573	2.32%
Categorical State Aid	10,470,890	14,239,880	(3,768,990)	(26.48)%
Extraordinary Aid	635,482	620,000	15,482	2.50%
Fund Balance	1,440,868	757,099	(683,769)	(90.31)%
Withdrawal from Reserves	1,313,401	4,416,810	(3,103,409)	(70.26)%
Stabilization Aid	2,619,533	200,000	2,419,533	1209.77%
Encumbrances	0	2,532,240	(2,532,240)	(100.00)%
Miscellaneous	<u>1,035,055</u>	<u>611,484</u>	<u>423,571</u>	<u>69.27%</u>
Total	\$70,708,158	\$75,362,869	\$(4,654,711)	(6.18)%

Property Tax Levy

	2023-2024
2022-2023 Operating Budget Property Tax Levy	\$51,985,356
2023-2024 Operating Budget Property Tax Levy:	
Statutory 2.0% Increase	<u>1,039,707</u>
Total for Operating Budget	\$53,025,063
Increase for Health Benefit Waiver	<u>167,866</u>
New Total for Operating Budget	\$53,192,929
Pct. Increase	2.32%
2023-2024 Debt Service Budget Property Tax Levy	\$2,827,986
Pct. Decrease	(6.19)%
Total 2023-2024 Property Tax Levy	\$56,020,915
Net Pct. Increase	1.86%

Categorical State Aid

	2023-2024
Special Education Aid	\$2,504,516
Equalization Aid	7,254,061
Security Aid	483,794
Transportation Aid	<u>228,519</u>
Total	\$10,470,890

Fund Balance

	2023-2024
Budgeted Fund Balance	\$795,286
Excess Surplus (1)	<u>645,582</u>
Total	\$1,440,868

- (1) Per the 2021-2022 audit, the district is obligated to use these funds in the 2023-2024 budget on one-time expenditures. The district is purchasing new curriculum in order to remain compliant with the New Jersey Student Learning Standards (NJSLS).

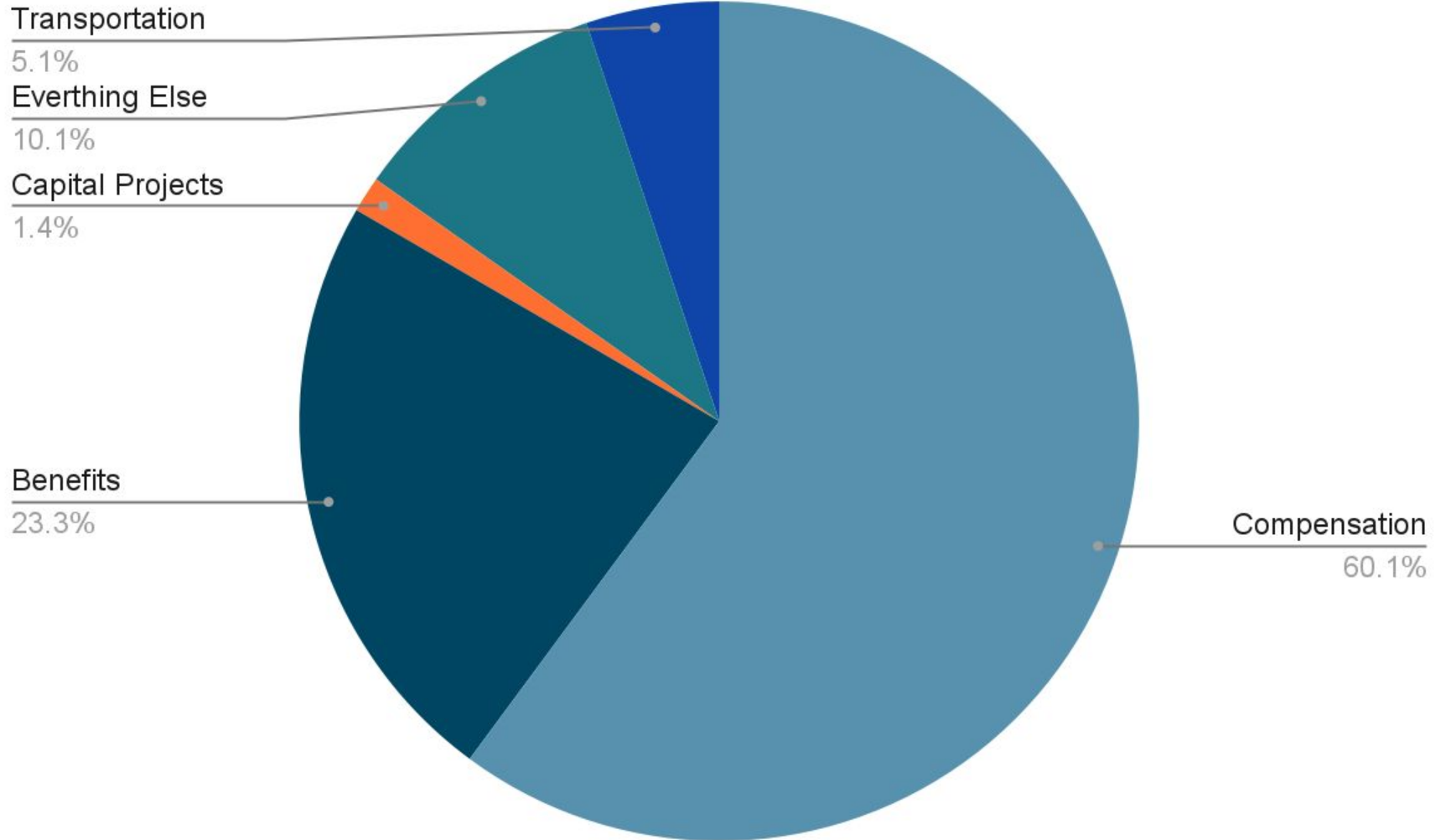
Withdrawal from Reserves

	2023-2024
Capital Reserve (1)	\$813,401
Maintenance Reserve (2)	<u>500,000</u>
Total	\$1,313,401

- (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 renovate the STEM classroom and replace an HVAC unit 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

	2023-2024 Final	2022-2023 Revised	\$	%
Regular Programs - Instruction	\$18,830,822	\$19,619,366	\$(1,731,981)	(7.96)%
Special Education - Instruction	9,652,198	9,581,484	(540,205)	(5.57)%
Bilingual - Instruction	195,050	183,781	(30,132)	(15.09)%
Co-curricular & Athletics	1,389,585	1,465,817	(149,117)	(9.38)%
Tuition	2,190,335	2,131,260	35,393	1.71%
Attendance & Health	1,065,969	1,070,343	(78,835)	(6.95)%
Related Services & Other Support	1,310,735	1,239,739	111,324	10.06%
Guidance	1,527,815	1,565,102	(227,284)	(15.03)%
Child Study Teams	1,505,048	1,452,810	200,742	16.53%
Other Instruction & Library	2,016,039	1,906,221	82,304	4.38%

Budget to Budget (cont.)

	2023-2024 Final	2022-2023 Revised	\$	%
Administration (Building & Central Office)	3,407,861	3,472,258	(14,363)	(0.44)%
Information Technology	702,344	664,179	(21,489)	(3.16)%
Operations, Maintenance & Security	5,865,930	5,524,462	(277,084)	(4.63)%
Transportation	3,629,262	2,985,451	(689,480)	(18.81)%
All Benefits (Net of Staff Contributions)	16,444,412	16,117,693	(221,422)	(1.36)%
Capital Outlay	<u>974,753</u>	<u>6,385,903</u>	<u>313,612</u>	<u>8.04%</u>
Total	\$70,708,158	\$75,365,869	\$(3,238,017)	(4.26)%

Per Pupil Costs

Projected 2023-2024 Total Resident Enrollment 3,840

2023-2024 LTSD Budgetary Per Pupil Cost \$15,771

\$2,062 below the 2021-2022 statewide median of \$17,833 (1)

2023-2024 LTSD Administrative Per Pupil Cost \$ 1,398

\$1,036 below the 2022-2023 southern region limit of \$2,434 (2)

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

1) Source: 2022 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.

2) Source: NJDOE 2023-2024 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)

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

- 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)	\$53,192,929
Total Taxes to be Raised (Debt Service Budget)	<u>2,827,986</u>
	\$56,020,915
Divided by Total Current Assessed Valuation(1)	\$4,007,466,300
	.01398
Multiplied by 100 = 2023 School Tax Rate	1.398

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 2022 – June 2023

Year	Average Home Value *	School Tax Rate *	School Taxes
2023	\$285,601	1.398	\$3,992.70
2022	<u>\$283,417</u>	<u>1.382</u>	<u>\$3,916.82</u>
Change	+\$2,152	+0.016	+\$75.88
<i>Less than 2 "Tax Pennies"</i>			\$6.32 Per Month

* Source: Municipal Tax Assessor.

Next Steps

- May 6th = Statutory deadline to post User Friendly Budget to the district website.
- May 13th = Statutory deadline for submission of final budget.
- July 1st = The 2023-2024 budget is enacted.
- July 1st = The 2024-2025 budget process begins.

Thank you!



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