

Lacey Township School District

Tentative Budget

2025 - 2026



March 18, 2025

Impact of State Aid Cuts

| STATE AID CUTS |
|--------------------------------|
| 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 = \$3,968,990 |
| 2024-2025 = \$3,205,902 |
| TOTAL LOSS=\$14,291,948 |

The maximum increase in the tax levy is 2%

To put this into perspective:

- Yearly State aid reductions were more than triple the amount of the taxes able to be raised by the levy.
- We endured a 66% reduction in aid while enrollment only went down by 10%.

AND there is still a need to address the following issues:

- Contractual responsibilities rise above 2% in many areas
- Higher utility prices
- Increased insurance premiums
- Tuition increases outside of our local control
- Transportation cost increases
- Inflation - rising costs for just about everything

2025-2026 Tentative Budget

| | 2025-2026 Tentative | 2024-2025 Revised | \$ | % |
|-----------------------------|--------------------------------|------------------------------|------------------|-----------------|
| Operating Budget | \$76,114,334 | \$71,904,425 | \$4,209,909 | 5.85% |
| Grants and Entitlements (1) | 9,078,347 | 7,890,857 | 1,187,490 | 15.05% |
| Debt Service (2) | <u>2,349,850</u> | <u>3,302,700</u> | <u>(952,850)</u> | <u>(28.85)%</u> |
| Total | \$87,542,531 | \$83,097,982 | \$4,444,549 | 5.35% |

- 1) Please see “Major Grant Revenue” slides for detailed information related to the net decrease.
- 2) The annual repayment of the district’s outstanding debt continues to decrease over time.

Property Tax Levy

| | 2025-2026 Tentative |
|--|------------------------|
| <i>2024-2025 Operating Budget Property Tax Levy</i> | \$58,459,029 |
| Statutory 2.0% Increase | <u>\$1,169,181</u> |
| 2025-2026 Operating Budget Property Tax Levy | \$59,628,210 |
| Actual Pct. Increase on Preadjusted 2024-2025 Levy | 2.00% |
| <i>2025-2026 Debt Service Budget Property Tax Levy</i> | <u>\$2,073,905</u> |
| Pct. Decrease | -24.36% |
| <i>Health Waiver</i> | <u>\$1,428,884</u> |
| Additional Pct. Increase on Adjusted 2025-2026 Levy | 1.15% |
| <i>Total 2025-2026 Property Tax Levy</i> | \$63,130,999 |
| Net Pct. Increase | 3.15% |

Revenue

Total Revenues

| | 2025-2026 Tentative | 2024-2025 Revised | \$ | % |
|-----------------------------|------------------------|----------------------|------------------|-----------------|
| Property Tax Levy | \$63,130,999 | \$61,201,002 | \$1,929,997 | 3.15% |
| Categorical State Aid | 7,700,886 | 7,264,988 | 435,898 | 6% |
| Extraordinary Aid | 803,502 | 754,637 | 48,868 | 6.48% |
| Fund Balance/Excess Surplus | 0 | 2,150,715 | (2,150,715) | (100.00)% |
| Adjustment Aid | 0 | 1,442,656 | (1,442,646) | (100.00)% |
| Encumbrances | 0 | 585,677 | (585,677) | (100.00)% |
| Land Sale/Deficit | 6,186,882 | 0 | 6,186,882 | 100.00% |
| Miscellaneous | 365,970 | 1,246,723 | (880,753) | (70.65)% |
| Grants/Entitlements | 9,078,347 | 7,890,857 | 1,187,490 | 15.05% |
| Debt Service State Aid | <u>275,945</u> | <u>560,727</u> | <u>(284,782)</u> | <u>(50.79)%</u> |
| Total | \$87,542,531 | \$83,097,982 | \$4,444,549 | 5.35% |

Appropriations

Appropriations

| | |
|---|--------------|
| Salaries | \$50,768,164 |
| Benefits(up 18%) | \$15,786,942 |
| Natural Gas(up 25%) and Electric(up 25%) | \$ 949,200 |
| Property and Casualty Insurance(up 25%) | \$ 1,782,020 |
| Out of District Tuition | \$ 2,264,161 |
| Athletics and Co-Curricular | \$ 334,725 |
| Transportation | \$ 1,475,552 |
| Everything Else(Supplies, Technology, Etc.) | \$ 2,753,570 |

Reductions

Reductions

| Reductions | \$ |
|--|-----------|
| ● 3 Certificated Positions | \$286,217 |
| ● 3 Full-time Paraprofessional Positions | \$81,524 |
| ● 1 Custodian | \$27,889 |
| ● Move 8 Duty/Lunch Aides to Cafeteria Fund | \$81,880 |
| ● Technology Reductions(Laptop & Classroom Display Replacements) | \$538,000 |
| ● Supplies | \$140,418 |
| ● Services | \$18,450 |

Budgetary Per Pupil Costs

2025-2026 LTSD Budgetary Per Pupil Cost \$18,407

\$1,747 below the 2023-2024 statewide average of \$20,154 (1)

Lacey Township School District is the 8th lowest in budgetary per pupil amongst districts our size(96) and 77th lowest in the State of New Jersey per the 2024 TGES.

1. Source: 2024 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.
2. Source: NJDOE 2025-2026 Budget Guidelines - Southern Region.

Administrative Per Pupil Costs

2025-2026 LTSD Administrative Per Pupil Cost \$ 1,480
\$1,197 below the 2025-2026 southern region limit of \$2,677 (2)

Lacey Township School District is the 6th lowest in administrative costs per pupil amongst districts of our size(96) and 13th lowest amongst all 656 districts in the State of New Jersey per the 2024 TGES.

1. Source: 2024 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.
2. Source: NJDOE 2025-2026 Budget Guidelines - Southern Region.

Student to Teacher District Ratio

Lacey Township School District has one of the highest student to teacher district ratios in Ocean County at 13:1

The Impact of State Aid Cuts

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| TOTAL LOSS=\$14,291,948 |

Next Steps

- March 19th = Deadline for submission of tentative budget to the Executive County Superintendent.
- Continue to explore opportunities to increase revenue.
- Continue to explore opportunities to decrease appropriations.
- April 29th = Public hearing on and adoption of final budget.
- May 15th = Deadline for submission of final budget.

Thank You!

**This presentation will be
on our website at
laceyschools.org**