

SUBJECT TO APPROVAL
LACEY TOWNSHIP BOARD OF EDUCATION
MINUTES SPECIAL MEETING - APRIL 9, 2025

CALL TO ORDER

The Special Meeting of the Lacey Township Board of Education was held on April 9, 2025 in the Lacey Township High School Lecture Hall. The meeting was called to order by Board President Kim Klaus at 6:00 p.m.

PLEDGE OF ALLEGIANCE

Mrs. Klaus led all present in the Pledge of Allegiance.

STATEMENT OF ADEQUATE NOTICE

Adequate notice of this meeting was advertised in the Asbury Park Press on April 8, 2025, and by posting the notice in the Forked River Post Office and the Lanoka Harbor Post Office, and by filing a copy of the notice with the Lacey Township Clerk, as required by the Open Public Meetings Act.

ROLL CALL FOR ATTENDANCE

Members Present: Kim Klaus, President

Jack Conaty, Vice President

Linda A. Walker

Cheryl Armato

Dan Bell

Harold "Skip" Peters, Jr.

Salvatore Armato

Also Present: William W. Zylinski, Acting Superintendent

Sharon Ormsbee, Business Administrator/Board Secretary

Cameron Morgan, Board Attorney

EXECUTIVE SESSION

Be It Resolved, that an executive session be convened for the purpose of discussing:

- Confidential Legal Matters

The subject matter of these discussions will be disclosed to the public when the reason for confidentiality subsides. The length of the executive session is estimated to be approximately thirty (30) minutes after which the Board shall reconvene and proceed with business at 6:30 p.m. Action may be taken.

Motion to enter executive session.

Motion by Mr. Peters, seconded by Mrs. Armato. All were in favor.

The Board entered executive session at 6:01 p.m.

Move to adjourn executive session.

Motion by Mr. Conaty. All were in favor.

Executive session adjourned at 6:35 p.m.

REPORT OF THE SUPERINTENDENT

- The 2025-2026 Tentative Budget was represented by the following:
 - William Zylinski, Acting Superintendent
 - Ms. Sharon Ormsbee, Business Administrator

Mr. Zylinski and Ms. Ormsbee provided detailed information regarding the amended tentative budget. The Amended Tentative Budget presentation will be posted on the District website. Mr. Morgan, Board Attorney, added additional comment regarding the tentative budget.

PUBLIC COMMENT

Public comments included the financial challenges facing the district, emphasizing this is a town-wide issue impacting families, senior citizens on fixed incomes, and high-risk students. They commented on out-of-the-box thinking and teachers' union to go half way with the community. Concerns were raised about program cuts, growing class sizes, contract negotiations, and the loss of extracurriculars, which they said are essential to student development. Misinformation was addressed and emphasized the need for clear communication. Comment urging the community to work together, keep schools strong, and protect both educational quality and community well-being. Fight needs to go to Trenton.

SUPERINTENDENT COMMENT

Mr. Zylinski reiterated the information presented at the meeting and losses will be detrimental to the schools and community.

BOARD COMMENT

Thank you for attending the meeting and the comments. Very difficult budget. In support of the staff and students. Need to let the process play out and taxpayers cannot afford the proposed tax increase. Tax increase is financial punishment, not progress.

RESOLUTION(S)

(A) NEW BUSINESS

Move that the Board approve the following Adoption of Amended Tentative Budget for the 2025-2026 School Year and Application for Submission - Additional Expenditures and Tax Incentive Aid:

Motion by Mr. Armato, seconded by Mr. Conaty. Roll call vote as follows:

Mr. Armato - nay

Mr. Peters - nay

Mr. Bell - nay

Mrs. Armato - nay

Mrs. Walker - nay

Mr. Conaty - nay

Mrs. Klaus - aye

1. ADOPTION OF THE AMENDED TENTATIVE BUDGET FOR 2025-2026 SCHOOL YEAR

MOTION: Application Submission – Additional Expenditures and Tax Incentive Aid

WHEREAS, in the proposed FY2026 State Budget, certain districts have the opportunity to apply to the Commission of Education to increase expenditures, including an allocation of Tax Levy Incentive Aid, in order to satisfy the thoroughness and efficiency standards established pursuant to N.J.S.A. 18A:7F-46, and

WHEREAS, based on the information provided by the New Jersey Department of Education, Lacey Township is below local fair share and spending below adequacy to be eligible to participate in this program, and

WHEREAS, Lacey Township is eligible to increase expenditures by up to \$17,541,395 and qualify for Tax Levy Incentive Aid in the amount of up to \$877,070, and

WHEREAS, Lacey Township is requesting to increase expenditures by \$6,681,867 and qualify for Tax Levy Incentive Aid in the amount of \$334,093, and

WHEREAS, General Fund Expenditure Budget as proposed is \$76,713,370, which is an increase of 6.72% from the prior year budget (10-year average increase is 1.58% when comparing original budgets to original budgets), and

WHEREAS, a large portion of the increases are attributable to projected cost increases in health insurance, transportation, utility costs insurances and special education, etc; and

WHEREAS, the Lacey Township School District is requesting the approval to increase expenditures based on the following reasons to maintain 61 teaching positions and purchase curriculum materials for K-8 English Language Arts and High School Mathematics.

WHEREAS, during the last ten years the Lacey Township School District has utilized all allowable increases under the School Funding Reform Act and S2; and

WHEREAS, Lacey Township School District requires additional funding to satisfy the increased cost and projected expenditures related to health care, insurance, utility, special education and transportation costs; and

WHEREAS, despite the latest Taxpayers' Guide to Education Spending (2024) demonstrating that Lacey Township School District already has one of the lowest comparative cost per pupil in the state for districts with 3500+ students, the district is not seeking an increase in expenditures above the amount already proposed in the submitted 2025-26 tentative budget, but rather the district is seeking a funding solution for the \$6,681,867 necessary to cover those proposed expenditures, which are necessary for a thorough and efficient education, and to qualify for Tax Levy Incentive Aid in the amount of \$334,093, and

WHEREAS, the New Jersey Department of Education is proposing capping state aid losses at 3%, and state aid gains at 6% for the 2025-26 budget cycle, thereby acknowledging the need for 'guardrails' when there are significant changes in state aid allocations from year to year, and such guardrails have been necessary in districts like Lacey Township School District for many years, therefore, if Lacey Township School District's aid losses were capped at 3% annually and applied retroactively beginning with the 2020-21 school year, this would result in a state aid adjustment of \$10,649,520 for the 2025-26 budget cycle (the district is not seeking retroactive funding prior to the 2025-26 budget cycle), which would provide a sustainable funding solution to address the district's projected revenue shortfall for the 2025-26 school year, and

WHEREAS, by approving this resolution, the Board of Education is seeking either the return of \$10,649,520 in state aid with the retroactive application of a 3% annual state aid loss guardrail back to the 2020-21 school year, or a state loan/aid advancement of \$6,681,867, or the authority to increase the tax levy by \$6,681,867, as one of these solutions is necessary for the Chief School Administrator (CSA) to balance the 2025-26 proposed budget and provide a thorough and efficient education, and

WHEREAS, by approving this resolution, the Board of Education is **NOT** authorizing a \$6,681,867 tax increase and will continue to explore and exhaust all opportunities to recover lost state aid, but is simply approving the submission of the application for authorization to do the same and to request Tax Incentive Aid, and

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| Taxes to be Raised | \$67,84 |
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And to advertise said amended tentative budget in the Asbury Park Press and the Beacon newspapers in accordance with the form required by the State Department of Education and according to law; and

BE IT FURTHER RESOLVED, that a public hearing be held in the Lacey Township High School Lecture Hall, Lanoka Harbor, New Jersey on Wednesday, May 7, 2025 at 6:00 p.m. for the purpose of conducting a public hearing on and adopting the budget for the 2025-2026 school year.

THEREFORE, the Lacey Township School District Board of Education is approving the submission of this application to the Commissioner of Education.

Amended Tentative Budget for 2025-2026 School Year

Move that the Board adopt the amended tentative budget for the 2025-2026 school year.

BE IT RESOLVED that the amended tentative budget for the 2025-2026 school year be approved using the 2025-2026 state aid figures, and that the School Business Administrator/Board Secretary be authorized to submit the following amended tentative budget to the Ocean County Executive County Superintendent of Schools for approval in accordance with the statutory deadline:

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| Total Expenditures |
| Less: Anticipated Revenues |

Travel and Related Expense Reimbursement

WHEREAS, the Lacey Township Board of Education recognizes school staff and Board members will incur travel expenses related to and within the scope of their current responsibilities and for travel that promotes the delivery of instruction or furthers the efficient operation of the school district; and

WHEREAS, N.J.A.C. 6A:23A-7.3 et seq. requires Board members to receive approval of these expenses by a majority of the full voting membership of the Board and staff members to receive prior approval of these expenses by the Superintendent of Schools

and a majority of the full voting membership of the Board; and

WHEREAS, the Lacey Township Board of Education established \$92,350 as the maximum travel amount for the current school year and has expended \$49,247 as of this date; now

THEREFORE, BE IT
RESOLVED, the Board of Education approves travel and related expense reimbursements in accordance with N.J.A.C. 6A:23A-7.3, to a maximum

Lacey Township School District Board of Education
Minutes Special Meeting - April 9, 2025

Adjustment to Health Care Costs

BE IT RESOLVED, that the Lacey Township Board of Education includes in the final budget the adjustment for increased costs of health benefits in the amount of \$1,428,884. The additional funds will be used to pay for the additional increases in health benefit premiums.

Use of Banked Cap

BE IT RESOLVED that the Lacey Township Board of Education includes in the proposed budget the adjustment for banked cap in accordance with N.J.A.C. 6A:23A-10.1(b). The district has fully exhausted all eligible statutory spending authority and must increase the base budget in the amount of \$104,051 for the purpose of maintaining 1 teacher. The district intends to complete said purposes by June 2026.

ADJOURNMENT

Move to adjourn the Special Meeting.

Motion by Mr. Conaty, seconded by Mr. Peters. All in favor.

The Special Meeting adjourned at 8:01 p.m



Respectfully submitted,

Sharon Ormsbee
Business Administrator/Board Secretary