

The 2019-2020 Budget

Lacey Township School District



Public Hearing
May 6, 2019

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

Shawn J. Giordano, President

Nicholas Mirandi, Vice President

Linda A. Downing

Tom DeBlass

Robert C. Riggs

Regina Discenza

Frank Horvath

Path From Tentative to Final

Addition of Boiler Replacement Project at Mill Pond Elementary *	\$775,000
Addition of Track Replacement Project at High School *	546,000
Restoration of Benefits for Paraprofessionals	407,581
Creation of Part Time Paraprofessional Positions	88,292
Elimination of 4.5 Teacher Positions	(186,800)
Elimination of 1 Custodial Position	(40,198)
Elimination of Benefits for Eliminated Positions	(102,971)
Elimination of 4th Class 3 Officer	(39,500)
Further Reductions in Curriculum and Prof. Development	(93,404)
Elimination of Assistant Coaching Positions and Supplies	<u>(33,000)</u>
Net Increase/(Decrease)	\$1,321,000

* Funding for these projects is provided by the Capital Reserve Fund - NOT the Operating Budget.

2019-2020 Budget

	2019-2020 Proposed	2018-2019 Revised	\$	%
Operating Budget	\$71,790,006	\$72,054,484	\$(264,478)	(0.37)%
Grants and Entitlements	1,595,823	2,105,828	(510,005)	(24.22)%
Debt Service	<u>3,764,150</u>	<u>3,830,575</u>	<u>(66,425)</u>	<u>(1.73)%</u>
Total	\$77,149,979	\$77,990,887	\$(840,908)	(1.08)%

Debt Service

Issue	Original Principal	Interest Rate	Term	P&I FY20 (1)	Principal Balance @ 06/30/20
2016A	\$11,595,000	3.00%	15 Years	\$1,563,550	\$10,425,000
2016	<u>16,090,000</u>	3.00%	10 Years	<u>2,200,600</u>	<u>9,380,000</u>
	\$27,685,000			\$3,764,150	\$19,805,000

- 1) Debt service for 2020-2021 will equal \$3,733,800 which is \$30,350 or 0.81% less than the total debt service for 2019-2020.

Grants and Entitlements

	2019-2020 Proposed	2018-2019 Revised	\$	%
ESSA (1)	\$ 731,996	\$ 909,455	\$(177,459)	(19.51)%
IDEA	863,827	1,016,266	(152,439)	(15.00)%
Other (2)	<u>0</u>	<u>180,107</u>	<u>(180,107)</u>	(100.00)%
Total	\$ 1,595,823	\$ 2,105,828	\$(510,005)	(24.22)%

1) The 2018-2019 amount includes \$41,978 for Title IV, which is not budgeted for in 2019-2020.

2) Local grants received in 2018-2019 are unable to be budgeted at this point for 2019-2020.

Operating Budget - Revenue

	2019-2020 Proposed	2018-2019 Revised	\$	%
Local Tax Levy (1)	\$48,322,737	\$47,375,232	\$947,505	2.00%
State Aid (2)	20,922,244	21,420,400	(498,156)	(2.33)%
Fund Balance (3)	768,286	1,325,791	(557,505)	(42.05)%
Capital & Maint. Reserve (4)	1,321,000	831,257	489,743	58.9%
Encumbrances	0	693,620	(693,620)	(100.00)%
Miscellaneous (5)	<u>455,739</u>	<u>408,184</u>	<u>47,555</u>	<u>11.65%</u>
Total	\$71,790,006	\$72,054,484	\$(264,478)	(0.37)%

1) The loss of state aid has continued to put pressure on the district to build a budget which is thorough and efficient for students and staff. As a result, in addition to increasing the property tax levy by 2.00%, the Board will also use \$511,753 of fund balance. See #3 below.

2) The \$498,156 decrease in overall state aid is the result of a decrease in categorical state aid of \$623,156, offset by a \$125,000 increase in extraordinary aid.

3) The \$768,286 of fund balance budgeted for FY20 is the combination of audited excess surplus from FY18 of \$256,533 and \$511,753 of anticipated excess surplus from the FY19 school year.

4) The Board authorized submission to the DOE of a \$775,000 project to replace boilers at the Mill Pond Elementary School, as well as a \$546,000 project to replace the track at the High School. Both projects qualify as health and safety projects.

5) Miscellaneous revenue includes; the sale of SRECs, Use of Facilities fees, etc.

Appropriations

	2019-2020 Proposed	2018-2019 Revised	\$	%
Regular Programs - Instruction	\$ 20,557,958	\$ 20,232,735	\$ 325,223	1.61%
Special Education - Instruction	7,738,595	7,018,470	720,125	10.26%
Bilingual - Instruction	194,066	149,041	45,025	30.21%
Co-curricular & After School	1,585,236	1,507,077	78,189	5.19%
Tuition	2,047,643	2,355,370	(307,727)	(13.06)%
Attendance & Health	974,912	933,398	41,514	4.45%
Related Services	730,306	803,630	(73,324)	(9.12)%
Guidance	1,385,845	1,232,755	153,090	12.42%
Child Study Team & ESY	1,421,561	1,380,410	41,151	2.98%
Other Instruction & Library	1,896,040	1,838,276	57,764	3.14%

Appropriations

	2019-2020 Proposed	2018-2019 Revised	\$	%
Staff Training	54,000	73,246	(19,246)	(26.28)%
Administration (Building & CO)	3,241,059	3,206,408	34,651	1.08%
Information Technology	643,043	723,204	(80,161)	(11.08)%
Operations, Maint. & Security	5,446,155	5,445,805	350	.01%
Transportation	3,738,676	3,607,827	130,849	3.63%
Benefits (Net)	18,465,288	19,337,183	(871,895)	(4.51)%
Capital Outlay	<u>1,669,623</u>	<u>2,209,649</u>	<u>(540,026)</u>	<u>(24.44)%</u>
Total	\$ 71,790,006	\$72,054,484	\$(264,478)	(0.37)%

Per Pupil Cost

Projected FY20 Enrollment 3,968

FY20 LTSD Budgetary Per Pupil Cost \$16,291

\$509 above the FY18 state average of \$15,782 (1)

FY20 LTSD Administrative Per Pupil Cost \$ 1,315

\$820 below the regional limit of \$2,135 (2)

1) Source: 2018 Taxpayers Guide to Education Spending for K-12 districts – Indicator #1.

2) Source: NJDOE 2019-2020 Budget Guidelines.

Property Taxes

“School Year” Tax Rate (1)

Total Current Taxes (1) \div Total Current Assessed Valuation (2)

X 100

= Current Tax Rate

Lacey Township

$$\$51,555,279 / \$3,898,380,413 = .01322$$

$$.01322 \times 100 = 1.322$$

- 1) The “School Year” tax rate is from July through June.
- 2) Total taxes includes the levy on the operating budget + debt service.
- 3) Total preliminary valuation increased over \$44 million from last year.

Property Taxes (cont.)

School Property Taxes

Assessed Value of Property

÷ 100

x Current Tax Rate

= School Property Taxes

School Year Property Taxes

July 2019 – June 2020

Year	Avg. Value *	Tax Rate *	Taxes
2018	\$276,700	1.313	\$3,633.07
2019	<u>\$278,100</u>	<u>1.322</u>	<u>\$3,676.48</u>
Change	+\$1,754	+0.009	+\$43.41 \$3.62 Per Month

Less Than 1 “Tax Penny”

* Source: Municipal Tax Assessor.

Next Steps

- ❑ May 10th = 2019-2020 User Friendly Budget posted on the District Website
- ❑ May 14th = Deadline for submission of 2019-2020 final budget
- ❑ July 1st = The 2019-2020 budget is enacted
- ❑ July 1st = 2020-2021 Budget process formally begins

Thank you!

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