

The 2020-2021 Budget

Lacey Township School District



Public Hearing
Monday, May 4, 2020

The Issue: State Aid

Amount of Categorical State Aid Lost/to be Lost under the Budget Reduction Act and S2:

School Year	Amount
2019-2020	623,156
2020-2021	1,310,170
2021-2022	1,622,901
2022-2023	1,519,825
2023-2024	945,055
2024-2025	<u>298,438</u>
	\$6,319,545

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

Linda A. Downing, President
Robert C. Riggs, Vice President
Regina Discenza
Frank Palino
Donna McAvoy
Harold (Skip) Peters, Jr.
Edward Scanlon

Path From Tentative to Final

Reduction in BOE Meeting Expenses	\$ (6,000)
Reduction in Medical Benefits	(237,034)
Elimination of SAT Boot Camp	(4,500)
Reduction in Instructional Supplies - Classroom Furniture	(34,000)
Reduction in Clubs	(13,032)
Elimination of 1 Assistant Coaching Position	<u>(5,434)</u>
Net Increase/(Decrease)	\$(300,000)

2020-2021 Budget

	2020-2021 Final	2019-2020 Revised	\$	%
Operating Budget (1)	\$72,007,754	\$73,085,259	\$(1,077,505)	(1.47)%
Grants and Entitlements (2)	1,592,846	2,139,066	(546,220)	(25.54)%
Debt Service	<u>3,733,800</u>	<u>3,764,150</u>	<u>(30,350)</u>	<u>(.81)%</u>
Total	\$77,334,400	\$78,988,475	\$(1,654,075)	(2.09)%

Operating Budget

Revenue

Operating Revenue

	2020-2021 Tentative	2019-2020 Revised	\$	%
Property Tax Levy	\$49,672,583	\$48,322,737	\$1,349,846	2.79%
Categorical State Aid	19,037,074	20,347,244	(1,310,170)	(6.44)%
Extraordinary Aid	500,000	575,000	(75,000)	(13.04)%
Fund Balance	661,698	768,286	(106,588)	(13.87)%
Withdrawal from Reserves	1,280,000	1,658,382	(378,382)	(22.82)%
Encumbrances	0	957,871	(957,871)	(100.00)%
Miscellaneous	<u>856,399</u>	<u>455,739</u>	<u>400,660</u>	<u>87.91%</u>
Total	\$72,007,754	\$73,085,259	\$(1,077,505)	(1.47)%

Property Tax Levy

	2020-2021 Tentative
2019-2020 Operating Budget Property Tax Levy	\$48,322,737
2020-2021 Operating Budget Property Tax Levy:	
Statutory 2.0% Increase	966,455
Banked Cap	<u>383,391</u>
Total for Operating Budget	\$49,672,583
Pct. Increase	2.79%
2020-2021 Debt Service Budget Property Tax Levy	\$3,181,367
Pct. Decrease	-1.58%
Total 2020-2021 Property Tax Levy	\$52,853,950
Net Pct. Increase	2.52%

Categorical State Aid

	2020-2021 Tentative
Special Education Aid	\$2,504,516
Equalization Aid	15,820,245
Security Aid	483,794
Transportation Aid	<u>228,519</u>
Total	\$19,037,074

Fund Balance

	2020-2021 Tentative
Budgeted Fund Balance (1)	\$0
Excess Surplus (2)	<u>661,698</u>
Total	\$661,698

- (1) As of July 1, 2019, the district's undesignated fund balance is below the 2% permitted by law.
- (2) Per the 2018-2019 audit, the district is obligated to use these funds in the 2020-2021 budget on one-time expenditures. The district is purchasing new curriculum in order to remain compliant with the New Jersey Student Learning Standards (NJSL).

Withdrawal from Reserves

	2020-2021 Tentative
Capital Reserve (1)	\$980,000
Maintenance Reserve (2)	<u>300,000</u>
Total	\$1,280,000

- (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 original boilers at the High School, as well as to replace public address systems at all schools.
- (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

Budget to Budget

	2020-2021 Tentative	2019-2020 Revised	\$	%
Regular Programs - Instruction	\$20,915,019	\$20,569,403	\$345,616	1.68%
Special Education - Instruction	8,336,095	8,260,875	75,220	0.91%
Bilingual - Instruction	204,276	195,537	8,739	4.47%
Co-curricular & Athletics	1,551,458	1,589,933	(38,475)	(2.42)%
Tuition	2,495,180	2,076,868	418,312	20.14%
Attendance & Health	973,543	971,226	2,317	0.24%
Related Services & Other Support	1,032,549	942,778	89,771	9.52%
Guidance	1,389,780	1,397,607	(7,827)	(0.56)%
Child Study Teams	1,260,063	1,208,454	51,609	4.27%
Other Instruction & Library	1,781,762	1,878,993	(97,231)	(5.17)%

Budget to Budget (Cont.)

	2020-2021 Tentative	2019-2020 Revised	\$	%
Staff Training	58,750	47,420	11,330	23.89%
Administration (Building & CO)	3,274,703	3,353,450	(78,747)	(2.35)%
Information Technology	644,914	680,905	(35,991)	(5.29)%
Operations, Maintenance & Security	5,746,701	5,511,166	235,535	4.27%
Transportation	3,929,847	3,744,987	184,860	4.94%
Benefits (Net)	17,134,012	17,807,582	(673,570)	(3.78)%
Capital Outlay	<u>1,279,102</u>	<u>2,848,075</u>	<u>(1,568,973)</u>	<u>(55.09)%</u>
Total	\$72,007,754	\$73,085,259	\$(1,077,505)	(1.47)%

Per Pupil Costs *

Projected 2020-2021 Total Resident Enrollment	3,949
2020-2021 LTSD Budgetary Per Pupil Cost	\$16,359
\$9 <u>above</u> the 2018-2019 statewide average of \$16,350 (1)	
2020-2021 LTSD Administrative Per Pupil Cost	\$ 1,320
\$868 <u>below</u> the 2020-2021 southern regional limit of \$2,188 (2)	

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

- 1) Source: 2019 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.
- 2) Source: NJDOE 2020-2021 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)	\$49,672,583
Total Taxes to be Raised (Debt Service Budget)	<u>3,181,367</u>
	\$52,853,950
Divided by Total Current Assessed Valuation	\$3,929,818,965
	.01345
Multiplied by 100 = 2020 School Tax Rate	1.345

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 2020 – June 2021

Year	Average Home Value *	School Tax Rate *	School Taxes
2020	\$279,403	1.345	\$3,757.97
2019	<u>\$278,100</u>	<u>1.322</u>	<u>\$3,676.48</u>
Change	+\$1,303	+0.023	+\$81.49 \$6.79 Per Month

* Source: Municipal Tax Assessor.

Next Steps

- May 6th = Deadline to post User Friendly Budget to the district website.
- May 14th = Deadline for submission of final budget.
- July 1st = The 2020-2021 budget is enacted.
- July 1st = The 2021-2022 budget process begins.

Thank you!