



Township of Lacey

818 W. LACEY ROAD
FORKED RIVER, NJ 08731

(609)693-1100

March 20, 2024

Robert Field
Director of Intergovernmental Affairs
Office of the Governor
PO Box 001
Trenton, NJ 08625

Sent via email: Rob.field@nj.gov

Dear Director Field,

I am writing to express my concern regarding the recent reduction in education funding to the Lacey Township School District. As a member of the community and Mayor of Lacey Township, I have witnessed firsthand the impact that these funding cuts have had on our schools and students.

The Lacey Township School District has a long-standing commitment to providing high-quality education to all students, regardless of their background or circumstances. However, the recent budget cuts have forced the district to make difficult decisions, including layoffs, program cuts, and increased class sizes. These changes have had a detrimental effect on our schools and students' ability to succeed academically and socially.

I urge you to reconsider the decision to reduce education funding to the Lacey Township School District. Investing in education is not just an investment in our children's future but also in the future of our community and state. By providing adequate funding, we can ensure that all students have access to the resources and support they need to succeed.

Thank you for your time and consideration and reviewing the attached letter from our Superintendent outlining the dire financial situation we are in. I look forward to your response and hope that we can work together to ensure that every student in the Lacey Township School District receives the education they deserve.

Sincerely,

Peggy Sue Juliano
Mayor
Township of Lacey

C: Vanessa Pereira, Superintendent Lacey Twp BOE



LACEY TOWNSHIP SCHOOL DISTRICT

A Tradition Of Pride · A Tradition Of Excellence

VANESSA R. PEREIRA, PH.D.
SUPERINTENDENT OF SCHOOLS

March 20, 2024

Honorable Phil Murphy, Governor
State of New Jersey
Office of the Governor
PO Box 001
Trenton, NJ 08625

Dear Governor Murphy:

The Lacey Township occupies about 84 square miles in the southern portion of Ocean County, a few miles west of the Atlantic Coast. It is primarily a residential area with an ample amount of commercial development. In all, Lacey continues to be a desirable place to live due to its still relatively low tax rate, its proximity to the water, and its accessibility to major roadways such as the Garden State Parkway, Route 9, and Route 70, making it convenient for commuters.

Unfortunately, and like all small towns across America, Lacey Township faces its share of challenges. Most prominent among these challenges is the closure of the Oyster Creek Nuclear Power Generating Plant, located in the community. This power plant served the area for almost 50 years, providing much-needed tax revenue. Now that it has closed, township officials are working to lessen the financial impact on the town, as well as on the tax rate.

The Lacey Township School District provides a comprehensive full range of educational services appropriate to grade levels K through 12. Unfortunately, the School Funding Reform Act (S-2) continues to have a negative impact not only on the District. The School Funding Reform Act (S-2) reduced the District's state aid as follows:

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

With the new state aid figure released on February 27, 2024, the District has lost a total of **\$3.2 million** for the coming 2024-2025 school year bringing the total aid lost to over \$13.7 million. This lost aid has already put a strain on the District, which has resulted in a significant reduction in programs and staff. Simply put, the District will not be able to survive with this lost aid.

Since the inception of S-2:

- 102 positions have been reduced.
- Class sizes have increased.
- Athletic programs have been reduced.
- Co-curricular clubs and activities have been reduced.
- Field trips have been eliminated.
- Technology projects have been halted, forcing students to work with outdated hardware and software.
- Infrastructure projects have been halted, impacting aging buildings that require roof replacements and HVAC upgrades.

Cumulative Impact

Based on CPI x GF budget

SCHOOL YEAR	LTSD	A		B		C		A+B+C
	STATE AID	STATE AID REDUCTION	CUMULATIVE AID LOSS	~BUDGET ROLLOVER++	Consumer Price Index	~2% ON TAX LEVY	TOTAL IMPACT	
18-19	\$20,970,400							
19-20	\$20,347,244	(\$623,156)	\$623,156	(\$1,059,736)	1.45%	\$947,505	(\$735,387)	
20-21	\$19,037,074	(\$1,310,170)	\$1,933,326	(\$1,195,774)	1.70%	\$1,349,846	(\$1,156,098)	
21-22	\$17,691,445	(\$1,345,629)	\$3,278,955	(\$1,237,674)	1.69%	\$1,293,452	(\$1,289,851)	
22-23	\$14,439,880	(\$3,251,565)	\$6,530,520	(\$1,439,240)	1.91%	\$1,019,321	(\$3,671,484)	
23-24	\$10,470,890	(\$3,968,990)	\$10,499,510	(\$4,086,378)	5.86%	\$1,207,573	(\$6,847,795)	
24-25				(\$4,132,707)	5.81%	\$1,063,859	(\$6,274,750)	
24-25 are projected numbers based upon the schedule provided by the DOE				CUMULATIVE IMPACT				(\$19,975,365)

Building the 2024-2025 Budget

As we build the 2024-2025 school budget, there are many factors that need to be considered including contractual responsibilities that rise above 2%, increased insurance premiums, tuition increases outside of our local control, transportation cost increases, and inflation and rising costs for just about everything. Even with the reductions outlined below, **our 2024-2025 school budget reflects a \$6.9 million dollar deficit.**

Proposed Reductions

- Teacher reductions, which will drive classes into the upper 30s across all grades.
 - 26 teachers (21 Non-Tenured and 5 Tenured)
- Support Staff reductions, which will alter services that students currently receive, such as one-to-one services for special needs students.
 - 1 Paraprofessional, 1 Guidance Counselor, 5 Duty/Lunch Aides
- Reductions to athletics including all freshman sports.
- Reductions to co-curricular budgets which will reduce the opportunities for students to stay after school.
- Reductions to academic supports for students who need extra help.

- Elimination of educationally valuable field trips.
- Reduction of elective class offerings at the middle and high schools.
- Elimination of courtesy busing.

Recent Challenges

Many of New Jersey's school districts have experienced higher numbers of students with severe mental health concerns. Lacey Township is no different. In fact, this past Fall was particularly challenging as we tragically lost three students in our senior class. Just recently, we lost a fourth student at our middle school. It's difficult to even write this because it is unimaginable to lose one student, let alone four. As you can imagine, this has created a much higher need for counselors, school social workers, and school psychologists. Sadly, we are reducing staff in this area. Our guidance counselors already have a comparatively high student caseload, which will continue to rise precipitously because of the necessary staff reductions due to S-2.

The Lacey Township School District continues to wholeheartedly support - and has long awaited - the construction of a public school funding formula which is fair and equitable for all New Jersey public school districts. We also acknowledge that any formula used to determine school funding must somehow reflect trends in student enrollment. Regardless, we seek restitution of 100% of the \$13.7 million in lost aid for the following reasons:

Formulaic Considerations

Local Fair Share

We object to the concept of *Local Fair Share*, as well as to the seemingly arbitrary manner in which each district's Local Fair Share is determined. It appears as though this metric is a way for the State of New Jersey to assign public school districts a share of its obligation to provide Equalization Aid. We plead with the Governor and the Legislature to find a way to fully meet that obligation.

Adequacy

We also object to the manner in which each district's *Adequacy Budget* is calculated. Specifically, we object to the portion of the calculation related to students with special needs. That calculation determines that 15.9% of a typical district's projected resident enrollment are classified as students with special needs. A district with a classification rate less than 15.9% will benefit from this determination. Unfortunately, the classification rate in our district is 24%. Therefore, we contend that our Adequacy Budget for students with special needs is not adequate. In fact, when incorporated with the other components of the calculation, the revised amount for students with special needs causes our district's total Adequacy Budget to increase. As a result, our district's entitlement to Equalization Aid also increases.

Budgetary Impact

Increasing student achievement remains this district's goal, which all other goals follow. However, the reduction in funding has impeded, and will continue to impede this district from full achievement of that goal. Most of the critical instructional programs to which other districts have easy access are unable to be implemented. Class sizes are increasing at an alarming rate, particularly at the elementary school level. All of this hurts students.

Final Thoughts

Our enrollment has declined incrementally over the past 10 years, and continues to either hold firm or decrease very slowly. However, the issue is that the reduction in state aid is happening at a far faster and more dangerous rate. We cannot properly instruct our students and offer a thorough and efficient education or balance our budget. **The Lacey Township School District will be forced to take a state loan to balance our budget in 2024-2025 and join other districts in Ocean County who have done the same due to these drastic cuts to our children's future.** This path is not the way we should serve our students. This path is not the way we should conduct our schools.

This district continues to do all that is asked of it. We ask the State of New Jersey to do the same. We respectfully request restitution of \$13.7 million.

Thank you for your consideration.

Sincerely,



Vanessa R. Pereira, Ph.D.
Superintendent of Schools



Sharon Ormsbee
School Business Administrator