



Lyndhurst Public Schools

25-26 Budget Presentation

May 6, 2025

Presented by:
Joseph DeCorso, Superintendent
James Hyman, Business Administrator



Overview

- Development of 25/26 Budget
- Six Guiding Principles for the Budget
- Budget Costs/Revenues
- District Cuts Over the Past Two Budget Cycles
- Tax Levy Local Fair Share & Adequacy Defined
- Loss of State Aid
- Tax Levy Incentive Program
- Lyndhurst's Tax Levy Incentive Application
- Consequences of Not Approving Tax Levy Incentive
- Final Words
- Q & A



Six Guiding Principles 2025 – 2026 Budget

- Instruction and Program
- Special Education
- Building/School Goals
- Technology
- Security
- Facilities





2025-2026 Budget Costs/Revenues



Cause/Expense	Approximate Cost
Contractual Increases (salaries)	\$881,000
Health Care	\$809,000
Out of District/Special Education	\$350,000
Energy/Facilities	\$150,000
Insurance Premiums	\$70,000
Loss of State Aide	\$176,871
Other Increases	\$150,000 Payroll Tax Increases
	Total: \$2,586,871

	Approximate Revenue
Maximum Possible Revenue Increase @ 2%	\$893,978
Health Care Adjustment	\$604,992
Total Revenue Increase	\$1,498,970

Cost \$2,586,871 – Revenue \$1,498,970 =
Negative Difference - **\$1,087,901**



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Increases Listed Above - \$2,586,871

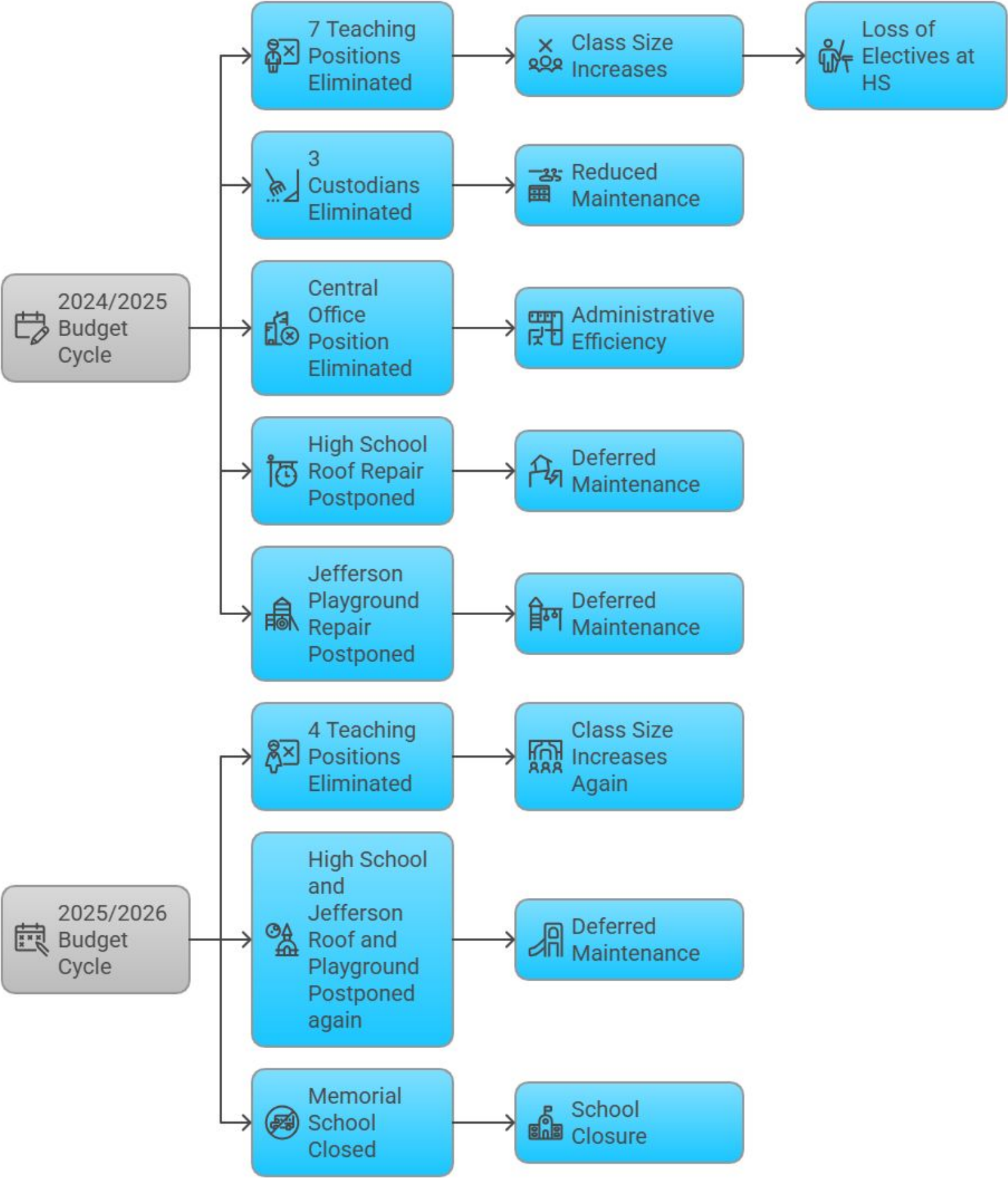
Negative Difference - **\$1,087,901**



What has the district done
to bridge this funding gap?



District Budget Adjustments





What has the district done to bridge this funding gap?



- 2024/2025 Budget Cycle (This school year.)
 - 7 Teaching Positions Eliminated for 24/25. (Class size increases and loss of electives at HS.)
 - 3 Custodians Eliminated for 24/25.
 - Central Office Position Eliminated for 24/25.
 - High School Roof Repair Postponed.
 - Jefferson Playground Repair Postponed.
- 2025/2026 Budget Cycle (Next School year.)
 - 4 Teaching Positions Eliminated for 25/26. (Class size increases again.)
 - High School and Jefferson Roof and Playground Postponed again.
 - Memorial School was closed.



Tax Levy Local Fair Share & Adequacy Defined

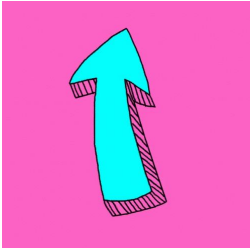
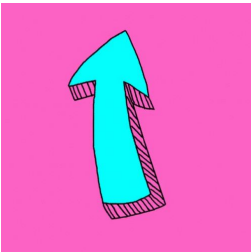
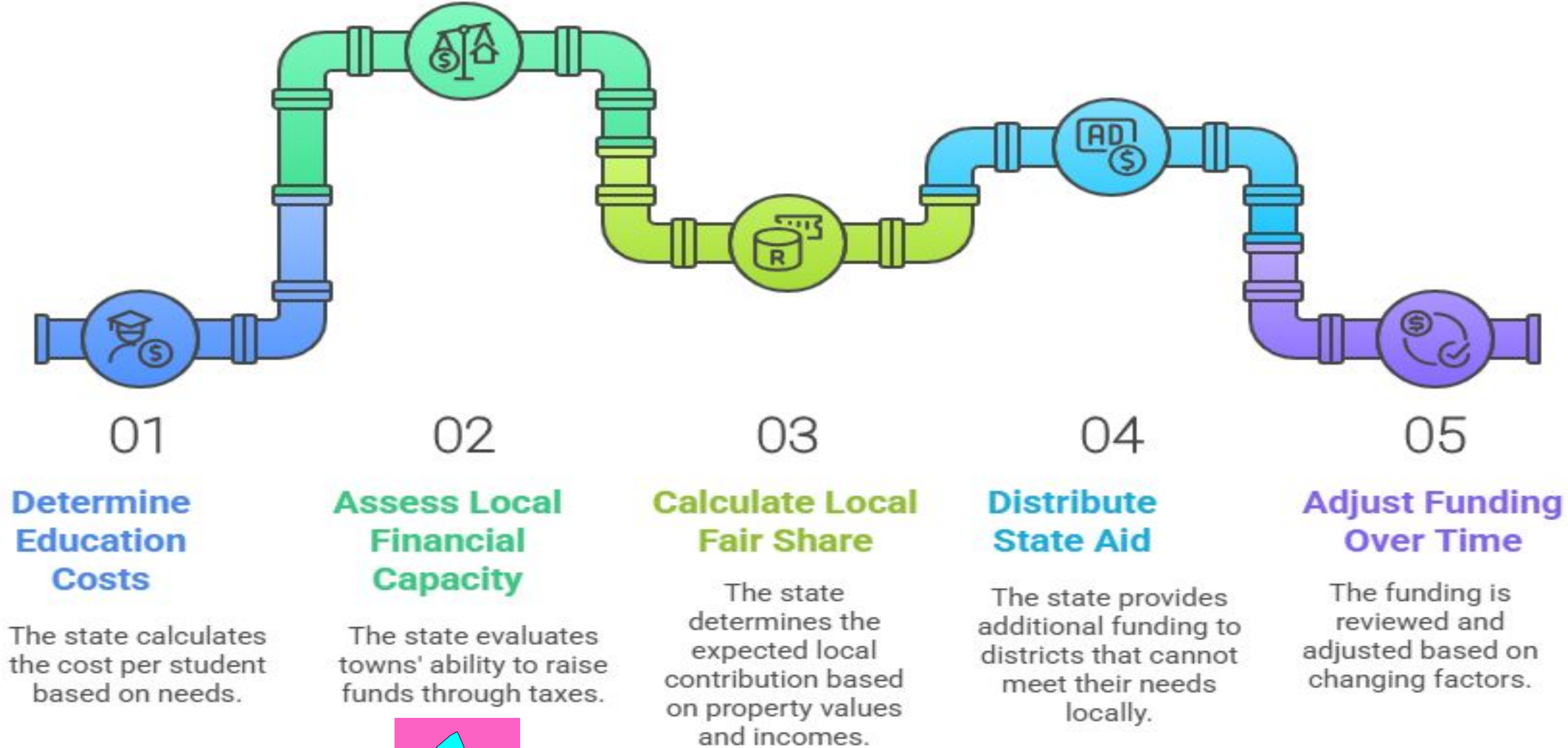


Tax Levy Local Fair Share & Adequacy Defined



- What is local fair share?
 - It is the amount of money a school district is expected to raise locally through property taxes to fund its schools. The state calculates this amount based on a district's capacity to raise funds, which is determined by its property values and the income of its residents. Local Fair Share, along with state aid, is intended to reach the adequacy budget needed for a thorough and efficient education.
- What is adequacy budget?
 - For every school district the state calculates what would be the necessary funding level to provide a "thorough and efficient education" to every pupil in that district. This is what is referred to as the Adequacy Budget. The state then calculates the Local Fair Share; or, what it believes the local taxing authority would be able to raise and earmark for the school district's budget.

New Jersey School Funding Formula



State Worksheet – Spending Below Adequacy

2025-26 School Year

District Name:

Lyndhurst

District Number:

2860

Prebudget Year Tax Levy: 44,698,864 (A-1)

Current Year Local Fair Share: 58,735,782 (A-2)

Levy Under Local Fair Share? Yes (A)

Prebudget Year Adequacy Spending: 50,354,941 (B-1)

Budget Year Adequacy Budget: 63,260,168 (B-2)

Spending Below Adequacy: 12,905,227 (B)

MAX[0, (Item (B-2) minus (B-1))]

New Jersey School Funding Formula



Loss of State Aid

Uncapped Aid [EQA (W) + CAT (B) + CAT (E) + TRN (C)]	\$4,920,363 (A)
Prebudget Year Aid [BUD (A-1) thru (A-4) + BUD (A-7)]	\$5,895,707 (B)
SFRA Aid Change [Item (A) minus (B)]	\$-975,344 (C)

AID REDUCTIONS: If Item (C) < 0

Maximum Aid Reduction [Item (B) times -3%]	\$-176,871 (E-1)
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The State has cut **\$975,344 (C)** from our State Aid. The maximum aid lost was limited (*this year) to 3% for 2025-2026, resulting in a loss of **\$176,871 (E-1)** in State Aid, leaving **\$798,473** that the District will lose in the coming years.



The Bad News....

**The same math that shaped
the 25-26 budget will shape
every budget in the future.**

The budget gap grows each year!



Lyndhurst's
current "local
fair share" is
\$50,354,941

According to
the State,
Lyndhurst's
"local fair
share" should
be
\$63,260,168

FUNDING GAP

How do you make up a \$12,905,227
gap in a year?

You CANNOT!





Tax Levy Incentive Program



STATE OF NEW JERSEY DEPARTMENT OF EDUCATION

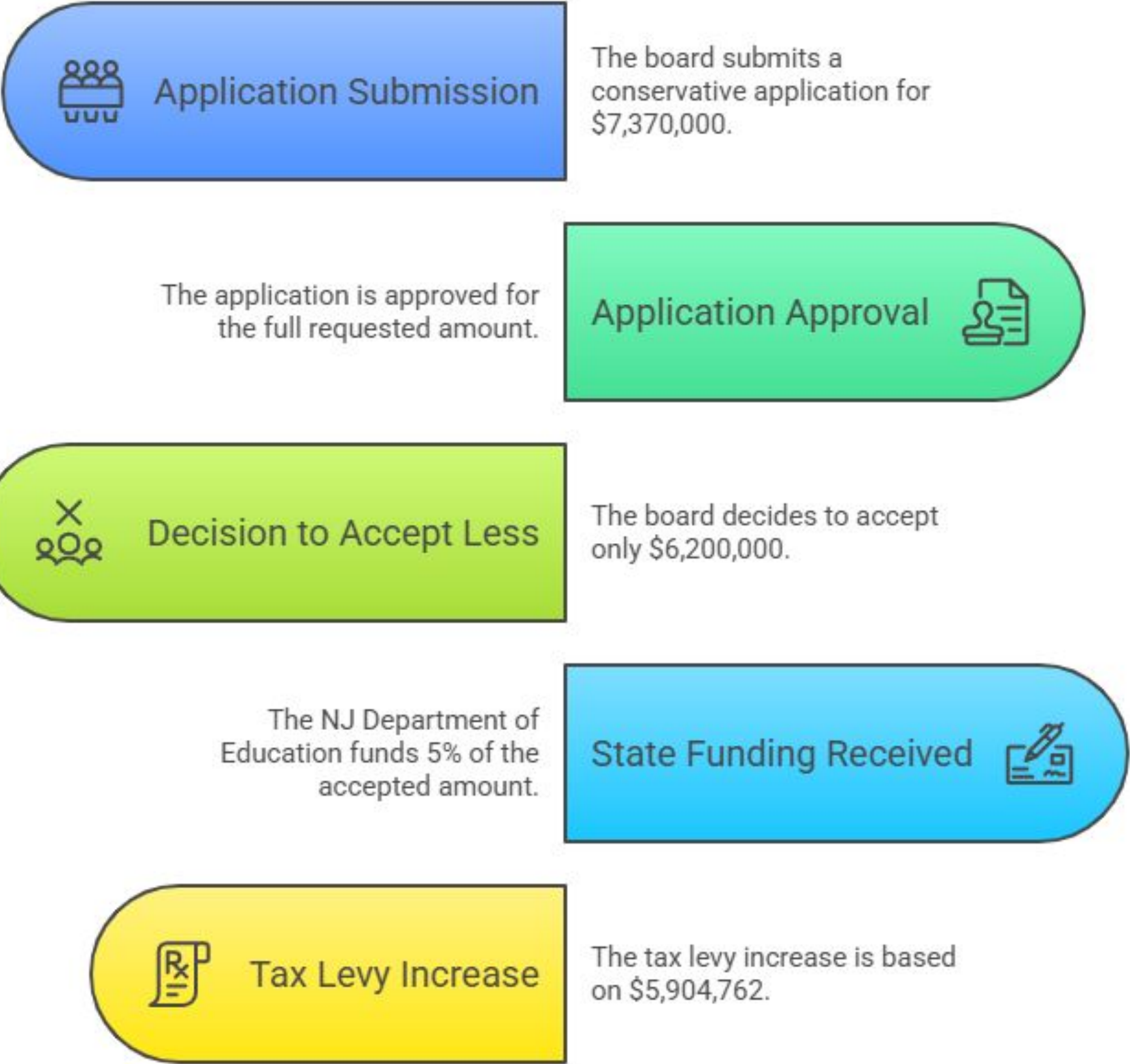
Guidance on Application for Additional Expenditures Pursuant to Language Provision Included in Proposed FY 2026 State Budget March 28, 2025

In anticipation of the FY2026 Appropriations Act including specific authorization, the Department of Education is opening an application to certain school districts to request authority from the Commissioner of Education to increase expenditures. Under this provision, the Commissioner may direct certain school districts to increase expenditures in order to satisfy the thoroughness and efficiency standards established pursuant to N.J.S.A. 18A:7F-46.

Please note that final approval of all applications is subject to the FY2026 Appropriations Act.

A district, other than a county vocational school district, is eligible to apply for the authority to increase expenditures if it is both: 1) taxing below its local fair share (defined as having a general fund tax levy in the 2024-25 school year that is less than the local fair share in the 2025-26 school year, as calculated pursuant to N.J.S.A. 18A:7F-52); and 2) spending below adequacy, as defined pursuant to N.J.S.A. 18A:7F-70.

Lyndhurst Board of Education Tax Levy Process



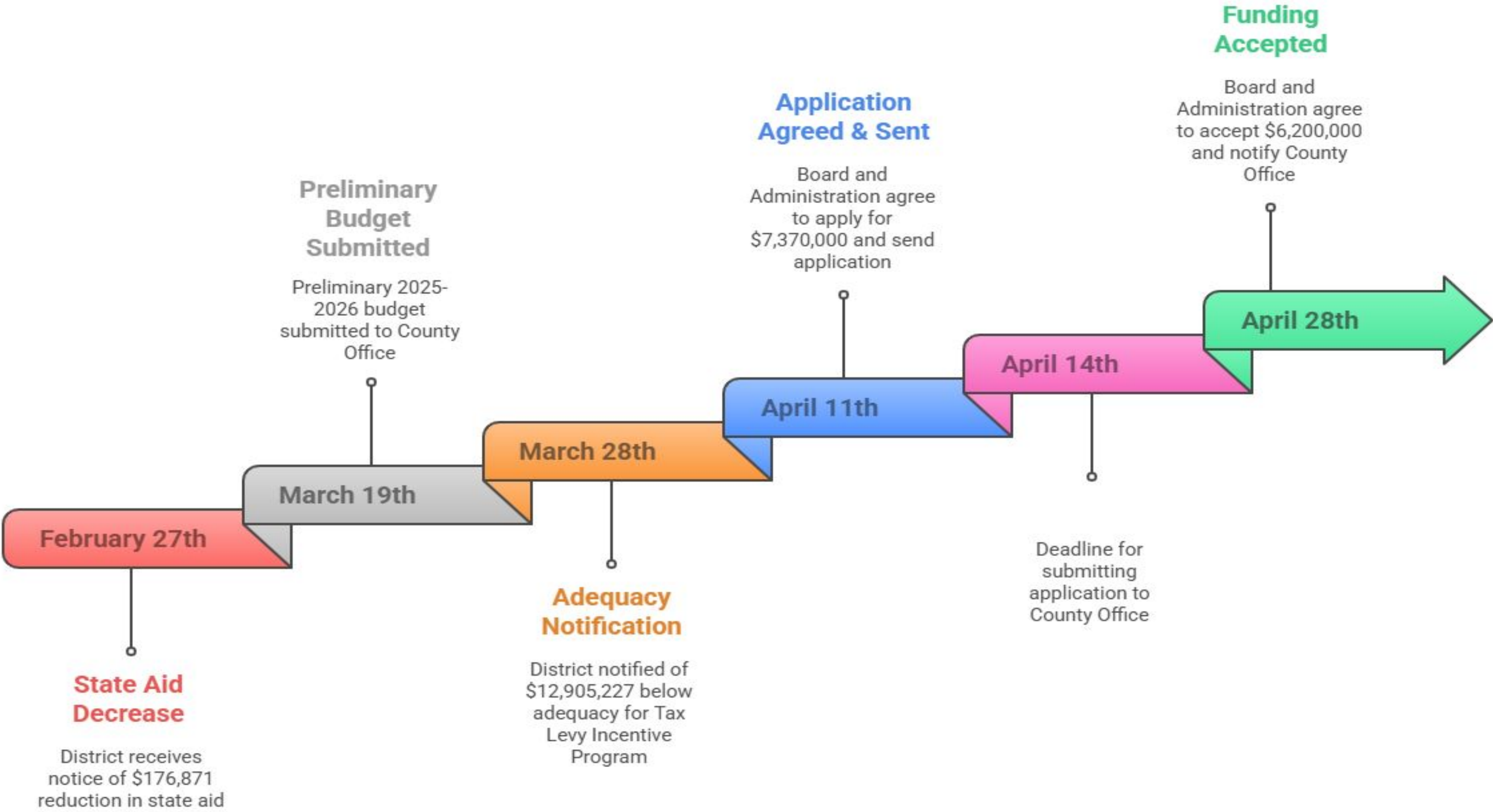


Tax Levy Incentive Application



- To be conservative the Lyndhurst Board of Education submitted an application for \$7,370,000.
- We could have submitted an application for the full \$12,905,227.
- Our application was approved for the full \$7,370,000.
- Ultimately the Board and the Administration decided to only accept \$6,2000,000.
- Based on the way the Tax Program is structured, the NJ Department of Education funds 5% of our accepted amount. (\$295,238)
- Tax Levy increase is based on \$5,904,762.

2025-2026 School Budget Timeline





Budget Timeline



February 27th - District receives State Aid numbers showing a decrease of **\$176,871**

March 19th - Preliminary 2025-2026 Budget submitted to the County Office.

March 28th - District receives notification of eligibility for the Tax Levy Incentive Program showing that the District is below adequacy by **\$12,905,227**

April 11th - Board of Education and Administration agree to submit an application for **\$7,370,000**. Application is sent to the County Office.

April 14th - Deadline to submit an application.

April 28th - Board of Education and Administration agree on accepting **\$6,200,000**. Notice is sent to the County Office.



Tax Increase Breakdown

	Preliminary Budget	Revised Budget with Tax Levy Incentive Program Funds	The \$452.56 is inclusive of the 3.4% increase. You do not add the numbers together. This comes to: <u>\$1.24 a day</u> or <u>\$37.20 per month</u>
<u>2025 Tax Levy</u> (Calendar Year)	\$45,468,085	\$48,420,466	
Increase	3.4%	9.9%	
Debt Service	\$970,341	\$970,341	
For a home based on the average market value of \$496,000 (US Census)	\$152.49 annual increase up from \$171.06 annual increase last year	\$452.56 annual increase up from \$171.06 annual increase last year	





What does the \$6.2 million tax
levy represent in this budget?





Improvements and Enhancements



- High School Roof Replacement \$250,000
- Repairs in Balcony of Auditorium \$75,000
- High School Boilers \$1,045,000
- Security Cameras \$250,000
- Energy Costs \$100,000
- Chromebooks (3-5) \$270,000
- SmartBoards \$100,000
- Technology Infrastructure \$90,000

These are examples from our tax levy application



Improvements and Enhancements



- Two (2) School Buses \$300,000
- Jefferson Playground \$60,000
- Electives at the High School \$75,000
- Elementary Teachers \$200,000
- High School LLD Teacher \$100,000
- ELA Curriculum \$200,000
- Trade Program Materials \$60,000
- High School Locker Rooms \$400,000
- Jefferson Windows \$200,000

These are examples from our tax levy application



Looking Ahead With Purpose



- Growth of the Felician University Program (Associates Degree)
- Expansion of the Trades Initiative at HS
- Bring back Remedial Teachers
- Expand ESL support to keep students in their neighborhood schools
- Proper Technology Upgrade Cycle
- Removal of Technology Fee
- Expansion of Curricular Initiatives
- Enhance programs that align to improved test scores
- Proactive approach to managing facilities
- Fund Reserve Accounts (ex. High School Turf Field)



Possible Outcomes if Tax Levy Incentive is not Board Approved





Future Potential Cuts

- Reduction/Loss of Sport Programs, Pay to Play
- Reduction/Loss of Performing Arts (e.g., band, theatre productions)
- Additional Loss of Electives at the High School
- Elimination of the the High School Trade Program
- Reduction/Loss of the Felician University Program
- Reduction of Elementary Classroom Sections (increased class sizes)
- Reduction/Loss of Class III Officers
- Deterioration of Facilities
- Outdated Technology
- Elimination of Supervisor/Director Positions
- Outdated Curriculum and Classroom Resources

State Monitor has the power to make these cuts without board approval.



SCHOOLS ARE FACING BUDGET CRISIS

ALL ACROSS NEW JERSEY

EDUCATION

N.J. school district wants to lay off 40 staffers, get rid of cops in schools

Updated: Mar. 31, 2025, 12:04 p.m. | Published: Mar. 31, 2025, 9:01 a.m.

EDUCATION

N.J. district wants to close 2 elementary schools in massive restructuring

Updated: Mar. 19, 2025, 6:45 p.m. | Published: Mar. 19, 2025, 11:49 a.m.

N.J. school districts are panicking over funding. Here's how one lawmaker wants to fix it.

Updated: Mar. 29, 2025, 5:26 p.m. | Published: Mar. 28, 2025, 10:01 a.m.

TOMS RIVER AREA

Toms River Regional facing \$22.3M budget gap; this is why it won't sell a school

NJEA: NJ students and families will pay the price for DOE cuts

Fiery meeting as Middletown school district confronts financial crunch

JOANNA GAGIS, SENIOR CORRESPONDENT | MARCH 19, 2025 | EDUCATION

Staff layoffs and program cuts are being considered to deal with \$10M budget deficit

f X d in e p

Evesham school district budget cuts, including reduced busing, seen as way through 'a horrendous situation.'

Janel "Jaycee" Miller | Correspondent | @70and73.com Feb 11, 2025 | Updated Feb 12, 2025

NJ Budget Slashes \$4M from Jersey City Schools, Largest Cut in State

by Alexis McDonell February 28, 2025



Jersey Shore school district approves massive 33% tax hike

Updated: May. 02, 2025, 11:33 a.m. | Published: May. 02, 2025, 11:32 a.m.

Middletown School Board votes to raise taxes in effort to save schools

Board members passed a resolution earlier this month that would raise taxes up to 10.1%.

Matt Trapani and Amanda Lee • Apr 30, 2025, 5:33 PM • Updated yesterday

Lacey school board adopts 7% tax increase, reconfigures schools and increases class sizes



Amanda Oglesby

Asbury Park Press

May 2, 2025, 8:41 a.m. ET

Hillsborough Approves School Tax Levy Increase Of \$22.9M

This approval means an average house in Hillsborough increases to \$8,645, and \$4,969 for an average house in Millstone for the 2025-26 year.



Alexis Tarrazi, Patch Staff 

Posted Tue, Apr 29, 2025 at 1:23 pm ET | Updated Wed, Apr 30, 2025 at 9:24 am ET



Final Words

- Members of this Board of Education have the power to approve the Tax Levy Incentive Program.
 - A program that will benefit the Lyndhurst Public Schools in all of the six guiding principles.
 - There are critical upgrades needed in ALL six guiding principles.
- Failing to approve the Tax Levy Incentive puts our students at risk—jeopardizing vital programs, dedicated staff, and the strong educational foundation they deserve.
- Approving this funding is an investment in our students' future—ensuring they have the resources, opportunities, and learning environments they need to thrive today and for decades to come.



Thank You!

