

Lacey Township School District

Amended Tentative Budget

2025 - 2026

April 9, 2025



Impact of State Aid Cuts

STATE AID CUTS

2018-2019 = \$586,536

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

TOTAL LOSS=\$14,291,948

The maximum increase in the tax levy is 2%

To put this into perspective:

- Yearly State aid reductions were more than triple the amount of the taxes able to be raised by the levy.
- We endured a 66% reduction in aid while enrollment only went down by 10%.

AND there is still a need to address the following issues:

- Contractual responsibilities rise above 2% in many areas
- Higher utility prices
- Increased insurance premiums
- Tuition increases outside of our local control
- Transportation cost increases
- Inflation - rising costs for just about everything

2025-2026 Amended Tentative Budget

	2025-2026 Tentative	2024-2025 Revised	\$	%
Operating Budget	\$76,713,370	\$71,904,425	\$4,808,945	6.69%
Grants and Entitlements (1)	9,078,347	7,890,857	1,187,490	15.05%
Debt Service (2)	<u>2,349,850</u>	<u>3,302,700</u>	<u>(952,850)</u>	<u>(28.85)%</u>
Total	\$88,141,567	\$83,097,982	\$5,043,585	6.07%

- 1) Please see “Major Grant Revenue” slides for detailed information related to the net decrease.
- 2) The annual repayment of the district’s outstanding debt continues to decrease over time.

Property Tax Levy

	2025-2026 Tentative
<i>2024-2025 Operating Budget Property Tax Levy</i>	\$58,459,029
Statutory 2.0% Increase	<u>\$1,169,181</u>
2025-2026 Operating Budget Property Tax Levy	\$59,628,210
<i>2025-2026 Debt Service Budget Property Tax Levy</i>	<u>\$2,073,905</u>
Pct. Decrease	-24.36%
<i>Health Waiver</i>	\$1,428,884
<i>Banked Cap</i>	\$104,051
<i>Tax Levy Incentive</i>	<u>\$6,681,867</u>
Additional Pct. Increase on Adjusted 2025-2026 Levy	12.24%
<i>Total 2025-2026 Property Tax Levy</i>	\$69,916,917
Net Pct. Increase	14.24%

Revenue

Total Revenues

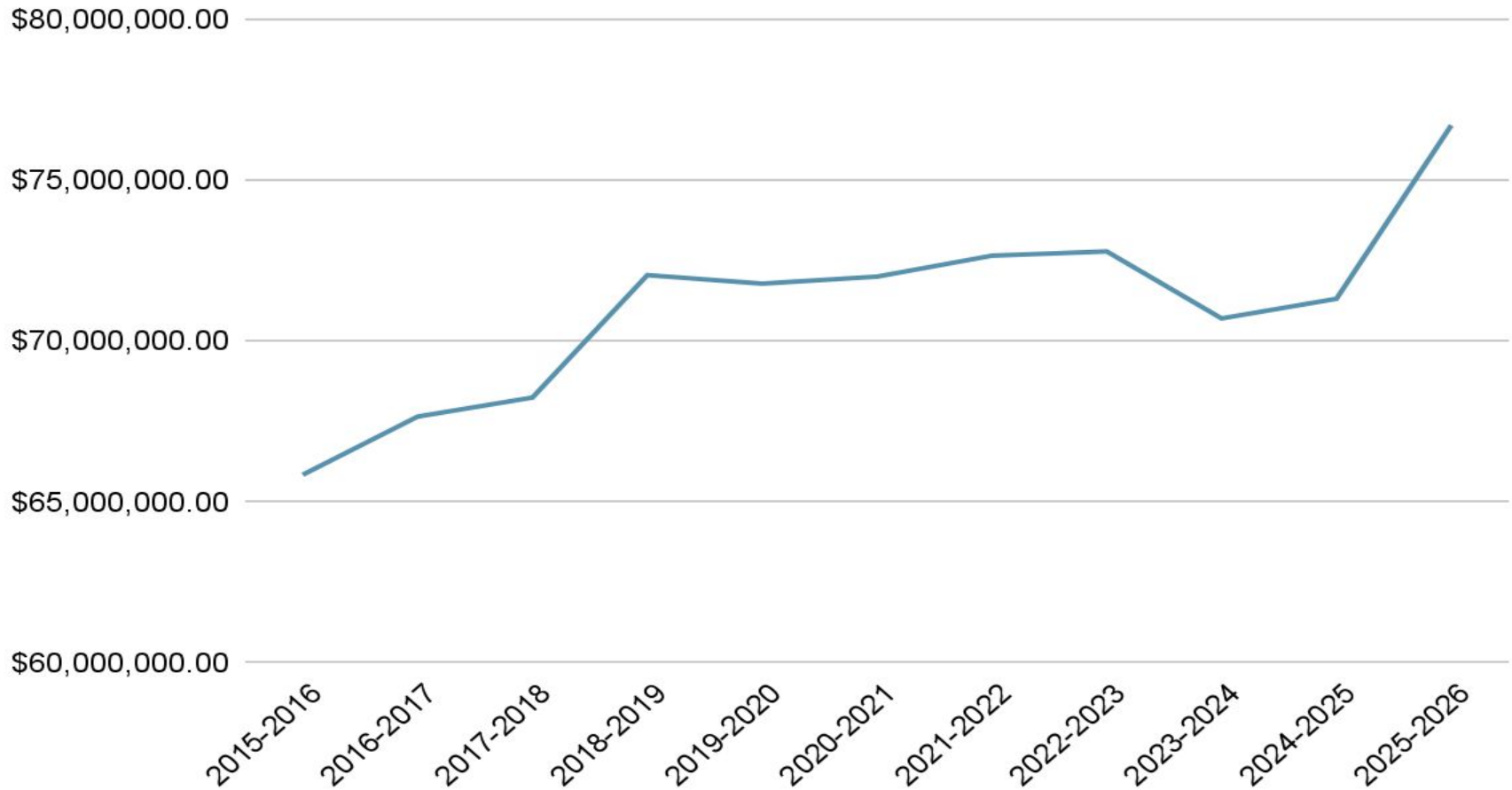
	2025-2026 Tentative	2024-2025 Revised	\$	%
Property Tax Levy	\$63,235,050	\$61,201,002	\$2,034,048	3.15%
Categorical State Aid	7,700,886	7,264,988	435,898	6.00%
Extraordinary Aid	803,502	754,637	48,868	6.48%
Fund Balance/Excess Surplus	0	2,150,715	(2,150,715)	(100.00)%
Adjustment Aid	0	1,442,656	(1,442,646)	(100.00)%
Encumbrances	0	585,677	(585,677)	(100.00)%
Other Aid	6,681,867	0	6,681,867	100.00%
Miscellaneous	365,970	1,246,723	(880,753)	(70.65)%
Grants/Entitlements	9,078,347	7,890,857	1,187,490	15.05%
Debt Service State Aid	<u>275,945</u>	<u>560,727</u>	<u>(284,782)</u>	<u>(50.79)%</u>
Total	\$88,141,567	\$83,097,982	\$5,043,585	6.07%

Appropriations

Appropriations

Salaries	\$50,768,164
Benefits(up 18%)	\$15,786,942
Natural Gas(up 25%) and Electric(up 25%)	\$ 949,200
Property and Casualty Insurance(up 25%)	\$ 1,782,020
Out of District Tuition	\$ 2,264,161
Athletics and Co-Curricular	\$ 334,725
Transportation	\$ 1,475,552
Everything Else(Curriculum,Supplies, Technology, Etc.)	\$ 3,352,606

Appropriations



Reductions

Reductions

Reductions	\$
● 3 Certificated Positions	\$286,217
● 3 Full-time Paraprofessional Positions	\$81,524
● 1 Custodian	\$27,889
● Move 8 Duty/Lunch Aides to Cafeteria Fund	\$81,880
● Technology Reductions(Laptop & Classroom Display Replacements)	\$538,000
● Supplies	\$140,418
● Services	\$18,450

Property Taxes (cont.)

Total Taxes to be Raised (Operating Budget)	\$67,843,012
Total Taxes to be Raised (Debt Service Budget)	<u>2,073,905</u>
	\$69,916,917
Divided by Total Current Assessed Valuation(1)	\$4,063,819,500
	.01720
Multiplied by 100 = 2025 School Tax Rate	1.720

- 1) According to the Municipal Tax Assessor the total assessed valuation increased \$34,672,900 or .86% from 2024.

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 Tax

July 2025 – June 2026

Year	Average Home Value *	School Tax Rate *	School Taxes
2025	\$288,906	1.720	\$4,969.18
2024	<u>\$287,011</u>	<u>1.519</u>	<u>\$4,359.70</u>
Change	+\$1,895	+0.201	+\$609.48 \$50.79 Per Month

* Source: Municipal Tax Assessor.

Budgetary Per Pupil Costs

2025-2026 LTSD Budgetary Per Pupil Cost \$18,407

\$1,747 below the 2023-2024 statewide average of \$20,154 (1)

Lacey Township School District is the 8th lowest in budgetary per pupil amongst districts our size(96) and 77th lowest in the State of New Jersey per the 2024 TGES.

1. Source: 2024 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.
2. Source: NJDOE 2025-2026 Budget Guidelines - Southern Region.

Administrative Per Pupil Costs

2025-2026 LTSD Administrative Per Pupil Cost \$ 1,480

\$1,197 below the 2025-2026 southern region limit of \$2,677 (2)

Lacey Township School District is the 6th lowest in administrative costs per pupil amongst districts of our size(96) and 13th lowest amongst all 656 districts in the State of New Jersey per the 2024 TGES.

1. Source: 2024 Taxpayers Guide to Education Spending for K-12 Districts – Indicator #1.
2. Source: NJDOE 2025-2026 Budget Guidelines - Southern Region.

What Does This All Mean?

Tonights resolution, being considered by the Board of Education is seeking either the return of \$10,649,520 in state aid, 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 for the Chief School Administrator (CSA) to balance the 2025-26 proposed budget and provide a thorough and efficient education.

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.

Next Steps

- Submit tentative budget to the Executive County Superintendent.
- Submit application to the Commissioner of Education.
- Continue to explore opportunities to increase revenue.
- Continue to explore opportunities to decrease appropriations.
- May 7th = Public hearing on and adoption of final budget.
- May 15th = Deadline for submission of final budget.

Thank You!

**This presentation will be
on our website at
laceyschools.org**