

Jackson Township School District

2026-2027 TENTATIVE BUDGET

Nicole Pormilli, Superintendent of Schools

Dan Baginski, Business Administrator/Board Secretary

Budget Development Timeline

1. Obtain instructional needs from district administrators to maintain our current level of instruction (*October 2025*)
2. Monitor student enrollment to configure class sections at each district school (*September 2025 - March 2026*)
3. Obtain school facilities maintenance and transportation needs to maintain all district schools, student transportation to/from schools, as well as after-school, special education and HS athletic transportation (*September 2025 - March 2026*)
4. Examine critical district initiatives and fiscal costs to maintain existing programs and to maintain state-level compliance level compliance (*September 2025 - March 2026*)
5. Perform line-by-line district budget review aligning curriculum and operational facility needs with spending requests (*December 2025 - March 2026*)

Who is involved?

Board of Education
Superintendent
Central Administration
Directors
Supervisors
Principals
Department Leaders
Business Office
Human Resources
Payroll
Transportation
Facilities

10 Year History of Enrollment K - 12 <i>(Source: October 15th ASSA Report)</i> <i>This does not include Preschool</i>	School Year	Public School Students	Non-Public School Students
	2017-2018	8,190	675
	2018-2019	8,106	1,101
	2019-2020	7,963	1,427
	2020-2021	7,630	1,947
	2021-2022	7,356	2,789
	2022-2023	7,214	3,867
	2023-2024	7,128	4,649
	2024-2025	6,914	5,785
	2025-2026	6,510	7,009
	2026-2027 (Projected)	6,345	8,534
	Percentage Change from 17-18 to 26-27	-22.52%	1164.30%

Enrollment trends and student demographic changes play a large role in the development of the budget

The number of non-public students in Jackson Township eclipsed the number of public school students during this school year

48% of our public student population is identified as economically disadvantaged

Every year, the New Jersey Department of Education publishes an analysis of each public school's spending as a comparison among similar districts across a variety of spending areas, ranging from spending per pupil to staffing ratios. It is called the [2025 Taxpayers Guide to Education Spending](#) and it is probably one of the best resources to get an “apples to apples” comparison of how our district spends money compared to other districts of a similar size (K-12 districts with more than 3,500 students).

Jackson Township School District's Statewide Spending Ranks

(out of 96 comparable districts)

Budgetary Cost Per Pupil	4th Lowest
Total Classroom Instruction	2nd Lowest
Classroom Salaries/Benefits	20th Lowest
Classroom Supplies/Textbooks	2nd Lowest
Classroom Purchased Services	19th Lowest
Total Support Services	18th Lowest
Total Administration	16th Lowest
Administration Salaries/Benefits	11th Lowest
Total Operation and Maintenance	14th Lowest

[Source: 2025 NJDOE Taxpayers Guide to Education Spending](#)

How Do Jackson's Expenses Compare To What The State Calculates We Should Be Spending To Educate Our Students?

For every 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.

[New Jersey Educational Adequacy Report - 2026](#)

[New Jersey Educational Adequacy Table - 2026](#)

How Far is Jackson Spending Above or Below Adequacy?	
Budget Year	
2026 - 2027	\$29,656,337 BELOW
2025 - 2026	\$32,473,687 BELOW
2024 - 2025	\$23,783,329 BELOW
2023 - 2024	\$8,583,278 BELOW
2022 - 2023	\$1,120,390 BELOW

Due to budget cuts, the Jackson School District is projected to spend \$29.6 million less than what we should be spending according to the State's adequacy calculation

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
Salaries	\$81,149,249	\$81,889,375	\$740,126	0.91%
Health Benefits	\$32,837,385	\$40,564,233	\$7,726,848	23.53%
School Budgets	\$3,008,741	\$3,787,009	\$778,268	25.87%
Facility & Capital (Non Salary)	\$7,419,757	\$7,895,452	\$475,695	6.41%
Administrative & Instructional Support	\$14,502,031	\$5,856,333	-\$8,645,698	-59.62%
Out of District Tuition	\$4,504,860	\$5,422,659	\$917,799	20.37%
Aid In Lieu of Transportation (Non-Public)	\$8,251,947	\$9,765,431	\$1,513,484	18.34%
Transportation (Non Salary, less AIL)	\$5,573,598	\$5,554,021	-\$19,577	-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
Salaries	\$81,149,249	\$81,889,375	\$740,126	0.91%
Health Benefits	\$32,837,385	\$40,564,233	\$7,726,848	23.53%
School Budgets	\$3,008,741	\$3,787,009	\$778,268	25.87%
Facility & Capital (Non Salary)	\$7,419,757	\$7,895,452	\$475,695	6.41%
Administrative & Instructional Support	\$14,502,031	\$5,856,333	-\$8,645,698	-59.62%
Out of District Tuition	\$4,504,860	\$5,422,659	\$917,799	20.37%
Aid In Lieu of Transportation (Non-Public)	\$8,251,947	\$9,765,431	\$1,513,484	18.34%
Transportation (Non Salary, less AIL)	\$5,573,598	\$5,554,021	-\$19,577	-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

10-Year History of Salary Expenses	School Year	Total Salary Expenses
	2017-2018	\$82,522,435
	2018-2019	\$83,317,485
	2019-2020	\$83,585,059
	2020-2021	\$82,031,874
	2021-2022	\$83,228,227
	2022-2023	\$86,611,466
	2023-2024	\$85,180,853
	2024-2025	\$82,144,067
	2025-2026 (Budgeted)	\$81,146,972
	2026-2027 (Budgeted)	\$81,889,375

Any personnel reductions for 2026-2027 will be accomplished through attrition or breakage

376 positions have been eliminated from 2018-2019 through 2025-2026

The Jackson Township School District spends less on salaries now than was spent ten years ago.

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
Salaries	\$81,149,249	\$81,889,375	\$740,126	0.91%
Health Benefits	\$32,837,385	\$40,564,233	\$7,726,848	23.53%
School Budgets	\$3,008,741	\$3,787,009	\$778,268	25.87%
Facility & Capital (Non Salary)	\$7,419,757	\$7,895,452	\$475,695	6.41%
Administrative & Instructional Support	\$14,502,031	\$5,856,333	-\$8,645,698	-59.62%
Out of District Tuition	\$4,504,860	\$5,422,659	\$917,799	20.37%
Aid In Lieu of Transportation (Non-Public)	\$8,251,947	\$9,765,431	\$1,513,484	18.34%
Transportation (Non Salary, less AIL)	\$5,573,598	\$5,554,021	-\$19,577	-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

High-Cost Prescription Drugs (e.g. GLP-1s)

The single most significant driver is the cost of prescription medications, which the district does not control.

Outpatient Care

There is a marked increase in the utilization of outpatient and professional services (doctor visits).

Economic Inflation

Continued upward pressure from economy-wide inflation is impacting what hospitals and physicians charge for treatments.

Post-Pandemic Care Rebound

Increases in claims related to patients delaying preventative medical care during the pandemic.

School Year	Health and Fringe Benefits
2023-2024	\$30,485,671
2024-2025	\$33,109,127
2025-2026 (Projected)	\$32,837,385
2026-2027 (Budgeted)	\$40,564,233

On January 1, 2026, the New Jersey School Employees' Health Benefits Program for active employees was increased by 31.9%

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
Salaries	\$81,149,249	\$81,889,375	\$740,126	0.91%
Health Benefits	\$32,837,385	\$40,564,233	\$7,726,848	23.53%
School Budgets	\$3,008,741	\$3,787,009	\$778,268	25.87%
Facility & Capital (Non Salary)	\$7,419,757	\$7,895,452	\$475,695	6.41%
Administrative & Instructional Support	\$14,502,031	\$5,856,333	-\$8,645,698	-59.62%
Out of District Tuition	\$4,504,860	\$5,422,659	\$917,799	20.37%
Aid In Lieu of Transportation (Non-Public)	\$8,251,947	\$9,765,431	\$1,513,484	18.34%
Transportation (Non Salary, less AIL)	\$5,573,598	\$5,554,021	-\$19,577	-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

5 Year History of Inflation

2021	6.60%
2022	6.40%
2023	3.90%
2024	3.30%
2025	3.90%

Percent Change from Previous Year for Consumer Price Index (Mid-Atlantic Region in December)

School Budgets

- Technology and Textbooks
- Professional Development (partial discretion)
- Classroom Instructional Supplies
- Equipment (instructional)
- Copiers and printing

Facility and Capital (non-salary)

- Energy Costs (Electric, Natural Gas, Phone)
- Supplies for building maintenance
- Equipment for buildings and grounds
- Professional services for facilities repairs and maintenance (HVAC, paving)

Expenses	2024-2025	2025-2026	2026-2027
School Budgets	\$3,600,235	\$3,008,741	\$3,787,009
Facility & Capital (Non Salary)	\$8,415,113	\$7,419,757	\$7,895,452

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
In May 2025, we received a \$9.4 million loan from the State while the sale of Rosenauer was pending. Now that the sale is closed, this loan is scheduled to be paid back to the State during 25-26.				
Administrative & Instructional Support	\$14,502,031	\$5,856,333	-\$8,645,698	-59.62%
Out				20.37%
Aid In Lieu of				18.34%
Transportati				-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

These expenditures include a \$600,000 payment on our original \$6 million advanced state aid to NJ and the annual cost of the state-assigned Fiscal Monitor

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
Salaries	\$81,149,249	\$81,889,375	\$740,126	0.91%
Health Benefits	\$32,837,385	\$40,564,233	\$7,726,848	23.53%
School Budgets	\$3,008,741	\$3,787,009	\$778,268	25.87%
Facility & Capital (Non Salary)	\$7,419,757	\$7,895,452	\$475,695	6.41%
Administrative & Instructional Support	\$14,502,031	\$5,856,333	-\$8,645,698	-59.62%
Out of District Tuition	\$4,504,860	\$5,422,659	\$917,799	20.37%
Aid In Lieu of Transportation (Non-Public)	\$8,251,947	\$9,765,431	\$1,513,484	18.34%
Transportation (Non Salary, less AIL)	\$5,573,598	\$5,554,021	-\$19,577	-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

Expenses	2025-2026	2026-2027	Change	%
Out of District Tuition	\$4,504,860	\$5,422,659	\$917,799	20.37%

**Average Cost of Tuition
and Transportation Costs
for a Private School
Special Education Student
in Jackson for 2025-2026
is \$149,214 per year.**

School Year	Average Number of Out of District Special Education Students
2019-2020	92
2020-2021	76
2021-2022	61
2022-2023	54
2023-2024	48
2024-2025	48
2025-2026	44
2026-2027 (Budgeted)	50

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
Salaries	\$81,149,249	\$81,889,375	\$740,126	0.91%
Health Benefits	\$32,837,385	\$40,564,233	\$7,726,848	23.53%
School Budgets	\$3,008,741	\$3,787,009	\$778,268	25.87%
Facility & Capital (Non Salary)	\$7,419,757	\$7,895,452	\$475,695	6.41%
Administrative & Instructional Support	\$14,502,031	\$5,856,333	-\$8,645,698	-59.62%
Out of District Tuition	\$4,504,860	\$5,422,659	\$917,799	20.37%
Aid In Lieu of Transportation (Non-Public)	\$8,251,947	\$9,765,431	\$1,513,484	18.34%
Transportation (Non Salary, less AIL)	\$5,573,598	\$5,554,021	-\$19,577	-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

Aid In Lieu for Transportation (Non-Public)

Non-Public Transportation Aid covers roughly 35% - 40% of non-public Transportation costs for the district

Since 2017-2018, the cost of Aid-in-Lieu payments has increased 1,603%

The district budget must absorb this \$6.3 million difference between the total costs and the aid provided



School Year	Aid-in-Lieu Costs	Non-Public Transportation Aid (received from the State)
2017-2018	\$589,590	\$156,625
2018-2019	\$640,726	\$211,944
2019-2020	\$579,897	\$403
2020-2021	\$1,327,632	\$387,932
2021-2022	\$2,675,948	\$797,751
2022-2023	\$2,236,600	979,420
2023-2024	\$4,399,273	\$1,986,335
2024-2025	\$6,840,685	\$2,507,568
2025-2026 (Anticipated)	\$8,251,947	\$2,900,000
2026-2027 (Budgeted)	\$9,765,431	\$3,300,000

PROPOSED BUDGET - SPENDING PLAN

Expenses	2025-2026	2026-2027	Change	%
Salaries	\$81,149,249	\$81,889,375	\$740,126	0.91%
				3%
				5%
				%
Aid				0%
				4%
Aid in Lieu of Transportation (Non-Public)	\$8,231,947	\$9,744,318	\$1,492,371	18.09%
Transportation (Non Salary, less AIL)	\$5,573,598	\$5,554,021	-\$19,577	-0.35%
TOTAL GENERAL FUND	\$157,247,568	\$160,734,513	\$3,486,945	2.22%

This budget includes the continued lease purchase replacement cycle of school buses; all supplies and materials associated with maintaining district vehicles and bus fleet; contracted bus routes for special education, and fuel

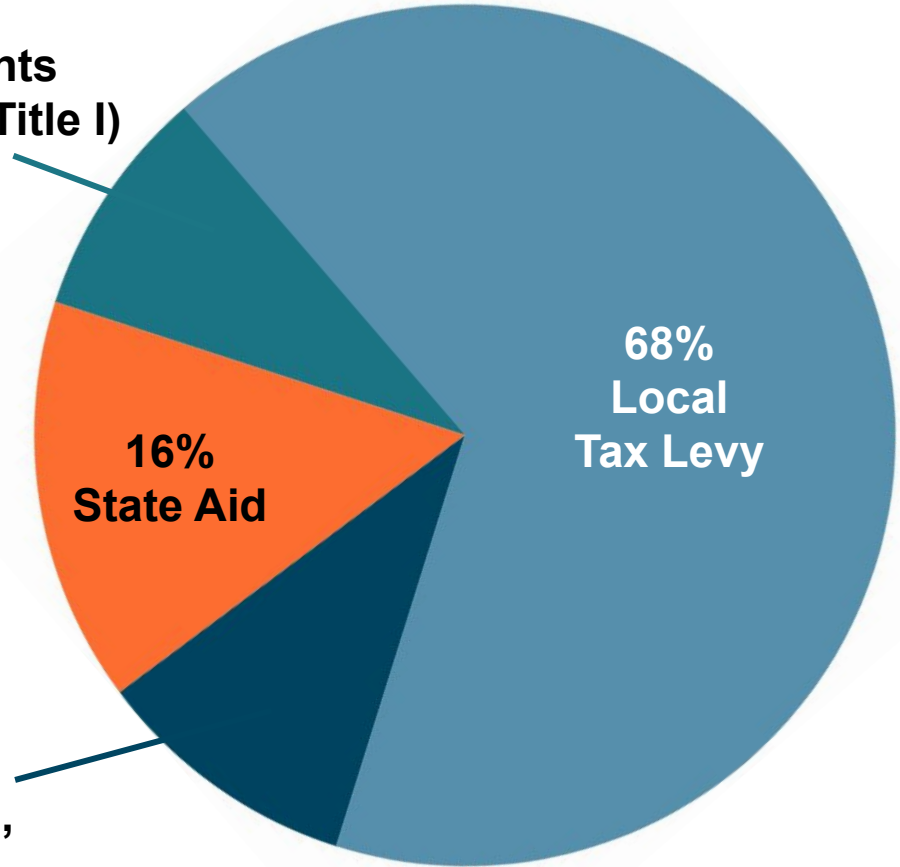
Expense Category	Total Expenses	Percentage of the General Fund Expenses
Salary	\$81,889,375	50%
Health and Fringe Benefits	\$40,564,233	24%
Aid In Lieu	\$9,765,431	6%
Facility & Capital (Non Salary)	\$7,895,452	5%
Administration Expenses	\$5,856,333	4%
Transportation (Non Salary, less AIL)	\$5,554,021	3%
Out of District Tuition	\$5,422,659	3%
School Budgets	\$3,787,009	2%
TOTAL GENERAL FUND EXPENSES	\$160,734,513	100%

Sources of Revenue for 26-27

7%
Federal & State Grants
(e.g. Preschool Grant, Title I)

**Local Sources of Revenue
and the Local Tax Levy
continue to represent an
increasing percentage of our
school district's overall
revenue**

5%
Local Revenue
(e.g. facility rentals, tuition fees,
fund balance, sale of property)



Categorical State Aid

State Aid	2025-2026 Budgeted	2026-2027 Budgeted	Change
Transportation Aid	\$10,464,463	\$11,021,982	\$557,519
Special Education Aid	\$9,621,506	\$8,600,615	-\$1,020,891
Equalization Aid	-	-	-
Security Aid	\$2,613,982	\$2,396,355	-\$217,627
TOTAL CATEGORICAL STATE AID	\$22,699,951	\$22,018,952	-\$680,999

Recent History of Jackson’s Categorical State Aid

The State capped the maximum loss of aid for any district at 3% this year.

Jackson received the maximum cut the State could impose and the largest cut in Ocean County (again).

	K-12 Categorical State Aid	% Decrease from Prior Year	K-12 Enrollment in Jackson	% Decrease Enrollment from Prior Year
2017-2018	\$49,635,886	-	8,189	
2018-2019	\$48,770,072	-1.74%	8,106	-1.0%
2019-2020	\$46,473,068	-4.71%	7,964	-1.8%
2020-2021	\$42,991,564	-7.49%	7,630	-4.2%
2021-2022	\$38,755,401	-9.85%	7,355	-3.6%
2022-2023	\$34,149,523	-11.88%	7,214	-1.9%
2023-2024	\$27,861,779	-18.41%	7,128	-1.2%
2024-2025	\$23,402,010	-16.01%	6,914	-3.0%
2025-2026	\$22,699,951	-3.00%	6,510	-5.8%
2026-2027	\$22,018,952	-3.00%	6,345	-2.5%

Recent History of Jackson’s Categorical State Aid

The State capped the maximum loss of aid for any district at 3% this year.

Jackson received the maximum cut the State could impose and the largest cut in Ocean County (again).

	K-12 Categorical State Aid	% Decrease from Prior Year	K-12 Enrollment in Jackson	% Decrease Enrollment from Prior Year
2017-2018	\$49,635,886	-	8,189	
2018-2019	\$48,770,072	-1.74%	8,106	-1.0%
2019-2020	\$46,473,068	-4.71%	7,964	-1.8%
2020-2021	\$42,001,564	-7.40%	7,630	-4.2%
2021-2022	\$38,000,000	-9.52%	7,345	-3.6%
2022-2023	\$34,000,000	-10.53%	7,060	-3.8%
2023-2024	\$27,000,000	-20.59%	6,775	-4.0%
2024-2025	\$23,000,000	-14.81%	6,490	-4.1%
2025-2026	\$22,000,000	-4.35%	6,205	-4.3%
2026-2027	\$22,018,952	-3.00%	6,345	-2.5%

Total State Aid Reduction
55.6%

Total Enrollment Decrease
22.5%

Other State Aid

State Aid	2025-2026 Budgeted	2026-2027 Budgeted	Change
Extraordinary Special Education Aid	\$1,876,584	\$1,876,584	-
Non-Public Transportation Aid	\$1,500,000	\$3,300,000	\$1,800,000
TOTAL OTHER STATE AID	\$3,376,584	\$5,176,584	\$1,800,000

Extraordinary Special Education Aid (EXAID)

This aid category provides partial reimbursement to school districts for the exceptionally high costs of educating specific students with disabilities, subject to available state funding.

Nonpublic School Transportation Aid

The state provides Nonpublic Transportation Aid to reimburse districts for costs incurred between a floor of \$710 and the maximum cap of \$1,177 per pupil.

Federal and State Grants

The district anticipates receiving/utilizing **\$14,361,189** in Federal and State Grants during the 2026-27 school year including the following programs:

- Individuals with Disabilities Education Act (IDEA) - \$2,180,774
- Elementary and Secondary Education Act (Title I, II, III, and IV) - \$2,646,114
- State Preschool Grant - \$8,675,205
- Perkins Grant (vocational) - \$69,925
- State School-Based Mental Health Grant - \$55,375
- Mental Health Screening in School Pilot Supplement - \$13,844
- Cultivating Ongoing Achievement through Coaching in Literacy Grant - \$100,810

The final (actual) allocations for the IDEA and ESEA grants will not be provided until some time after the budget is adopted and they have been budgeted at 75% of the 2025-26 levels.

How the State Calculates Jackson's Local Fair Share

LOCAL SHARE CALCULATION - REGULAR DISTRICT

Equalized Valuation 3-Year Average Calculation:

2022	10,001,062,854	(N-1)
2023	11,648,195,013	(N-2)
2024	12,852,454,028	(N-3)

Equalized Valuation 3-Year Average
[Items (N-1) + (N-2) + (N-3)] / 3

11,500,570,632 (N)

**Total Property
Values in Jackson**

District Income 3-Year Average Calculation:

2020	1,971,030,419	(O-1)
2021	2,159,575,208	(O-2)
2022	2,332,981,308	(O-3)

District Income 3-Year Average:
[Items (O-1) + (O-2) + (O-3)] / 3

2,154,528,978 (O)

**Resident's Total
Income**

Equalized Val. [Item(N)] x 0.014949314 / 2 85,962,821 (P-1)

District Income [Item(O)] x 0.059963161 / 2 64,596,184 (P-2)

Local Fair Share [Item(P-1) + Item(P-2)] 150,559,005 (P)

**Jackson's Local
Fair Share**

**General Fund Tax Levy
for 25-26 = \$107,104,888**

Source: State Aid Notice received 3-12-2026

Local Revenue

Revenue	2025-2026 Budgeted	2026-2027 Budgeted	Change
Free Balance	\$1,500,000	\$10,000,000	\$8,500,000
General Fund Tax Levy 2% tax levy increase + Health Ben. Cap Waiver	\$107,104,888	\$116,561,807	\$9,456,919
Special Educ. Medicaid	\$36,666	\$152,788	\$116,122
Maintenance and Capital Reserve	-	\$1,140,000	\$1,140,000
Sale of Property	\$10,768,037	-	-\$10,768,037
Misc. Income	\$2,340,804	\$5,684,382	\$3,343,578
Roll Over Prior Year P.O.'s	9,420,638	-	-\$9,429,638
TOTAL LOCAL REVENUE	\$131,171,033	\$133,538,977	\$2,367,944

Tax Impact of 26-27 Tentative Budget

General Fund Tax Levy*	\$116,561,807
Debt Service Tax Levy	\$7,786,800
Total Tax Levy	\$124,348,607
Total Increase to Tax Levy (\$)	\$9,281,888

***General Fund Tax Levy Includes Adjustment for Increase in Health Care Costs equal to \$7,314,821**

Tax Increase on Average Assessed Property in Jackson

\$305 per year
\$25.42 per month

Average Assessed Property in Jackson for 26-27 is \$654,839

This Tentative Budget Includes:

- A 25% Increase to All School Supply Budgets (i.e. direct resources for students and staff)
- New Teaching Resources for an enhanced Social Studies Curriculum in Grades 7 - 12
- Allocations to Plan and Implement the Flexible Learning Academy at the H.S.
- Replacement of all High School MAC Labs for all Instructional classrooms and TV Studio
- Allocations to launch interscholastic Middle School Volleyball Teams for Girls (Fall) and Boys (Spring)
- Allocations from Capital and Maintenance Reserves to address the highest priority facility needs in the district (HVAC replacements, partial roofing replacements, and paving)
- Technology equipment lease renewal to replace all student Chromebook devices
- Expansion of High School Offerings (e.g. courses, APs, electives)

MISSION FORWARD for 2026-2027

In spite of great obstacles, this Tentative Budget has been developed in a fiscally responsible manner to:

- Meet the state requirement to propose a balanced budget
- Continue to achieve established educational goals
- Provide all Jackson students with the highest quality educational programs, co-curricular activities, opportunities and supports

Total PROPOSED Budget	2025-2026 Budgeted	2026-2027 Proposed	Increase	% Increase
	\$182,754,235	\$182,882,502	\$128,267	0.07%