

Freehold Borough Board of Education

2026-2027 Budget Discussion

March 25, 2026



Freehold Borough School District

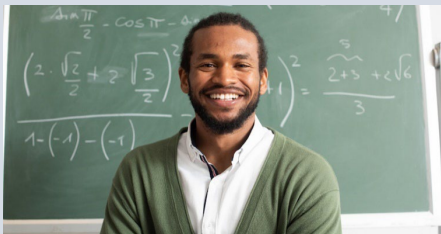
Budget Development Timeline

- December - Budget process begins with administration
- December - Mid-Year Budget Review with county office
- March 2 - Finance Committee Meeting
- March 10 - Governor's Budget Address
- March 12 - Release of state aid numbers
- March 25 - Finance Committee Meeting
- March 25 - Adoption of tentative proposed budget

Salaries

Collective Bargaining Units

- FBEA - 240 Employees. Represents teachers, teacher assistants, secretaries, custodians, and maintenance employees.
 - FBAA - 8 Employees. Represents principals, directors, supervisor, and vice principal.
 - MOESC - 34 Paraprofessionals.
 - Non – unit – 20 Employees. Represents Confidential Secretaries, technology staff, security staff, facilities supervisor, business office staff, superintendent, assistant superintendent of business.
-
- Fiscal Year 14: 224 Employees
 - Fiscal Year 26: 302 Employees



Freehold Borough School District

Enrollment



Between 2018–19 and 2024–25, Freehold Borough School District increased full-time equivalent employees (FTE) by:

+ 49 Employees

Raising its FTE employee count from 274 to 324, up 18%.

Which counts changed?

Teachers:	+ 28	+ 21%
Paraprofessionals:	+ 14	+ 29%
Non-teaching school-based certificated FTE: <i>(e.g., assist. principals, nurses, academic coaches, specialists)</i>	+ 2	+ 4%
District Administration & Central FTE:	+ 1	+ 18%
Transport, food services, custodial, facilities FTE:	+ 3	+ 12%

At the same time, the total number of students fell by:

- 125 Students
from 1,698 to 1,573, down 7%.

Current Enrollment
As of Mar. 25, 2026
1,474



Freehold Borough School District

History of State Aid



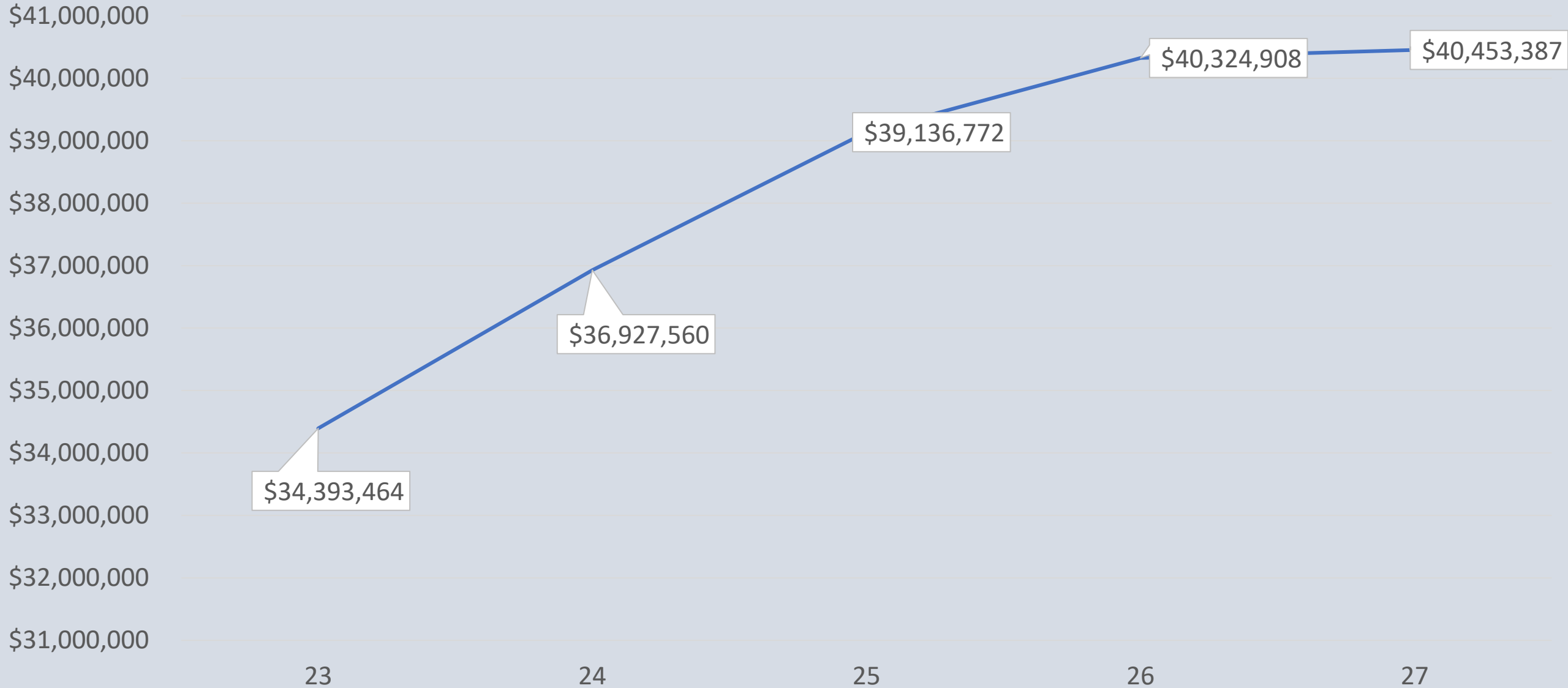
Freehold Borough School District

History of Tax Levy



Freehold Borough School District

History of Budget



Freehold Borough School District

Annual Revenue Source	2026-2027	% of Budget
State Aid	\$25,685,607	63.5%
Tax Levy	\$13,040,127	32.2%
Fund Balance	\$1,403,667	3.5%
SEMI	\$58,986	.1%
Extraordinary Aid	\$185,000	.5%
Misc. Rev. / Bank Interest / Facility Rental	\$80,000	.2%
Total Revenue:	\$40,453,387	100%

Annual Operating Expenses	2026-2027	% of Budget
Salaries and Health Benefits	\$30,504,270	75.4%
Maintenance, Security & Transportation	\$3,508,177	8.7%
Telephone, Engineer, Legal, Admin. Supplies & Copier Leases	\$257,641	.7%
Curriculum, Special Education & 1:1 Aides	\$2,527,662	6.2%
Out of District Placements	\$1,830,396	4.5%
Utilities / Gas / Electric & Insurance P&C	\$926,960	2.3%
FIS, PAE, FLC and Technology Supplies	\$898,281	2.2%
Total Expenses:	\$40,453,387	100%

26-27 Budget

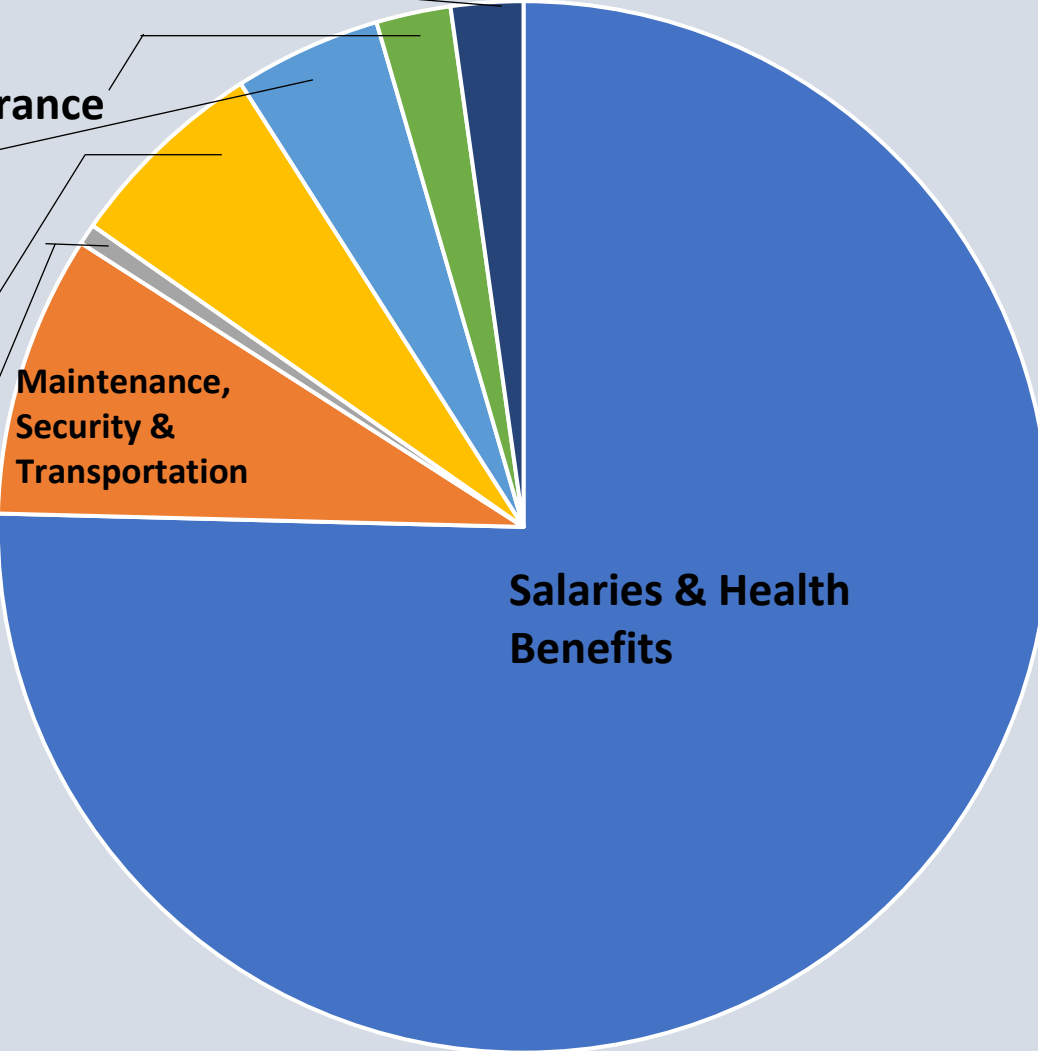
FIS, PAE, FLC and Tech. Supplies

Utilities, Gas, Electric & Insurance

Out of District Placements

Curriculum, Special Ed & 1:1 Aides

Telephone, Engineer, Legal, Admin Supplies & Copier Leases



Salaries & Health Benefits

Maintenance, Security & Transportation

Telephone, Engineer, Legal, Admin Supplies & Copier Leases

Curriculum, Special Ed. & 1:1 Aides

Out of District Placements

Utilities, Gas, Electric & Insurance

FIS, PAE, FLC and Technology Supplies

What Does The Budget Look Like Today?

February 27, 2026

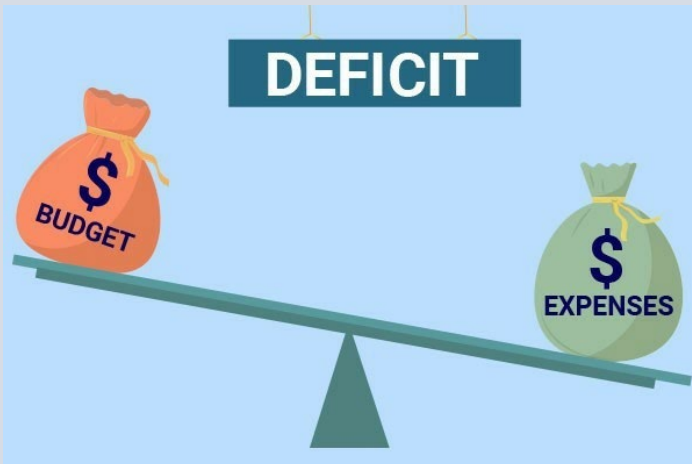
- Revenue \$40,401,554
- Expenses \$41,802,389
- Deficit (\$1,400,835)

March 2, 2026

- Revenue \$40,401,554
- Expenses \$41,664,338
- Deficit (\$1,262,784)

March 25, 2026

- Revenue \$40,453,387
- Expenses \$40,453,387
- **Balanced Budget**



Revenue Includes the Following:

- Banked Cap. \$594,810
- Health Care Adj. \$329,738
- State Aid Reduction (\$794,400)

Freehold Borough School District

Grants Budget

FY26

- Title I – A \$652,237 (4)
- Title II – A \$64,945
- Title III \$58,374
- Title III Immigration \$9,630
- Title IV \$49,376
- IDEA \$493,292
- IDEA Preschool \$37,544
- 21st Century \$575,000 (2)

FY27

75% Per State Guidance

- Title I – A \$489,177 (4) **Moved to fund 10**
- Title II – A \$48,708
- Title III \$43,780
- Title III Immigration \$7,223
- Title IV \$37,032
- IDEA \$369,969
- IDEA Preschool \$28,158
- 21st Century \$431,250 (2)



Freehold Borough School District

What Causes Budget to Fluctuate Year to Year?

FY26

- * Revenue \$40,324,908
- Salaries → \$20,726,775
- Health Benefits → \$7,479,205
- Transportation → \$1,974,136
- Substitute Teachers → \$607,300

FY27

- * Revenue \$40,453,387
- Salaries → \$20,663,829
- Health Benefits → \$8,321,773
- Transportation → \$1,539,266
- Substitute Teachers → \$707,217



Operational Changes for 2026-2027

General Reductions

- Adjustment to support staffing
- Operational efficiencies
- Reduction in supplies across the district

Instructional Changes

- Retirements and resignations not replaced
- Non-renewal of staff

Section & Program Adjustments

- Reduced sections across schools based on enrollment
- Targeted program modifications

Strategic Staffing Decisions

- Reallocation of resources
- Cost-effective staffing

All adjustments are based on enrollment data, program needs, and fiscal responsibility. Specific personnel details are not shared.

2026-2027 Budget Cuts

FY27

- Salaries → \$856,897
- Health Benefits → \$184,988
- Federal Grants → \$221,450
- Supplies → \$137,500
- **Total → \$1,400,835**



Freehold Borough School District

Banked Cap / Health Benefit Adj.

District ID : 1640

District Name : FREEHOLD BORO

Line	Name	Generated in 2023-24	Generated in 2024-25	Generated in 2025-26	Generated in 2026-27
A	Prebudget Year Adjusted Tax Levy, including Weighted Increases for Enrollment, Inflated by 2%	10,329,675	10,488,901	11,231,926	12,115,579
	Cap Adjustments:				
B	Increase in Health Care Costs	628,465	262,777	444,461	329,738
C	Increase in Normal and Accrued Pension Contribution (Deferred Pension)	0	0	0	0
D	Increase for Responsibility Assumed by District	0	0	0	0
E	Decrease for Responsibility Shifted to Another District or Entity	0	0	0	0
E1	Other Adjustments	0	0	0	0
E2	Increase in SDA Local Share (2024-25)	0	0	0	0
F	Tax Levy Cap	10,958,140	10,751,678	11,676,387	12,445,317
G	Tax Levy	10,283,236	11,011,692	11,878,019	13,040,127
G1	Adjustments to Levy	0	0	0	0
H	Banked Cap Available for Use in Next Three Years (Line F less Lines G and G1)	674,904	0	0	0
I	Requested Use of Banked Cap in Prior Years	0	0		
J	Requested Use of Banked Cap in Current Year 26-27	\$594,810	\$0	\$0	
K	(2023-24) Amount Expiring in 2026-27, (2026-27) Amount not available for future bank	80,094			0
L	Available Banked Cap Carried Forward to Following Year	0	0	0	0
M	Banked Cap Available for 2027-28.				0

Local Fair Share For FY 26

LOCAL SHARE CALCULATION - REGULAR DISTRICT

1,389	(A)	Equalized Valuation 3-Year Average Calculation:		
		2023	968,400,495	(N-1)
		2024	1,040,223,938	(N-2)
		2025	1,171,950,051	(N-3)
21,439,371	(B)	Equalized Valuation 3-Year Average [Items (N-1) + (N-2) + (N-3)] / 3	1,060,191,495	(N)
455	(C)	District Income 3-Year Average Calculation:		
		2021	196,815,222	(O-1)
7,022,976	(D)	2022	267,341,396	(O-2)
		2023	219,715,846	(O-3)
13	(E)	District Income 3-Year Average: [Items (O-1) + (O-2) + (O-3)] / 3	227,957,488	(O)
200,656	(F)	Equalized Val. [Item(N)] x 0.013677750 / 2	7,250,517	(P-1)
		District Income [Item(O)] x 0.055930804 / 2	6,374,923	(P-2)
208	(G)	LOCAL FAIR SHARE [Item(P-1) + Item(P-2)]	13,625,440	(P)
LOCAL SHARE - COUNTY VOCATIONAL SCHOOL DISTRICT				
3,210,503	(H)	County Local Shares	2,608,105,014	(Q)
		County Adequacy Budgets	1,844,533,889	(R)
		Item(Q) / Item(R)	1.4140	(S)
254	(I)	Local Share Item(S) x Item(M) - for Vocs Only	0	(T)
4,045,236	(J)	EQUALIZATION AID CALCULATION Adequacy Budget [Item(M)]	35,942,072	(U)
16	(K)	Local Fair Share [Item (P) or (T)]	13,625,440	(V)



Strategic Plan FY 25

Freehold Borough School District								
5-Year Strategic Plan								
<i>Vision: Building Outstanding Results & Opportunities</i>								
Focus Area: Fiscal Capacity								
Belief Statement: We believe in investing in our schools while understanding our obligation to be fiscally accountable by balancing efficiency and flexibility.								
Goal #2	Utilize available funding for additional capital improvements and program expansion.	2023 2024	2024 2025	2025 2026	2026 2027	2027 2028	Responsibility: (Persons responsible for coordinating)	Indicators of Success: (Metrics that can be used to measure progress)
Action Step 1	Contract a Bond Attorney to present options to the BOE for the use of remaining 2017 Bond Referendum funds.	X					Business administrator	BOE Presentation
Action Step 2	Develop a plan to access Banked CAP within the next two years prior to funds expiring	X	X				Superintendent, Business Administrator	Budget Proposal
Action Step 3	Monitor Borough development plans and construction projects with additional residential units that may impact school enrollment.	X	X	X	X	X	Superintendent, Business Administrator	Planning Board/Zoning Board minutes
Action Step 4	Develop plans for increased school enrollment that utilize all available funding to increase classroom space.	X	X	X	X	X	Superintendent, Business Administrator	Long Range Facilities Plan (LRFP); Budget Proposals
Action Step 5	Solicit funding from Borough PILOT programs for any development projects that have direct impact on student enrollement.	X	X	X	X	X	Superintendent, Business Administrator	MOA with Borough for impact funding

Summary Of Tax Levy Proposal

FY26

- FY26 Tax Levy
\$11,878,019

Available Resources

- Health Care Allowance
\$329,738
- Banked Cap Expiring
\$594,810

FY27

- FY27 Tax Levy
\$13,040,127 (includes 2%, Health Care cost and expiring Banked Cap)
- Local Fair Share
\$13,625,440
- Proposed Local Fair Share
\$13,040,127
95.70%



Freehold Borough School District

General Fund & Debt Service Tax Levy Year Over Year

Tax Levy	2025-2026	2026 – 2027
General Fund	\$11,878,019	\$13,040,127
Debt Service	\$0	\$0
Total	\$11,878,019	\$13,040,127

2% increase in the General Fund tax levy, Health care adjustment, and Banked cap expiring

The district will be applying **\$522,304** towards bond payments

Debt Service will be **\$0** for 3 consecutive years in a row

Freehold Borough School District

2017 Bond Referendum

2017 Bond Referendum July 19, 2017

\$15,605,000

2017 Bond Referendum Balance June 30, 2025

\$4,201,704

2026-2027
Bond Payment
Principal \$900,000
Interest \$310,500

Future Principal Payments
26-27 \$900,000 ← District is applying \$522,304 towards this payment.
27-28 \$900,000
28-29 \$900,000
29-30 \$900,000
30-31 \$900,000
31-32 \$75,991

2017 Bond Referendum

Statutory Law

- Proceeds that remain unspent upon completion of the project are unexpended bond proceeds.
- Each year by (NJ Admin. Code) the school district must use those proceeds to pay principal payments towards the bond schedule.

NJ Admin Code 6A:26-4.6 – 4.7
Title 18A:24 - 47

Options

- Transfer remaining proceeds to the Debt Service Fund by resolution and use annually to pay for the annual debt service principal payments.
- Voters may approve a change in purpose of the funds only by a ballot question that requires commissioner approval. If the board sought a change in purpose of the funds the question would have to appear on a November ballot referendum.
- Contact our Bond Attorney to present options to the BOE for the use of the remaining 2017 Bond Referendum Funds. (Strategic Plan FY 25)
- **Construction**
 - District wide improvements
 - Borough's pending construction projects. How will this affect future enrollment in the district?
 - New building purchase

Facilities

PAC & FLC bathroom renovation.

- PAC C-Wing boys and girls bathrooms
- PAC B-Wing boys and girls bathrooms
- FLC 2 Faculty bathrooms



Freehold Borough School District

Next Steps

- **May 4, 2026 – Public Hearing and adoption of the FY27 budget.**
- **48 hours after Public Hearing – User friendly budget is posted to the district website.**
- **July 1, 2026 – New fiscal year begins.**

Questions?

