



Haworth School District

2026-2027

BUDGET PRESENTATION

April 29, 2026



SCHOOL FINANCE & MARKET CONDITIONS

CURRENT MARKET CHALLENGES

- 31.9% increase in healthcare costs (HC represents 16% of the entire budget)
- Expiration of federal, COVID-19 grant programs
- Decreased State Aid contributions
- Inflated utility costs
- Structural deficit at the state level has led to overall decrease in financial support
- Introduction of new fixed costs associated with continued requirements for state mandate compliance

****factors which have led to layoffs, removal of services, and soaring budget deficits in other districts****

MEANWHILE AT HAWORTH

- **Growing number of programs at our school (highlighted by the start of the Haworth Autism Program)**
- **Increased student services (OT/Speech)**
- **New services (Behavioralist, transpo)**
- **Increased district generated revenue**
- **Increased shared services**
- **Growing enrollment (more to follow)**

All accomplished while allowing of \$416,000 in banked cap to expire demonstrating our strong financial position.



GUIDING PRINCIPLES



DISTRICT MISSION STATEMENT

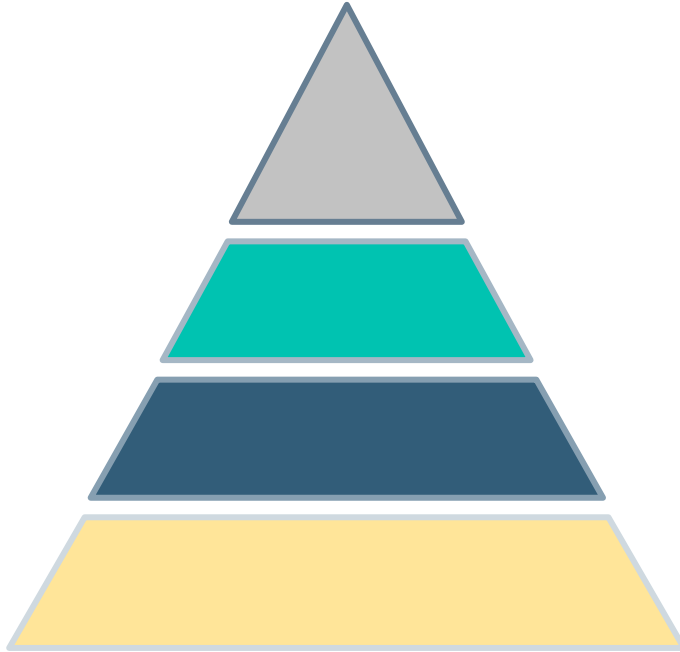
The Haworth Public School District, a safe and nurturing small school environment, in partnership with our community, is **dedicated to providing every student with educational excellence through a comprehensive, innovative and rigorous curriculum that fosters productive and responsible lifelong learners** in a global society.

FINANCIAL MISSION STATEMENT

The budget is driven by our commitment to ***student achievement*** in a way that is ***fiscally responsible*** to the taxpayer.



We we never want to sacrifice one for the other.



REVIEW OF SCHOOL BUDGETING PRINCIPLES

Foundations for school budgeting.





THE TWO PERCENT CAP



The “Two Percent Cap”:

As of 2010, the New Jersey Legislature mandated a “2% Cap” forcing towns and school districts to restrict spending so as to not overburden taxpayers with large annual increases.

Permissible Special Circumstances for Exceeding the Cap:

- Financing for debt service
- Increasing pension, healthcare/insurance costs
- Enrollment increases
- Inflationary conditions

State Calculations of Special Circumstances:

- The DOE provides ratios and corresponding dollar figures to account for these possible adjustments.
- Such adjustments allow districts to tax residents above the “2% Cap” based on the aforementioned conditions



BANKED CAPITAL (CAP)

Districts who do not budget the full 2% allotment and special circumstances calculation allotments as determined by the State of New Jersey accumulate “banked cap”.

The “**Banked Cap**” figure is the:

- remaining portion of:
 - all the funding made available to a district which was not budgeted by a school district for that fiscal year.
 - state calculations of special circumstances DOE provides from the ratios and corresponding dollar figures to make up for possible adjustments

Districts have three years to spend the “**Banked Cap**” before they lose access to the money.



REVENUES

Sources of income to maximize financial position and minimize burden on the taxpayer.

HPS REVENUE GENERATION PHILOSOPHY

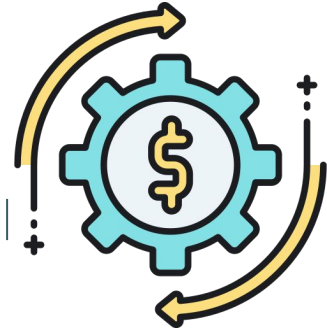


Amid the aforementioned school finance challenges present statewide our district has prioritized financial independence to better manage unpredictable market conditions.

Through a strategic review of operations, we have **expanded programs, enhanced services, and increased revenue** while responsibly **absorbing costs tied to growing enrollment**.

By leveraging **shared services** and bringing previously outsourced functions **in-house**, we have improved efficiency and cost control.

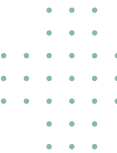
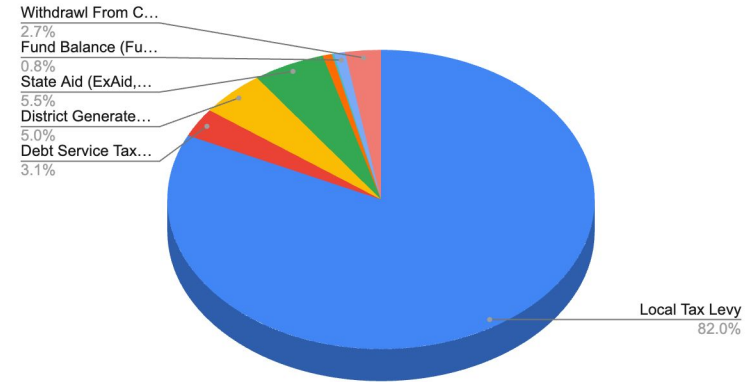
At the same time, we continue to strengthen key **revenue-generating programs** such as **full-day preschool, food service, before-and after-school care, and facility rentals**, ensuring continued financial stability in an uncertain economic climate.





SOURCES OF REVENUE

Revenue Source	Dollar Amount (\$)	Percent of Total Budget
Local Tax Levy	\$12,113,924	82.03%
Debt Service Tax Levy	\$462,771	3.13%
District Generated Revenue	\$733,559	4.97%
State Aid (ExAid, Transportation, SpecEd, Security)	\$805,529	5.45%
Federal Aid	\$105,200	0.71%
Debt Service Aid	\$24,079	0.16%
Fund Balance (Fund 10)	\$122,263	0.83%
Withdrawal From Capital Reserve	\$400,000	2.71%
Total	\$14,767,325	100.00%



DISTRICT REVENUE GENERATION INITIATIVE



School Year	Revenue Generated	Annual Increase
2022-2023	\$158,750	---
2023-2024	\$211,343	\$52,593
2024-2025	\$440,790	\$229,447
2025-2026	\$530,500	\$89,710
2026-2027	\$733,559	\$203,059

ITEMIZED DISTRICT REVENUE GENERATION

Program	Revenue Generated
Pre-K	\$280,000
Shared Services	\$75,059
Before Care & After Care	\$75,000
Building Rent	\$205,000
Field Usage	\$10,000
School Lunch	\$28,500
Operating Interest	\$25,000
Capital Reserve Interest	\$25,000
Building Usage (Gym)	\$10,000
Total	\$733,559



SEEKING EFFICIENCY

Impactful partnerships make financial sense.



SHARED SERVICE AGREEMENTS

How we partner with local school districts and municipalities to create mutually beneficial financial agreements.

- Northern Valley Special Education Transportation
- Ed Data Supply Services (Purchasing Group)
- Insurance Fund for Property and Liability (NESBIG)
- Insurance Fund for Workers' Compensation (NESBIG)
- Alliance for Competitive Energy Services (ACES)
- Special Education Consortium (Region III)
- Internet Provider (E-Rate/Northern Valley)
- Northern Valley School Lunch Program - Pomptonian Food Services
- Northern Valley Curriculum Center – Professional Development Services
- Shared Phone Services with NVD
- Shared Lightning Detection System
- Nursing, Adaptive PE, OT Services (Bergen County Center for Child Development)
- Borough provides:
 - snow plowing
 - trash/recycling
 - large area mowing
 - crossing guards





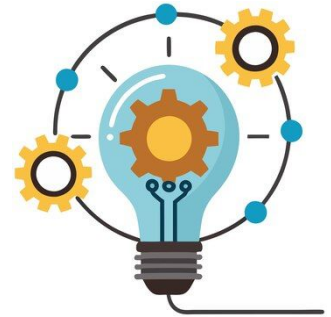
2026-2027 BUDGET FACTORS

Key cost considerations in the budget development.



MAJOR FACTORS CONSIDERED IN THE BUDGET PROCESS (1 of 2)

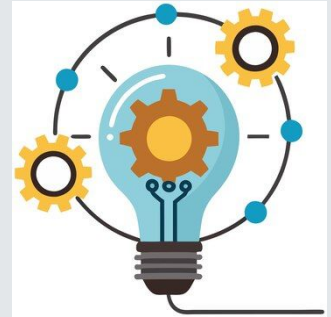
- Continued Efforts to **Address Student Learning Gaps**
- **Program Offerings** (Academics, Social & Emotional, Enrichment Activities)
- **Student Achievement/Growth**
- **Enrollment** Increase
- Safety and **Security**
- **Facilities Maintenance** (Including Technology)
- **Staffing** (New Positions, Continuing Positions)
- Rising Costs (CPI, Healthcare Costs, Transportation Costs)
- **Curriculum and Instruction** (New Texts and Subscriptions)





MAJOR FACTORS CONSIDERED IN THE BUDGET PROCESS (2 of 2)

- **Professional Development** aligned with Math and ELA curriculum updates
- Math, Science, Cursive writing **curriculum updates**
- **Special Education** (Programing and Format - ICS)
- Predicted **housing projections** and **population growth**
- Technology (**STEAM**) costs
- **Contracts** and **Benefits** (\cong 65%)
- Inflationary Impact on all School Supplies, Supports, Services
- Additional Services and Supports (OT/PT/Speech)





DISTRICT & MARKET CONDITIONS

*How internal district operations correlate with current
market conditions*



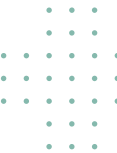
DISTRICT GROWTH: RISING ENROLLMENT

School Year	Enrollment	Annual % Increase
2019-2020	387	—
2020-2021	408	5.40%
2021-2022	414	1.40%
2022-2023	427	3.14%
2023-2024	464	8.67%
2024-2025	505	8.83%
2025-2026	530	4.95%
Total Percent Increase (since 19-20 School Year)		32.39%



District growth creates:

- the need more teachers (and benefits)
- More teacher aides (and benefits)
- increased special ed costs
- increased transportation costs





DISTRICT HEALTHCARE COSTS



Healthcare Costs

<i>School Year</i>	<i>Cost</i>	<i>Annual Cost Increase</i>	<i>Annual % Increase</i>
2020-2021	\$1,164,351	--	—
2021-2022	\$1,347,624	\$183,273	15.74%
2022-2023	\$1,580,769	\$233,145	17.30%
2023-2024	\$1,617,257.00	\$36,488.00	2.31%
2024-2025	\$1,917,448.00	\$300,191.00	18.56%
2025-2026	\$2,199,282.00	\$281,834.00	14.70%
2026-2027	\$3,002,883.00	\$803,601.00	36.54%
Total Cost Increase	\$1,838,532.00	Total Percent Increase	157.90%

Factors to Consider for 2026-2027 Figures

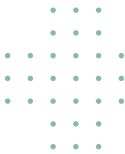
- 31.9% rate increase as communicated by the State
- hiring of 2 more FTE



ECONOMIC MARKET CONDITIONS: CPI

Consumer Price Index (CPI)

<i>School Year</i>	<i>CPI Annual Increase</i>
2020-2021	1.70%
2021-2022	1.69%
2022-2023	1.91%
2023-2024	5.86%
2024-2025	5.81%
2025-2026	2.40%
2026-2027	3.30%





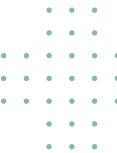
2026-2027 TAX REVENUE

*How internal district operations correlate with current
market conditions*



CALCULATED TAX LEVY

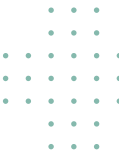
REQUIRED SPENDING (including Debt Service)	\$14,767,325.00
Budgeted Fund Balance	\$122,263.00
Revenue Not From Taxes	\$2,068,367.00
Total	\$2,190,630.00
Debt Service Tax Collected (Required Payment)	\$462,771.00
General Fund Local Taxes Needed to Support School Budget	
\$12,113,924	





NET TAX IMPACT

Tax Levy Increases	
25-26 Tax Levy	\$11,226,992
26-27 Tax Levy	\$12,113,924
Increase to 26-27 Local Tax Levy 7.90% (General Fund & DS)	\$886,932
Use of Banked Cap Eligibility	
Eligible Banked Cap and Additional Unused Adjustments	\$634,205
Expiring Banked Cap	\$416,622
Use of Banked Cap Eligibility	\$217,583
Debt Service	-\$3,090
Net Impact of Tax Levy	\$886,932





2026-2027 Budget Tax Levy

HAWORTH → 1,134 HOUSEHOLDS



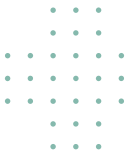
APPROXIMATE TAX LEVY INCREASE FOR EACH HOUSEHOLD

Total Tax Levy Increase (General and Debt Service)

\$886,932

Total Increase per Household (median assessed value)

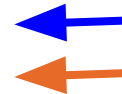
\$782/year or **\$65/month**





TWO PERCENT CAP & BANKED CAP FIGURES

Haworth Tax Rate & Allotted Banked Cap		
<i>School Year</i>	<i>Rate (%)</i>	<i>Banked Cap</i>
2021-2022	2%	\$1
2022-2023	2%	\$506,091
2023-2025	2%	\$416,622
2024-2025	5.60%	\$108,582
2025-2026	7.90%	\$0
2026-2027	7.90%	\$525,636
Eligible Cap Remaining		\$634,218



Given our average district budget, the 2% cap translates to roughly \$260,000.



HAWORTH ENROLLMENT & MARKET TRENDS

School Year	Enrollment Increase (%)	Healthcare Increase (%)	Inflation Increase (%)	Tax Increase (%)
2021-2022	1%	15.74%	7.00%	1.90%
2022-2023	3%	17.30%	6.50%	2%
2023-2025	8%	2.31%	3.40%	2%
2024-2025	8.80%	18.56%	2.90%	5.60%
2025-2026	4.95%	14.70%	2.40%	7.90%
2026-2027	5%	36.54%	3.30%	7.90%
TOTALS	31%	105.15%	25.50%	27.30%

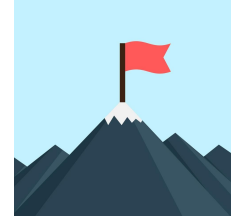




2026-2027 BUDGET HIGHLIGHTS

Hallmarks of our evolving needs.

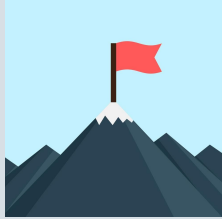




- Overall, offers a fiscal plan which priorities student learning
- Addition of the **Haworth Autism Program** enabling our district to educate resident students within our building
- Increases staffing to include a **Behaviorist, Speech Teacher, and Occupational Therapist**
- Maintains the existing, schoolwide **BSI** and **I&RS** programs
- Adds **Italian** to our list of foreign language offerings
- Accommodates for **state mandated cursive writing curriculum updates**
 - Purchase of new cursive writing program resources
- Continues **expansion of specialized Basic Skills** program into the middle school levels (**K-8**)
- Maintains grade level expansions to **ensure smaller class sizes**
- Expands upon existing **revenue generating programs**
- Provides **transportation savings** with use of school vehicle



- Aligns with the district's **strategic plan & Long Range Facilities Plan (LRFP)**
- Addresses **facility concerns** with regard to: security, food service, required maintenance
- Continues **district technology initiatives** (Infrastructure/Web Filtering/1:1)
- Absorbs the current increasing CPI index as dictated by market factors
- Installation of a new Kindergarten Playground
- Installation of the new district internet switches
- Absorbs the costs of increased energy demands
- Includes funding for a district science consultant
- Other facilities upgrades to increase accessibility and security on campus



Thank you for
viewing the
2026-2027
Haworth School
District Budget.

