

Estell Manor School District 2026-2027 Budget

1



**PUBLIC BUDGET HEARING
APRIL 30, 2026 6:00PM**

Estell Manor School District Budget

2026-2027 Budget Calendar ~ Schedule of Events

2

Schedule of Events:

- March 10th The Governor's State Address
- March 12th State aid figures released
- March 20th Finance Committee Meeting
- March 25th Board Meeting (to approve the budget)
- March 27th Budget due to Atlantic County DOE
- April 30th Public Budget Hearing / Regular Board Meeting

School budgets are no longer voted on as long as they are at or below the cap.

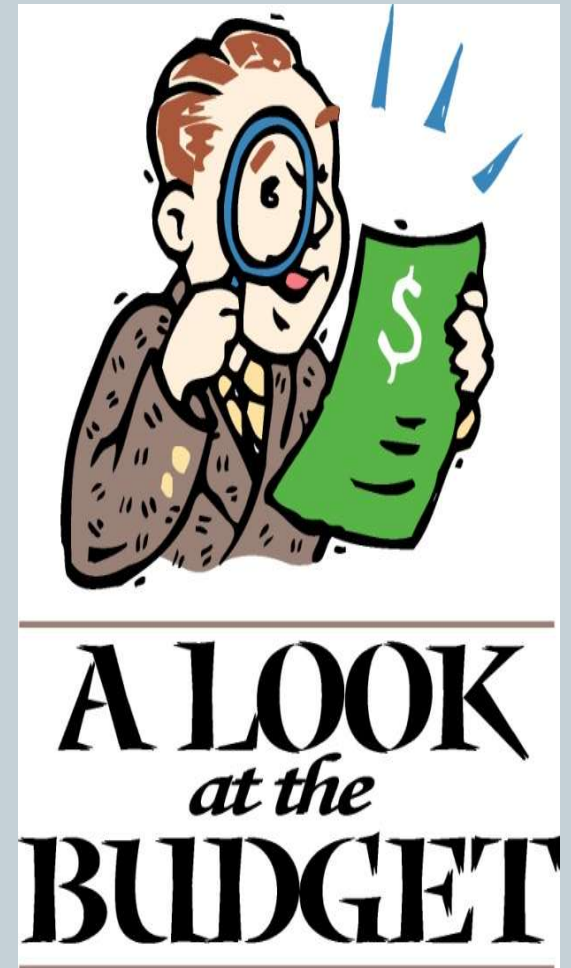
2026-2027 Budget Synopsis

3

- The proposed 2026-2027 school budget is based on a tax levy increase plus additional allowable tax levy adjustments.

2026-2027 Budget Goals

- Maintain high quality academic programming
- Analyze staffing to ensure needs are met with efficiency
- Continue offering extra-curricular programs & athletics
- Technology focus and Internet & communication needs
- Ensure facilities are maintained properly
- Maximizing available funds without overburdening the taxpayer



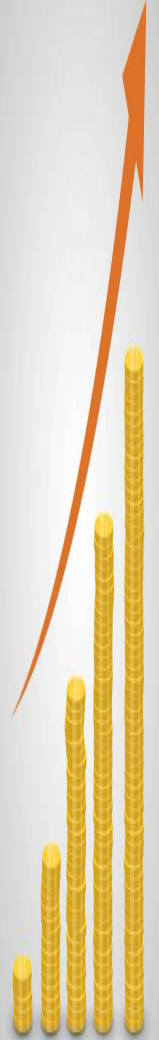
Estell Manor School District Budget

Current Challenges



4

- State Aid Funding – (major declines since 2018-19)
- Heavy increase in Health Benefit Premiums
- Salaries and Negotiated EMEA Contract Increases (4%, 3.75%, 3.75%, 3.75%, 3.5%)
- Increases in Fixed Costs (Utilities, Insurance)
- Increases in tuition
- Technology & cyber security protections
- Transportation costs
- Inflation in general
- The inability to increase our reserves (facility projects)



MAINTENANCE & FACILITIES

5

Future Facility Needs

Items we would like to prepare for:

- #1. Fire alarm system upgrades
- #2. Underground storage oil tank removal
- #3. Geothermal system 2005 section
- #4. Bathrooms in the 1955 section upgrades
- #5. Review roof warranties/boiler (2015-16) HVAC system status/maintenance plan



Note: Our current bond debt terminates on 7/15/2030 - referendum opportunity to do additional projects.

THE EVOLUTION OF THE 2% NJ TAX CAP & S2

6

- **What is the NJ School 2% Tax Cap?** Limits how much a school district can raise **property taxes each year**. Base increase is **2% of the prior year's tax levy**. **BUT... it's not a hard cap**. Districts can go above 2% for certain costs, like: Pensions, Health benefits, Debt payments, Enrollment increases. **Voter approval** is not needed (no referendum) if they stay within these rules.

NJ School Tax Cap History:

- **2010** – (The 2% Cap): Governor Christie and the Legislature passed a "compromise" that dropped the tax cap to 2%, made it permanent, and stripped 14 waivers down to four (health care, pensions, debt, and enrollment).
- **2012** – (The Voting Shift): This was a major turning point. The state allowed districts to move school board elections from April to November. If a district moved their election to November the district no longer had to put the budget to a public vote as long as it stayed at or below a 2% increase + legal exceptions. In total these legal exceptions can amount to millions of dollars raising the overall percentage to the tax levy well above 2% without the requirement for voter approval.
- **2018–Present** – Present (The "S2" Era): New laws (specifically Senate Bill 2) began phasing out state aid or "adjustment aid" for many districts. Because this caused massive school budget holes, the state recently started granting special temporary permissions to let districts make up for that lost state money through local tax levies without a referendum.

Simply stated: The "2% cap" is flexible—not a strict limit

NJ School State Aid History and S2

7

Fiscal Year	Gen Fund State Aid	Increase (Decrease)
2026-2027	\$ 1,695,751.00	\$ (7,766.00)
2025-2026	\$ 1,703,517.00	\$ (10,409.00)
2024-2025	\$ 1,713,926.00	\$ (88,288.00)
2023-2024	\$ 1,802,214.00	\$ (46,948.00)
2022-2023	\$ 1,849,162.00	\$ (81,131.00)
2021-2022	\$ 1,930,293.00	\$ (27,753.00)
2020-2021	\$ 1,958,046.00	\$ 20,066.00
2019-2020	\$ 1,937,980.00	\$ (224,280.00)
2018-2019	\$ 2,162,260.00	\$ -

A 2018 law called S2 (Senate Bill 2) amended the state's school funding formula to correct historical imbalances in how much aid the state was releasing. But as a result, many districts lost state aid. Some have lost it almost every year.

Revenues~2026-27 vs. 2025-26

8



Where Does the money come from?

Fund Revenues	2026-2027	2025-2026
General Fund:		
Fund Balance (Audited Number)	\$ 300,860	\$ 526,054
Tax Levy(2% Incr + Adjust =12%)	3,254,226	2,905,559
State Aid	1,695,751	1,703,517
TOTAL BUDGET GENERAL	\$ 5,250,837	\$ 5,135,130
Fund 20 revenues	\$581,256	\$634,710
Fund 40 Debt Service - Tax Levy	\$108,553	\$111,522
TOTAL ALL FUNDS	\$5,940,646	\$5,881,362
Overall increase = \$59,284		

Tuition for 2026-2027

9

IMPORTANT TO NOTE: As a PreK–8 district, we are responsible for tuition costs for students who attend high school, out-of-district special education programs, or technical/charter schools.

• Buena Regional School District	\$ 786,224
• Atlantic County Special Services	140,455
• CMC Technical High School	25,146
• ACIT Technical High School	50,931
• Cape May County Special Services	76,230
• Hamilton Twp. Schools	<u>110,540</u>
Total Tuition 2026-2027	\$ 1,189,526

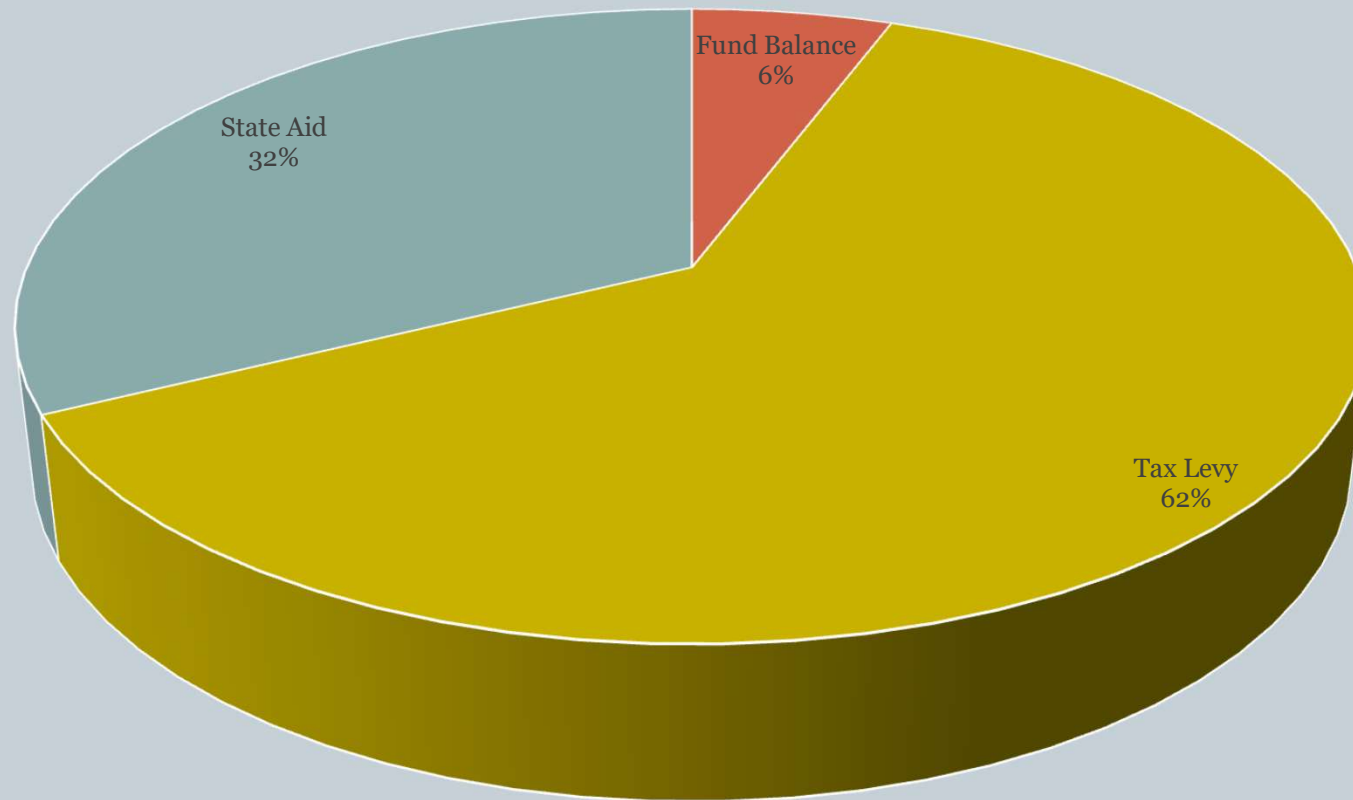
2025-2026 Tuition \$1,071,925. Resulted in an **INCREASE of \$117,601** for 2026-27.



**Tuition
and Fees**

General Fund Revenues 2026 - 2027

10



■ Fund Balance ■ Tax Levy ■ State Aid

2026-27 & Tax Levy 2% tax increase with adjustments



11

Gen Fund Tax Levy 25-26	\$ 2,905,559.00
26-27 tax increase (2% max)	58,111.00
Adjustments/Cap Banking	290,556.00
Gen Fund Tax Levy 26-27	\$ 3,254,226.00
2026-27 Debt Service Levy	108,553.00
Total Tax Levy	\$ 3,362,779.00

	2025	2026
Net Value of Estell	157,758,700	156,865,300
Taxes incl debt - raised cal yr	\$ 2,988,265	\$ 3,362,779
Rate / \$100 Assessment	\$ 1.894	\$ 2.144
TAX INCREASE (DECREASE)		.250
Approximate Average Assessed value	\$ 181,823	\$ 182,635
Taxes	3,444.09	3,915.21
Impact of actual taxes per avg home - increase		\$ 471.12

2026-2027 Tax Impact on Homeowner

12

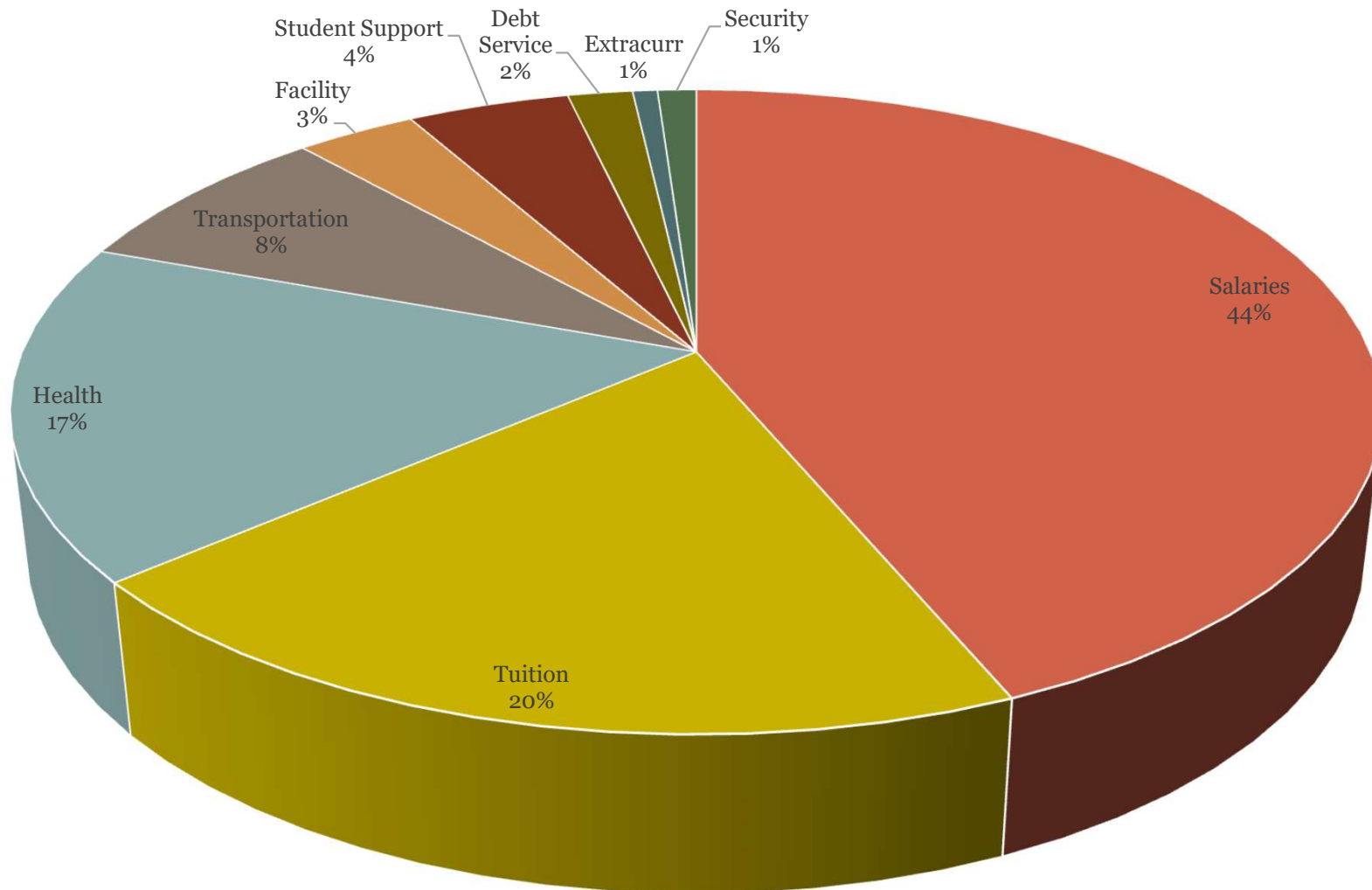
Estimated tax increase on most recent ratables revenues and appropriations for the 2026-27 budget.

	Home Assessed Value	12% School Tax Levy Increase
* avg. assessed	\$ 182,635.00	\$ 421.12
	\$ 250,000.00	\$ 623.84
	\$ 300,000.00	\$ 748.61
	\$ 350,000.00	\$ 873.38
	\$ 400,000.00	\$ 998.15
	\$ 450,000.00	\$ 1,122.91
	\$ 500,000.00	\$ 1,247.68



2026-27 Budget Appropriations

13



EMBOE Tax Rate History

14

Year	Net Taxable Value	General School Tax Levy	Debt Serv School Tax Levy	TOTAL Tax Levy	Tax Rate per \$100 assess	Incr/(Decr)
2017-18	\$ 153,921,100.00	\$ 2,354,957.00	\$ 117,994.00	\$ 2,472,951.00	1.607	(0.34)
2018-19	\$ 153,716,800.00	\$ 2,354,957.00	\$ 117,994.00	\$ 2,472,951.00	1.609	0.00
2019-20	\$ 154,122,000.00	\$ 2,487,524.00	\$ 117,994.00	\$ 2,605,518.00	1.691	0.08
2020-21	\$ 155,503,100.00	\$ 2,487,524.00	\$ 117,994.00	\$ 2,605,518.00	1.676	(0.02)
2021-22	\$ 156,029,600.00	\$ 2,537,274.00	\$ 117,994.00	\$ 2,655,268.00	1.702	0.03
2022-23	\$ 156,915,300.00	\$ 2,588,019.00	\$ 117,994.00	\$ 2,706,013.00	1.725	0.02
2023-24	\$ 157,227,200.00	\$ 2,764,779.00	\$ 117,460.00	\$ 2,882,239.00	1.833	0.11
2024-25	\$ 157,771,700.00	\$ 2,820,074.00	\$ 111,790.00	\$ 2,931,864.00	1.858	0.03
2025-26	\$ 157,758,700.00	\$ 2,905,559.00	\$ 82,706.00	\$ 2,988,265.00	1.894	0.03
2026-27	\$ 156,865,300.00	\$ 3,254,226.00	\$ 108,553.00	\$ 3,362,779.00	2.144	0.25





THANK YOU!

15

We recognize the growing pressure
on our local taxpayers.

As state aid has changed, more responsibility
unfortunately has shifted to our community.

Please remember that investing in our students
remains an investment in the future of this town.

Strong schools build strong communities.