

MISSION STATEMENT: To foster a safe and equitable environment that celebrates our diverse learners, and provides the necessary resources and supports to prioritize the social-emotional and academic development of all students.

SPECIAL FINANCE MEETING was held on May 4, 2026, Cambridge Park Elementary School, 1 Crest Way, Aberdeen, NJ.

I. CALL TO ORDER

President, Ms. Werneke called the Special Meeting to order at 6:30 pm.

II. STATEMENT OF ADEQUATE NOTICE

“The New Jersey Open Public Meeting Law was enacted to ensure the right of the public to have advance notice of and to attend the meetings of public bodies at which any business affecting their interest is discussed or agreed upon. In accordance with the provision of this act, the Matawan-Aberdeen Regional School District Board of Education advertised this meeting on May, 2026 in the Asbury Park Press. This notice was sent to the Municipal Clerks of the Borough of Matawan and the Township of Aberdeen, and the Matawan-Aberdeen Joint Free Public Library. The notice was also placed on the district’ website.

III. PLEDGE OF ALLEGIANCE

IV. ROLL CALL

Present:	Ms. Werneke - President	Ms. Feiles - Vice President
	Ms. Ascoli	Mr. McGovern
	Mr. Mondella	Mr. Montone
	Ms. Pell	Ms. Skop
	Ms. Spruell (arrived at 6:34 pm)	

Absent:

Also Present:	Dr. Perez, Superintendent of Schools
	Ms. Case, School Business Administrator/Board Secretary
	Mr. Liebmann, Assistant Superintendent for School Administration PreK-12
	Dr. Rawls-Dill, Director of Personnel

V. SUPERINTENDENT’S REPORT - 2026-2027 Budget Presentation and Discussion

The Business Administrator presented the proposed 2026-2027 budget, emphasizing the district's commitment to transparency, fiscal responsibility, and responsiveness to Board feedback received during previous budget discussions.

The Board was advised that while the overall budget amount remained relatively unchanged from the tentative budget, required state and county adjustments related to preschool funding resulted in internal reallocations of expenditures. Administrative reductions, travel reductions, and other targeted adjustments were incorporated where feasible while maintaining educational programs and services.

The administration clarified that the district's unassigned fund balance is budgeted in full compliance with New Jersey Department of Education regulations at the statutory maximum of 2%, approximately \$1.65 million. It was noted that prior references to 2.5% were related to separate calculations and not the allowable fund balance limit. Administration further reported that county officials encouraged the district to continue strengthening reserves over time to address long-range facility needs and emergency preparedness.

The administration reviewed staffing adjustments included in the budget, noting that reductions were limited and targeted to minimize impact on classroom instruction and student services. Administrative salary adjustments were revised following Board discussion, resulting in cabinet-level increases being reduced to 3%, while central office and support staff increases remained at 3.25%.

The Board discussed healthcare costs, which increased by approximately \$2.9 million. Administration reported that two proposals were received during the procurement process, with five vendors declining to quote. The recommended healthcare option maintains approximately 97% provider retention while addressing rising healthcare costs and minimizing disruption to employees.

The administration also reviewed the proposed use of \$1.5 million in Capital Reserve funds to address priority facility projects, including roof improvements and auditorium renovations. The Board was advised that capital reserve requests must be incorporated during the annual budget process and are based on facility assessments and identified district needs.

Additional discussion included transportation staffing challenges related to statewide driver shortages, shared services initiatives designed to offset taxpayer costs through operational efficiencies, travel expenditure reductions, and projected costs associated with substitute staffing and student support services.

The administration noted that without the implemented cost-containment measures and budget adjustments, the budget increase would have exceeded 15%. The proposed budget reflects a 5.9% tax levy increase, driven primarily by healthcare, transportation, and other mandated costs while preserving educational programming and student services.

Board members asked questions regarding fund balance, healthcare procurement, staffing reductions, capital reserve planning, shared services, transportation operations, substitute staffing expenditures, and the overall tax impact. Administration provided responses and clarifications to each inquiry.

The presentation concluded with the administration reiterating that the proposed budget reflects responsible fiscal decision-making, protects student programs and services, addresses critical operational needs, and positions the district to meet future challenges while maintaining financial stability.

VI. PUBLIC COMMENTS RELATING TO AGENDA ITEMS & ADDITIONAL MATTERS

- None

VII. VOTE/ROLL CALL ON AGENDA ITEMS

FINANCE

Motion by Ms. Skop, seconded by Ms. Pell to approve the following:

Discussion

- Ms. Pell addressed SHIF information
- Ms. Case shared that we are not using the SHIF for prescription. Program Manager is out for RFP and going out to open bid to eliminate the perceived concept. NJ Health is the largest group with buy in power as a non-profit. Thanks for all additional information.
- Ms. Ascoli - Thank you, Ms. Pell. Thanks to the cabinet for thorough information and explanation to the board. Raising taxes above 2% cap is not taken lightly. Looked at every area including travel.

1. Final Budget Adoption 2026-2027 - Changes from Tentative to the Public Hearing Final Adoption

WHEREAS, the Matawan-Aberdeen Regional School District Board of Education adopted a tentative budget on March 23, 2026, and submitted it to the Executive County Superintendent of Schools for approval, and

WHEREAS, the tentative budget was approved by the Executive County Superintendent of Schools on April 21, 2026 and

WHEREAS, the tentative budget was posted on the district's website on April 22, 2026, and

WHEREAS, the final budget was presented to the public during a hearing held at Cliffwood Elementary School, 422 Cliffwood Ave., Cliffwood, NJ, on April 27, 2026.

WHEREAS, the Board of Education has now determined to make modification to the tentative budget as follows:

Budget Line	Description	Tentative Budget	Final Budget	Change	Explanation
11-000-230-100	Salary	\$712,817	\$712,293	\$524	Reduced projected salary increases
11-000-230-590	Misc Purch Serv Travel	\$399,657	\$398,257	\$1,400	Reduced projected travel
11-000-240-100	Salary	\$2,343,013	\$2,342,566	\$447	Reduced projected salary increases
11-000-251-100	Salary	\$647,857	\$647,263	\$594	Reduced projected salary increases

NOW, THEREFORE, BE IT RESOLVED that the Matawan-Aberdeen Regional School District Board of Education hereby adopts the following final budget for SY 2026-2027:

	General Fund	Special Revenue	Debt Service	Total
2026-2027 Total Expenditures	\$89,770,660	\$10,175,528	\$2,683,555	\$102,629,743
Less: Anticipated Revenues	\$20,742,384	\$10,175,528	\$326,250	\$31,244,162
Taxes to be Raised	\$69,028,276	\$0	\$2,357,305	\$71,385,581

Adjustment for HEALTH CARE COSTS

BE IT RESOLVED, that the Matawan-Aberdeen Regional School District Board of Education includes in the final budget the adjustment for increased costs of health benefits in the amount of \$2,929,429. The additional funds will be used to pay for the additional increases in health benefit premiums.

Capital Reserve Withdrawal – Other Capital Projects

BE IT RESOLVED, that included in the general fund appropriations, budget line 620 is a withdrawal from Capital Reserve – Other Capital Projects in the amount of \$1,500,000 for other capital project costs of partial roof replacements for \$1,000,000 and the cost of High School Auditorium renovation \$500,000. The total cost of this project is \$1,500,000 which represents expenditures for construction elements or projects that are in addition to the facilities efficiency standards determined by the Commissioner as necessary to achieve the New Jersey Student Learning Standards.

Maintenance Reserve Withdrawal

BE IT RESOLVED, that as per N.J.A.C. 6A:23A-14.2(d) the general fund appropriations include a \$750,000 withdrawal from the Maintenance Reserve Account for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26-20.5.

Travel and Related Expense Reimbursement 2026-2027

WHEREAS, the Matawan-Aberdeen Regional School District Board of Education recognizes school staff and Board members will incur travel expenses related to and within the scope of their current responsibilities and for travel that promotes the delivery of instruction or furthers the efficient operation of the school district; and

WHEREAS, N.J.A.C. 6A:23A-7.3 et seq. requires Board members to receive approval of these expenses by a majority of the full voting membership of the Board and staff members to receive prior approval of these expenses by the Superintendent of Schools and a majority of the full voting membership of the Board; and

WHEREAS, the Matawan-Aberdeen Regional School District Board of Education established \$143,226 as the maximum travel amount for the current school year and has expended \$88,867 as of this date; now

THEREFORE, BE IT RESOLVED, the Board of Education approves travel and related expense reimbursements in accordance with N.J.A.C. 6A:23A-7.3, to a maximum expenditure of \$136,425 for the 2026-2027 school year.

2. Authorization to Implement the 2026-2027 Budget

The Superintendent recommends that the Matawan-Aberdeen Regional School District Board of Education authorize the Superintendent and the School Business Administrator/Board Secretary to implement the 2026-2027 budget pursuant to Board of Education policy and state regulations.

3. Tax Levy Certification Form A and B (A4F)

THEREFORE, BE IT RESOLVED, that the amount required for school purposes in the school district of Matawan-Aberdeen Regional, County of Monmouth for the 2026-2027 is a general fund tax levy of \$69,028,276 plus a debt service tax levy of \$2,357,305 for a total tax levy of \$71,385,581 and is required to be levied for local school district purposes.

4. NJ Schools Health Insurance Fund

WHEREAS, a number of school boards in the State of New Jersey have joined together to form the SCHOOLS HEALTH INSURANCE FUND hereafter referred to as "SHIF", as permitted N.J.S.A. 18A:18B-1 et seq., and;

WHEREAS, the SHIF has received approval by the Commissioner of the Department of Banking and Insurance on August 10, 2015;

WHEREAS, the statutes and regulations governing the creation and operation of a joint insurance fund, contain certain elaborate restrictions and safeguards concerning the safe and efficient administration of the public interest entrusted to such a school board joint insurance fund;

WHEREAS, the governing body of Matawan-Aberdeen Regional School District Board of Education, hereinafter referred to as "SCHOOL BOARD" has determined that membership in the SHIF is in the best interest of said SCHOOL BOARD.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the SCHOOL BOARD hereby agrees as follows:

- i. SCHOOL BOARD shall become a member of the SHIF for the period outlined in the SCHOOL BOARD's Indemnity and Trust Agreement.
- ii. SCHOOL BOARD will participate in the following type (s) of coverage (s): a) Health Insurance as defined pursuant to N.J.S.A. 17B:17-4, the SHIF's Bylaws, and the SHIF's Plan of Risk Management.

- iii. SCHOOL BOARD accepts and approves the SHIF's Bylaws and agrees to be bound by the terms thereof.
- iv. SCHOOL BOARD shall execute an application for membership and any accompanying certifications.
- v. SCHOOL BOARD agrees to commit to the four principles of the SHIF which are:
 - a) A long term philosophy on rates.
 - b) A willingness to work with bargaining units to achieve plan design changes.
 - c) Professional management with stability and commitment.
 - d) Rating structure based on actuarial numbers.

BE IT FURTHER RESOLVED that the governing body of the SCHOOL BOARD is authorized and directed to execute the Indemnity and Trust Agreement and such other documents signifying membership in the SHIF as required by the SHIF's Bylaws, and to deliver these documents to the SHIF's Executive Director with the express reservation that these documents shall become effective only upon:

- i. Approval of the SCHOOL BOARD by the SHIF.
- ii. Receipt by the SHIF of a Resolution from the SCHOOL BOARD accepting SCHOOL BOARD's SHIF assessment.
- iii. Approval by the Commissioner of the New Jersey Department of Banking and Insurance of School Board as a member of the SHIF.

5. NJ Schools Health Insurance Fund Indemnity and Trust Agreement

WHEREAS, the governing bodies of various school boards within the State of New Jersey, have elected to form a joint insurance fund as defined in N.J.A.C. 11:15-5.2, and as such an entity is authorized and described in N.J.S.A. N.J.S.A. 18A:18B-1 et. seq. and the administrative regulations promulgated pursuant thereto; and

WHEREAS, the SCHOOL BOARD has agreed to become a member of the SHIF in accordance with and to the extent provided for in the Bylaws of the SHIF and in consideration of such obligations and benefits to be shared by the membership of the SHIF;

NOW THEREFORE, it is agreed as follows:

1. The SCHOOL BOARD accepts the SHIF's Bylaws as approved and adopted and agrees to be bound by and to comply with each and every provision of said Bylaws and the pertinent statutes and administrative regulations pertaining to same.
2. The SCHOOL BOARD agrees to participate in the SHIF with respect to health insurance, as defined in N.J.S.A. 17B:17-4, and as authorized in the SCHOOL BOARD's resolution to join.
3. The SCHOOL BOARD agrees to become a member of the SHIF and to participate in the health insurance coverages offered for an initial period, (subject to early release or termination pursuant to the Bylaws), such membership to commence on 7/1/26 and ending on 6/30/29 at 12:01 AM provided, however, that the SCHOOL BOARD may withdraw at any time subsequent to the delivery of ninety (90) day prior written notice of the intent to withdraw to the SHIF as provided in the Bylaws.
4. The SCHOOL BOARD certifies that it has never defaulted on payment of any claims if self-insured and has not been cancelled for non-payment of insurance premiums for a period of at least two (2) years prior to the date of this Agreement.
5. In consideration of membership in the SHIF, the SCHOOL BOARD agrees (i) that it shall jointly and severally assume and discharge the liability of each and every member of the SHIF for the periods during which the SCHOOL BOARD is a member of the SHIF, (ii) acknowledges that the SCHOOL BOARD and

all other members of the SHIF, as a condition of membership in the SHIF, have executed and delivered an Indemnity and Trust Agreement similar to this Agreement and (iii) by the execution of this Agreement the full faith and credit of the SCHOOL BOARD is pledged to the punctual payment of any sums which shall become due to the SHIF in accordance with the Bylaws thereof, this Agreement or any applicable Statute. However, nothing herein shall be construed as an obligation of the SCHOOL BOARD for claims and expenses that are not covered by the SHIF, or for that portion of any claim or liability not within the SCHOOL BOARD’s retained limit or in an amount which is in excess of the SHIF’s limit of coverage.

6. If the SHIF in the enforcement of any part of this Agreement shall incur necessary expenses or become obligated to pay attorney’s fees and/or court costs, the SCHOOL BOARD agrees to reimburse the SHIF for all such reasonable expenses, fees, and costs, inclusive of attorney fees, on demand.

7. The SCHOOL BOARD and the SHIF agree that the SHIF shall hold all moneys in excess of the SCHOOL BOARD’s retained loss fund paid by the SCHOOL BOARD to the SHIF as fiduciaries for the benefit of SHIF claimants all in accordance with N.J.A.C. 11:15-5.1 et seq.

8. The SHIF shall establish and maintain Claims Trust Accounts for the payment of health insurance claims in accordance with N.J.S.A. N.J.S.A. 18A:18B-1 et seq., and N.J.A.C. 11:15-5.13 and such other statutes and regulations as may be applicable. More specifically, the aforementioned Trust Accounts shall be utilized solely for the payment of claims, allocated claim expense and stop loss insurance or reinsurance premiums for each risk or liability as follows:

- a) Employer contributions to group health insurance
- b) Employee contributions to contributory group health insurance
- c) Employer contributions to contingency account
- d) Employee contributions to contingency account
- e) Other trust accounts as required by the Commissioner of Insurance

9. Notwithstanding the terms of paragraph 8, above, to the contrary, the SHIF shall not be required to establish separate trust accounts for employee contributions provided the SHIF provides a plan in its Bylaws or Risk Management Plan for the recording and accounting of employee contributions of each member.

10. Each SCHOOL BOARD who shall become a member of the SHIF shall be obligated to execute an Indemnity and Trust Agreement similar to this Agreement. Each SCHOOL BOARD, by the execution and delivery of an Indemnity and Trust Agreement agrees to be jointly and severally bound with each other member of the SHIF who executes and delivers an Indemnity and Trust Agreement to the terms and conditions set forth in said Indemnity and Trust Agreement.

6. Fund Commissioner - Schools Health Insurance Fund

BE IT RESOLVED, by the Matawan-Aberdeen Regional School District Board of Education that Lindsey Case be and is hereby appointed as Fund Commissioner to the Schools Health Insurance Fund, effective July 1, 2026, to represent the Matawan-Aberdeen Regional School District Board of Education and

BE IT FURTHER RESOLVED, that Dori Caprio be and is appointed as the Alternate Fund Commissioner to the Schools Health Insurance Fund.

	AYE	NAY	ABSTAIN	ABSENT	COMMENTS
Ms. Ascoli	X				
Mr. McGovern	X				
Mr. Mondella		X			
Mr. Montone	X				
Ms. Pell	X				

Ms. Skop	X				
Ms. Spruell	X				
Ms. Feiles	X				
Ms. Werneke	X				

On a roll call vote, eight (8) members voted yes, one (1) member voted no, and zero (0) members were absent

VIII. UNFINISHED BUSINESS

- None

IX. NEW BUSINESS

- None

X. EXECUTIVE SESSION

- None

XI. ADJOURNMENT

On a motion by Ms. Pell, seconded by Ms. Feiles and a unanimous roll call vote the Board adjourned the meeting at 6:52 pm.