PALISADES PARK SCHOOL DISTRICT

BOARD OF EDUCATION COMMUNITY BULLETIN

Community Update
October 2026

EDUCATIONAL EXCELLENCE • PUBLIC TRANSPARENCY • FISCAL RESPONSIBILITY

A MESSAGE FROM THE BOARD OF EDUCATION

Dear Palisades Park Residents, Staff, and Families:

In accordance with our commitment to providing transparent and clear communication to the Palisades Park community, the Board of Education is pleased to share this comprehensive district update. Our primary mission remains delivering a top-tier education while managing local taxpayer resources responsibly and prudently.

Despite significant challenges associated with unprecedented state-mandated healthcare premium increases, the district has successfully maintained its high educational standards, protected competitive teacher compensation, and strengthened overall district operations. Following a period of institutional transition, our leadership team and board have restored fiscal compliance, remediated historical operational deficiencies, and implemented enhanced security measures across all school grounds, fully budgeted and sustained through school district funding.

This bulletin provides verified financial, operational, and facility facts drawn directly from state audits, municipal records, public budget presentations, and official court filings. We look forward to keeping you informed throughout the school year.

— The Palisades Park Board of Education

VERIFIED DISTRICT OPERATIONS & FINANCIAL FACTS

1. Setting the Record Straight on Property Taxes

- **Actual Tax Growth vs. Misinformation:** Over a two-year period from 2024 to 2026, the Board of Education's tax levy grew by 10.16% (from $26,371,112 to $29,049,132). During that exact same timeframe, the Borough's municipal tax levy increased by 21.58% (from $19,649,162 to $23,890,265)—more than double the rate of the school district.
- **Inaccurate Municipal Budget Reporting:** The Borough of Palisades Park published tax documents on its official website that overstated the Board's actual 2024 levy ($26,371,112) by over $11 million ($37,534,767 reported) and incorrectly stated the school tax rate as $1.72 per $100 of assessed value. The actual school tax rate was $0.675 per $100 ($0.7073 estimated for 2026–2027).
- **Outstanding Local Tax Revenue:** Despite ongoing efforts to resolve the matter, the Borough has underpaid tax transfers to the School District over the past 15 months, resulting in an unpaid balance of $1,048,670 as of September 30, 2026. Following legal action initiated by the District, the Borough recently remitted $712,595 toward the outstanding balance. As these funds are statutorily allocated for daily school operations, the District is continuing legal proceedings to collect the remaining balance.

2. Competitive Educator Compensation & Salary Guide Realities

- **Competitive Contractual Entry Pay:** Entry-level teacher salaries (Step 1 BA) start at $61,000, placing Palisades Park above the New Jersey state average ($60,900—4th highest nationally).
- **Protected Salary Progression:** Contractual longevity step increases are fully funded across all 17 steps (reaching over $104,000 for experienced staff with advanced degrees).

VERIFIED OPERATIONS & FISCAL COMPLIANCE

3. Mandated Healthcare & Benefit Cost Management

- **Statewide Premium Surge:** Health benefit costs under the New Jersey School Employees' Health Benefits Program (NJ SHBP) represent the single largest structural pressure on public school budgets statewide. District benefit costs rose from $5,313,655 in 2024–2025 to $5,877,067 in 2025–2026, and are budgeted at $7,499,856 for 2026–2027, a single-year jump of +$1,622,789 (+27.61%).
- **Benefit Overhead Ratio:** Mandated healthcare and pension benefits now equal **45.06%** of total employees' salaries in the proposed 2026–2027 budget (up from 31.08% in 2025–2026).
- **Compliant Cap Management:** The 6.74% tax levy adjustment strictly complies with state statutory cap rules. This allowed the district to absorb state health benefit hikes and offset state aid cuts while preserving all core academic and co-curricular programs.

4. Staffing Efficiency & Administrative Overhead

- **Targeted Administrative Reductions:** To protect classroom resources, the district eliminated two (2) administrative positions, reducing General Administration costs by -8.1% and Central Services by -3.0%.
- **Operational Staffing Alignment:** In response to multi-year enrollment declines, the district restructured 33 overall positions (primarily through natural attrition), including 17 teaching positions, 6 contractual aides, and 8 part-time custodial positions, maintaining educational quality.

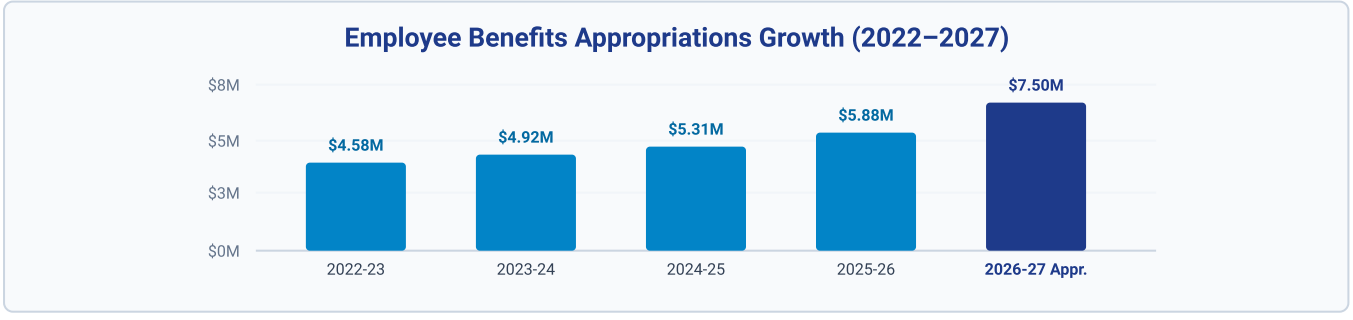
5. Certified Facilities & Residency Enforcement

- **Certified Classrooms & Class Sizes:** 100% of classes take place in safe, fully certified learning spaces. Average class sizes: Early Childhood (13–18.5); Lindbergh Elementary (20–25); Jr./Sr. High School (20–26).
- **Rigorous Residency Verification:** Active verification protocols ensure local tax dollars directly support resident students of Palisades Park.

MANDATED HEALTHCARE & BENEFIT COST TRAJECTORY

Like public school districts across New Jersey, Palisades Park's primary budget driver is the rapid rise in mandated employee health benefits under the New Jersey State Health Benefits Plan (NJ SHBP). State healthcare premiums jumped by **31.9% in 2026**, with state projections forecasting an additional **34.4% surge in 2027**.

While health care premiums represents the primary cost driver, the chart below reflects total employee benefit obligations, including medical, dental, prescription, pension, and Social Security (FICA).

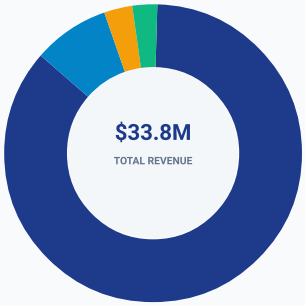


$7,499,856	45.06%	+$1,622,789
2026–27 Benefit Appropriation	Benefits as % of Total Salaries	1-Year Benefit Cost Increase

FINANCIAL BREAKDOWN: OPERATING REVENUES

2026–2027 Approved Operating General Fund: $33,784,194. Total combined net expenditures across all funds (including state Pre-K grants) equal $39,136,262.

2026–2027 Operating Revenue Sources Breakdown



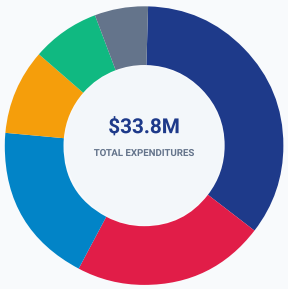
- **Local Tax Levy:** 86.0% ($29,049,132)
- **Categorical State Aid:** 8.2% ($2,771,207)
- **Fund Balance Surplus:** 3.0% ($1,000,000)
- **Misc Revenue & Grants:** 2.8% ($963,855)

Estimated School District Tax Impact by Assessed Home Value (2026–2027)

Assessed Home Value	Estimated Annual Change	Estimated Monthly Impact
$300,000	$141.00 / year	$11.75 / month
$500,000	$235.00 / year	$19.58 / month
$700,000	$329.00 / year	$27.42 / month
$1,000,000	$470.00 / year	$39.16 / month

**Tax impact calculations reflect estimated tax rate shifts ($0.7073 per $100) based on Borough Net Valuation Taxable ($4,107,250,491). Final individual figures are confirmed by the Municipal Tax Assessor.*

WHERE YOUR TAX DOLLARS GO (2026–2027 OPERATING EXPENDITURES)



- **Instruction & Regular Classroom:** 35.4% ($11,967,470)
- **Employee Health & Mandated Benefits:** 22.2% ($7,499,856)
- **Special Education & Out-of-District Tuition:** 18.6% ($6,283,165)
- **Plant Operations, Maintenance & Transport:** 9.8% ($3,293,747)
- **Student Support Services & Health:** 7.8% ($2,632,056)
- **School & Central Administration:** 6.2% ($2,107,900)

ACADEMIC PRIORITIES, SAFETY & OPERATIONAL EFFICIENCY

Academic Advancement & Program Expansion

1. **Maximizing Instructional Time:** Added two (2) instructional days to the 2026–2027 School Calendar to expand direct student learning and reinforce academic growth.
2. **Grant-Funded Summer Academy Restoration:** Re-established elementary and middle school summer academic support programs fully funded through state/federal grant allocations.
3. **CKLA Literacy Expansion (Year 2):** Continued expansion of the Amplify Core Knowledge Language Arts program across elementary grades, aligning reading instruction with cognitive science.
4. **Lindbergh In-District Autism Program:** Established a dedicated in-district elementary autism classroom, keeping students in their home community while saving on costly out-of-district tuition.
5. **MTSS Framework & NJ 2023 Standards:** Strengthened Multi-Tiered Systems of Support for early intervention and updated K-12 curricula across all subject areas.
6. **Mental Health & Counseling Support:** Budgeted $2,632,056 dedicated to student support services, counseling, child study teams, and health services.

Modernized Operations & Campus Security

- **Frontline Absence Management:** Implemented an automated digital substitute and attendance management platform (launched Sept 1, 2026) to streamline staffing workflows.
- **BoardDocs Transparency Portal:** Adopted BoardDocs (launched Sept 16, 2026) to centralize public board agendas, policy documents, and meeting minutes for easy community access.
- **HVAC Infrastructure Upgrades:** Completed high school HVAC overhaul to improve indoor air quality and temperature regulation in learning spaces.
- **Technology Infrastructure Expansion:** Upgraded fiber optic connectivity and network hardware to support digital learning devices and secure communications.
- **100% District-Funded On-Site Police Protection:** Partnered with the Borough Police Department to place Special Law Enforcement Officers Class III (SLEO III) in school buildings daily.

Long-Term Facilities & Maintenance Stewardship

- **Comprehensive Capital Plan:** Partnered with facility architects and engineers on a multi-year master plan for systematic roof, HVAC, and structural repairs without emergency borrowing.
- **Head Custodian Supervisory Model:** Established Head Custodian leadership roles across all facilities to improve building upkeep standards and daily operational oversight.

PALISADES PARK BOARD OF EDUCATION

Educational Excellence • Public Transparency • Fiscal Responsibility