



North Hunterdon-Voorhees
REGIONAL HIGH SCHOOL DISTRICT

Expenditures and Cost Containment

2026-2027 Budget Preparation

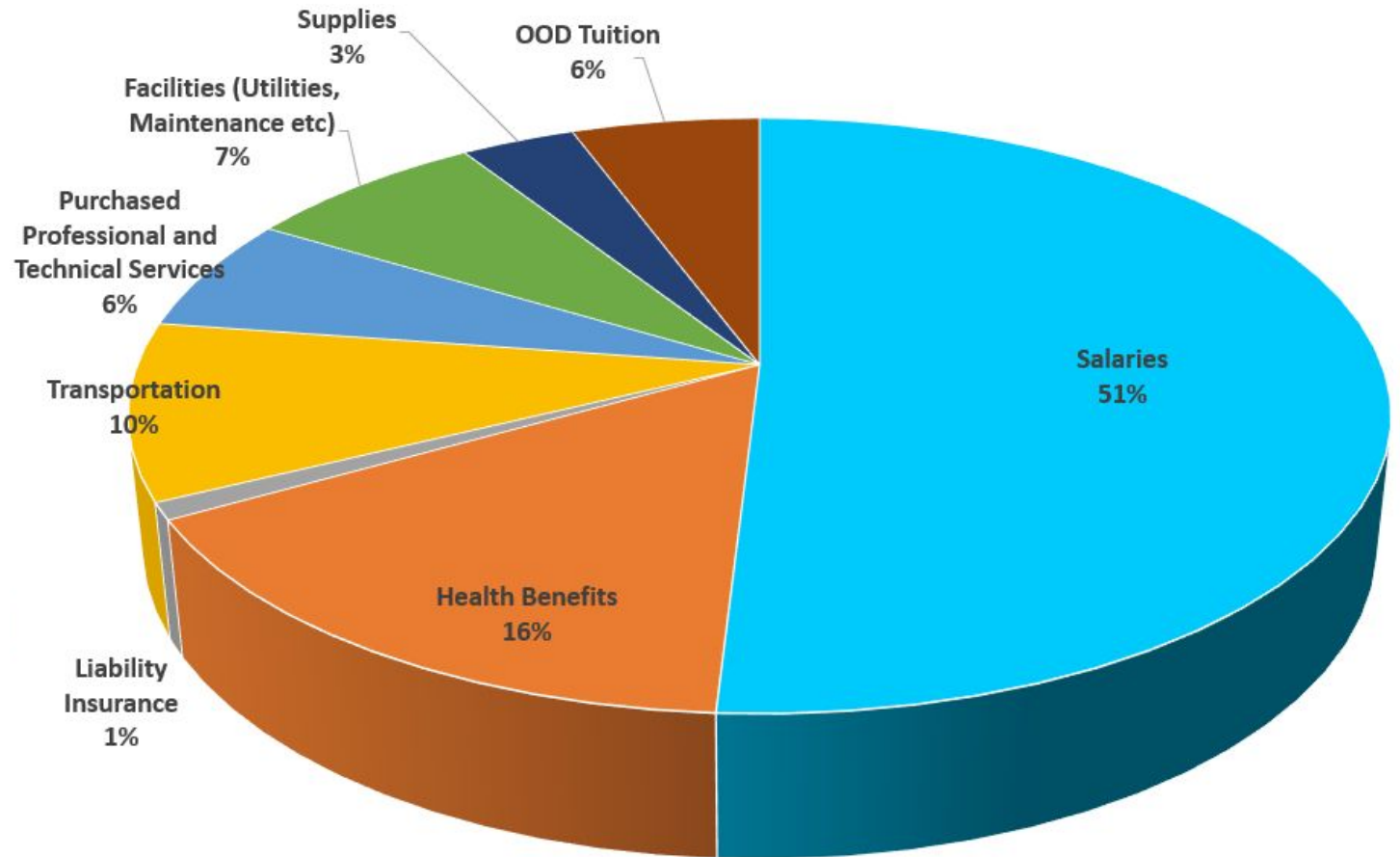
January 20, 2026

BUDGET GOALS

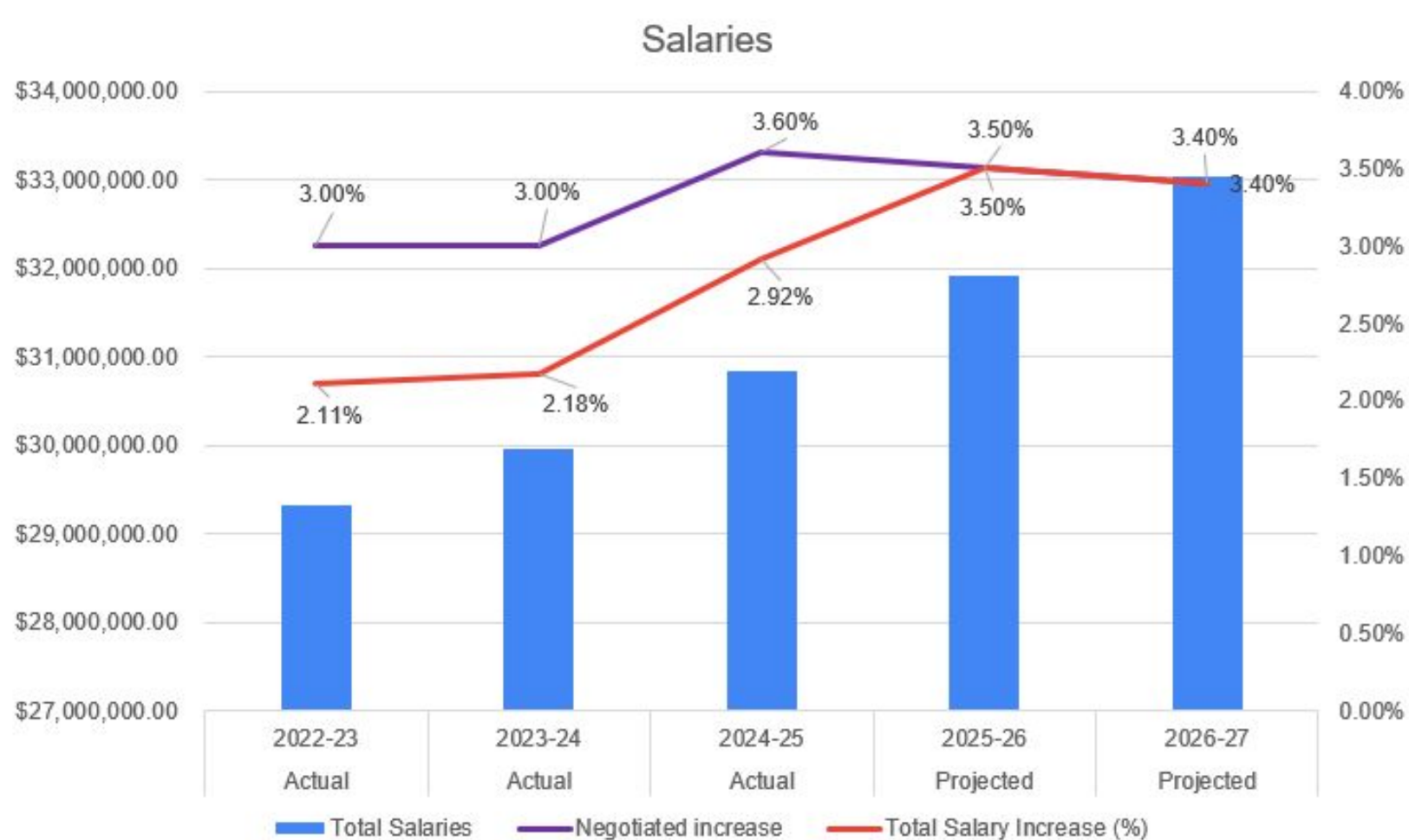
- District Strategic Plan Goals and Objectives at the forefront
- Provide a thorough and efficient education to the entire student population
- Maintain current level of student academic courses, co-curricular offerings (clubs/activities/intramurals), and athletic programs (20 different types of sports offered, girls/boys, multiple levels, and Unified sports)
- Maintain safe, functional and clean facilities
- Meet contractual obligations
- Attract and retain highly qualified staff members
- Meet NJ State Mandates
- Prepare a budget that is fiscally responsible to the district's taxpayers

BUDGET CATEGORIES

- Largest Budget Drivers are:
 - Salaries 51%
 - Benefits 16%
 - Transportation 10%



SALARIES



- Salary increases are negotiated and dictated by the Collective Bargaining Agreements (CBAs)
- **Cost containment strategies:**
 - Breakage and “right sizing” occurring at retirements
 - Strategic cooperation with Hunterdon County Vocational to increase students in our programs to mitigate declining enrollment

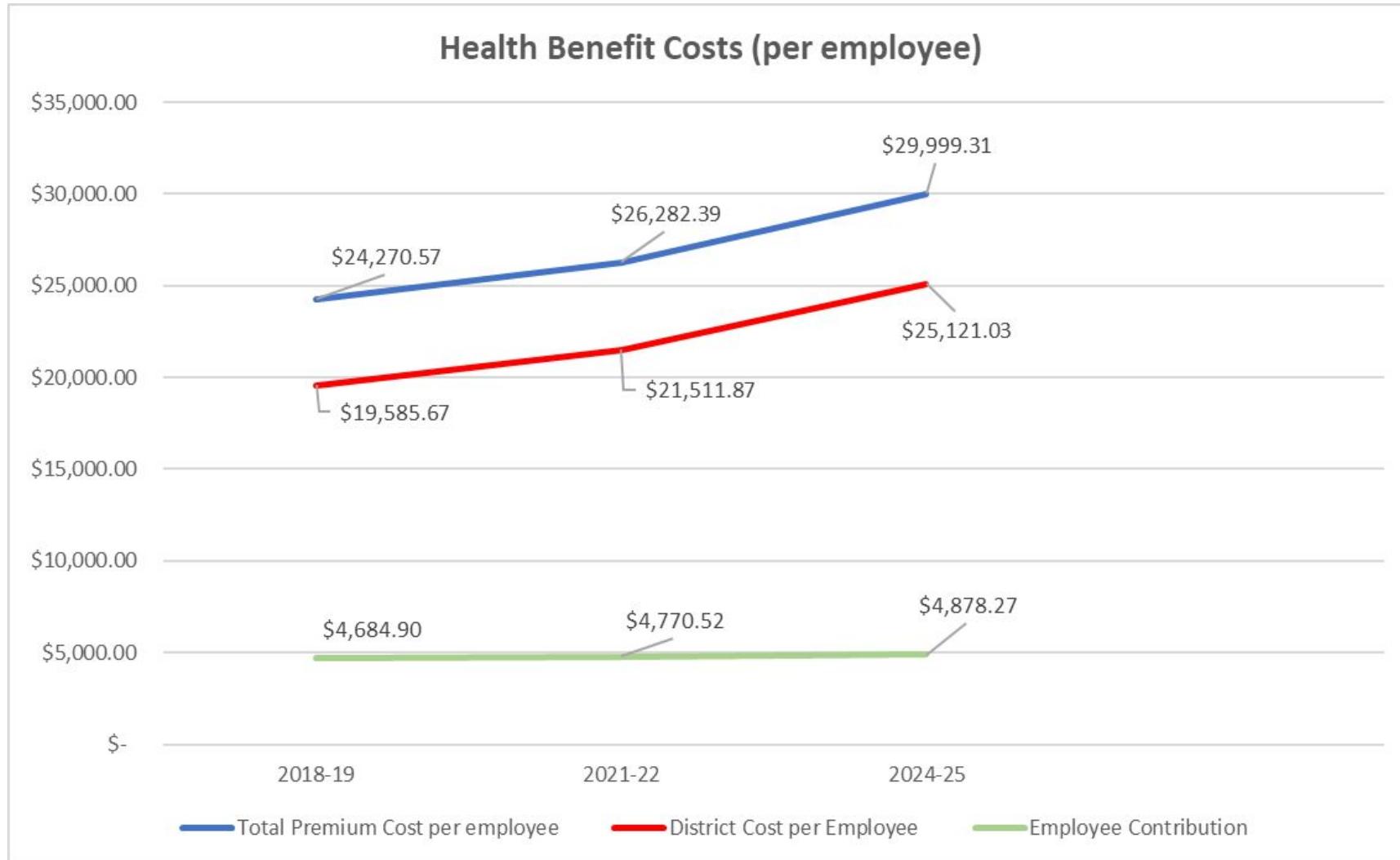
HEALTH BENEFITS

EMPLOYEE CONTRIBUTIONS

- **Chapter 78 Legislation** - governed employee benefit contributions from 2011 to 2019
 - Contributions were based on salary and premium cost
- **Chapter 44 Legislation** - enacted in 2019 to provide more affordable health plans to employees and District beginning January 1, 2020
 - New Jersey Educator's Health Plan (1/1/20) and Garden State Health Plan (1/1/21) were options added to the current Collective Bargaining Agreement negotiated plans
 - Mandatory enrollment of new employees: required to participate in a Chapter 44 plan or waive benefits
- Employees covered under NJEHP or GSP are contributing a portion of their annual salary whereas Chapter 78 is based on employee salary and premium cost
- Chapter 44 legislation sunsets on 1/1/2028 unless renewed or superceded

HEALTH BENEFITS

BUDGETED AVERAGE COST OF HEALTH BENEFITS PER COVERED EMPLOYEE



HEALTH BENEFITS PLAN COMPARISON TO STATE HEALTH BENEFITS PLAN

HOW HIFs WORK

Members pay a rate based on entry claim costs. Thereafter, all members receive a pooled rate change.

+/- 2.5%

Rates set by certified actuary

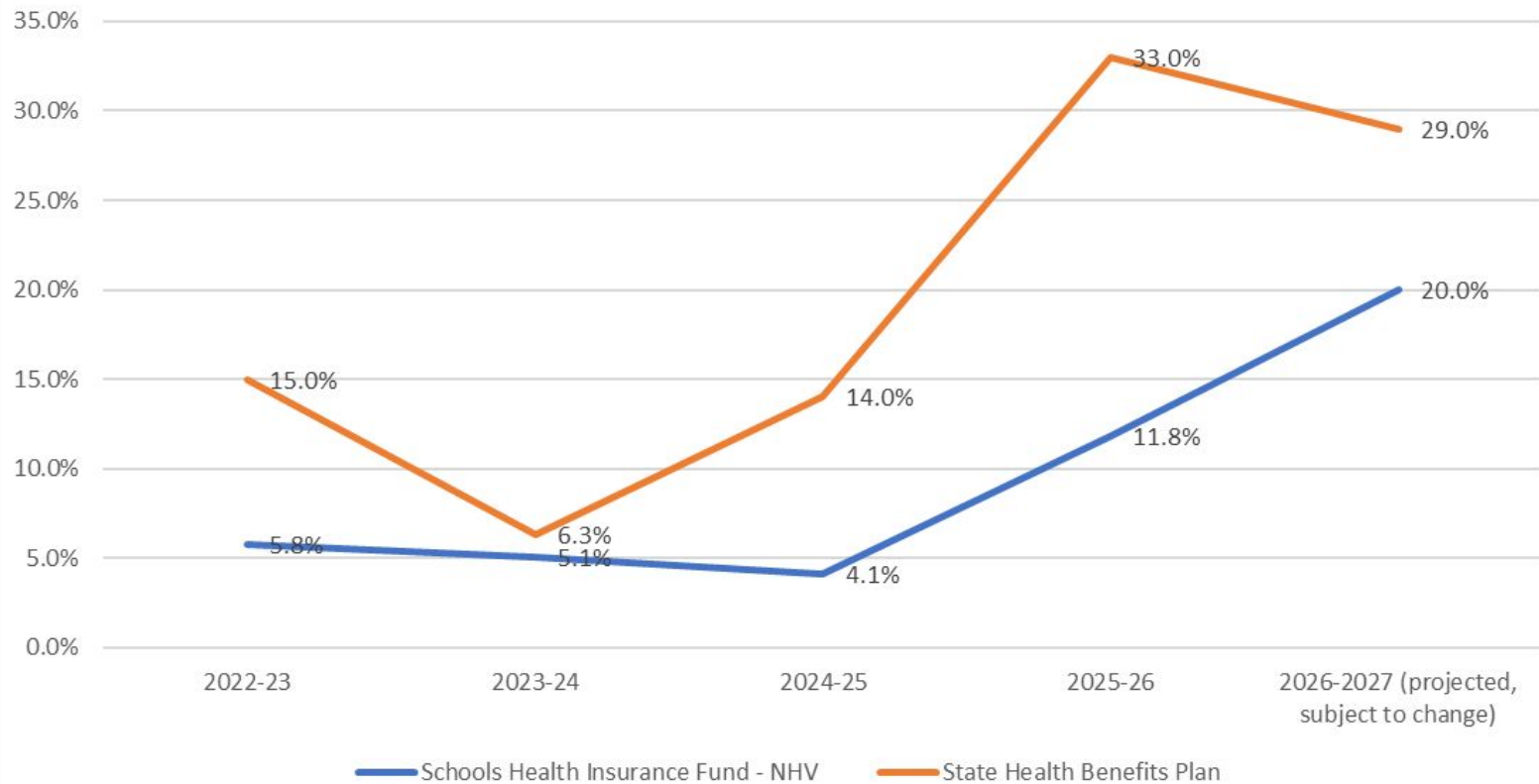
"Equal to or better than" coverage

Total transparency

Self-insured with re-insurance for large claims

Monthly financial reporting

Health Benefits
Annual Rate Increases
NHV vs State Health Benefits Plan



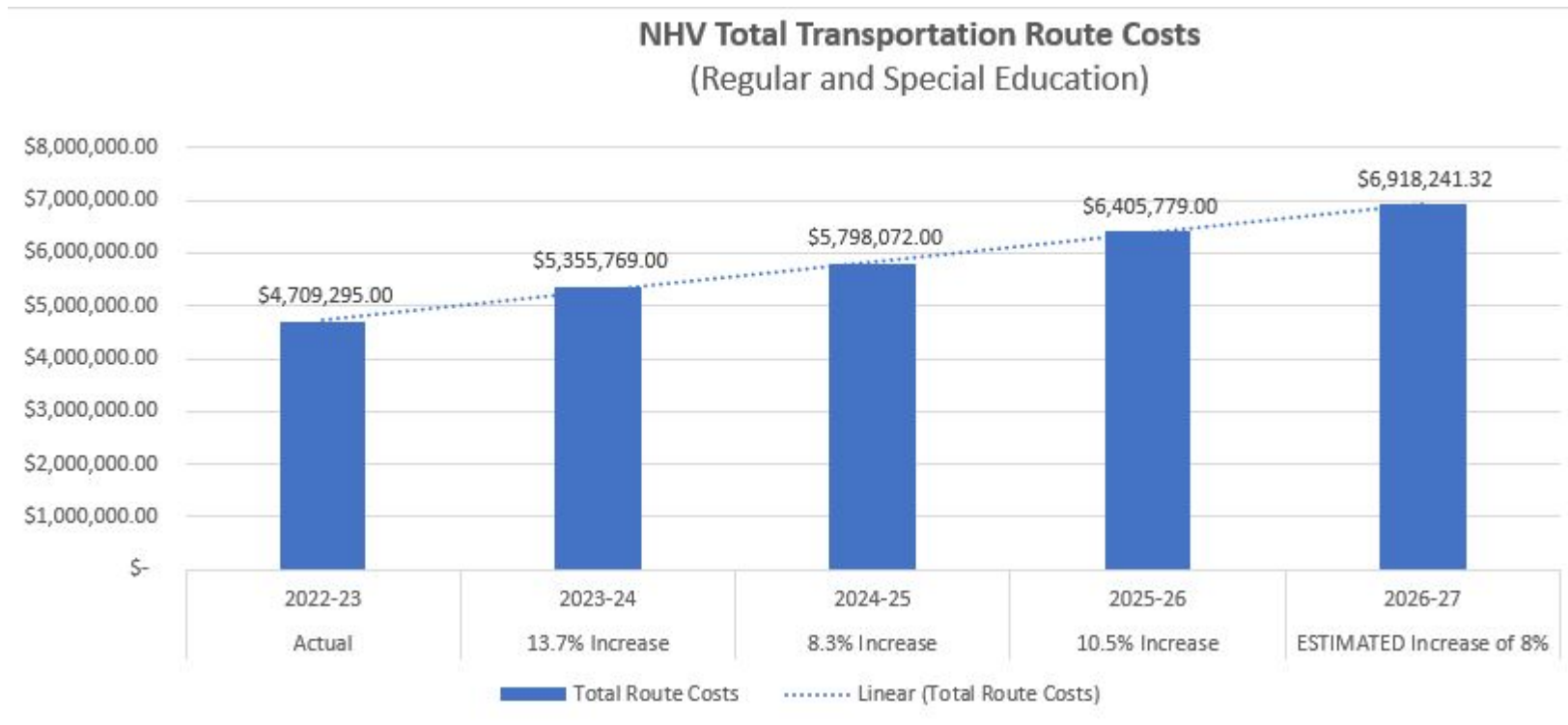
*Chart compares NHV Fiscal Year increases to SHBP Calendar Year increases

LIABILITY INSURANCE COST CONTAINMENT

- We currently utilize NJSIG (New Jersey Schools Insurance Group) - a public entity that is formed for its over 300 member schools for Property, casualty, workman's compensation
 - JIFs operate for its member Districts, no profit incentives, surplus is distributed to Districts
 - Provides Safety Grant Awards, complimentary inspections, valuations and staff training solutions
- Balancing maintaining adequate coverage based on District need and market environment
 - In coordination with our broker, we “shop” our plan aggressively as we are in our renewal process for 2026/27
 - Renewal rates for 2026/27 are anticipated to be favorable given the improvement in the property reinsurance market

TRANSPORTATION COSTS

- Why are the costs increasing steadily?
 - Bus drivers scarcity has driven up the labor cost of transportation in conjunction with gasoline increases and higher costs of busses, reflected in our route costs



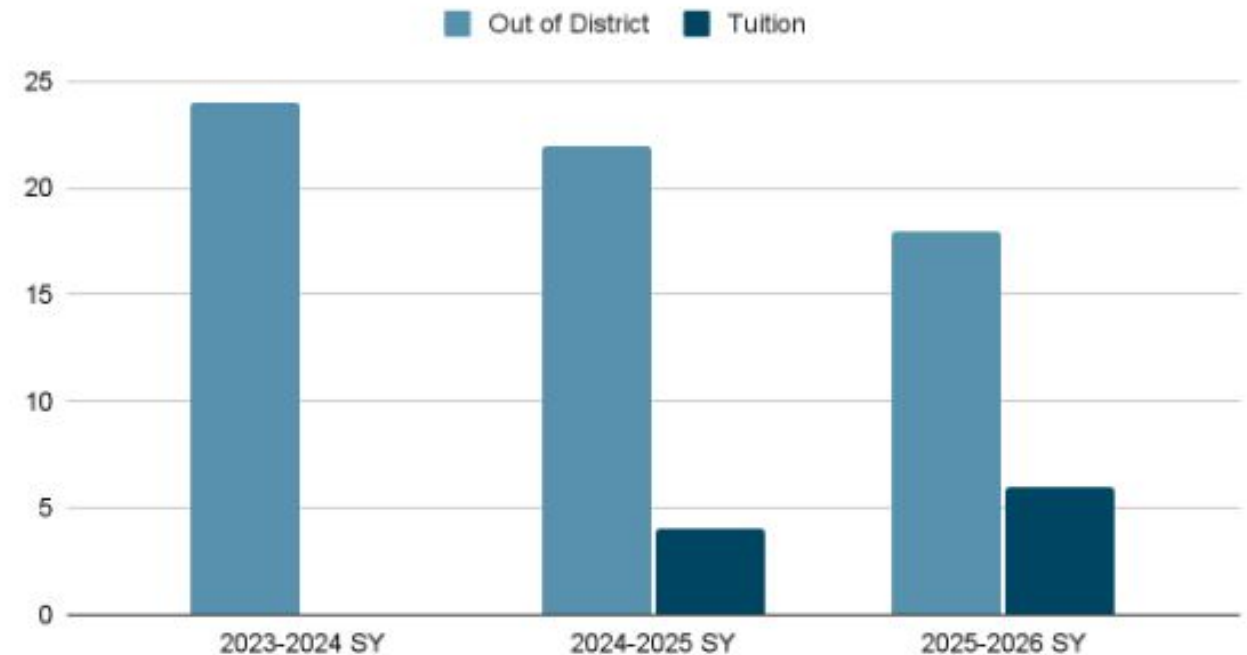
TRANSPORTATION COST CONTAINMENT

- Renewal at CPI - when possible
- Coordinated Transportation with Hunterdon County Educational Services Commission
- Continuous review of routes for efficiencies in route planning
- In-District Special Education programs have kept OOD route costs stable
- Future Discussions on how to incentivize bus waivers (Policy 3541.1)

OUT OF DISTRICT TUITION COST CONTAINMENT

- What are Out of District Costs?
 - Programs for students with an Individualized Education Plan (IEP), whose needs can not be met in District
- Over the past three school years, North Hunterdon-Voorhees has seen a consistent decline in out of district placements
- Simultaneously, tuition-based enrollment in our District special class programs at both high schools has increased, generating tuition revenue

Number of Students



OUT OF DISTRICT TUITION COST CONTAINMENT

■ **Contributing Factors to success**

■ Program Expansion

■ Strategic growth of specialized in-district programs

■ North Hunterdon High School Programs

■ Lion Pride Academy (LPA)

■ Alternative Learning Community (ALC)

■ Learning and Language Disabilities (LLD)

■ Preparing for Independent Living Opportunities and Transition (PILOT)

■ Career Development/Exploration

■ Voorhees High School Programs

■ Academics for Independence (AFI) for Autism

■ Academics for Independence (AFI) for Multiply Disabled

■ Sending District Collaboration:

■ Enhanced articulation with partner districts to provide local programming options

■ Commitment to Inclusion:

■ A continued focus on educating students with the Least Restrictive Environment (LRE)

OUT OF DISTRICT TUITION COST CONTAINMENT

- This chart represents NHV Placements of students with IEPs compared to nationwide, statewide and local averages
- NHV column is on the far right

- <https://public.tableau.com/app/profile/njdepartmentofeducation/viz/SpecialEducationPlacementDashboard/Indicator5>



CAPITAL PROJECTS COST CONTAINMENT REFERENDUM 2022

- District voters approved a \$6.5 million Referendum in November 2022
 - Projects completed:
 - Egress Doors at NHHS
 - Replacement of interior stairwell doors with fire-rated and barrier-free compliant doors
 - Original Boys Locker Room Renovation at NHHS
 - HVAC Improvements at NHHS
 - Upgrades to HVAC units servicing the 150s, 240s, 250s classroom wings and the “O” level classrooms. Upgrades to HVAC units servicing the 150s, 240s, 250s classroom wings and the “O” level classrooms.
 - HVAC Improvements at VHS
 - Upgrades to ventilation units servicing kitchen, first floor locker rooms and rear gymnasium
 - Chiller pipe insulation
 - Exterior Stair replacement at VHS

Key Takeaway - Referendum did not require a long-term debt issuance. Capital Reserve funds were used (\$4.2mm) with **State Aid Debt Service Funds (\$2.2mm)**

UTILITY COST CONTAINMENT ENERGY SAVINGS IMPROVEMENT PLAN (ESIP)

- Recent completion of an Energy Savings Improvement Plan (ESIP)
 - This included a full energy audit of both High Schools, and resulted in:
 - LED lighting upgrades to both high schools in 2020
 - Rooftop solar arrays were installed in 2021/2022



Solar Panels on Roof of Voorhees HS

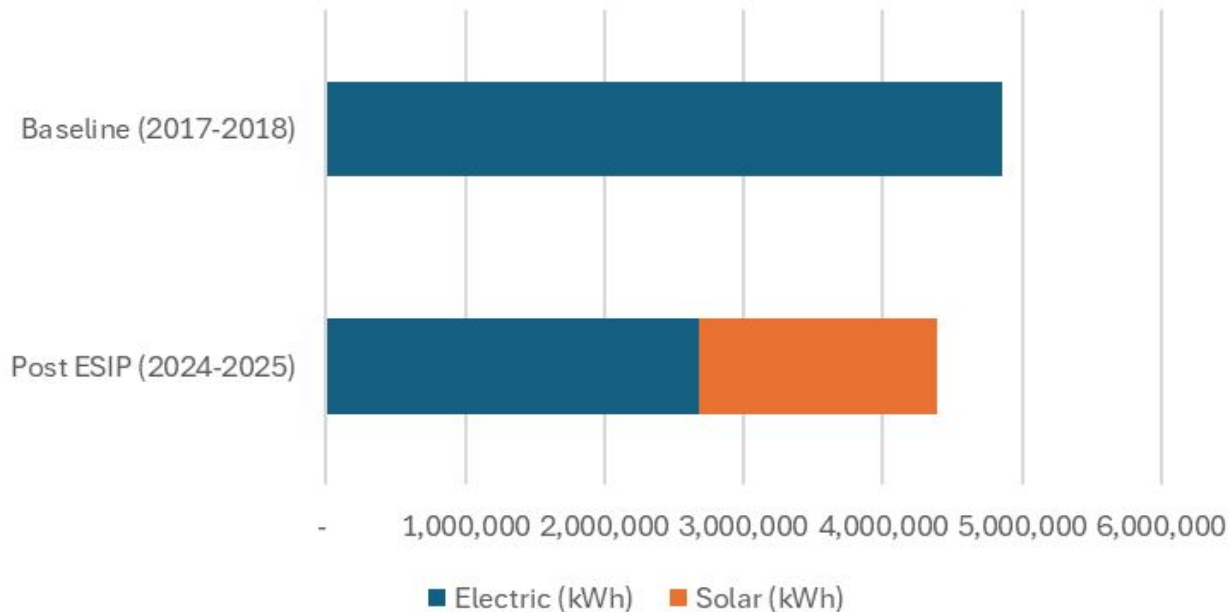


Solar Panels on Roof of North Hunterdon HS

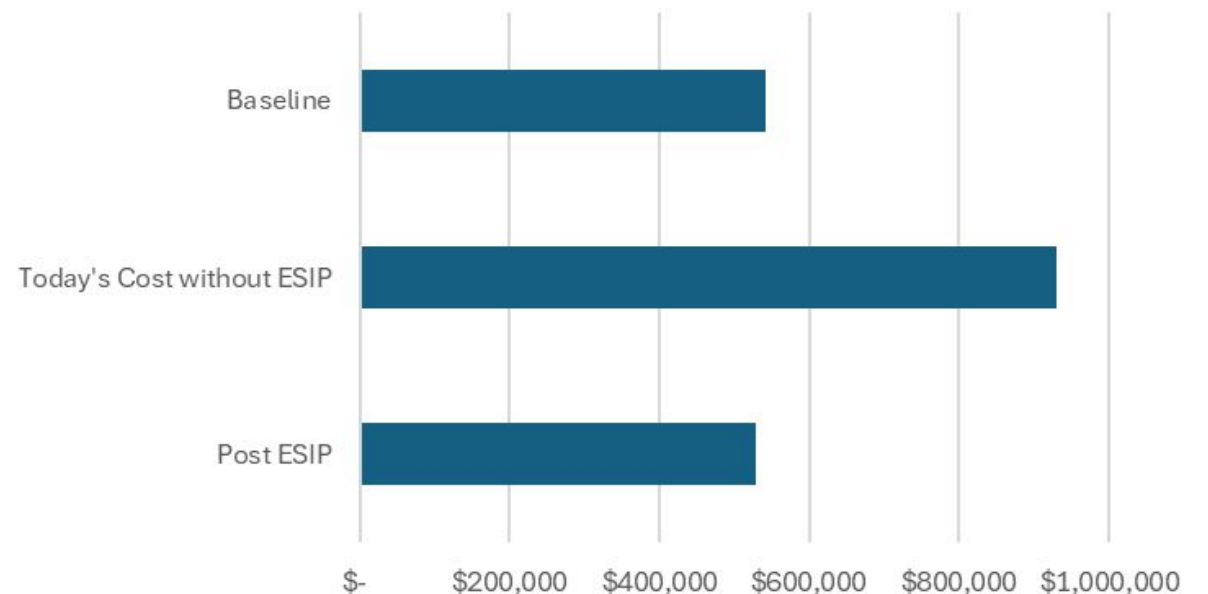
UTILITY COST CONTAINMENT ENERGY SAVINGS IMPROVEMENT PLAN (ESIP)

- LED lighting installation provided lowered electricity usage and roof-top solar arrays provide reduced rates of electricity
 - If the ESIP had not been completed, our annual energy bill would be an additional approx. \$400,000 annually

Annual Electric Usage



Electric Cost



CAPITAL PROJECTS COST CONTAINMENT

SSB-VEEVR GRANT AWARD

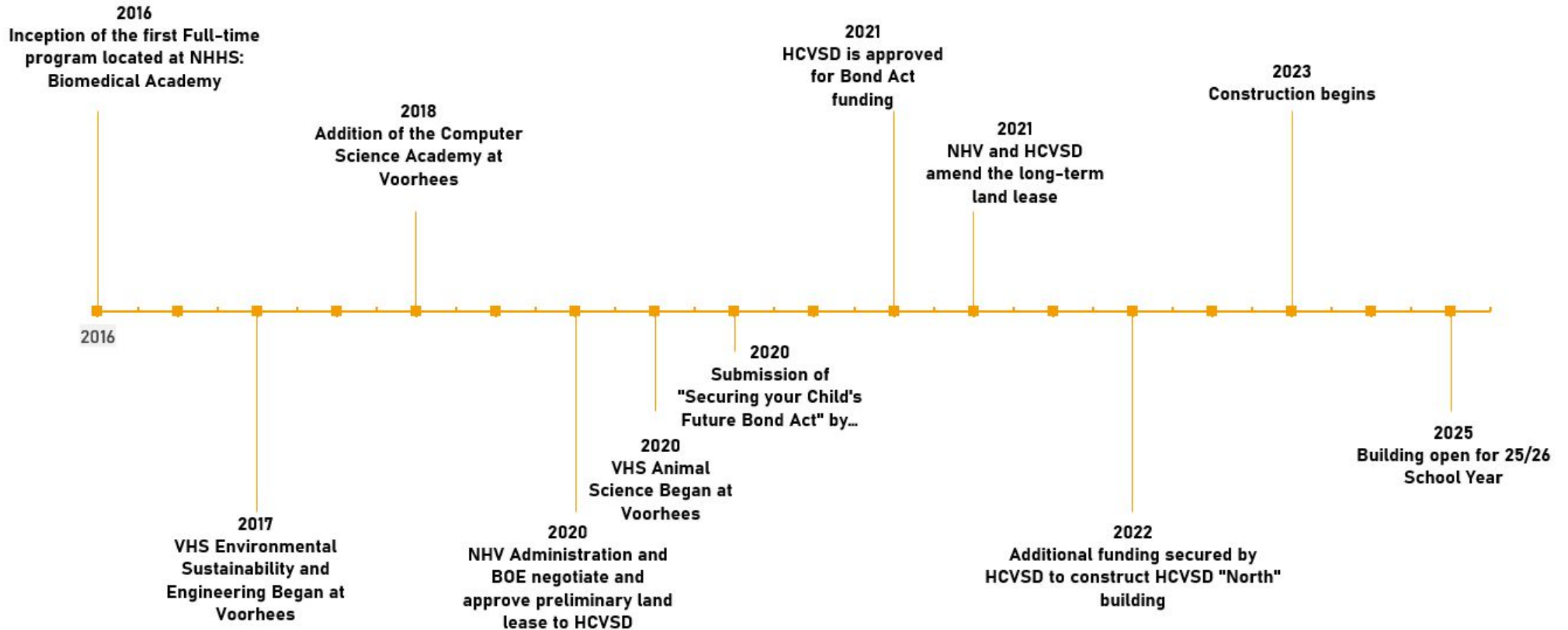
- NHV was awarded a \$6.5 million New Jersey Clean Energy Grant in 2023 “School and Small Business Ventilation and Energy Efficiency Verification and Repair (SSB-VEEVR)
 - **\$4.9 million was funded by NJ BPU (Board of Public Utilities)**, \$1.6 was funded by Capital Reserve funds
- Grant was awarded for both ventilation Maintenance/Repairs as well as Replacement/New HVAC systems at both NHHS and VHS

School	Project Budget	Replacement		Application #	Project Description
		75% - Grant Contribution	25% - BOE Contribution		
North Hunterdon HS	\$ 4,424,537	\$ 3,318,403	\$ 1,106,134	#68400	Replace old roof top units to provide adequate filtration/ventilation.
Voorhees HS	\$ 425,070	\$ 318,802	\$ 106,268	#68402	Replace old roof top units to provide adequate filtration/ventilation.
School	Project Budget	Maintenance/Repair			
North Hunterdon HS	\$ 1,411,368	\$ 1,058,526	\$ 352,842	#68399	Repair or Replace obsolete equipment/controls to avoid interruption to ventilation
Voorhees HS	\$ 269,400	\$ 202,050	\$ 67,350	#68401	Repair or Replace obsolete equipment/controls to avoid interruption to ventilation
Total Grant	\$ 6,530,375	\$ 4,897,781	\$ 1,632,594		

- October 2022: Announcement of Grant
- November 2022: NHV receives notice of award from NJ Clean Energy
- March 2023: Submitted assessment reports for both repairs and replacements
- June 2024: BOE approval to utilize remaining grant funds due to bids received lower than anticipated
- Final completion Summer 2025

Please watch the BOE presentation during the 9/24/24 meeting for more information.

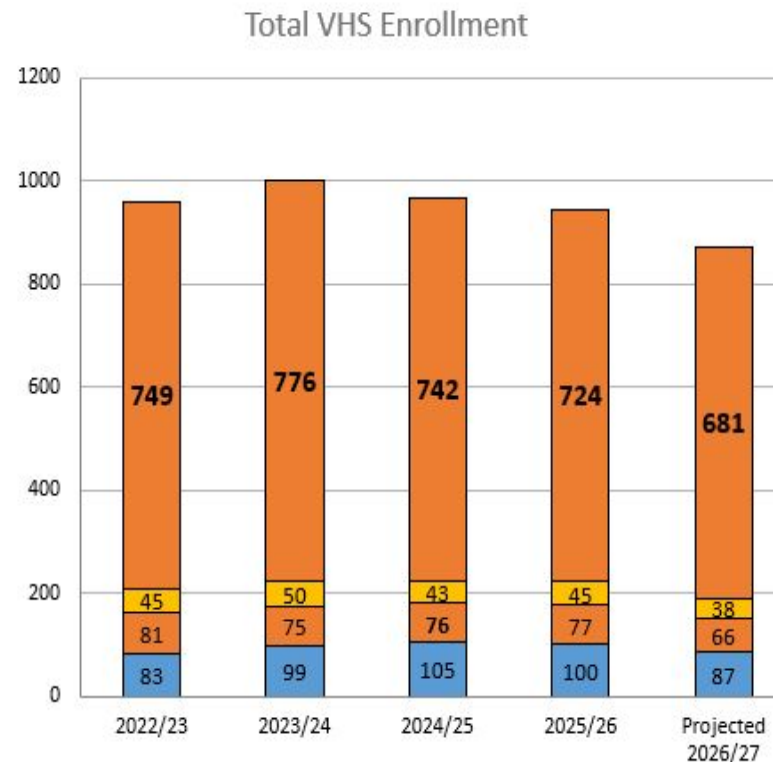
VOCATIONAL TUITION COST CONTAINMENT PARTNERSHIP WITH HUNTERDON COUNTY VOCATIONAL SCHOOL



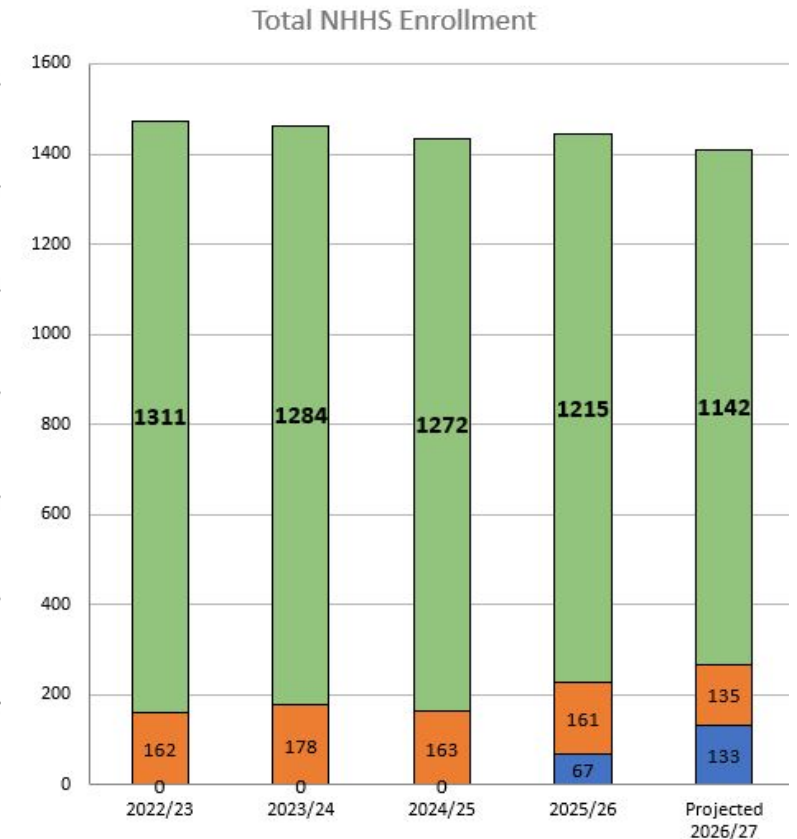
PARTNERSHIP WITH HUNTERDON COUNTY VOCATIONAL SCHOOL

- NHV currently houses 4 full-time Academy programs, three at VHS and one at NHHS
 - Biomedical Sciences (NHHS)
 - Environmental Sciences (VHS)
 - Computer Science (VHS)
 - Animal Science (VHS)
- The HCVSD “North Campus” building opened August 2025 with 4 programs
 - Culinary
 - Diesel & Powersports
 - Electrical
 - Welding

*HVAC/Plumbing will be added for 26/27



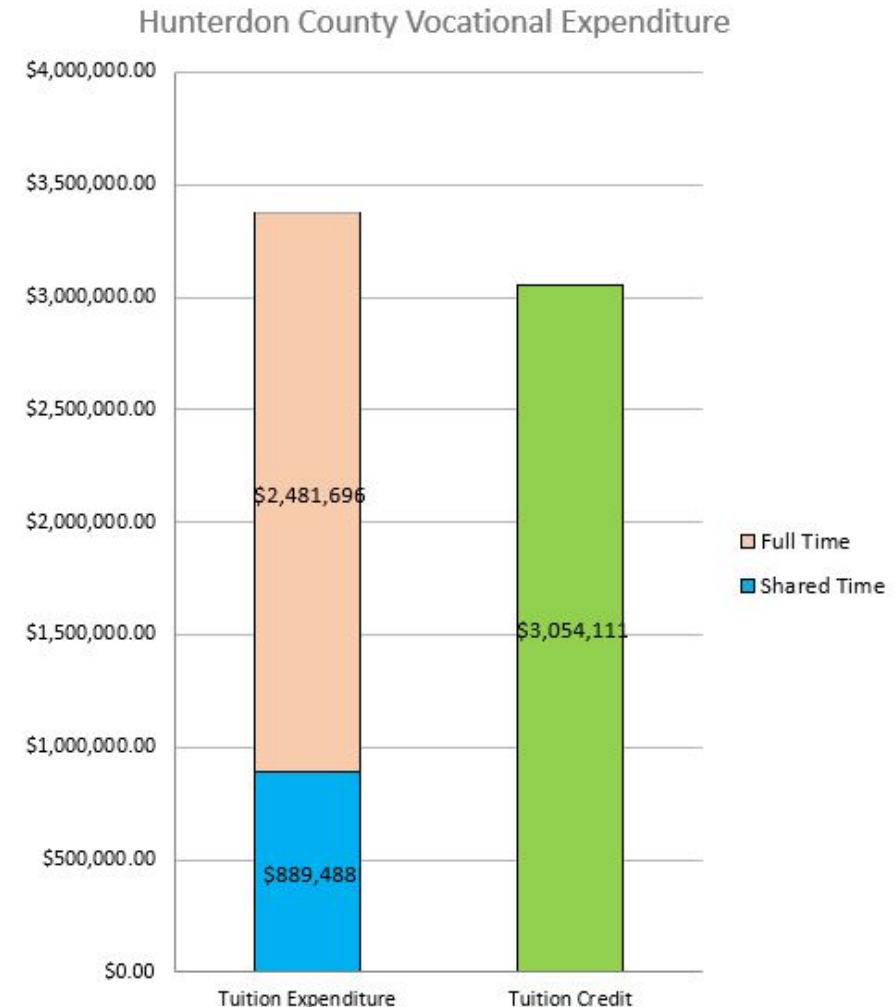
- VHS Students
- VHS Environmental Sustainability & Engineering Academy
- VHS Computer Science and Engineering Academy
- VHS Animal Science Full-Time Program



- NHHS "HCVSD" Various Programs
- NHHS Biomedical Sciences Academy
- NHHS Students

PARTNERSHIP WITH HUNTERDON COUNTY VOCATIONAL SCHOOL

- NHV has an obligation to Hunterdon County Vocational School District for North Hunterdon-Voorhees students attending vocational programs
- Tuition cost is offset by the hosting of on-site Academy programs and the new “North” campus building programs, where students are attending our High Schools for their core curriculum while attending HCVSD for vocational classes
- In FY 25/26, Vocational Tuition expenditures of \$3.4 million were offset by the full-time program enrollment of \$3.1 million
 - Cost containment of an annual \$3.1 million, to retain staffing during a period of declining enrollment





THANK YOU

Kathryn Blew, CPA, QPA
Business Administrator/Board Secretary

THIS PRESENTATION AND OTHER BUDGET RESOURCES ARE AVAILABLE ONLINE AT WWW.NHVWEB.NET,
UNDER DISTRICT & BOE SERVICES MENU TAB.