



North Hunterdon-Voorhees
REGIONAL HIGH SCHOOL DISTRICT

Preliminary Budget Adoption

2026-27 Budget Preparation

March 24, 2026

BUDGET GOALS

1. **Maintain Comprehensive Educational and Extra-Curricular Programs:** A primary goal is to maintain the current level of student academic courses, co-curricular offerings such as clubs and activities, and the 20 different types of athletic programs offered at multiple levels. This ensures the district continues to provide a thorough and efficient education to the entire student population.
2. **Ensure Safe and Functional Facilities:** The budget aims to maintain safe, functional, and clean facilities for all students and staff. This involves managing capital projects, such as HVAC improvements and maintaining our facilities, both interior and exterior, while utilizing other opportunities like state aid and grants to minimize the burden on local taxpayers.
3. **Attract and Retain Highly Qualified Staff:** The district seeks to attract and retain high-caliber employees. To achieve this, the budget must meet contractual obligations, including salary increases negotiated through Collective Bargaining Agreements, which represent the largest segment of the operating budget. The investment we make in our staff is the largest contributor to student achievement.
4. **Exercise Fiscal Responsibility and Cost Containment:** A critical goal is to prepare a budget that is fiscally responsible to the district's taxpayers. This includes implementing cost containment strategies to mitigate rising expenses in areas like transportation, health benefits, and out-of-district tuition, especially as costs often outpace revenue sources like the 2% tax levy increase.
5. **Align with Strategic Goals and State Mandates:** The budget preparation process places District Strategic Plan Goals and Objectives at the forefront of its decision-making. Furthermore, the district must ensure the budget is structured to meet all NJ State Mandates and legislative requirements.

BUDGET CHALLENGES

- Post “S-2” State Aid funding
 - The “adequacy” formula is not keeping pace with the actual costs of transportation, special education, security etc.
- Healthcare costs
 - The healthcare marketplace is experiencing a significant increase in premiums for the 26/27 school year
 - This must either be offset by an increase in local tax levy (greater than 2%) or be offset by cutting programs or staff to bridge the gap
- Special Education Costs
 - NHV is home to several in-District specialized programs, however students that must be educated in Out-of-District placements have escalating tuition costs greater than 2%
- Transportation
 - Continued driver shortages and escalating bus and gasoline costs are increasing transportation costs greater than 2%
- State Mandates
 - The state continues to mandate schools to participate in programs (SEMI) or implement curriculum standards regardless of the cost of implementing

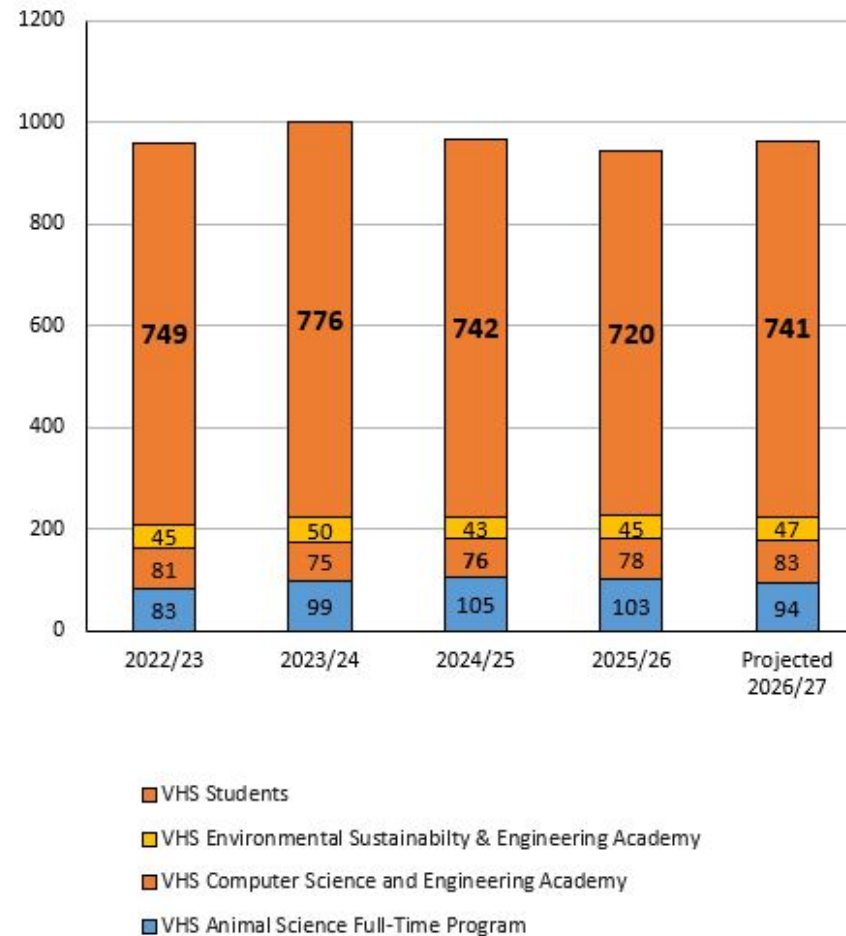
BUDGET SAVINGS AND BRIDGING THE “GAP”

- As presented at the February 17, 2026 Board of Education meeting, NHV primary budget drivers were increasing at a rate much greater than the expected revenue
- This “gap” was bridged by the following:
 - Creation of an ESL program to reduce out-of-district placements
 - Increased special services offerings to reduce professional fees
 - Right-sizing non-instructional staff at both high schools
 - Streamlining security operations
 - Increased HCVSD students, with no increase in NHV staff
 - Reduction of staff through attrition
 - Reducing building budget requests

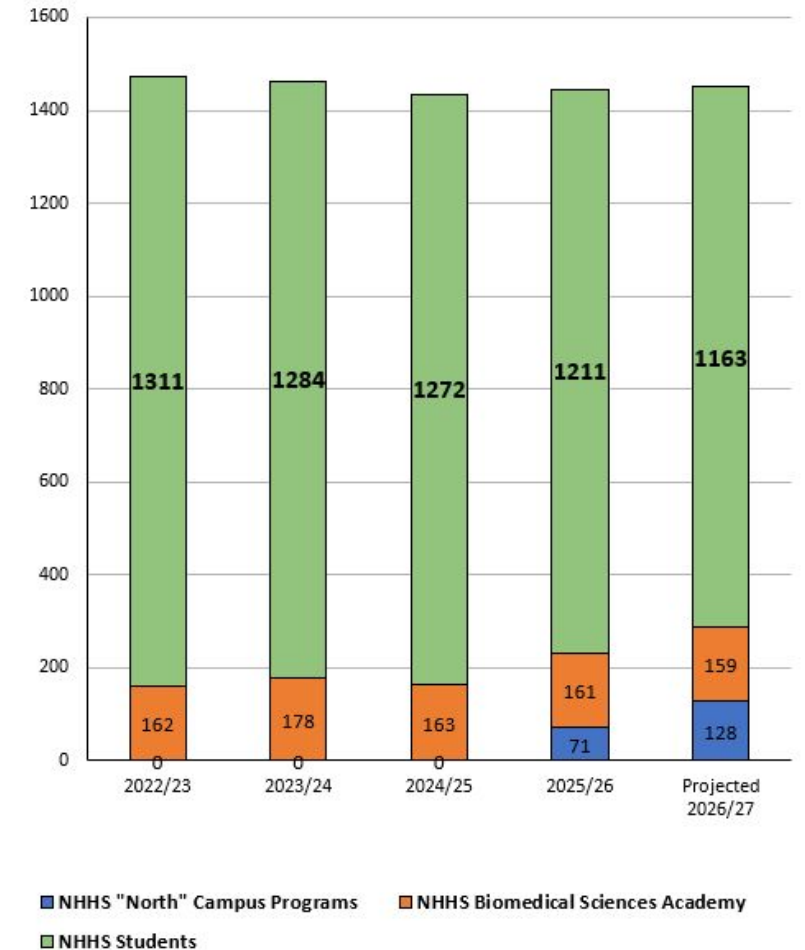
ENROLLMENT

- North Hunterdon High School and Voorhees High School are both experiencing slightly declining enrollment, however the students in our buildings that are HCVSD (Hunterdon County Vocational School District) students are stabilizing our population.
- HCVSD students are full time vocational students, however are attending NHHS or VHS on a tuition basis
- 2025/26 is the first year of the HCVSD “North Campus”

Total VHS Enrollment



Total NHHS Enrollment



REVENUE COMPARISON

- The projected revenue for the FY26/27 operating budget is \$68,601,330
- Major changes include:
 - Increase in Tax Levy - 4.29% increase
 - Decrease in anticipated Extraordinary Aid
 - Decrease in Budgeted Fund Balance
 - Decrease in Miscellaneous Revenue
 - Small increase in State Aid

STATE AID

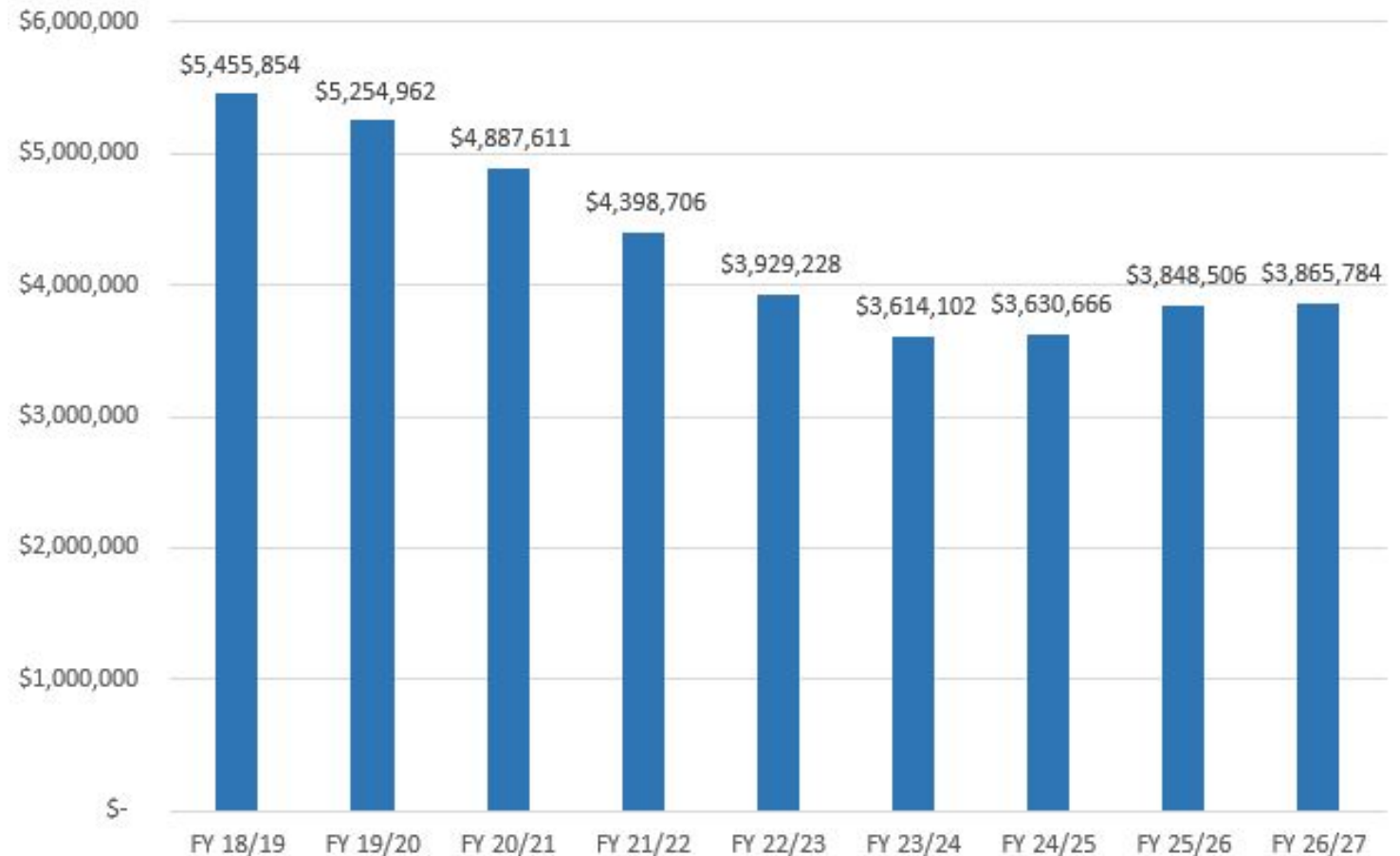
- The state aid revenue to the District is anticipated to increase by \$17,278 after decreasing **significantly** for the six years of S2 state aid cuts. During those previous budget years, the cumulative reductions totaled \$1.9 million.

School Year	Revenue from State	Increase/Decrease
2018-2019	\$5,880,854	- 71,469*
2019-2020	\$5,679,962	- 200,892*
2020-2021	\$5,312,611	- 367,351*
2021-2022	\$4,823,706	- 488,905*
2022-2023	\$4,354,228	- 469,478*
2023-2024	\$4,039,102	- 315,126*
2024-2025	\$4,055,666	+16,564
2025-2026	\$4,273,506	+217,840
2026-2027	\$4,290,784	+17,278

STATE AID

- S2 reductions occurred from School Year 18/19 through School Year 23/24, and reductions totaled **\$1.9 million.**
- **State Aid received next year (26/27) will be \$1.6 million less than aid received in the 18/19 school year**

State Aid Received



*does not include extraordinary aid

LOCAL TAX LEVY

- The proposed budget includes an increase of 4.29% to the local tax levy for general fund for 2025-2026. The primary budget driver for this increase is the projected 20% increase in health benefit costs
- The total available taxing authority in the 2026/27 school year is 4.60%, however due to the small increase in State Aid and further budget reductions, the proposed budget is 4.29%
- This will generate \$171,975 of “banked cap” for future budget years

Local Tax Levy Increase	
2020-2021	0%
2021-2022	1.6% *
2022-2023	1.7% *
2023-2024	2.2% *
2024-2025	2.6%
2025-2026	2.7%
2026-2027	4.29%

**net increase with a reduction in debt service obligation*

HEALTH BENEFIT WAIVER

- New Jersey P.L. 2010, c.44, enacted in July 2010, established a permanent 2% cap on annual property tax levy increases for school districts, municipalities, counties and fire districts. It replaced a previous 4% cap.
 - Limited exclusions are available to exceed the 2% cap including:
 - Increases in Health Benefit Costs, capped at the average percentage increase of the State Health Benefits Program (SHBP)
 - PERS pension contribution increase adjustment (if over 2%)
 - Significant Enrollment increases
 - Unused taxing capacity in the preceding 3 budget years, also known as “banked cap”
 - Separate proposals approved by voters for specific funding needs
- A Health Benefit waiver is available to Districts in the 26/27 school budget, allowing Districts to raise taxes over the 2% cap

REVENUE COMPARISON

Major Fund Area	2025-2026 Budget	2026-2027 Budget	Dollar Change
Local Tax Levy	56,324,315	58,742,929	2,418,614
Other Revenues/Tuition/Interest	520,000	400,000	-120,000
State Aid, including Special Ed. Aid	4,273,506	4,190,784	-82,722
Medicaid Reimbursement	3,304	17,617	14,313
Budgeted Fund Balance (excess surplus)	5,485,226	5,250,000	-235,226
Adjustment for Prior Year Encumbrances	-	-	-
Transfer from Capital Reserve	-	-	-
Total Revenue for Operating Budget	66,606,351	68,601,330	1,994,979
Federal & State Aid Revenue/Grants	1,875,959	1,750,768	-125,191
Debt Service	595,847	600,315	4,468
Debt Service Aid from State	200,841	202,348	1,507
Total Revenues/Sources	69,278,998	71,154,761	1,875,763

**The FY 25/26 user-friendly budget includes prior year encumbrances (carryforward). This was removed for the purposes of this chart.*

REGIONAL TAX SHARE PER MUNICIPALITY

Municipality	Equalized Valuation of Municipality	Regional HS Enrollment 10/15/2025	Share of Regional Tax Levy 2025-2026	Share of Regional Tax Levy 2026-2027	Difference
Bethlehem Township	838,224,939	150.5	7.40055686	7.4184022	0.0178
Califon Borough	211,072,157	39.5	2.04465418	2.1981199	0.1535
Clinton Town	572,017,644	138.5	4.66785093	4.9821272	0.3143
Clinton Township	3,088,068,966	501.5	25.35514177	26.0465682	0.6914
Franklin Township	710,544,516	132.0	6.45969073	6.6335580	0.1739
Glen Gardner Borough	251,878,142	45.5	2.42120719	1.7928008	(0.6284)
Hampton Borough	180,903,689	48.0	1.23572395	1.3470525	0.1113
High Bridge Borough	532,736,848	138.5	5.07448910	4.8568939	(0.2176)
Lebanon Borough	393,548,853	36.5	3.02074008	3.0674798	0.0467
Lebanon Township	1,351,247,139	238.0	13.47238788	13.3587064	(0.1137)
Tewksbury Township	2,131,480,951	185.0	17.95679351	17.7447443	(0.2120)
Union Township	1,284,139,280	189.5	10.89076382	10.5535468	(0.3372)

*Tax share percentages change every year based on the municipality's **high school enrollment** and **property values**.

What are the next steps?

- Preliminary Budget approval tonight March 24, 2026
 - Budget presentations from January, February and tonight will be available on the District website
- Submission of budget to the County Executive Superintendent and Business Administrator
- Public Hearing and Adoption of Budget - April 28, 2026
- Certify Taxes to the Municipal Clerks
- Implement 2026-27 Budget on July 1st



North Hunterdon-Voorhees
REGIONAL HIGH SCHOOL DISTRICT

THANK YOU

Dr. Richard Bergacs
Superintendent

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.