CALDWELL – WEST CALDWELL SCHOOL DISTRICT
2026 - 2027 (FY27) SCHOOL BUDGET

PUBLIC HEARING
MAY 4, 2026

DR. LYDIA E. FURNARI, INTERIM SUPERINTENDENT

BRIAN MCCARTHY, BUSINESS ADMINISTRATOR / BOARD SECRETARY

WHAT IS A BUDGET?

- Planned expenses and expected revenues.
- An organizational plan stated in monetary terms.
- The financial expression of a District's educational needs and priorities.
- A "living" document.

FINANCIAL CHALLENGES FACING NJ SCHOOL DISTRICTS

- Statutory "Cap" on Tax Levy Revenue remains at a maximum of 2% increase from prior year. Health Care Costs and Enrollment Adjustments may be available for rise above "Cap".
- The district's largest expenses continue to rise at a greater rate than revenue: Salaries +3.50%, Health Care Costs + 24%, Electricity and Gas Utilities +10%.
- Recent Core Inflation is above 3% YOY. Potential "Tariff Policy" and/or "Oil Shock" may increase costs for supplies, durable goods, and construction materials in the future.
- Possible reduction in Federal Aid (IDEA, ESEA). Possible reduction in Extraordinary AID (NJ)
- The district is cognizant of this phenomenon and will continue to focus on "streamlining" expenses, where possible, without reducing expenditures for instruction that impact students.

FY27 – BUDGET – ("STREAMLINING") IS COST CONTAINMENT

- ZERO BASED BUDGETING – WE START AT ZERO AND BUDGET WHAT WE NEED.
- REDUCTION IN STAFFING, WHICH INCLUDES A TOTAL OF SEVEN FULL TIME EQUIVALENT (FTE) POSITIONS IN INSTRUCTIONAL AND CENTRAL OFFICE STAFFING. SOME OF THE STAFF WILL BE MOVED TO VACATED POSITIONS (RETIREMENT OR RESIGNATIONS)
- REDUCTION IN SUPPLY BUDGETS
- REDUCTION IN FACILITY REQUIRED MAINTENANCE BUDGETS
- REDUCTIONS IN TECHNOLOGY BUDGETS – COMPUTERS AND DATA CENTER
- REDUCTIONS IN TECHOLOGY AND CONSULTANT SPENDING

CONTINUED SUPPORT FOR INSTRUCTION, CURRICULUM AND TRAINING

DOE BUDGET REPORT (SOURCE)

GENERAL FUND PROGRAM	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 BUDGET	FY26 BUDGET	FY27 BUDGET
REGULAR PROGRAMS - INSTRUCTION	14,985,308	16,747,110	16,813,086	16,622,318	17,686,907	17,279,824
SUPPLIES	791,607	737,961	989,272	618,237	937,874	913,309
TEXTBOOKS	216,628	424,308	193,533	165,138	165,250	132,900
IMPROVE INSTRUCTION	542,042	575,607	1,009,196	867,897	733,651	739,559
STAFF TRAINING	44,192	176,096	345,049	60,100	65,550	38,650

NOTES:

ARP ESSER , ESSER II FUNDING ALLOWED THE DISTRICT TO INCREASE CURRICULUM AND INSTRUCTION AND STAFF TRAINING

LOCAL EXPENDITURES, AS FEDERAL FUNDS SUPPORTED VARIOUS PROGRAMS THAT WOULD HAVE COME FROM LOCAL FUNDS.

OPERATING BUDGET – GENERAL FUND – FUND 10

REVENUE (CHANGE YOY)		SOURCE (Change)	EXPENSE (CHANGE YOY)		USE (Change)
TAX LEVY - + 2.00%	54,084,946	1,060,489	SALARIES - + .3%	34,260,873	102,811
TAX LEVY - PENSION ADJUSTMENT	0		NEW HIRES	0	
TAX LEVY - UNUSED AUTHORITY(BANK CAP) + 0.81%	428,289	428,289	**SALARIES - POSITION CONTROL ROSTER**	34,260,873	102,811
TAX LEVY - HEALTH CARE ADJUSTMENT - + 1.09%	579,176	579,176	HEALTH INSURANCE - + 23.71%	10,918,364	
TOTAL TAX LEVY	55,092,411	2,067,954	OTHER EMPLOYEE BENEFITS - + 8.8%	2,303,990	
			TOTAL EMPLOYEE BENEFITS	13,222,354	2,198,301
STATE AID	3,858,861	69,111			
SEMI AID	34,191	27,292	SAIF / PROPERTY / LIABILITY - +10.22%	1,192,151	110,562
TUITION INDIVIDUALS -	5,000	0	TUITION - OOD, VOTECH, OTHER - +11.8%	3,172,869	334,461
TRANSPORT FEES -	160,000	(15,000)	SCHOOL DEVELOPMENT AUTHORITY	5477	0
RENTAL OF FACILITIES -	150,000	140,000	ALL OTHER EXPENSES	8,308,108	(293,871)
BANK INTEREST - GENERAL FUND (GENERAL FUND)	200,000	0	FACILITIES, TRANSPORTATION, UTILITIES SUPPLIES, OTHER, ETC.		
TOTAL OPERATING REVENUE	59,500,463	2,289,357			
EXCESS SURPLUS (FY25 AUDIT)	661,369	245,839			
ADDITIONAL EXCESS SURPLUS	0	(82,932)			
WITHDRAWAL FROM CR - JCHS - FIELD HOUSE	6,000,000	2,750,000	CAPITAL PROJECTS - JCHS - FIELD HOUSE	6,000,000	2,750,000
WITHDRAWAL FROM CR - WASH - ELEVATOR	1,000,000	45,516	CAPITAL PROJECTS - WASH - ELEVATOR	1,000,000	45,516
TOTAL OPERATING REVENUE W/EX SURPLUS	67,161,832	5,247,780	**TOTAL OPERATING EXPENSE W/ ES AND CR**	67,161,832	5,247,780
			TARGETED REDUCTIONS		
NON RECURRING			FACILITIES REQUIRED MAINT, GROUNDS, REPAIR EQUIPMENT		
			TECHNOLOGY, STAFF (RIF, NON- RENEW, RETIRE - NOT REPLACED)		

FUND 20 – FEDERAL GRANTS / FUND 40 – DEBT SERVICE

	FY26	FY27		
CHAPTER 192 & 193	0	0		
IDEA BASIC	537,790	480,634		
IDEA PRESCHOOL	24,394	17,960		
TITLE I PART A	97,948	90,989		
TITLE IIA	35,664	33,686		
TITLE III	17,004	13,056		
TITLE III IMMIGRANT	0	2,236		
TITLE IV	8,289	8,500		
ARP ESSER	0	0		
ARP ESSER ACCELERATED LEARING	0	0		
ARP ESSER EVIDENCE BASE SUMMER	0	0		
ARP ESSER EVIDENCE BASE COMP	0	0		
ARP ESSER NJ MENTAL HEALTH	0	0		
TOTAL SPECIAL REVENUE (FUND 20)	**721,089**	**647,061**	**(74,028)**	**-10.27%**
DEBT SERVICE TAX LEVY - WEST CALDWELL	1,282,465	1,320,715		
DEBT SERVICE TAX LEVY - CALDWELL	637,962	599,540		
DEBT SERVICE AID	306,298	2,863,645		
WITHDRAWAL FROM CR - DEBT SERVICE	3,250,000	0		
TOTAL DEBT SERVICE REVENUE (FUND 40)	**5,476,725**	**4,783,900**	**(692,825)**	**-12.65%**
TOTAL FUND 10, 20, 40	**68,112,066**	**72,592,793**		
TEMPORARY OR ONE-TIME REVENUE				

GENERAL FUND - EXPENSES

GENERAL FUND PROGRAM	FY26 AMOUNT	FY27 AMOUNT	$ CHANGE	% CHANGE
REGULAR PROGRAMS - INSTRUCTION	17,686,907	17,279,824	(407,083)	(2.30)
SPECIAL EDUCATION - INSTRUCTION	4,260,990	4,435,024	174,034	4.08
BILINGUAL EDUCATION - INSTRUCTION	320,801	333,201	12,400	3.87
BASIC SKILLS - INSTRUCTION	6,000	6,000	0	0
COCURRICULAR ACTIVITIES	587,486	582,117	(5,369)	0.91
ATHLETICS	1,224,557	1,239,340	14,783	1.21
COMMUNITY SERVICE PROGRAMS	210,870	72,654	(138,216)	(65.54)
TUITION - SPECIAL EDUCATION	2,838,408	3,172,869	334,461	11.78
ATTENDANCE - SALARY	31,357	32,549	1,192	3.80
HEALTH SERVICES	709,305	722,317	13,012	1.83
SPEECH/OT/PT RELATED SERVICES	641,361	619,487	(21,874)	3.41
EXTRAORDINARY SERVICES	1,780,776	2,184,553	403,777	22.67
GUIDANCE SERVICES	823,131	740,682	(82,449)	(10.02)
CHILD STUDY TEAM - RELATED SERVICES	1,658,313	1,476,252	(182,061)	(10.98)
IMPROVE INSTRUCTION	733,651	739,559	5,908	0.81
EDUCATION MEDIA / LIBRARY SERVICES	983,216	997,820	14,604	1.48
STAFF TRAINING	65,550	38,650	(26,900)	(41.04)
SUPPORT SERVICES - GENERAL ADMINISTRATION	881,581	851,870	(29,711)	33.70
SUPPORT SERVICES - SCHOOL ADMINISTRATION	2,169,710	2,214,184	44,474	2.05
CENTRAL SERVICES ADMIN INFO TECH	833,846	817,788	(16,058)	(1.93)
OPERATION AND MAINTENANCE OF PLANT	6,208,668	6,208,663	(5)	0.00
TRANSPORTATION	2,023,754	2,148,598	124,844	6.17
EMPLOYEE BENEFITS / HEALTH INSURANCE	11,024,053	13,222,354	2,198,301	19.95
EQUIPMENT	0	20,000	20,000	
FACILITIES CONSTRUCTION / CAPITAL OUTLAY	5,477	7,005,477	N/A	
TOTAL OPERATING BUDGET	**57,709,768**	**67,161,832**	**9,452,064**	

CATEGORY (EX: CR WITHDRAWAL PROJECTS)	FY26	FY27	$ CHANGE	% CHANGE	PERCENT
SALARIES	34,158,062	34,260,873	102,811	0.30	57.02
EMPLOYEE BENEFITS / HEALTH INSURANCE	11,024,053	13,222,354	2,198,301	19.95	22.01
PROPERTY CASUALTY/LIABILITY INSURANCE	1,081,589	1,192,151	110,562	10.22	1.98
TUITION - OOD, VOTECH, OTHER	2,838,408	3,172,869	334,461	11.78	5.28
FACILITIES CONSTRUCTION / CAPITAL OUTLAY	5,477	7,005,477	7,000,000		
ALL OTHER EXPENSES	8,602,179	8,308,108	(363,182)	(4.44)	13.71
TOTAL OPERATING BUDGET	**57,709,768**	**67,161,832**	**9,382,953**		100.00
PERCENT WITHOUT CAPITAL PROJECTS (CR) OF OPERATING BUDGET		X / 60,092,721			

MAJOR (+/- $100,000) EXPENSE CHANGES – PROGRAMS - FY26 TO FY27 BUDGET

REGULAR PROGRAMS INSTRUCTION – $407,083

Reduction in FTE Teaching staff (Position Control)

RED – SPENDING MORE

GREEN – SPENDING LESS (SAVE)

SPECIAL EDUCATION INSTRUCTION - $174,034

Salary Increases for Instructional Staff

COMMUNITY SERVICE PROGRAMS - $138,216

MOVED SALARIES FROM THE GENERAL FUND TO FUND 61 (COMMUNITY SERVICE)

TUITION – SPECIAL EDUCATION – $334,461

Increase in OOD placement and tuition expenses

EXTRAORDINARY SERVICES - $403,777

Increase in Para-Professional expense in district and OOD.

CHILD STUDY TEAM / RELATED SERVICES – $182,061

Reduction in FTE

TRANSPORTATION - $124,844

Increase in payroll cost for Bus Drivers and Bus Aides. Increase in Repair and Maintenance of Vehicles. Increase in contracted route costs (not serviced by district fleet).

EMPLOYEE BENEFITS / HEALTH INSURANCE - $2,198,301

Increase in Health Insurance Premiums - +22% vs FY26 Budget.

FACILITIES CONSTRUCTION / CAPITAL OUTLAY – $7,000,000

Capital Reserve contributions for Washington Elevator Project and JCHS Field House. The Field House contribution may be less than $6,000,000.

HIGHLIGHTS FROM 2025-2026 (FY26)

FACILITIES:

- Replaced a Boiler furnace at Washington School.
- Upgraded/repaired the staircase at the JCHS parking lot to Bonnel Field (including center handrail).
- Repair/Replace the JCHS Media Center Skylights (Summer 2026).
- Upgraded lights at JCHS Main Gym.

TECHNOLGY / EQUIPMENT:

- Purchase of new computers, furniture, equipment for new JCHS STEAM wing. (These items are not part of the referendum).

PLANS FOR 2026-2027 (FY27)

FACILITIES:

- The district will build an elevator at Washington School that will service all Elementary school students that need elevator access. This elevator will replace the current inoperable "elevator" system at Wilson school. $1,000,000 from the Capital Reserve account has been allocated for this project.
- The district is planning to demolish the existing Field House at JCHS and construct a new Field House. Funds for the latter, up to $6,000,000, will come from the Capital Reserve account.

PLANS (BUDGETED) FOR 2026-2027 (FY27)

ACADEMICS/ARTS:

- Continued support for GCMS and JCHS Spring and Fall productions, and Music/Arts curriculum and supplies.

TECHNOLOGY:

- Continued support for the district's 1:1 device initiative

ATHLETICS:

- Addition of Flag football program.
- Addition of Freshman Girl's soccer team.

TAX LEVY

	FY26	FY27	CHANGE	PERCENT
TAX LEVY - GENERAL FUND				
CALDWELL	17,614,619	17,200,897		
WEST CALDWELL	35,409,838	37,891,514		
TOTAL	**53,024,457**	**55,092,411**	**2,067,954**	**3.90**
DEBT SERVICE TAX LEVY				
CALDWELL	637,962	599,540		
WEST CALDWELL	1,282,465	1,320,715		
TOTAL	**1,920,427**	**1,920,255**	**(172)**	**-0.01**
TOTAL TAX	**54,944,884**	**57,012,666**	**2,067,782**	
CALDWELL - TOTAL	18,252,581	17,800,438		
WEST CALDWELLL - TOTAL	36,692,303	39,212,228		
	54,944,884	**57,012,666**	**2,067,782**	**3.76**

NOTE:

CALDWELL SHARE 31.2219 % AND WEST CALDWELL SHARE 68.7781%

ESTIMATED EQUALIZED VALUES - GENERATED FROM 2026 EQUALIZATION TABLES - ESSEX COUNTY

ESTIMATED SCHOOL TAX RATE WITH DEBT SERVICE

ESTIMATED 2026-2027 TOTAL SCHOOL TAX RATES WITH REPAYMENT OF DEBT AND ADJUSTMENTS

GENERAL FUND PLUS DEBT	2025-2026 (FY26)	2026-2027 (FY27)	CHANGE
CALDWELL	1.7047	1.6890	(0.0157)
WEST CALDWELL	1.5524	1.6075	0.0555

SOURCE - FORM A (A4F) - NJDOE BUDGET SOFTWARE

TAX DOLLAR IMPACT VS FY2 BUDGET

- Caldwell – ($15.70) per $100,000 Assessed Value
- West Caldwell – $55.50 per $100,000 Assessed Value

QUESTIONS?

- FY27 – USER FRIENDLY BUDGET IS AVAILABLE ON OUR WEBSITE FOR MORE DETAILS AND INFORMATION.

THANK YOU.

Dr. Lydia E. Furnari, Interim Superintendent
Brian McCarthy, Business Administrator / Board Secretary
Board of Education
Ms. Julianne Grosso, President
Ms. Danielle Mack, Vice President
Mr. Chris D'Ambola
Ms. Terri DiMartini
Ms. Marisa Landolfi - Jefferson