



The Financial Future of Wanaque Public Schools

**Board of Education Presentation
September 29, 2026**

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Urgency of this conversation

The 2026–2027 budget bought time...

NJ State Aid Funding Formula (S2) - \$6.7 M in cumulative loss

**Operating costs continue to surge, outpacing revenue
(ex: Health Insurance, Utilities, Instructional Programs)**

**26-27 budget was balanced through one-time savings
(Health Insurance adjustment and staff reduction)**

We anticipate another huge increase to health insurance (best case scenario is 22%)

KEY TAKEAWAY | The need to address this issue is an absolute necessity to build a fiscally prudent budget for 27-28 and beyond.

2027 and Beyond



The 2026–2027 budget bought time...BUT we need to look over the horizon to create a sustainable future.

Currently, the 27-28 budget increase will be 2% or \$400,000.

The current health benefits cost is approximately \$3.5 million.

22% of that amount is over \$750,000...

...this does not include all other cost increases as a part of the district's budget development.

There is no information about a potential solution to this issue so we need to examine all possible solutions out of an abundance of caution to make the best decision possible.

KEY TAKEAWAY | A temporary (one-time) patch will not solve this issue.



Three options

Each option carries a different financial, educational, and community tradeoff.

01

Second Question

Direct increase to tax levy on top of the 2% cap

02

Maintain K - 8 Schools

Preserve the current structure, reduce expenses

03

Reorganize Grade Levels

Revisit a historic conversation focused on sustainability

FEATURE AREA

Carefully examine the three options to balance the budget for 2027 and beyond

NEXT STEP

Consider the facts and forecasted implications of each scenario



01 - Second Question

Direct increase to tax levy over 2% to maintain positions

Vote on the March 2027 ballot (A special election would cost \$30,000).

Requires a majority of all participating voters to approve.

This would raise the tax levy above the allowable cap every year for the approved amount.

If APPROVED...it would support the 27-28 budget and beyond, but the year over year cost of the positions (salary and benefit increases) would outpace future budgets (2% increase).

If DEFEATED...the staffing or programs identified in the question cannot legally become part of the operating budget.

KEY TAKEAWAY | Creates revenue capacity, but depends on voter approval and does not remove cost-growth pressure.



02 - Maintain K - 8 Schools

Preserve the current structure, reduce expenses

The measures taken to balance the 26-27 budget leave almost no auxiliary or “luxury” positions. Meaning, there is virtually no position remaining that would not have a direct impact on current programs, class size, or district operational capacity.

In order to cover the difference in operational costs and insurance premiums, positions would again need to be evaluated.

This is another one year “solution”...it is likely we will have this conversation again for 28-29 if the insurance costs continue to grow at the current rates and each subsequent year.

KEY TAKEAWAY | The current analysis raises serious concerns about 2027-2028 programming as well as 2028–29 sustainability.

03 - Reorganize Grade Levels



Revisit a historic conversation focused on efficiency

Consolidate grade levels to be in the same building (ex: PK-3 and 4-8)

Redundancies and schedule limitations (specifically MS and Special Ed.) would be resolved allowing positions to be examined based on the number of sections in the district.

Greater ability for professional growth and planning/instructional collaboration amongst staff which is currently significantly limited...directly impacting the teaching and learning experience.

We could utilize staff to expand our continuum of services, electives, and targeted intervention.

Transportation costs would increase slightly which would net against savings, but start times could be staggered to lower the impact of bus runs.

KEY TAKEAWAY | This scenario allows savings to be incremental and adjusted as needed saving positions, programs, and allowing potential program expansion.



Three options - SUMMARY

It is essential for our financial future that we consider facts...then gather perspectives

01

Second Question

Adds to the base budget forever, if approved, but not at the pace of cost increases

02

Maintain K - 8 Schools

Preserves historic formula, but will create staffing and programming limitations

03

Reorganize Grade Levels

Has the potential to create financial flexibility and education growth

FEATURE AREA

We cannot fully forecast the future...we need to work with the information we have in the present.

NEXT STEP

Consider the facts and forecasted implications of each scenario then collect feedback



A Deliberate Public Process

This is time sensitive, but critical so we need to be measured and thoughtful

SWOT Survey (Strengths, Weaknesses, Opportunities, Threats)

Intermediate Conversation - October 15, 2026 - Wanaque School Auditorium 6:00 PM

Follow Up Presentation - October 27 BOE Meeting

Timeline - Decision for December to support budget timeline, negotiations, and transition planning

KEY TAKEAWAY | This is an urgent conversation which deserves careful consideration.

SWOT Survey

Share your thoughts





What is a Regionalization Study?

Ringwood was approved for a Regionalization Study Grant

Over the 12 to 18 months, a vendor will be selected to gather multiple data points

They will develop a comprehensive analysis study to make a recommendation as to how the districts could save money

Options include: Full Regionalization, shared services, shared staff or stay as is

Then all three boards need to decide and vote on next steps

IF there is a recommendation for full regionalization **AND IF** all three boards support it then the public needs to vote on it

IF it then passes in both communities the process of regionalization planning begins

KEY TAKEAWAY | This does not happen overnight and is so far over the horizon that it does not impact our current urgency to address the financial future in Wanaque.