

**Board of Education
Upper Saddle River, New Jersey
Special Meeting
Monday, March 23, 2026, 7:00 p.m.**

Minutes

This Special Session of the Upper Saddle River Board of Education was held in the Auditorium of Cavallini Middle School of the Upper Saddle River Schools beginning at 7:00 p.m. Mrs. Gandara opened the meeting and stated that the meeting was being held in compliance with PL 1975, Chapter 232 and appropriate notice had been provided to the designated newspapers, the Borough Clerk and all interested parties requesting such notification.

Members present: Mrs. Gandara, Mrs. Ginsberg, Mrs. Gray, Mr. Mehegan, Dr. Verducci, Mrs. Wenberg

Members absent: Mr. Quagliani

Also present: Dr. Schoen, Mrs. Imbasciani, Mr. Kaplan

REGULAR SESSION

Mrs. Wenberg made a motion, seconded by Mrs. Gray to convene into the Special Meeting at 7:00 p.m.

OPENING STATEMENT:

Mrs. Gandara

Good evening, everyone. On behalf of the Board of Education, I want to sincerely thank each of you for being here tonight, our teachers, our administrators, our support staff, our parents, and our community members. Your presence at these meetings is not merely appreciated; it is essential to how we govern, and it reflects exactly the kind of engaged community that makes Upper Saddle River's schools exceptional.

I want to begin by addressing last week's meeting. Many of you raised important questions about the budget, and I want to say clearly: we heard you. Not every question was fully answered at the time, and we understand that. You deserve clear information when it comes to your tax dollars and your children's education.

Tonight, our goal is to walk through this clearly so you understand what is happening and how these decisions were made.

Before we walk through the numbers, I want to place our situation in a broader context, because Upper Saddle River is not alone. School districts across New Jersey are navigating the same fiscal storm. The cost of providing excellent public education has risen dramatically and in ways that no amount of careful management can fully absorb.

Health insurance premiums for our staff are projected to increase by approximately 30 percent in the coming year. Utility and energy costs are rising by approximately 20 percent. Our contractual salary obligations carry a 3.5 percent increase. Meanwhile, inflation has been running at roughly 3.6 percent, and state aid, which accounts for less than 5 percent of our revenue, provides little cushion.

At the same time, New Jersey law limits our annual tax levy increase to 2 percent. Our revenues are capped by law. Our costs are not. That is the fundamental tension you will see reflected in everything presented tonight.

This evening, the Board of Education will be approving the submission of the tentative 2026-27 budget to Bergen County for technical review. This is a required step in the state budget process, but I want you to understand clearly what this budget represents before our business administrator walks you through the details.

This budget is like no other budget this district has ever created.

For years, the State of New Jersey has been warning school districts about a coming 'fiscal cliff', a point at which the structural gap between rising costs and capped revenues becomes impossible to close. Our 2026-27 budget is standing at the edge of that cliff. Our expenditures far outpace our revenues, and the gap is real, it is significant, and it cannot be ignored.

The State has provided our district with over \$2 million in available waivers and adjustments, mechanisms designed to help districts bridge exactly this kind of gap. We could have used all of them. Had we done so, the average Upper Saddle River

home, assessed at approximately \$797,000, would have seen the local school portion of their tax bill increase by nearly \$600. And that does not include the Northern Highlands Regional, municipal, and county portions of your property tax bill.

It is important to understand: waivers are not free money. They do not reduce our costs or close the structural gap. They simply allow us to pass more of that gap, without voter approval, on to taxpayers today while the underlying problem remains, and grows. It also means those higher costs carry forward, increasing the starting point for next year's budget. If we had taken advantage of every available adjustment and waiver, we would have bought ourselves time, one more year to operate at the level we are accustomed to. But we would be standing in this same room, having this same conversation, twelve months from now. That is not a long-term or sustainable solution. That is kicking the can down the road at the taxpayer's expense.

One key step in addressing this structural imbalance is to reduce our expenditures. Our schools are built around people, and more than 80 percent of our budget goes directly to salaries and benefits, the people who work with our students every day, support our classrooms, and keep our schools running.

We have already reduced supply budgets and operational expenses as far as possible. There are no remaining areas to cut without impacting how we operate, which means staffing is the remaining area for adjustment.

As many of you are already aware, staff reductions are part of this budget. I know that is difficult to hear, and it is difficult for us to say. Each reduction represents a valued member of our staff who plays an important role in supporting our students and our schools.

This Board of Education has made a difficult decision to address these issues this year rather than defer them, and we recognize that it has generated both support and concern within our community.

Over the past several months, the Board has worked closely with our administrators to review the budget, analyze enrollment trends, examine programs, and ensure every decision meets state requirements, maintains full legal compliance, and protects the quality of education our students deserve.

We considered multiple tax levy options at several points across the range from approximately 2% (within the cap) to just under 6% (using all available waivers), and determined that a 2.75% increase represents the right balance. Choosing a lower increase would have meant larger impact to class sizes and reductions to programs, student supports, and facilities, including the work of the educators and staff who support our students every day, impacts we were not willing to make.

As part of this process, we identified areas where the district can operate more efficiently. This means making some adjustments, but our focus remains the same, continuing to provide the high-quality educational experience students and families expect.

This budget uses approximately \$195,000 in available health benefit waivers. The remaining amount is not lost, it carries forward and can be used over the next two budget cycles if needed. This flexibility was preserved for the future.

These decisions were not easy. We understand they may not be popular for everyone. But this Board was elected to make fiscally responsible decisions for the entire Upper Saddle River community and we believe this budget reflects that responsibility.

Given that context, our goal tonight is to provide a clear and transparent overview of how these decisions were made.

I will now turn it over to our business administration to present the 2026–27 Tentative Budget.

BOARD SECRETARY'S REPORT:

Mrs. Imbasciani

Mrs. Imbasciani shared the preliminary 2026/27 budget with the Board. Highlights included:

- District Information
- Challenges
- Revenue sources
- Key expenditures
- Overall, 2.75% tax levy increase, due to increase in ratables, the tax rate increase is 1.69%
- The Public Hearing will be Monday, April 27th at 7pm.

FINANCE - Budget**Mrs. Imbasciani**

A motion was made by Mrs. Gray and seconded by Mrs. Ginsberg to approve Finance - Budget Resolution. The Budget Resolution was approved by all in attendance.

RESOLUTION TO APPROVE THE TENTATIVE 2026/27 SCHOOL YEAR BUDGET

BE IT RESOLVED that the tentative budget be approved for the 2026-2027 School Year using the 2026-2027 state aid figures and the School Business Administrator/Board Secretary be authorized to submit the following tentative budget to the Executive County Superintendent of Schools for approval in accordance with the statutory deadline, as follows:

	Total	General Fund	Special Revenue	Debt Service
2026-2027 Total Expenditures	\$32,121,940	\$31,904,940	\$217,000	\$0
Less: Anticipated Revenues	\$5,278,959	\$5,061,959	\$217,000	\$0
Taxes to be Raised	\$26,842,981	26,842,981	\$0	\$0

And to advertise said tentative budget in The Record in accordance with the form required by the State Department of Education and according to law; and

BE IT FURTHER RESOLVED, that a public hearing be held in the Cavallini Auditorium in the Cavallini Middle School located at 392 West Saddle River Road, Upper Saddle River, NJ at 7:00 pm on April 27, 2026 for the purpose of conducting a public hearing for the 2026-2027 School Year.

BE IT RESOLVED that the Board of Education includes in the final budget an appropriation of surplus in the amount of \$2,100,000.00.

BE IT RESOLVED, that the Upper Saddle River Board of Education includes in the final budget the adjustment for increased costs of health benefits in the amount of \$195,344.00. The additional funds will be used to pay for the additional increases in health benefit premiums.

BE IT RESOLVED, that the Business Administrator/Board Secretary is authorized to submit the preliminary budget with the inclusion of health care costs adjustment as noted above.

BE IT RESOLVED, that the Upper Saddle River Board of Education includes in the tentative budget a maximum travel expenditure in the amount of \$20,450.00 for the 2026-2027 School Year. The maximum travel expenditure amount for the 2025-2026 School Year is \$21,906.43 of which \$4,226.14 has been spent and \$0.00 has been encumbered as of March 20, 2026.

WHEREAS, the Upper Saddle River Board of Education recognizes school staff and Board members will incur travel expenses related to and within the scope of their current responsibilities and for travel that promotes the delivery of instruction or furthers the efficient operation of the school district; and

WHEREAS, N.J.A.C. 6A:23A Subchapter 7. requires Board members to receive approval of these expenses by a majority of the full voting membership of the Board and staff members to receive prior approval of those expenses by the Superintendent of Schools and a majority of the full voting membership of the Board; and

WHEREAS, travel and related expenses not in compliance with N.J.A.C. 6A:23A Subchapter 7 but deemed by the Upper Saddle River Board of Education to be necessary and unavoidable as noted on the approved Board of Education Out-of-District Travel and Reimbursement Forms;

NOW BE IT RESOLVED, the Upper Saddle River Board of Education approves all travel not in compliance with N.J.A.C. 6A:23A Subchapter 7 as being necessary and unavoidable as noted on the approved Board of Education Out-of-District Travel and Reimbursement Forms; and

BE IT FURTHER RESOLVED, the Upper Saddle River Board of Education includes in the tentative budget travel and related expense reimbursements in accordance with N.J.A.C. 6A:23A Subchapter 7, to a maximum expenditure of \$20,450.00 for all staff and board members for the 2026-2027 School Year.

The School Business Administrator/Board Secretary shall track and record these costs to ensure that the maximum amount is not exceeded.

BE IT RESOLVED, that included in the general fund appropriations, budget line 620 is a withdrawal from Capital Reserve - Other Capital Projects in the amount of \$50,000 for Other Capital Project costs of the Reynolds School generator replacement (\$50,000). The total cost of this project is \$50,000 which represents expenditures for construction elements or projects that are in addition to the facilities efficiency standards determined by the Commissioner as necessary to achieve the New Jersey Student Learning Standards.

BE IT RESOLVED, that as per N.J.A.C. 6A:23A-14.2(d) the general fund appropriations include a \$250,000.00 withdrawal from the Maintenance Reserve Account for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26-20.5.

PUBLIC COMMENT:

Mrs. Choi asked about budget impacts on students with IEPs.

Mrs. Walker read a statement on behalf of the USREA urging the BOE to reconsider staffing cuts.

Mr. Penski asked why not have the effective tax rate go up to 2%. He also asked how these cuts make us better long-term. We either have to raise the tax or have less “good” schools.

Mr. Solomon expressed concern over year over year health insurance costs and questioned how these will help the health insurance issue?

Mr. Schefflein asked why the district is not going out for a referendum. The residents should be given the opportunity to decide if the waivers are used.

Mrs. Johnston stressed that the Board was elected to represent all residents. Then asked how many of the 11 teachers would have been non-renewals. She also asked if all the teachers and paras are fully allocated. She commends the Board for making these tough decisions. She appreciates their effort.

Mr. Gamsey asked what the district has done to plan for a fiscal cliff.

Mrs. Elazab asked if the school gets a fixed amount or percentage of the taxes that the town collects.

Mr. Koch asked what options the residents have to change the budget. Trimming paras will be very bad for the district.

Mrs. Garcia, to the teachers and paras, we hear you and we appreciate you. To the Board, I don't envy your decision but wish they gave the public more time for input. What do we have to do to get the Board to max out the waivers this year. When are IEPs and 504s being reviewed. What do you say to the parents so they know the reviews will be done with the best interest of the child in mind.

Mrs. Sideria asked if the Board would be willing to table this decision and give the town more time to learn about the budget.

Mr. Randa asked how will the district support the remaining staff and keep morale up.

Mrs. Shaker asked how the Board decided which positions would be cut. How is using the waiver a short-term solution when it raises revenue going forward. He asked if the Board would consider using the waiver to buy us time for health benefits to correct. She then asked how does the Board look the taxpayer in the eye, those that elected you, and say you don't care what they say.

Mr. Weiner asked why the Board hasn't tried to communicate with the community to let them weigh in on decisions in advance.

Mrs. McGetrick asked what a reasonable class size is. Would appreciate more transparency with regard to what is going to change and what is the impact.

Mr. Young asked if Mrs. Gandara was speaking on behalf of the Board. He moved to the town because of the schools. He wondered why the Board hadn't told the town about this sooner. He suggested using the waiver this year and then work with the town to decide what to do in 27/28. Share openly so townspeople can help decide and not just let 7 people decide. Do what is best for the town.

Mr. Thurakal said he is all for fiscal responsibility but this is penny wise pound foolish. The crown jewel is our schools. Not investing in that is unfair. Parents want the opportunity to invest in our children. He asked how many board members have children in the schools.

Mr. Haley asked how are we going to address future health benefit costs.

Mrs. Randa reminded the Board that people move to Upper Saddle River for the schools. Urged the Board to use the waivers this year.

CLOSING COMMENT:

Mrs. Gandara read the following statement:

Before we adjourn, I want to take a moment to recognize the time and thought everyone brought to tonight. Many of you came with real concerns about your taxes, your children's schools, and the people who support them every day.

Whether you came with questions, concerns, or simply because you care about this community, your engagement matters. Meetings like this are an important part of how we work through challenges together, and this Board does not take your presence or your input for granted.

What was presented tonight is hard. Closing a \$2.6 million gap through spending reductions, operational efficiencies, and staff reductions is not an abstract exercise; it has real consequences for real people, and we do not minimize that. These choices reflect a fiscal reality that must be addressed, not a judgment of your value or your service.

The Board thoroughly evaluated available options before arriving at these reductions. We could have used the full \$2 million in available waivers, but even then, reductions would still have been necessary and we would be facing the same gap again next year.

Delaying these decisions would not have made things easier, it would have made them more difficult, with greater impact. The responsible path was to act now in a way that puts the district on more stable, sustainable footing.

Academic programs will remain intact. Required student support and services will continue to be fully provided. Class sizes may see only minimal adjustments, and while some extracurricular offerings have been reduced, they will remain an important part of the student experience.

Our commitment to providing a high-quality education for Upper Saddle River students remains unchanged.

Tonight's vote sends the tentative budget to Bergen County for technical review. Following county approval, the official 2026-27 budget will be presented at a public hearing on April 27th.

What we are facing in Upper Saddle River is not unique. Districts across New Jersey are dealing with the same challenge.

Simply raising taxes above the 2 percent cap does not solve the problem. The real issue is the rising cost of the state health benefits program. Increasing taxes only buys time, it does not fix what is driving these costs.

Lasting change has to come at the state level. The School Employee Health Benefits Program Plan Design Committee, which includes NJEA-appointed members, plays a key role in determining those costs. Until changes are made to the structure of these plans, districts like ours will continue to face this same challenge year after year.

That is why we are asking for your help. Parents, community members, and staff, your voice matters. Please reach out to our state leaders: Governor Mikie Sherill, Senator Holly Schepisi, Assemblymen Robert Auth and John Azzariti, and state education leadership. Let them know what you heard tonight, what these decisions mean, and why change is needed.

This is not about one district; it is about ensuring that schools across New Jersey can continue to support students without having to make these kinds of choices every year.

Upper Saddle River is a community that rallies around its schools. This budget is not the story of what we are losing, it is the story of what we are protecting. That is the commitment of this Board, and it is what we will continue to work toward, every single day. Thank you, and good night.

ADJOURNMENT

Mrs. Gandara

A motion to adjourn was made by Mrs. Gray and seconded by Mr. Mehegan at 9:05 p.m.

Dana Imbasciani, Board Secretary