



# The Ocean Township School District



2026 – 2027  
PRELIMINARY BUDGET PRESENTATION

# ABOUT OCEAN TOWNSHIP SCHOOL DISTRICT

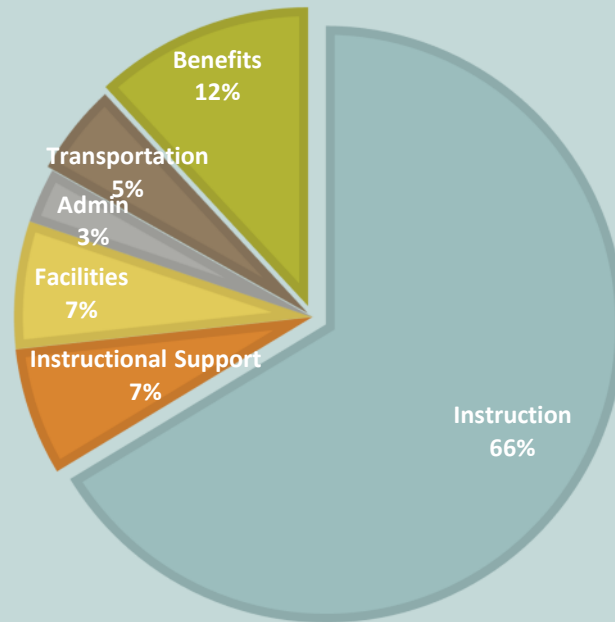
- ❖ Ocean Township School District educates students from preschool through 6<sup>th</sup> grade.
- ❖ Our resident student population is 875.
- ❖ The preschool student population is 110.
- ❖ 42% of our students participate in the Free and Reduced Lunch Program.
- ❖ 24% of our students are engaged in our Special Education program.
- ❖ Enrollment is increasing
- ❖ Accumulated S2 decrease in State Aid: \$5,244,806

## On-Roll / Resident Enrollment:

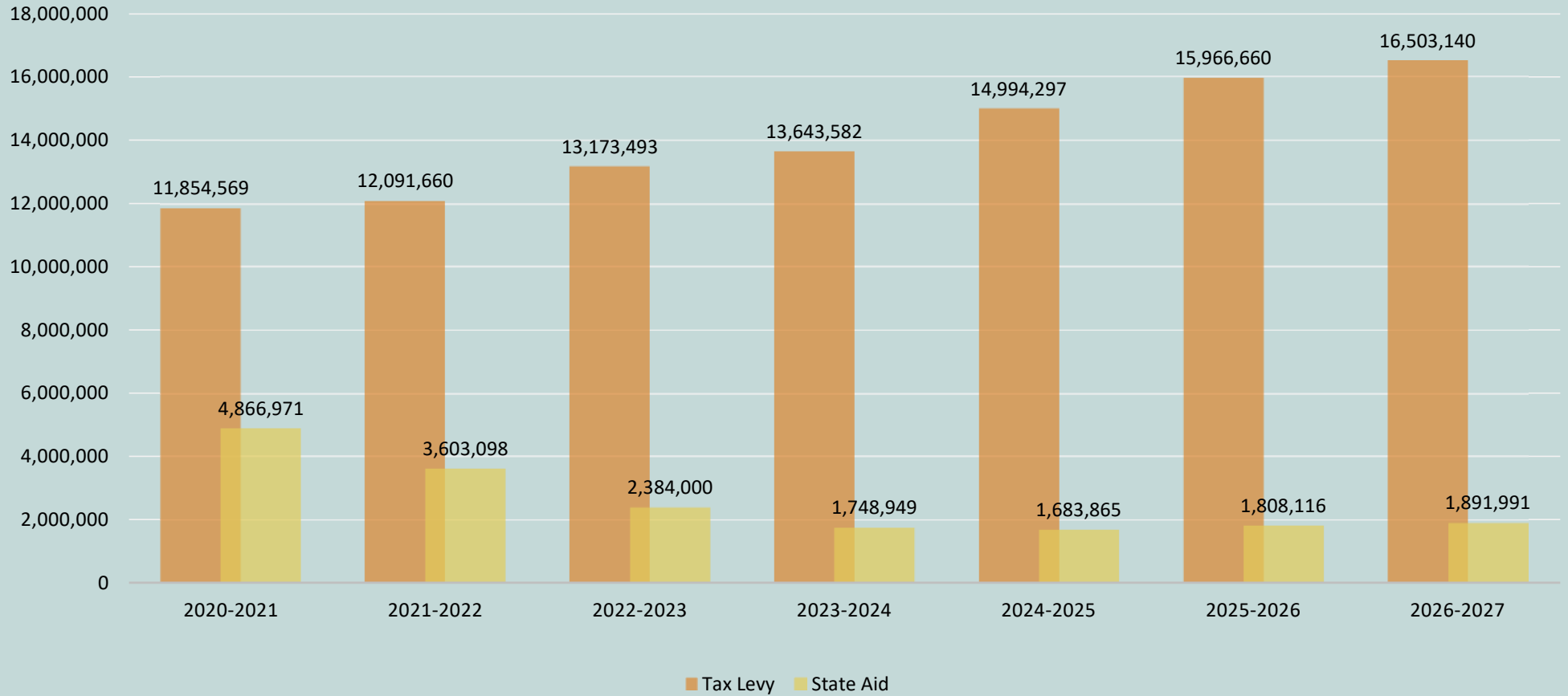
CALCULATION YEAR	STATE AID YEAR	ON-ROLL / RESIDENT
October 2025	2026-2027 ASSA	571 / 875
October 2024	2025-2026 ASSA	557 / 856
October 2023	2024-2025 ASSA	578 / 857
October 2022	2023-2024 ASSA	541 / 828
October 2021	2022-2023 ASSA	512 / 818
October 2020	2021-2022 ASSA	504 / 864
October 2019	2020-2021 ASSA	525 / 876
October 2018	2019-2020 ASSA	507 / 892
October 2017	2018-2019 ASSA	488 / 875

# Budget Appropriations by Category

■ Instruction ■ Instructional Support ■ Facilities ■ Admin ■ Transportation ■ Benefits



## Tax Levy vs State Aid



# Adequacy Budget as Calculated Pursuant to N.J.S.A. 18A:7F-51

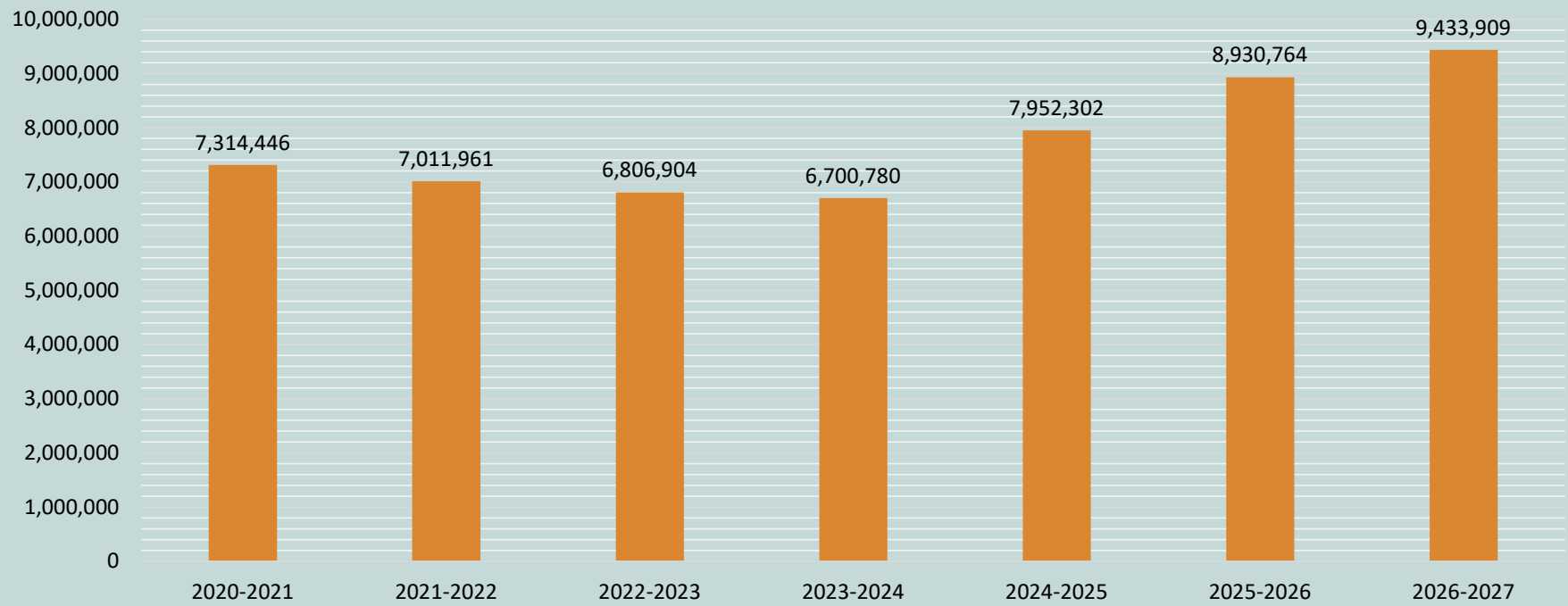
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The adequacy budget is an estimate of the financial resources a school district needs to provide educational programs and services to its students consistent with State standards.

The calculation is based on the district's overall enrollment, with adjustments (or weights) for grade level, number of low-income and bilingual students, and a portion of estimated special education costs.

A. 2026-2027 G.F. Levy	\$16,503,143
B. District Adequacy Budget (LFS)	<u>20,404,590</u>
Excess Amount (A-B)	\$(3,901,477)

■ SRSD Net Costs



**GENERAL FUND BUDGETED REVENUES:**

	<u>2025-2026</u>	<u>2026-2027</u>	<u>Diff.</u>	<u>%Increase</u>
Local Tax Levy	\$ 15,966,660	\$ 16,503,143	\$ 536,483	3.36%
Interest Income	178,202	150,650	(27,552)	-15.46%
Misc. Income	26,000	23,500	(2,500)	-9.62%
Transfer from Fund 61	21,000	-	(21,000)	-100.00%
Tuition from OTR LEAs	25,000	25,000	-	0.00%
Medicaid	12,519	85,047	72,528	579.34%
State Aid	1,808,116	1,891,990	83,874	4.64%
Budgeted Fund Balance	1,781,506	1,372,999	(408,507)	-22.93%
Extraordinary Aid	300,000	350,000	50,000	0.00%
Maintenance Reserve	200,000	-	(200,000)	-100.00%
Sub-total	<u>20,319,003</u>	<u>20,402,329</u>	83,326	0.41%
<u>Capital Outlay (Fund 12)</u>				
Capital Reserve	<u>600,000</u>	<u>50,000</u>	(550,000)	-91.7%
Total (General Fund)	<u>\$ 20,919,003</u>	<u>\$ 20,452,329</u>	\$ (466,674)	-2.2%

## HOW DID WE GET HERE?

Budget Shortfall (before receiving tuition numbers from SRSD)	This includes salaries, utilities, health insurance, maintenance costs, professional services, and out of district tuition. Includes tax increase at 3.36% and savings due to leaving the NJSEHBP- \$550,000	<b>\$(413,678)</b>
Tuition adjustment for 2024-2025 audited school year	The tuition adjustment is the difference between the billed amount and actual reconciled tuition costs.	<b>(756,621)</b>
3/4 Tuition Adjustment from 2023-2024	Tuition amount that was already included in this year's budget. Helps offset the tuition adjustment due for 2024-2025.	730,420
1/4 Tuition Adjustment from 2023-2024	This amount represents the amount that was deferred to 2026-2027.	<b>(243,474)</b>
Tuition increase from SRSD	The 2026-2027 tuition increase for grades 7-12.	<b>(720,418)</b>
Adjusted Budget Shortfall	The district has requested from SRSD a ½ deferral adjustment for the 2026-2027 Budget.	<b><u>\$(1,403,771)</u></b>

## Health Insurance: NJSEHBP vs NJ Solutions

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District saw a 38% increase in health benefit premiums beginning January 1, 2026. This is even though the district had a positive experience rating.

Restrictive language in the CBA prevented the district from leaving the State plan.

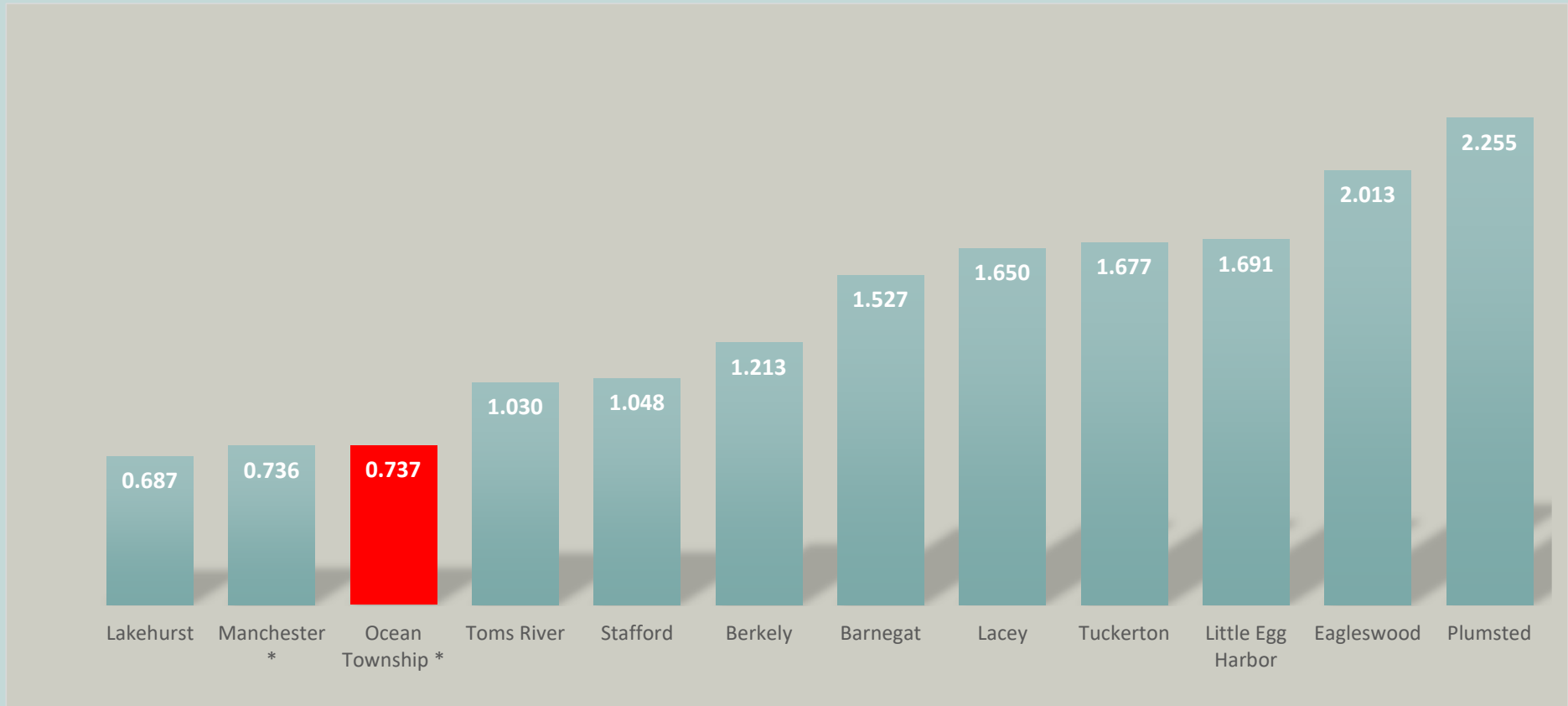
The BOE negotiations committee had a side-bar to negotiate the language out of the CBA and agreed to the following concessions:

- The district was able to leave the NJSHBP and will see a savings of approximately \$550,000 going into the 2026-2027 budget cycle.
- NJSEHBP is estimating a 30% increase in January 2027, we will remain flat.
- The district received a 16 month rate (ending 6/30/2027).
- Provides the BOE more flexibility moving forward.

## 2026-2027 BUDGET OVERVIEW

GF Tax Levy increase at 3.36%	\$16,503,143
Debt Services Levy	<u>409,415</u>
Total Tax Levy	<u>\$16,912,558</u>
2026 Ratables	\$2,305,425,300
Increase in Ratables (%)	.42% increase
Tax Rate (w/repayment of debt)	\$0.737
Average Home Value – 2026	\$468,600
Average Home Value – 2025	\$467,000
Average Home Value - 2024	\$466,300
Increase on the Avg. Home Value	\$98.41

## 2025 School Tax Rate Comparison



- - Manchester had a Reassessment done in 2025. Ocean Township had a reassessment done in 2024.

## What Does This Budget Include:

- Loss of Title IA funding from the federal government will impact our Basic Skills Programs for the 2026-2027 school year.
- 35k reduction in technology devices/displays
  
- Reductions in staff:
  - Reduction of 6 full time certificated staff, 4 full time certificated staff to part time
    - Reduction of class sections K-4, putting over thirty students in a class in some cases.
  - Reduction of non-certified staff to part-time.
  - Will require the BOE to hire additional part-time staff to fill in the gaps

# CAPITAL NEEDS: BOND EXPIRATION 2027

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- Replace WES/Priff Boilers
- Emergency Generator repairs
- Fix cracks in parking lot and sidewalks
- FAP AP room floor to be replaced
- WES Fire Panel upgrades
- Priff Gymnasium Floor Repairs
- Bathroom/Plumbing Repairs
- Replace chain link fencing along roadway between schools
- Replace dryvit siding at WES
- Chillers replaced at both schools
- Classroom unit ventilator replacements
- Additional WES/FAP Roof repairs

# Obstacles Facing the District:

## 2025-2026 Tuition Adjustment

The SRSD tuition rate billed for the 2025-2026 school year was \$17,800 per student for grades 7-12. The certified rate for the 2024-2025 school year was \$18,870 for grades 7-8 and \$18,692 for grades 9-12. Based on these figures, the district is anticipating another adjustment for the 2027-2028 budget cycle.

## Rising Costs

The rising costs of Health Insurance, utilities, special education and transportation are not sustainable with a 2% cap on the levy.

## Lack of Reserves

No reserves remain except for use on capital projects. Due to our dependence on fund balance, and lack of State Aid funding, the district has lost money the last two fiscal years.

## Facility Needs

A lot of the District's key infrastructure assets, such as Chillers, Boilers, Roofing Systems, Unit Ventilators, Electrical/Fire Panels are reaching the end of their useful lives. The district has bonds expiring at the end of 2027. If these needs are not addressed, they could lead to costly repairs that the district doesn't have the funds for or create unhealthy learning environments for our students because of leaking roofs and poor ventilation. A bond referendum is planned for the fall of 2026.

Thank You for your continued support of  
our Students!

MORE DETAILED BUDGET INFORMATION CAN BE  
FOUND ON THE DISTRICT'S WEBSITE AT:

**[WWW.OTSDK6.ORG](http://WWW.OTSDK6.ORG)**