

Budget Task Force
January 13, 2026
Minutes

Introductions

Members of the task force were asked to provide their names and roles in the community/school. Invitees included presidents/VP of the town's homeowners associations, MURC representative, Township Acting CFO and Acting Business Administrator, Board of Education President/VP, PTA Presidents, Brookdale representative, SEPAC representative, Hackensack Meridian representative, NTEA Leadership officials, NTAA Leadership officials, and School Administrators. Not all invitees were in attendance.

Purpose of the Committee

Dr. Crader explained that, as discussed at the August 2025 BOE meeting, members of the Admin team were tasked with conducting research in various areas in an effort to gather information that would inform decisions regarding short-term and long-term planning. The Committee members were asked to 1) Serve as ambassadors of information; 2) Offer ideas and input; and 3) Provide feedback to the district's ideas.

A Task Force member asked for clarification on the makeup of the committee prior to this expanded meeting. Dr. Crader explained that there was always an intent to assign to an internal committee necessary research and information gathering, and then expand the committee to include community leaders once we had information to share.

School Funding

Dr. Crader called Mr. Mike Illiano, Senator Gopal's staffer, so that he could update the group on potential legislation related to school funding and charter schools. Mr. Illiano informed the Committee that the current legislative session resulted in new and improved charter school regulations but failed to finalize the school funding efforts that had been under way. Those will be revisited at the next session.

Background

Dr. Crader shared the background information as to state aid prior to the 2018 implementation of S-2 legislation, showing the dollar amounts that were reduced yearly from a \$32 million award to an \$8.8 million award. She also showed that, based on information received from the Department of Education, the district had projected a total of \$12 million lost and an actual of almost double that amount.

Assistant Business Administrator Brittany Busicchia reported on the increased costs over the same period, showing how those cost increases have outpaced the dollars saved through cutting staff.

Combatting Budget Shortfalls

Dr. Crader shared the strategies that had already had been utilized to offset the declining state aid. Over 100 positions were cut in the period. All program expenses were trimmed. Some programs were completely cut. All spending is curtailed mid-year each year. The district continued to seek out grant partners and share services with Brookdale, Township, the Navy, and HMH. The district closed one building and is in the process of reverting that building to the SDA. They have worked with SDA to determine additional facilities options. Dr. Crader mentioned that dealing with the SDA is very challenging as there are always delays in getting information and often the information received from two different sources is conflicting.

Assistant Superintendent Matthew Gristina explained 107 position eliminations along with their relative category reduction percentage, and year-over-year reduction numbers. He explained the impact of tenure and certification as cuts are made. Tenure laws prescribe the process of cutting non-tenured, lower-salaried staff before moving to higher-salaried tenured staff.

A Committee member commented regarding the ratio of cuts to total category. Dr. Gristina and Dr. Crader confirmed the ongoing monitoring of the cross-department and cross-unit cuts.

Original Budget

Dr. Crader showed the cuts that would have been made in the 25-26 budget prior to the tax levy incentive grant opportunity. Included in the list were 40 additional staff positions, all courtesy bussing, all professional training, all field trips, many mental health support, all mid-shift custodians, deep administrative cuts, and insufficient line item balances.

Ms. Casper-Sherman, Transportation Coordinator, confirmed the courtesy bussing reduction.

Special Services Director Mrs. Skelton explained the utilization of Effective School Solutions, an agency that supplies therapeutic counseling to our high-risk students, a successful but expensive endeavor that helps the district to support students within the district rather than sending them to an out-of-district placement. Thus far, the expense of this program has been offset by the avoidance of expensive out-of-district placements, which are on average about \$100,000.

Tax levy Incentive Grant

Dr. Crader explained that the state offered districts that were under adequacy (a state-determined dollar amount they believe districts should be spending based on their demographics) and under local share (a state-determined dollar amount that they believe municipalities should be contributing) to raise the tax levy up to the local share expectation. This opportunity allowed districts to capture some of the lost state aid dollars. Neptune took advantage of that opportunity.

Restrictions

Dr. Crader also explained that because the district's buildings were funded through the School Development Authority (SDA), there are restrictions placed on sale or lease. Each facility has an associated bond dollar amount at the SDA. Additional restrictions and obstacles include class size maximums, based on former-Abbott status, an existing desegregation order, transportation guidelines, contracts, and tenure laws. She shared the list of buildings and their associated bond information, which she finally received in October/November from the SDA after seeking Senator Gopal's assistance. In December, she was able to speak to an official at the SDA regarding the potential sale of the Central Office. She had been informed earlier that this building could be sold for a profit. In speaking with a second official in December, the SDA provided information about which buildings could be sold after bonds were resolved. Summerfield, ECC, Midtown, and Central Office could not be sold and if disposed of would have to revert to the SDA. Any disposal of property requires a process involving DOE and SDA.

Ideas Exploring

Dr. Crader discussed the options that had or were currently being explored. Now that the district has received definitive SDA information, they will move forward with an appraisal of schools. She explained that the district should not close a school without knowing if that school can be sold. Combining school populations can be done, but will not yield a high number of staff, given our current class sizes. It will, however, yield the cost of a principal, nurse, secretary, custodian, and counselor. To develop a future plan, Administration and the Board would need to know the potential value with bond reconciliation considered. She also mentioned possible outsourcing of certain staffing units, but could not elaborate because of the need to negotiate with unions. Cost containment in health insurance is a priority.

A Task Force member asked a question related to the appraisal of buildings. Dr. Crader agreed that no decision can be made without knowing 1) the potential profit from sale; and 2) the bond reconciliation amount.

Another Task Force member expressed concern over closing any building as there is additional housing construction under way in our community. Dr. Crader agreed that the decision can not be made quickly or without careful planning.

Comparison Data

When compared to neighboring districts, Neptune Township School District had the highest enrollment, the least number of staff, similar cost per pupil, the lowest tax levy, and the highest rate of free and reduced lunch. Dr. Crader also included the minutes from the most recent research-sharing and brainstorming meeting of her administrative team. The district is looking for a list of creative ideas to offset costs, perhaps those that yield small savings but collectively offer relief. Dr. Crader gave examples of those items. Additionally, other large-dollar savings are under discussion

Update on Research/Discussion Items

Dr. Crader shared the district's approach to cost containment. The district is currently brainstorming creative ideas to yield small cost savings as immediate steps. An example is the

purchase of a 15-passenger bus to assist with transporting small teams and groups, saving in transportation bids. Another example was looking at cuts that were already made and the unanticipated cost consequence. An example of this was the in-house electrician cut, which is yielding more costs in contracting. Facilities Manager Jose Pleitiz confirmed this.

Dr. Crader provided the update regarding the sale of CO. CO has a reverter clause so can't be sold for profit.

Business Administrator Vincent Caravello reported out on the status of budget planning, indicating that he is currently examining enrollment and revenues. He clarified some of the misinformation that is being circulated in terms of administrative costs specifically citing Indicator 8 that has been referenced from the NJ tax payers guide to educational spending. He shared the correct information obtained from the NJ Department of Education website:

22-23 Actual - 1,898 / State average - 2,062 / Monmouth County Average - 2,127

23-24 Actual- 1,974 / State Average - 2,159 / Monmouth County average - 2,183

24-25 Budget- 1,959 / State Average - 2,172/ Monmouth County Average - 2,212

It was reiterated that the Neptune Twp School District is well below the county and state averages for total administrative per pupil costs.

A Task Force member asked if the district had debt. The district does not.

A Task Force member asked if Dr. Crader could partner with the Township in seeking legislative assistance with regard to spiking health insurance costs. Dr. Crader agreed to combine forces.

Next Steps

The district is moving forward with appraisals, has a meeting planned with their health insurance broker, is analyzing the savings gained through outsourcing, and is examining enrollment for potential staff reductions. The district will continue to advocate and monitor school funding legislation. The feasibility of leasing and/or sale of a building will be determined once the appraisal and any SDA/DOE processes are completed. Mr. Caravello will continue to build a budget with basic assumptions of flat state aid and minimal tax levy impact.

Next Meeting

The next meeting will be held after the district hears about state aid. The meeting may be scheduled for a later time and will most likely be virtual as the timing of the January 13 was difficult for some.