

# 2026-27 Budget Overview

## The Challenge: A Significant Budget Gap

Haddonfield School District faces a projected budget deficit of \$3,447,781.

While we continue to provide high-quality education, the cost of maintaining current programs and staffing is outpacing traditional revenue sources.

For more details, please join us at upcoming Board of Education meetings or visit our website for full presentation materials.

Email any feedback to [budget@haddonfield.k12.nj.us](mailto:budget@haddonfield.k12.nj.us).

### The “Net” Problem: Rising Fixed Costs

A standard 2% tax levy increase generates \$844,739 in new revenue. However, this is not enough to cover two major cost drivers alone:

Benefits Increase: +\$1,804,313

Salary Increases: +\$608,000

After applying the 2% increase to these two items, HSD will still have a net loss of \$1,567,574 before accounting for other supplies, utilities, or instructional needs.

### Budget Options & Taxpayer Impact

We have been evaluating various tax levy options for the General Fund. The average assessed home in Haddonfield for 2026 (\$542,896) would see the following estimated annual impacts based on different levy increases:

Tax Levy Increase	Annual Cost (Avg. Home)	Total Revenue Generated	Must Reduce Costs by
2.0% (Standard Cap)	\$96/year	\$844,739	\$3,447,781
3.0%	\$190/year	\$1,267,108	\$2,180,673
5.0%	\$424/year	\$2,111,846	\$1,335,935
6.45% (Legal Max)	\$513/year	\$2,724,926	\$722,855

Note: Maintaining the “Current Status” (not reducing any costs) would require an 8.16% tax rate, which is beyond the district’s legal taxing authority.

### What is at Stake?

To bridge the gap, we must *weigh the tax impact against potential cuts* to “discretionary” or critical investments, such as:

**Instructional Staff.** One teacher position roughly equates to a 0.23% tax impact (\$100,000). Reduction in staff would affect:

- **Academic programming** such as elective opportunities and course selections (MS/HS)
- **Class sizes.** There is a potential for larger class sizes at middle and high school.
- **Academic enrichment and support programs**

**Athletics & Activities.** Co-Curriculars (0.88%), Middle School Athletics (0.18%), and Freshman Athletics (0.25%) are also significant cost factors.



### Maximizing Revenue Beyond Taxes

We are considering *increasing prices for alternative revenue streams*, such as:

- **Tuition-Based Preschool & EDKP** (extended-day kindergarten): Serving 105 students combined.
- **Out-of-District Student Tuition:** 19 students are enrolled in Middle and High School programs at tuition rates ranging from \$3,826 to \$18,368.
- **User & Facility Fees:** The district collects dedicated fees for Student Activities, Chromebooks, and the use of district facilities by outside groups.

### Positive Financial News

Despite these challenges, there are factors providing relief to the community:

- The **total assessed value of Haddonfield increased** by over \$23.5 million this year.
- The **Debt Service Fund balance will provide \$477,459 in tax relief** to residents.