

Middletown Township Board of Education

Tentative Budget Proposal
- March 24, 2026



NJ Department of Education Budget Statement of Priorities

Each year, the district submits a "Statement of Priorities" to the state, explaining how budget items align with required categories across all subject areas.

Required Priority Categories



Applied Across All Subject Areas








2026-2027 Budget Goal: We must balance “maintaining” and “protecting” with “raising standards” and “expanding opportunities” in ALL subjects. The district is responsible for providing a thorough education for its students while striving for efficiency for its taxpayers.








Proposed Budgeted Revenue

Category	2025-2026	2026-2027	Change \$	Notes
 Tax levy	\$176,634,681	\$180,167,375	\$3,532,694	2.00% increase in the tax levy
 State aid	\$15,248,130	\$15,719,251	\$471,121	\$418K of aid in 25-26 is non-recurring; actual 26-27 Increase was \$890K
 Projected extraordinary aid	\$1,800,000	\$1,800,000	\$0	Estimate: 2026-2026 aid will not be known until July 2026
 Other local sources and interest	\$1,781,499	\$1,618,000	(\$663,499)	Includes interest, tuition, enterprise activities, refunds of prior year expenses, rental fees
 Special Education Medicaid Initiative (SEMI) reimbursement	\$33,340	\$48,301	\$14,961	State provides the projected amount
 Transportation revenue from other districts	\$250,000	\$200,000	(\$50,000)	Based on anticipated joined routes with other districts
Total General Fund Revenue	\$195,747,650	\$199,552,927	\$3,805,277	Increase in general fund revenue is 1.94%

Proposed Budgeted Expenses

Category	2025-2026 Current Budget	2026-2027 Projected	Change \$	Change %
 Regular Programs - Instruction	\$66,000,613	\$67,599,535	\$1,598,922	2.4%
 Total Special Education - Instruction	\$20,353,908	\$20,830,301	\$476,393	2.3%
 Total Co-Curricular, Athletics, After School and Summer programs	\$2,643,304	\$2,549,289	(\$94,015)	(3.6%)
 Total Tuition	\$5,672,747	\$6,201,560	\$528,813	9.3%
 Attendance, Health, Related Services, and Guidance	\$10,495,460	\$10,333,592	(\$161,866)	(1.5%)
 Other Student Support Services - Special Education (CST)	\$7,087,777	\$7,033,441	(\$54,336)	(0.8%)
 Improvement of Instruction, Staff Training, Media Services	\$1,997,969	\$1,803,763	(\$194,206)	(9.7%)

Proposed Budgeted Expenses (cont.)

Category	2025-2026 Current Budget	2026-2027 Projected	Change \$	Change %
 School, District, Central and IT Administrative Costs	\$11,373,017	\$11,114,709	(\$258,308)	(2.3%)
 Operation and Maintenance of Plant (includes security)	\$17,067,392	\$17,606,764	\$539,372	3.2%
 Student Transportation Services	\$13,771,710	\$14,536,912	\$764,502	5.6%
 Employee Benefits	\$37,878,251	\$37,518,390	(\$359,861)	(1.0%)
 Capital Outlay	\$1,191,608	\$1,720,200	\$528,592	44.4%
 Transfer of funds to charter schools	\$213,144	\$203,671	(\$9,473)	(4.4%)
 Transfer of interest and deposit to maintenance reserve	\$750	\$501,500	\$500,750	667.7%
Total General Fund Budget	\$195,747,650	\$199,552,927	\$3,805,277	1.94%

Tax Levy Increases 2011-2012 to 2026-2027 (proposed)



Average tax levy increase since the implementation of the 2% cap in 2011 is **2.47%**.

2026-2027 Proposed Tax Levy



2.00%

Allowable regular increase
in the tax levy.

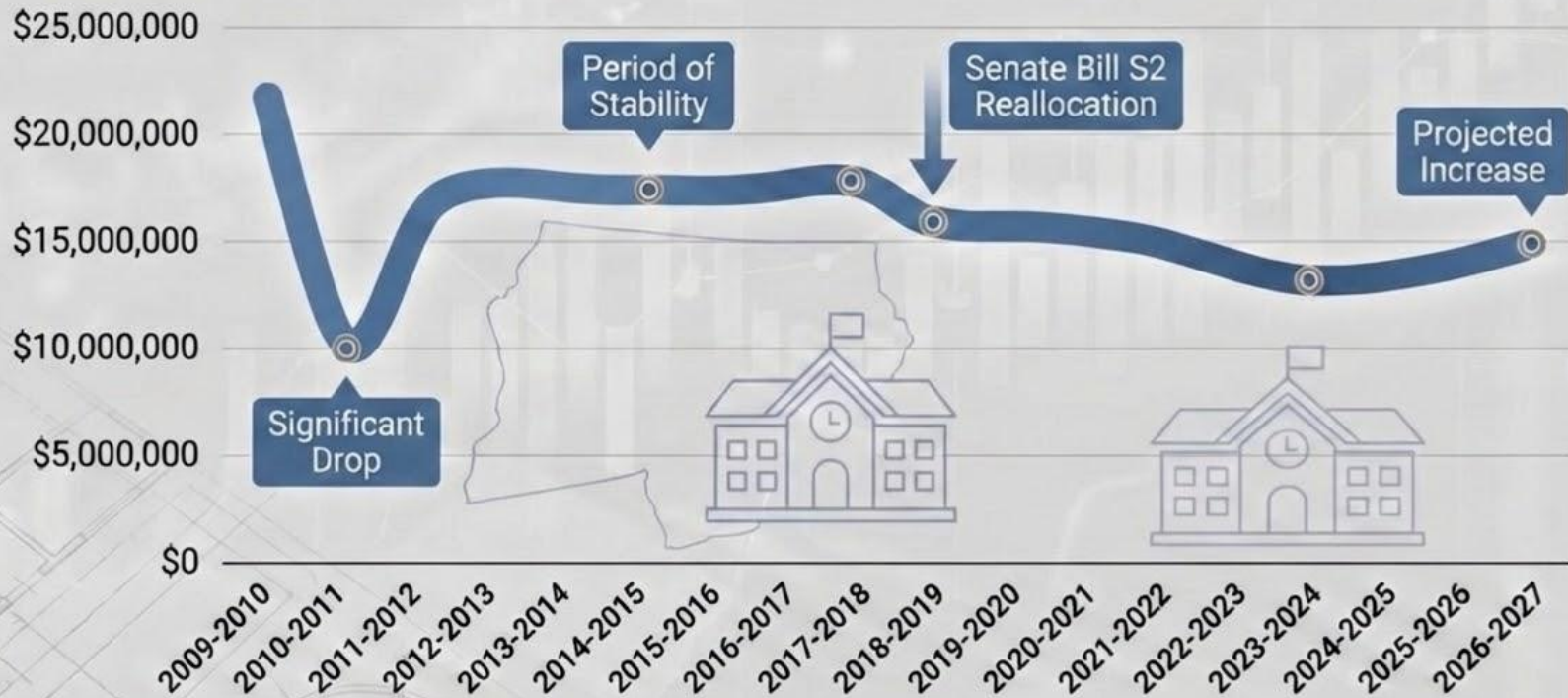
+






1.07%
\$1,892,995

Health care cost adjustment.
Eligible but not utilized for
2026-2027, it will carryforward
and be available for the next
three budget cycles.

State Aid - 2010-2011 to 2026-2027




Anticipated Personnel Reductions for 2026-2027

Category	Number of Positions
 Administration	3
 Instructional staff	25
 Support staff	12
Σ Total	40








It is anticipated that these positions will be absorbed through attrition (retirements, non-renewals for performance, etc.).

Total District Expenditures/Budgets - 4 Year Trend

	2023-2024 (audited)	2024-2025 (audited)	2025-2026 (budgeted)	2026-2027 (proposed)
Operating Budget	\$182,559,920	\$184,752,986	\$195,747,650	\$199,552,927
Grants Budget	\$8,224,321	\$6,420,215	\$5,218,838	\$4,443,710
Debt Service Budget	\$6,483,705	\$6,503,571	\$6,506,525	\$6,505,975
Total 	\$197,267,946	\$197,676,772	\$207,473,013	\$210,502,612

Proposed Equipment Purchases

Athletics & Student Programs

	Challenge course major repairs - HSN and HSS	\$89,000
	Replacement of sound system in gyms - HSN	\$30,000
	Scoreboard replacements - secondary schools	\$18,000
	Wrestling mat - HSN	\$8,000
	Anticipated IEP driven equipment needs	\$5,000









Facilities, Grounds & Safety

	Security camera software upgrade	\$200,000
	Facilities fleet replacement	\$180,000
	Replacement salters and snowplows	\$28,000
	Bat wing mower for tractor (replacement)	\$25,000
	Replacement of outdoor signage	\$5,000

TOTAL PROPOSED INVESTMENTS: \$586,000

Proposed Capital Projects

Capital Projects

	Grading improvements to improve drainage at Harmony	\$15,000		Repair of gym bleachers - HSS	\$15,000
	Replace frame/bank of doors - HSS	\$60,000		Bleacher repairs - Thompson	\$50,000
	Main entrance door frames/door replacement - HSS	\$200,000		Lease payments for equipment purchases	\$140,500
	Replacement of concrete curb - Harmony	\$100,000		Playground site improvements - Fairview and Ocean Avenue	\$25,000

TOTAL PROPOSED CAPITAL PROJECTS: \$605,500

Reserves



	Balance June 30, 2025	Amount of budgeted withdrawal during 2025-2026 year	Anticipated reserve deposits prior to June 30, 2026	Remaining Balance
Capital	\$42,317	(\$0)	\$TBD	\$42,317
Maintenance	\$36,358	(\$0)	\$TBD	\$36,358
Total	\$78,675	(\$0)	\$TBD	\$78,675



Total Reserves

Balance 6/30/2025:
Budgeted
Withdrawal: **\$0**
Anticipated
Deposits: **\$TBD**

Remaining
Balance: **\$78,675**

Debt Service

The district's outstanding debt as of June 30, 2026 will be as follows:



Total Outstanding Debt: \$15,475,000

Budget Timeline



March 24

Board will vote on the tentative budget on March 24.



March 27

District must submit its tentative budget for review and approval by the Monmouth County office of the NJDOE by March 27.



Public hearing and adoption of the final budget must be done between Friday, April 24 and Thursday, May 7, 2026. The Board anticipates holding the public hearing and adopting the final budget at its April 28th voting meeting.

