Millstone Township School District

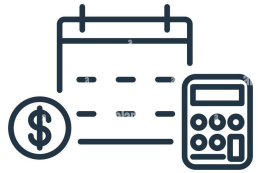
Budget Presentation 1

February 3, 2026

Soaring with Pride & Purpose

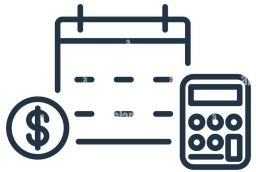
Budget Calendar

- **December - January:** Department and School Budget Development
- **January 27, 2026:** Mid-Year Budget Review w/ County Superintendent
- **January 2026:** Broker projections of Health Care rates
- **February 3, 2026:** Audit Presentation (Holman, Frenia, Allison)
- **February 4, 2026:** Deadline to receive UFRSD Tuition costs
- **February 24, 2026:** Governor's Budget Address (2 Week Delay Anticipated - March 10, 2026)
- **February 24, 2026:** BOE Budget Presentation 2 - Long Range Facilities Plan Update



Budget Calendar

- **February & March**: Department/School Budget Review Meetings
- **March 9-12 , 2026** State Aid Figures Released.
- **March 24, 2026***: BOE Meeting - Adopt Preliminary Budget
- **March 27, 2026**: Tentative deadline to submit Preliminary Budget to County Superintendent of Schools for Review and Approval
- **Present-April 2026**: Ongoing Department and Board Committee Budget Discussions
- **April 28, 2026:** Public Hearing on the Budget

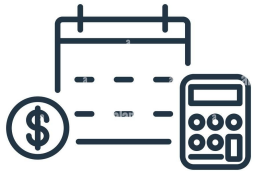


*Date change

Health Benefits - November 2025 Data

- Horizon Dental Benefits bundled with medical saved $40,000 and is a locked rate and savings for 2 years (7/1/2027)

- Medical loss ratio continues to run well
  - ➢ 67% in October
  - ➢ Calendar year loss ratio is now at 81%
  - ➢ Significantly lower outside of the June spike of 145%



Health Benefits - November 2025 Data

- Prescription claims continue to run high, but slight improvement
  - ➢ 206% in September
  - ➢ 203% in October
  - ➢ 147% in November
  - ➢ Calendar year loss ratio dropped from 214% down to 207%

- 7/1/26 renewal will be based on combined loss ratio in calendar year
  - ➢ Dropped down to 103% through November from 105% in October
  - ➢ Steadily been improving since being 115% through June 2025

Health Benefits Budgeting Projections

- Broker projecting a 23% increase in costs
- Continues to shop for lower rates
- Evaluating Vision Plan options (opt-in, employee paid 100%)
- State Health Care Benefits Plan increase is ~30% for 26-27
  - ➢ January 1, 2023 - 350 Districts Participated in SHBP
  - ➢ June 30, 2025 - 200 Districts faced anticipated 33% increase.
  - ➢ January 1, 2026 - 170 Districts remain in SHBP.



Enrollment Trend

2024 - 2025

Grade	# of Students
PK3 (half day)	16
PK3 (full day)	24
PK4 (half day)	18
PK4 (full day)	30
K	96
1	89
2	134
3	111
4	120
5	101
6	138
7	163
8	123
Total	**1163**

2025 - 2026

Grade	# of Students
PK3 (half day)	9
PK3 (full day)	14
PK4 (half day)	17
PK4 (full day)	37
K	98
1	99
2	91
3	134
4	110
5	119
6	106
7	138
8	160
Total	**1132**

Projected 2026 - 2027

Grade	# of Students
PK3 (half day)	10
PK3 (full day)	16
PK4 (half day)	20
PK4 (full day)	38
K	100
1	100
2	101
3	93
4	136
5	112
6	121
7	108
8	140
Total	**1095**

UFRSD Tuition

Tuition Category	25/26 Total Cost	26/27 Total Cost	Difference
Tuition	$6,409,000	$6,825,000	$416,000
Tuition Reconciliation Adjustment	$1,220,319.55	$1,357,812.84	$137,493.29
Resource Room Cost	$350,000	$350,000	$0.00
Resource Room Cost Reconciliation	$100,325.42	$43,872.89	-$56,452.53
Total Tuition	**$8,079,644.97**	**$8,576,685.72**	**$497,040.75**

History of the Average Millstone Township Home

- 2023-2024 Average Home Value $543,249
- 2024-2025 Average Home Value $544,344
- 2025-2026 Average Home Value $620,021
- 2026-2027 Average Home Value $635,106

*Total Residential Tax Value/Residential Units



2024-2027 TAX LEVY DETAILS OVER 3 YEARS

General Fund

		CURRENT TAX LEVY	TAX LEVY PROPOSED	INCREASE/ (DECREASE) $	$ CHANGE IN THE AVERAGE HOME'S TAX BILL ($635,106)
2024 Local Tax Levy General 2.70%		$31,664,980	$32,519,528	$854,548	($557)
2025 Local Tax Levy General 4.41%		$32,519,528	$33,953,887	$1,434,359	$367
SCENARIOS	2026 Local Tax Levy General 2.00%	$33,953,887	$34,632,965	$679,078	$3
	2026 Local Tax Levy General 4.64% w/Health Care Waiver	$33,953,887	$35,312,043	$1,574,258	$229

2024-2027 TAX LEVY DETAILS OVER 3 YEARS

Debt Service

	CURRENT	PROPOSED	INCREASE/ (DECREASE) $	
Debt Service 2024	$2,680,737	$ 2,585,070	($95,667)	($90)
Debt Service 2025	$2,585,070	$2,509,585	($75,485)	($20)
Debt Service 2026	$2,509,585	$2,326,800	($182,785)	($58)

2024-2027 TAX LEVY DETAILS OVER 3 YEARS

SCENARIOS		
	TOTAL IMPACT ON THE AVERAGE HOME (2024-2027) at 2% General Fund Levy Increase	($355)
	TOTAL IMPACT ON THE AVERAGE HOME (2024-2027) at 4.64% General Fund Levy Increase w/Health Care Waiver	($126)

ALL SCENARIOS WILL REQUIRE SIGNIFICANT REDUCTIONS TO THE INITIALLY PROJECTED BUDGET TOTAL

2026-2027 Budget Factors

- 2% is maximum tax levy
- Anticipated 2.64% Health Care Waiver Option
- We have 0% banked cap
- Request for Proposals (RFPs) for all professional services - *recommended practice shared by county during our mid-year budget review*
- 3.55% salary increases
- Estimated 20% energy cost increases
- Estimated 23% health care costs increases
- Debt Service/Capital Outlay decrease
- UFRSD Tuition = $8,576,685.72 (increase of $497,040.75)



QUESTIONS?

Soaring with Pride & Purpose

Public Budget Presentations

- **School Presentations: April 2026**
  - Public Forums
  - Faculty Meetings
- **BOE Presentations**
  - February 24, 2026
  - March 31, 2026
  - April 28, 2026