

# **2025-2026 General Fund Budget Development Update**

***April 8, 2025***

## Next Steps:

1. Update the Board Finance Committee to present revised Capital, Administrative, Program, and Revenue Budgets.
2. Review the impact of the NYS Budget (anticipated April 1).
3. Update the *District Budget Information* webpage.
4. Provide communications to faculty, staff, and community.
5. Continue the development of long-range plans.

# The Revenue/Expenditure Gap

*as of March 25*

@2.00% increase on the tax levy = **\$2,085,103**

@3.00% increase on the tax levy = **\$1,640,730**

@3.62% increase on the tax levy = **\$1,365,219**

To close the gap, we will:

- Continue to review options for reducing expenditures
- Review end-of-year balances for possible cost or tax offsets
- Review reserves for additional allocations
- Continue to refine revenue from interest, sales tax, and tuitions
- Review final NYS budget (April 1) to determine if additional aid is available
- Determine tax levy (3.62% cap)

# Known vs Unknown

*as of March 25*

## ***Known:***

- All current programs remain in place
- All transportation remains in place
- Legal settlement cost

## ***Unknown:***

- State aid (April)
- Final CPI for transportation (May)
- Staffing reductions
- Projected end-of-year balances

# Known vs Unknown

*As of April 8*

## ***Known:***

- All current programs remain in place
- All transportation remains in place
- Legal settlement cost
- Staffing changes (additions and reductions)
- Projected end-of-year balances (*estimated*)

## ***Unknown:***

- State aid (TBD)
  - *Changes to building aid may change the tax cap formula*
- Final CPI for transportation (May)
- Final tax levy

# Major Cost Drivers of the District Budget:

- Legal settlement (one-time increase of \$650,000)
- Health care costs for active and retired employees (estimated increase of \$462,734)
- Staffing based on student needs and current labor contracts (estimated increase of \$320,321)
- Services to students with disabilities (estimated increase of \$386,932)
- Transportation costs (estimated increase of \$191,536)
- Debt service on facilities projects (estimated increase of \$158,876)

# Steps taken since March 25 to close the gap include

- Reduction of administrative, teaching, and support staff
  - Most reductions made by not filling positions of employees who are retiring or resigning or positions that are currently vacant.
- Use of projected fund balance
  - \$500,000 for partial payment of legal settlement
  - \$500,000 for tax levy relief
  - \$250,000 for one-time payment of tech and facilities costs
- Use of reserves
  - \$145,000 from employee retirement system reserve
  - \$75,000 from tax certiorari reserve

# Preliminary Expenditures Summary

March 25, 2025

Expense Category	Current Year	2025-26	Change	
<b>Administrative</b>	\$6,142,860	\$7,075,915	15.19%	<b>+\$933,055</b>
<b>Capital</b>	\$7,107,622	\$7,571,949	6.53%	<b>+\$464,327</b>
<b>Program</b>	\$44,343,926	\$45,839,782	3.37%	<b>+\$1,495,856</b>
<b>Total</b>	\$57,594,408	\$60,487,646	\$2,893,238	5.02%

April 8, 2025

Expense Category	Current Year	2025-26	Change	
<b>Administrative</b>	\$6,142,860	\$6,982,031	13.66%	<b>+\$839,171</b>
<b>Capital</b>	\$7,107,622	\$7,266,428	2.23%	<b>+\$158,806</b>
<b>Program</b>	\$44,343,926	\$45,593,993	2.82%	<b>+\$1,250,067</b>
<b>Total</b>	\$57,594,408	\$59,842,452	\$2,248,044	3.90%



# The Preliminary 2025-26 Administrative Budget

Current Year	2025-26	Change
\$6,142,860	\$6,982,031	13.66% +\$839,171

## **Projected cost increases due to:**

1. Legal settlement (\$650,000)
2. Salary and benefits of district office administrators and staff
3. Health insurance of district office administrators and staff
4. General liability insurance premiums

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# The Preliminary 2025-26

## Capital Budget

Current Year	2025-26	Change
\$7,107,622	\$7,266,428	2.23% +\$158,806

### **Projected cost increases due to:**

1. Salary and benefits
2. Utility services
3. Maintenance initiatives\*
4. Contractual cost increases (cleaning, landscaping, security)

\*See next slide for additional details

## **The 2025-26 Capital Budget includes:**

A \$100,000 “Capital Outlay” Investment Project that:

1. Aligns to our long-range facilities plan
2. Must be approved by the NYS Education Department
3. Results in additional state building aid

The facilities committee is reviewing project options at this time.

# The Preliminary 2025-26 Program Budget:

Current Year	2025-26	Change
\$44,343,926	\$45,593,993	2.82% +\$1,250,067

## Projected costs increases due to:

1. Salaries and benefits of staffing in all buildings including a new reading specialist at the middle/high school
2. ERS/TRS pension rates
3. Out-of-district programs for students with disabilities
4. Transportation contract costs and BOCES program and service costs
5. Continuation of Illustrative Mathematics and Bookworms curriculum implementation, and Primary Project support program.
6. Additional clubs and athletic teams

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# Preliminary Revenues

as of 4/8/25

Revenue Source	2024-25 Adopted	2025-26 Preliminary	Variance	
			\$	%
Property Taxes	44,437,288	<b>\$46,045,943</b>	<b>\$1,608,655</b>	<b>3.62%</b>
State Aid	8,943,727	8,943,009*	-718	-0.01%
Tuitions	1,093,500	1,093,500	0	0.00%
Sales Taxes	975,000	1,000,000	25,000	2.56%
Health Services	593,000	593,000	0	0.00%
Interest	400,000	450,000	50,000	12.5%
Other	337,000	347,000	10,000	2.97%
Appropriated Reserve	814,893	1,370,000**	555,107	68.12%
<b>Total</b>	<b>57,594,408</b>	<b>59,842,452</b>	<b>2,248,044</b>	<b>3.90%</b>

\*The NYS Budget has not yet been adopted. Additional building aid may change the tax cap amount.

\*\*This includes \$650,000 towards the one-time legal settlement, \$500,000 to offset taxes, and use of Tax Cert & ERS Reserves.

# Impact of Current Budget Design

After adjustments to expenditures and revenues presented on April 8:

- A tax levy increase of 3.62% (our estimated tax cap) would provide an estimated \$1,608,557 in revenue and would require expense reductions and increased revenues totaling **\$0**
  - A tax levy increase of 3.50% would provide an estimated \$1,555,234 in revenue and require additional expense reductions and increased revenues totaling **~\$53,323**
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- A tax levy increase of 3.25% would provide an estimated \$1,444,146 in revenue and require additional expense reductions and increased revenues totaling **~\$164,441**
  - A tax levy of 3.00% would provide an estimated \$1,333,058 in revenue and would require expense reductions and increased revenues totaling **~\$279,499**

# Estimated Impact of Tax Levy on Tax Rate

***Current Tax Rate/1000 of assessed value = \$20.7084***

<b>Proposed Tax Levy Increase</b>	<b>Estimated Tax Rate*</b>
3.62%**	\$20.0551
3.50%	\$20.0328
3.25%	\$19.9844
3.00%	\$19.9360

*\*Final tax rate is determined by the Town of Greenburgh*

*\*\*District tax cap for 2025-26. Any increase above this would require a 60% supermajority vote in favor of the budget by the community.*

Tax Cap Calculation (based on NYS formula)		
Prior Year Tax Levy		\$44,437,288
	x Tax Base Growth Factor	x 1.0144
		\$45,077,185
	- Allowable Exclusions for Previous Year	- \$1,329,641
		\$43,747,544
	x Lessor of CPI* (2.9%) or 2%	+ \$847,951
Tax Levy Limit		\$44,622,495
	+ Allowable Exclusions for Current Year	+ \$1,423,453
Maximum Allowable Tax Levy (3.62% Increase)		<b>\$46,045,948</b>

\*CPI = Consumer Price Index



# Historical Trend of Budget and Tax Levy Increases

Year	Budget-to-Budget	Tax Levy	Allowable Tax Levy Cap
2016-17	1.00%	0.00%	0.00%
2017-18	1.70%	2.50%	3.30%
2018-19	3.98%	0.97%	3.69%
2019-20	3.76%	2.80%	4.04%
2020-21	1.25%	3.87%	3.87%
2021-22	4.17%	2.86%	2.86%
2022-23	4.79%	0.48%	2.84%
2023-24	7.45%	3.59%	5.02%
2024-25	4.33%	4.28%	4.28%
2025-26 ( <i>proposed</i> )	3.90%	TBD	3.62%
10-year average	3.63%	TBD%	—

## Next Steps:

1. Update Revenue Budget once NYS Budget is adopted
2. Monitor student enrollment in general and special education
3. Review any remaining adjustments with the Board's finance committee
4. Update the *District Budget Information* webpage
5. Provide updated communications to faculty, staff, and community
6. Meet with the Board on April 22 to present the recommended budget
7. Continue the development of long-range plans