# Board of Education Budget Session #3

**Budget Development: 2025-2026 School Year**

**February 5, 2025**



# Tonight's Agenda

- **2025-2026 Budget Development Timeline**
- **2025-2026 Budget Goals**
- **Principles Used in Budget Development**
- **Follow Up from January's Budget Meeting**
- **2025-26 Projected State Aid**
- **Tax Levy Limit Calculation**
- **2025-2026 Proposed Revenue Budget**
- **2025-2026 Budget – Second Draft**

# 2025-26 Budget Development Timeline

| DATE | SESSION | TIME | LOCATION |
|---|---|---|---|
| November 13, 2024 | BOE Budget Session | 6:30 PM | WEC Auditorium |
| January 8, 2025 | BOE Budget Session | 6:30 PM | WEC Auditorium |
| February 5, 2025 | BOE Budget Session | 6:30 PM | WEC Auditorium |
| March 12, 2025 | BOE Budget Session | 6:30 PM | WEC Auditorium |
| March 20, 2025 | BOE Budget Session | 6:30 PM | WEC Auditorium |
| March 25, 2025 | Public Budget Forum | 6:30 PM | WEC Auditorium |
| April 9, 2025 | BOE Adopts Proposed Budget | 6:45 PM | WEC Auditorium |
| May 7, 2025 | Annual Budget Hearing | 6:45 PM | WEC Auditorium |
| May 20, 2025 | Budget Vote | 7:00 AM - 10:00 PM | WEC Auditorium |

# The 2025-26 Budget Goals include:

- Preserve existing programs and services for students, and expand learning opportunities
- Support the social and emotional well-being of students
- Maintain our aging facilities and infrastructure
- Continue to provide fiscal stability to optimize our response to changing circumstances

# Budget Principles

**1. Alignment with Educational Goals:** Ensure the budget aligns with the district's mission, vision, and values, prioritizing student success and academic achievement.

**2. Equity and Access:** Allocate resources to support high-quality education for all students, regardless of their background or socioeconomic status.

**3. Fiscal Responsibility:** Exercise fiscal discipline by balancing the budget, avoiding deficit spending, and ensuring the district's long-term financial sustainability.

**4. Transparency and Accountability:** Maintain transparency in the budget process and provide clear communication to stakeholders about how funds are allocated and spent.

**5. Focus on Student-Centered Investment:** Prioritize funding for programs, services, and staff that directly benefit student learning, including teacher salaries, classroom resources, and support services.

**6. Support for Staff and Professional Development:** Invest in ongoing professional development to ensure high-quality teaching and a positive school environment.

# Budget Principles (continued)

**7. Flexibility and Responsiveness:** Design the budget with the flexibility to respond to changing needs, such as enrollment fluctuations or unexpected financial challenges.

**8. Sustainability and Long-Term Planning:** Plan for the long-term needs of the district, including infrastructure maintenance, technology upgrades, and reserve funds to handle future fiscal uncertainties.

**9. Community Engagement:** Involve stakeholders—such as parents, teachers, students, and the local community—in the budget process to ensure their input is considered and their needs are met.

**10. Maintain and Improve Facilities:** Allocate funds to maintain and upgrade school facilities and infrastructure, providing a safe, modern, and conducive learning environment for students.

**11. Compliance and Legal Requirements:** Ensure the budget complies with state and federal funding regulations, mandates, and other legal requirements.

**12. Prudent Use of Reserves:** Use financial reserves responsibly, avoiding over-reliance on them while ensuring they are available for emergencies or unforeseen challenges.

# Follow-Up from January Budget Meeting

- 2025-26 Transfer To Capital
- 2025-26 Capital Reserves
- Notable Changes for the 2025-2026 Budget

# 2025-26 Transfer to Capital

| | |
|---|---|
| **HES – Boiler Replacements (2)** | **$1,500,000** |
| **HHS and WMS – Morton Building Installations** | **$1,500,000** |
| **District-Wide Sitework** | **$1,000,000** |
| **HES, OES, FECC – Playground Additions *(ADA compliant)*** | **$750,000** |
| **HHS – Tennis Court Lighting** | **$570,620** |
| **District-Wide Technology** | **$500,000** |
| **District-Wide Security Enhancements** | **$179,380** |
| **TOTAL ESTIMATED COSTS** | **$6,000,000** |

# 2025-26 Capital Reserves

**Ballot Proposition #2**

Authorization for use of $3,579,968 from Capital Reserve #1 for Woodmere Middle School (WMS) projects including:

- Renovation of the Baseball/Softball Field $3,180,000
- Security, Floor and Interior Door replacement $399,968

**Ballot Proposition #3**

Authorization for use of $6,000,000 from Capital Reserve Fund #2

- District-Wide Security Upgrades
- District-Wide One Button Lockdown System
- District-Wide Door Replacements for Electronic Lockdown
- District-Wide Communication System Upgrades

ESTIMATE TOTAL $4,445,000*

******awaiting proposal***

- WMS Baseball/Softball Field Lighting $880,000
- WMS Tennis Court Lighting $675,000

# Notable Changes for the 2025-26 Budget

| | |
|---|---|
| ▪ Additional Special Education Staff *(unbudgeted 2024-25)* | $1,970,000 |
| ▪ Special Education Related Services RFP | $245,000 |
| ▪ WMS Nine-period Day *(Transportation increases)* | $469,000 |
| ▪ Transportation increases *(Usage, CPI Increase)* | $500,000 |
| ▪ Middle School Staffing Changes | ($180,000) |
| ▪ Elementary Staffing Reductions | (1,300,000) |
| ▪ Funding for Summer Learning Academy | $90,000 |
| ▪ Assistant Director Special Education *(new position)* | $210,000 |
| ▪ Staff Developer *(new position)* | $90,000 |
| ▪ Chromebook upgrade Grade 3 | $225,000 |
| ▪ Bloomberg Terminals | $105,000 |
| ▪ PSAT/SAT Testing | $85,000 |
| ▪ Data Dashboard Software | $30,000 |
| **TOTAL** | **$2,539,000** |

# 2025-26 Projected State Aid

| State Aid | Governor Jan-25 Budget Proposed 2025-26 | Governor Jan-25 Budget Actual 2024-25 | Difference | |
|---|---|---|---|---|
| Foundation Aid | $ 11,806,102 | $ 11,471,322 | $ 334,780 | |
| BOCES Aid | $ 2,014,733 | $ 2,145,617 | $ (130,884) | |
| High Cost Excess Cost Aid | $ 85,925 | $ 105,393 | $ (19,468) | |
| Private Excess Cost Aid | $ 116,201 | $ 107,037 | $ 9,164 | |
| Hardware & Technology | $ 29,408 | $ 33,210 | $ (3,802) | |
| Software, Library & Textbook | $ 389,666 | $ 389,348 | $ 318 | |
| Transportation Incl. Summer | $ 6,042,006 | $ 5,031,171 | $ 1,010,835 | |
| Building Aid | $ 1,371,206 | $ 1,521,113 | $ (149,907) | |
| High Tax Aid | $ 229,331 | $ 229,331 | $ - | |
| Supplemental Pub Excess Cost | $ 4,496 | $ 4,496 | $ - | |
| **Sub Total State Aid** | **$ 22,089,074** | **$ 21,038,038** | **$ 1,051,036** | **5.0%** |
| Universal Pre-Kindergarten* | $ 1,444,686 | $ 642,697 | $ 801,989 | |

**Universal Pre-Kindergarten Aid must be used solely for the pre-kindergarten program expenditures and cannot be used to offset the general fund tax levy*

# Key Components: Calculation of Tax Levy Limit

**Tax Base Growth Factor**

- Increase from 1.0042% to 1.0065%.

**Allowable Levy Growth Factor for 2025-26 = 2.0%**

- Tax Cap formula allows for maximum allowable levy growth of 2.0%

**PILOTs**: **P**ayment **I**n **L**ieu **O**f **T**axes

- Agreements made with local Industrial Development Agencies (IDAs) by which company makes fixed yearly contribution rather than pay property taxes

# Key Components:
# Calculation of Tax Levy Limit (continued)

**Capital Exclusion**

- Capital Expenditures are exempt from the Tax Cap formula
- *(includes bond debt, bus & truck leases, purchase of new buses, expenditures on capital projects & BOCES Capital Exclusion)*

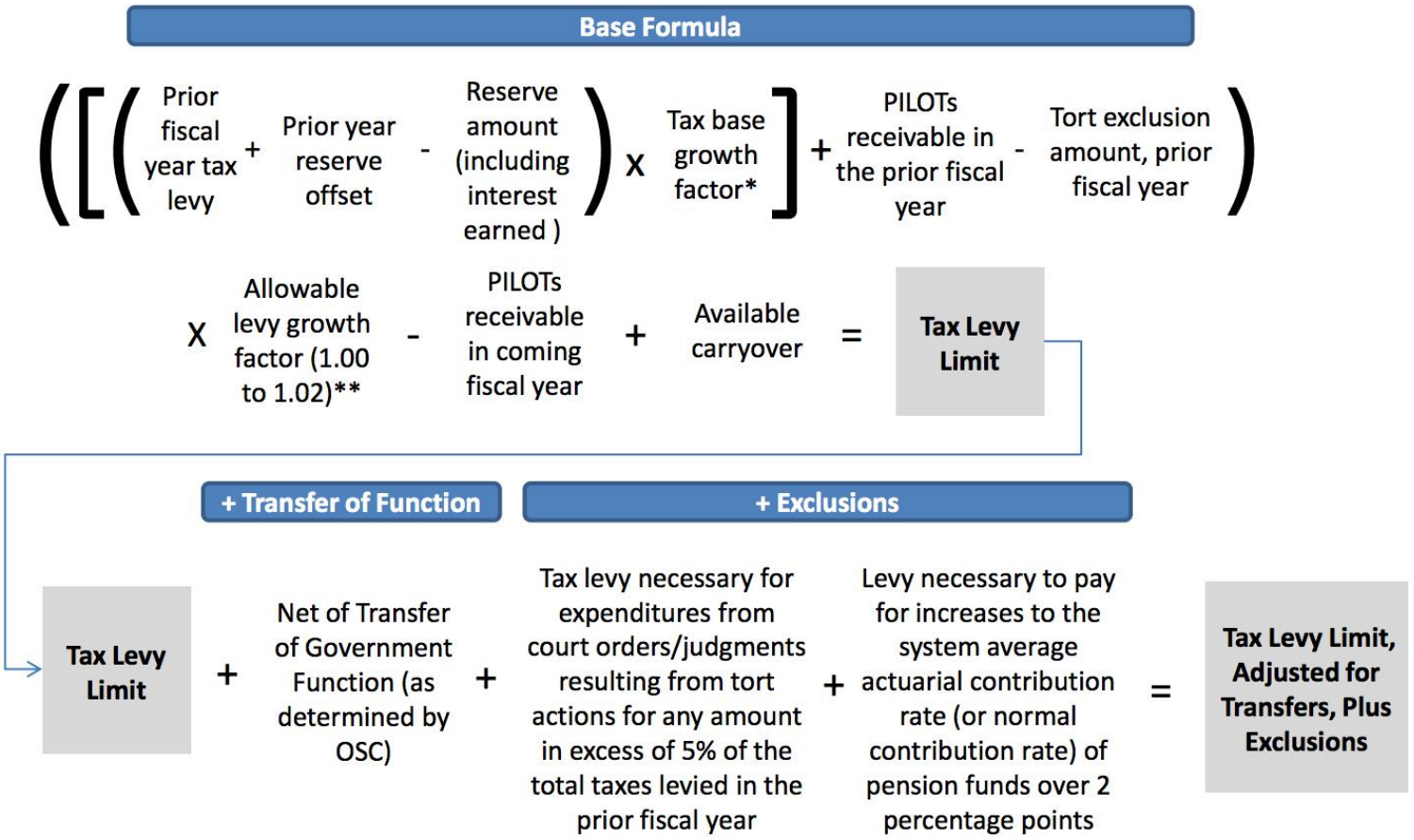
**Retirement Contributions**

- For 2025-26, the ERS rate is 15.2%, which is to a 2.1% increase over the prior year

- For 2025-26, the Teachers Retirement System (TRS) rate is estimated between 9.5% and 10.0%. The rate in 2024-25 is 10.11%

***Tax Cap calculation must be submitted to the NYS Comptroller's Office by March 1, 2025***

# Tax Levy Limit Calculation



# Tax Levy Limit Calculation

| | | |
|---|---|---|
| Prior Year Tax Levy | | 108,577,500 |
| Multiply by: Tax Base Growth Factor | x | 1.0065 |
| | | 109,283,254 |
| Add: Prior Year PILOTS for Fiscal Year Ended 6/30/25 | | 2,762,784 |
| | + | 112,046,038 |
| Subtract: 2024/2025 Capital Tax Levy | | 4,135,938 |
| Adjusted Prior Year Tax Levy | | 107,910,100 |
| Multiply by: Allowable Levy Growth Factor | x | 2.00% |
| | | 110,068,302 |
| Subtract: PILOTS for Fiscal Year Ending 6/30/26 | - | 2,521,355 |
| | | 107,546,947 |
| Add: Tort Judgments greater than 5% of 2024/2025 tax levy | + | 0 |
| Add: ERS contribution increase greater than 2% | + | 0 |
| Add: TRS contribution increase greater than 2% | + | 0 |
| Add: 2025/2026 Capital Tax Levy | + | 4,135,938 * |
| Allowable tax levy prescribed by Chapter 97 of the Laws of 2011 | | **111,682,885** |

| | |
|---|---|
| Voter approved tax levy for 2024-25 | 108,577,500 |
| dollar increase in levy | 3,105,385 |
| Allowable Levy % for Hewlett-Woodmere UFSD - **NOT FINAL** | 2.86% |

***This number is not final. We used last year's number as we are waiting for data from Nassau BOCES to complete the calculation.***

# 2025-26 Proposed Revenue Budget

| Revenue Type | Adopted 2024-2025 | Projected 2025-2026 |
|---|---|---|
| State Aid | $20,531,480 | $22,089,074 |
| PILOTS | $2,762,784 | $2,521,355 |
| Projected Other Revenues | $4,043,000 | $5,500,000 |
| | **$27,337,264** | **$30,110,429** |
| ERS | $592,957 | $592,957 |
| Workers' Compensation | $500,000 | $500,000 |
| Debt Service | $1,486,971 | $0 |
| Total Gap Funding | **$2,579,928** | **$1,092,957** |
| Total Budget | **$138,494,692** | **$145,275,916** |
| **Tax Levy Dollar Change** | **$108,577,500** | **$114,072,530** |
| **Tax Levy Percentage Change** | | **5.06%** |

# 2025-26 Budget – Second Draft

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|---|---|---|
| Adopted Budget 2024 - 2025 | $ | 138,494,692 |
| | | |
| Proposed Budget 2025 - 2026 | $ | 145,275,916 |
| | | |
| Dollar Increase | $ | 6,781,224 |
| | | |
| Percentage Increase | | 4.90% |


Questions