



**KINGSTON**  
CITY SCHOOL DISTRICT

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We Inspire. We Educate. We Graduate.  
*All Students, All of the Time*

**2025-2026 BUDGET HEARING PRESENTATION**

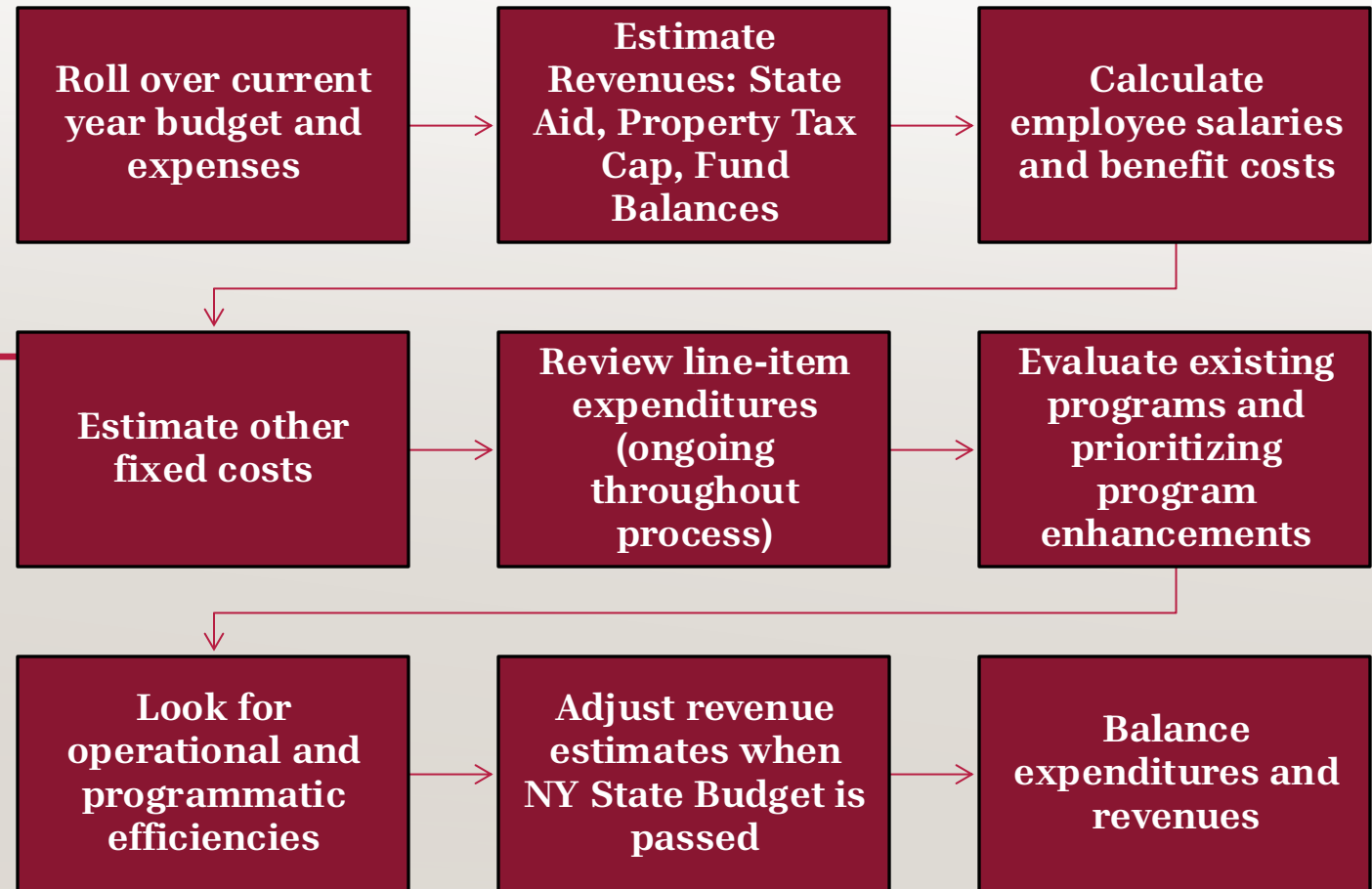
**MAY 7, 2025 – 5:30 P.M.**

# OUR CHANGING LANDSCAPE: CREATING OUR “NEW NORMAL”

- ❑ Foundation Aid Formula changes remain uncertain
  - Governor’s Proposal represents a significant decrease in Foundation Aid
  - The Foundation Aid increase in the Governor’s Proposed Budget was **55% less** than the **2024-25 Budget increase**.
  - The proposed increase is **\$5 Million less** than the 3-Year average increase.
- ❑ Lower reimbursement for “expensed-based” state aid categories
  - Increased property values and average income in our district have lowered many of our state aid factors for reimbursement.
  - This affects State Aid for areas such as: Transportation, Special Education and BOCES services.
- ❑ In addition to the cost of inflation, the post-pandemic cost of services such as Transportation and Special Education have increased significantly over the past 3 – 4 years.
- ❑ Although COVID-relief funds have ended, the increase in student needs remain, requiring resources and strategies for continued support.
- ❑ K-4 class sizes have decreased, calling for a *strategic* realignment.

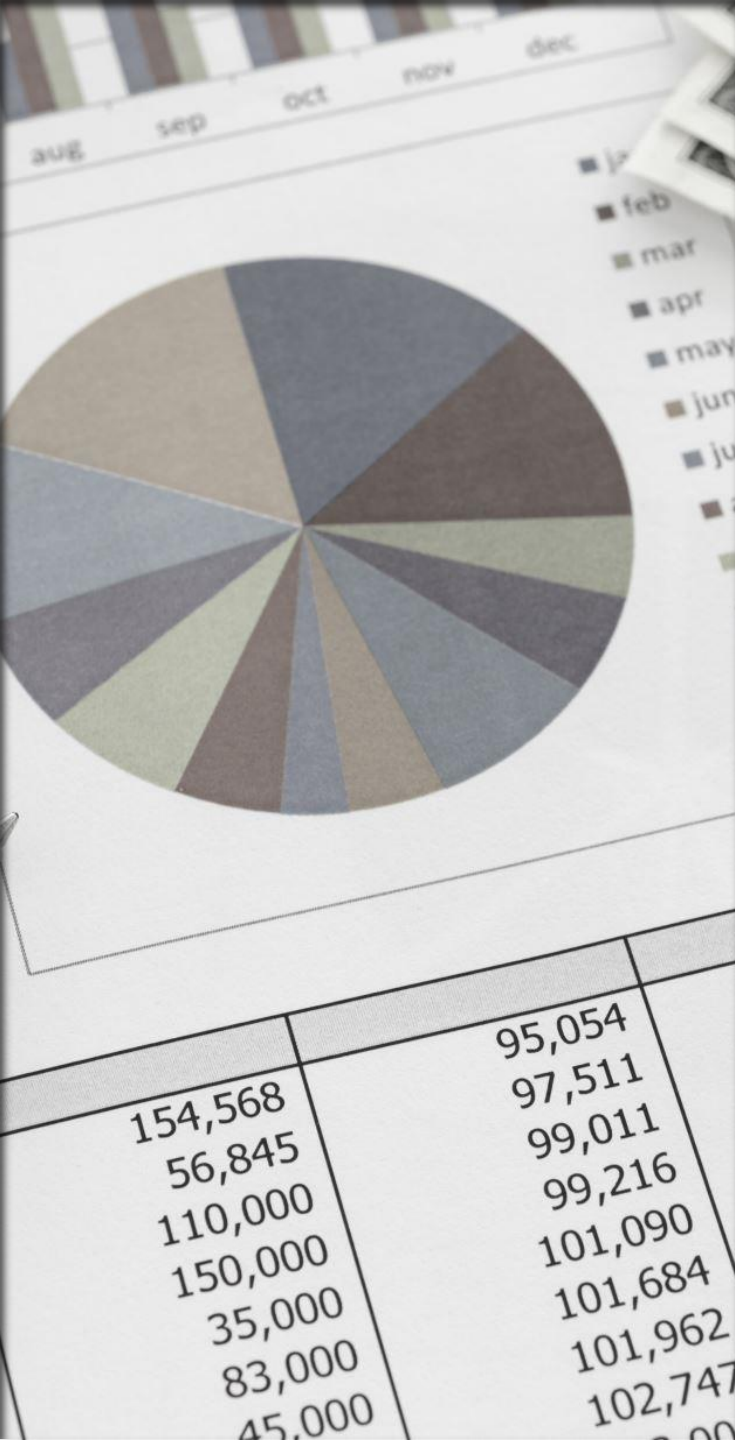


# THE TRADITIONAL BUDGET DEVELOPMENT PROCESS:



# THE 2025-2026 BUDGET DEVELOPMENT PROCESS:

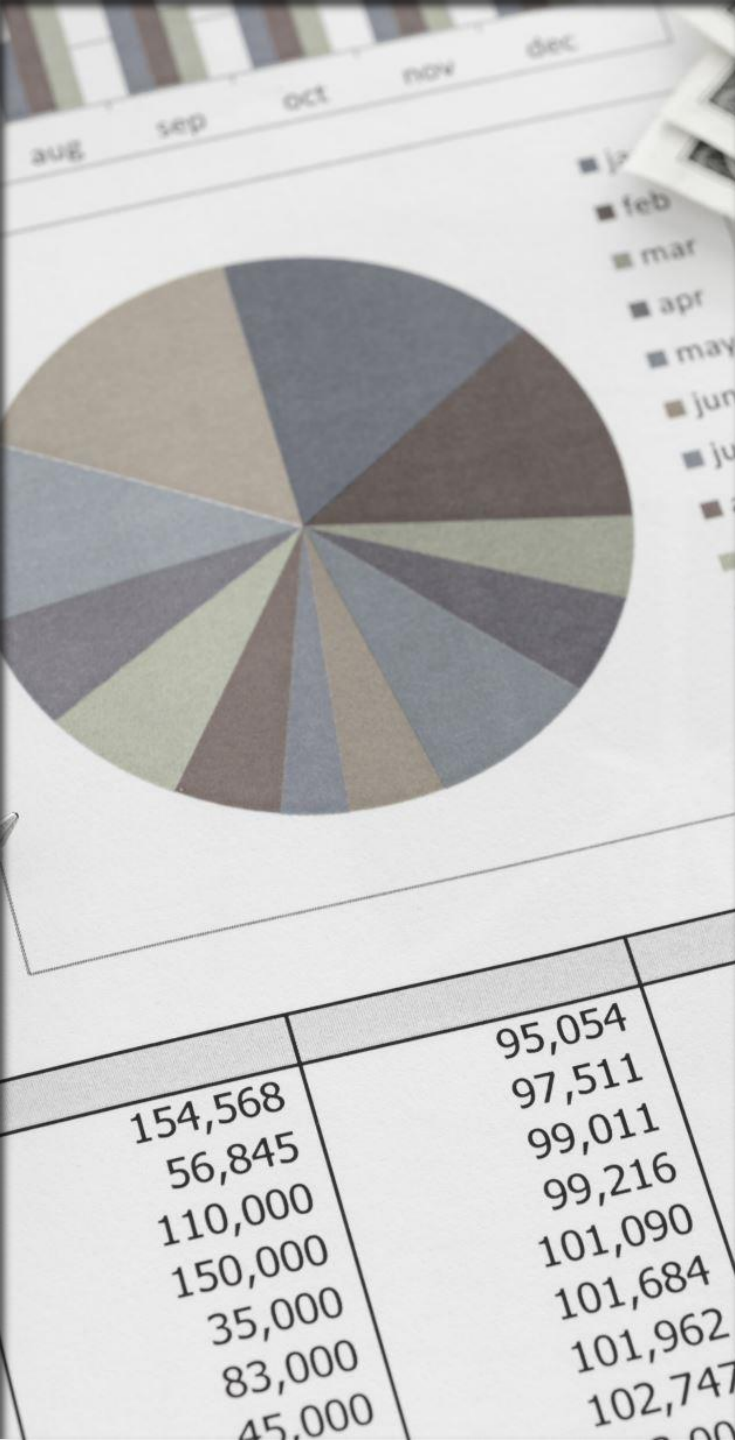
- Roll over current year budget and expenses
- Calculate employee salaries and estimate other fixed costs
- Estimate Revenues: State Aid and Property Tax Cap Calculation
  - Foundation Aid Formula changing for the 2025-26 Budget
  - Evaluate existing programs and operations Districtwide
- Look for operational and programmatic efficiencies to create savings and/or maximize State Aid or reimbursement revenues
- Revisit and revise revenue sources and estimates
- Revisit and reimagine operations and programming
- Confirm supports and staffing required to successfully meet the needs of all KCSD students
- Repeat the steps in blue to estimate the budget required to maintain programs and supports for KCSD students
- Balance expenditures and revenues



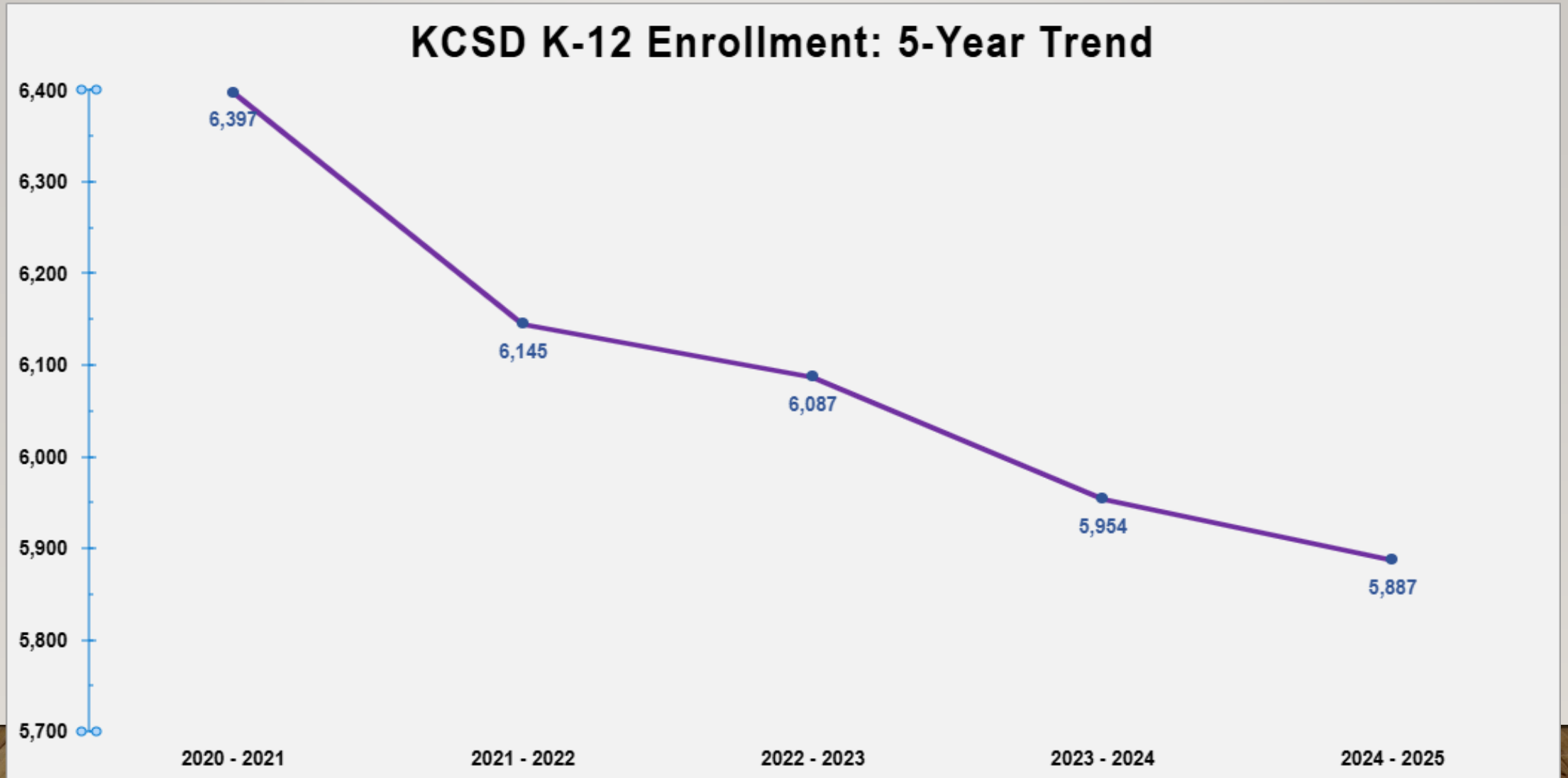
# OUR CHANGING LANDSCAPE: INSTRUCTION, SUPPORTS & OPERATIONS

(NOT AN ALL-INCLUSIVE LIST)

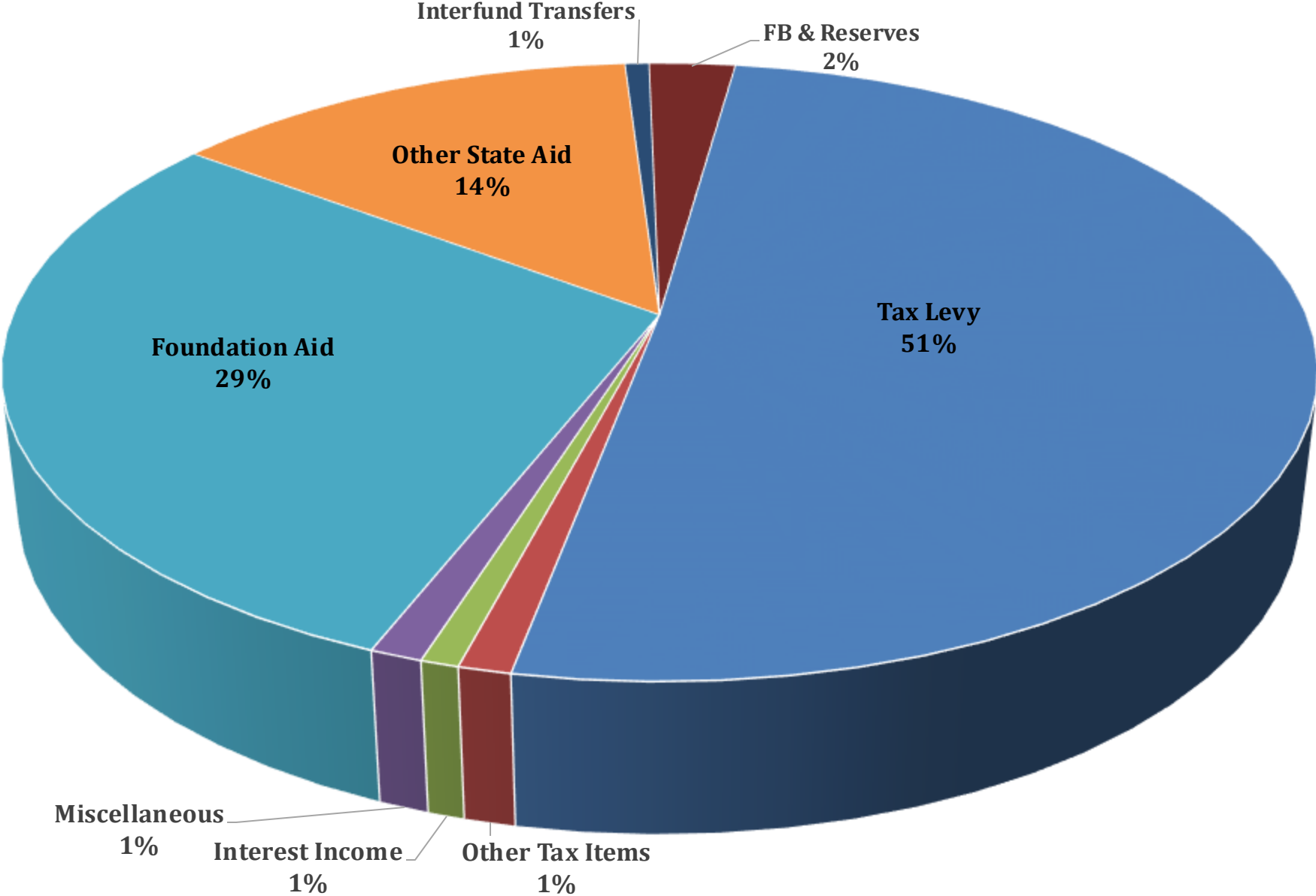
- Smaller class sizes, relative to declining enrollment trends
- Multiple pathways for graduation
- Robust music, art and athletic programs for 5,900 students
- Social and emotional support for 5,900 students
- Bi-lingual elementary program at Edson
- In-District Universal Pre-Kindergarten for 300 students
- 1:1 Chromebooks for 5,900 students
- Transportation for 5,600 students over 98 square miles in-district
- Investments in Math for K-8 students
- Investments in Reading curriculum for K-5 students
- Professional Development for faculty and staff
- Operations and Maintenance for 11 buildings (1,000,000 sq.ft.)



# DECLINING ENROLLMENT: IMPACTS STATE AID AND CLASS SIZES



# 2024-25 Revenues By Category



**KINGSTON CITY SCHOOL DISTRICT**

**Foundation Aid History: 2019-20 through 2024-25**

May 7, 2025 Budget Hearing Presentation

Enacted State Budget & School Year	Current Year Foundation Aid	\$ \$ INCREASE FROM PRIOR YEAR	% INCREASE	Full Phase-in Level ('Total Foundation Aid Due')	NOTES
2019-20	\$46,829,951	\$2,247,387	5.04%	\$57,073,282	COVID  1st (and only) year fully-funded Foundation Aid CPI changed in the formula (reduction)
2020-21	\$46,845,639	\$15,688	0.03%	\$61,911,427	
2021-22	\$51,122,253	\$4,276,614	9.13%	\$62,684,951	
2022-23	\$57,411,742	\$6,289,489	12.30%	\$63,669,465	
2023-24	\$64,391,542	\$6,979,800	12.16%	\$64,391,542	
2024-25	\$67,431,638	\$3,040,096	4.72%	\$67,431,638	

<b>2025-26 EXECUTIVE BUDGET</b>	<b>\$68,869,519</b>
Increase	<b>\$1,350,382</b>
% Increase	<b>2.00%</b>

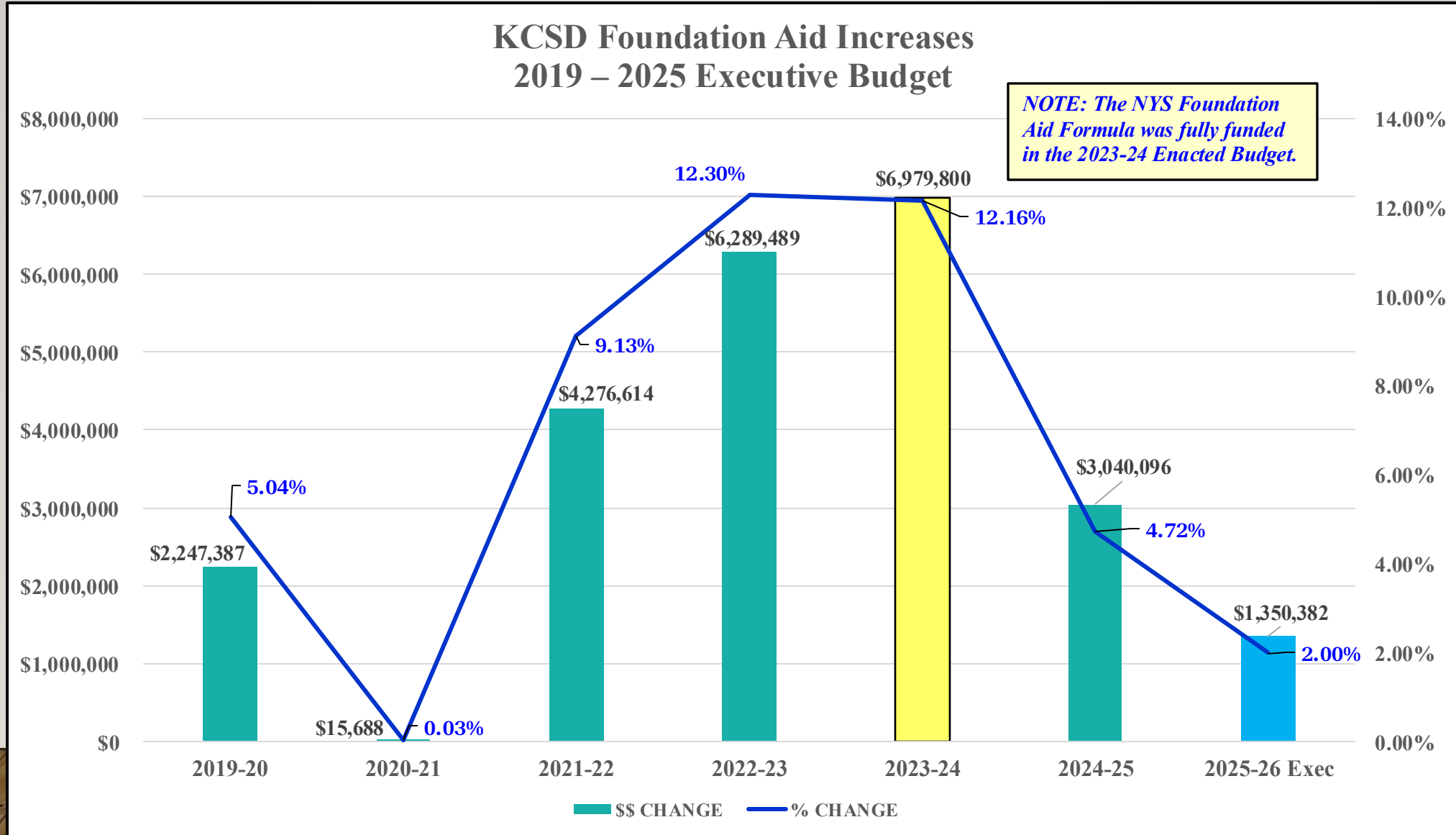
<b>6.60%</b>	<b>7-Year Avg Increase</b>
<b>7.67%</b>	<b>5-Year Avg Increase</b>
<b>9.73%</b>	<b>3-Year Avg Increase</b>

<b>\$3,371,582</b>	<b>5% Increase Amt</b>
<b>\$6,559,199</b>	<b>3-Yr Avg Increase</b>

*NOTE: "Full Phase-In Level represents the amount of Foundation Aid due based on the Foundation Aid Formula calculated as prescribed by law, without "Phase-In" adjustments.*

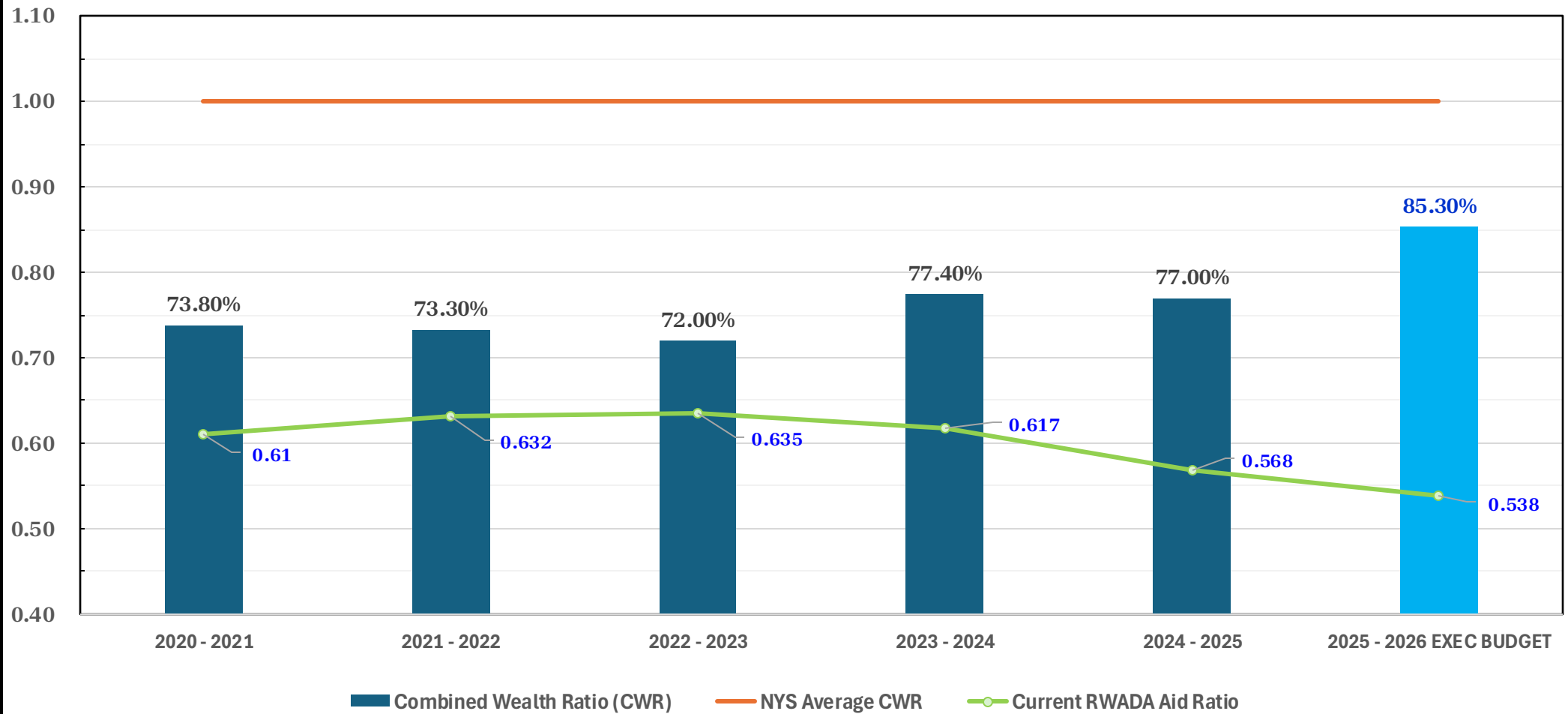


# REDUCTION IN FOUNDATION AID INCREASES: REPRESENTS OVER 25% OF KCSD REVENUES



# SHIFTING WEALTH MEASUREMENTS: IMPACTS STATE AID, REIMBURSEMENTS & GRANTS

## KCSD Wealth Ratio History: 2020 - 2025 Executive Budget



# TAX CAP CALCULATION:

## 5 KEY FACTORS:

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**Current Year Tax Levy**

**Tax Base Growth Factor**

**CPI (Inflation)**

**PILOT Payments**

**Exclusions: Capital & Retirement**








# 2025-2026 TAX LEVY LIMIT CALCULATION



<b>KCSD Tax Levy Limit Calculation</b>		
As of March 17, 2025		
<b>CALCULATION FACTORS</b>	<b>2024-2025 FINAL</b>	<b>2025-26 PROJECTED</b>
<b>PRIOR YEAR TAX LEVY</b>	<b>\$113,885,220</b>	<b>\$ 117,595,198</b>
Tax Base Growth Factor	1.0079	1.0096
<b>BASE LEVY</b>	<b>\$114,784,913</b>	<b>\$ 118,724,112</b>
PRIOR YEAR PILOT (+)	\$ 1,594,000	\$ 1,700,000
PRIOR YEAR EXEMPTIONS (-)	\$ 3,274,802	\$ 3,929,005
<b>ADJUSTED PRIOR YEAR TAX LEVY</b>	<b>\$113,104,111</b>	<b>\$ 116,495,107</b>
Allowable Growth Factor (lesser of CPI or 2%)	1.0200	1.0200
<b>BASE LEVY</b>	<b>\$115,366,193</b>	<b>\$ 118,825,009</b>
PILOTS FOR COMING YEAR (-)	\$ 1,700,000	\$ 1,000,000
AVAILABLE CARRYOVER (+)	\$ -	\$ -
<b>TAX LEVY LIMIT - BEFORE EXCLUSIONS</b>	<b>\$113,666,193</b>	<b>\$ 117,825,009</b>
Court Orders/Judgments over 5%	\$ -	\$ -
Capital Tax Levy	\$ 2,709,120	\$ 6,298,700
BOCES Capital Tax Levy	\$ 1,205,016	\$ 2,023,699
Pension Contribution Growth-ERS	\$ 14,869	\$ -
Pension Contribution Growth-TRS	\$ -	\$ -
<b>TOTAL COMING SCHOOL EXEMPTIONS (+)</b>	<b>\$ 3,929,005</b>	<b>\$ 8,322,399</b>
<b>MAXIMUM ALLOWABLE LEVY</b>	<b>\$117,595,198</b>	<b>\$ 126,147,408</b>
<b>MAXIMUM ALLOWABLE LEVY INCREASE</b>	<b>3.26%</b>	<b>7.27%</b>
	<b>\$ 3,709,978</b>	<b>\$ 8,552,210</b>

# 2025-26 PROJECTED REVENUES MAJOR CHANGES

**\*STATE AID INCLUDES 2% MINIMUM INCREASE IN FOUNDATION AID**

 State Aid Increase*	\$5,314,500
 Tax Levy Increase (Not Maximum)	\$8,200,000
 Additional Medicaid Reimbursements	\$ 650,000
 Decrease in Interest & PILOT Income	(\$1,050,000)
 Reduction in PILOT Income	(\$ 700,000)
 **Allocation of Reserves (Additional)	<u>\$5,546,000</u>
 <b>TOTAL REVENUE INCREASE</b>	<b>\$17,960,500</b>



**\*\*Allocation net of smaller revenue decreases.**

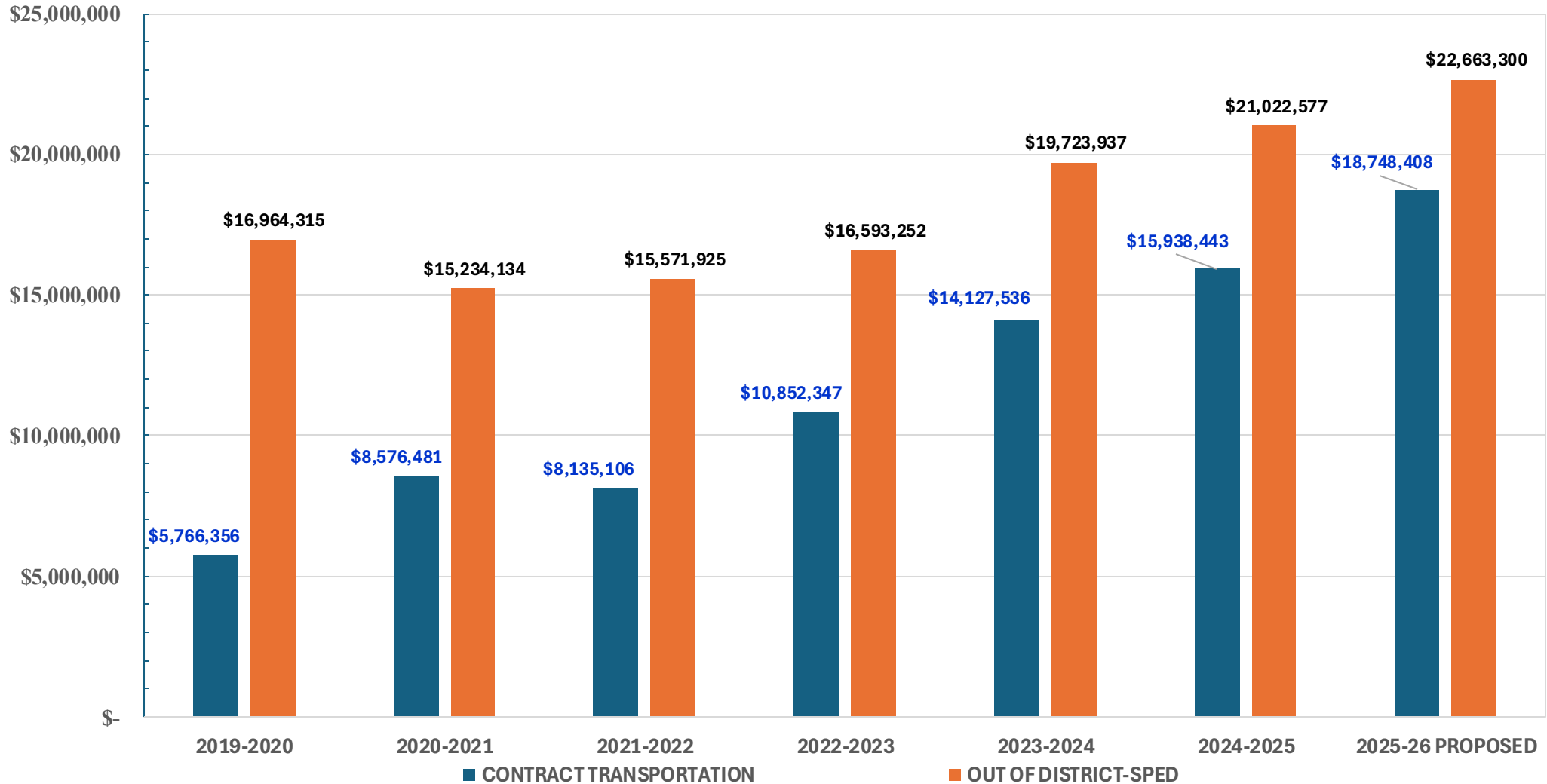
# 2025-26 PROPOSED EXPENSES

## MAJOR CHANGES

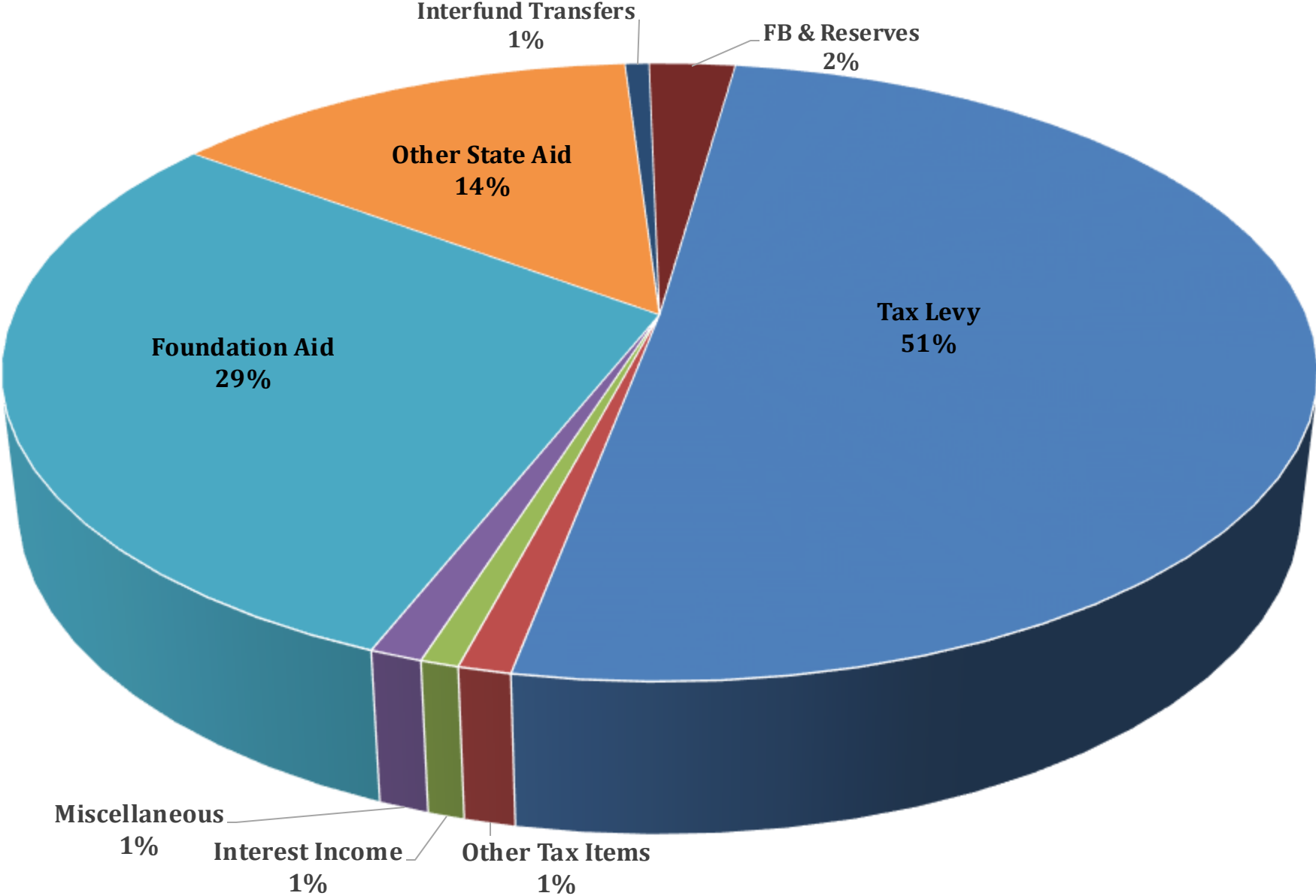
 Salaries & Benefits	\$6,599,800
 BOCES Leases & Dietz Stadium	\$1,800,000
 Debt Service	\$3,191,600
 Transportation	\$3,300,000
 Special Education	\$1,000,000
 Other Contractual Expenses	<u>\$2,069,100</u>
 <b>TOTAL EXPENSE INCREASE</b>	<b>\$17,960,500</b>



# TRANSPORTATION & SPECIAL EDUCATION TUITION EXPENSES 2019-2025 PROPOSED BUDGET

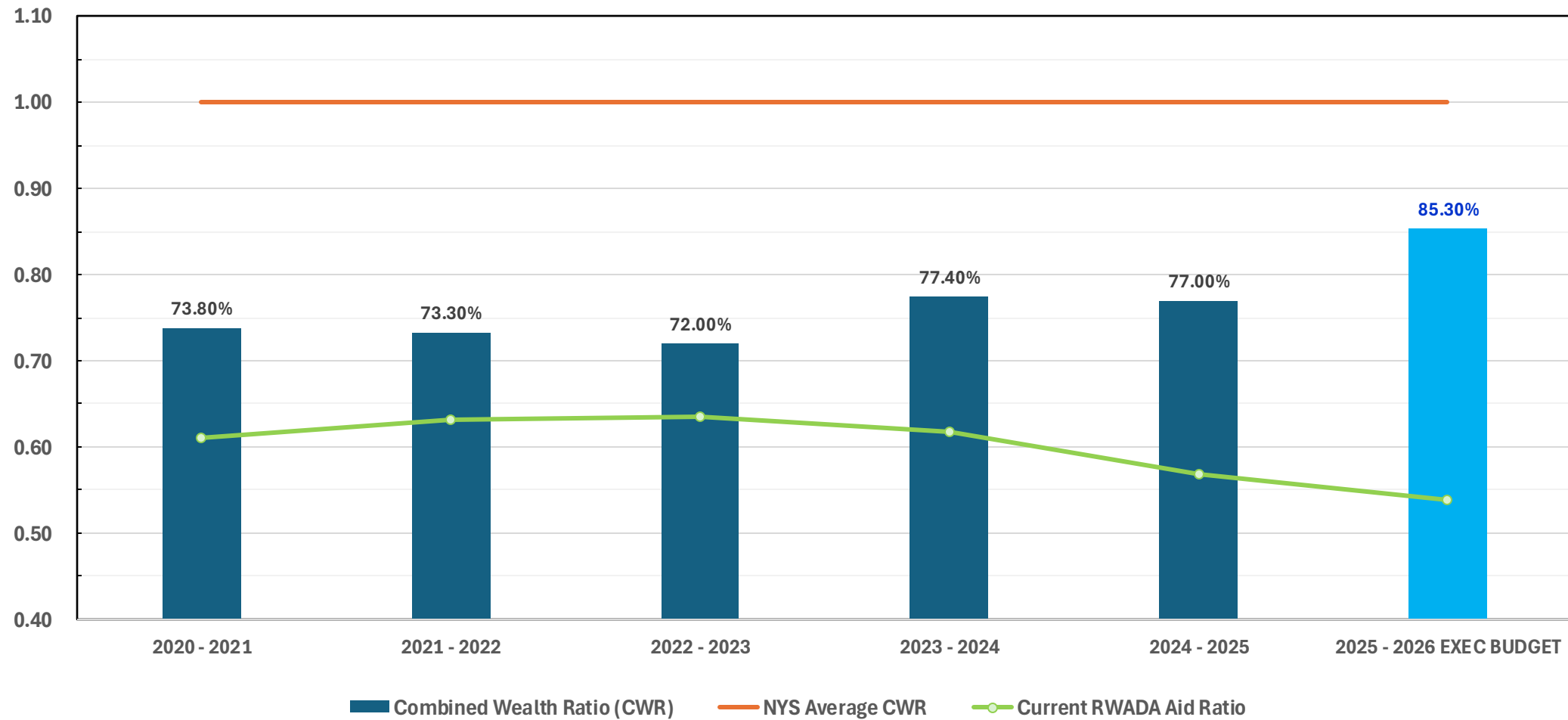


# 2024-25 Revenues By Category



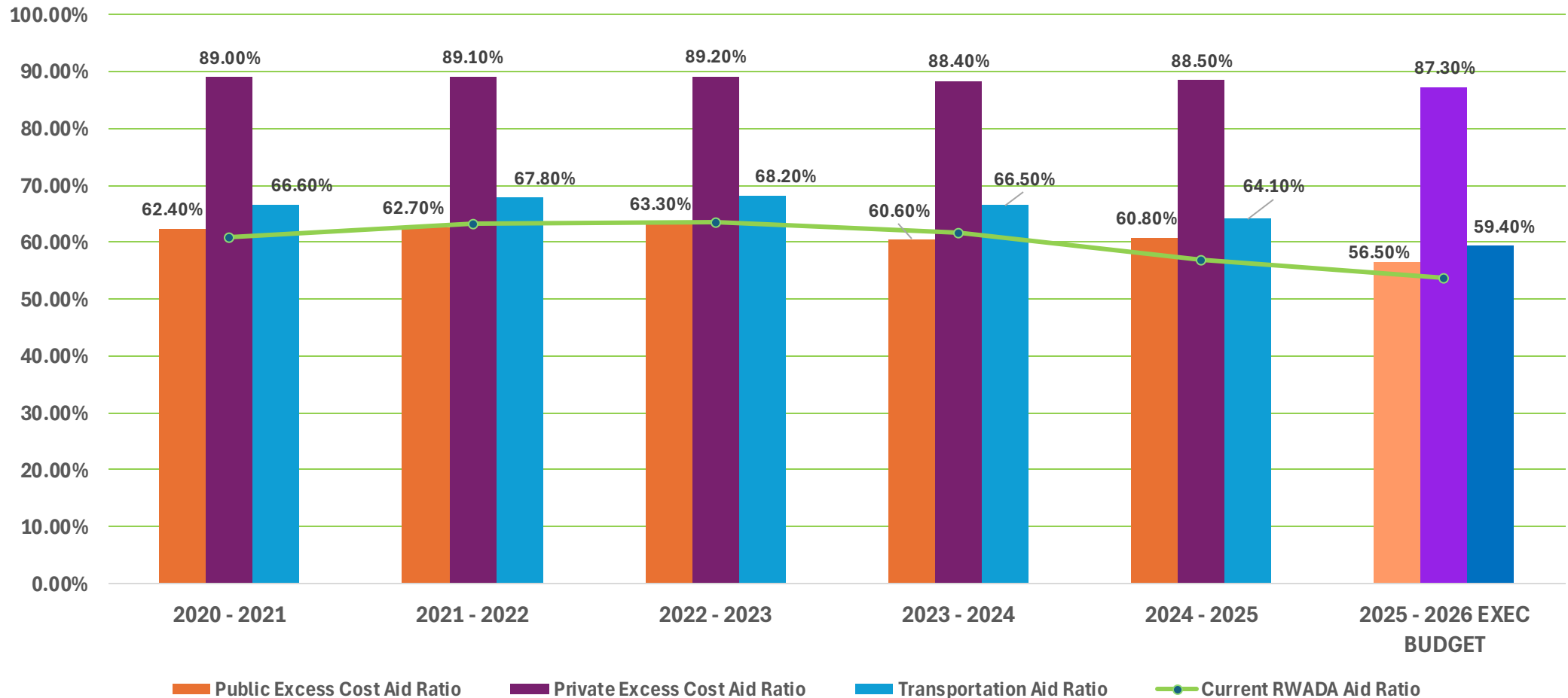
# SHIFTING WEALTH MEASUREMENTS: IMPACTS STATE AID, REIMBURSEMENTS & GRANTS

## KCSD Wealth Ratio History: 2020 - 2025 Executive Budget



# SHIFTING WEALTH MEASUREMENTS: IMPACTS TO SPECIAL ED & TRANSPORTATION COSTS

## KCSD Reimbursement Rates: 2020 - 2025 Executive Budget



# 2025-2026 DRAFT BUDGET SUMMARY



## KINGSTON CITY SCHOOL DISTRICT

### 2025-26 PROPOSED BUDGET SUMMARY

April 17, 2025

2024-25 Budget:	\$ 231,562,000	
2024-25 Tax Levy:	\$ 117,595,198	3.26% Increase

2025-26 Proposed Budget:	\$ 249,522,500	
Change in Budget:	\$ 17,960,500	7.76% Increase

2025-26 Max. Allowable Tax Levy:	\$ 126,147,408	7.27% Increase
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2025-26 Proposed Tax Levy:	\$ 125,791,600	6.97% Increase
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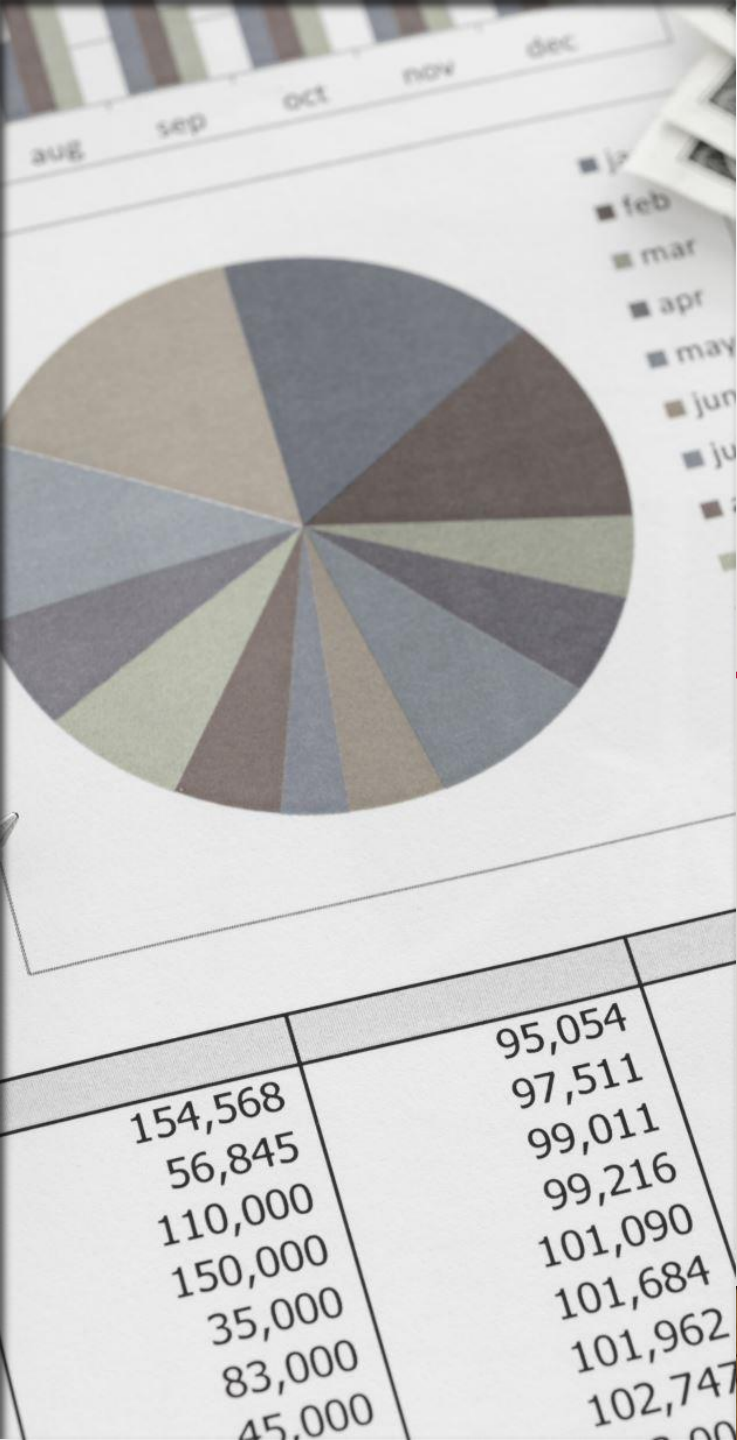
<b>Difference</b>	<b>\$ 355,808</b>	
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### RESERVE ALLOCATIONS PENDING NYS ENACTED BUDGET:

Allocated Fund Balance	\$ 5,500,000	Same as 2024-25 Budget
Debt Service Reserve	\$ 500,000	Increase from 2024-25 Allocation
Reserve for Tax Reduction	\$ 1,250,000	
Retirement Reserves	\$ 5,000,000	Can be replenished from other reserves
<b>Total Reserves &amp; Fund Balance</b>	<b>\$ 12,250,000</b>	

# NEXT STEPS:

1. Continue to identify opportunities for strategic shifts for the 2025-26 School Year and plan for implementation.
2. Re-evaluate revenues and reserve allocations when the 2025-26 NYS Budget is passed.
3. Develop a new long-range financial plan for Kingston City School District, based on the new Foundation Aid Formula that will be enacted in the 2025-26 NYS Budget.
  - Restructuring of the NYS Foundation Aid formula was announced immediately after the 2024-25 NYS Budget was passed.
  - An effective financial plan for KCSD could not be developed without knowing what the impact of those changes would be.



THANK  
YOU!!!

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