

All Things 2025-2026 Budget End of the Year

1. Where did the last \$551,469 fall that was reduced per the BOE vote?

Those who have been following the budget know that the Board of Education was challenged to reduce \$4.6 from the budget. After reducing positions and items across the district, plus a reduction in the bus contract by changing start time, there was still \$551,469 remaining to reduce. The BOE voted to let the “superintendent and her team” determine how to reduce the last \$551K, given the parameter that there would be no additional reductions to staff. After the meeting, the very next morning, the following two reductions were made per BOE suggestion:

- \$250,000 was reduced on the out-placement line; GPS is currently under budget this year, so we feel comfortable reducing this line for next year.
- \$301,469 was reduced on the substitute salary lines.

2. Is GPS Cutting More Positions Than Discussed Publicly Due to the Budget?

Absolutely not. There are no additional positions being cut due to the budget. This time of the year, we traditionally move staff across the district according to enrollment, and that process continues throughout the summer. For example, grades K-5 sees the most impact, with teachers moving from one elementary which does not need three classrooms in a particular grade and only needs two. A teacher can be moved to another elementary school which needs an additional teacher because class size guidelines are over, or where there was a resignation or retirement.

Online conversations and questions centered mainly around Central Middle School physical education and Greenwich High School band. GHS currently has five music teachers. Due to low enrollment, one position is moving to one of our middle schools. GHS will have 4.2 equivalent teachers. This move is not related to any budget challenges the district is facing.

There is also a shift at Central MS in PE and Health due to the scheduling aspects in areas such as Family Consumer Science (FCS) and low enrollment. The BOE approved a reduction of 2.0 at CMS as part of the budget process. These are not reductions of people. These are moving individuals to other certification areas or school sites where there are openings. This is not unusual, although it can be frustrating and confusing.

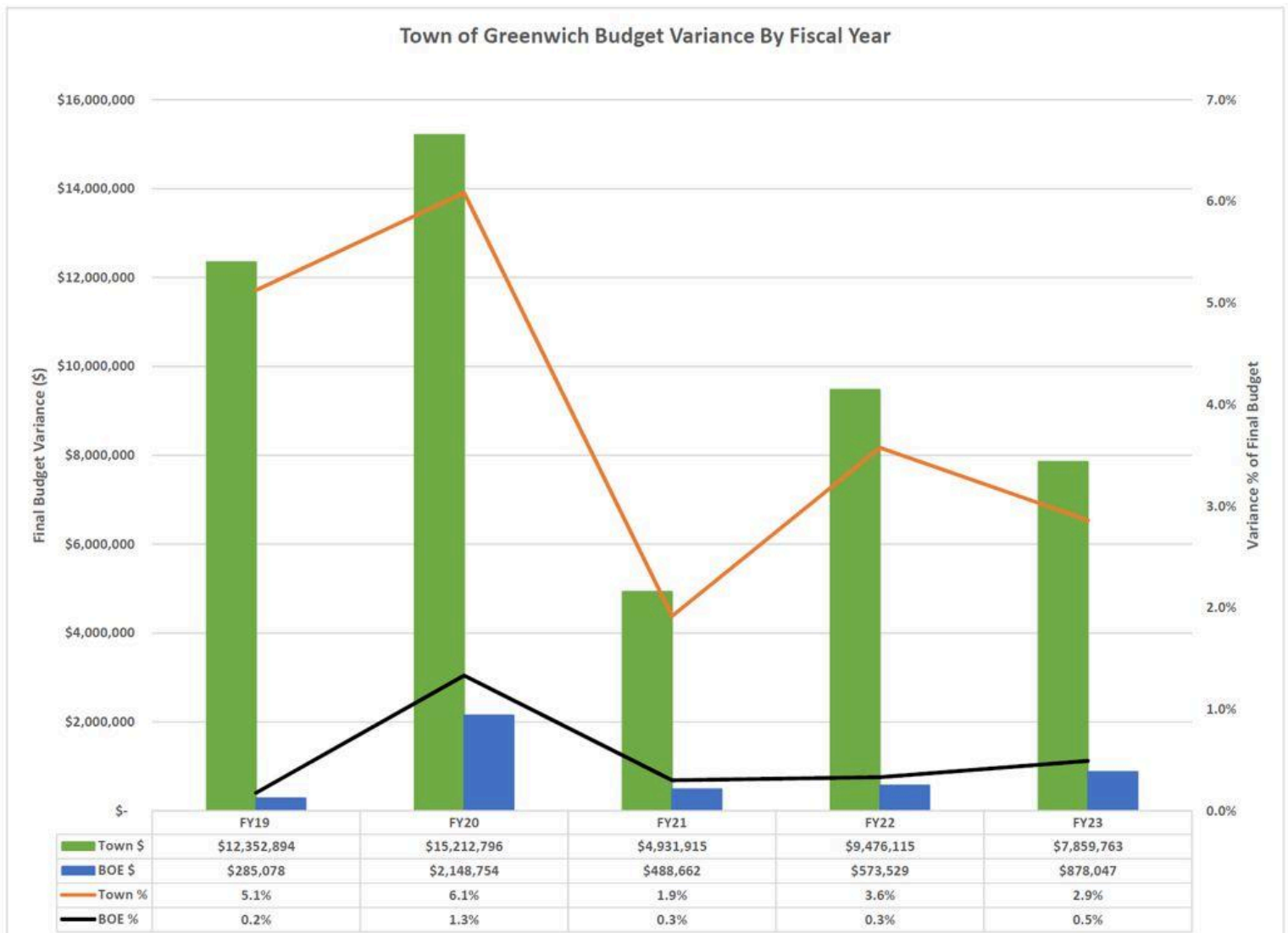
To reiterate, this is a typical process to ensure that we do not have people in full time positions when the enrollment is not there. Individuals remain fully employed, but they may experience a partial or total change of location. Due to budget cuts by the BET to the BOE approved operating budget, this process has been prolonged this year with only seven days left in the school year. This year, after weeks of challenging budget discussions, it is understandable why this is confusing.

3. Can you explain the fund balance information “Surplus” ?

Budgets are estimates, not exact predictions. The Board of Education operating budget is made 6-18 months in advance - often before final costs, contractual rates, or operational needs are fully known. A 1-2% underspend (98-99% budget execution) reflects accurate forecasting and responsible use of public funds, not poor planning.

Underspending shows prudent fiscal management. The BOE budget priority is not to spend every dollar, but to spend appropriately and effectively. Fully expending the budget encourages the “use it or lose it” approach, which is inefficient and potentially wasteful with unnecessary purchases. Each year, Greenwich Public Schools, just like the Town of Greenwich, returns unspent funds to the Town of Greenwich. This is business as usual. The BET is very aware that both the Town of Greenwich and GPS return funds. In fact, the Town of Greenwich returns several percentage points higher than GPS. FY24 has not been posted as of today as the audit is not complete.

Green = TOG \$; Blue = BOE \$



Source: Town of Greenwich, Annual Comprehensive Financial Reports (ACFR)

4. Monthly Financial Report: Is it a surprise about the surplus? No.

The BOE receives a public financial report each month about the current status of the budget. The underspending in special education is the 2nd bullet on that report and it has been reported during the 2024-2025 school year, month after month, that GPS was under budget. Approximately \$1 million of the projected underspending is the out placement and settlement lines for special education. The salary line is generally where we see underspending as in any organization our size we will have time periods where certain positions are not filled after a resignation. We do not get a solid end of year estimate until late May or June as both of those items are very volatile. In fact, twice in the last few years GPS has gone for an interim in the middle of the year to close a gap in special education as by law GPS cannot end the year with a deficit.

5. Can you explain the transportation issues?

There are Three Transportation Issues

- Bus contract: GPS is working to sign an updated contract with First Student. Greenwich Town Legal has been involved since before this past December. The contract was budgeted based on everything GPS knew when the budget was presented. While the contract has not been signed as of today, the estimated shortfall in the FY26 budget is anticipated is at least \$1,728,232. This issue is not related to the change in start time. The issue is related to increased transportation costs across the region. The cost per bus continues to escalate. GPS has been in contact with the BET since late Fall. It is anticipated that the end of year surplus will close the hole in the new bus contract.
- Start Times for 2025-2026: When the Board of Education made the decision to change start time it was driven by the fact that they needed to reduce an additional \$2 million in order to reach the reduction of \$4,587,962. The reduction was calculated on existing bus contract pricing for 2024-2025 as we do not have a contract for 2025-2026. The savings of \$1.9M was a direct correlation to reducing the bus fleet next year by 18 vehicles.
- Budget: GPS must have at least \$1,738,323 for increased costs in the expected bus contract regardless of start time.

If start time did not change, GPS would need an additional \$2,280,948 to pay for the 18 buses, which would need to be put back in the new contract. Because the 18 buses were calculated on current costs, the actual amount is estimated to be higher. It would be an actual estimated shortage of at least \$4,019,271.