



2025-2026 Budget

Educational Program Continuation Increases March 5th, 2025

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Objective



To strategically utilize the district's fiscal resources to support student educational outcomes for the 2025-2026 school year and beyond in a fiscally responsive manner.



Budget Presentation Goals



Recent Fiscal Headlines

- Comptroller DiNapoli (2/14/25, 2/25/25)

Historical and Projected K-8 Enrollment

- Grades K-2 General Education
- Grades 3-8 General Education
- Projected Grade K-8 Core Class Sizes

Anticipated 2025-2026 BOCES Budget

- Challenges
- Expense by Category

Updated Budget

- Expenses
- Submitted Tax Cap
- Revenues
- Working Budget Gap





Recent Fiscal Headlines



Comptroller DiNapoli



In the February 14th *Executive Budget Report*, Comptroller DiNapoli warned of a growing state fiscal deficit in the upcoming years:

- Cumulative outyear budget gaps projected by the Division of Budget have increased to a total of \$27.3 billion through the 2028-2029 the *State Fiscal Year*.

In a February 25th press release, Comptroller DiNapoli warned of a changing fiscal landscape:

- Advocates for greater transparency at the local level with community stakeholders.
- Expectation for potentially greater volatility with revenues impacting local services.

Key Quotes & Recommendations:

- "With pandemic aid coming to an end and uncertainty coming out of Washington, local governments need to shore up their fiscal foundations."
- "By focusing on ensuring structural budget balance, using realistic revenue projections and multiyear planning, local governments will be better positioned to weather whatever financial challenges lay ahead."
- "Communicate with taxpayers regarding the use of additional aid over the past few years."
- "Act quickly to ensure fiscal stability by continuously monitoring the current budget and adjusting as needed."

Comptroller DiNapoli's 2/14/25 Executive Budget Report: [Click Here](#)
Comptroller DiNapoli's 2/25/25 Press Release: [Click Here](#)





Historical and Projected K-8 Enrollment



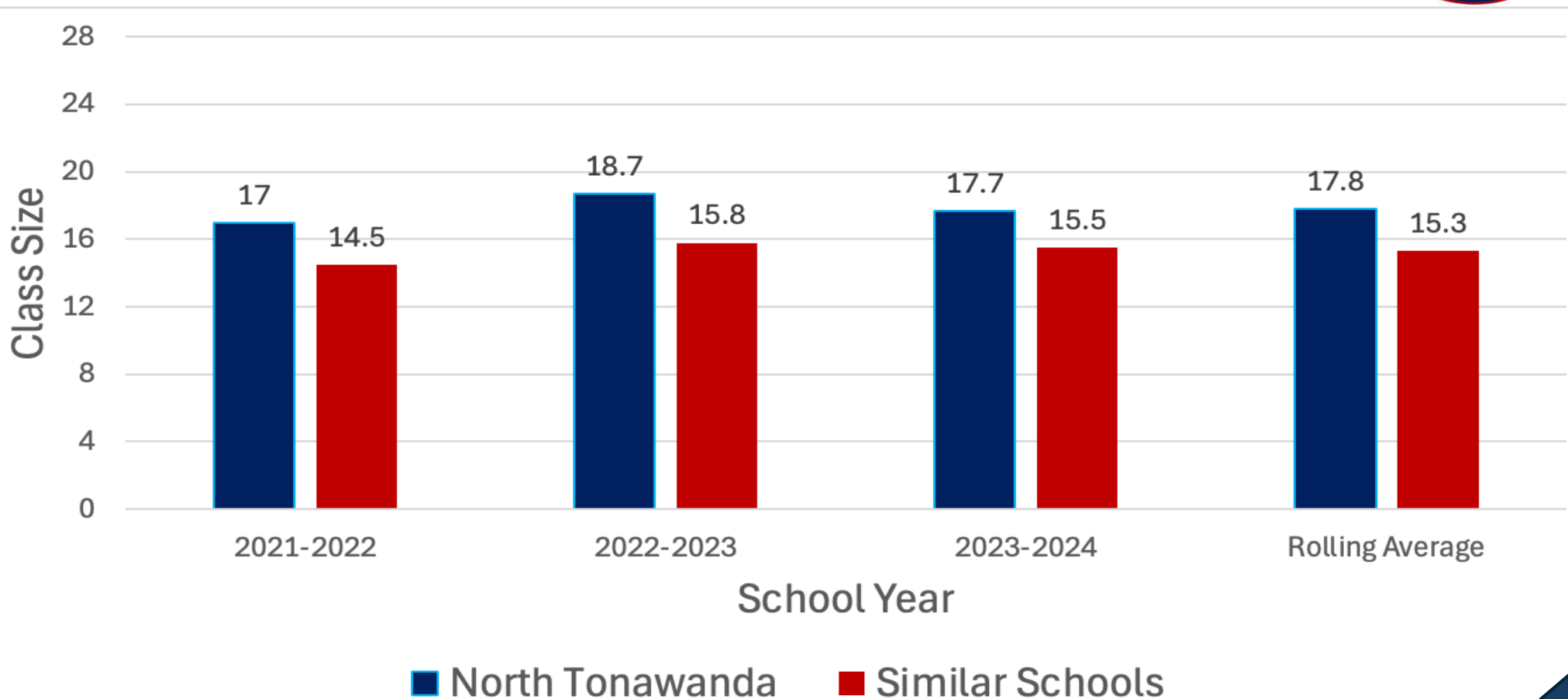
Average Primary (K-2) General Education Class Size North Tonawanda vs Similar Schools

Source: *Frontline Analytics; NYSED Master Personnel File*



Neighborhood elementary schools can create challenges achieving equitable class sizes across buildings and grade level bands.

Current funding levels have afforded stable average class sizes.



Similar Schools is a composite average between Lockport, Niagara Falls, Niagara Wheatfield, and Starpoint.

Anticipated K-3 Core Class Sizes

*Figures include special education inclusion



School & Grade	2024-2025 Sections	2024-2025 Average Class Size	2025-2026 Sections	2025-2026 Average Class Size
Drake Kindergarten	3	19.0	3	20.7
Drake 1st	3	17.7	3	19.0
Drake 2nd	3	19.0	3	17.7
Drake 3rd	3	19.0	3	19.0
Ohio Kindergarten	4	21.5	4	22.2
Ohio 1st	4	20.3	4	21.5
Ohio 2nd	4	19.3	4	20.3
Ohio 3rd	5	19.2	4*	19.3
Spruce Kindergarten	4	16.5	4	19.8
Spruce 1st	4	19.5	4**	16.5
Spruce 2nd	4	18.3	4	19.5
Spruce 3rd	4	21.3	4	18.3

*Reduction of one 3rd grade homeroom at Ohio Elementary School.

**Monitor average class size for potential adjustment to meet incoming kindergarten section needs.



Anticipated K-3 Core Class Sizes District-Wide Equity in Programming



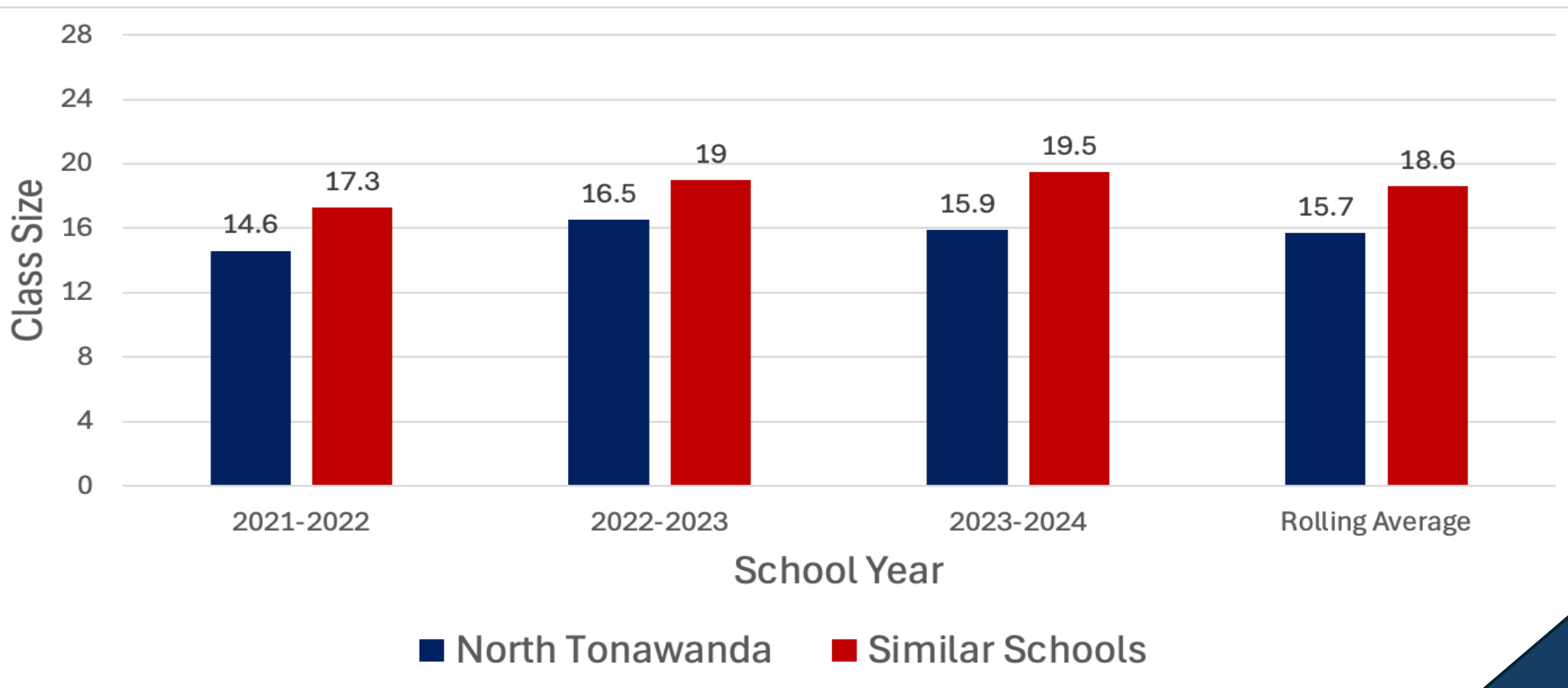
	Kindergarten*	1st Grade	2nd Grade	3rd Grade	Building-Wide Average
Drake	20.7	19.0	17.7	19.0	19.1
Ohio	22.2	21.5	20.3	19.3	20.8
Spruce	19.8	16.5	19.5	18.3	18.5
District-Wide Average	20.9	19.0	19.1	18.8	19.5



*Anticipated kindergarten class sizes are based on the Niagara County Department of Health's Live Birth Rate data presented at the January 8th Board of Education meeting.

Average Intermediate & Middle School (3-8 ELA, Math & Science) General Education Class Size North Tonawanda vs Similar Schools

Source: *Frontline Analytics; NYSED Master Personnel File*



Historical programs such as *M.P.P.* and *RISE 8* have the effect of lowering average class sizes.

The classes of 2027 and 2028 are smaller cohorts impacting NT's historical average class sizes during this time span.



Anticipated 4-6 Core Class Sizes

*Figures include special education inclusion



School & Grade	2024-2025 Sections	2024-2025 Average Class Size	2025-2026 Sections	2025-2026 Average Class Size
NTI 4th Grade	10	22.7	10	23.8
NTI 5th Grade	10	23.0	10	22.7
NTI 6th Grade	10	24.2	10	23.0
Building-Wide Average	30	23.3	30	23.2



Anticipated 7-8 Core Class Sizes

*Figures include special education inclusion



School & Grade	2024-2025 Sections*	2024-2025 Average Class Size	2025-2026 Sections**	2025-2026 Average Class Size
NTMS 7th Grade	10	24.0	10	23.5
NTMS 8th Grade	11	20.8	11	21.8
Building-Wide Average	20	22.3	20	22.6



*Sections represent two teams at 7th grade with each core subject having 5 sections per team.

**Sections represent two teams at 8th grade with each core subject having 5 sections per team in addition to one section for the *RISE 8* program.



2025-2026 BOCES Budget



BOCES Budget Challenges



Several areas of the BOCES budget experienced significant mandated increases.

Large expense areas with rate increases greater than inflation:

- CTE Tuition – 5.3% Increase
- Special Education Placements – 8.2%
 - Placement Related Services – 9.0%
- Alternative Education Placements – 9.0%

Small expense areas with significant rate increases:

- Safety Risk Management – 24%
- Public Information – 83%



2025-2026 BOCES Budget



Category	2024-2025	2025-2026	Difference
BOCES (Excluding Technology)	\$7,301,546		(\$7,301,546)
District-Wide and Central Office Supports		\$1,805,128	\$1,805,128
Curriculum Development, Supervision, and In-Service Trainings		\$240,731*	\$240,731
General and Alternative Education		\$644,150*	\$644,150
Special Education Instruction		\$2,000,292	\$2,000,292
Career & Technical Education		\$1,664,745	\$1,664,745
Summer School Education		\$155,479	\$155,479
Library Audio and Visual		\$144,617	\$144,617
Technology; Hardware, Software, Personnel Supports	\$1,030,958	\$1,250,553	\$219,595
Community Schools, Health, and Athletic Supports		\$114,807*	\$114,807
Anticipated BOCES Budget	\$8,332,504	\$8,020,502	(\$312,002)

*Represent categories where traditional non-aidable expenses have been shifted towards BOCES supports to drive additional expense-based aid during the 2026-2027 school year.



Updated Budget



March Program Continuation Net Changes



Category	Net Change	Description
Employee Salaries (Includes retirement attrition)	\$594,357	Contractual increases net retirement attrition
Employee Benefits (Includes retirement attrition)	\$1,963,708	Mandated benefits per salary increases and contractual agreements
Instructional Supports (Supplies & Equipment)	\$252,469	Supports net BOCES conversions
BOCES Support Services	(\$312,002)	Projected BOCES expense changes
Debt Service	(\$2,247,450)	Past capital projects have been paid
Total	\$251,082	Program Continuation Expense Budget (March)



Budgeted Reserves and Appropriated Fund Balance



Category	2024-2025 (Budget)	2025-2026 (Budget)	Net Difference
Appropriated Fund Balance*	\$4,750,000	\$3,500,000	(\$1,250,000)
Workers' Compensation Reserve	\$0	\$0	-
Unemployment Insurance Reserve	\$0	\$0	-
Employees' Retirement System	\$400,000	\$0	(\$400,000)
Teachers' Retirement System	\$0	\$0	-
Employee Benefit Accrued Liability Reserve (EBALR)**	\$0	\$581,700	\$581,700
Repair Reserve	\$0	\$0	-
Debt Service***	\$400,000	\$250,000	(\$150,000)
Total Budgeted Appropriated Fund Balance & Reserves	\$5,550,000	\$4,331,700	(\$1,218,300)



*Reduction of appropriated fund balance conforms to the District's limitations to carry a maximum of 4% unassigned fund balance from year to year based on state law.

**Restricted use based on conversion of employee accrued sick days upon retirement.

***Use of the debt service reserve can impact the District's annual tax cap calculation.

Submitted Tax Cap



Tax Levy (2024-2025)		\$30,730,000
Growth Factor	x	1.00000
Subtotal		\$30,730,000

Prior Year Pilots (2024-2025)	+	\$246,931
Subtotal		\$30,976,931

Tax Levy Judgements-Torts	-	0
Prior Year Capital Tax Levy Exclusion (2024-2025)	-	\$611,158
Subtotal		\$30,365,773

CPI Allowed Increase (2.0%)	x	1.0200
Subtotal		\$30,973,088

2025-2026 PILOTS (Estimated)	-	\$312,951
Subtotal		\$30,660,137

2025-2026 Capital Tax Levy Exclusion	+	\$923,832
ERS/TRS Exemption	+	0
Tax Levy Limit (2025-2026)	=	\$31,583,969

Levy Increase		\$853,969
Available Levy Carryover	+	0
Adjusted (Maximum) Levy Increase		\$853,969

Tax Cap Input Decoding

Blue = Predetermined inputs given to the District by the state or are hard coded figures from last year's tax cap.

Red = Figures determined by the District for the upcoming fiscal year.

Yellow = Tax Cap formula outcome.

Adjusted Maximum Tax Levy Limit	\$31,583,969
Maximum Year over Year Levy Increase	\$853,969
Maximum Percent Levy Increase	2.78%

Tax Cap Figures Submitted to the New York State Comptroller's Office

Forecasted Total Revenue



2025-2026 (March) Budgeted State Revenue	\$44,503,541
2025-2026 (March) Budgeted Other Revenue	\$33,570,128
2025-2026 (March) Budgeted Appropriated Fund Balance & Reserves	\$4,331,700
2025-2026 (March) Draft Working Revenue Budget	\$82,405,369



*Draft working revenue budget does not consider any potential use of reserves beyond the Debt Service and EBALR reserves as well as meeting the property tax cap.

March 5th Working Budget



2025-2026 (March) Draft Working Expense Budget	\$83,761,082
2025-2026 (March) Draft Working Revenue Budget	\$82,405,369
2025-2026 (March) Working Budget Gap	(\$1,355,713)



Important Next Steps – March 19th



- Presentation of finalized BOCES expenses.
- Recognize staff position adjustments to calculate finalized retirement breakage.
- Presentation of the finalized 2025-2026 academic program with position adjustment.



Important Next Steps – April 2nd



- Finalize the 2025-2026 budget.

