



Elwood UFSD

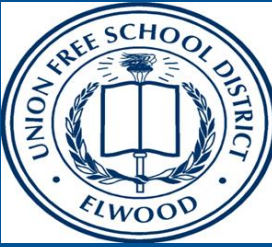
2025/2026 Budget Workshop #3

Ms. Lorraine Dunkel
Asst. Superintendent for Business

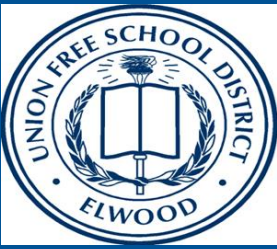


2025/2026 Budget Workshop

Topics of Discussion



- Goals and Priorities
- Update on Fiscal Health
- State Aid
- Tax Levy Calculation
- Budget Challenges
- Next Steps



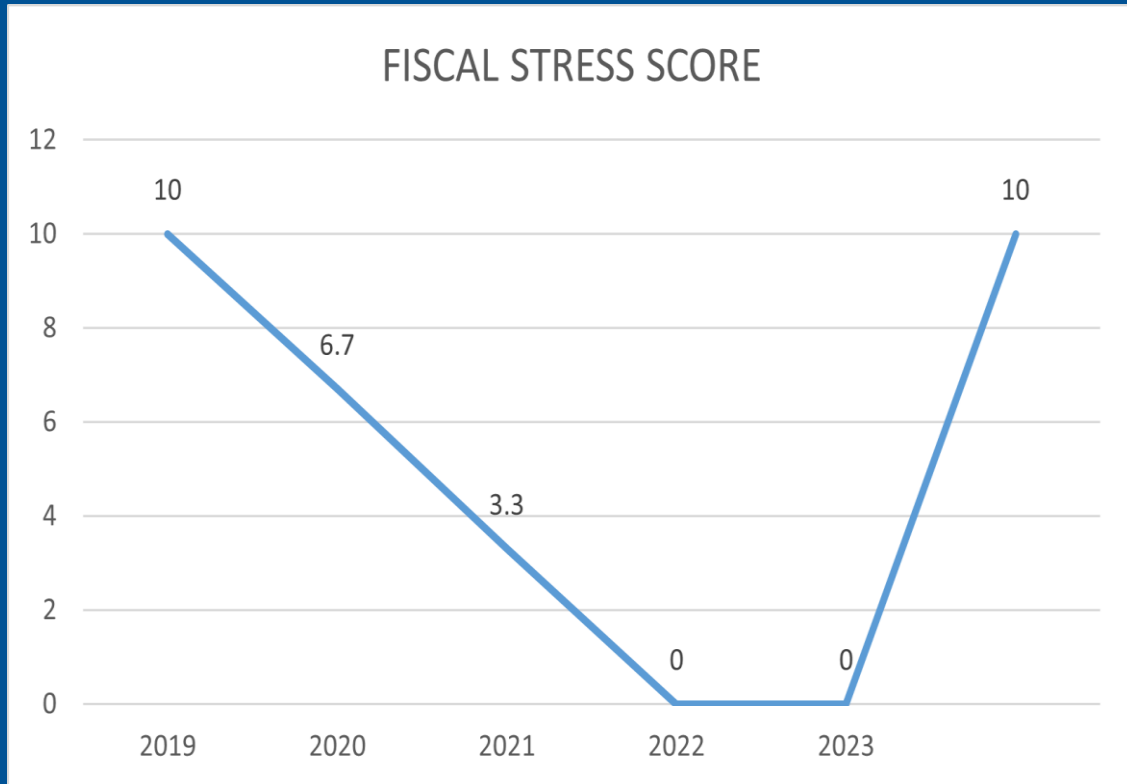
Elwood UFSD Budget Goals & Priorities

- Highest priority is to maintain the excellence and diversity of offerings within our current program
- Additional priorities include:
 - Maintaining our fiscal health
 - Utilizing long-term budget planning
 - Meeting all NYS regulatory requirements -- including all special education and ELL services
 - Maintaining the safety, health and welfare of all students, faculty and staff
 - Maintaining optimal/appropriate class sizes
 - Maintaining the diverse offerings of programs to meet the needs of all learners
 - Being responsible to our residents/local taxpayers

Update on Fiscal Health

- New York State provides annual fiscal health scores to all districts. The score is based on points given in various fiscal categories including Fund Balance, Cash Flow, Debt and Deficit Spending.
- This system was created as an early warning system for communities and school districts for potential fiscal problems. Alerting everyone to potential problems gives local officials and taxpayers the opportunity to be more proactive.
- For year-end 2024, Elwood has received “no designation”, which is the best rating a municipality can receive.

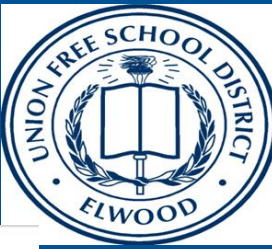
Update on Fiscal Health



- Though we received “No Designation”, our score increased from a “0” to a “10. This is an indication that our financial stability is weakening and we need to take corrective action in order to strengthen our long-term outlook.
- The elevation in the score can be attributed to the prolonged use of reserves and increase in fund balance allocation we have been experiencing the last few years. Our debt ratio also effects this score.
- A score of 25 or above will result in a designation of “susceptible fiscal stress”.

2024/2025 to 2025/2026 Initial State Aid Comparison

Category	24/25 Actual State Aid	25/26 Proposed State Aid	\$ Difference	% Difference
FOUNDATION AID	\$ 11,279,321	\$ 11,504,907	\$ 225,586	
BOCES AID	\$ 1,479,938	\$ 1,554,905	\$ 74,967	
PUBLIC HIGH EXCESS COST AID	\$ 121,554	\$ 85,554	\$ (36,000)	
PRIVATE EXCESS COST AID	\$ 383,030	\$ 372,113	\$ (10,917)	
HARDWARE & TECHNOLOGY	\$ 22,810	\$ 21,501	\$ (1,309)	
SOFTWARE, LIBRARY & TEXTBOOK	\$ 165,907	\$ 163,581	\$ (2,326)	
TRANSPORTATION	\$ 2,057,198	\$ 2,140,848	\$ 83,650	
BUILDING AID	\$ 2,175,131	\$ 2,115,965	\$ (59,166)	
HIGH TAX AID	\$ 1,046,049	\$ 1,046,049	\$ -	
TOTALS	\$ 18,730,938	\$ 19,005,423	\$ 274,485	1.47%



2025/2026 Tax Levy Projection

Elwood UFSD

Tax Levy Limit Calculation for 2025-26

Tax Levy Limit Cap Before Adjustments and Exclusions

2024-2025 Tax Levy	\$	53,142,763.27
x Tax Base growth factor (as reported by Comptroller)		1.0044
	\$	53,376,591.43
+ PILOT 2024-2025	\$	518,749.00
	\$	53,895,340.43
- Prior Year Exemptions (Debt Service)	\$	4,087,531.94
Adjusted Prior Year Tax Levy	\$	49,807,808.49

x Allowable Growth Factor (lesser of CPI or 2%)	\$	1.0200
	\$	50,803,964.66
- PILOT for 2025-2026	\$	575,073.00
	\$	50,228,891.66
+ Prior Year Carry-over		
Total Levy Limit	\$	50,228,891.66

+ 2025-2026 Exemptions		
ERS	\$	-
TRS	\$	-
Capital Exclusions	\$	3,598,096.00

Tax Levy Limit Plus Exclusions	\$	53,826,987.66
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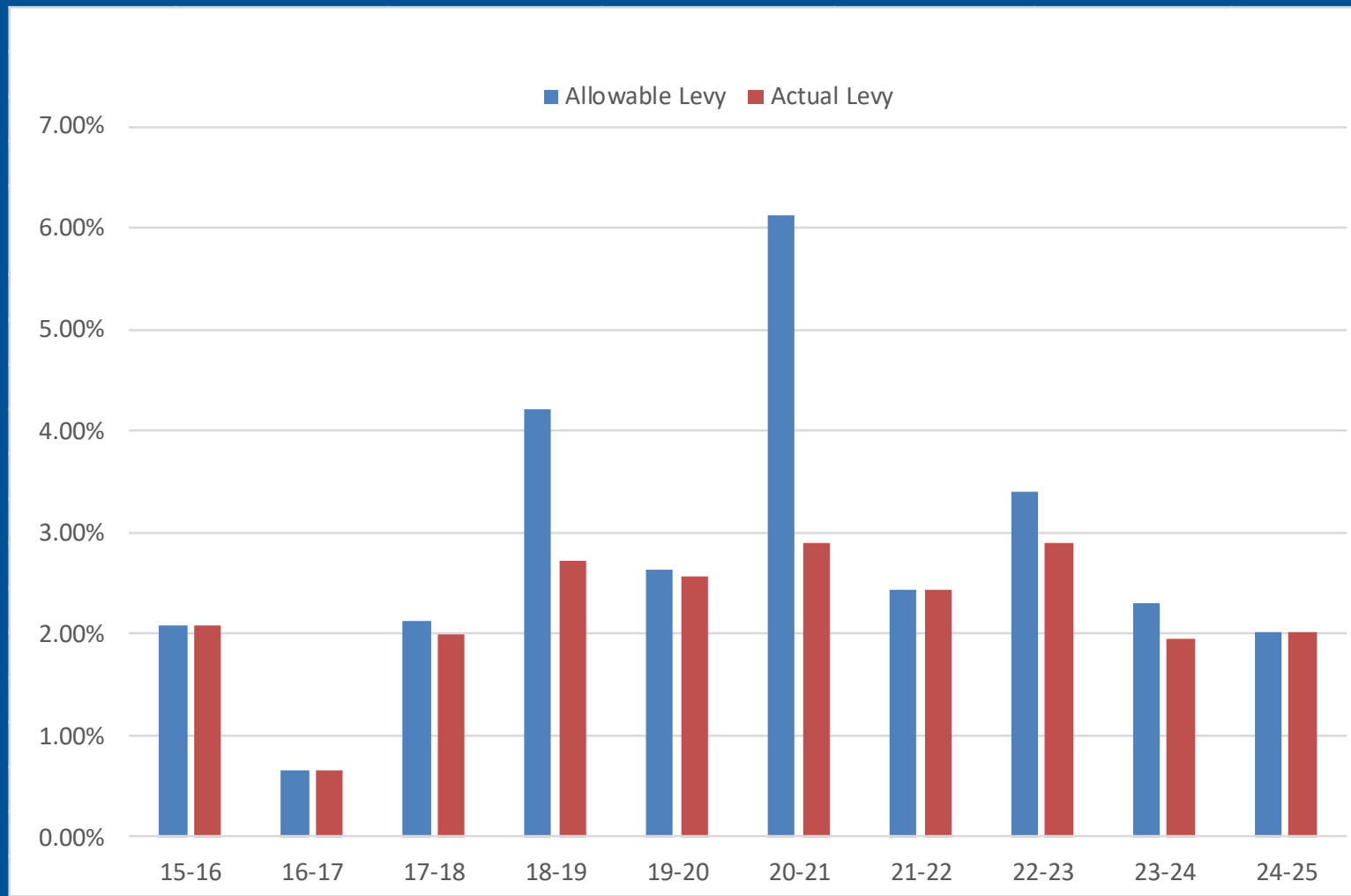
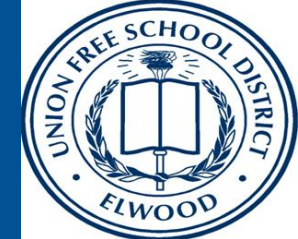
Tax Levy Increase for 2025-2026 in dollars	\$	684,224.39
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Tax Levy Increase for 2025-2026 as a percent		1.29%
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2025/2026 Capital Exclusion Estimate	
BOCES Expense	\$ 102,513.00
BOCES Aid	\$ (67,617.00)
Transfer to Capital	\$ 1,100,000.00
Debt	\$ 4,579,165.00
Bldg Aid	\$ (2,115,965.00)
Total	\$ 3,598,096.00



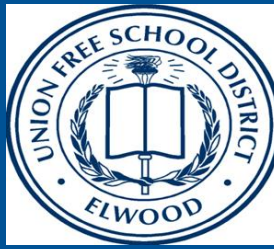
Ten Year Tax Levy History



Budget Challenges

- The Property Tax Cap allows for an increase of \$684,224.
- Our State Aid increase is \$274,485.
- The combined total increase equals \$958,709 which does not cover our required obligations.
- Based on the estimated expenditures thus far, we are facing a deficit of approximately \$2,700,000.
- This does not take into consideration the potential loss of Federal Aid that may occur as a result of the President's funding proposal.

2025/2026 Budget Scenario #1



*Estimated Expenditure Budget

General Support	\$8,883,253
Instruction	\$40,327,306
Transportation	\$5,759,521
Benefits	\$19,347,033
Debt Service	\$4,904,166
Interfund Transfers	\$1,280,000
Total	\$80,501,279

Revenue Budget

Tax Levy	\$53,826,988
State Aid	\$19,005,423
Pilot	\$575,073
Reserves	\$1,300,000
Fund Balance	\$2,500,000
Other	\$540,500
Total	\$77,747,984

Reflects a deficit

(\$2,753,295)

* As of February 6, 2025

Budget Challenges

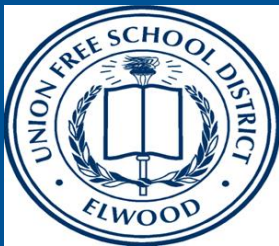
- Given the increased costs across all aspects of the budget and the limited revenue increase, the administration and Board are faced with the choice of either reducing program or proposing a tax levy that will pierce the cap.
- Reducing program could include:
 - Increased class sizes
 - Reduction in electives including fine arts and AP Courses
 - Reduction in staffing; including administrative, teacher and support staff positions
 - Reduction in athletics and extra-curricular activities, including transportation

Budget Challenges

- “Inflation has been higher than 2% for the past four years. When the allowable tax levy growth factor lags behind inflation, school districts are pinched between greater expenses and limited ability to increase tax revenue without supermajority approval” NYSSBA Executive Director Robert Schneider.
- Piercing the Tax Cap would allow for all current programs and staffing to remain.
- The vote would require a 60% majority passing rate.
- How will tax levy for 2025/2026 affect 2026/2027 and beyond?

What is Next?

- Continued work on the expenditure budget throughout the month.
 - Areas of focus include special education, technology and BOCES
 - Personnel expenses may decrease as we await notification of potential retirements
- In March, present final expenditure budget to Board of Education



March 27, 2025

7:30pm in the Elwood Middle School Library

Questions / Comments:

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