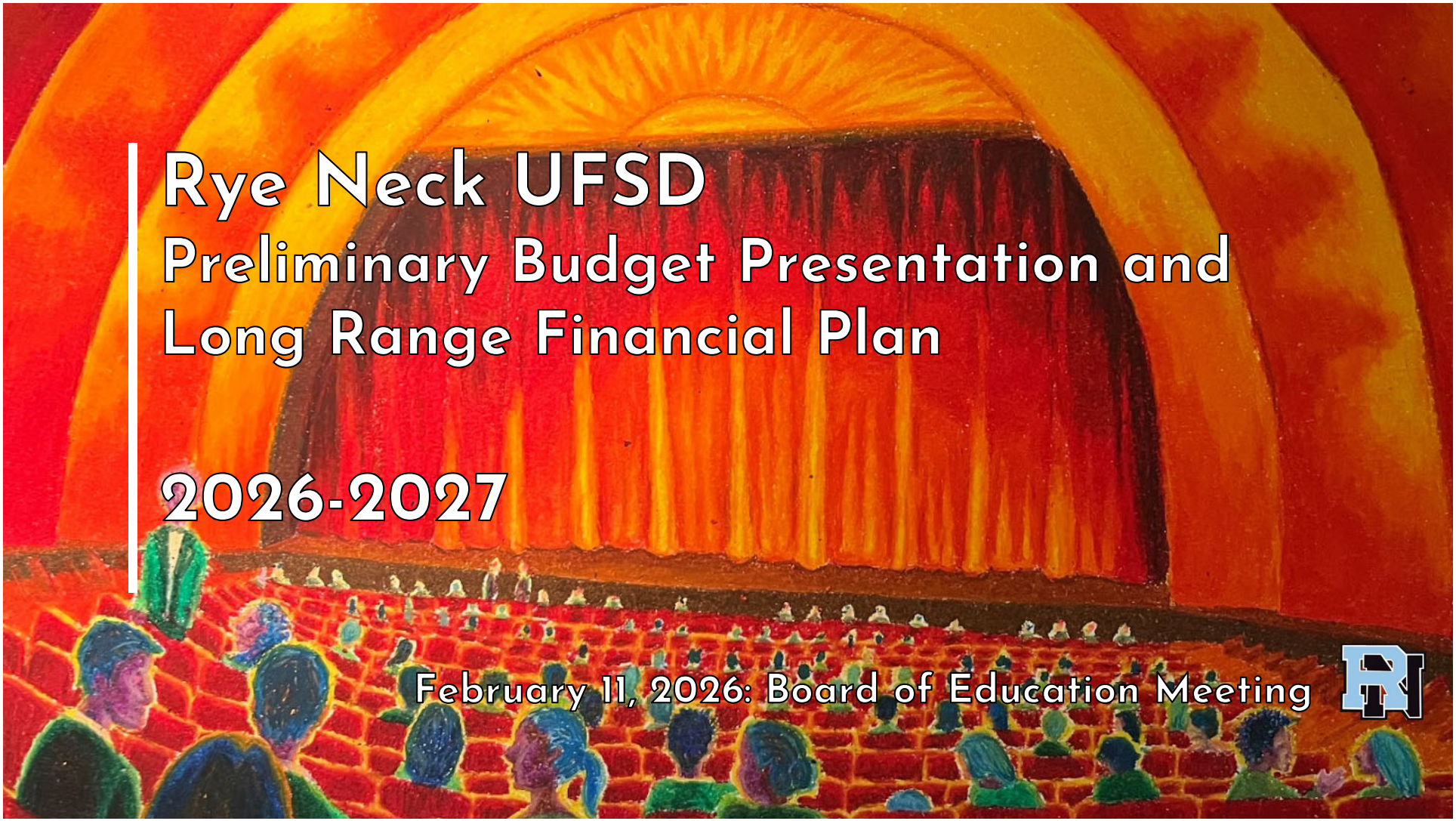

Rye Neck UFSD
Preliminary Budget Presentation and
Long Range Financial Plan
2026-2027
February 11, 2026: Board of Education Meeting

Important 2026-2027 Budget Dates

February 11
Public Budget Discussion

7:00pm, MS/HS
Community Room

March 18
Public Budget Discussion

7:00pm, MS/HS
Community Room

April 21
Public Budget Discussion & Adoption
7:00pm, MS/HS
Community Room

May 6
Final Budget Hearing

9:00am, Daniel Warren
Auditorium

May 19
BUDGET VOTE and TRUSTEE ELECTION
7:00am - 9:00pm, MS/HS Community Room

2026-2027 Budget Goals

Tax Cap Compliance

Propose a tax cap compliant budget

Safety and Security

Uphold the District's security and safety measures

Core Course/ Elective Expansion

Expand the breadth and depth of core course/elective offerings

Class Size

Continue commitment to favorable class size

Maximize Collaboration

Maximize fiscal efficiency through collaborative efforts with parent groups

Extracurricular

Offer extracurricular opportunities that support a comprehensive educational program

2026-2027 Proposed Budget Facts

2.38%

The tax levy increase of 2.38% will be at the tax levy cap

2.44%

% spending is increasing over the 2025-26 school year

$53,828,373

Total budget for the 2026-27 school year

$1,279,962

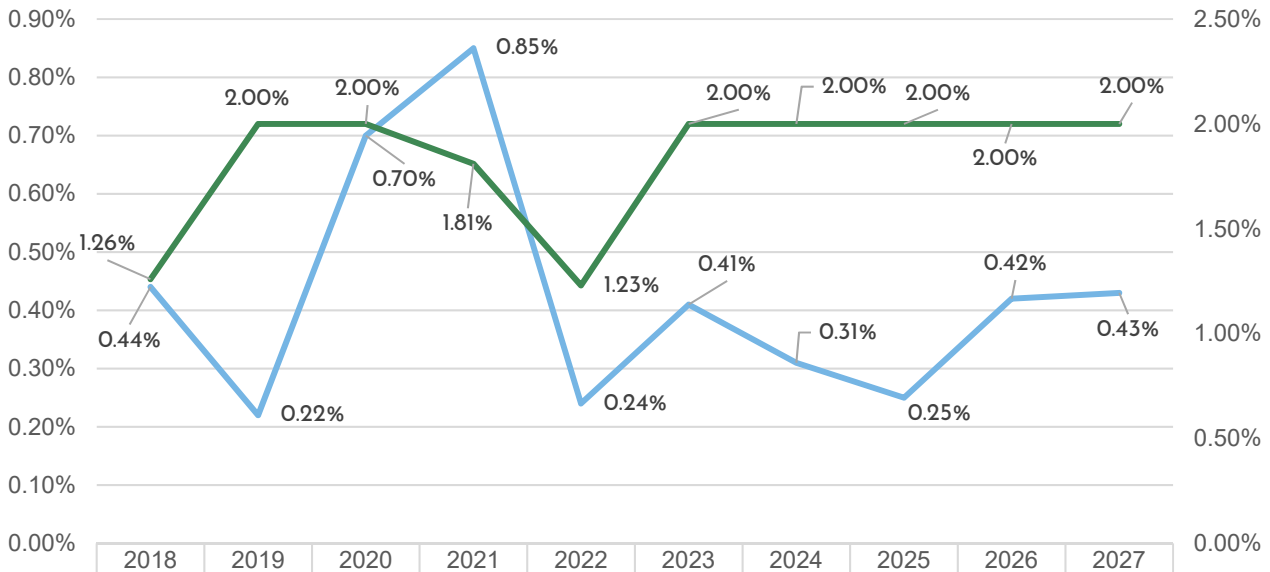
$ spending is increasing over the 2025-26 school year

DRAFT Revenues

Source of Revenue	Budgeted FY 25-26	Proposed FY 26-27	% of the budget	Change in funding	% Change
Appropriated Fund Balance, July 1	**575,000**	**575,000**	1.07%	-	0.00%
(funds used to reduce tax rate)					
Local Sources					
Property Tax *	**44,491,701**	**45,549,118**	84.62%	1,057,417	2.38%
Westchester County Sales Tax	**775,000**	**800,000**	1.49%	25,000	3.23%
State Sources					
Estimated State Aid	**5,305,710**	**5,389,254**	10.01%	83,545	1.57%
Transfers in					
Debt Service Reserve	**150,000**	**100,000**	0.19%	(50,000)	-33.33%
ERS Reserve	**580,000**	**650,000**	1.21%	70,000	12.07%
TRS Reserve	**100,000**	**150,000**	0.28%	50,000	50.00%
Other Sources					
Interest on deposits	450,000	400,000	0.74%	(50,000)	-11.11%
Refund of PY Costs (BOCES, etc.)	70,000	90,000	0.17%	20,000	28.57%
ERate Cat 2 Funding	-	60,000	0.11%	60,000	NM
Miscellaneous	51,000	65,000	0.12%	14,000	27.45%
Total - Other Sources	**571,000**	**615,000**	**1.14%**	**44,000**	**7.71%**
Grand Total	**52,548,411**	**53,828,373**	**100.00%**	**1,279,962**	**2.44%**

** A portion of the property tax levy will be paid by the State in the form of STAR repayments.*

2026-2027 Budget - Tax Cap Components



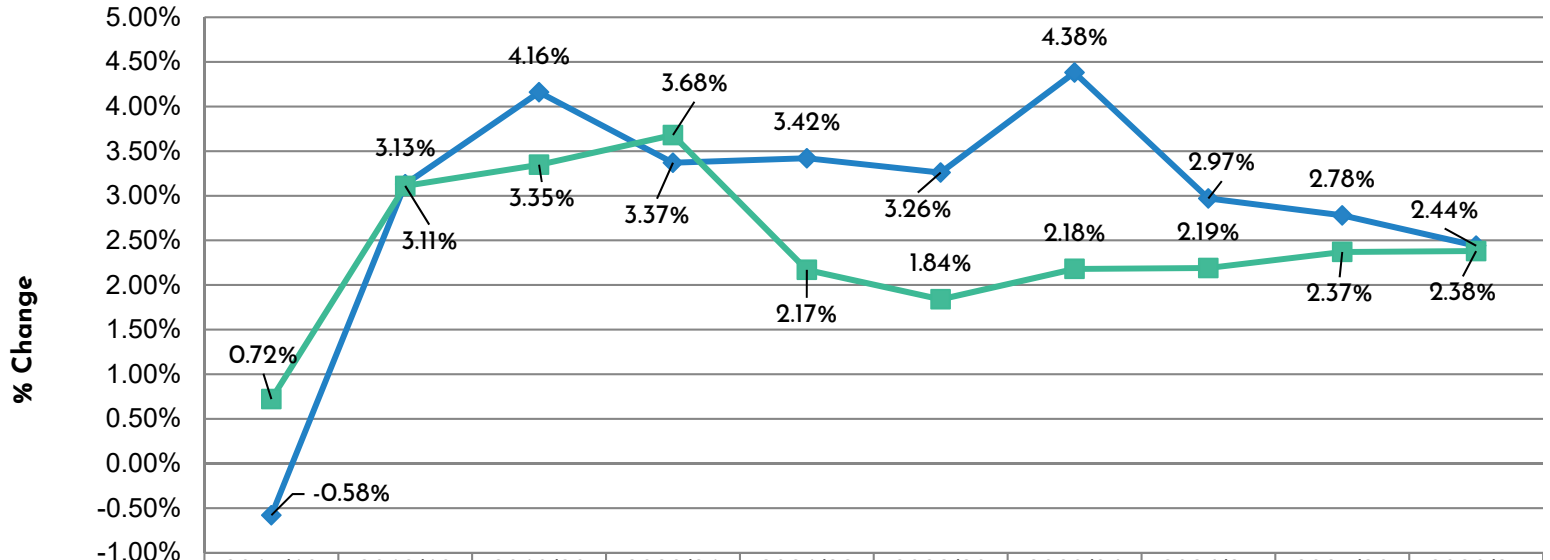
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Tax Base Growth Factor	0.44%	0.22%	0.70%	0.85%	0.24%	0.41%	0.31%	0.25%	0.42%	0.43%
Allowable Levy Growth Factor	1.26%	2.00%	2.00%	1.81%	1.23%	2.00%	2.00%	2.00%	2.00%	2.00%

DRAFT Tax Cap Calculation 2026-2027

- The 2026-27 tax cap is calculated at **2.38%**
  - No exemption for ERS or TRS pension expenses
  - Building Aid rate decreased slightly (33.8% → 31.6%) however there is a year over year increase in aid due to finalized capital projects that will start generating aid in 2026-27
  - Use of Debt Service Reserve = $100K ($50K decrease from prior year)
  - BOCES capital exemption = $35K

	2025-2026 Approved Actual Tax Levy	**$44,491,701**	
(times)	Tax Base Growth Factor (ORPS)	1.0043	
	Total	**$44,683,015**	
	2025-2026 Exemptions (Prior Year)		
(subtract)	Capital Tax Levy (including debt service) (less building aid)	$2,281,523	
(subtract)	BOCES Capital Exclusion	$28,323	
	Prior Year Tax Levy Limit	**$42,373,169**	
	Prior Year Tax Levy Limit	$42,373,169	
(times)	Allowable Levy Growth Factor (lesser of 2% or CPI)	2.00%	
	Current Year Tax Levy Limit	**$43,220,632**	**$847,463**
	(to be submitted to State Comptroller, Commissioner of Tax & Finance & Commissioner of Education by March 1st)		
	Current Year Tax Levy Limit	$43,220,632	
	2026-2027 Exemptions (Current Year)		
(add)	ERS contribution increase greater than 2 percentage points	$0	
(add)	Capital Tax Levy (including debt service) (less building aid)	$2,294,008	
(add)	BOCES Capital Exclusion	$34,478	
	Allowable tax levy prescribed by Chapter 97 of the Laws of 2011	**$45,549,118**	**$1,057,417**
	(with a simple majority vote)		
			2.38%

Tax Cap Levy & Budget History



	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Budget Spending Change	-0.58%	3.13%	4.16%	3.37%	3.42%	3.26%	4.38%	2.97%	2.78%	2.44%
Increase on Total Levy	0.72%	3.11%	3.35%	3.68%	2.17%	1.84%	2.18%	2.19%	2.37%	2.38%

DRAFT Expenses

Expense Category	Budget 2025-2026	Budget 2026-2027	$ Change	% Change	% of 2026-27 Budget
Board of Education/Central Office	$ 2,610,802	$ 2,670,979	60,176	2.30%	4.96%
Employee Benefits	13,034,809	13,480,641	445,832	3.42%	24.64%
Cleaning/Repair, Maintenance & Storeroom	2,523,036	2,487,136	(35,901)	-1.42%	4.58%
Supervision & Security	778,313	601,114	(177,199)	-22.77%	1.83%
Utilities	892,504	934,659	42,156	4.72%	1.73%
Curriculum Development & Instructional Supervision	2,404,925	2,499,200	94,275	3.92%	4.81%
Regular School Instruction & ENL	14,119,920	14,778,184	658,264	4.66%	27.94%
Special Education	5,735,166	6,078,910	343,744	5.99%	10.76%
Library & Media	554,172	577,683	23,511	4.24%	0.96%
Technology	1,356,847	1,530,072	173,225	12.77%	1.73%
Counseling, Health Services, Psychology & Social Wor	2,211,691	2,278,918	67,227	3.04%	4.48%
Co-Curricular & Interscholastic Athletics	1,721,835	1,734,107	12,272	0.71%	2.79%
Transportation	1,023,513	944,818	(78,695)	-7.69%	1.54%
Debt Service	3,060,877	2,708,452	(352,425)	-11.51%	6.20%
Interfund Transfers	520,000	523,500	3,500	0.67%	1.06%
TOTAL	**52,548,411**	**53,828,373**	**1,279,962**	**2.44%**	**100.00%**
Total Salaries	**$ 25,661,161**	**$ 26,611,275**	**950,114**	**3.70%**	**49.44%**

Expense Changes

Health Insurance

Active and Medicare health insurance rates are increasing by a composite rate of 8.77%
- Actives rates +7.83%,
- Retiree Medicare rates +9.87% to +14.77%

Employer Retirement System Contributions

TRS: 9.59% → 8.24%
ERS: 16.50% → 17.60%

Taken together, net pension expenses are estimated to decrease $103K

Special Education Outside Placements and Related Transportation

Fluctuates annually based on placements and routes, transportation assumes estimated 3.0% CPI

Net increase of +$467K
- Five new potential placements
- Changes to existing placements

Can and will change based on placement development

Expense Changes, continued

Staffing and Program Changes

Addition of one new psychologist/social worker to head up the MS/HS in-house therapeutic support program

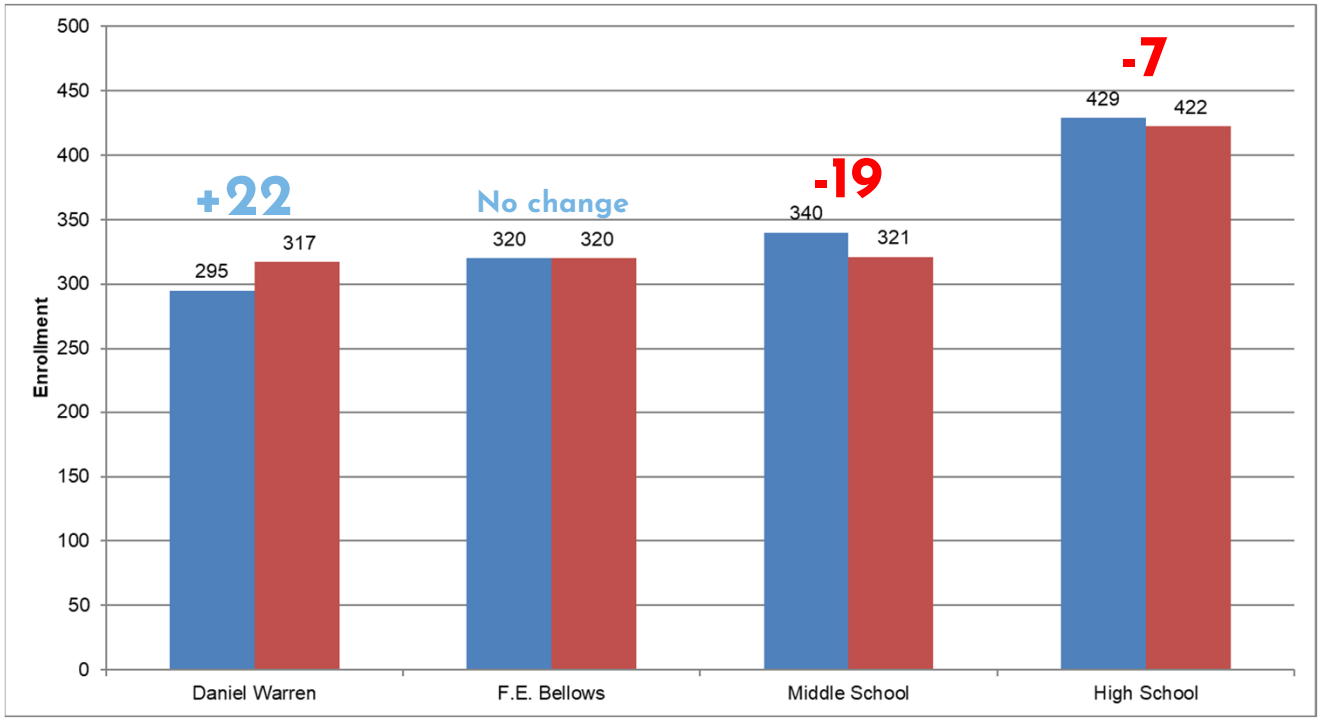
Reallocation of certain security duties to existing district staff

Transfer to Capital

Allocation for capital improvements, renovations and upgrades to the MS/HS electrical system, boiler replacements and repair work in MS/HS gym and Daniel Warren, and HVAC upgrades for Daniel Warren Kindergarten Wing

Funding level of $485,000 (no change from prior year)

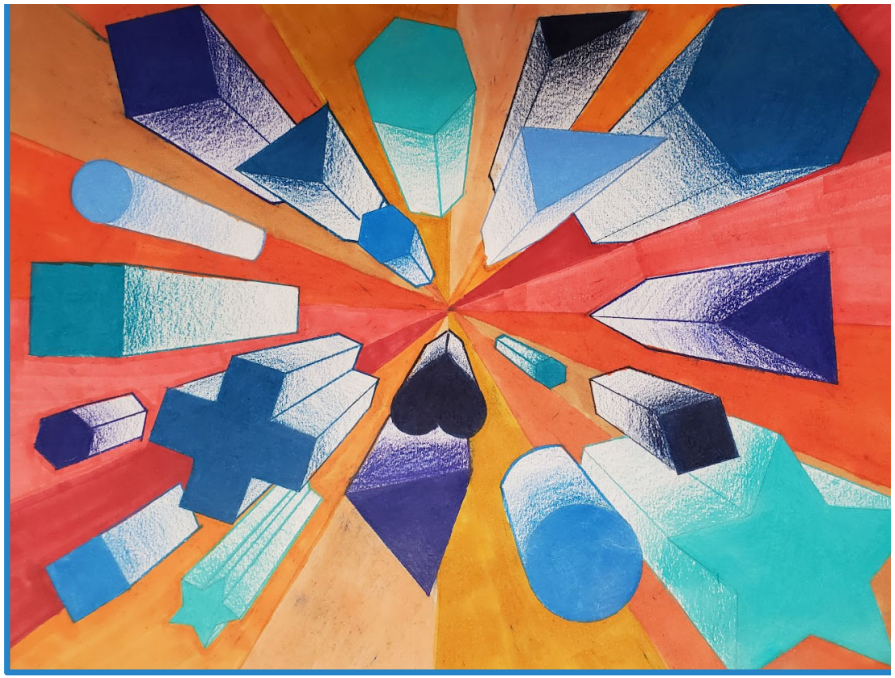
Enrollment Projections



2025-26 Actual Enrollment
1,384

2026-27 Projected Enrollment
1,380

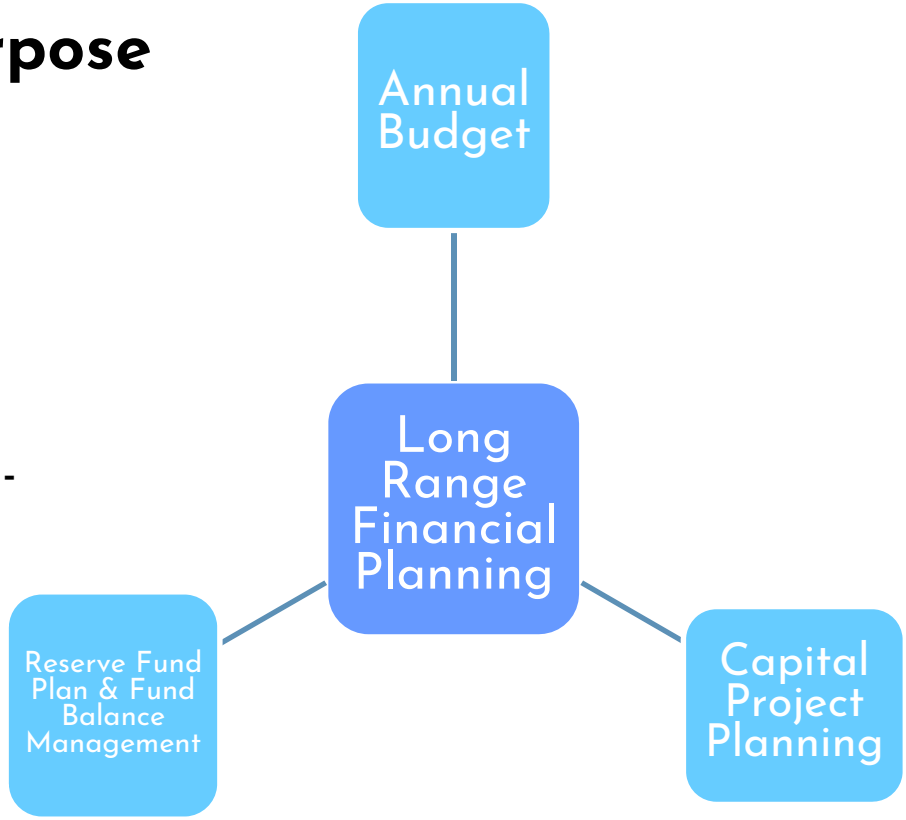
Long Range Financial Plan



Introduction and Purpose

Long Range Financial Planning (LRFP) is a tool to aid in strategic decision making.

The LRFP is presented as a 5-year look-ahead.

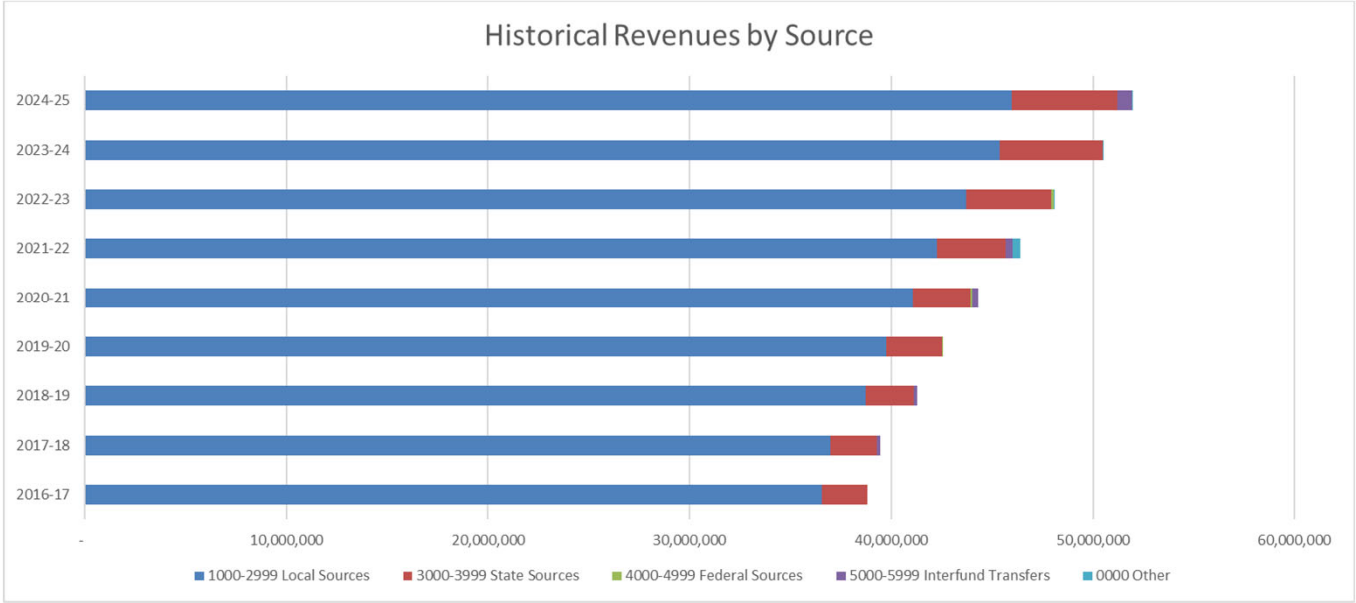


Historical Revenues

Local sources include the tax levy, sales tax, refund of prior year expenses, and interest

State sources represent all state aid

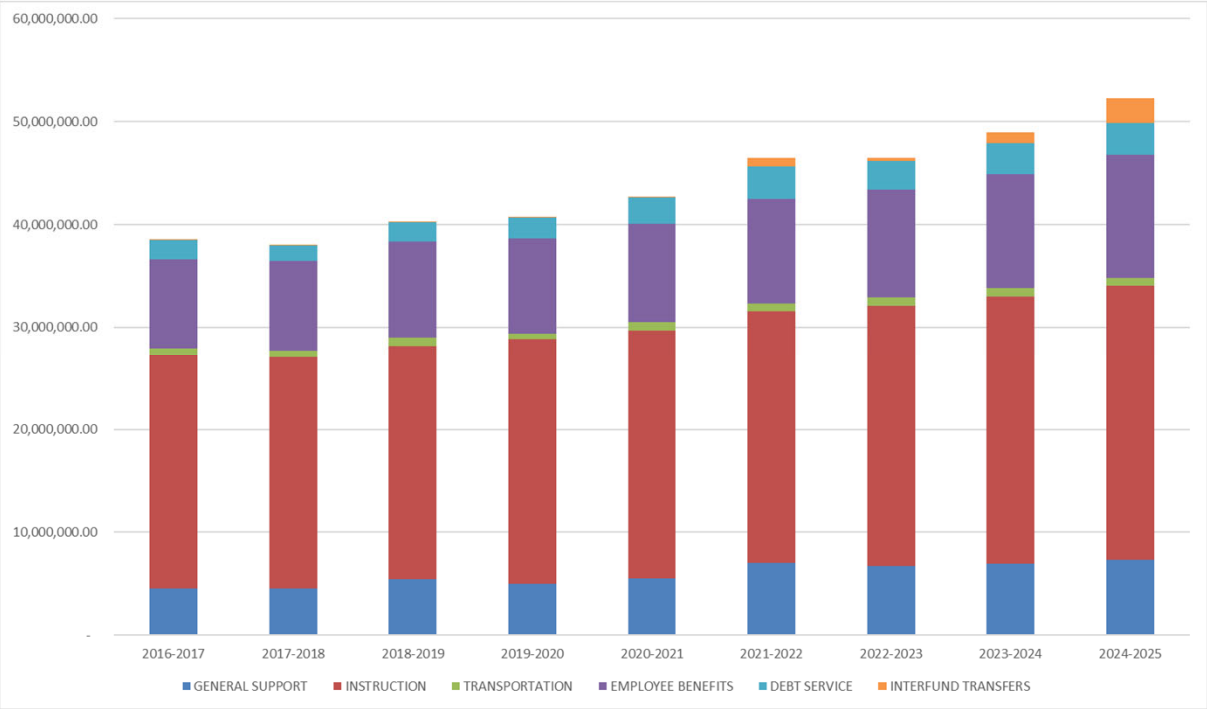
Interfund transfers are transfers in from our reserve funds



Historical Expenses

Instruction makes up the majority of expenses as this includes all school level salaries, services and supplies.

Employee benefits is the next largest expense category.

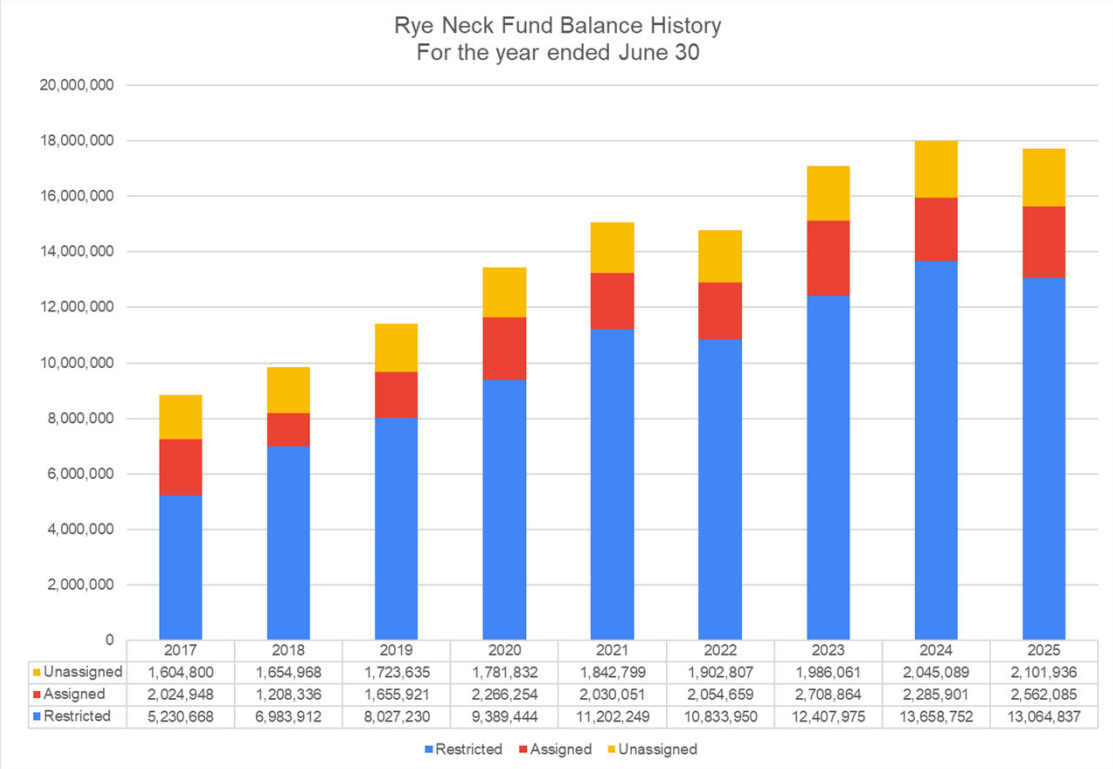


Fund Balance History

Unassigned:
In each of the years presented, 4% of the next year's budget

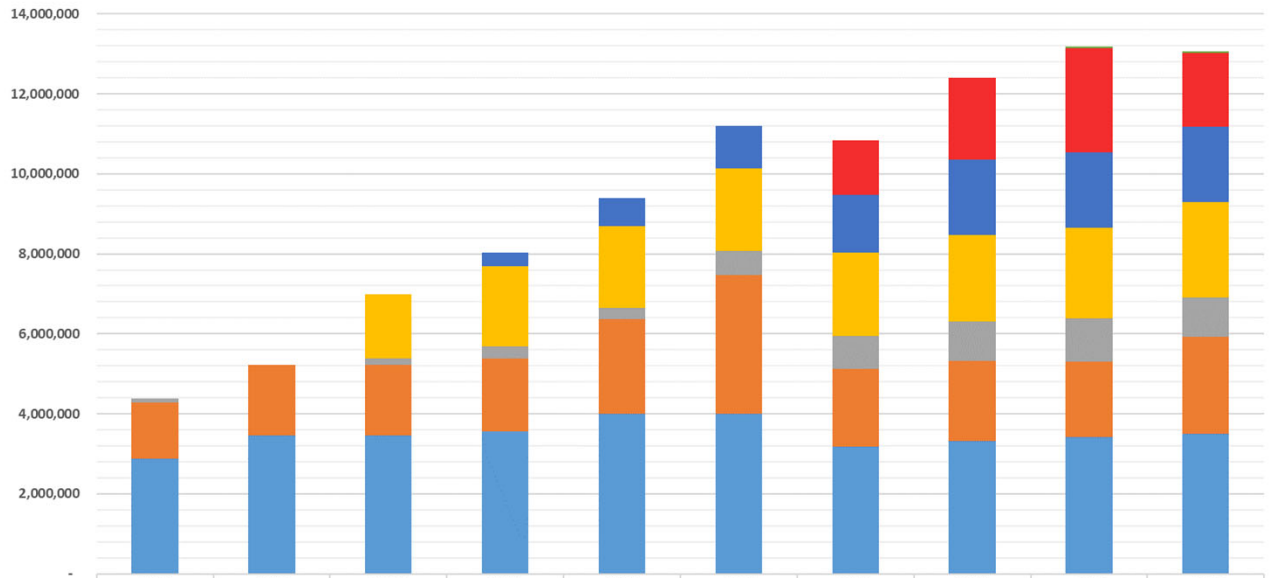
Assigned:
Appropriated fund balance and carryforward encumbrances

Restricted:
Reserve funds



	2017	2018	2019	2020	2021	2022	2023	2024	2025
Unassigned	1,604,800	1,654,968	1,723,635	1,781,832	1,842,799	1,902,807	1,986,061	2,045,089	2,101,936
Assigned	2,024,948	1,208,336	1,655,921	2,266,254	2,030,051	2,054,659	2,708,864	2,285,901	2,562,085
Restricted	5,230,668	6,983,912	8,027,230	9,389,444	11,202,249	10,833,950	12,407,975	13,658,752	13,064,837

Reserve Fund History



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Unemployment Insurance Reserve	-	-	-	-	-	-	-	-	50,000	51,597
2022 Capital Reserve	-	-	-	-	-	-	1,360,359	2,052,367	2,595,893	1,840,983
Reserve for Retirement: TRS	-	-	-	346,000	706,690	1,073,347	1,450,976	1,892,513	1,888,179	1,882,811
Insurance Reserve	-	-	1,603,244	1,998,044	2,025,125	2,065,768	2,069,436	2,150,533	2,266,135	2,374,017
Debt Service Reserve	95,216	-	150,000	295,453	299,458	603,147	821,436	991,435	1,077,235	986,368
Tax Certiorari Reserve	1,406,381	1,771,950	1,771,950	1,834,275	2,359,136	3,459,783	1,952,343	2,007,189	1,888,179	2,436,814
Reserve for Retirement: ERS	2,880,889	3,458,718	3,458,718	3,553,458	3,999,036	4,000,204	3,179,400	3,313,939	3,417,238	3,492,248

Key Factors of Long Range Financial Plan

- ➔ All assumptions are made at a single point in time.
- ➔ Although the factors used can and will change, they still provide a basis for financial decision making.
- ➔ First year (Year 1) projections are based primarily on the District's preliminary 2026-2027 budget.
- ➔ Enrollment trends may impact staffing in either direction.
- ➔ Revenues and expenditures are forecasted and refined as the business office receives more (or more reliable) information.

Revenue Projections

		YEAR ONE		YEAR TWO		YEAR 3		YEAR 4		YEAR 5	
	FY 2026 BUDGET	FY 2027 PROJECTED	PERCENT CHANGE	FY 2028 PROJECTED	PERCENT CHANGE	FY 2029 PROJECTED	PERCENT CHANGE	FY 2030 PROJECTED	PERCENT CHANGE	FY 2031 PROJECTED	PERCENT CHANGE
Local Revenue											
Property Taxes	$ 44,491,701	$ 45,549,118	2.38%	$ 46,681,872	2.49%	$ 47,809,279	2.42%	$ 49,126,316	2.75%	$ 50,218,122	2.22%
Interest and Earnings	450,000	400,000	-11.11%	425,000	6.25%	450,000	5.88%	450,000	0.00%	450,000	0.00%
All Other Local Revenue	896,000	1,015,000	13.28%	1,039,900	2.45%	1,010,576	-2.82%	1,037,051	2.62%	1,064,349	2.63%
Total Local Revenue	**$ 45,837,701**	**$ 46,964,118**	**2.46%**	**$ 48,146,772**	**2.52%**	**$ 49,269,854**	**2.33%**	**$ 50,613,367**	**2.73%**	**$ 51,732,471**	**2.21%**
State Revenue											
Basic Formula Aid	$ 4,705,397	$ 4,722,825	0.37%	$ 4,857,811	2.86%	$ 4,966,934	2.25%	$ 4,955,658	-0.23%	$ 5,022,341	1.35%
Other State Aid	600,313	666,429	11.01%	656,180	-1.54%	674,481	2.79%	693,303	2.79%	712,662	2.79%
Total State Revenue	**$ 5,305,710**	**$ 5,389,254**	**1.57%**	**$ 5,513,991**	**2.31%**	**$ 5,641,415**	**2.31%**	**$ 5,648,961**	**0.13%**	**$ 5,735,003**	**1.52%**
Other Financing Sources	**$ 1,405,000**	**$ 1,475,000**	**4.98%**	**$ 1,525,000**	**3.39%**	**$ 1,545,000**	**1.31%**	**$ 1,415,000**	**-8.41%**	**$ 1,415,000**	**0.00%**
Total Revenue	**$ 52,548,411**	**$ 53,828,373**	**2.44%**	**$ 55,185,763**	**2.52%**	**$ 56,456,270**	**2.30%**	**$ 57,677,328**	**2.16%**	**$ 58,882,474**	**2.09%**

- Property taxes are assumed to be at the cap for each of the five years in the scenario as per the formula, with new debt service for a fall 2026 bond referendum starting in Year 2 moving to permanent financing by Year 4
- Other local revenues include sales tax and other miscellaneous revenue items
- "Basic" State Aid is Foundation, Excess Cost, Building and Transportation, "Other" State Aid is BOCES, materials and hardware
- Other financing sources are transfers in from reserve funds and appropriated fund balance. Appropriated fund balance remains stable throughout the plan.

Expense Projections

		YEAR ONE		YEAR TWO		YEAR 3		YEAR 4		YEAR 5	
	FY 2026 BUDGET	FY 2027 PROJECTED	PERCENT CHANGE	FY 2028 PROJECTED	PERCENT CHANGE	FY 2029 PROJECTED	PERCENT CHANGE	FY 2030 PROJECTED	PERCENT CHANGE	FY 2031 PROJECTED	PERCENT CHANGE
Expenditures											
Salaries	25,661,160	26,629,310	3.77%	27,296,258	2.50%	27,959,017	2.43%	28,860,903	3.23%	29,764,354	3.13%
Benefits	13,034,810	13,480,641	3.42%	14,198,777	5.33%	14,885,115	4.83%	15,602,578	4.82%	16,363,983	4.88%
Equipment and Capital Outlay	294,361	262,750	-10.74%	199,861	-23.93%	199,861	0.00%	199,861	0.00%	199,861	0.00%
Contractual, Supplies and Other	9,977,203	10,223,720	2.47%	10,388,113	1.60%	10,530,305	1.85%	10,606,152	0.72%	10,804,635	1.87%
Debt Service Principal and Interes	3,060,877	2,708,452	-11.51%	2,714,255	0.21%	2,954,965	8.87%	3,253,590	10.11%	3,174,901	-2.42%
Interfund Transfers	520,000	523,500	0.67%	388,500	-25.79%	38,500	-90.09%	38,500	0.00%	38,500	0.00%
Total Expense	**52,548,411**	**53,828,373**	**2.44%**	**55,185,764**	**2.52%**	**56,567,763**	**2.50%**	**58,561,583**	**3.52%**	**60,346,234**	**3.05%**

- Salaries and benefits remain the largest expense sections of the budget, both of which include assumptions for future costs
- Interfund transfer maintains the transfer to capital through Year 2, then falls out to help control expenses
- Debt service assumes new debt related to the Athletic Fields and Renovation projects; BAN in Year 2 and Year 3, moving to permanent funding (Bond) in Year 4
- Benefits will prove the hardest (and most expensive) line items to control

Long Range Financial Plan Summary

		YEAR ONE		YEAR TWO		YEAR 3		YEAR 4		YEAR 5	
	FY 2026 BUDGET	FY 2027 PROJECTED	PERCENT CHANGE	FY 2028 PROJECTED	PERCENT CHANGE	FY 2029 PROJECTED	PERCENT CHANGE	FY 2030 PROJECTED	PERCENT CHANGE	FY 2031 PROJECTED	PERCENT CHANGE
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	-										
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Equipment and Capital Outlay	294,361	262,750	-10.74%	199,861	-23.93%	199,861	0.00%	199,861	0.00%	199,861	0.00%
Contractual, Supplies and Other	9,977,203	10,223,720	2.47%	10,388,113	1.60%	10,530,305	1.85%	10,606,152	0.72%	10,804,635	1.87%
Debt Service Principal and Interes	3,060,877	2,708,452	-11.51%	2,714,255	0.21%	2,954,965	8.87%	3,253,590	10.11%	3,174,901	-2.42%
Interfund Transfers	520,000	523,500	0.67%	388,500	-25.79%	38,500	-90.09%	38,500	0.00%	38,500	0.00%
Total Expense	**52,548,411**	**53,828,373**	**2.44%**	**55,185,764**	**2.52%**	**56,567,763**	**2.50%**	**58,561,583**	**3.52%**	**60,346,234**	**3.05%**
	-										
Surplus/Deficit	**-**	**(0)**		**(0)**		**(111,493)**		**(884,256)**		**(1,463,760)**	

General Fund Projection Summary

The Long Range Financial Plan Summary shows the surplus or deficit as part of the five year financial plan. While Years 1 and 2 are balance, a deficit appears starting in Year 3 and grows through Year 5.

In order to eliminate the projected deficits, Rye Neck must increase revenues, decrease expenditures, or a combination of both options. However it is also important to note that as we get closer to these fiscal years, we will have a better forecast of actual expenses and revenues, so the plan will change.

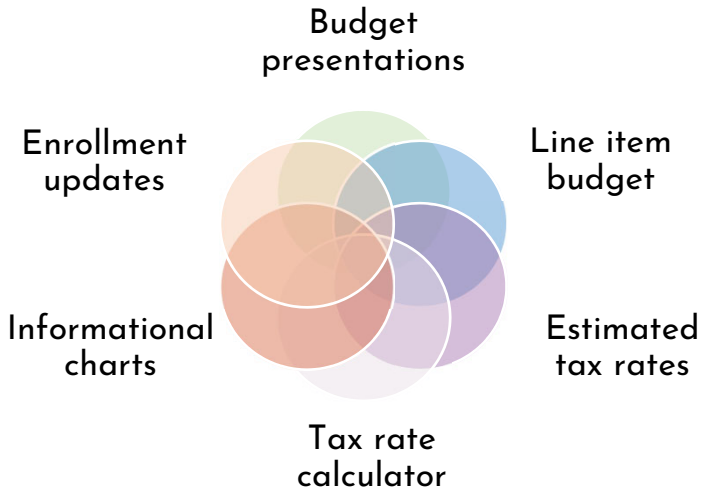
The District has the most control over its expenditures and must consider the projected potential deficits when supporting instruction, negotiating contracts, and planning future project work and programming.

The District is closely following the state's work related to the tax cap formula, state aid calculations and other measures, which can have a significant impact on the annual amount of taxes the district can levy and the amount of State Aid that Rye Neck receives.

Enrollment is another area that can have a significant impact on the overall budget. While current projections show a decreasing enrollment trend, it will be important to monitor enrollment in order to determine future staffing, supplies and materials needs.

2026-2027 Budget: Next Steps

- Additional public budget discussions
- Finalize expense projections
- Finalize revenue projections (state budget adopted & related state aid)
- Tax rate estimates



Please check the district website for budget updates:
2026-2027 Budget Information

Athletic Field & Renovation Referendum Vote

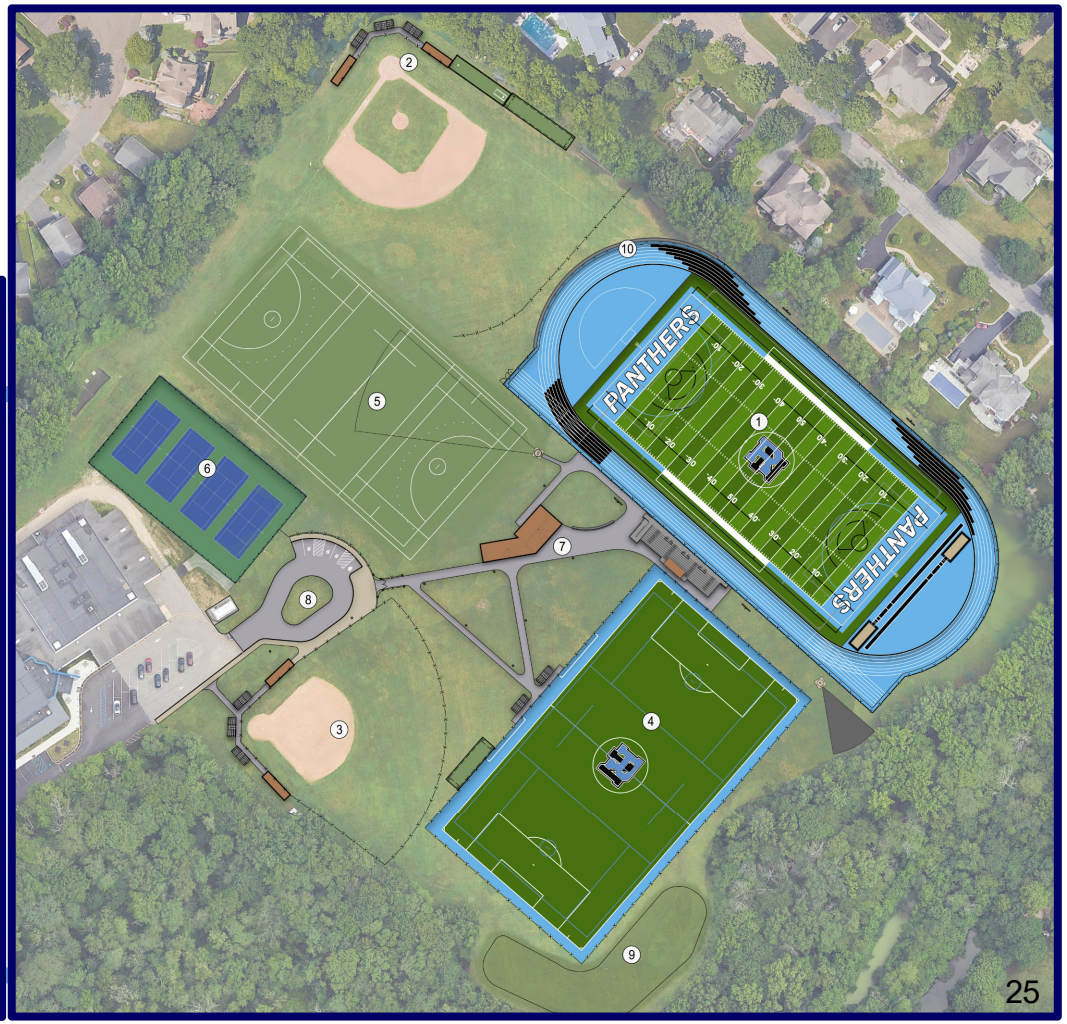
October 1, 2026

Join us for our next livestream on **Wednesday, February 25th at 7:00pm**

Email your questions to **bond@ryeneck.org**

KEYED NOTES

1. Track and Multipurpose Syn. Turf Field
   - 6 Lane Track
   - Throwing Events
   - Grandstand and Pressbox
   - Field Lighting
2. Baseball Field Improvements
   - Dugouts, Backstop, and Bleachers
   - Bullpen and Batting Cage
   - Outfield Fencing
3. Softball Field Improvements
   - Dugouts, Backstop, and Bleachers
   - Batting Cage
   - Fencing
4. Multisport Synthetic Turf Field
   - Bleachers
   - Field Lighting
5. Multisport Natural Turf Field
6. Tennis Courts
   - With Drainage Improvements
7. Concessions Stand and Storage Building
8. Accessible Parking Lot and Drop Off Loop
9. Stormwater Pond
10. Retaining Wall



Athletic Field & Renovation Referendum Vote



Thanks!

Any questions?

Find more budget information at www.ryeneck.org
→ 2026-2027 Budget Information



RyeNeckSchools

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