Budget Workshop: First Draft of Budget

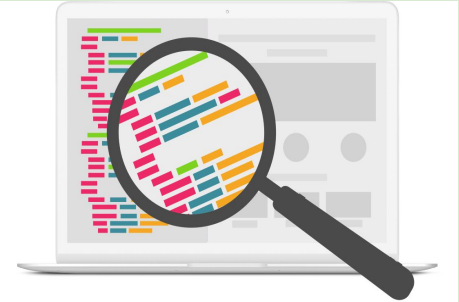
April 6, 2026

Things we know

- Health Insurance
  - OU Health Rate blended increase to District ~ 7.0%
  - Local 74 rate increase ~ 4.5%
- Special Education Service costs and Tuition
  - Increase due to student enrollment
- Contract Transportation for out of district placed students
  - Increase due to student placements
- OU BOCES CoSer Rates
- TRS rate decrease from 9.59% to 8.24%
- ERS average rate increase from 16.5% to 17.6%

Things we’re waiting to find out

- Expenditures:
  - Bus Driver Contract Negotiations
  - Administrator Contract Negotiations
- Revenues
  - Legislative State Aid Runs



Budgeting:

One Time Purchases

Paid from Anticipated Interest Earnings, Fund Balance, & Reserves

RECAP - One-Time Expenses

Potential Capital Project Or End of Year Project (One Time)	$ Budget Additions	
Marquees @ doors and in halls (?) - Communication & Safety	TBD	CP
ES Fire Alarm	~486,100	CP
ES HVAC Control System - Trane	~105,000	CP
MS Paint Hallways, etc.	~200,000	EOY
MS Refinish locker room floors	~70,000	EOY
Vehicle Purchases: 1 - 66 Passenger Bus 1 - Chevy Silverado w/ Snow Plow	 188,745 59,450	 CP CP
PreK Playground	~150,000	EOY

Adding $500,000 transfer to Capital Fund in 26-27

Budgeting:

Ongoing Expense

These items need to be added into the budget

RECAP - Budget Increases / Additions for 26/27:

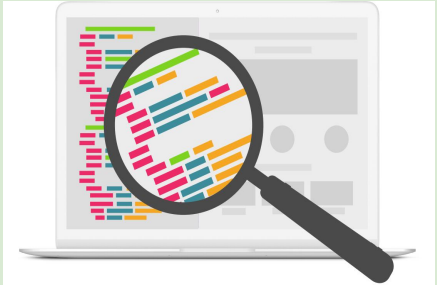
Potential Budget Additions for 26-27 School Year (Ongoing)	$ Budget Additions
Special Education - Additional Service Costs	~260,000
BOCES Contract Transportation Increase	~200,000
Contract negotiations Bus Drivers (exp. 6/ 2026)	TBD
Contract negotiations Administrators (exp. 6/2026)	TBD
High School Tuition, continued integration into budget	~1,000,000
High School CTEC Increase in Participation	~135,000
Vehicle Purchases* 1 - 60 Passenger Bus w/ wheelchair lift 1 - 24C 1 - 30C	 220,030 95,790 105,370

** $162,039 will be offset by remaining Capital Reserve*

Monitoring Revenues and Fund Balance

1 - Spend Down Variances

- One time purchases /end of year every year will be lower



2 - Increase in Interest Earnings

- Due to higher interest rates than budgeted

3 - Appropriated Fund Balance

- Use funds from savings to supplement the Tax Levy

4 - Use of Reserves

- Retirement Contribution Reserve TRS - to offset 26-27 Retirement Contribution
- Capital Reserve - to offset a portion of planned 26-27 Bus Purchases
- Tax Cert Reserve - to align Reserve Balance with actual Tax Cert values received
- Insurance Reserve - Insurance coverage in place of Reserve

#5 - Increase to the Tax Rate

- Projected need for an increase to the Property Tax Rate

Instructional Pre-Buying - Categories

	Student Shared Consumables and/ or Standardized Materials	**Teacher/ Classroom Materials**
History	Added in late 2010's as a way to mitigate costs of back to school supplies for families as well as standardize some student level supplies (i.e. crayons, folders, etc)	Longstanding commitment to allow teachers to buy supplies, materials, etc. for their classroom, customized to their needs. These funds are in addition to building level supply purchases that are accessible to all staff (staples, post-its, copy paper, etc)

Cost increases have resulted in less available funding for these purchases. This can be applied to one aspect, the other, or both. We recommend lowering both to some degree.

Total Funding Available: $~30,000

Current 26-27 Projected State Aid Revenues

Comparison - 25-26 Legislative Budget to 26-27 Executive Budget, dated 1/20/26				
	25-26 Legislative Budget 5/6/25	**26-27 Executive Budget 1/20/26**	**Increase (Decrease)**	**% Change**
Foundation Aid	5,095,270	5,146,222	50,952	1.00%
Universal Pre-Kindergarten	108,000	200,000	92,000	85.19%
BOCES	619,660	1,019,232	399,572	64.48%
High Cost/Excess Cost	16,548	11,254	(5,294)	-31.99%
Private Excess Cost	20,789	22,547	1,758	8.46%
Hardware & Technology	4,542	3,945	(597)	-13.14%
Software, Library & Textbook	47,574	48,835	1,261	2.65%
Transportation	1,363,139	1,291,941	(71,198)	-5.22%
Building	619,587	474,923	(144,664)	-23.35%
High Tax Aid	426,016	426,016	0	0.00%
Supplemental Pub Excess Cost	16,330	16,330	0	0.00%
NY State Aid Projection	8,337,455	8,661,245	323,790	3.88%

- *26-27 Legislative Budget should be released in April 2026*

Status of Reserves

Description	Projected Balance 6/30/26
UNEMPLOYMENT INSURANCE RESERVE	140,500
RETIREMENT CONTRIBUTION RESERVE (ERS)	874
SUB FUND: RETIREMENT CONTRIBUTION RESERVE (TRS)	701,610
RESERVE FOR EMPLOYEE ACCRUAL BENEFITS	540,973
INSURANCE RESERVE	1,079,235
RESERVE FOR TAX CERTIORARI	670,815
REPAIR RESERVE	487,663
RESERVE FOR DEBT	0
CAPITAL RESERVE for BUS PURCHASES (Approved by Voters 2022)	162,039

Use of Reserves

Reserves needed to Balance Budget and to Minimize Tax Impact:

	Description	Projected Balance 6/30/26
entirety	RETIREMENT CONTRIBUTION RESERVE	701,610
entirety	INSURANCE RESERVE	1,079,235
portion	RESERVE FOR TAX CERTIORARI	670,815
Entirety / close it out	CAPITAL RESERVE for BUS PURCHASES	162,039

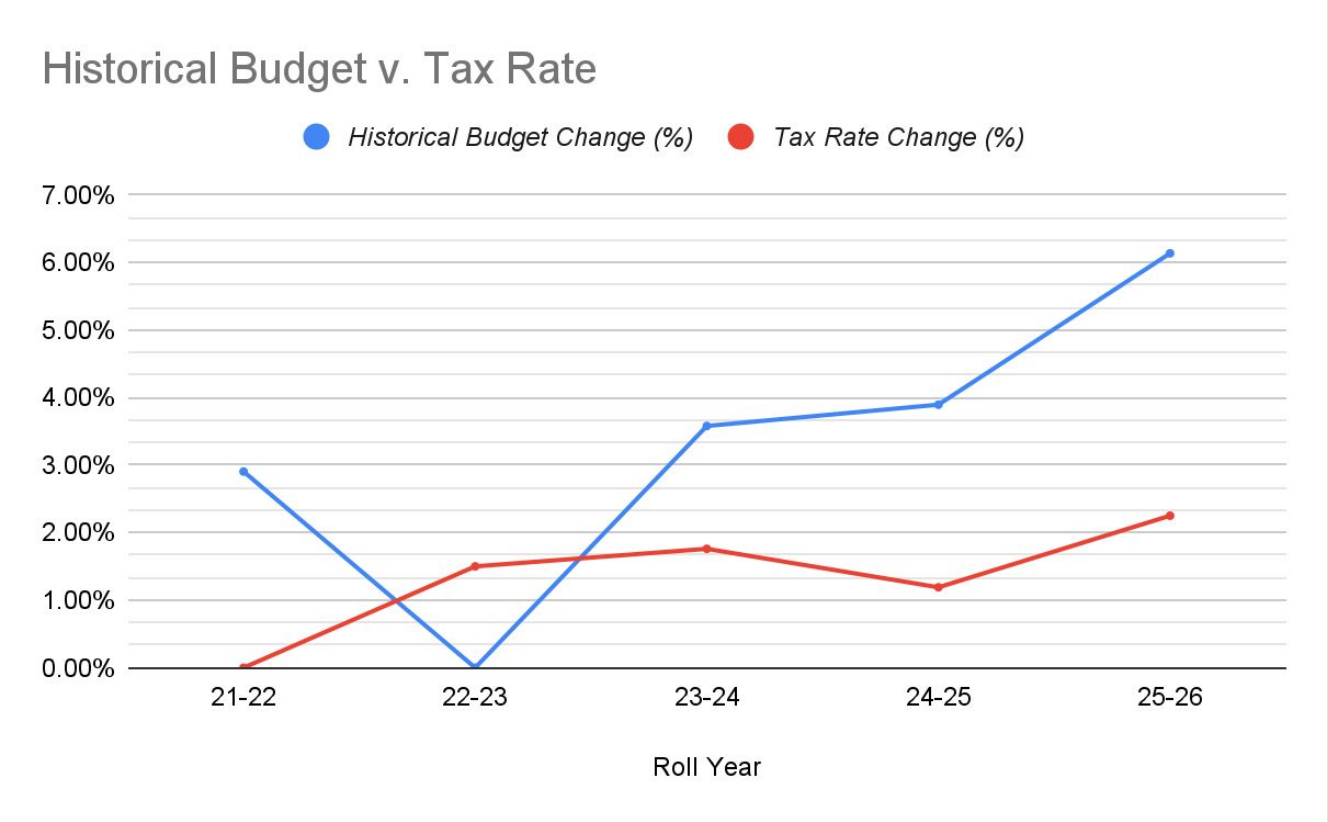
Flood Insurance Premium would be ~ +$20,000 per year for $1M Coverage

Projected Tax Levy 26-27

Property Tax Levy Limit Calculation for 26-27	
Real Property Tax Levy - Prior Year	18,371,273
Increase due to inflation	388,038
Add: Available carryover from prior year	219,722
Add: Capital Tax Levy Exclusion	287,113
Maximum Allowable Tax Levy	19,266,146

Historical Tax Increases			
Roll yr	Tax rate per $1,000 of Assessed Value	Rate Increase	Levy Increase
25-26	172.77	2.25%	2.70%
24-25	168.97	1.19%	2.25%
23-24	166.98	1.76%	1.90%
22-23	164.10	1.50%	1.25%
21-22	161.68	0.00%	0.47%
20-21	161.68	0.59%	0.85%
19-20	160.72	1.13%	1.24%
18-19	158.92	1.42%	1.75%
17-18	156.69	0.12%	0.22%
16-17	156.50	0.66%	0.68%
Less than $17 per $1,000 over 10 year period.			
(<$510 on GWL home assessed at $30,000)			

Need to close the gap between tax rate and budget change.



Projected Tax Levy 26-27

Further Discussion: Target tax levy for 26-27 = $19,266,146

PER $1,000 OF ASSESSED VALUE	TAX RATE INCREASE ($)	TAX INCREASE ($)	ESTIMATED TOTAL COST ($)
10	8.24	84.16	1,811.83
20	8.24	168.31	3,623.67
30	8.24	252.47	5,435.50
40	8.24	336.62	7,247.34
50	8.24	420.78	9,059.17
60	8.24	504.94	10,871.00
70	8.24	589.09	12,682.84
80	8.24	673.25	14,494.67
90	8.24	757.40	16,306.51
100	8.24	841.56	18,118.34

For the average GWL household, this means ~$252.47 increase for the year

($21.04 / month)

**The tax rate does not yet reflect a change in Assessed Values. Town of Warwick Assessor finalizes all property assessments in August.*

Next Steps:



Rollover budget as the basis for the new spending plan

Determine what we can economize on from our existing budget.

Apr 21	BoE Mtg	Final Budget Adoption/BOCES Budget Vote Property Tax Report Card
May 12	Public Hearing	
May 19	BoE Mtg	Budget Vote & Election

Thank You!