SCHOOL BUDGET 101

Funding the Future

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Superintendent

November 4, 2026

GOALS FOR TONIGHT



HOW OUR SCHOOL BUDGET WORKS



WHERE THE MONEY COMES FROM (REVENUE)



HOW FUNDS ARE SPENT (EXPENDITURES)

BREAKING NEWS

WHAT'S NEW?

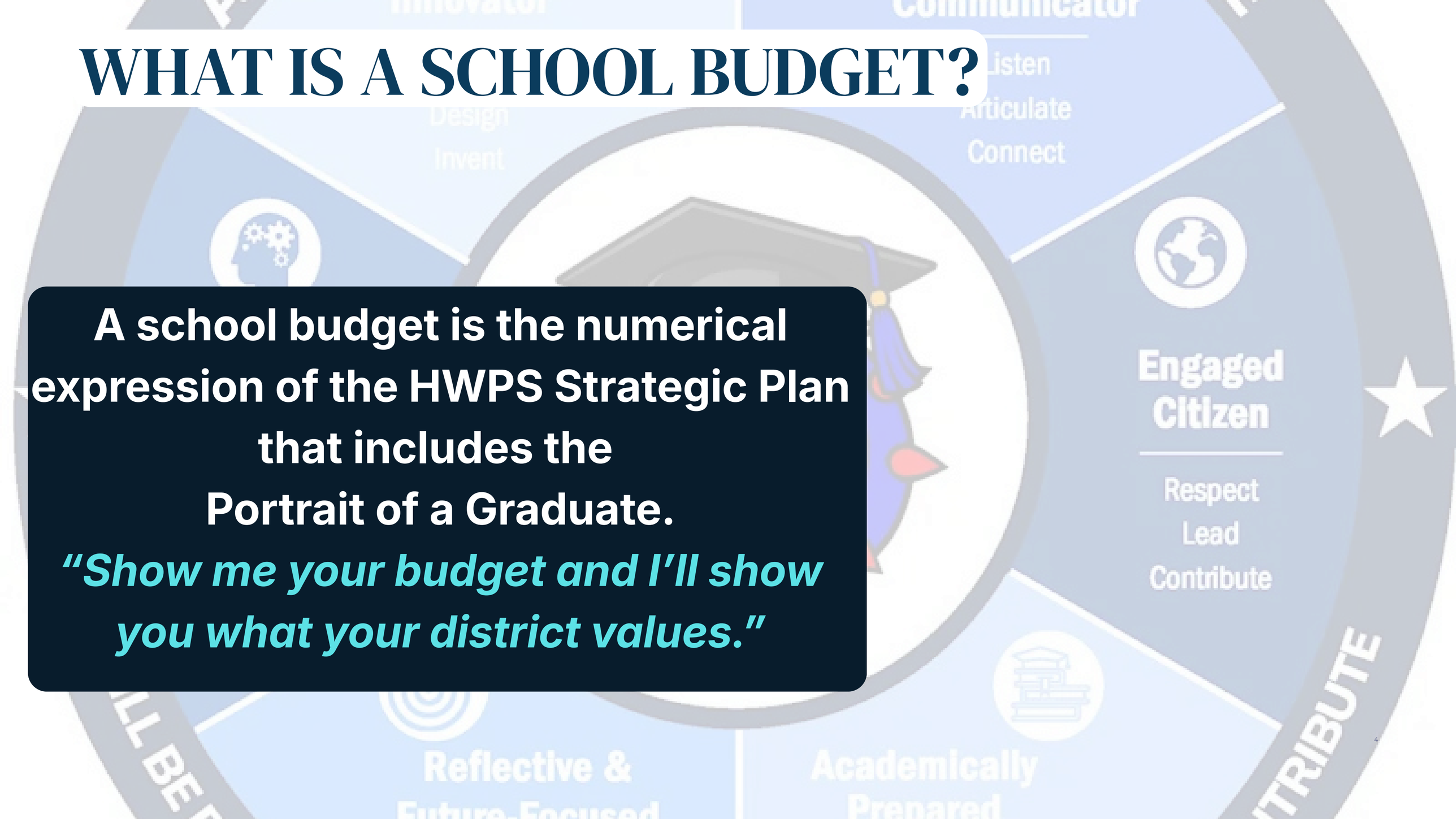
Outlook for 2027 school funding is uncertain due to ongoing state and federal fiscal issues, including potential federal cuts.

The Challenge: NYS funding schools amid declining enrollment, persistent high costs and an outdated funding formula.

WHAT IS A SCHOOL BUDGET?

A school budget is the numerical expression of the HWPS Strategic Plan that includes the Portrait of a Graduate.

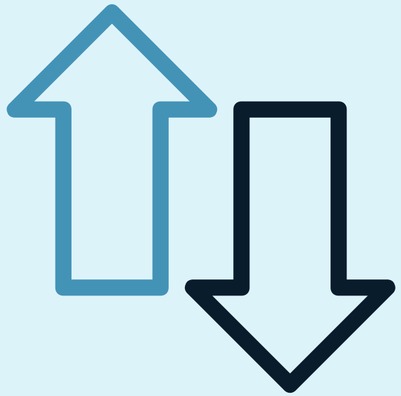
"Show me your budget and I'll show you what your district values."



KEY COMPONENTS OF A SCHOOL DISTRICT BUDGET

Input and Output Theory

REVENUE (what comes in)



EXPENDITURES (what goes out)



THINK OF A SCHOOL BUDGET LIKE A HOUSEHOLD BUDGET

Like the buckets below, the BIGGER costs for a school district are contractual and mandated (salaries, benefits, special education services, transportation, and debt) and are already encumbered in the budget.

You can't skip them to make the month easier!



Your income has a ceiling that you don't control. Your raise may not exceed 2% a year, even though inflation is rising and costs of living are increasing (*tax cap levy vs. actual district budget expenses*).

Due to all of these rising costs and fixed income, a family (or district) that doesn't add a single new thing can STILL FALL SHORT!

EXPENSES ARE EITHER "NEEDS, "WANTS," OR "MUSTS"

Fixed:
Costs we must plan for

Salaries/Benefits
Special Education
TRS/ERS
Debt Service
Transportation
State & Federal Mandates

Variable:
Areas with greater flexibility

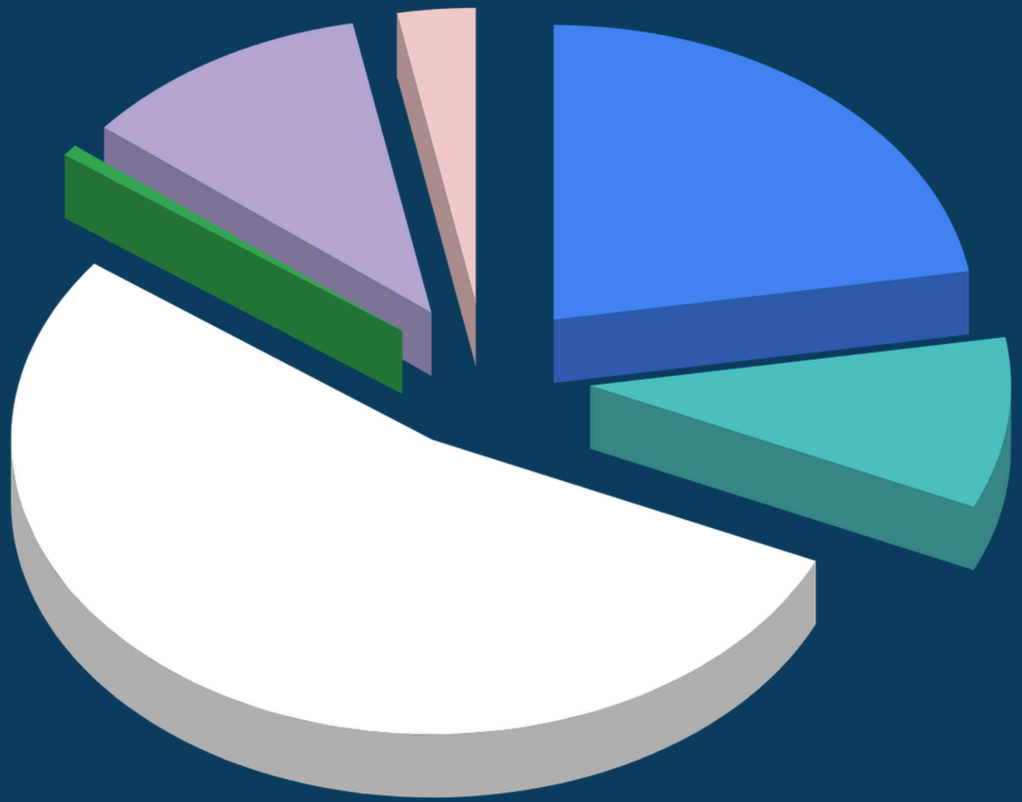
Program Enhancements
Athletics
Technology Upgrades
Clubs
Facilities
Electives

Musts:
Unfunded Mandates

Special Education (IDEA)
English Language Learners
Free and Appropriate Public Education (FAPE)
Health & Safety Compliance
Testing & Accountability (ESSA, NYS Tests)
Non-Public School Student Services
Facility Upgrades (Building Condition Survey)
Data Privacy Compliance
MTSS
Guidance Counselor Support K-12
Electric School Buses
Portrait of a Graduate
Climate Change Education K-12
Personal Finance Literacy K-12

The Big Picture:

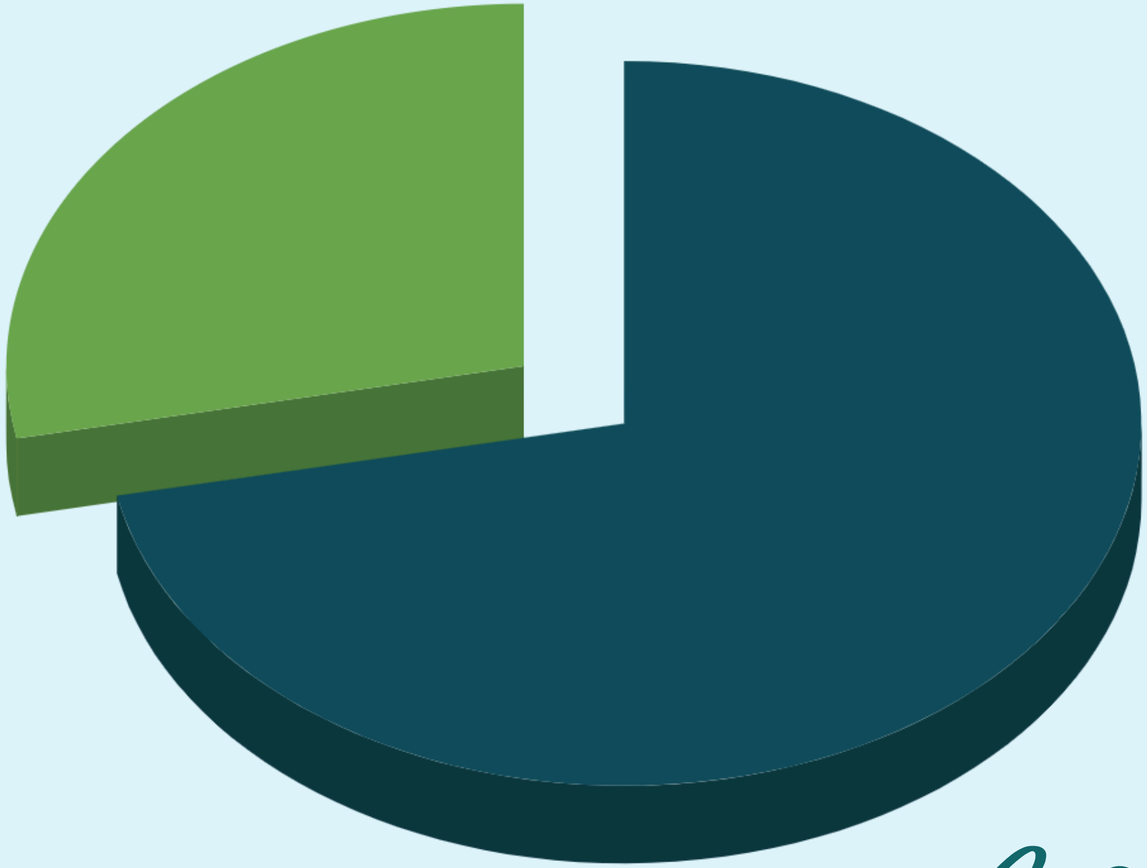
WHERE DOES THE MONEY GO?



INSTRUCTIONAL PROGRAMS - 53.5%
EMPLOYEE BENEFITS - 22.4%
OPERATIONS & MAINTENANCE - 11.2%
TRANSPORTATION - 9.4%
TRANSFERS BETWEEN FUNDS - 3%
COMMUNITY SERVICES - .64%

Budget Drivers: Special Education, Employee Benefits, Transportation, Unfunded Mandates, Contractual Salary Increases, Liability Insurance

SALARIES & BENEFITS VS. ALL OTHER EXPENSES



SALARIES & BENEFITS - 71.8%

ALL OTHER EXPENSES - 28.2%

"Education is a people business!"

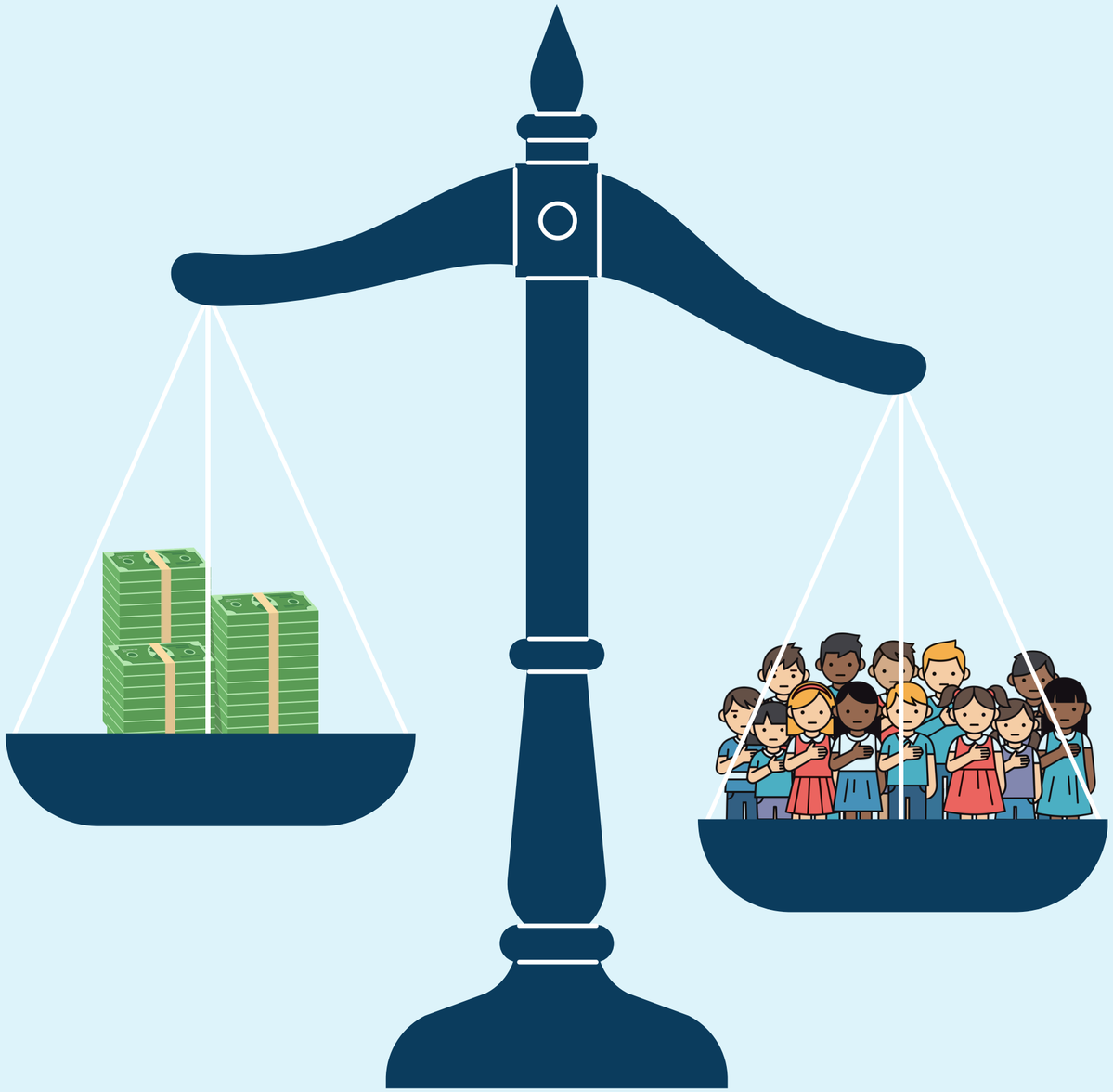
PER-PUPIL EXPENDITURE IS MISLEADING

THE MISMATCH:

THE DOLLARS ARE INCLUDED.

THE STUDENTS AREN'T.

Our budget includes the cost of educating and transporting students in charter schools, special education institutions, out-of-district placements, and non-public schools, even though these students aren't included in projected district enrollment.



NASSAU HERALD ARTICLE ON RISING COSTS

THE COST OF GETTING THERE



$13.7 Million

This figure covers all resident students, whether they attend public or private school.

This is a 24.5% increase from 2025-26

A FIXED COST

We are *required* to provide this transportation, and the cost is built into our budget

WHY DOES THE BUDGET KEEP INCREASING?

Fixed Budget drivers over the past five years

AREA	5-YEAR % CHANGE	5-YEAR $ CHANGE
BENEFITS (TRS/ERS)	39.3%	$6,380,541
TRANSPORTATION	71.3%	$5,540,736
SPECIAL EDUCATION	32.4%	$4,733,177

WHERE THE REVENUE COMES FROM

PROPERTY TAXES/TAX LEVY

Largest revenue source

STATE AID

Foundation Aid + categorical aids (BOCES, Transportation, Building) + Grants

PILOTS

Payments in Lieu of Taxes

OTHER REVENUES

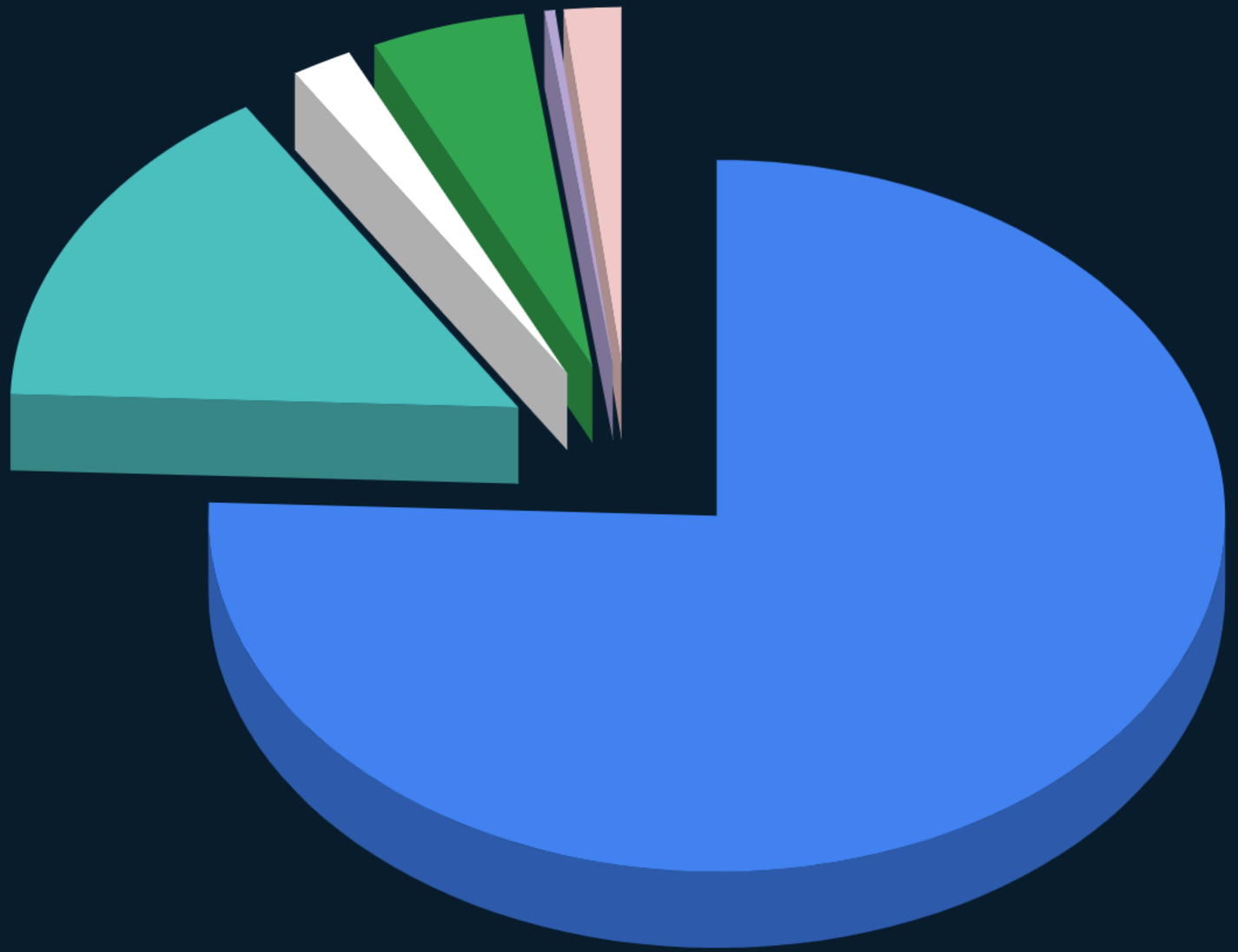
Interest earnings, student fees, tuition from other districts, insurance recoveries, rentals, Medicaid

RESERVES

Savings applied for a specific purpose

2026-2027 BUDGET REVENUE

$149,952,948



TAX LEVY INCLUDING STAR: 75.6%
PROJECTED STATE AID: 15.41%
PROJECTED OTHER REVENUE: 4.91%
PILOTS (INCLUDING LIPA): 1.94%
ERS RESERVE: 1.82%
WORKERS COMP. RESERVE: .33%

THE PROPERTY TAX CAP: LOCKED AT 2%



The Widening Gap

We cannot control every rising cost.
But we must find a way to pay for them.



Tax levy limit

Average Inflation

FISCAL CHALLENGES FOR TAXPAYERS IN HEWLETT-WOODMERE

Lack of Industry/ Business

Tax Assessment/ Tax Certiorari

Tax Exemptions

THE PROBLEM ACROSS NYS

Foundation Aid Calculation last revised:

2015

From 2015 to 2024-25, the Foundation Amount rose:

27%

During this same time period the ACTUAL per-pupil spending

49%

% of New York Districts on save-harmless

78%

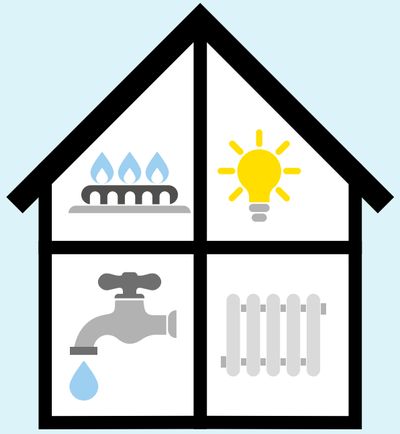
NASSAU'S FOUR TAX CLASSES



CLASS 1
RESIDENTIAL
(1-3 FAMILY HOMES)



CLASS 2
APARTMENTS,
CONDOS, CO-OPS



CLASS 3
UTILITY PROPERTIES
(POWER, WATER)



CLASS 4
COMMERCIAL
INDUSTRIAL

ASSESSMENTS SHIFT WITHIN EACH CLASS: YOUR HOME'S VALUE COMPARED TO OTHER HOMES AFFECTS YOUR PIECE OF THE PIE.

HOW PROPERTY TAX IS DETERMINED

The Analogy: A Group Dinner at Da Nicola

TAX LEVY = TOTAL CHECK

The dinner bill your group needs to pay

ASSESSED VALUE = WHAT EACH PERSON ORDERED

Each person's order represents their assessed property value

TAX RATE = SPLITTING THE BILL

The formula used to determine each person's share (Nassau County)

Tax Levy

The total dollars the district needs to fund its budget: the amount the community votes on

Assessed Property Value

The value assigned to your property for tax purposes

The formula:

Tax Levy ÷ **Your Assessed Property Value** = **Your Taxes**

Remember!

The District votes on the tax levy

Nassau County calculates the tax rate

OUR SAVINGS ACCOUNTS (RESERVES)

- WORKERS COMPENSATION
- UNEMPLOYMENT INSURANCE
- TEACHERS' RETIREMENT SYSTEM
- EMPLOYEES' RETIREMENT SYSTEM
- PROPERTY LOSS INSURANCE
- LIABILITY INSURANCE
- EMPLOYEE BENEFITS ACCRUED LIABILITY
- REPAIR ATHLETIC
- REPAIR NON-ATHLETIC
- LONG RANGE CAPITAL RESERVE*

***Capital Reserve requires voter approval to create and spend**

WHAT IS AN ENDING FUND BALANCE?

A school district's ending fund balance can be compared to the district's savings account.

These are funds that are set aside to deal with the unexpected, such as a natural disaster or other emergency.

School districts have to live within their means, so we have to plan for any and all situations.

POLICY 6145



THE BUDGET DEVELOPMENT PROCESS



FALL
SEPTEMBER, OCTOBER, NOVEMBER

Involve all stakeholders
Align strategic plan to financial planning
Review school and department budgets
Identify additions, reductions
Budget Sessions begin



WINTER
DECEMBER, JANUARY, FEBRUARY

Finalize staffing needs
Finalize salary projections
Finalize benefit costs
Apply tax cap and state aid projections
Align expenditures to projected revenue
First draft of budget sent to BOE



EARLY SPRING
MARCH/APRIL

Budget Sessions continue
Revisions to proposed budget based on BOE input
Public Budget Forum



LATE SPRING
MAY

Annual Budget Hearing
Formal budget presented to community
Budget Newsletters/Notice
Budget vote on third Tuesday in May (NYS requirement)

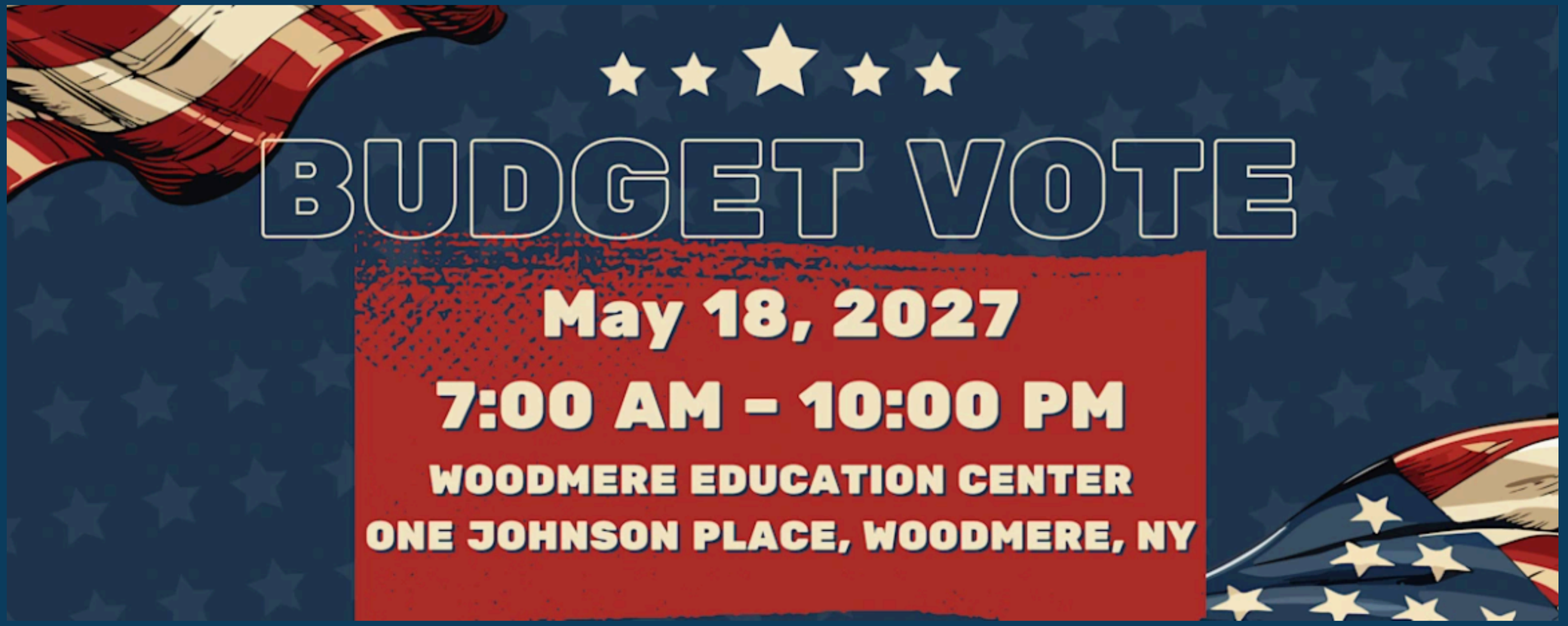
HOW TO GET INVOLVED!

- Attend District Budget Meetings (see next slide!)
- Attend Board Meetings
- Advocate for fair funding from the State
- Educate community members on budget facts
- Share this presentation
- Share voter registration information
- VOTE (and bring a friend!)
- Follow us on Instagram and Facebook!
- NEW: Listen to Ex-officio Board Member Podcast on Budget

BUDGET MEETINGS

DATE	EVENT	TIME	LOCATION
November 4, 2026	BOE Budget Session	6:30 PM	WEC
December 9, 2026	BOE Budget Session	6:30 PM	WEC
January 13, 2027	BOE Budget Session	6:30 PM	WEC
February 10, 2027	BOE Budget Session	6:30 PM	WEC
March 10, 2027	BOE Budget Session	6:30 PM	WEC
March 23, 2027	**Public Budget Forum**	**6:30 PM**	**WEC**
April 21, 2027	BOE Adopts Budget	8:15 AM	WEC
May 5, 2027	Budget Hearing	6:30 PM	WEC
May 18, 2027	**Budget Vote**	**7:00 AM - 10:00 PM**	**WEC**

WHERE TO FIND MORE INFORMATION



New 2027-2028 Budget Website

Questions & Discussion

THANK YOU!

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