

2025-26 BUDGET HEARING SUMMARY - May 6, 2025

PRESENTATION #7

According to NYSED Law, the 3rd Tuesday in May is the standardized voting date for the annual school district budget vote. Additionally, school districts are mandated to meet a number of budget requirements, including the annual school budget hearing. The primary purpose of the budget hearing is to provide the community with a summary of the budget, overview of the process, and another opportunity to provide comments on the upcoming budget, which will be voted on May 20, 2025.

Budget Process:

Before we discuss the details of the board-approved proposed 2025-26 school budget, it is important to explain the budget development process. The development process is an ongoing event, requiring the input and dedication of the faculty, staff, administrators and Budget Committee members before it can be presented to the full Board of Education and public.

Throughout the budget process, we worked closely with many key district personnel and stakeholders to identify the educational and operational needs for potential inclusion in the 25-26 proposed spending plan. One of the initial steps of the team approach to the budget process is to create the budget calendar, which serves as a roadmap, detailing important dates and presentations, to the annual vote – this year on May 20. This calendar is posted publicly in December, included on the district’s dedicated budget page on our website.

This January, we started reviewing the rollover budget with the Board of Education and the Budget Committee. Over the next few months, we continued to meet with various administrators, department leaders and staff to discuss programs, personnel and recurring expenses. Once the preliminary data was received, we collaboratively developed a spending plan for the next school year that meets the needs of the district while being fiscally responsible.

In February, we presented the Non-Instructional Budget for 2025-26, followed by the Instructional Budget presentation in March, both during the respective Board of Education meetings. The projected revenues were presented at the April 8th Board of Education meeting. Regarding revenues, since the State was once again delinquent in meeting their budget deadline

prior to the district budget adoption date, the district had to use estimates in regard to State Aid.

It is important to note that the public is voting on the educational spending plan and not the revenues, tax levy or tax rate. Finally, the full proposed budget was presented to the Board of Education on April 22nd and formally adopted at the same meeting. In all, including tonight's hearing, there have been 7 public presentations made to the Board.

Budget Summary:

The Total Budget: \$51,143,999 compared to the current budget of \$50,187,013. This represents a 1.91% increase over the current budget or a total dollar increase of \$956,986.

The required breakdown of the budget into three components includes:

1. Program = 75%
2. Capital = 15.8%
3. Administrative = 9.2%

Instructional Budget

Instructional Budget is \$24,607,712 and this is a .08% decrease over the current year or a -\$20,574 decrease.

The instructional budget represents approximately 48% of the total budget and includes salaries, equipment, supplies and materials, contractual obligations and BOCES services.

- There are five major sections to the Instructional Budget and they include:
 1. Instruction, Administrative Improvement
 2. Teaching Regular School (K-12)
 3. Special Apportionment Programs (Programs for Special Education Students, Occupational Education, Special School)
 4. Instructional Media (Library and Computer Aided Instruction)
 5. Pupil Personnel Services (Attendance, Guidance, Health Services, Psychological Services, Social Work Services, Co-Curricular and Interscholastic Athletics)

Non-Instructional Budget

The Non-Instructional Budget consists of 4 categories:

1. General Support (Central Office, Business Office, Facilities & Grounds)
 - a. \$5,007,737

- b. 9.8% of Full Budget (less than prior year)
 - c. Increase of \$23,839 or (0.48%)
- 2. Transportation
 - a. \$2,245,032
 - b. 4.4% of Full Budget
 - c. Increase of \$11,282 or 0.51%
- 3. Employee Benefits (Health & Dental Insurance, ERS, TRS, Social Security, Worker's Compensation, Unemployment)
 - a. \$15,284,558
 - b. 29.9% of Full Budget
 - c. Increase of \$1,249,078 or 8.9%
- 4. Debt (Capital Payments)
 - a. \$3,998,960
 - b. 7.8% of Full Budget
 - c. Decrease of \$306,640 or -7.12%

The Non-Instructional Budget is made up of salaries, equipment, supplies and materials, contractual services and BOCES services.

Budget Highlights & Drivers

The 2025-26 budget adopted by the BOE sustains prior investments and academic programming without exceeding the maximum allowable tax cap. The district faced many challenges throughout the development of the 2025-26 budget process, including: a late NYS budget, reduced State Aid and historically high health insurance rates resulting in \$1.4M of increased costs. The preceding challenges presented the district with a \$3.1M deficit at the delivery of the Rollover Budget. The teamwork approach with input from stakeholders analyzed every budget code across all departments to find appropriate reductions. Timing was essential to this process as the district was able to leverage 11 retirements and declining enrollments (.5% per year over 10-years) to right-size staffing and reduce approximately \$1.2M of payroll. Another \$575,000 of the deficit was reduced or deferred to a future budget year after careful review of all materials, supplies and equipment. Reduction of staffing and lowered initial estimates reduced Benefits by \$800,000. The remaining deficit was eliminated through increased use of reserves and implementing additional Title grant funding.

Revenue

The projected tax levy for 2025-26 is anticipated to be a 3.11% increase, which once again this year does not exceed the tax cap limit for our district. The projected tax levy will be \$28,333,107 and an increase of Tax Levy revenue of \$855,906. Additional revenues include:

\$19,987,892 (a decrease of \$112,651) in estimated State Aid; \$1,803,000 in Other, Rent, Tuition and Miscellaneous Revenue; and \$1,020,000 in appropriated fund balance and reserves.

Propositions:

The budget vote will be held on May 20, 2025 at the HS Gymnasium from 8AM-9PM. Absentee ballots are due 5PM the same day.

There will be **TWO** propositions for voters to consider:

1. Approval of the 2025-26 Budget for \$51,143,999
2. Approval to purchase 3 large buses and 1 small buses for \$650,006.

Board of Education Election:

Voters will also be asked to fill **THREE** Board of Education seats that are up for election, which includes three seats due to expired terms and one seat from a vacancy.

Running for those seats in the order they will appear on the ballot are: Elizabeth Phillips, Matthew Nelson and Meghan Lafferty Brown.

The three candidates with the highest number of votes will join the Board of Education for 3-year terms starting 7/1/2025.

Communication:

Finally, the district has made the budget documents, which includes the details of the full budget available online, in all the main buildings and at the public libraries in North Chatham, Valatie and Kinderhook. The school budget notice form will be sent out this week with the annual Budget Newsletter, which will provide a summary of the budget and the STAR savings – along with specific budget information.

mjb/5.6.25