



# 2024-25 General Fund Budget Update

*April 2, 2024*

## Next Steps (from March 19 meeting):

- Meet with the Board on April 2 to present:
  - Revised Capital, Administrative, Program, and Revenue budgets based on discussions on March 19 and any additional variances in expenditures and revenues
  - The SW BOCES Administrative Budget proposal
- Update the *District Budget Information* webpage
- Discuss budget impact with Administrative Council
- Provide updated communications to faculty, staff, and community
- Continue the development of long-range plans including the management of our reserves
- *Adjust the Board meeting calendar to allow for additional meetings for discussion of proposals*

# Significant Budget Deficit:

*How Did We Get Here?*

# Major *Expenditure* Challenges for the 2024-25 Budget

- Staffing based on student needs and current labor contracts (estimated increase of \$965,000, down from \$1,650,000)
  - *Increase* includes
    - \$576,000 of staffing costs previously paid for with COVID federal funds
    - 38 additional staff members since 2019-20
  - *Decrease* from 3/19 due to reductions in current staffing, retirements, and keeping vacant positions unfilled
- Services to students with disabilities (estimated increase of \$1,100,000, down from \$1,290,000)
  - *Increase* due to students added after 2023-24 budget approval, settlement agreements, and contingent costs based on prior experience
  - *Decrease* from 3/19 due to refinements in programming for students

# Major *Expenditure* Challenges for the 2024-25 Budget

- Health care costs for active and retired employees (estimated increase of \$195,000, down from \$210,000)
  - Decrease from 3/19 due to reductions in staffing and refinements of plans
- Employee retirement contribution rates (estimated increase of \$165,000, down from \$200,000)
  - Decrease from 3/19 due to reductions in staffing and refinements of calculations based on projected contribution rates
- Inflationary increases to transportation, security, custodial, utilities and other contractual costs (estimated increase of \$123,000, down from \$150,000)
  - Decrease from 3/19 due to reductions in staffing
- Debt service on capital projects (estimated increase of \$126,000)
- Instructional materials to support new reading and mathematics curricula (estimated increase of \$100,000)
- General liability and property insurance premiums (estimated increase of \$37,000)

**= + \$2,811,000**

# Major Revenue Challenges for the 2024-25 Budget

- A projected *budget-to-budget decrease* of
  - \$2,023,186 in state aid
    - Additional aid *may* be included in the final NYS Budget
  - \$290,000 in interest earnings
  - \$75,000 in sales tax receipts

**= (\$2,388,186)**

# The Preliminary 2024-25 Administrative Budget

Current Year	2024-25 (from 3/19/24)	Change
\$6,198,644	\$6,400,024	3.25% +\$201,380

  

Current Year	2024-25	Change
\$6,198,644	\$6,265,024	1.08% +\$66,825

## Changes from 3/19/24 presentation:

- Reductions in staffing and associated benefits
- Refining estimates and projections

# The Preliminary 2024-25 Capital Budget

Current Year	2024-25 <i>(from 3/19/24)</i>	Change
\$6,826,657	\$7,314,838	7.15% <b>+\$488,181</b>

  

Current Year	2024-25	Change
\$6,826,657	\$7,211,794	5.64% <b>+\$385,137</b>

## **Changes from 3/19/24 presentation:**

- Reductions in staffing and associated benefits
- Reductions in contracted staff
- Refining estimates and projections



# The Preliminary 2024-25 Program Budget

Current Year	2024-25 (from 3/19/24)	Change
\$42,179,934	\$45,261,312	7.31% <b>+\$3,081,378</b>

Current Year	2024-25	Change
\$42,179,934	\$44,654,500	5.87% <b>+\$2,474,566</b>

## Changes from 3/19/24 presentation:

- Reductions in staffing and associated benefits
- Addition of special education staff and intervention staff
- Refining estimates and projections

# Proposed Expenditures Summary

March 19, 2024

Expense Category	Current Year	2024-25 (from 3/19/24)	Change	
<b>Administrative</b>	\$6,198,644	\$6,400,024	3.25%	<b>+\$201,380</b>
<b>Capital</b>	\$6,826,657	\$7,314,838	7.15%	<b>+\$488,181</b>
<b>Program</b>	\$42,179,934	\$45,261,312	7.31%	<b>+\$3,081,378</b>
<b>Total</b>	\$55,205,235	\$58,976,174	\$3,770,939	6.83%

April 2, 2024

Expense Category	Current Year	2024-25	Change	
<b>Administrative</b>	\$6,198,644	\$6,265,469	1.08%	<b>+\$66,825</b>
<b>Capital</b>	\$6,826,657	\$7,211,794	5.64%	<b>+\$385,137</b>
<b>Program</b>	\$42,179,934	\$44,654,500	5.87%	<b>+\$2,474,566</b>
<b>Total</b>	\$55,205,235	\$58,131,763	\$2,926,528	5.30%

# Preliminary Revenues

Revenue Source	2023-24 Adopted	2024-25 Preliminary	Variance	
			\$	%
<b>Property Taxes</b>	42,615,325	TBD	TBD	<b>TBD</b>
<b>State Aid</b>	8,870,382	8,897,871	27,489*	0.31%
<b>Tuitions</b>	870,000	1,093,500	223,500	25.69%
<b>Sales Taxes</b>	925,000	975,000	50,000	5.41%
<b>Health Services</b>	582,000	582,000	0	0.00%
<b>Interest</b>	350,000	400,000	50,000	14.29%
<b>Other</b>	314,323	314,323	0	0.00%
<b>Appropriated Reserve</b>	678,205	550,000	-128,205	-18.90%
<b>Total</b>	<b>55,205,235</b>	<b>57,132,632</b>	<b>1,927,397</b>	<b>3.49%</b>

# Impact of Current Budget Design

After adjustments to expenditures and revenues presented on March 19:

- A tax levy increase of 4.28% (our estimated tax cap) would provide an estimated \$1,823,936 in revenue and would require expense reductions and increased revenues totaling **\$881,782**
  - A tax levy increase of 4.00% would provide an estimated \$1,704,613 in revenue and require additional expense reductions and increased revenues totaling **\$999,132**
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- A tax levy increase of 3.00% would provide an estimated \$1,278,460 in revenue and require additional expense reductions and increased revenues totaling **\$1,425,285**
  - A tax levy of 0% would require expense reductions and increased revenues totaling **\$2,703,745**

# Estimated Impact of Tax Levy on Tax Rate

*Current Tax Rate = \$20.86 (\$20.8590)*

<b>Proposed Tax Levy Increase</b>	<b>Estimated Tax Rate*</b>
4.28%**	\$20.71
4.00%	\$20.65
3.50%	\$20.55
3.00%	\$20.45

*\*Final tax rate is determined by the Town of Greenburgh*

*\*\*District tax cap for 2024-25. Any increase above this would require a 60% supermajority vote in favor of the budget by the community.*

## Tax Cap Calculation (based on NYS formula)

Prior Year Tax Levy		\$42,615,325
x	Tax Base Growth Factor	x 1.0140
		\$43,211,940
-	Allowable Exclusions for Previous Year	- \$949,541
		\$42,262,399
x	Lessor of CPI* (4.12%) or 2%	+ \$845,248
Tax Levy Limit		\$43,107,647
+	Allowable Exclusions for Current Year	+ \$1,329,641
<b>Maximum Allowable Tax Levy (4.28% Increase)</b>		<b>\$44,437,288</b>

\*CPI = Consumer Price Index

# Historical Trend of Budget and Tax Levy Increases

Year	Budget-to-Budget	Tax Levy	Allowable Tax Levy Cap
2015-16	2.20%	2.20%	2.50%
2016-17	1.00%	0.00%	0.00%
2017-18	1.70%	2.50%	3.30%
2018-19	3.98%	0.97%	3.69%
2019-20	3.76%	2.80%	4.04%
2020-21	1.25%	3.87%	3.87%
2021-22	4.17%	2.86%	2.86%
2022-23	4.79%	0.48%	2.84%
2023-24	7.45%	3.59%	5.02%
2024-25 <i>(proposed)</i>	N/A	N/A	4.28%
10-year average	3.37%	2.14%	3.24%

## Next Steps:

1. Update Revenue Budget once NYS Budget is adopted
2. Continue to reduce expenditures to close the remaining gap
3. Monitor student enrollment in general and special education
4. Review adjustments with the Board's finance committee on April 9
5. Update the *District Budget Information* webpage
6. Provide updated communications to faculty, staff, and community
7. Meet with the Board on April 16 to present revised budget and possible adoption (April 24 is deadline)
8. Continue the development of long-range plans