



Mechanicville City School District

2025-26 Budget Proposal

April 22, 2025

Special Board of Education

Meeting





Mechanicville City School District

Mechanicville CSD Priorities & Values



DISTRICT PRIORITIES



CULTURE



STUDENT PERFORMANCE



DISTRICT FACILITIES



COMMUNICATION



FISCAL RESPONSIBILITY

Budget
Development &
Considerations



Mechanicville City School District

- Goals for this Evening
 - ✓ To present a clear and accurate fiscal & budget understanding
 - ✓ To have the BOE adopt the proposed 2025-26 budget
 - ✓ To debunk or clarify latest myths



Mechanicville City School District

Tonight's Discussions

- ✓ Revisit Proposed Budget
- ✓ Budget Highlights
- ✓ Three Part Budget – Administration, Program,
Capital Breakdown
- ✓ Property Tax Report Card
- ✓ Contingency Budget



Mechanicville 2025-26 Budget Planning Process to Date

- District, building administration and key personnel evaluate current and future programs to determine what is the best for students;
- Range of topics and initiatives including but not limited to:
 - Student needs: Enrollment, academic supports, etc.
 - Non-instructional: Facilities, Transportation, Equipment, etc.
 - Cost Increases: Contractual, Insurance – both health and liability, benefits, etc.



Mechanicville 2025-26 Budget Planning Process to Date

- Superintendent budget and recommendations stem from district level recommendations that align with BOE goals and objectives
- BOE reviews all administrative recommendations for expenses in all areas – instruction, non-instruction, transportation, etc.
- Considerations are for not only current year but long range goals, fiscal stability & enrollment projections



State Budget – Where are we at?

➤ NYS Budget statutorily due April 1st

- ✓ NYS passed two more budget extenders this week
- ✓ Unlikely final state aid numbers will be available to NYS school districts
- ✓ All NYS school districts, not just Mechanicville, use data on hand/best information available
- ✓ Rely on State Aid output report estimates, updated database projections which reflect updated enrollment counts, expense based aids, etc.
- ✓ Follow guidance and recommendations from NYSED and other governing agencies



State Budget – Where are we at?

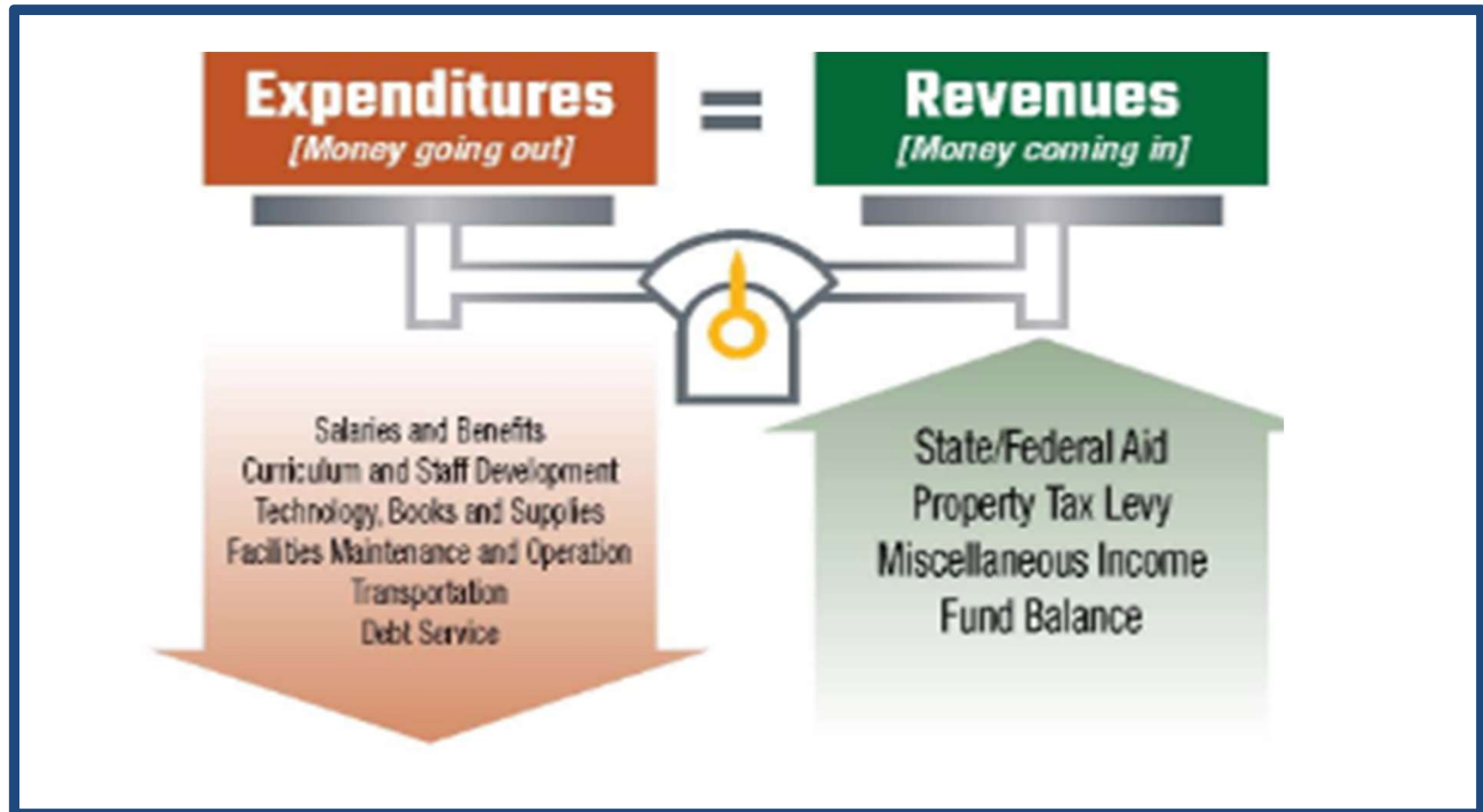
- Hold Harmless taken off the table for discussion this year unlike last year and maintained–
 - ✓ This **is extremely meaningful** for Mechanicville CSD this year
 - ✓ If based on formula alone – *MCSD would have seen less than \$35,000 increase in Foundation Aid*
 - ✓ Hold Harmless provides guaranteed minimum of 2% increase over prior year aid or \$232,723

Foundation Aid Snapshot Review

			2024-25Revenue shortfall
2024-25 budget	\$ 11,792,385.00	\$ 719,866.00	
2024-25 actual	\$ 11,636,136.00	563,617.00	(156,249.00)
2025-26 Hold Harm	11,868,858.72	232,722.72	



What Does a Balanced Budget Mean?





Budget Make-Up

Budget Allocations (Expenditures)

- Salaries & Wages
- Benefits
- Program Costs
- Facilities
- Transportation
- Administrative costs
- Debt Service

Funding Sources (Revenue)

- Tax Levy (3.94% increase)
- State Aid (-1.77% decrease)
- Other Revenue (Federal, interest, PILOTS, etc.)
- Fund Balance

If your money coming in doesn't cover your expenses, what happens?





2025-26 Budget Snapshot

Bridging the gap
between revenue
losses and increased
costs

2025-26

- \$36,334,669 Proposed Spending

Inc/Dec

- -1.31%
- -\$483,240

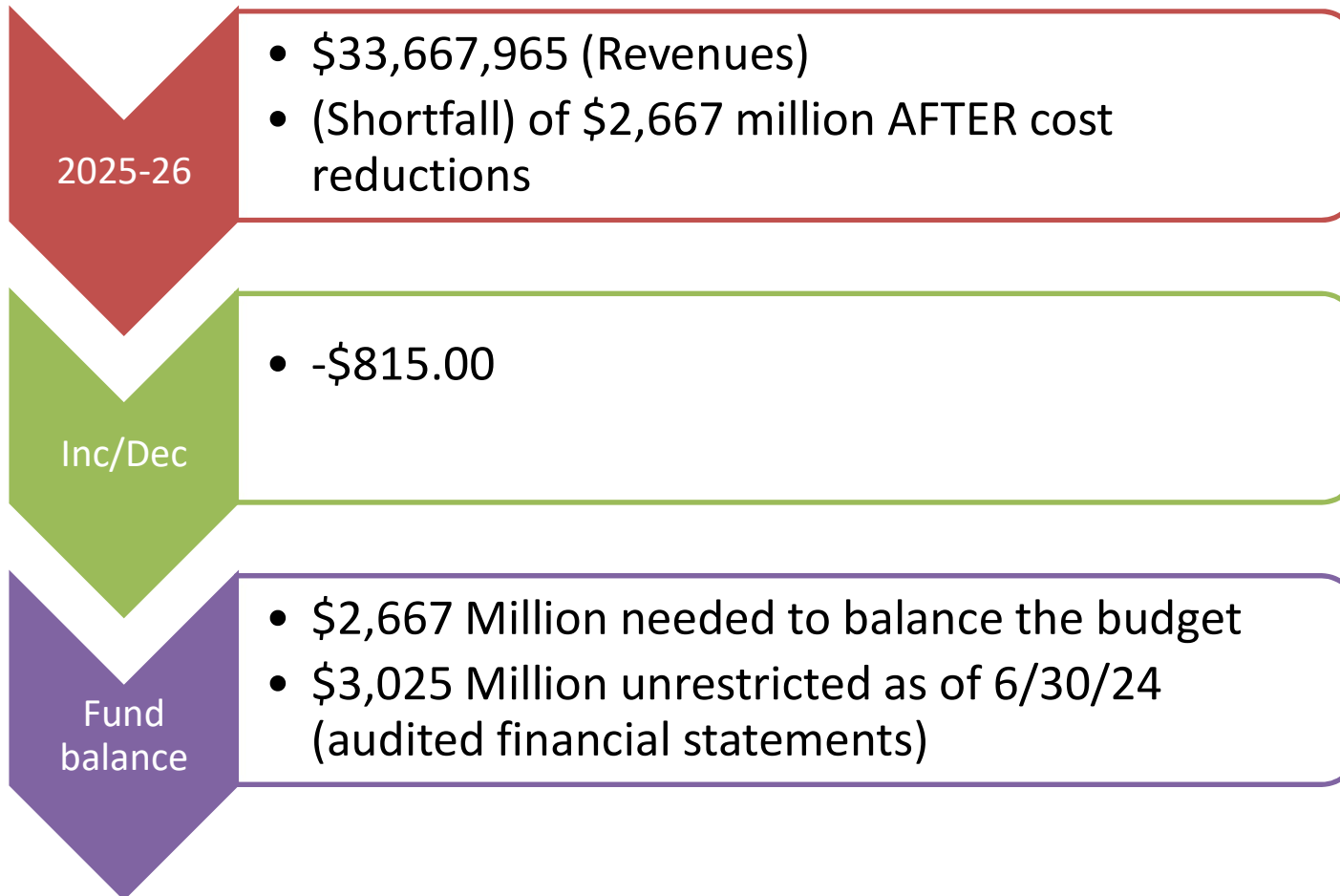
Tax Levy

- 3.94%
- \$604,817



2025-26 Budget Snapshot

Bridging the gap
between revenue
losses and increased
costs





Mechanicville City School District

Proposed Budget Highlights

- Facility upgrades
 - \$100k outlay – ES school flooring, internal doors for security
 - Items identified in our Building Condition Survey
 - Each \$100K project essentially reduces the costs on the next capital project, while receiving aid the following year vs. typical 15 year return



Mechanicville City School District

Proposed Budget Highlights

- Schedule N/Security upgrades
 - Aidable in following school yr. vs. typical 15 year return for building aid
 - District proposes replacing the HS main entrance front doors



2025-26 Budget Additions, Facility Needs, etc.

As part of the District's technology replacement plan, 375 new Chromebooks + technology class upgrades will be financed through lease agreement with BOCES at estimated cost no greater than \$30-35k year (subject to tariff increases)

2025-26 Highlights

Snapshot

Amount	Description	2024-25	Did you know?
\$100,000.00	Capital Outlay - Various Interior Doors, Flooring at ES , HS flooring	Flooring replacement in HS 600/700 + Auditorium Corridors	Budget Neutral - Building aidable following year
\$35,000.00	Schedule N- Security Upgrades - New entrance door replacement at High School	ES Entrance doors Replaced	Budget Neutral - Building aidable following year
\$3,000,000.00	Elementary School Roof Replacement - Immediate need due to paper thin/"swiss cheese" condition - Summer 2026 work		Proposition - <u>No taxpayer impact</u> - funding through realized savings on recent capital project, capital reserve, and transportation purchase
\$731,000.00	4 new 63 passenger - 50% GF/50% Budget prop- Approval to Bond		Transportation Aid will offset cost - Aid will be higher than debt service cost
\$30-35,000	Lease/Purchase of 375 Chromebooks & Technology Lab Equipment		As part of District's technology replacement plan - Allows district to finance over 5 years with planned set cost



Mechanicville City School District

Proposed Budget Highlights

- Tentative budget to budget is a **decrease** by 1.31% or **-\$483,240**
- Proposed tax levy increase is 3.94% or \$604,817
 - Allowable 25-26 Property Tax Cap limit with exclusions: **7.58%**
 - Less than allowable by **\$558,564**
- State Aid Decrease (overall) = **-1.77%/\$304,755**
 - Foundation aid = **\$232,723** (Based on Hold Harmless assumption)
 - **Decrease** of \$330,894 from actual 24-25 FA or 58%



Revenue vs. Expenses = Either surplus or deficit

Let's review – Where we began

Let's do the basic math/arithmetic of where we started and where we finished.....

- - \$36,817,940
 - + \$33,667,965
 - _____
 - (-\$3,149,975)
 - \$3,025,000
 - (\$124,975)
- 2024-25 Budget (If all current expenditures remained stationary)
(BEFORE necessary COST INCREASES)
- 2025-26 Proposed Revenues (includes State Aid + 3.94% Tax Levy)
- Initial deficit - \$ money needed to balance the budget
- Unassigned fund balance as of 6/30/24
- Shortall **BEFORE** any 2025-26 increases



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HIGHER Operational
Cost/Contractual Inc.

VERY HIGH use of Fund
Balance last year \$3M+

COVID Grant Funds
DEPLETED (2023-2024)

Higher Health Ins/Debt
Service/Benefits

LOWER State Aid/
Building Aid and
BOCES Aid



Program/
Staff
Reductions

Contingency/
Spending
Freeze = Fund
Balance Use

Increase
Tax Levy

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2025-26 Proposed Spending by Category

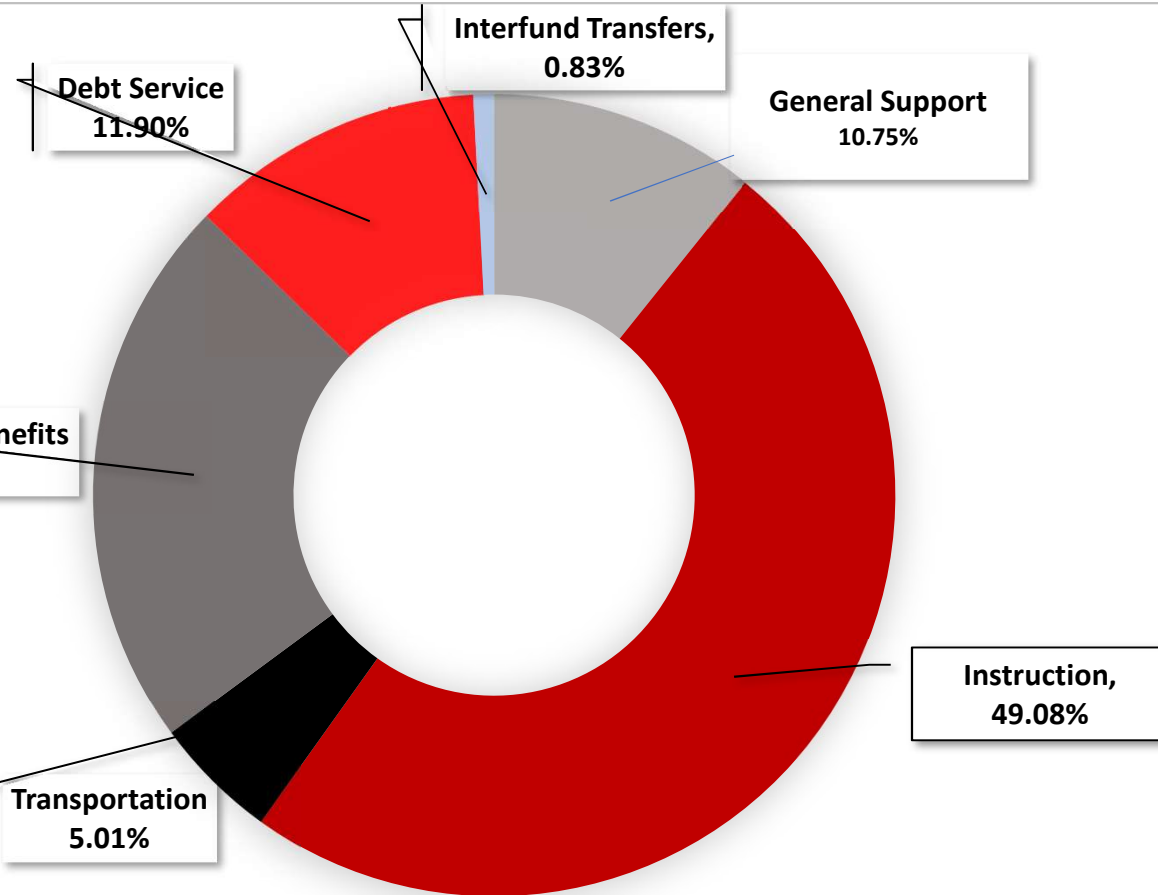
2025-26 Expenditures at a Glance				
3/22/2025				
	2024-25 Proposed Budget	2025-26 Proposed Budget	\$ Change	% Change
Salaries (professional)	\$ 11,391,258	\$ 10,550,307	\$ (840,951)	-7.382%
Salaries (support)	\$ 3,992,553	\$ 3,550,298	\$ (442,255)	-11.077%
Employee benefits	\$ 7,912,587	\$ 8,142,826	\$ 230,239	2.910%
Equipment	\$ 545,795	\$ 659,742	\$ 113,947	20.877%
Supplies & textbooks/other	\$ 691,832	\$ 635,566	\$ (56,266)	-8.133%
Contract Services	\$ 3,604,275	\$ 3,698,211	\$ 93,936	2.606%
BOCES Services	\$ 4,208,697	\$ 4,472,892	\$ 264,195	6.277%
Debt Service	\$ 3,720,943	\$ 4,324,857	\$ 603,914	16.230%
Interfund transfers	\$ 750,000	\$ 300,000	\$ (450,000)	-60.000%
Total	\$ 36,817,940	\$ 36,334,699	\$ (483,241)	-1.313%



2025-26 Proposed Expenditures

State aid no longer sustains the cost of instruction and program

State Aid = 46.47%
Instruction = 49.08%



General Support	10.75%
Instruction	49.08%
Transportation	5.01%
Employee Benefits	22.43%
Debt Service	11.90%
Interfund Transfers	0.83%



District is using \$2.67m of its current
unreplenished \$3.025M Fund balance to cover
shortfall of revenues



2025-26 Proposed Budget

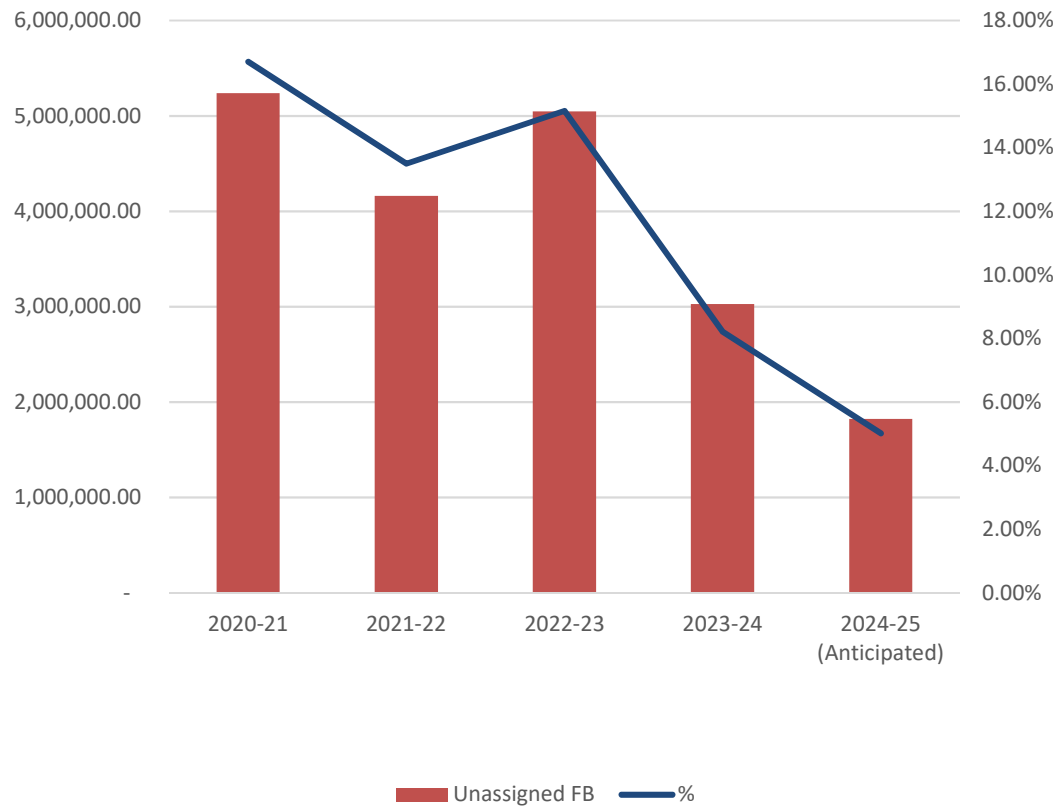
\$	3,025,000.00
\$	(2,666,734)
\$	358,266.00

Fund
balance
remaining

Mechanicville City School District					
2025-26 Proposed Budget					
3.94% Tax Levy Increase					
Expenditures	Proposed Budget 2025-26	Budget 2024-25	\$ Difference	% Difference	% of Budget
General Support	\$ 3,905,447	\$ 3,945,778	(40,331)	-1.02%	10.91%
Instruction	\$ 17,817,963	\$ 18,658,502	(840,539)	-4.50%	49.79%
Transportation	\$ 1,836,425	\$ 1,822,518	13,907	0.76%	5.13%
Employee Benefits	\$ 8,150,007	\$ 7,920,199	229,808	2.90%	22.77%
Debt Service	\$ 4,324,857	\$ 3,720,943	603,914	16.23%	12.09%
Interfund Transfers	\$ 300,000	\$ 750,000	(450,000)	-60.00%	0.84%
			-		0.00%
Totals:	36,334,699	36,817,940	(483,241)	-1.313%	
Revenues	Proposed 2025-26	Budget 2024-25	\$ Difference	% Difference	% of Budget
Property Taxes	\$ 15,955,498	\$ 15,350,682	604,817	3.94%	44.59%
Payment in Lieu of Taxes	\$ 225,000	\$ 197,878	27,122	13.71%	0.63%
State Aid	\$ 16,882,968	\$ 17,187,721	(304,753)	-1.77%	47.18%
Other Items	\$ 509,500	\$ 837,500	(328,000)	-39.16%	1.42%
Interfund Transfers	\$ 95,000	\$ 95,000	-	0.00%	0.27%
Appropriated from Debt Reserve	\$ -	\$ -	-	0.00%	0.00%
Appropriated from ERS Reserve	\$ -	\$ -	-	0.00%	0.00%
Appropriated from TRS Reserve	\$ -	\$ -	-	0.00%	0.00%
Fund Balance	\$ 2,666,734	\$ 3,149,160	(482,426)	-15.32%	7.45%
Totals:	36,334,699	36,817,940	(483,240)	-1.31%	



Fund Balance History



	Unassigned FB	%
2020-21	5,238,248.00	16.70%
2021-22	4,159,118.74	13.50%
2022-23	5,044,689.00	15.16%
2023-24	3,025,280.00	8.22%
2024-25 (Anticipated)	\$1,823,000	5.017%

**THIS TREND IS
NOT
SUSTAINABLE**



Myth: The District is Hiding Money

Considerations:

- ✓ Long Term Stability is absolutely vital for continued operations
- ✓ Depleting any reserves this year eliminates the ability to use for ensuing years (certain funding)
 - *One time funding* – how do you use for recurring expenses?
- ✓ District is relying on projected operating surplus from 2024-25 to sustain us into 2025-26 (Fund balance replenishment)
- ✓ \$358K remaining fund balance is insufficient to support the district



2025-26 Revenues at a Glance

Revenue Type	2024-25 Budget	2025-26 Proposed	Change \$	Change %
Local Sources	\$ 862,500	\$ 519,500	\$ (343,000.00)	-39.77%
Federal Sources	\$ 25,000	\$ 45,000	\$ 20,000.00	80.00%
State Aid	\$ 17,187,721	\$ 16,882,967	\$ (304,754.28)	-1.77%
Payment in Lieu of Taxes	\$ 197,878	\$ 225,000.00	\$ 27,122.00	13.71%
Other Property Tax Items	\$ 45,000	\$ 40,000.00	\$ (5,000.00)	-11.11%
Property Taxes (Tax Levy)	\$ 15,350,681	\$ 15,955,498	\$ 604,817.28	3.94%
			\$ -	
Total	\$ 33,668,780.00	\$ 33,667,965.00	\$ (815.00)	0.00%
Appropriated Fund Balance	\$ 3,149,160.00	\$ 2,666,734.00	\$ (482,426.00)	-15.32%
Total Appropriated F/B	\$ 3,149,160.00	\$ 2,666,734.00		-15.32%
Total	\$ 36,817,940.00	\$ 36,334,699.00	\$ (483,241.00)	-1.31%



State Aid Projections Summary

Basic formula = Foundation, transportation
& building aid

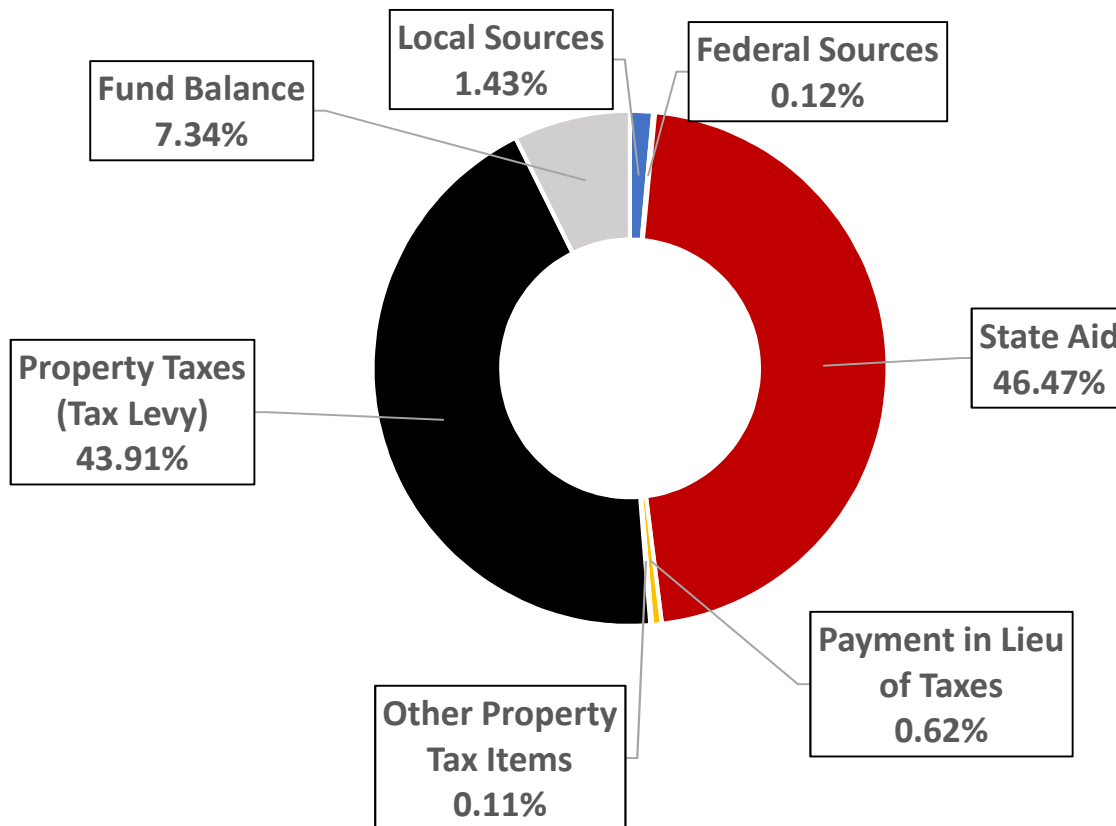
	2025 - 26 Proposed Budget	2024 - 25 Budget	Increase/Dec	%
Description				
NYS Aid-Basic Formula	13,217,235.72	13,339,206.00	(121,970.28)	(0.01)
Excess Cost Aid	2,497,002.00	2,393,702.00	103,300.00	0.04
NYS Aid-BOCES	1,040,000.00	1,325,000.00	(285,000.00)	(0.22)
NYS Aid-Textbooks	80,269.00	79,977.00	292.00	0.00
Small Cities (HURD) Aid	-	-	-	-
NYS Aid-Software	19,654.00	19,878.00	(224.00)	(0.01)
NYS Aid-Library	8,200.00	8,924.00	(724.00)	(0.08)
NYS Aid-Hardware	20,606.00	21,034.00	(428.00)	(0.02)
Totals:	16,882,966.72	17,187,721.00	(304,754.28)	-1.773%

Reflects a <\$LOSS of \$> budget to budget



2025-26 Proposed Revenues

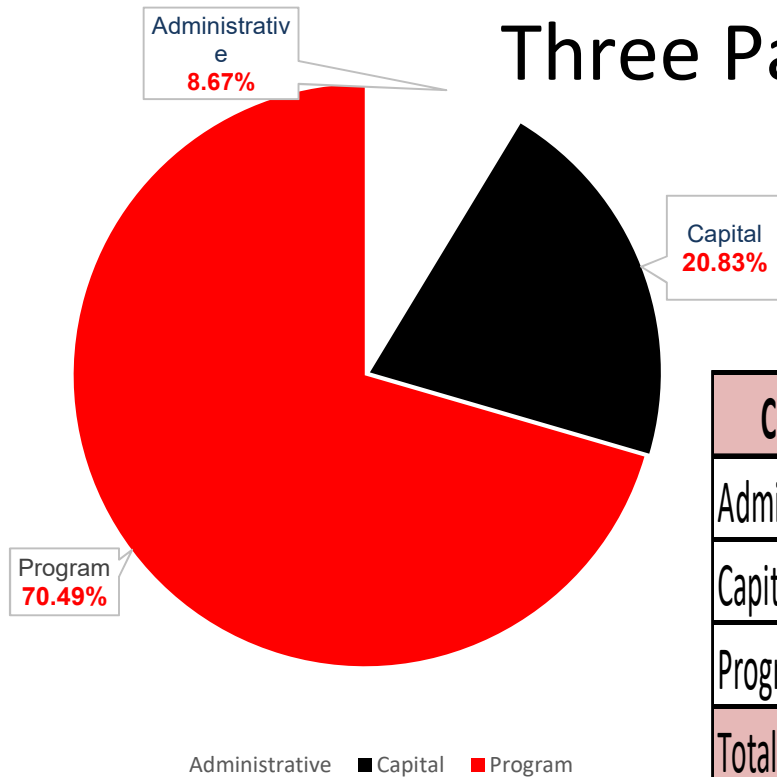
Revenues as part of the “pie”





Mechanicville City School District

Three Part Budget Allocation



Component	2023-24	%	2024-25	%	\$ Inc/Dec	% Inc.
Administrative	\$ 3,218,594.86	8.74%	\$ 3,151,228.50	8.67%	\$ (67,366.36)	-2.09%
Capital	\$ 7,450,792.86	20.24%	\$ 7,569,651.56	20.83%	\$ 118,858.70	1.60%
Program	\$ 26,148,552.73	71.02%	\$ 25,613,819.19	70.49%	\$ (534,733.54)	-2.04%
Total	\$ 36,817,940.45		\$ 36,334,699.25		\$ (483,241.20)	



Property Tax Report Card

Form Preparer Name:
Preparer's Telephone Number:

COLLEEN DICAPRIO
518-664-5727

<u>Shaded Fields Will Calculate</u>	Budgeted 2024-25 (A)	Proposed Budget 2025-26 (B)	Percent Change (C)
Total Budgeted Amount, not including Separate Propositions	36,817,940	36,334,699	-1.31 %
A. Proposed Tax Levy to Support the Total Budgeted Amount ¹	15,350,681	15,955,498	
B. Tax Levy to Support Library Debt, if Applicable	0	0	
C. Tax Levy for Non-Excludable Propositions, if Applicable ²	0	0	
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy, if Applicable	0	0	
E. Total Proposed School Year Tax Levy (A+B+C-D)	15,350,681	15,955,498	3.94 %
F. Permissible Exclusions to the School Tax Levy Limit	1,356,752	2,186,307	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions ³	14,060,792	14,327,755	
H. Total Proposed Tax Levy for School Purposes, <u>Excluding</u> Permissible Exclusions and Levy for Library Debt, Plus Prior Year Tax Cap Reserve (E-B-F+D)	13,993,929	13,769,191	
I. Difference: (G-H); (negative value requires 60.0% voter approval) ²	66,863	558,564	
Public School Enrollment	1,360	1,317	-3.16 %
Consumer Price Index			2.95 %

¹ Include any prior year reserve for excess tax levy, including interest.

² Tax levy associated with educational or transportation services propositions are not eligible for exclusion under the School Tax Levy Limit and may affect voter approval requirements.

³ For 2025-26, includes any carryover from 2024-25 and excludes any tax levy for library debt or prior year reserve for excess tax levy, including interest.

	Actual 2024-25 (D)	Estimated 2025-26 (E)
Adjusted Restricted Fund Balance	3,854,375	1,910,375
Assigned Appropriated Fund Balance	3,609,160	2,666,734
Adjusted Unrestricted Fund Balance	3,025,280	1,858,546
Adjusted Unrestricted Fund Balance as a Percent of the Total Budget	8.22 %	5.12 %



Mechanicville City School District Budget Notice

Contingency Budget What happens if we go to contingency? School District Notice Excerpt

2025-26 School District Budget Notice

Overall Budget Proposal	Budget Adopted for the 2024-25 School Year	Budget Proposed for the 2025-26 School Year	Contingency Budget for the 2025-26 School Year *
Total Budgeted Amount, Not Including Separate Propositions	\$ 36,817,940	\$36,334,699	\$35,542,524
Increase/Decrease for the 2025-26 School Year		\$-483,241	\$-792,175
Percentage Increase/Decrease in Proposed Budget		-1.31 %	-2.15%
Change in the Consumer Price Index		2.95%	



Mechanicville City School District

Contingency Budget

How or why would a contingent budget happen?

Further
reductions



- ☐ If a budget approval is not achieved by:
 - ✓ Simple majority (50% +1 voter approval)

\$-483,241	\$-792,175
------------	------------

- ☐ If proposed budget is defeated, district has one of the following options:
 - ✓ Resubmit the defeated budget allowing enough time for legal notices;
 - ✓ Submit a revised budget allowing enough time for legal notices;
 - ✓ Adopt a contingency budget
 - ✓ If the resubmitted or revised budget is defeated, the BOE MUST adopt a contingent budget
 - ✓ *Contingent budget = Over \$792,175 reduction of non-contingent expenses*



Mechanicville City School District

Contingency Budget

How or why would a contingent budget happen?

- ✓ Important to note: If contingent budget is decided, the tax levy can be no greater than the prior year actual tax levy. No increase is allowed.

What are non-contingent expenses?

- ☐ Examples of non-contingent expenses include (but not limited to):
 - Capital construction projects (transfer to capital fund)
 - Most equipment;
 - This would impact student chromebook replacements & other hardware needs
 - School bus purchases



Mechanicville City School District

Contingency Budget

How or why would a contingent budget happen?

- ☐ Ordinary contingent expenses may additionally need to be reduced to ensure there is no tax levy increase:
 - Interscholastic athletics
 - Extracurricular activities
 - Field trips as well as related transportation

Important Note

Bond proposition for purchase of school buses would not be permitted



Actual vs. Allowable Tax Levy History

Year	Allowable Levy	Allowed but unlevied	Actual Levy
2012-13	1.41%	\$ 20,146.00	1.22%
2013-14	5.61%	\$ 287,502.00	2.93%
2014-15	4.17%	\$ 80,701.00	3.44%
2015-16	3.65%	\$ 82,720.00	2.93%
2016-17	0.48%	\$ (272,326.00)	2.79%
2017-18	5.35%	\$ 142,740.00	4.17%
2018-19	4.43%	\$ 241,594.00	2.54%
2019-20	6.78%	\$ 418,679.00	3.62%
2020-21	2.83%	\$ -	2.83%
2021-22	3.84%	\$ 543,094.00	0.00%
2022-23	2.68%	\$ 125,890.00	1.79%
2023-24	7.49%	\$ 651,411.00	2.96%
2024-25	4.13%	\$ 611,717.00	3.68%
2025-26	7.58%	\$ 558,564.00	3.94%
Totals/Avg.	4.32%	3,492,432.00	2.77%

Proposed
Levy





What's on the District Ballot?



➤ District Propositions

1. Proposed budget of \$36,334,699
2. Bond resolution adopted by BOE authorizing the acquisition of two (2) 64+ passenger buses at a maximum aggregate cost of \$375,000
 - ✓ Transportation aid will be higher than financing costs therefore no taxpayer impact
3. Replacement of Mechanicville ES roof at maximum aggregate value of \$3,000,000M



Bus Purchases and State Aid Offset

MECHANICVILLE CITY SCHOOL DISTRICT
SARATOGA COUNTY, NEW YORK

Bus options



Schedule	Bus Purchase Cost	Amount of Reserves	Financed Amount	Average yearly debt service	Average yearly transportation aid	Estimated yearly local share
A	\$710,000	\$710,000	\$710,000	\$159,017	\$114,854	\$44,163
B	\$710,000	\$185,000	\$525,000	\$117,590	\$114,854	\$2,736
C	\$710,000	\$355,000	\$355,000	\$79,547	\$114,854	-\$35,307

Notes:

- Gas/Diesel buses over 5 years for aid and financing.
- Interest rates are conservative and estimated high when compared to current rates.

Transportation Aid exceeds
finance costs – no local share



What's on the District Ballot?



➤ District Propositions (cont'd)

3. Replacement of Mechanicville ES roof at maximum aggregate value of \$3,000,000

- Financing of project as follows:

- A. Expenditure of \$2,000,000 from capital reserve fund;

- B. \$450,000 of excess fund balance/savings from bus garage purchase;

- C. 2015 capital project savings of \$550,000

*******This will result in no taxpayer impact*******

THERE IS NO IMPACT TO GENERAL FUND BUDGET!



What's Next?

- ✓ Budget newsletter in development, mailing anticipated at or around May 3rd
- ✓ The District will be publishing all required documents in compliance with SED mandates and statutory deadlines
- ✓ No later than April 28th, Budget documents published & available
- ✓ May 6, 2025 Budget Hearing
- ✓ May 20, 2025 Budget Vote



Mechanicville City School District

- Questions?