



Mechanicville City School District

Proposed Budget

May 4, 2023



Budget Highlights

- The proposed 2023-24 budget is \$33,276,386 which represents a 7.98% increase over the 2022-23 budget.
- The proposed tax levy to increase support to the 2023-24 budget is \$14,805,827 which represents a 2.96% or \$425,653 increase from the 2022-23 levy.
 - Increase is less than the allowable levy limit by \$651,411
- The district's state aid has increased \$2.2 million for the 2023-24 school year.
 - Large increase is the result of NYS fully funding foundation aid after losing a lawsuit in October 2021.

Proposed Budget

Mechanicville City School District					
2023-24 Proposed					
	Proposed	Budget	\$	%	%
Expenditures	2023-24	2022-23	Difference	Difference	of Budget
General Support	3,574,265	3,286,381	287,884	8.76%	10.74%
Instruction	16,903,640	15,996,300	907,340	5.67%	50.80%
Transportation	1,866,746	1,705,986	160,761	9.42%	5.61%
Employee Benefits	6,967,241	6,221,481	745,761	11.99%	20.94%
Debt Service	3,764,493	3,408,300	356,193	10.45%	11.31%
Interfund Transfers	200,000	200,000	-	0.00%	0.60%
	33,276,386	30,818,448	2,457,938	7.98%	100%
	Proposed	Budget	\$	%	%
Revenues	2023-24	2022-23	Difference	Difference	of Budget
Property Taxes	14,805,827	14,380,174	425,653	2.96%	44.49%
Payment in Lieu of Taxes	97,878	264,717	(166,839)	-63.03%	0.29%
State Aid	17,066,437	14,890,468	2,175,969	14.61%	51.29%
Other Items	320,500	212,000	108,500	33.85%	0.64%
Interfund Transfers	95,750	102,650	(6,900)	-6.72%	0.29%
Appropriated from Debt Reserve	150,000	150,000	-	100.00%	0.45%
Appropriated from ERS Reserve	50,000	50,000	-	100.00%	0.15%
Appropriated from TRS Reserve	50,000	50,000	-	100.00%	0.15%
Fund Balance	639,994	718,439	(78,445)	-10.92%	1.92%
	33,276,386	30,818,448	2,457,938	7.98%	100%

Fiscal Year Ending	2024	2023	2022	2021	2020
Tax Levy Limit (Cap) before Exclusions					
Tax Levy Prior Year	14,380,174	14,127,295	14,127,295	13,738,535	13,258,650
Prior Year Reserve Offset	+ 0	0	0	0	0
Reserve Amount	+ 0	0	0	0	0
Tax Base Growth Factor	X 1.0097	1.017	1.0133	1.0185	1.0207
PILOTS Receivable Prior Year	+ 268,997	254,565	221,827	186,153	185,000
Tort/Judgment Exclusion Prior Year	- 0	0	0	0	0
Capital Tax Levy for Prior Year	- 606,154	730,939	515,465	578,927	224,685
Allowable Levy Growth Factor	X 1.02	1.02	1.0123	1.0181	1.02
PILOTS Receivable Current Year	- 97,878	268,997	254,565	234,253	185,000
Available Carryover from Prior Year	+ 0	0	0	0	0
Total Levy Limit before Exclusions	14,368,277	13,899,910	13,939,450	13,611,830	13,578,287
Exclusions					
Tax levy necessary for expenditures resulting from tort orders/judgments over 5% Prior Year Tax Levy	+ 0	0	0	0	0
Capital Tax Levy for Current Year	+ 1,088,961	606,154	730,939	515,465	578,927
Tax levy for pension contribution expense					
TRS	+ 0	0	0	0	0
ERS	+ 0	0	0	0	0
Total Exclusions	1,088,961	606,154	730,939	515,465	578,927
Total Tax Levy Limit, Adjusted for Transfers Plus Exclusions	15,457,238	14,506,064	14,670,389	14,127,295	14,157,214
Reserve Amount Used to Reduce Current Year Levy	0	0	0	0	0
Proposed Levy for Current Year, Net of Reserve	14,805,827	14,380,174	14,127,295	14,127,295	13,738,535
Total Tax Levy Limit Adjusted for Transfers Plus Exclusions compared to the Prior Year Tax Levy	7.49%	2.68%	3.84%	2.83%	6.78%
Difference between Tax Levy Limit Plus Exclusions and Current Year Proposed Levy	651,411	125,890	543,094	0	418,679
Planning to Override the Cap	No	No	No	No	No

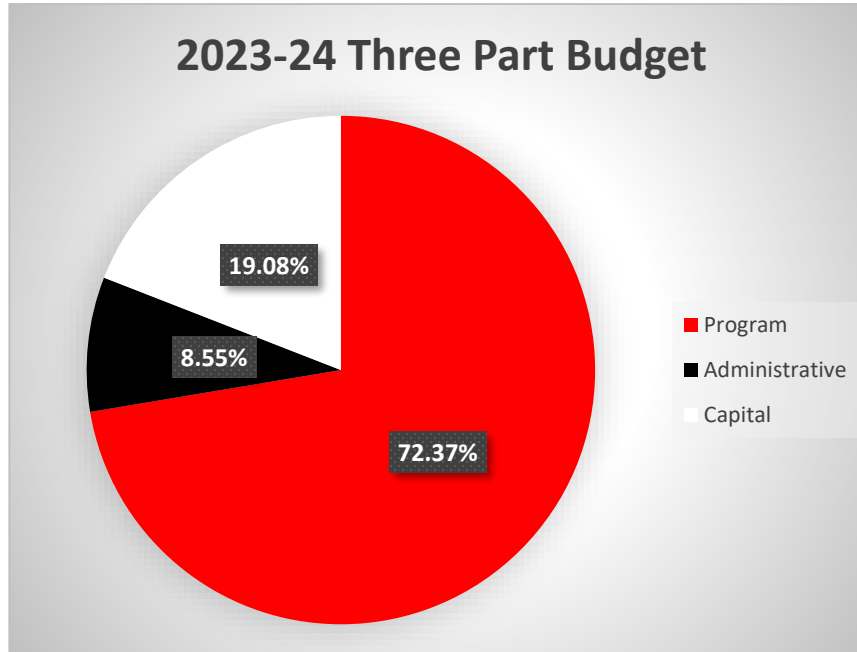


Tax Levy History

Year	Allowable Levy	Allowed but unlevied	Actual Levy
2012-13	1.41%	20,146	1.22%
2013-14	5.61%	287,502	2.93%
2014-15	4.17%	80,701	3.44%
2015-16	3.65%	82,720	2.93%
2016-17	0.48%	(272,326)	2.79%
2017-18	5.35%	142,740	4.17%
2018-19	4.43%	241,594	2.54%
2019-20	6.78%	418,679	3.62%
2020-21	2.83%	-	2.83%
2021-22	3.84%	543,094	0.00%
2022-23	2.68%	125,890	1.79%
2023-24	7.49%	651,411	2.96%
Total		2,322,151	
12 yr avg	4.06%	193,513	2.60%



Three part budget



Component	2022-23	Percentage	2023-24	Percentage	Dollar
					Difference
Program	22,471,530	72.92%	24,081,164	72.37%	1,609,634
Administrative	2,615,454	8.49%	2,845,633	8.55%	230,180
Capital	5,731,464	18.60%	6,349,588	19.08%	618,124
Total	30,818,448	100%	33,276,386	100%	2,457,938



Property Tax Report Card

Form Preparer Name:

Preparer's Telephone Number:

<u>Shaded Fields Will Calculate</u>	Budgeted 2022-23 (A)	Proposed Budget 2023-24 (B)	Percent Change (C)
Total Budgeted Amount, not including Separate Propositions	<input type="text" value="30,818,448"/>	<input type="text" value="33,276,386"/>	<input type="text" value="7.98"/> %
A. Proposed Tax Levy to Support the Total Budgeted Amount ¹	<input type="text" value="14,380,174"/>	<input type="text" value="14,805,827"/>	
B. Tax Levy to Support Library Debt, if Applicable	<input type="text" value="0"/>	<input type="text" value="0"/>	
C. Tax Levy for Non-Excludable Propositions, if Applicable ²	<input type="text" value="0"/>	<input type="text" value="0"/>	
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy, if Applicable	<input type="text" value="0"/>	<input type="text" value="0"/>	
E. Total Proposed School Year Tax Levy (A+B+C-D)	<input type="text" value="14,380,174"/>	<input type="text" value="14,805,827"/>	<input type="text" value="2.96"/> %
F. Permissible Exclusions to the School Tax Levy Limit	<input type="text" value="606,154"/>	<input type="text" value="1,088,961"/>	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions ³	<input type="text" value="13,899,910"/>	<input type="text" value="14,368,277"/>	
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)	<input type="text" value="13,774,020"/>	<input type="text" value="13,716,866"/>	
I. Difference: (G-H);(negative value requires 60.0% voter approval) ²	<input type="text" value="125,890"/>	<input type="text" value="651,411"/>	
Public School Enrollment	<input type="text" value="1,357"/>	<input type="text" value="1,368"/>	<input type="text" value="0.81"/> %
Consumer Price Index			<input type="text" value="8.0"/> %

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 2023-24, includes any carryover from 2022-23 and excludes any tax levy for library debt or prior year reserve for excess tax levy, including interest.



Reserve Funds - Projection

Teacher Retirement Reserve	
Balance as of June 30, 2022	446,884
Appropriated 2023-24	(50,000)
Interest earned 22-23	10,172
Projected balance as of June 30, 2023	407,056
Employee Retirement Reserve	
Balance as of June 30, 2022	741,509
Appropriated 2023-24	(50,000)
Interest earned 22-23	16,848
Projected balance as of June 30, 2023	708,357
Emp. Benefit Accrued Liability Reserve	
Balance as of June 30, 2022	344,251
Appropriated 2023-24	-
Interest earned 22-23	10,852
	-
Projected balance as of June 30, 2023	355,103
Debt Service Reserve	
Balance as of June 30, 2022	459,164
Appropriated 2023-24	(150,000)
Interest earned 22-23	9,800
BAN Premium	-
Projected balance as of June 30, 2023	318,964

- Planning today and saving incrementally for expected future events can help mitigate the financial impact of major, nonrecurring or unforeseen expenditures on the annual budget.
- Establishing and funding allowable reserve funds for a clear purpose can help smooth out spikes in the annual budget and in the real property tax levy
- The district is seeking permission (appears on the ballot as proposition #4) to create a Capital Project reserve or “savings” account to offset the local portion of future capital project work. There is no impact to the tax levy as a result of this proposition, as we are only seeking permission to create the “savings” account. The reserve would be funded in the future at the discretion of the BOE.
- Reserve funds are being used as a funding source for the 2023-24 budget
 - \$50K appropriated from the ERS reserve
 - \$50K appropriated from the TRS reserve
 - \$150K appropriated from the Debt reserve



Fund Balance - Projection

Mechanicville City School District	
Projected Fund Balance 06/30/2023	
<i>*Unaudited figures, subject to change</i>	
Beginning Fund Balance 06/30/2022	9,642,597
Less Expenditures	(29,024,254)
Plus Revenues	30,119,795
Total Fund Balance:	10,738,138
Less:	
Reserved for Encumbrances	(245,000)
Reserved for ERS	(708,357)
Reserved for TRS	(407,056)
Reserved for Employee Benefits	(355,103)
Reserved for Debt	(318,964)
Appropriated from ERS Reserve	(50,000)
Appropriated from TRS Reserve	(50,000)
Appropriated from Debt Reserve	(150,000)
Appropriated from EBLAR	-
Appropriated Unassigned Fund Balance	(639,994)
Bus Garage Purchase	(2,300,000)
Capital Project	(1,500,000)
Ending Unassigned Fund Balance 06/30/2023	4,013,664

- Fund balance is the money left at the end of the fiscal year (or multiple years) due to underspending or taking in additional revenue. It provides cash flow that can be used for unanticipated expenses. Planned use of fund balance can also be used for one-time expenditures, such as the proposed capital project, or to fund established reserves.
- The district has included on the ballot a proposition to approve a \$2.4 million capital project to construct an access road from the Elementary Road to Elizabeth street and to perform limited Elementary classroom renovations. If approved, \$1.5 million of excess fund balance will be used to finance a portion of the project.
- The district has also appropriated an additional \$639,994 as a financing source for the 2023-24 budget



General Fund Program/Facilities Enhancements

1.0 FTE PE/Health teacher

1.0 FTE Technology teacher

1.0 FTE 5th Grade teacher

1.0 FTE Director of Staff, Student & Family Engagement

Overhaul district data center

90 Chromeboxes

7 Nuline boards

Covered soccer benches

HS Gym Scoreboard

Batting cage

Drum Corps Equipment



Voting and Ballot

- Voting will take place on Tuesday, May 16th from noon until 9:00 pm in the High School gymnasium
- Proposition #1 - Approve the proposed budget of \$33,276,386 – 2.96% increase in taxes
- Proposition #2 - To elect two (2) members of the Board of Education to three (3) year terms each commencing on July 1, 2023 and expiring on June 30, 2026 to succeed Marlene Tierney and John Pugliese whose terms expire on June 30, 2023.
- Proposition #3 – To elect one (1) trustee of the Mechanicville Public Library to fill a five year term commencing July 1, 2023 and ending June 30, 2028.



Voting and Ballot

- Proposition #4 – To establish a reserve fund to be known as “2023 Capital Building Reserve fund” with the ultimate amount of the reserve not exceeding \$6 million and a probable existence of 12 years.
 - The district is seeking permission to create a “savings account” for future capital project work. In future years when the budget operates at a surplus, the BOE can authorize a transfer of funds from fund balance to this savings account. There is no impact to the tax levy to create this account since it will be funded in the future from excess fund balance as determined by the BOE.
 - Funding a capital reserve is beneficial to the taxpayers of the district because:
 - Results in significant interest expense savings (less short/long term debt.)
 - Doesn’t require large increases to the tax levy in future years when capital project work is proposed.



Voting and Ballot

- Proposition #5 - To approve a \$2.4 million capital project to construct an access road from the Elementary roadway to Elizabeth St., to widen the Elementary roadway and Elementary classroom renovations/enhancements. There will be no future impact to the tax levy for this project due to the use of \$1.5 million of excess fund balance. Future years debt service payments (principal and interest) will be offset by the State Building Aid the district will receive for this work.



2023-24 Budget Hearing

Visit our website for budget information: www.mechanicville.org

- Questions??