



Mechanicville City School District

2024-25 Budget Proposal

April 11, 2024

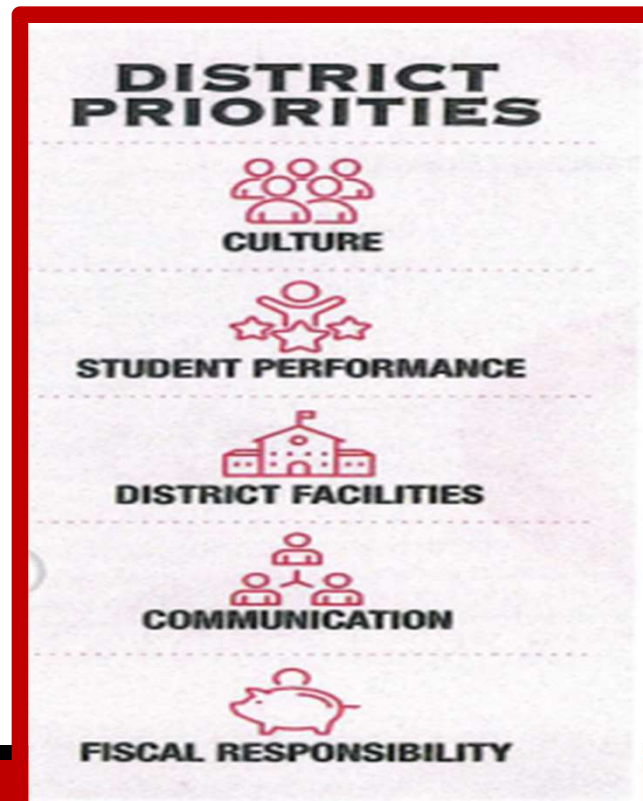
Board of Education Meeting





Mechanicville City School District

Mechanicville CSD Priorities & Values



**Budget
Development &
Considerations**



Mechanicville City School District

Budget Discussion Parameters & Objectives

- We will budget what we know to be true at the time of budget development
 - ✓ Unknowns & uncertainties such as volatile State Aid \$ are a factor
- Some changes may occur as we progress through the budget process. We will adjust accordingly as new information is known – always keeping the District's core values in mind and at the forefront of all decisions



Mechanicville City School District

Budget Review & Tonight's Discussions

- ✓ State Budget Status – Where are we at?
- ✓ District Budget Priorities
- ✓ Proposed Budget
- ✓ Budget Highlights
- ✓ Three Part Budget – Administration, Program, Capital Breakdown



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Budget Review & Tonight's Discussions

- ✓ Property Tax Report Card
- ✓ Contingency Budget



State Budget – Where are we at? The known unknowns

- NYS Budget statutorily due April 1st
 - Repeated extensions: April 4th, April 8th, April 11th and now next Thursday
 - Assembly and House proposals are on the table – basis for negotiations towards the eventual legislative or enacted budget
 - House & Senate both rejected Governor’s proposals on education and other initiatives such as health care/medicaid, etc.
 - The proposal to change the way the school aid is calculated is off the table – **for the time being**
 - Initiative by the Governor to modernize the education funding formula – reliant on enrollment figures that are more than a decade old – acknowledged by legislative leaders
 - **Cautionary tale:** Governor is vowing to put a new process in place by next year’s budget.



State Budget – Where are we at?

- What does this mean for our District?
 - Foundation Aid totals are still uncertain.
 - MSCD revenue budget is predicated/based on revisions due to enrollment projections
 - Initial 13.23% increase (\$1,465,237) → 4.54% (\$527,264) → **6.5% (\$719,866)** (Increase of \$192,602 – estimated with Gov.'s proposed changes rejected)
 - There may be additional increase but cautious – only so much of the “pie” to go around
 - ✓ Issue remains: How much and we will not know in time for adoption of budget
 - ✓ Good News: Whatever increases we do receive, will only help us rebuild our reserves, increase programming initiatives, etc.



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MCSO Must prepare and plan accordingly in
future years – Long term planning is key

Quote from Governor Hochul:

***“I’m giving everybody the notice, the warning that they all ask for,” she told reporters on Thursday.
“There will be a different formula. And I’m just deciding with the leaders how that mechanism will work.” (re: Education formulas)***



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Executive Budget Proposal Possible Changes Under Discussion

- Significant reduction in Foundation Aid for many districts
- ~~Elimination of Hold Harmless~~. Some form of increase will be provided. *Lawmakers have countered with a proposed 3% minimum increase*
 - “Give districts some form of increase thereby allowing adequate time to prepare for ensuring years”
- Elimination of retiree income limit waiver – Section 211 waiver will be reinstated to exceed limit
- No proposed changes to expense based aids ★



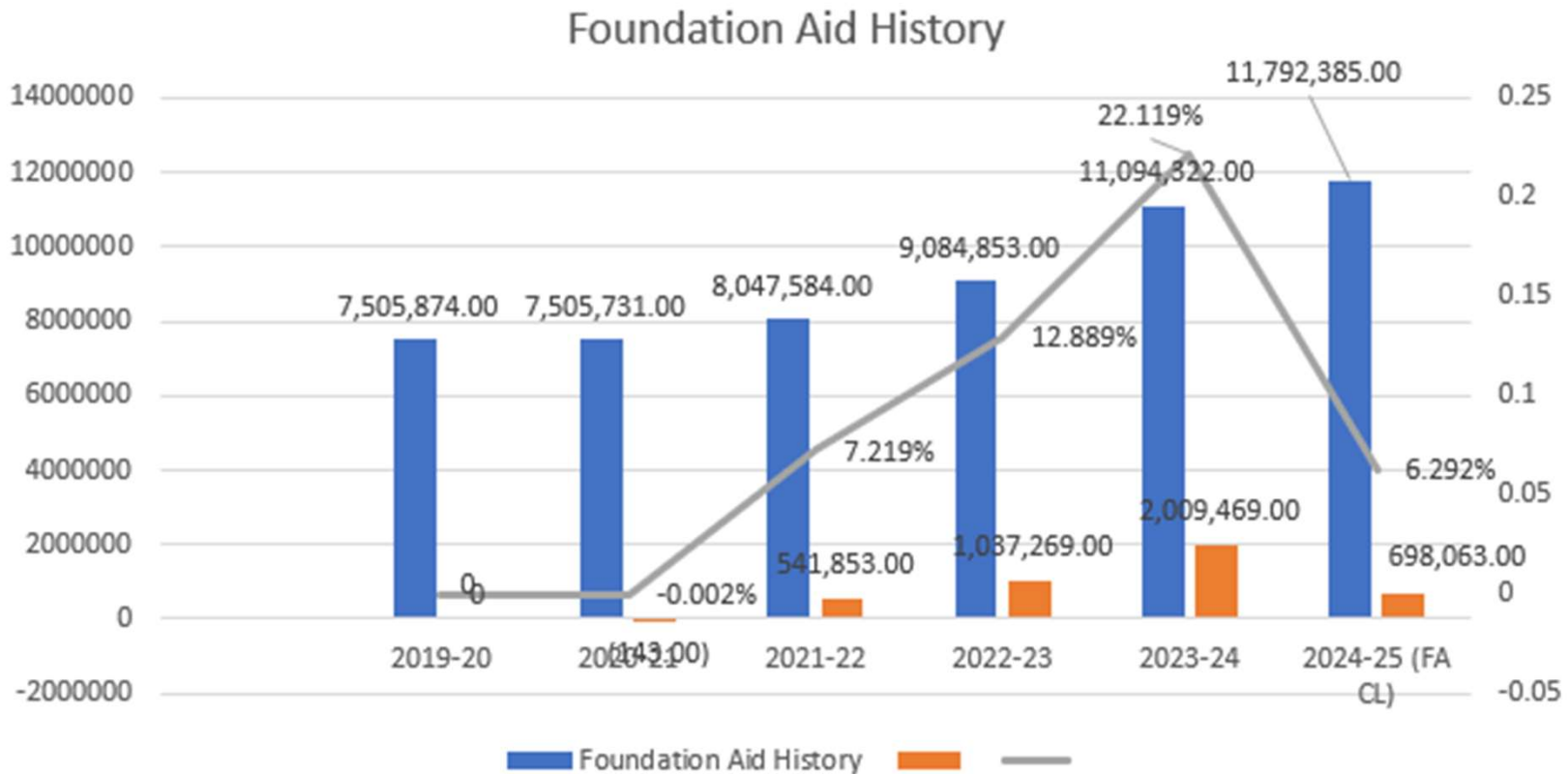
Mechanicville City School District

- Inflation Factor Calculation
 - Current Law provides 4.12%
 - ~~▪ Governor proposal 10 year average excluding the highest and lowest years – 2.4% (Less aid)~~



Foundation Aid History

Foundation Aid History			
2019-20	7,505,874.00	\$	%
2020-21	7,505,731.00	(143.00)	-0.002%
2021-22	8,047,584.00	541,853.00	7.219%
2022-23	9,084,853.00	1,037,269.00	12.889%
2023-24	11,094,322.00	2,009,469.00	22.119%
2024-25 (FA CL)	11,792,385.00	698,063.00	6.292%



FOUNDATION AID – WHERE ARE WE NOW?

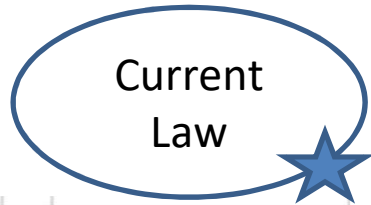
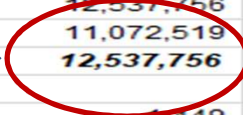


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Current Law

FOUNDATION AID FACTORS	2024-25 FOUNDATION AID PER BT242-5	VARIANCE BETWEEN BT242-5 & CL242-A	2024-25 FOUNDATION AID PER BT242-5 (RESTATED @ 2/15/2024)
2021 ACTUAL VALUATION	945,161,226	0	945,161,226
2021 & 2020 AVERAGE AV	921,817,668	0	921,817,668
SEL. AV: LESSER 21 AV OR AVG AV	921,817,668	0	921,817,668
2022-23 TWFPU	1,314	0	1,314
SEL. ACTUAL VAL./2022-23 TWFPU	701,535	0	701,535
2021 ADJ. GROSS INCOME	301,756,947	0	301,756,947
2021 ADJ. INCOME/2021-22 TWFPU	229,647	0	229,647
INCOME WEALTH INDEX (IWI)	0.574	0.000	0.574
2021 & 2020 AVERAGE INCOME	292,599,742	0	292,599,742
SEL INC: LESSER 20 INCOME OR AVG INC	292,599,742	0	292,599,742
FND COMB WEALTH RATIO FOR SSR	0.651	0.000	0.651
TAFPUBASED ON 22-23 SY DATA	1,751	(134)	1,617
TAFPUBASED ON 21-22 SY DATA	1,623	0	1,623
SELECTED TAFPUBASED ON 22-23 SY DATA	1,751	(131)	1,620
REGIONAL COST INDEX (RCI)	1.124	0.000	1.124
PNI = 1 + EN%, MIN 1; MAX 2	1.362	0.000	1.362
ADJUSTED FOUNDATION AMT/PUPIL	12,260.87	203.60	12,260.88
ADJUSTED TAX RATE	0.00975	(0.00007)	0.00968
EXP MIN LOCAL CONTRIB/PUPIL	6,839.96	(49.11)	6,790.85
FOUNDATION FORMULA AID/PUPIL	5,420.91	252.71	5,673.62
FND STATE SHARING RATIO	0.584	0.000	0.584
ALT FOUNDATION AID/PUPIL	7,160.34	118.91	7,160.36
SELECTED FOUNDATION AID/PUPIL	7,160.34	118.91	7,160.36
TOTAL FOUNDATION AID	12,537,756	(745,371)	11,599,783
2023-24 FOUNDATION AID BASE	11,072,519	0	11,072,519
2024-25 FOUNDATION AID PAYABLE	12,537,756	(745,371)	11,599,783
2023-24 PUBLIC ENROLLMENT EST.	1,449	(136)	1,313
% K-6 ELIG APPLIC LUNCH	0.4660	0.0000	0.4660
LUNCH COUNT @ 0.65	439	(41)	398
CENSUS POVERTY	0.0877	0.0000	0.0877
CENSUS COUNT @ 0.65	83	(8)	75
NUMBER OF SQUARE MILES	18.803	0.000	18.803
SPARSITY FACTOR	0.000	0.000	0.000
SPARSITY COUNT	0	0	0
ENGLISH LANGUAGE LEARNERS	4	0	4

Executive Budget - \$12,537,756





Mechanicville City School District

District Budget Priorities

- #1 Priority – A balanced budget meeting the needs of Students & Staff – student focused
- What services best fit the needs of our students?
- What services provided the best “ROI”?
- Collaborative meetings with administrators, BOE and key stakeholders
- Fiscal responsibility – ensuring long term & short term sustainability \$
- Planning for future capital needs





Let's Recap

How did we get here?

Last Meeting/Budget Proposal

- Rollover Budget **\$36,291,299, 9.06%**, Increase of **\$3,014,913**
- Carry forward existing general fund staff & known vacancies from 2023-24
- Expiration of Federally funded positions (ARP & CRRSA grants) returning to the general fund
 - Estimated \$637,400 (including benefits)
- Applied assumptions of double digit health insurance increases
- Increases in ERS & TRS
 - ERS – 13.0% to 15.2%
 - TRS – 9.76% to 10.02%

Updated Proposed Budget

- Rollover Budget **\$36,817,940, 10.64%**, Increase of **\$3,541,554 (+\$526,641)**
- **Same processes applied**
- Grant positions: Retention of an estimated 8.0 FTE's retained through attrition, retirements, etc.
 - \$563,596 (including benefits)
- **New \$450,000 Interfund Transfer to Capital fund**
 - ❖ **Savings from 2022-23 Approved Bus Garage purchase proposition**



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Proposed Budget Highlights

- Tentative budget to budget increase is 10.64% or \$3,541,554
- Proposed tax levy increase is 3.68% or \$544,854.
 - Allowable 24-25 Property Tax Cap limit with exclusions: 4.13%
 - Less than allowable by \$66,863
- State Aid Increase (overall) = .71% (\$121,284)
 - Foundation aid = 6.29% or \$698,063
 - Reductions in expense based aids (pupil driven)



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Proposed Budget Highlights

- 7.98% vs. 10.64% - What are the cost drivers, changes? Some examples:
 - Health Insurance premiums increasing to 15.25-17.25%
 - Overhead costs such as electricity and gas – rates almost doubled



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Proposed Budget Highlights

- New facility upgrades
 - \$100k outlay – HS Corridor Flooring
 - Schedule N/Security upgrades
 - Aidable in following school yr. vs. typical 15 year return for building aid



2024-25 Proposed Budget

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2024-25 Proposed Budget				
Expenditures	Proposed Budget 2024-25	Budget 2023-24	\$ Difference	% Difference
General Support	\$ 3,945,778	3,574,266	371,513	10.39%
Instruction	\$ 18,658,502	16,903,640	1,754,862	10.38%
Transportation	\$ 1,822,518	1,866,746	(44,228)	-2.37%
Employee Benefits	\$ 7,920,199	6,967,241	952,958	13.68%
Debt Service	\$ 3,720,943	3,764,493	(43,550)	-1.16%
Interfund Transfers	\$ 750,000	200,000	550,000	275.00%
Totals:	36,817,940	33,276,386	3,541,554	10.64%
Revenues	Proposed 2024-25	Budget 2023-24	\$ Difference	% Difference
Property Taxes	\$ 15,350,682	14,805,827	544,854	3.68%
Payment in Lieu of Taxes	\$ 197,878	97,878	100,000	102.17%
State Aid	\$ 17,187,721	17,066,437	121,284	0.71%
Other Items	\$ 837,500	320,500	517,000	161.31%
Interfund Transfers	\$ 95,000	95,750	(750)	-0.78%
Appropriated from Debt Reserve	\$ -	150,000	(150,000)	-100.00%
Appropriated from ERS Reserve	\$ -	50,000	(50,000)	-100.00%
Appropriated from TRS Reserve	\$ -	50,000	(50,000)	-100.00%
Fund Balance	\$ 3,149,160	639,994	2,509,166	392.06%
Totals:	36,817,940	33,276,386	3,541,555	10.64%



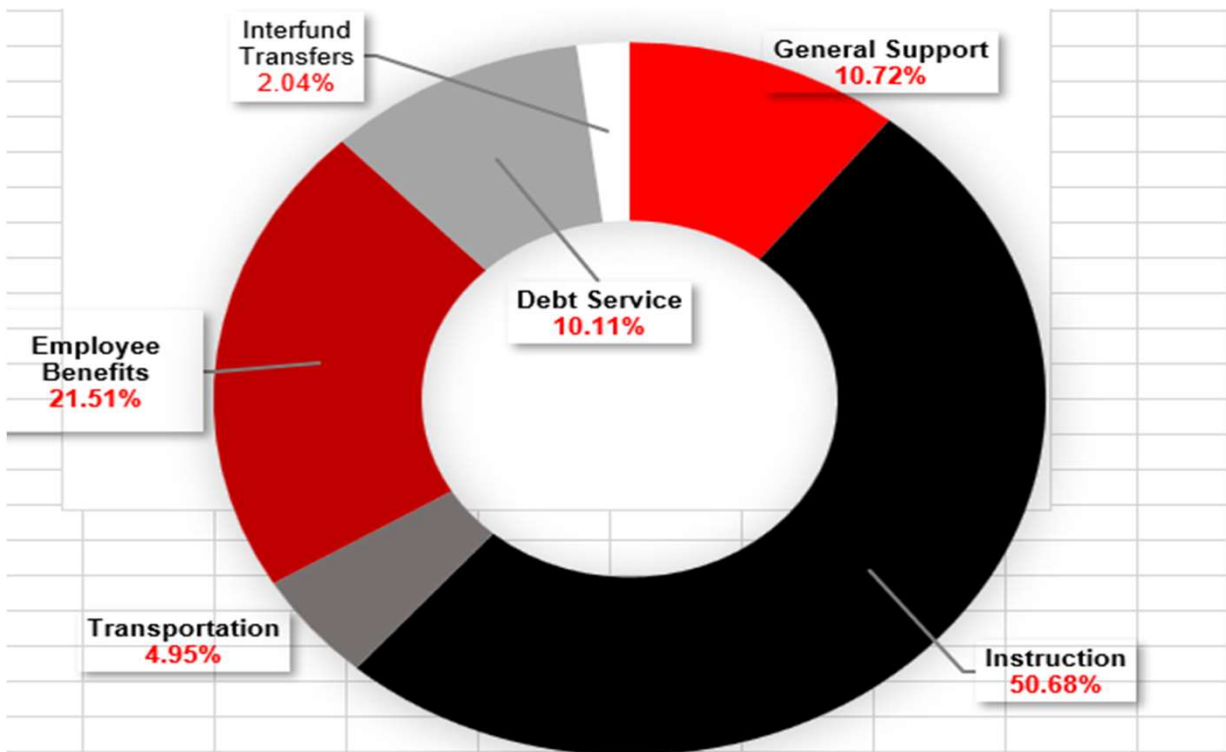
2024-25 Expenditures at a Glance

Mechanicville CSD				
2024-25 Expenditures at a Glance				
4/11/2024				
	2023-24 Budget	2024-25 Proposed Budget	\$ Change	% Change
Salaries (professional)	\$ 10,519,471	\$ 11,391,258	\$ 871,787	8.287%
Salaries (support)	\$ 3,503,376	\$ 3,992,553	\$ 489,177	13.963%
Employee benefits	\$ 6,959,842	\$ 7,912,587	\$ 952,745	13.689%
Equipment	\$ 631,278	\$ 545,795	\$ (85,483)	-13.541%
Supplies & textbooks/other	\$ 612,615	\$ 691,832	\$ 79,217	12.931%
Contract Services	\$ 2,925,397	\$ 3,604,275	\$ 678,878	23.206%
BOCES Services	\$ 4,159,913	\$ 4,208,697	\$ 48,784	1.173%
Debt Service	\$ 3,764,493	\$ 3,720,943	\$ (43,550)	-1.157%
Interfund transfers	\$ 200,000	\$ 750,000	\$ 550,000	275.000%
Total	\$ 33,276,386	\$ 36,817,940	\$ 3,541,554	10.643%



24-25 Proposed Expenditures

State aid is almost equivalent to Cost of Instruction



General Support	10.72%
Instruction	50.68%
Transportation	4.95%
Employee Benefits	21.51%
Debt Service	10.11%
Interfund Transfers	2.04%





2024-25 Budget Additions, Facility Needs, etc.

2024-25 Additions/Highlights	
Snapshot - Not all Inclusive	
Amount	Description
100,000	Capital Outlay - Removal and replacement of resilient tile flooring in HS Corridor
35,000	Schedule N- Security Upgrades - Possible new entrance door replacement at Elementary School
450,000	Interfund transfer to capital (\$2,300,000 bus garage savings for new ES- HS Road)
25,000	HS Band Instruments
68,625	5 New CTE Spots providing additional learning opportunities for HS students
65,037	1.0 Spec Ed Teacher
563,595	Retention of estimated 8.0 Previously Grant Funded Positions - some through attrition, retirements, etc. (Amount includes benefits)
237,000	3 New Small Buses
102,000	Facility Improvements - Auditorium Carpet, Band Room Floor, etc., MS Gym Floor Recoating, etc.
\$ 1,646,257.00	

Planned use of realized savings towards ES Road reconstruction – by transferring, the District will have a significant funding foundation towards an anticipated \$1M+ construction cost



Revenues = 3.96%
Expenses = 10.64%

2024-25 Revenues at a Glance

State aid increase of \$192k

Revenue Type	Comment	2023-24 Budget	2024-25 Proposed	Change \$	Change %
Local Sources		\$ 350,149.85	\$ 862,500.00	\$ 512,350.15	146.32%
Federal Sources		\$ 20,000.00	\$ 25,000.00	\$ 5,000.00	25.00%
State Aid		\$ 17,066,437.00	\$ 17,187,721.00	\$ 121,284.00	0.71%
Payment in Lieu of Taxes		\$ 98,978.00	\$ 197,878.00	\$ 98,900.00	99.92%
Other Property Tax Items		\$ 45,000.00	\$ 45,000.00	\$ -	0.00%
Property Taxes (Tax Levy)		\$ 14,805,827	\$ 15,350,681.00	\$ 544,853.85	3.68%
				\$ -	
Total		\$ 32,386,392.00	\$ 33,668,780.00	\$ 1,282,388.00	3.96%
Appropriate Fund balance	Debt Reserve	\$ 150,000.00		\$ (150,000.00)	-100.00%
Appropriate Fund balance	ERS Reserve	\$ 50,000.00		\$ (50,000.00)	-100.00%
Appropriated Fund Balance	TRS Reserve	\$ 50,000.00		\$ (50,000.00)	-100.00%
Appropriated Fund Balance		\$ 639,994.00	\$ 3,149,160.00	\$ 2,509,166.00	392.06%
Total Appropriated F/B		\$ 889,994.00	\$ 3,149,160.00		
Total		\$ 33,276,386.00	\$ 36,817,940.00	\$ 3,541,554.00	10.64%

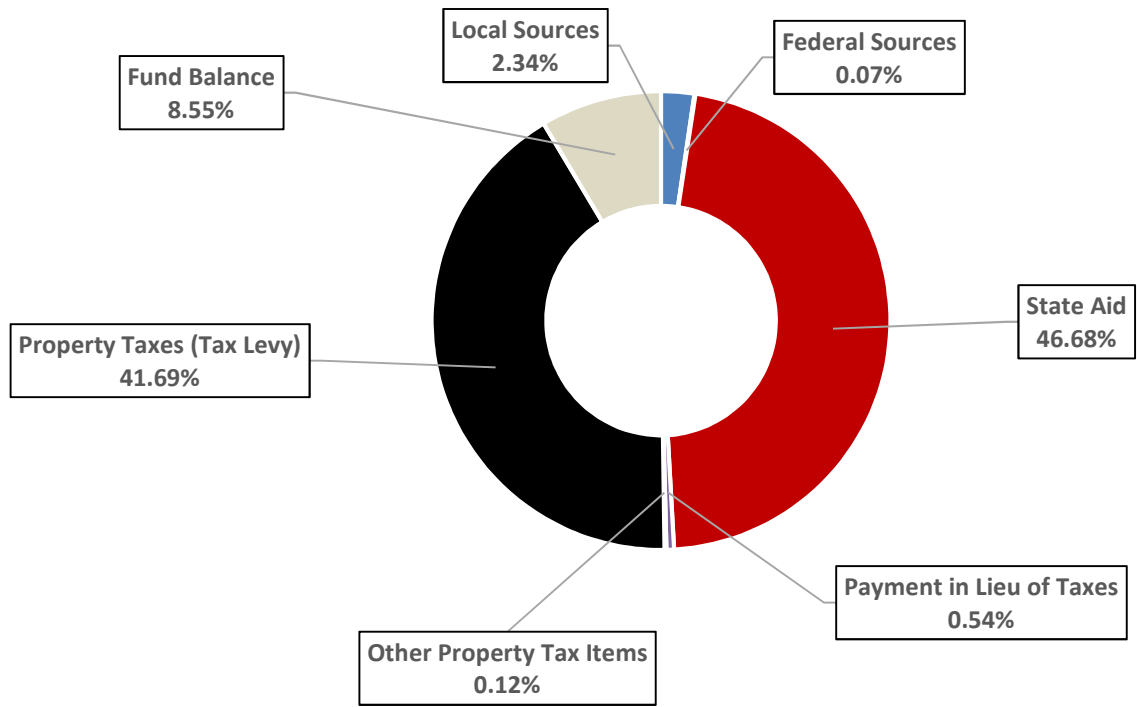




2024-25 Proposed Revenues

Something to think about:
State Aid provides almost 50% of total funding

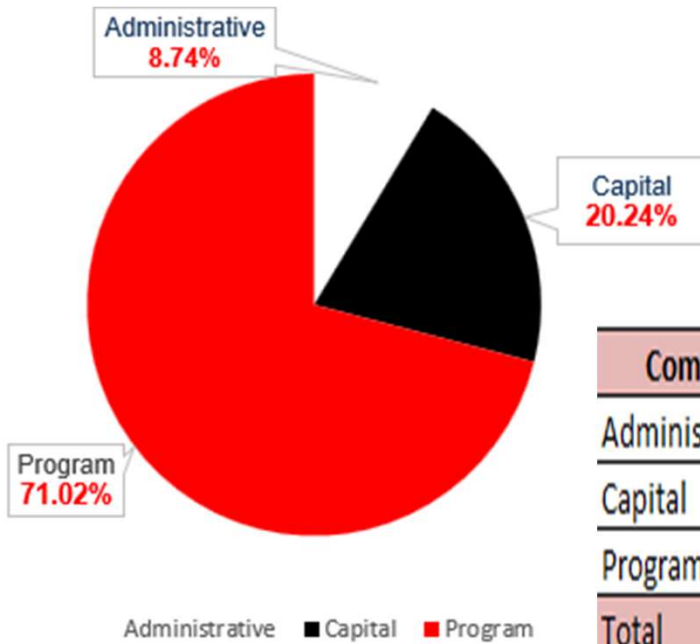
Revenues as part of the "pie"





Mechanicville City School District

Three Part Budget Allocation



Component	2023-24	%	2024-25	%	\$ Inc/Dec	% Inc.
Administrative	\$ 2,845,633.00	8.55%	\$ 3,218,594.86	8.74%	\$ 372,961.86	13.11%
Capital	\$ 6,349,588.00	19.08%	\$ 7,450,792.86	20.24%	\$ 1,101,204.86	17.34%
Program	\$ 24,081,164.00	72.37%	\$ 26,148,552.73	71.02%	\$ 2,067,388.73	8.59%
Total	\$ 33,276,385.00		\$ 36,817,940.45		\$ 3,541,555.45	



Property Tax Report Card

Form Due - April 29, 2024

Form Preparer Name:

COLLEEN DICAPRIO

Preparer's Telephone Number:

518-664-5727

<u>Shaded Fields Will Calculate</u>	Budgeted 2023-24 (A)	Proposed Budget 2024-25 (B)	Percent Change (C)
Total Budgeted Amount, not including Separate Propositions	33,276,386	36,817,940	10.64 %
A. Proposed Tax Levy to Support the Total Budgeted Amount ¹	14,805,827	15,350,681	
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)	14,805,827	15,350,681	3.68 %
F. Permissible Exclusions to the School Tax Levy Limit	1,088,961	1,356,752	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions ³	14,368,277	14,060,792	
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)	13,716,866	13,993,929	
I. Difference: (G-H);(negative value requires 60.0% voter approval) ²	651,411	66,863	
Public School Enrollment	1,368	1,360	-0.58 %
Consumer Price Index			4.12 %



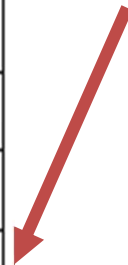
Mechanicville City School District

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

School District Budget Notice

Overall Budget Proposal	Budget Adopted for the 2023-24 School Year	Budget Proposed for the 2024-25 School Year	Contingency Budget for the 2024-25 School Year *
Total Budgeted Amount, Not Including Separate Propositions	\$33,276,386	\$36,817,940	\$35,377,807
Increase/Decrease for the 2023-24 School Year		\$3,541,554	\$2,101,421
Percentage Increase/Decrease in Proposed Budget		10.64%	6.32%
Change in the Consumer Price Index		4.12%	

Reduction in proposed spending by over 4%





Mechanicville City School District

Contingency Budget

How or why would a contingent budget happen?

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

- ❑ 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 \$1.4 million 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;
 - 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



Actual vs. Allowable 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%
2024-25	4.13%	611,717	3.68%
Total		2,933,868	
13 yr avg	4.07%	225,682.18	2.68%



What's Next??

- ✓ Budget newsletter in development, mailing anticipated at or around May 3rd
- ✓ April 15th to 22nd Budget documents published & available
- ✓ May 7, 2024 Budget Hearing
- ✓ May 21, 2024 Budget Vote



Mechanicville City School District

- Questions??