



# **Mechanicville City School District**

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## **2025-26 Budget Proposal**

### **April 3, 2025**

### **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

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## Budget Discussion Parameters & Objectives

- We budgeted what we knew to be true at the time of budget development
  - ✓ Unknowns & uncertainties such as volatile State Aid \$ are a factor
- Some changes occurred as we progressed through the budget process. We adjusted accordingly as information was shared – always keeping the District's core values in mind and at the forefront of all decisions



# Mechanicville City School District

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## Budget Review & Tonight's Discussions

- ✓ Budget Process 101
- ✓ Basic Overview/Components of a School District Budget
- ✓ A Game of "Did you know?"
- ✓ State Budget Status – Where are we at?
- ✓ District Budget Priorities



# **Mechanicville City School District**

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## **Budget Review & Tonight's Discussions**

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





# Budget Process & Timeline 101

Fall  
(September-  
December)

- School District begins budget planning & review of prior year financials
- BOE and administration review budget goals and priorities for upcoming school year

Winter  
(January-  
March)

- January – Governor releases the Executive Budget – This provides the initial state aid projections/starting point for budget development
- Jan-March: Budget presentations & discussions for stakeholders

Spring  
(April –May)

- April 1 – State budget statutorily due (budget extender already being planned)
- Without state aid numbers confirmed, District assesses data and information available to project state aid revenues



## Budget Process & Timeline 101 (continued)

Early  
April

- BOE Adopts Proposed Budget
- District prepares Property Tax Report Card for BOE adoption and submission to NYSED & publication (Must be submitted at least 24 days prior to budget vote)

Mid-late  
April

- Adopted budget is needed to prepare district newsletter for mailing late April to Early May
- Required budget notice is prepared for Newsletter

May

- Public **budget hearing** held (7–14 days before the vote), May 6
- May 20, 2025 Budget Vote



## Budget Process & Timeline 101 (continued)

This process has been the same for many years.

### >>>>Key Items to Remember and Clarify<<<<

- BOE Adoption of the budget is recommended in early April
  - Why?
    - Meet required publication deadlines (at least 4 times) of necessary budget total, propositions, etc. (Within 7 weeks of vote) including budget notice, propositions,
    - Adoption vs. Approval – It is essential to distinguish between the two
      - **Adoption**: BOE adopts the proposed expenditures and revenue which is subject to taxpayer/voter approval
      - **Approval**: The voters approve or reject the proposed ADOPTED budget from April





# Tax Levy vs. Tax Rates



## Tax Levy vs. Tax Rates – Understanding the Process

### 1. Setting the Tax Levy >

- The school district **creates a budget** for the upcoming school year, determining how much funding is needed to support the proposed budget
- Voters **approve or reject** the budget in May
- Once the budget is approved, the school district calculates the **tax levy** (the total amount needed from property taxes to balance the budget AFTER state aid, grants, other revenue, etc.)
- The tax levy is **capped by NYS property tax cap law** which limits how much the levy can increase each year (usually 2% or the rate of inflation, whichever is lower, unless voters approve a higher increase with 60% support). (Tax cap allows for permissible exclusions such as capital expenses, etc.)

MCSD's permissible tax cap for 2025-26 is 7.58%

The District is proposing a 3.94% increase



## 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





# Tax Levy vs. Tax Rates



## Tax Levy vs. Tax Rates – Understanding the Process

2. Setting the **Tax Rate** (Amount Property Owners pay)  
(Typically August BOE meeting)



- The school district does NOT set the **tax rates** – instead, it determines the total tax **LEVY** (which voters approve in May)
- The tax rate is set by the **local assessor and county officials** based on:

The **total taxable property value** in the district (determined by property assessments).



# Tax Levy vs. Tax Rates



## Tax Levy vs. Tax Rates – Understanding the Process

- Any **changes in property assessments** (if values rise, tax rates may decrease even if the levy stays the same).
- Equalization rates** (if the district covers multiple towns with different assessment practices).
- The final tax rate is then used to calculate **each property owner's bill** based on their property value
- The tax rate is calculated by dividing the **tax levy** (proposed and approved by District taxpayers) by the total taxable property value x 1,000 to express it per \$1000 of assessed value

$$\text{Tax Rate} = \left( \frac{\text{Tax Levy}}{\text{Total Taxable Assessed Value}} \right) \times 1,000$$

$$\text{Tax Rate} = \left( \frac{10,000,000}{500,000,000} \right) \times 1,000$$

$$\text{Tax Rate} = (0.02) \times 1,000$$

$$\text{Tax Rate} = 20 \text{ per } 1,000 \text{ of assessed value}$$



# Tax Levy vs. Tax Rates



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## Tax Levy vs. Tax Rates – Understanding the Process

- ✓ If the total property value increases, (due to reassessments or new developments), the tax rate may decrease even if the levy stays the same
- ✓ If the tax levy increases, the tax rate will go up unless property values also increase proportionally
  - ☐ This is why the **TAX LEVY** is what districts control
  - ☐ While the **TAX rate**, depends on assessments & equalization rates



# Basic Overview of a District Budget

Sample Make-up of a School District Budget

## REVENUES



Local Property Taxes



State Aid



Federal Aid



Other (grants, fees, etc.)



Total Revenues: \$00 million

## BUDGET



Salaries & Benefits



Transportation



Technology & Supplies

Total Budget: \$98 million

## FUND BALANCE



Unassigned Fund Balance

(SAVINGS)

Assigned Fund Balance  
(For Future Costs)

Restricted Reserves  
(For Specific Purposes,  
like Capital Projects)





# School District Financing Basics

## 💰 Where Does School Funding Come From?

- Did you know that public schools get their funding from three main sources?
  - Local property taxes 🏠 (biggest portion in many districts)
  - State funding 🏛️ (based on formulas, often tied to enrollment)
  - Federal funding 🇺🇸 (for specific programs like special education & low-income students)



## 📊 How Is the Money Spent?

- Did you know that most school budgets go toward **teacher salaries & benefits**? 🧑🏫
- Did you know that a portion of the budget must be used for **special education services** 🏠 ♿ by law?
- Did you know that schools also have to budget for **transportation, maintenance, and technology**?





# School District Financing Basics

Fund balance is key to not only unanticipated or unbudgeted costs, but for cash flow

## What Is a Fund Balance?

- Did you know that schools must keep a **SAVINGS** for emergencies? 🌧️ 💰
- Did you know that school districts can only hold a certain percentage of their budget in reserves?  
(In NY, it's typically capped at 4% for unassigned funds.)

## Budget Challenges

- Did you know that declining student enrollment can lead to less funding? 📉
- Did you know that increasing costs (salaries, utilities, etc.) can create budget deficits even if funding stays the same? 💰





## Let's play a game of “Did you know?”

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- ✓ The District has an Audit and Finance Committee
  - What is the purpose of an Audit and Finance Committee?
    - Ensures financial ACCOUNTABILITY and transparency
    - Assists in budget preparations, evaluates financial reports including financial planning, fund balances, reserves, etc.
    - Nothing is done “on an island”
- ✓ The District has an annual/yearly audit
  - Performed by an independent auditor
  - The District **does not and cannot do an audit on themselves**
  - All financial transactions of a district are confirmed and vetted for accuracy, misappropriation of funds, etc.



## Let's play a game of “Did you know?”

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- ✓ NYS school districts across the state have seen declining enrollment?
  - A. This includes Mechanicville Schools
  - B. Each student equates to state aid funding \$\$
  - C. Did you know around 50+ MCSD students are enrolled in private schools? (*~\$600,000 of lost aid*)
  - D. Did you know the district loses state aid + pays fees to the private school in support of health and wellness for an amount of \$ 41,000 (**Loss of aid + increased costs**)
  - E. Recent question asked “Why are we seeing declining enrollment” This is part of the answer



# State Budget – Where are we at? The Known Unknowns

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➤ NYS Budget statutorily due April 1<sup>st</sup>

- Planned budget extender
- Assembly and House proposals are on the table – basis for negotiations towards the eventual legislative or enacted budget
- Not much chatter regarding education funding this year
- More discussions heavily weighed on proposed cell phone ban
- Final budget is being largely delayed while seeking resolution on the cell phone ban and other non-education topics including discovery reform, mask bans, and involuntary confinement





## State Budget – Where are we at? The Known Unknowns

- NYS Budget statutorily due April 1<sup>st</sup>
  - 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			2024-25 Revenue 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	



# State is Facing Challenges as Well.....



New York State Division of the Budget (.gov)

<https://www.budget.ny.gov/pubs/archive>



## FY 2026 New York State Executive Budget

The Executive **Budget** Briefing Book contains the **Budget** Director's Message, which presents the Governor's fiscal blueprint for the FY 2026 fiscal year.

Missing: News | Show results with: News

What is the budget deficit of the state of New York?

The \$20 billion in reserve funds accumulated under Hochul is, indeed, a record high for the Empire State, but it's still not enough to cover the **\$27 billion** in total budget gaps she projected for fiscal years 2027 through 2029. Feb 10, 2025







# NYS Assembly and Senate Proposals

Proposal	Governor's Budget	Senate's Budget	Assembly's Budget
Foundation Aid	\$1.46 billion increase; full funding; 2% minimum increase; formula updates to student poverty factors	\$680 million increase over executive proposal; full funding; 3% minimum increase; formula updates to student poverty factors and regional cost index	\$569 million increase over executive; full funding; 2.9% minimum increase; formula updates to student poverty factors, regional cost index, ELL weighting and Income Wealth Index
School Meals	Universal school meals for all students	Universal school meals for all students; allows school districts to count breakfast and snack purchases towards farm-to-school incentive program	Universal school meals for all students; allows school districts to count breakfast and snack purchases towards farm-to-school incentive program
Student Use of Smart Devices	Mandating bell to bell prohibition	Adjusting executive proposal to allow districts/BOCES to adopt local policies that address non-instructional time during the school day	Rejecting executive proposal (Education Committee Chair introduced legislation to require all public, private and charter schools to adopt their own local policies); providing additional \$25 million to support policy implementation
Zero-Emission Buses (ZEB)	No proposals	Granting SED expanded waiver authority; requiring independent battery range estimates; providing state aid for electrification planning	No proposals (ZEB could be eligible for part of \$200 million "zero emission transportation" fund)
BOCES & CTE	No proposals	Increase BOCES <u>aidable</u> cap from \$30k to \$60k by 2028-29; expand grade coverage and per pupil amount for CTE funding in non-BOCES districts	Increase BOCES <u>aidable</u> cap from \$30k to \$60k by 2027-28; expand grade coverage for CTE funding in non-BOCES districts
Retiree Earnings Limit	No proposals	Extending waiver until 2027; increasing limit from \$35k to \$65k	No proposals



# Foundation Aid Largest State Aid Revenue Resource

Entity Name  
MECHANICVILLE CITY SD

BEDS Code  
521200

Claim Year  
2024-2025

SET VALUES

SAMS

NEW YORK STATE EDUCATION DEPARTMENT  
STATE AID MANAGEMENT SYSTEM

Welcome Colleen DiCaprio (School Entity User)

CORE

03/30/2025 02:28 PM

Home | Issue Reporting | Help | Logout

Entity Info | Forms | Activity Log | Reports |

Data Area: Official  
Data Timestamp: 03/30/2025 14:28:12.000914

District Name: MECHANICVILLE CITY SD  
District Code: 521200

Reflects foundation aid updated  
with February database –  
Executive Runs overstated

[Print Form](#)

State Aid: 2024-2025  
Today's Date: 03/30/2025

**DISCLAIMER: THIS PROJECTED OUTPUT REPORT REFLECTS CURRENT LAW LEGISLATION AS OF THE BEGINNING OF THE SCHOOL YEAR. IT DOES NOT REFLECT CHANGES PROPOSED IN THE EXECUTIVE BUDGET NOR DOES IT REFLECT CHANGES MADE IN THE ENACTED BUDGET. IT WILL BE UNAVAILABLE TO VIEW ONCE THE ENACTED BUDGET IS ACCEPTED. PLEASE USE YOUR STATE AID RUNS FOR PROJECTED VALUES AT THAT TIME.**

## 2025-26 ESTIMATED FOUNDATION AID OUTPUT REPORT

### PART I: CALCULATION OF 2025-26 FOUNDATION AID PAYABLE

1	2025-26 ADJUSTED FOUNDATION AMOUNT / PUPIL	(PART II ENT 7)	12,758.02
2	2025-26 EXPECTED MINIMUM LOCAL CONTRIBUTION	(PART III ENT 3)	5,536.98
3	2025-26 SELECTED FOUNDATION AID / PUPIL	(GREATER OF 500 OR (ENT 1 - ENT 2))	7,221.04
4	2025-26 SELECTED TAFPU FOR 2025-26 AID	(PART IV ENT 24)	1,613
5	2025-26 TOTAL FOUNDATION AID	(ENT 3 * ENT 4)	11,647,537
6	2024-25 FOUNDATION AID BASE (FAB)	(2024-25 FA PART I ENT 9)	11,636,136
7	GREATER OF FOUNDATION AID BASE OR TOTAL FOUNDATION AID	(MAX OF ENT 5 OR ENT 6)	11,647,537
8	NOT USED		
9	2025-26 ESTIMATED FOUNDATION AID PAYABLE	(ENT 7)	11,647,537

[Glossary](#)

Hold  
Harmless  
provision  
provides the  
District with  
\$232.k of Aid  
vs. \$11.4k

Using FA  
formulas =  
increase of  
**\$11.4k**



# State Aid – It's not just about Foundation Aid

## A review of our Expense Based Aids

	February Current Law Database Update				Change Between Executive Budget & February Database Update		
	2024-25	2025-26	Change	%	2024-25	2025-26	Change
Foundation Aid	Current Law Estimates for Foundation Aid differ significantly from the Executive Budget. Due to this fact and the uncertainty about the final enacted Foundation Aid levels, this line is being kept suppressed.						
Expense-based Aids							
Building Aid	\$2,563,136	\$2,485,908	(\$77,228)	-3.01%	\$0	(\$6,033)	(\$6,033)
Transportation Aid*	\$1,272,740	\$1,359,471	\$86,731	6.81%	\$0	(\$97,929)	(\$97,929)
BOCES Aid	\$1,330,497	\$1,048,808	(\$281,689)	-21.17%	\$0	(\$56,562)	(\$56,562)
Public High Cost Excess Cost Aid	\$515,706	\$414,788	(\$100,918)	-19.57%	\$0	(\$80,257)	(\$80,257)
Private Excess Cost Aid	\$437,308	\$434,206	(\$3,102)	-0.71%	(\$9,880)	(\$12,510)	(\$2,630)
Special Services Aid	\$0	\$0	\$0	N/A	\$0	\$0	\$0
Instructional Materials Aids							
Software Aid	\$7,874	\$19,654	\$11,780	149.61%	\$0	(\$299)	(\$299)
Hardware & Technology Aid	\$19,920	\$20,606	\$686	3.44%	\$0	(\$1,442)	(\$1,442)
Textbook Aid	\$80,094	\$80,269	\$175	0.22%	\$0	\$641	\$641
Library Materials Aid	\$8,293	\$8,200	(\$93)	-1.12%	\$0	(\$125)	(\$125)
Other Operating Aids							
Academic Enhancement Aid	\$0	\$0	\$0	N/A	\$0	\$0	\$0
Charter School Transitional Aid	\$0	\$0	\$0	N/A	\$0	\$0	\$0
High Tax Aid	\$0	\$0	\$0	N/A	\$0	\$0	\$0
Supplemental Public Excess Cost Aid	\$0	\$0	\$0	N/A	\$0	\$0	\$0
Aid for Recent Consolidations							
Operating Reorganization Incentive Aid	\$0	\$0	\$0	N/A	\$0	\$0	\$0
Building Reorganization Incentive Aid	\$0	\$0	\$0	N/A	\$0	\$0	\$0
Subtotal	\$6,235,568	\$5,871,910	(\$363,658)	-5.83%	(\$9,880)	(\$254,516)	(\$244,636)

Additional  
loss of  
over  
\$100k

Additional  
loss of  
over  
\$100k

Since January, the District has further revenue losses



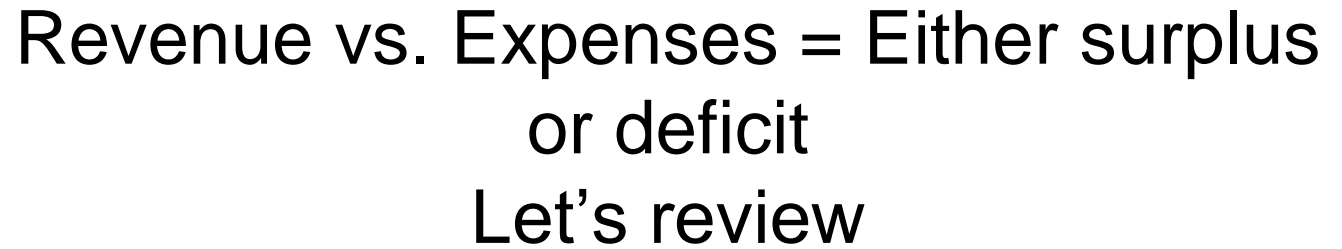


# State Aid Projections Summary – Let's tie it all together

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



**Let's  
START**

- - \$36,817,940 2024-25 Budget (If all current expenditures remained stationary)  
(BEFORE necessary COST INCREASES)
- + \$33,667,965 2025-26 Proposed Revenues (includes State Aid + 3.94% Tax Levy)
- ---
- ( -\$3,149,975) Initial deficit - \$ money needed to balance the budget

• “The District is hiding money”



## Deficit/Surplus – How it is determined/calculated review

“The District is hiding money”

Let's discuss this.....



Remember this \$ from the prior slide???

( -\$3,149,975)

+ \$3,025,000 audited fund balance as of 6/30/24



A 909	Fund Balance, Unreserved	0.00	3,025,280.45
A 911	Fund Balance-Appropriated	0.00	3,609,160.00

District Trial balance audited by external auditors

If the District used all of it's fund balance (prior to cost reductions + expense increases, the District would be at a loss of **ALMOST \$125,000 – leaving no \$ for payments**

**How would the district pay bills, fund payroll??? – Average DD for payroll is \$425,000+**





## Deficit/Surplus – How it is determined/calculated review

“The District is hiding money”  
Let’s discuss this.....



Let’s recap..... Audited fund balance – fully unhidden \$ = \$3,025,000

A 909	Fund Balance, Unreserved	0.00	3,025,280.45
A 911	Fund Balance-Appropriated	0.00	3,609,160.00

## Fact vs. Fiction

1. Fact: It would be FISCALLY irresponsible and detrimental to the district to use 100% of its current unassigned fund balance leaving no \$ for emergency expenses, etc. and no cash flow to make bill payments or payroll
2. Fact: Cost cutting measures are absolutely necessary and crucial to maintain fiscal stability
  - a) How to we restore or maintain? – Spending freeze/reduce expenditures
  - b) Revenue Growth – increasing local revenues, increase in state aid



## Deficit/Surplus – How it is determined/calculated review

“The District is hiding money”  
Let’s discuss this.....



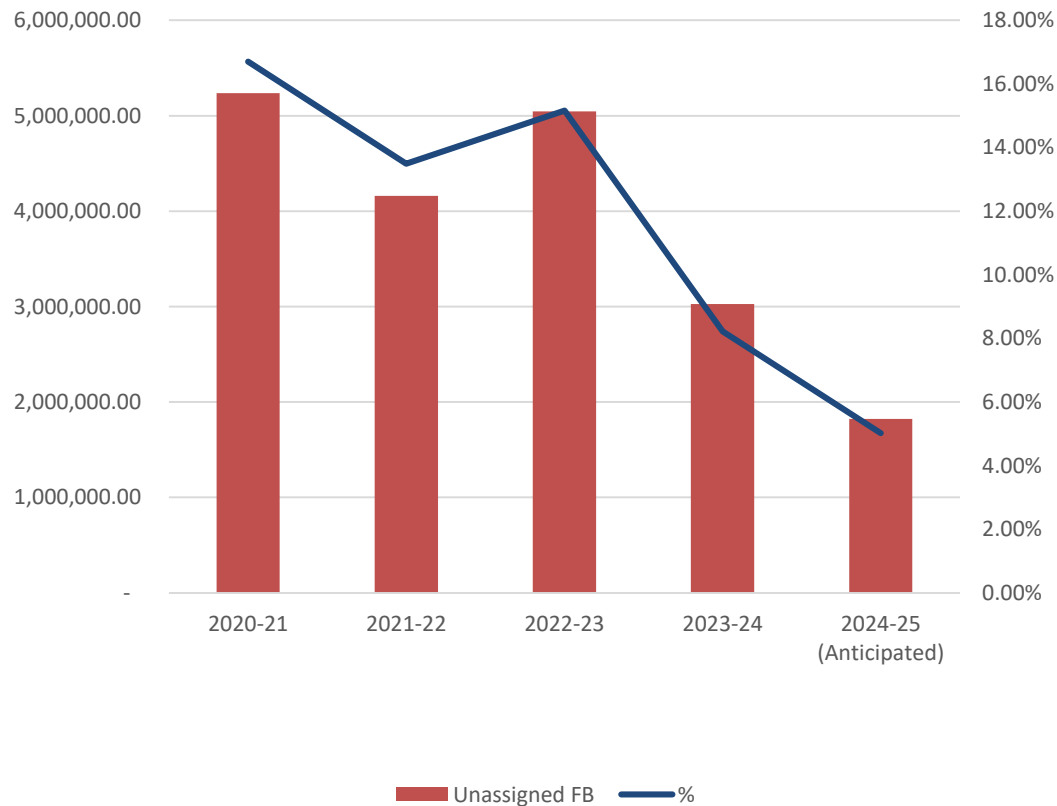
Let’s recap..... Audited fund balance – fully unhidden \$ = \$3,025,000

### Fact vs. Fiction

3. Fiction: The District is hiding money in the Special Education area
  - *How could or would the district hide \$3M+ in this area?*
4. Fiction: The District is making expenses up
  - The District has salary increases, benefits, etc. that are tied to rate plans, etc.*
  - Obligated debt service payments*
  - Operational costs: Ex./ Electricity, water and sewage increases*



# 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%

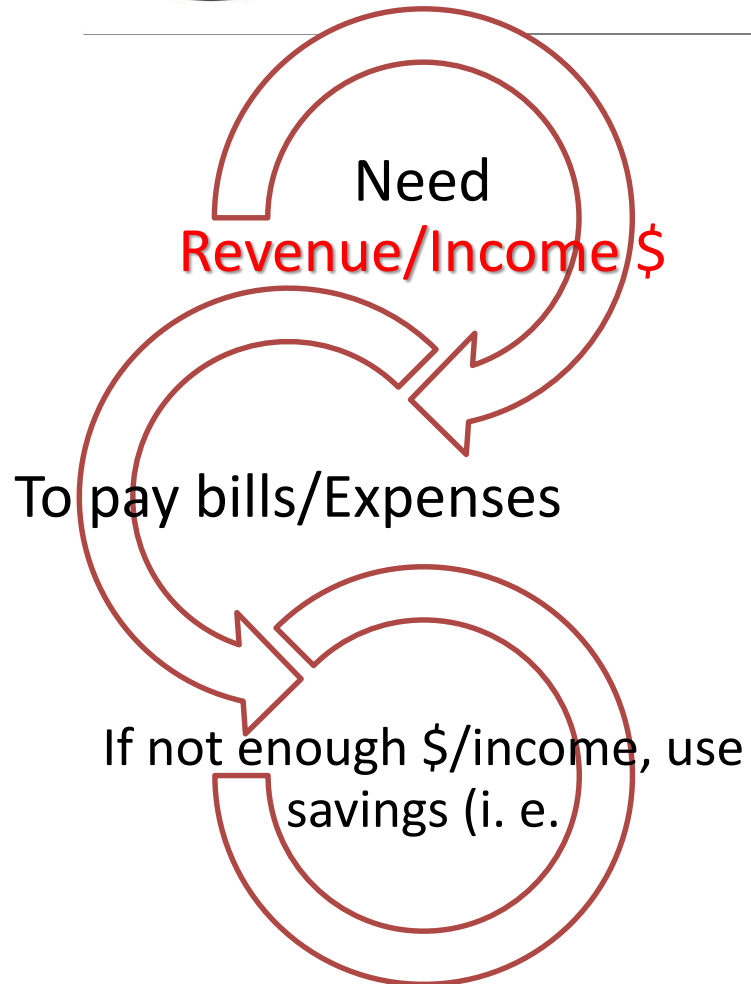
**THIS TREND IS  
NOT  
SUSTAINABLE**



# Budgeting



## Questions to Ask/Think about....



- 1) If you add back or increase the budget with RECURRING expenses, with no guaranteed ONGOING revenue, what happens?
- 2) How do you to get the funding to bridge the gap/difference between the money needed to pay expenses without revenue or income coming in?





# Paycheck to Paycheck Analogy



Living “paycheck to paycheck” means spending almost all of your income on essential expenses, leaving little to no money for savings or unexpected costs.

Here's a more detailed explanation:

## Definition:

It refers to a situation where individuals or households spend nearly all of their income on basic needs like rent/mortgage, utilities, groceries, and transportation, leaving little to no surplus for savings or discretionary spending.



## Keeping that in mind.....

If the district has seen **declining enrollment = to declining state aid**, costs keep escalating and savings is tapped to every year, you need some vehicle to save \$ either through cost reductions or increased revenue – only possible source = **increased tax levy**







# 2025-26 Budget Snapshot

Bridging the gap between revenue losses and increased costs

2025-26

- \$36,334,669 vs. \$36,277,274
- Increase of \$57,245 over last presentation

Inc/Dec

- -1.31%
- -\$483,240

Tax Levy

- 3.94%
- \$604,817

Increase in BOCES related costs



## 2025-26 Budget Considerations

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“The perfect storm”  
The district was faced  
with.....

D  
E  
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T

*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

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Contingency/  
Spending  
Freeze = Fund  
Balance Use

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*Increase*  
Tax Levy

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# Mechanicville City School District

## Budget Development, Considerations & Assumptions

- “Rollover Budget” - **\$36,334,699 -1.31%, -\$483,240**
  - Process & Considerations:
    1. Review existing general fund positions & known vacancies from 2024-25
    2. Salaries
      - Expiration of two collective bargaining agreements and one other
      - Budget projections based on reasonable assumptions and affordability factors in absence of settled contracts



# Mechanicville City School District

## Budget Development, Considerations & Assumptions

- “Rollover Budget” **\$36,334,699 -1.31%, -\$483,240**
- Process & Considerations:
  - 1) Current programming with known contractual increases and assumptions for others unknown
  - 2) Apply ERS & TRS rate increases
    - ❖ ERS increase from 15.2% to 16.5%
    - ❖ TRS slight decrease from 10.02% to 9.59%



# Mechanicville City School District

## Budget Development, Considerations & Assumptions

- “Rollover Budget” **\$36,334,699 -1.31%, -\$483,240**
- 5. Apply Fixed Costs & Assumptions – Costs beyond our control
  - At minimum \$1.2 million cost increases over 24-25 budget
    - Debt Service – Increase of \$603,914
    - Electricity & Utilities
    - CPI increase – currently over 4%
    - Health insurance increases – as high as 15-22%

**District is focusing on current and long term stability**



# 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%



# 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

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## 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



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%
<b>Totals:</b>	<b>36,334,699</b>	<b>36,817,940</b>	<b>(483,241)</b>	<b>-1.313%</b>	
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%
<b>Totals:</b>	<b>36,334,699</b>	<b>36,817,940</b>	<b>(483,240)</b>	<b>-1.31%</b>	



# Samples of Mandated vs. Non-mandated Obligations, etc.

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## **Budget Considerations**

### **Examples of MANDATED PROGRAMS**

1. Special Education Services
2. Health Services
3. Transportation
4. Academic Core Subjects
5. Specialized Instructional Support



# Samples of Mandated vs. Non-mandated Obligations, etc.

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## **Examples of Non-Mandated Programs & Services (Optional, Offered at the District's Discretion)**

- Full Day Kindergarten
- Pre-Kindergarten – Not required but supported through state grant funding
- Elective Courses – While some HS electives are required to be offered to meet graduation requirement, offerings outside the core graduation and state mandates are examples of non-mandated programming



# Samples of Mandated vs. Non-mandated Obligations, etc.

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## **Examples of Non-Mandated Programs & Services (Optional, Offered at the District's Discretion)**

- Extracurricular Activities & Clubs (Schedule B)
  - Salaries only (w/benefits): \$65,365
- Athletic Programs (Example of 2023-24 expenses attached)
  - Pre-season pay
  - Uniforms
  - Travel
  - Salaries
  - Chaperone Pay
  - Clock Operator



# Samples of Mandated vs. Non-mandated Obligations, etc.



## Athletic Program 2023-24

### Appropriation Status Detail Report By Function From 7/1/2023 To 6/30/2024

Description	Budget	Adjustments	Adj Budget	Expensed	Benefits	Total
Instructional Salary (Coaching Pay)	199,250.00	-14,000.00	185,250.00	185,250.00	32,252.03	217,502.025
CHAPERONE PAY	26,000.00	-3,668.73	22,331.27	10,404.97	1,811.51	12,216.475
Athletic Supervision stipends	22,485.00	0.00	22,485.00	22,485.00	3,914.64	26,399.639
Clock Operator	25,000.00	-7,904.00	17,096.00	6,659.25	1,159.38	7,818.625
Preseason Pay Coaches	24,500.00	0.00	24,500.00	24,500.00	4,265.45	28,765.450
Non Instructional Salaries	9,070.82	58.63	9,129.45	9,129.45	1,589.44	10,718.887
Non Instructional Chaperone Pay	0.00	19,668.73	19,668.73	16,761.42	2,918.16	19,679.583
Equipment	0.00	400.00	400.00	356.87	0.00	356.870
Equipment - HS Athletic	52,700.00	-19,167.28	33,532.72	33,532.42	0.00	33,532.420
Contractual (SRO Game Supervision)	20,000.00	-13,000.00	7,000.00	4,558.70	0.00	4,558.700
Contractual - HS Athletic (Officials, etc)	62,600.00	34,176.00	96,776.00	93,688.14	0.00	93,688.140
Supplies & Materials - HS Athletic (Uniforms, etc)	28,500.00	27,237.00	55,737.00	51,954.39	0.00	51,954.390
Totals:	470,105.82	23,800.35	493,906.17	459,280.61	47,910.59	507,191.20

Driver salaries for sports trips: \$37,260 (with benefits)

Transportation costs – gas, fuel, etc. not included – estimated mileage = \$36,030

**Total (with transportation costs): \$580,481**





## Samples of Mandated vs. Non-mandated Obligations, etc.

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### **Examples of Non-Mandated Programs & Services (Optional, Offered at the District's Discretion)**

- After school & Enrichment programs
  - Summer School – enrichment or credit recovery
  - Late Buses - \$17,000
- This sample of these extra programs provided to our students =  
\$670,000 (2023-24 basis)



# Instructional & Program Snapshot

- What are some of the items that make up some of the costs in instructional and programming?

- Personnel

- Sub Costs
- Extracurricular
- Contractual increases

## Historical Sub Costs

				YTD - three months remaining
	2021-22	2022-23	2023-24	2024-25
Budget	193,000.00	216,500.00	230,000.00	220,000.00
Actual/YTD	214,628.00	261,113.00	318,793.00	190,811.00
Inc/Decrease over Budget	21,628.00	44,613.00	88,793.00	-29,189.00
Costs do not include retirement or FICA				



# Position Reduction Impact

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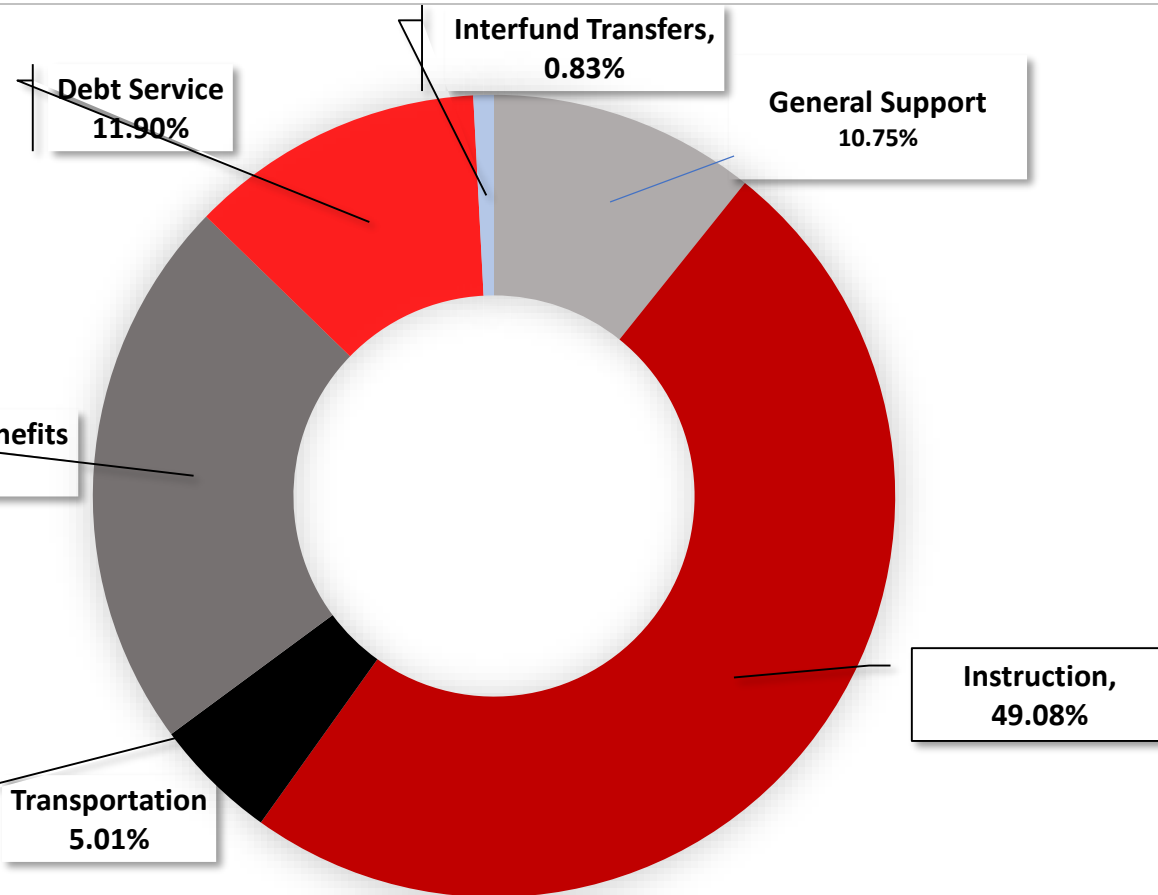
- **Instructional (-9.5 FTE)**
  - 3 ES (Section Reduction)
  - 4.5 JSHS (2 attrition (retirement), 1 transfer, 1.5 reduction)
  - 2 K-12
- **Non-Instructional (-7 FTE)**
  - 5 District Reductions
  - 2 Position Resignations
- The District has evaluated and considered every possible reduction carefully understanding they are valued District employees.



# 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%



# 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	<b>Budget Neutral</b> - Building aidable following year
\$35,000.00	Schedule N- Security Upgrades - New entrance door replacement at High School	ES Entrance doors Replaced	<b>Budget Neutral</b> - 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 - <b><i>No taxpayer impact</i></b> - 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



# 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





# 2025-26 Revenues at a Glance

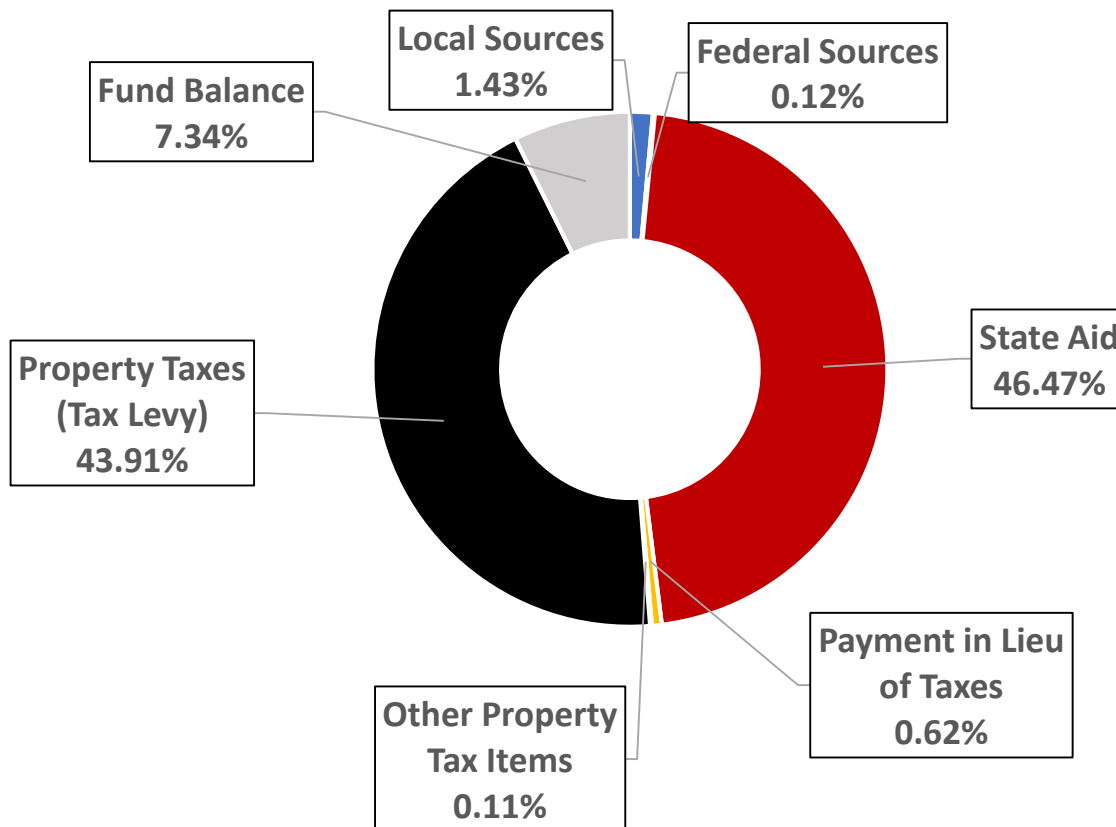
Do you recall the previous slide  
about state aid?

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%
			\$ -	
<b>Total</b>	<b>\$ 33,668,780.00</b>	<b>\$ 33,667,965.00</b>	<b>\$ (815.00)</b>	<b>0.00%</b>
<b>Appropriated Fund Balance</b>	<b>\$ 3,149,160.00</b>	<b>\$ 2,666,734.00</b>	<b>\$ (482,426.00)</b>	<b>-15.32%</b>
<b>Total Appropriated F/B</b>	<b>\$ 3,149,160.00</b>	<b>\$ 2,666,734.00</b>		<b>-15.32%</b>
<b>Total</b>	<b>\$ 36,817,940.00</b>	<b>\$ 36,334,699.00</b>	<b>\$ (483,241.00)</b>	<b>-1.31%</b>



# 2025-26 Proposed Revenues

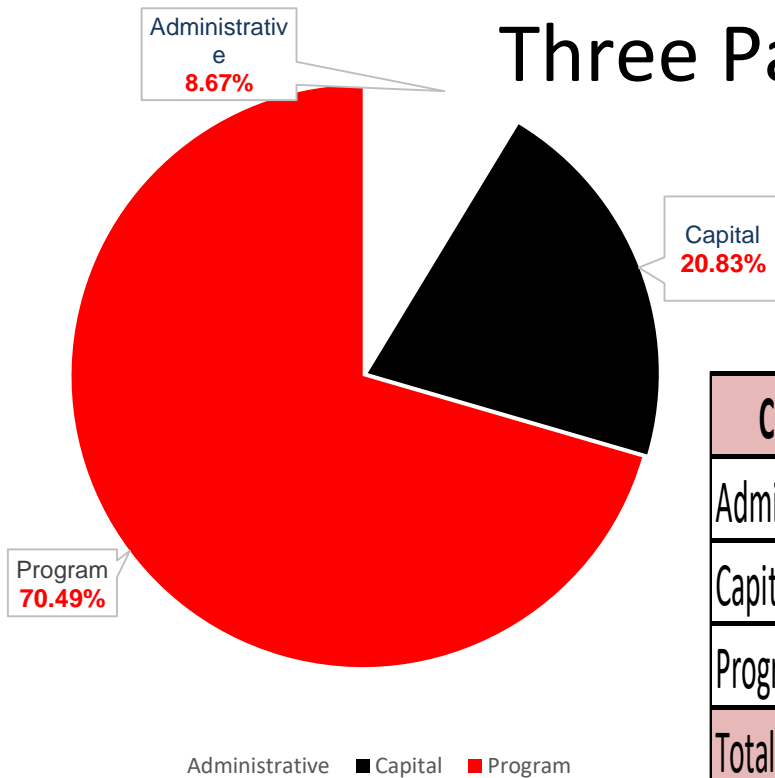
Revenues as part of the “pie”





# 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 <sup>1</sup>	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 <sup>2</sup>	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 <sup>3</sup>	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) <sup>2</sup>	66,863	558,564	
Public School Enrollment	1,360	1,317	-3.16 %
Consumer Price Index			2.95 %

<sup>1</sup> Include any prior year reserve for excess tax levy, including interest.

<sup>2</sup> 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.

<sup>3</sup> 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?

- ☐ 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 \$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;
  - School bus purchases



# Mechanicville City School District

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## **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



## What's on the District Ballot?



### ➤ District Propositions (cont'd)

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

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- ✓ Budget newsletter in development, mailing anticipated at or around May 3rd
- ✓ No later than April 28<sup>th</sup>, Budget documents published & available
- ✓ May 6, 2025 Budget Hearing
- ✓ May 20, 2025 Budget Vote





# Mechanicville City School District

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- Questions??