

2024/2025 Budget Development

- ▶Budget Workshop #3
 - Budget Review & Updates
 - Estimated Revenues

March 13, 2024 **Board of Education Meeting**





Middleburgh CENTRAL SCHOOL DISTRICT

2024/2025 Budget Workshop Agenda

- Budget Updates
 - Program Component
 - Overall preliminary budget as of 3/13/24
- Estimated Revenues
 - Overall estimate as of 3/13/24
- Budget Scenarios
 - With and without Foundation Aid restoration
 - Available budget funding options



Budget Development Timeline



2024/2025 Budget Update

- Changes/Impact to Overall Budget:
 - Salaries & Benefits line updated
 - ✓ Retirements/Replacements
 - ✓ Insurance updates (i.e., subscriber changes)
 - Contractual Services updated
 - ✓ Afterschool enrichment program
 - Budget reduced to reflect RFP results
 - BOCES Services
 - ✓ Budget reflects either actual or estimates
 - ✓ Anticipated Placements (shift from Tuition line)
 - ✓ CTE cost increase





Middleburgh CENTRAL SCHOOL DISTRICT

2024/2025 Budget Update

- Changes/Impact to Overall Budget:
 - Budget Requests/Ed-Data requisitions
 - ✓i.e., software/subscriptions, materials & supplies, contractual
 - Out-of-district placements (tuition)
 - ✓ Actual & anticipated placements
 - ✓ Budget shift from Tuition to BOCES Services





2024/2025 Budget Update

- Outstanding items needed to finalize budget:
 - Software & Subscriptions
 - ✓ Review Budgeted vs actual
 - Example: was a direct purchase w/vendor, now BOCES
 - ✓ Maximize Instructional Materials Budgets
 - Expenditure-driven aid category
 - Prescription Drug Premiums
 - ✓ To be known late March 2024
 - Currently in budget, +30% increase



Middleburgh CENTRAL SCHOOL DISTRICT

2024/2025 Budget Update

Three Part Budget Component- 2024/2025 Preliminary Budget									
	PRELIM BUDGET	APPROVED							
	2024/2025 as of	BUDGET			% of				
	3/13/24	2023/2024	Change \$	Change %	Budget				
Administrative	2,223,367	2,347,524	(124,157)	-5.29%	8.89%				
Capital	4,197,003	3,974,619	222,384	5.60%	16.77%				
Program	18,599,167	17,990,347	608,820	3.38%	74.34%				
Total	25,019,537	24,312,490	707,047	2.91%	100.00%				

Preliminary Budget at the 2/14/24 Budget Workshop, \$ 25,167,934



Reduction of \$148,397 since last meeting

Three Part Budget Component

PRELIM BUDGET		APPROVED			
	2024/2025 as of	BUDGET			% of
	3/13/24	2023/2024	Change \$	Change %	Budget
Administrative	2,223,367	2,347,524	(124,157)	-5.29%	8.89%
Capital	4,197,003	3,974,619	222,384	5.60%	16.77%
Program	18,599,167	17,990,347	608,820	3.38%	74.34%
Total	25,019,537	24,312,490	707,047	2.91%	100.00%

Administrative Component: Administrative costs include the salaries and benefits of all certified staff who spend 50% or more of their time in administration, plus the salaries and benefits of clerical staff, school board costs, curriculum development, tax collection, legal and auditing costs, central data processing, insurance, association fees, BOCES administrative costs, research, planning and evaluation.

Capital Component: Capital costs include the operation and maintenance of plant, debt service (principal and interest payments), bus purchases, utilities, and other court-ordered costs.



Program Component: Program costs include the salaries and benefits of all teachers and staff delivering pupil services (health, guidance, library, and athletics), hardware/software/textbooks, instructional materials and supplies, equipment, extracurricular student activities and athletics, BOCES program costs, and all other transportation costs.



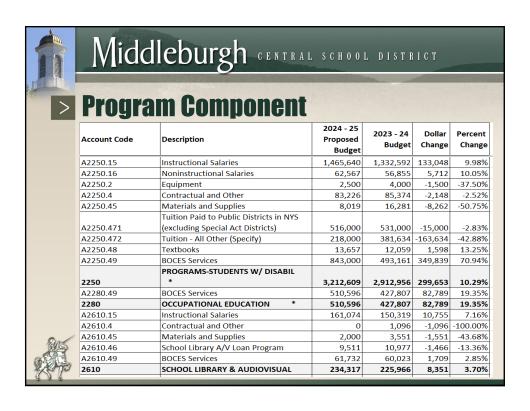
Middleburgh CENTRAL SCHOOL DISTRICT

2024/2025 Budget Update

- ▶ Program Component
 - Field Trips
 - College in High School
 - Afterschool enrichment program
 - ✓Budget does not include +\$50,000 for annual HS Washington D.C. trip



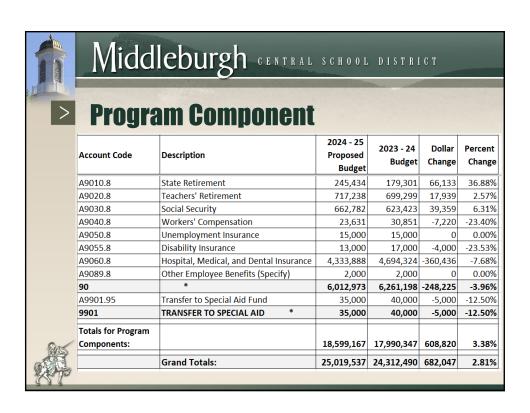
	Middleburgh CENTRAL SCHOOL DISTRICT Program Component								
Account Code	Description	2024 - 25 Proposed Budget	2023 - 24 Budget	Dollar Change	Percent Change				
Program Compo	onents								
A1420.4	Contractual and Other	25,000	25,000	0	0.009				
1420	LEGAL *	25,000	25,000	0	0.009				
	Teacher Salaries, Full Day Kindergarten								
A2110.12a	-3	1,081,713	1,051,023	30,690	2.929				
A2110.12b	Teacher Salaries, 4 - 6	990,405	1,017,355	-26,950	-2.659				
A2110.13	Teacher Salaries, 7 - 12	2,231,753 164,000	2,146,833 169,000						
A2110.14	Substitute Teacher Salaries								
A2110.16	Noninstructional Salaries	148,222	126,028	22,194	17.619				
A2110.2	Equipment	20,000	70,000	-50,000	-71.439				
A2110.4	Contractual and Other	366,550	83,637	282,913	338.269				
A2110.45	Materials and Supplies	112,702	120,773	-8,071	-6.689				
	Tuition Paid to Public Districts in NYS								
A2110.471	(excluding Special Act Districts)	20,000	20,000	0	0.009				
A2110.48	Textbooks	47,440	38,693	8,747	22.619				
A2110.49b	Other BOCES Services - Not ELL	338,247	337,012	1,235	0.379				
2110	TEACHING-REGULAR SCHOOL *	5,521,032	5,180,354	340.678	6.589				

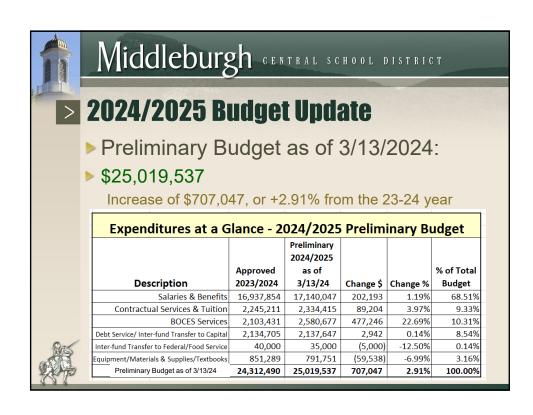


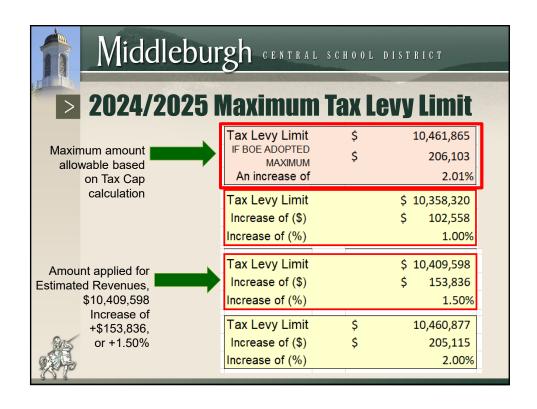
	dleburgh CENTRAL am Component				
Progra	am Component			-	
Progra	am Component				
	aili vulliyulivill				
Account Code	Description	2024 - 25 Proposed	2023 - 24 Budget	Dollar Change	Pe C
		Budget	Budget	Change	
A2630.16	Noninstructional Salaries	59,747	57,469	2,278	
A2630.2	Equipment	32,500	32,500	0	
	State-Aided Computer Hardware -				
	Purchase (Note: Do not include Smart				
A2630.22	Schools Bond Act (SSBA)	9,742	9,742	0	
A2630.45	Materials and Supplies	12,000	12,000	0	
A2630.46	State-Aided Computer Software	22,000	22,000	0	•
A2630.49	BOCES Services	488,876	463,942	24,934	
	Contractual and Other (Not State Aided				
A2630.4c	Lease or Repair)	10,000	10,000	0	
	COMPUTER ASSISTED INSTRUCTION				
2630	*	634,865	607,653	27,212	4
A2810.15	Instructional Salaries	330,118	305,609	24,509	
A2810.16	Noninstructional Salaries	42,055	40,476	1,579	
A2810.4	Contractual and Other	1,875	1,850	25	
A2810.45	Materials and Supplies	1,609	1,921	-312	-1
2810	GUIDANCE-REGULAR SCHOOL *	375,657	349,856	25,801	- 1
A2815.16	Noninstructional Salaries	125,534	114,349	11,185	
A2815.4	Contractual and Other	390	1,220	-830	-6
A2815.45	Materials and Supplies	4,956	3,297	1,659	5
	HEALTH SERVICES-REGULAR SCHOOL				
2815	*	130,880	118,866	12,014	10

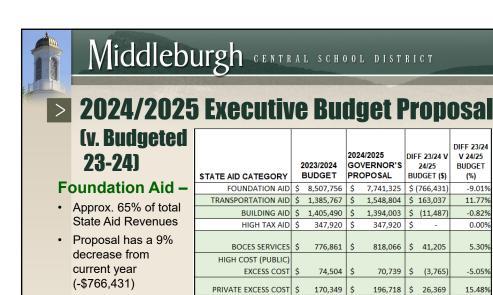
Mido	lleburgh CENTRAL	. SСНООІ	. DISTR	ІСТ	
Progra Account Code	am Component Description	2024 - 25 Proposed Budget	2023 - 24 Budget	Dollar Change	Percei Chan
A2820.15	Instructional Salaries	93,807	87,806	6,001	6.83
A2820.4	Contractual and Other	250	1,000	-750	-75.00
A2820.45	Materials and Supplies	515	1,095	-580	-52.97
2820	PSYCHOLOGICAL SRVC-REG SCHOOL *	94,572	89,901	4,671	5.20
A2825.15	Instructional Salaries	116,928	110,452	6,476	5.86
A2825.4	Contractual and Other	800	800	0	0.00
A2825.45	Materials and Supplies	1,250	1,250	0	0.00
2825	SOCIAL WORK SRVC-REG SCHOOL	118,978	112,502	6,476	5.76
A2850.15	Instructional Salaries	66,800	53,000	13,800	26.04
A2850.4	Contractual and Other	2,800	2,800	0	0.00
A2850.45	Materials and Supplies	1,000	1,000	0	0.00
2850	CO-CURRICULAR ACTIV-REG SCHL	70,600	56,800	13,800	24.30
A2855.15	Instructional Salaries	106,230	102,122	4,108	4.02
A2855.16	Noninstructional Salaries	7,100	6,500	600	9.23
A2855.2	Equipment	5,000	5,000	0	0.00
A2855.4	Contractual and Other	43,000	43,000	0	0.00
A2855.45	Materials and Supplies	15,000	15,000	0	0.00
2855	INTERSCHOL ATHLETICS-REG SCHL	176,330	171,622	4,708	2.74

	Midd	lleburgh CENTRAL	S C H O O L	DISTRI	СТ	
>	Progr	am Component Description	2024 - 25 Proposed Budget	2023 - 24 Budget	Dollar Change	Percent Change
	45540.45	Instructional Salaries (Trans Supervisor	444.007	440.240	4.720	4.200/
	A5510.15	Office)	114,987	110,248	4,739	4.30%
	A5510.16a	Noninstructional Salaries (Excl Trans Supv Office)	774,750	753,830	20,920	2.78%
	A5510.2	Equipment	20,000	20,000	0	0.00%
	A5510.4	Contractual and Other	56,500	56,500	0	0.00%
	A5510.45	Materials and Supplies	265,000	265,000	0	0.00%
	A5510.49a	BOCES Bus Driver Training Services	6,600	700	5,900	842.86%
	5510	DISTRICT TRANSPORT-MEDICAID	1,237,837	1,206,278	31,559	2.62%
	A5530.16	Noninstructional Salaries	133,621	129,288	4,333	3.35%
	A5530.4	Contractual and Other	49,700	49,700	0	0.00%
	A5530.45	Materials and Supplies	4,600	4,600	0	0.00%
	5530	GARAGE BUILDING *	187,921	183,588	4,333	2.36%
0./	A5540.4	Contract Transportation	20,000	20,000	0	0.00%
		CONTRACT TRANSPORT-MEDICAID *				
	5540	*	20,000	20,000	0	0.00%
21	5	•	1,445,758	1,409,866	35,892	2.55%









Save harmless

eliminated, inflation

adjustment applied

TOTAL STATE AID \$ 12,730,304 \$ 12,176,940 \$ (553,364) Budget v. Proposal, -\$553,364, or -4.35%

SOFTWARE AID S

LIBRARY AID \$

TEXTBOOK AID \$

9.203

9.752 | \$

4,069 \$

36,341

9.752

4,069

37,688

-6.839

0.009

0.00%

Middleburgh CENTRAL SCHOOL DISTRICT **► Estimated State Aid 24-25 as of 3/13/24** State Aid 2023/2024 2024/2025 APPROVED **ESTIMATED** DIFF IN \$, 23/24 DIFF IN %, Revenues-STATE AID CATEGORY BUDGET\$ STATE AID V 24/25 23/24 V 24/25 FOUNDATION AID \$ 8,507,756 7,741,325 (766,431 -9.01% TRANSPORTATION AID S 1,385,767 1,495,418 \$ 109.651 7.91% BUILDING AID \$ 1,405,490 1,392,607 (12,883 -0.929 HIGH TAX AID S 347.920 \$ 347.920 \$ 0.00% Decrease of BOCES SERVICES \$ 776,861 \$ 798,791 21,930 2.82% HIGH COST (PUBLIC) -\$671,290, EXCESS COST \$ 91,321 16,817 74,504 22.579 PRIVATE EXCESS COST \$ 170,349 \$ 131,997 \$ (38,352 22.51% or -5.27% HARDWARE AID \$ 9,878 \$ 9,203 -6.83% (675 SOFTWARE AID \$ 9,752 9,752 0.00% LIBRARY AID \$ 4,069 \$ 4,069 0.00% TEXTBOOK AID \$ 37,688 \$ 36,341 (1.347)-3.57% TOTAL STATE AID \$ 12,730,034 \$ 12,058,744 \$ (671,290) -5.27% \$ (671,290) Estimated State Aid Decrease Key: Expenditure-Driven expense (District projects aid on



Fstimated Revenues - Preliminary Budget 2024/2025

Estimated Nevertues - Fremminary Budget 2024/2025								
		ESTIMATED						
	APPROVED	24/25 as of			% of Total			
Description	2023/2024	3/13/24	Change \$	Change %	Revenues			
Appropriated Fund								
Balance/Reserves	921,815	921,815	-	0.00%	3.87%			
Real Estate Taxes	10,255,762	10,409,598	153,836	1.50%	43.74%			
State Aid	12,790,034	12,118,744	(671,290)	-5.25%	50.92%			
Local Sources/Other Revenues	344,879	350,066	5,187	1.50%	1.47%			
Total, Estimated Revenues	24,312,490	23,800,223	(512,267)	-2.11%	100.00%			

- 24/25 Preliminary Budget increase is +\$707,047
- Currently a decrease of \$512,267 from last year



Need to consider other funding sources to fund budget with or without Foundation Aid Reduction

Middleburgh CENTRAL SCHOOL DISTRICT

Budget Gap - Scenarios 1&2

Budget as of 3/13/24, \$25,019,537

Revenues as of 3/13/24, \$23,800,223

Scenario 1 Budget gap of -\$ 1,219,314

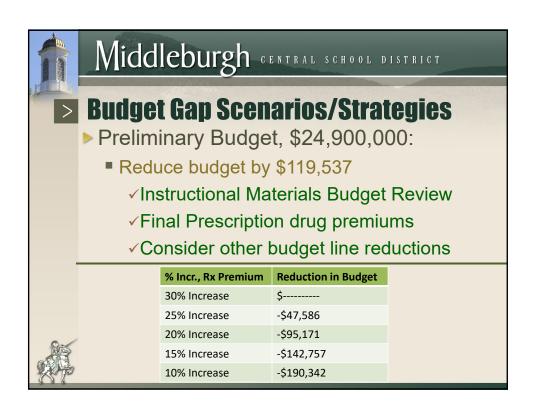
+\$ 766,431 IF Foundation Aid is Restored, \$24,566,654 Revenues increases to

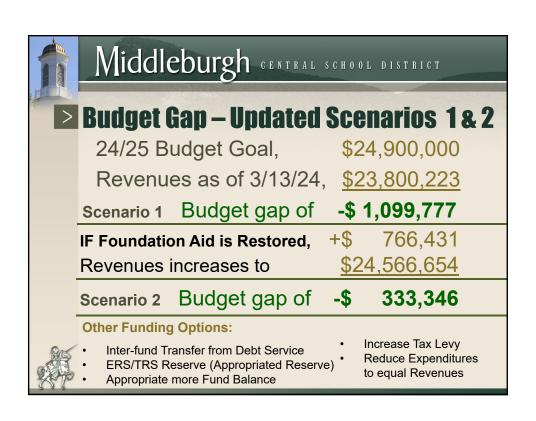
452,883 Scenario 2 Budget gap of

Other Funding Options:



- Inter-fund Transfer from Debt Service
- ERS/TRS Reserve (Appropriated Reserve)
- Appropriate more Fund Balance
- Increase Tax Levy Reduce Expenditures
 - to equal Revenues







Budget Gap Scenarios & Strategies

- ▶ Revenue Funding Options
 - Appropriate more Fund Balance
 - ✓ Consider additional appropriation
 - Appropriate Reserve(s)
 - √ ERS Retirement Contribution Reserve
 - √ TRS Retirement Contribution Reserve
 - √ Worker's Compensation Reserve
 - Inter-fund Transfer from Debt Service
 - Increase Tax Levy

<u>Side of Caution:</u> Not long-term sustainable strategies





Revenue Funding Options

APPROPRIATED FUND BALANCE: Additional \$500,000 - Goes to \$1,421,815

APPROPRIATED RESERVE: Can appropriate part of a Reserve as Revenues for the 2024/2025 budget:

- Worker's Comp. Reserve to offset Insurance premium, \$55,631
- ERS Retirement Reserve to offset Retirement contributions, \$420,943
- TRS Retirement Reserve to offset Retirement contributions, \$594,924

INTER-FUND TRANSFER:

Can budget a transfer from another fund as Revenues for the 2024/2025 budget:

Inter-fund Transfer from Debt Service Fund to offset debt payments, \$231,811



Budget Gap – Scenarios

2024/2025 Budget Goal, \$24,900,000

Revenues as of 3/13/24, \$23,800,223

Budget gap of -\$ 1,099,777

IF Foundation Aid is Restored,

+\$ 766,431

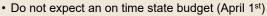
Revenues increases to

\$24,566,654

Budget shortfall goes to -\$

\$ 333,346

Challenges ahead:



• Will the Foundation Aid reduction will be restored?

· May have to reflect budget with the aid reduction if unknown by April 17th



Fr

Middleburgh CENTRAL SCHOOL DISTRICT

From ASBO NY Executive Director Brian Cechnicki (Friday, 3/8/2024 via email brief)

Comments from the Budget Director: In addition to the consensus forecast, this week the Budget Director, Blake Washington, in response to questions about how the increased revenue would impact the final budget indicated that the additional funds could be used to "smooth any number of areas" and when pressed on hold harmless specifically that "[a] modifying [of] that may be fair game."

Consensus Revenue Forecast: Part of the state budget process includes the governor and Legislature agreeing at the end of February to an amount of additional revenue the state can expect above the Governor's initial projections. The leaders met last week and agreed that an additional \$1.35 billion in revenue will be available. We don't have a way of knowing until the end of the process what other funding may become available (known as "avails") from other decisions such as not adding spending in other areas; nor will we know what other non-education areas will see increases above the Executive Budget. It would seem at least some partial restoration of funds is possible given the additional revenue projection.

One-House Budgets: We expect the Senate and Assembly to release their "one-house" budgets next week, which will kick off the formal negotiations process. While any additional funds included in their proposals is not guaranteed—even if they both agree on the same point—it will be another important signal in where the final budget could end up, as these proposals are aspirational and do not have to be

balanced or identify revenue for spending.

After the release of "one house" budgets,
Negotiations → Adoption





Voter Proposition

School Bus Purchase

Proposition: Bus Purchases not to Exceed \$488,000

- As per Bus Replacement Plan
 - ✓ Bus Cycle Safety & Efficiency
 - ✓ Every 10 years cycle out & replace vehicle
 - ✓ NYS Contract Pricing Diesel Fuel
 - √65 passenger bus \$162,663/Bus X 3 Buses = \$487,989
 - ✓ State Aid Ratio 76.1%, aid paid over 5 years
 - \$487,989 x 76.1 = \$371,360 \$74,272/year, Trans. Aid
 - Local share: \$487,989 \$371,360 = \$116,629 ⇒\$23,325/year



Middleburgh CENTRAL SCHOOL DISTRICT

Voter Proposition

- Repair Reserve Information
 - ✓ For repairs to capital improvements or equipment not recurring annually or in shorter intervals
 - Funded with excess fund balance
 - Deposit not to exceed \$200,000 (per FB Presentation 3/13/24)
 - ✓ For unanticipated (emergency project) or planned repairs (appropriate reserve)
 - No specific term/limit required, Non-aidable repairs



✓ Voter approval – creation and/or deposit funds into reserve Voters approved creation of reserve May 2023



Voter Proposition

- Capital Reserve for Bus Purchases
- Effective July 1, 2027, all new fleet vehicles purchased by school districts must be electric, By July 1, 2035, all entire fleet must be electric.
- ✓ Create \$2 Million Reserve with 10 Year Limit (6/30/2034)
- ✓ Set-aside local share for future fleet purchase(s) Why?
 - Cost per Bus will be significantly higher than current costs
 - Change in formula of Transportation Aid
 - Current buy a bus, aided over 5 years (same terms as Bond)
 - Change aided over 12 years (do Bond terms change?)
 - Higher Bond costs, more debt, less aid distributed per year



Use part of reserve to reduce purchase price/principal (borrowing) amount – less debt, less local share impact



Middleburgh CENTRAL SCHOOL DISTRICT

Budget Development Presentations

- ▶ April 17 Budget Workshop #4/BOE Adoption
 - Final review of Tentative Budget & Revenues
 - BOE adoption of proposed 2024/2025 Budget & proposition(s) for voter approval
 - √ Acquisition of 3 School Buses
 - ✓ Creation of Capital Reserve for School Bus Purchases
 - ✓ Deposit into the Repair Reserve
 - √ BOE Election 2 seats
- May 8 Annual Budget Hearing



May 21 – Budget & Proposition Vote/BOE Election