



# 2023-2024 BUDGET DEVELOPMENT PRESENTATION #3

Presented By:

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April 3, 2023



## Budget basics: How do we build it?



**State aid situation:**  
Governor's proposals,  
Legislative proposals



**Analysis of  
proposed  
revenues**



**Other factors:**  
Charges/tuition from other  
districts, Medicaid revenues



**Local Tax Levy;**  
State & Local economy (CPI and  
tax base growth factor)



# Budget basics: How do we build it?



**State aid situation:**  
Governor's proposals,  
Legislative proposals

**Enrollment:** particularly for  
elementary students, high  
school course selections and  
special education needs

State and local **economy:** inflation  
(CPI) and tax base growth



State and  
Federal **mandates**

**Input** from parents,  
residents, school  
community

**Other factors:** property tax  
levy cap, court liabilities,  
staff retirements, etc.

Approved budget,  
2022-2023:  
**\$50,584,799**



## Projections for 2023-2024:

- Increases in health insurance
  - Preliminary discussions: minimum 10-12.5% increase
  - Actual increase: 12% increase across all plans
- Increase/Decrease in pension contributions
  - Teachers' Retirement System: 10.29% ➡ 9.76% (est.) in 23-24
  - Employees' Retirement System: 11.6% ➡ 13.1% (est.) in 23-24

Approved budget,  
2022-2023:  
**\$50,584,799**



## Projections for 2023-2024:

- Allowable Growth Factor in Tax Cap - capped 2.00%
  - Actual inflation factor: **8.00%**
- One collective bargaining agreement expiring at 6/30/2024
  - GFAA
- Retirements:
  - GFTA – 4; GFSSA – 3; GFAA – 1



**Approved budget,  
2022-2023:  
\$50,584,799**



## **2023-2024 Budget proposal includes:**

- Driver's education
- Expanded UPK
- AIS Math for elementary
- Teacher's on special assignment
- Strategic Planning
- 1<sup>st</sup> of three year plan for structured PD
- Creation of Director of MTSS (ARP 2023-2024)

**NYS Budget/Aid  
impact:  
Executive Proposal**



- Statewide 9.97% increase to traditional school aid (Foundation Aid & expense based categorical aids)
- Continues Foundation Aid phase-in:
  - Originally included in 2021-2022 state budget
  - **Final year:** Year 3 of 3 year phase-in

## Other impactful State proposals:



- **Earnings cap waiver for retirees** – authorize public sector retirees to work for a public school without a waiver and without a reduction in their retirement benefits
- **Zero-Emissions School Buses** – newly purchased buses be zero-emission by 2027, and all school buses on the road by 2035. Allows for transportation aid for lease or purchase of zero-emission buses, charging stations and related equipment. Authorizes schools to lease zero-emission buses for up to 10 years.



## NYS Budget:

**UPDATE (4/3/2023)**

**per ASBO-NY**



- Budget extender submitted to Legislature today (4/3/2023)
  - Gives state spending authority and extends budget deadline to 4/10/2023
  - Without extender, State would be unable to meet payroll obligations on Wednesday impacting more than 50,000 employees
  - If no deal by Monday, 4/10/23, houses will have to pass another extender to meet 4/12/23 payroll
- Overall negotiations stalled at leadership level, dominated by:
  - Bail reform
  - Housing
  - Taxes

## NYS Property Tax Levy Cap in brief:



- New York State has a property tax levy cap, **NOT A “2% CAP!”**
  - The law does not restrict any proposed tax levy increase to 2%
- The law creates an 8 step formula to determine the “tax levy limit”
  - Adjusts tax levy to reflect **local growth in tax base** and **rate of inflation** (**max 2%**)

# NYS Property Tax Levy Cap in brief:



- The property tax levy cap **limits the school district levy NOT the individual tax bill of resident taxpayers**
  - Assessments and equalization rates impact tax rates
- The formula allows for certain expenses to be exempt from the cap, therefore allowing the total tax levy increase to be greater than “perceived” cap



# NYS Property Tax Levy Cap in brief:



- BOEs can present a budget that “overrides” the cap but will need 60% voter approval
- Voters are approving the budget (spending plan) not the tax levy

## Tax Cap Calculation

Prior Year Tax Levy
x
Tax Base Growth Factor, if any (Tax & Finance)
+
PILOTS Receivable During Prior Year (22-23)
-
Taxes Levied For Exemptions During Prior Year
=
Adjusted Prior Year Tax Levy
x
<b><u>Allowable Growth Factor (Lesser of 2% or CPI)</u></b>
-
PILOTS Receivable In The Coming Year
+
Available Carryover, If Any
=
<b>“TAX LEVY LIMIT”</b>
+
Coming School Year Exemptions
=
<b>“MAXIMUM ALLOWABLE TAX LEVY”</b>

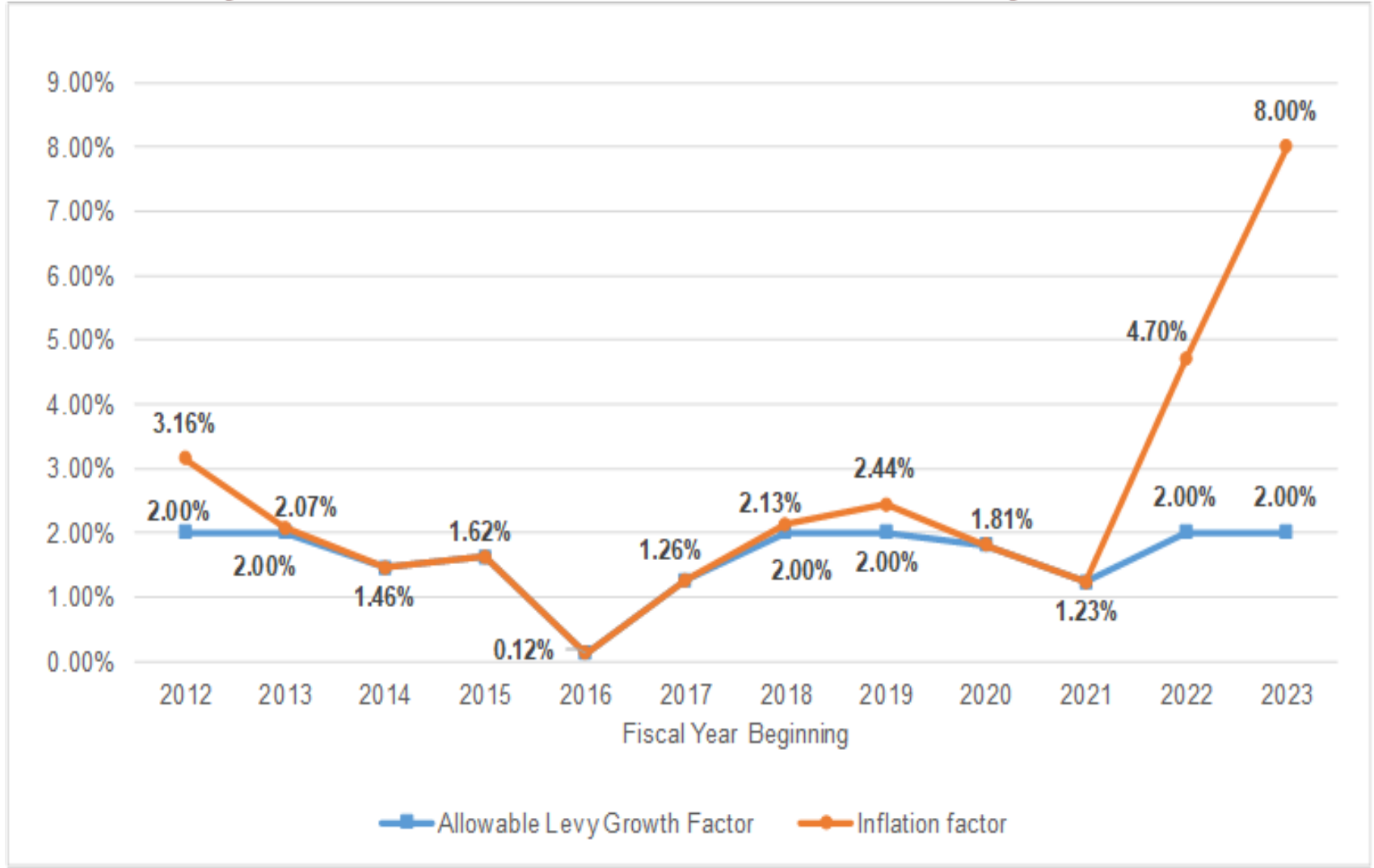
## **2023-2024 Tax Cap Calculation**

Prior Year Tax Levy (2022-23)	\$22,844,597
Tax Levy Base Growth Factor	1.0044
Prior year PILOT	169,500
Prior Year Exclusions <i>(capital levy, court orders)</i>	501,193
<b>Adjusted Prior Year Levy</b>	<b>22,613,420</b>
Allowable Growth Factor <i>(lesser of CPI or 2%)</i>	1.0200
PILOTS for Coming Year	222,186
Available Carry-Over	---
<b>TAX LEVY LIMIT</b>	<b>22,843,503</b>
Coming School Year Exclusions <i>(capital levy, court orders, pension)</i>	587,569
<b>MAXIMUM ALLOWABLE LEVY</b>	<b>\$23,431,072</b>
<b>Dollar increase</b>	<b>587,569</b>
<b>Percentage increase</b>	<b>2.57%</b>





## Allowable Levy Growth and Inflation Factors for Entities with a July 1 - June 30 Fiscal Year



Note: Allowable levy growth factor is expressed as a percentage.



## 2022-2023 STATE AID - Review

### Legislative Proposal vs. Glens Falls State Aid Budget

Aid Category	Legislative Proposal	Adopted Budget	Dollar Variance	Budget Variance
Foundation Aid	15,836,263	<b>15,726,263</b>	(110,000)	-0.69%
Building Aid	3,381,469	<b>3,533,433</b>	151,964	4.49%
Transportation Aid	1,129,822	<b>935,580</b>	(194,242)	-17.19%
Public Excess Cost Aid	516,556	<b>516,556</b>	-	0.00%
Private Excess Cost Aid	454,792	<b>454,792</b>	-	0.00%
BOCES Aid	1,719,024	<b>1,719,024</b>	-	0.00%
Textbook Aid	113,814	<b>113,814</b>	-	0.00%
Computer Software Aid	31,055	<b>31,055</b>	-	0.00%
Library Materials Aid	12,905	<b>12,905</b>	-	0.00%
Hardware Aid	35,472	<b>35,472</b>	-	0.00%
Universal Pre-K	495,944	-	(495,944)	-100.00%
<b>Total Aid</b>	<b>23,727,116</b>	<b>23,078,894</b>	<b>(648,222)</b>	<b>-2.73%</b>

## 2022-2023 STATE AID Review – Budget vs. Actual

Expense Category	2022-2023 Adopted Budget	2022-2023 Projected	Dollar Variance	Percent Variance
Foundation Aid	15,726,263	15,761,642	35,379	0.22%
Building Aid	3,533,433	3,539,891	6,458	0.18%
Transportation Aid	935,580	1,034,009	98,429	10.52%
Public Excess Cost Aid	516,556	471,255	(45,301)	-8.77%
Private Excess Cost Aid	454,792	442,263	(12,529)	-2.75%
BOCES Aid	1,719,024	1,802,442	83,418	4.85%
Textbook Aid	113,814	113,005	(809)	-0.71%
Computer Software Aid	31,055	31,533	478	1.54%
Library Materials Aid	12,905	13,156	251	1.94%
Hardware Aid	35,472	35,455	(17)	-0.05%
<b>Total State Aid</b>	<b>23,078,894</b>	<b>23,244,651</b>	<b>165,757</b>	<b>0.72%</b>
22-23 Legislative Proposal	23,727,116	23,727,116		
Difference between...	(648,222)	(482,465)		
	-2.73%	-2.03%		

## 2023-2024

### Executive Budget Aid Proposal vs. Projected Actual State Aid

Expense Category	2022-2023 Actual State Aid	2023-2024 Executive Proposal	2023-2024 Projected - #1	Dollar Variance - #1	Percent Variance - #1
Foundation Aid	15,761,642	17,176,824	17,066,824	(110,000)	-0.64%
Building Aid	3,539,891	1,721,288	1,721,288	-	0.00%
Transportation Aid	1,034,009	1,163,017	1,100,000	(63,017)	-5.42%
Public Excess Cost Aid	471,255	350,658	350,658	-	0.00%
Private Excess Cost Aid	442,263	454,920	454,920	-	0.00%
BOCES Aid	1,802,442	1,927,761	1,927,761	-	0.00%
Textbook Aid	113,005	110,209	110,209	-	0.00%
Computer Software Aid	31,533	30,799	30,799	-	0.00%
Library Materials Aid	13,156	12,850	12,850	-	0.00%
Hardware Aid	35,455	34,082	34,082	-	0.00%
Universal Pre-K	-	824,740	-	(824,740)	-100.00%
<b>Total State Aid</b>	<b>23,244,651</b>	<b>23,807,148</b>	22,809,391	\$ (997,757)	-4.19%



## State Aid Budget – Initial Comparison

Expense Category	2022-2023 GF Budget	2023-2024 GF Projection	Dollar Variance	Percent Variance
Foundation Aid	15,726,263	17,066,824	1,340,561	8.52%
Building Aid	3,533,433	1,721,288	(1,812,145)	-51.29%
Transportation Aid	935,580	1,100,000	164,420	17.57%
Public Excess Cost Aid	516,556	350,658	(165,898)	-32.12%
Private Excess Cost Aid	454,792	454,920	128	0.03%
BOCES Aid	1,719,024	1,927,761	208,737	12.14%
Textbook Aid	113,814	110,209	(3,605)	-3.17%
Computer Software Aid	31,055	30,799	(256)	-0.82%
Library Materials Aid	12,905	12,850	(55)	-0.43%
Hardware Aid	35,472	34,082	(1,390)	-3.92%
Universal Pre-K	-	-	-	N/A
<b>Total State Aid</b>	<b>23,078,894</b>	<b>22,809,391</b>	<b>\$ (269,503)</b>	<b>-1.17%</b>
Difference between 22-23 and Projected 2023-2024			\$ (269,503)	-1.17%

## 2023-2024 Projected Revenues

	2022-2023 Adopted	2023-2024 Projected #1	2023-2024 Projected #2	2023-2024 Projected #3	Projected #2 & #3 Dollar Variance	2022-2023 Budget to Projected #3 \$ Variance	2022-2023 Budget to Projected #3 % Variance
Projected Revenues	48,631,991	49,214,090	49,200,451	49,448,963	248,512	816,972	1.68%
State Aid	23,078,894	22,809,391	22,809,391	22,809,391	-	(269,503)	-1.17%
Tax Levy	22,844,597	23,444,711	23,431,072	23,431,072	-	586,475	2.57%
Other	2,708,500	2,959,988	2,959,988	3,208,500	248,512	500,000	18.46%
<b>Total Revenue Before Fund Balance</b>	<b>48,631,991</b>	<b>49,214,090</b>	<b>49,200,451</b>	<b>49,448,963</b>	<b>248,512</b>	<b>816,972</b>	<b>1.68%</b>
Appropriated Fund Balance							
- Appropriated for Cap. Project	-	-	5,495,000	5,495,000	-	5,495,000	N/A
- Appropriated for Debt Service	-	-	-	-	-	-	N/A
- Appropriated ERS Reserve	415,627	514,981	514,981	514,981	-	99,354	23.90%
- Appropriated Unassigned FB	1,537,181	-	1,564,694	1,676,182	111,488	139,001	9.04%
<b>Total Appropriated Fund Balance</b>	<b>1,952,808</b>	<b>514,981</b>	<b>7,574,675</b>	<b>7,686,163</b>	<b>111,488</b>	<b>5,733,355</b>	<b>293.60%</b>
<b>Grand Total Revenue</b>	<b>50,584,799</b>	<b>49,729,071</b>	<b>56,775,126</b>	<b>57,135,126</b>	<b>360,000</b>	<b>6,550,327</b>	<b>12.95%</b>

## 2023-2024 Projected Expenditures

Expense Category	2022-2023	2023-2024	2023-2024	2023-2024	Projected #2 & #3 Dollar Variance	2022-2023 Budget to Projected #3	
	Adopted	Projected #1	Projected #2	Projected #3		\$ Variance	% Variance
Salaries	24,760,960	25,991,698	26,005,698	26,005,698	-	1,244,738	5.03%
Equipment	621,551	721,551	1,116,811	1,116,811	-	495,260	79.68%
Contractual	3,733,739	3,808,123	3,811,623	3,961,623	150,000	227,884	6.10%
BOCES	5,009,615	5,015,662	5,015,662	5,165,662	150,000	156,047	3.11%
Materials & Supplies	1,174,386	1,192,026	1,196,026	1,196,026	-	21,640	1.84%
Debt Service	4,047,475	3,337,525	2,269,325	2,269,325	-	(1,778,150)	-43.93%
Employee Benefits	11,137,073	11,336,427	11,764,981	11,824,981	60,000	687,908	6.18%
Interfund Transfers	100,000	100,000	5,595,000	5,595,000	-	5,495,000	5495.00%
<b>Total Expenditures</b>	<b>50,584,799</b>	<b>51,503,012</b>	<b>56,775,126</b>	<b>57,135,126</b>	<b>360,000</b>	<b>6,550,327</b>	<b>12.95%</b>





## Federal Grant Snapshot

1. **Coronavirus Aid Relief & Economic Security Act (CARES Act)**
2. **Coronavirus Response & Relief Supplemental Appropriation Act (CRRSA Act)**
3. **American Rescue Plan Act (ARP Act)**

CARES		
Obligate Funds by 9/30/2022		
ESSER 1	GEER 1	Total
416,094	70,521	\$ 486,615
(416,094)	(70,521)	(486,615)
-	-	-
-	-	-
-	-	-
-	-	-

Allocation  
2020-2021  
2021-2022  
2022-2023  
2023-2024  
Remaining

CRRSA		
Obligate Funds by 9/30/2023		
ESSER 2	GEER 2	Total
1,854,370	72,779	1,927,149
-	-	-
(15,135)	-	(15,135)
(1,839,235)	(72,779)	(1,912,014)
-	-	-
-	-	-

Allocation  
2020-2021  
2021-2022  
2022-2023  
2023-2024  
Remaining

ARP							
Obligate Funds by 9/30/2024							
ESSER 3 - Base Allocation	SR - Summer Learning	SR - Afterschool	SR - Learning Loss	IDEA 611	IDEA 619	HCY-II	Total
3,279,558	100,002	100,002	499,996	101,821	12,354	17,365	4,111,098
-	-	-	-	-	-	-	-
(703,200)	-	-	(24,375)	(4,873)	(2,624)	(17,365)	(752,437)
(1,437,382)	(100,002)	(100,002)	(125,000)	(96,948)	(9,730)	-	(1,869,064)
(1,138,976)	-	-	(350,621)	-	-	-	(1,489,597)
-	-	-	-	-	-	-	-

Complete  
Pending  
Planned

## What is the effect on taxpayers?

	<b>Assessed Value</b>	<b>2022-2023 Tax Paid</b>	<b>2.57% Levy Increase</b>	<b>Difference</b>
<b>Glens Falls</b>	100,000.00	1,562.05	1,602.20	40.14
<b>Queensbury</b>	100,000.00	1,735.61	1,780.22	44.61

This scenario assumes:

No STAR exemptions

No change in assessed values

No change in full values

No change in equalization rates



## What is the effect on taxpayers?

	<b>Assessed Value</b>	<b>2022-2023 Tax Paid</b>	<b>2.57% Levy Increase</b>	<b>Difference</b>
<b>Glens Falls</b>	200,000.00	3,124.10	3,204.39	80.29
<b>Queensbury</b>	200,000.00	3,471.22	3,560.43	89.21

This scenario assumes:

No STAR exemptions

No change in assessed values

No change in full values

No change in equalization rates

## What is the effect on taxpayers?

	<b>Assessed Value</b>	<b>2022-2023 Tax Paid</b>	<b>2.57% Levy Increase</b>	<b>Difference</b>
<b>Glens Falls</b>	300,000.00	4,686.15	4,806.59	120.43
<b>Queensbury</b>	300,000.00	5,206.84	5,340.65	133.82

This scenario assumes:

No STAR exemptions

No change in assessed values

No change in full values

No change in equalization rates

- Budget development timeline
  - Board of Education Meetings
    - ~~March 13, 2023 – 7 p.m.~~
    - ~~April 3, 2023 – 7 p.m. (anticipated budget adoption)~~
    - April 25, 2023 – 6 p.m. (BOCES budget adoption)
    - May 8, 2023 – 6 p.m. Public Budget Hearing
    - May 16, 2023 – 12 p.m. – 9 p.m. – BUDGET VOTE DAY





The mission of the Glens Falls City School District is to provide a safe, positive and stimulating environment — one that fosters self growth, a passion for continuous learning, confidence and the ability to succeed in a changing world.

We promote excellence through high expectations and evolving standards for students, staff, parents and community. The challenge is to reach one's personal best while respecting each person's individuality.

We make it our responsibility to be accountable for the implementation of this mission and to model behaviors that are influential to the character as well as the mind.

- Additional materials on [www.gfsd.org](http://www.gfsd.org)

