



2024-2025 BUDGET DEVELOPMENT PRESENTATION

Presented By:
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2024-25 Budget Goals:

- Develop a budget that is fiscally responsible and educationally sound.
- Create a budget which maintains current Programs & Services while providing financial support for the district strategic planning initiatives.
- Develop a budget that results in a projected tax levy below the tax cap limit.
- Utilize expense efficiencies to minimize increases in the budget.



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

**Analysis of
proposed
expenditures**

State and
Federal **mandates**

Input from parents,
residents, school
community

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



**Approved budget,
2023-24:
\$57,135,126**



Projections for 2024-2025:

- Increases in health insurance
 - Preliminary discussions: minimum 12.5-16% increase
- Increase in pension contributions
 - Teachers' Retirement System: 9.76% ➡ 10.25% (est.) in 24-25
 - Employees' Retirement System: 13.1% ➡ 15.2% (est.) in 24-25



**Approved budget,
2023-2024:
\$57,135,126**



Projections for 2024-2025:

- Allowable Growth Factor in Tax Cap - capped 2.00%
 - Actual inflation factor: **4.12%**
- Two collective bargaining agreement expiring at 6/30/2024
 - CSEA and GFAA
- Retirements:
 - GFTA – 8; GFSSA – 3; GFAA – 1



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



- Statewide 2.43% proposed increase to traditional school aid (Foundation Aid & expense based categorical aids)
- Foundation Aid Formula phase-in:
 - **Foundation Aid Formula calculating. Glens Falls is not impacted by the governor's proposed transition adjustment.**



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

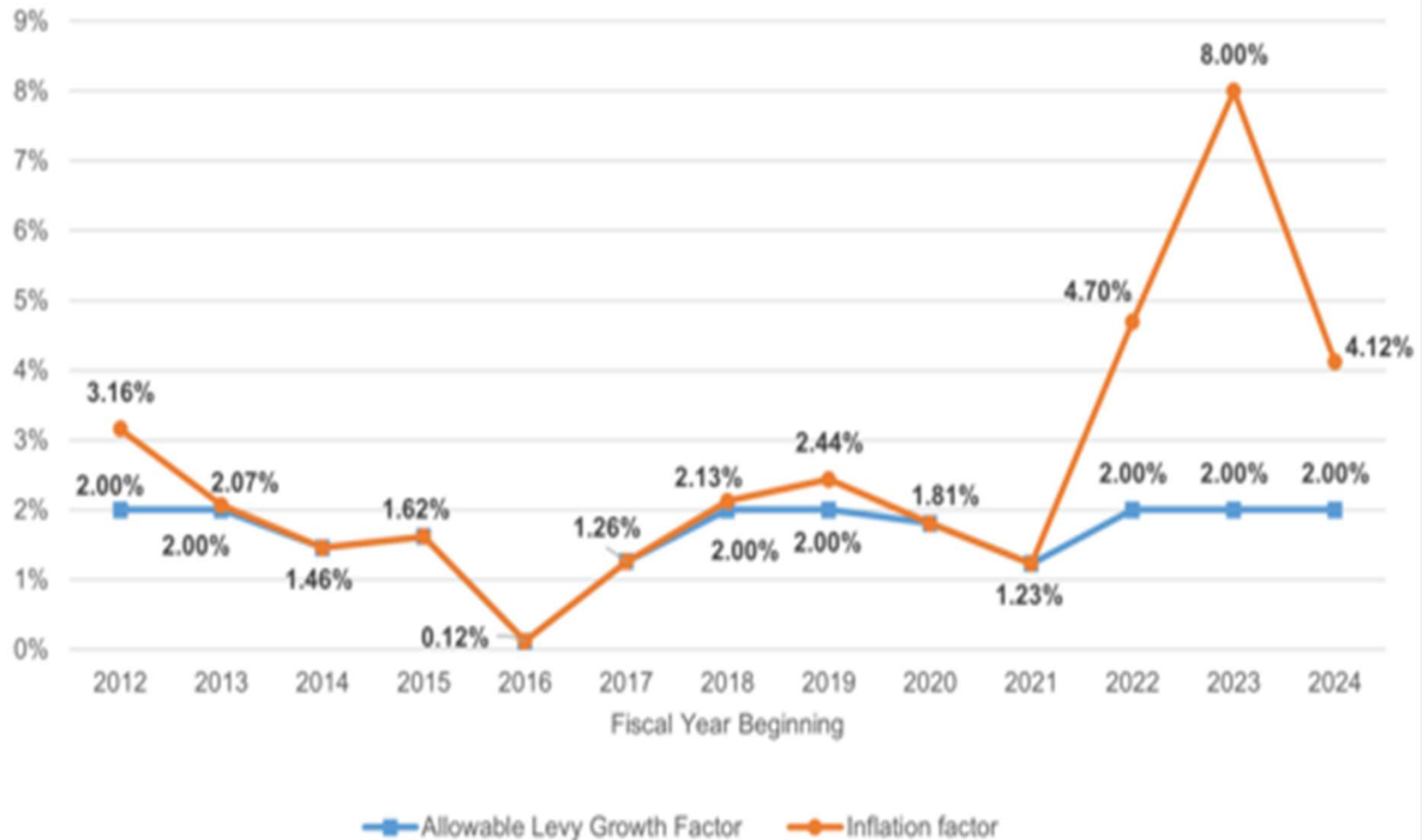
Prior Year Tax Levy	
x	
Tax Base Growth Factor, if any (Tax & Finance)	
+	
PILOTS Receivable During Prior Year (22-23)	
-	
Taxes Levied For Exemptions During Prior Year	
=	
Adjusted Prior Year Tax Levy	
X	
<u>Allowable Growth Factor (Lesser of 2% or CPI)</u>	
-	
PILOTS Receivable In The Coming Year	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

2024-2025 Tax Cap Calculation

Prior Year Tax Levy (2023-24)	\$23,431,072
Tax Levy Base Growth Factor	1.0030
Prior year PILOT	222,186
Prior Year Exclusions (capital levy, court orders)	587,569
Adjusted Prior Year Levy	23,135,982
Allowable Growth Factor (lesser of CPI or 2%)	1.0200
PILOTS for Coming Year	220,914
Available Carry-Over	---
TAX LEVY LIMIT	23,377,788
Coming School Year Exclusions (capital levy, court orders, pension)	672,936
MAXIMUM ALLOWABLE LEVY	\$24,050,723
Dollar increase	619,651
Percentage increase	2.64%



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.



2023-2024 STATE AID Review – Budget vs. Actual

Expense Category	2023-2024 Adopted Budget	2023-2024 Projected	Dollar Variance	Percent Variance
Foundation Aid	17,066,824	17,068,650	1,826	0.01%
Building Aid	1,721,288	1,732,278	10,990	0.64%
Transportation Aid	1,100,000	785,540	(314,460)	-28.59%
Public Excess Cost Aid	350,658	369,417	18,759	5.35%
Private Excess Cost Aid	454,920	547,869	92,949	20.43%
BOCES Aid	1,927,761	1,902,997	(24,764)	-1.28%
Textbook Aid	110,209	110,384	175	0.16%
Computer Software Aid	30,799	30,455	(344)	-1.12%
Library Materials Aid	12,850	12,706	(144)	-1.12%
Hardware Aid	34,082	33,702	(380)	-1.11%
Total State Aid	22,809,391	22,593,998	(215,393)	-0.94%
23-24 Legislative Proposal	22,932,949	22,932,949		
Difference between...	(123,558) -0.54%	(338,951) -1.48%		



2024-2025

Executive Budget Aid Proposal vs. Projected Actual State Aid

Expense Category	2023-2024 Actual State Aid	2024-2025 Executive Proposal	2024-2025 Projected - #1	Dollar Variance - #1	Percent Variance - #1
Foundation Aid	17,068,650	17,736,200	17,736,200	-	0.00%
Building Aid	1,732,278	1,736,389	3,234,636	1,498,247	86.29%
Transportation Aid	785,540	1,381,800	1,381,800	-	0.00%
Public Excess Cost Aid	369,417	351,445	351,445	-	0.00%
Private Excess Cost Aid	547,869	559,119	559,119	-	0.00%
BOCES Aid	1,902,997	1,808,331	1,808,331	-	0.00%
Textbook Aid	110,384	155,134	155,134	-	0.00%
Computer Software Aid	30,455	30,799	30,799	-	0.00%
Library Materials Aid	12,706	12,850	12,850	-	0.00%
Hardware Aid	33,702	33,635	33,635	-	0.00%
Universal Pre-K	-	824,740	-	(824,740)	-100.00%
Total State Aid	22,593,998	24,630,442	25,303,949	\$ 673,507	2.73%



State Aid Budget – Initial Comparison

Expense Category	2023-2024 GF Budget	2024-2025 GF Projection	Dollar Variance	Percent Variance
Foundation Aid	17,066,824	17,736,200	669,376	3.92%
Building Aid	1,721,288	3,234,636	1,513,348	87.92%
Transportation Aid	1,100,000	1,381,800	281,800	25.62%
Public Excess Cost Aid	350,658	351,445	787	0.22%
Private Excess Cost Aid	454,920	559,119	104,199	22.90%
BOCES Aid	1,927,761	1,808,331	(119,430)	-6.20%
Textbook Aid	110,209	155,134	44,925	40.76%
Computer Software Aid	30,799	30,799	-	0.00%
Library Materials Aid	12,850	12,850	-	0.00%
Hardware Aid	34,082	33,635	(447)	-1.31%
Universal Pre-K	-	-	-	N/A
Total State Aid	22,809,391	25,303,949	\$ 2,494,558	10.94%
Difference between 23-24 and Projected 2024-2025		\$ 2,494,558 10.94%		



2024-25 Projected Revenues

State Aid	22,809,391	25,303,949	2,494,558	10.94%
Tax Levy	23,431,072	24,050,700	619,628	2.64%
Other	3,208,500	3,498,426	289,926	9.04%
Total Revenue Before Fund Balance	49,448,963	52,853,075	3,404,112	22.62%
Appropriated Fund Balance				
- Appropriated for Capital/Debt	5,495,000	492,609	(5,002,391)	-
- Appropriated ERS Reserve	514,981	613,507	98,526	19.13%
- Appropriated Unassigned FB	1,676,182	2,940,000	1,263,818	75.40%
Total Appropriated Fund Balance	7,686,163	4,046,116	(3,640,047)	-47.36%
Grand Total Revenue	57,135,126	56,899,191	(235,935)	-0.41%



2024-2025 Projected Expenditures

Expense Category	2023-2024 Adopted	2024-2025 Projected	Dollar Variance	Percent Variance
Salaries	26,005,698	28,084,152	2,078,454	7.99%
Equipment	1,116,811	986,058	(130,753)	-11.71%
Contractual	3,961,623	4,270,389	308,766	7.79%
BOCES	5,165,662	5,352,989	187,327	3.63%
Materials & Supplies	1,196,026	1,179,598	(16,428)	-1.37%
Debt Service	2,269,325	3,759,025	1,489,700	65.65%
Employee Benefits	11,824,981	13,066,980	1,241,999	10.50%
Interfund Transfers	5,595,000	200,000	(5,395,000)	-96.43%
Total Expenditures	<u>57,135,126</u>	<u>56,899,191</u>	<u>(235,935)</u>	<u>-0.41%</u>

2024-25 Budget Highlights: Supporting District Strategic Planning Initiatives

➤ **Wellness, Inclusion, Diversity, Equity** –

- Core Value Advocate Position
- Common Thread Community Collaboration
- Tele-a-Health- Mental Health Services

➤ **Safety**

- Needham Safety Risk Management
- Hall Monitor Positions- 2 HS & 2 MS
- Paid Assistant Varsity Coaches
- Another Modified Girls Volleyball Coach
- Morse Athletic Complex - tennis court resurfacing

➤ **Student Achievement**

- Multi-tier System of Support (MTSS) Coordinator
- Transportation Study- CDTA opportunities
- Mathematics AIS provider- MS
- Unified Sports- Bocce Coach

Bus Purchases:



- **2024-25 Bus Purchases with the budget** – authorize the purchase of 2 small buses, 1 small wheel chair bus, 1 big bus, and 1 big wheel chair bus. Total cost is \$645,508.
- **School Bus Funding**– proposed bus purchases will utilize the aid received on previous years bus purchases and available fund balance.

Considerations Capital Reserve Fund:



➤ **2024-25 Additional Proposition** – voter approval for the establishment of a Capital Reserve Fund to be utilized for general improvements, reconstruction, renovations, or additions to the District's buildings and site property.

- ☐ **Funded with unallocated fund balance**
- ☐ **Probable duration of ten (10) years**
- ☐ **Total Deposits not to exceed \$10 million**



Budget development timeline



– Board of Education Meetings

- ~~March 11, 2024 – 7 p.m.~~
- April 8, 2024 – 7 p.m. (anticipated budget adoption)
- April 23, 2024 – 6 p.m. (BOCES budget adoption)
- May 13, 2024 – 6 p.m. Public Budget Hearing
- May 21, 2024 – 12 p.m. – 9 p.m. – BUDGET VOTE DAY

- Additional materials on www.gfsd.org

