

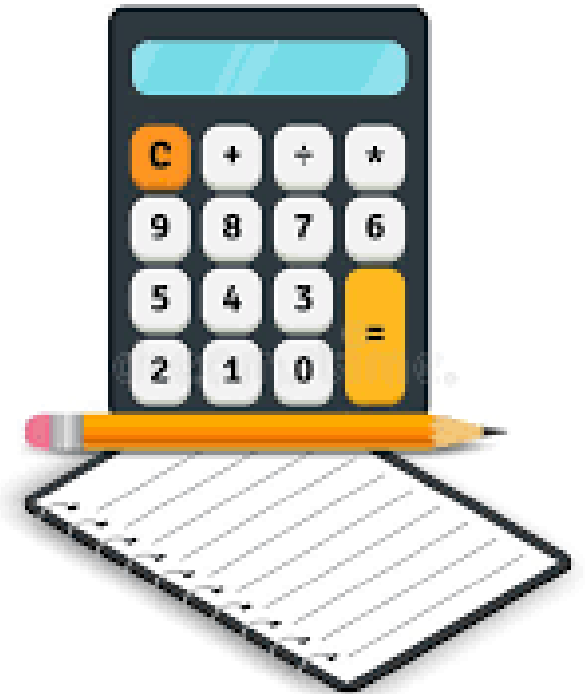


Poughkeepsie City School District

2023-24 Budget Update

March 15, 2023

Dr. Eric Jay Rosser, Superintendent of Schools
Ms. Louise M. Lynch, Assistant Superintendent for Business



Presentation Agenda

- ✓ Budget Development Calendar
- ✓ Federal and State-Aid Update
- ✓ Recent Budget Development Activities
- ✓ Budget Priorities
- ✓ 2023-24 Budget Draft
- ✓ Additional Budget Development Activities in Progress
- ✓ Budget Development Comparison to Last Year
- ✓ Next Steps
- ✓ Discussion/Questions/Comments



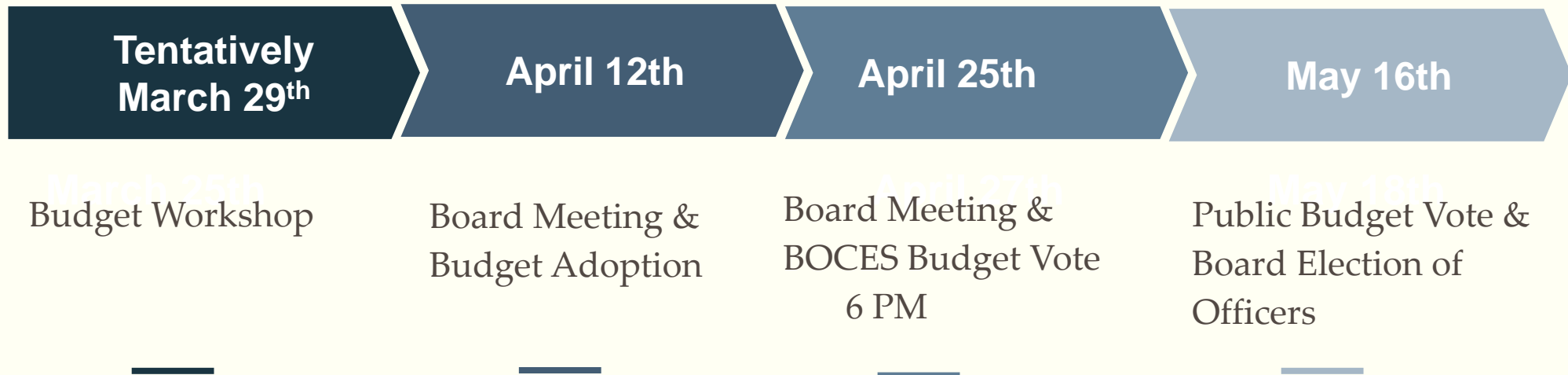
Budget Development Calendar



March 29	Tentative Special BOE Budget Workshop Meeting
March 28 – April 1	1 st of 4 Legal Notices Published (Budget Hearing and Vote)
April 12	Board Meeting/Budget Adoption
April 13 - 24	Submit Property Tax Report Card to SED and Local Newspaper
April 25	Board Meeting/BOCES Vote (6 PM)
April 26	Budget Available on Website, all Schools, and Central Office
May 03	Budget Hearing/Regular Meeting
May 10	6-Day Budget Notice Mailed to Residents
May 16	Budget Vote and Election of Officers

Important Board Of Education Dates

Related to 2022-23 Budget



Federal and State Aid Update

State-Aid: No update as the State has not approved a final annual budget. (There is a legal requirement to do so by April 1 of each year.)

Expiring Federal Aid: CRSSA & ARP funding continues to fund existing employee positions, *but* \$5.5 M of these positions are returning to the General Fund in 2023-2024 as most of the federal funding is exhausted. Forty-four positions that were funded with grants were transferred into the General Fund to sustain the level of staffing and continuation of sustainable funding.

Recent Budget Development Activities

- Reviewed staffing, vacancies, and benefits
- Reviewed available grant funding
- Analyzed revenue streams
- Evaluated building infrastructure needs and escalating utility costs
- Reviewed BOCES COSERS/contracts to identify emerging needs
- Reviewed individual revenues and expenses to evaluate trends
- Held meetings with administrators, principals, and directors
- Developed line-by-line draft budget

Proposed 2023-2024 Budget Priorities

Instructional Program	Student Support Program	Operational Program
Maintaining Learning Loss Staff hired using COVID relief funds that expire this year	Maintaining Social Emotional Staff hired using COVID relief funds that expire this year	Maintaining Operational Staff hired using COVID relief funds that expire this year
Expanding Professional Development Opportunities	Expanding Professional Development Opportunities	Implementation of Energy Performance Contract*
Expanding PreK- 8 Academic Supports	Expanding Social Emotional Supports	Safety and Security Upgrades
Expanding Dual Language Program (PreK – 1)	Reimagining/Reinstating Evening Food Program	Site Upgrades
Expanding SIFE (Students with Interrupted Formal Ed and Newcomer Programming at PHS	Additional Extended Learning Programming at PMS and PHS	Expansion of Automated Employee Attendance System
Expanding ENL Supports at Morse and Warring	Athletic Programing and Facilities upgrades	Upgrading Cafeteria Vehicles and Equipment*
Expanding Supports and Programming for Students with Exceptionalities		Continued investments in Facilities and Maintenance <ul style="list-style-type: none"> • Equipment • Service Contracts
Expanding Arts Education Programming <ul style="list-style-type: none"> • Arts Pathway at PHS • PMS Theatrical Performances • District-wide Auditorium Upgrades 		New Capital Improvement Projects* <ul style="list-style-type: none"> • PMS Pool and Locker room upgrades • PHS HVAC Upgrades • Districtwide Floor, Ceiling, and Window upgrades • Demolition and site Restoration (Jane Bolin Building and Maintenance Building) • Sitework (Parking lots, etc.)
Advancing Pathway Transformation Work <ul style="list-style-type: none"> • Computer Science Pathway at PMS and PHS • Arts Pathway at PHS (duplicate from above) • Doubling BOCES CTE Student Slots • Transition Coordinator (SWE) • Career Technical Education Liaison 		
Phase IV of Instructional Furniture Upgrades		* Not funded through the General Fund

Draft Proposed 2023-24 Budget *

as of 03/10/23

	23-24 DRAFT Budget	22-23 Budget	Dollar Change	Percent Change
Revenues	\$ 132,754,973	\$ 116,834,482	\$ 15,920,491	13.63%
Appropriated Fund Balance	\$ 2,000,000	\$ 1,500,000	\$ 500,000	33.33%
Expenses	\$ 134,754,973	\$ 118,334,482	\$ 16,420,491	13.88%

- Appropriated Fund Balance will be used to balance the 23-24 budget.
- The numbers provided above represent a snapshot in time during the budget development process. It exemplifies the base budget needed to continue existing programs and staffing levels.
- There is no intention of asking the community to approve a tax levy increase above the calculated tax cap of 4.04% for 2023-24.

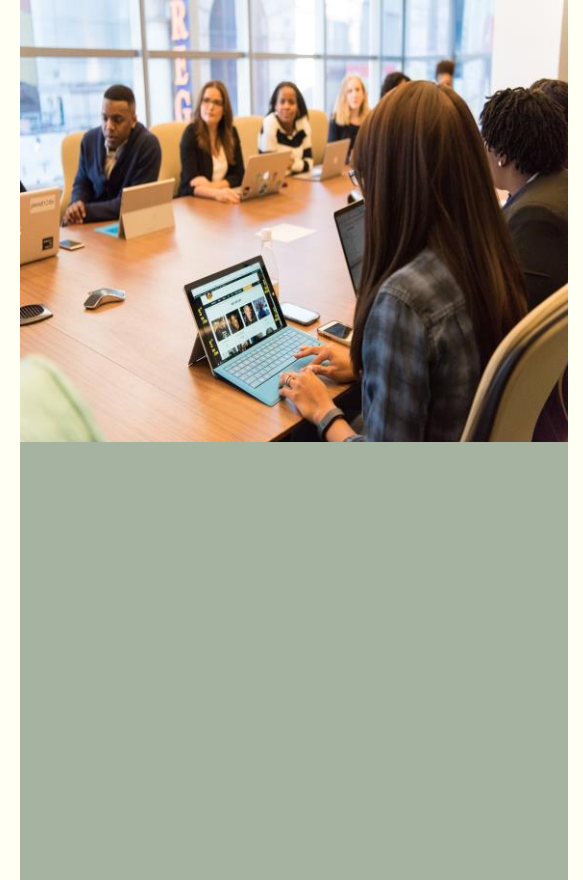
*Based upon current State-Aid runs.

Factors Driving the 23-24 Budget

- Transfer of Salaries & Benefits of CRSSA & ARP (44 FTEs amounting to \$5.5 M)
- Students with Exceptionalities Recalibration – correct baseline
- SWE and ENL Compliance/Expansion
 - Additional FTEs
- Expansion of Charter school enrollment 23-24 to include another grade level
 - Adjustment for 22-23 charter school baseline tuition \$750K verses \$1.1M actual
- Increased Transportation costs due to inflation and additional run need based on educational program location
- Pathway Transformation Initiative
 - CTE (Career Technical Education) slots for students to attend BOCES
 - Arts at PHS
 - Computer Science at PMS and PHS
- Increased utility costs based on increased pricing (not volume)
- New debt (both short term & long term) associated with Capital project & EPC
- Contractual increases associated with existing Labor Relations Contracts

Additional Budget Development Activities in Progress

- The Superintendent has solicited input from the administrative team to help identify areas where additional resources would assist in moving the District forward in its' pursuit of achieving goals outlined in the 5- Year Strategic Plan.
- Individual meetings have occurred with team members and continue to be prioritized by the Office of the Superintendent in collaboration with the administration team.
- At a future Budget Workshop meeting a 3-part budget format will be provided.



Reserves and Fund Balance

Reserves:

- Funds set aside to meet expected future payments or set aside for a specific purpose.
- These financial tools can be used to help smooth out the impact of significant changes in State-aid, the District's budget, and budget pressures on the school tax levy.
- *"The practice of planning ahead and systematically saving for capital acquisitions and other contingencies is considered prudent management."* (Local Government Management Guide: Reserve Funds, The Office of the NYS Comptroller.)

Fund Balance:

- Represents the total accumulation of revenues minus expenditures since the inception of the school district, less any withdrawals.
- Fund Balance is equivalent to your savings and can only be used once.

Current Reserves

Year-End 6/30/2022

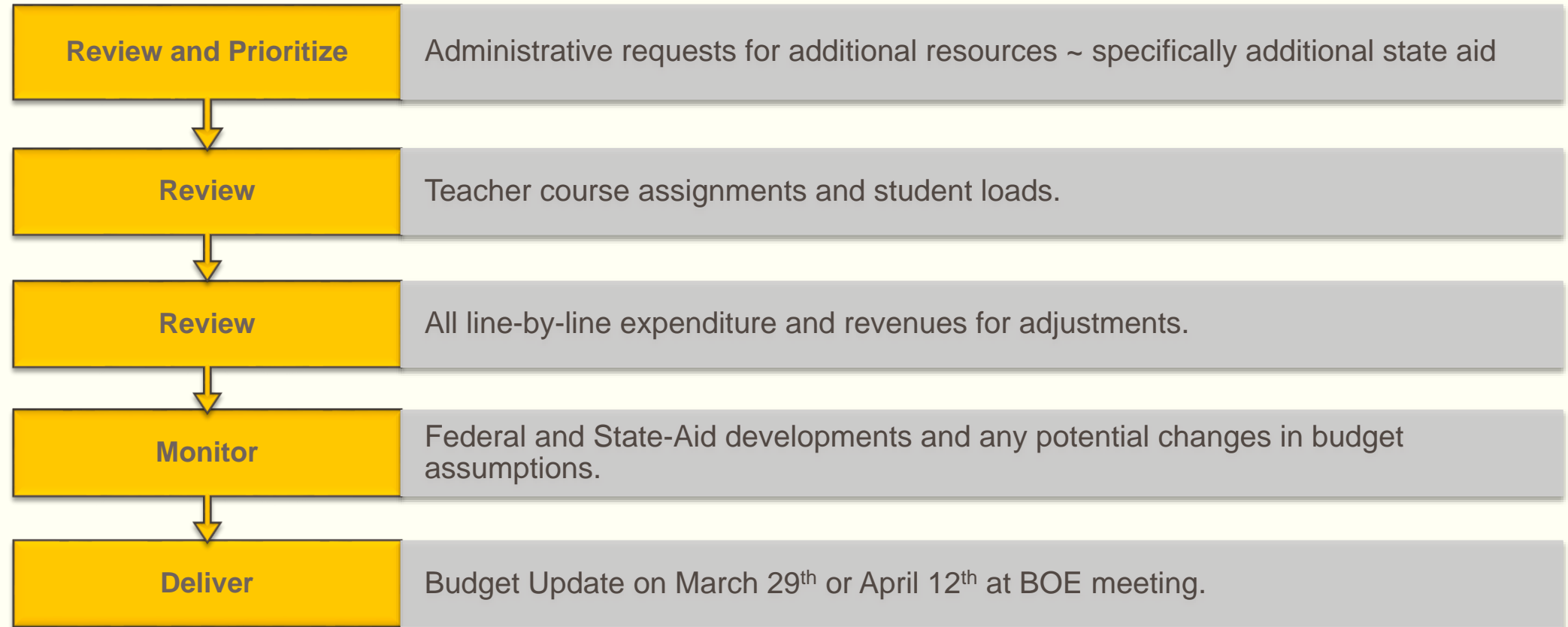
Non-Spendable		\$	455,471
Prepaid Expenditures	A806	\$	455,471
Restricted Fund Balance TOTAL		\$	19,233,605
Unemployment Insurance	A815	\$	222,830
Retirement Reserve ERS	A827	\$	1,000,201
Retirement Reserve TRS	A828	\$	1,320,000
Property Loss & Liability	A863	\$	261,939
Tax Certiorari	A864	\$	428,635
Employee Benefit Accrued Liability	A867	\$	1,000,000
Capital Reserve 2021	A878	\$	5,000,000
Capital Reserve 2022	A878	\$	10,000,000
Appropriated Fund Balance	A914	\$	1,500,000
Assigned Fund Balance		\$	1,238,439
Carryover Encumbrances	A915	\$	1,238,439
Unassigned Fund Balance	A917	\$	4,446,083
TOTAL		\$	26,873,599

Fund Balance Limitations

Fund Balances	6/30/2021	6/30/2022
Assigned ~ Non Spendable ~ Prepaid	\$ 357,112	\$ 455,471
Assigned ~ Carryover Encumbrances	1,683,540	1,238,439
Restricted Fund Balance	7,563,217	19,233,605
Assigned to Subsequent Years' Budget	0	1,500,000
Unassigned	12,600,954	4,446,083
Total Fund Balance	\$ 22,204,823	\$ 26,873,599

- Public school districts are limited to retaining Unassigned Fund Balance amounts up to 4% of the subsequent year's budget. At the close of the most recent fiscal year, June 30, 2022, the Unassigned Fund Balance stood at \$4,446,083 which is within the statutory limit.
- Should the District generate a budget surplus this year; the surplus will be allocated to Reserves prior to June 30th to plan for future needs and stabilize the tax levy from significant increases yet allow for facility improvements districtwide.

Next Steps



Discussion/Questions/Comments

