



# Poughkeepsie City School District



## 2023-24 Budget Development

February 15, 2023

Dr. Eric Jay Rosser, Superintendent of Schools

Ms. Louise M. Lynch, Assistant Superintendent for Business



# Presentation Agenda



- 2023-24 Budget Development
  - Budget Goals
  - Budget Calendar
  - Projected State Aid
  - Budget Outlook
- Overview of Grants
- Discussion

# Budget Goal

**Present a fiscally sound 2023-24 budget that addresses the educational program and operational needs of the Community**

- Increase budget participation to include:
  - District Administrators
  - Building Leadership
  - Department Directors
  - Staff & Community Stakeholders
- Satisfy Regulatory Requirements (Mandates)
- Align Allocation of Financial Resources
  - Strategic Plan
  - Equity at the School Level

# Budget Calendar



2/15/2023	Board of Education Meeting / Budget Update
3/01/2023	Submit Tax Cap Levy Limit on NYS Comptroller's Website
3/08/2023	Board of Education Meeting / Budget Update
3/15/2023	Board Meeting / Present Budget Draft
3/28 - 4/1/2023	1 <sup>st</sup> of 4 Legal Notices Published (Budget Hearing, Election and Vote)
4/05/2023	Board of Education Meeting Adopt Educational Plan & Budget <small>(Prior to 4/24/22)</small>
4/6 - 4/24/2023	Submit Property Tax Report Card to SED and Local Newspaper <small>(within 24 hours of adoption)</small>
4/25/2023	Board of Education Meeting ~ BOCES Vote (6 PM)
5/02/2023	Budget Available in all Schools and Central Office
5/03/2023	Board of Education Meeting ~ Legal Budget Hearing
5/03 - 5/10/2023	6-Day Budget Notice Mailed to Residents
5/16/2023	Vote ~ Board Election & School Budget

## 2023-24 Projected State Aid

State Aid Projections	23-24 Governor's Run	22-23 Governor's Run	Dollar Change	Percentage Change
*Foundation Aid (Includes High Impact Tutoring Setaside)	\$ 81,399,716	\$ 69,091,832	\$ 12,307,884	17.81%
**Universal Pre-K (outside of GF)	\$ 3,027,487	\$ 3,027,487	\$ -	0.00%
BOCES Aid	\$ 2,315,504	\$ 2,308,987	\$ 6,517	0.28%
High Cost Excess Aid	\$ 1,891,771	\$ 2,233,924	\$ (342,153)	-15.32%
Private Excess Cost	\$ 3,313,336	\$ 3,147,698	\$ 165,638	5.26%
Categorical Aid - Hardware/Technology	\$ 80,309	\$ 81,929	\$ (1,620)	-1.98%
Categorical Aid - Software, Library, Textbooks	\$ 358,798	\$ 358,348	\$ 450	0.13%
Transportation Aid	\$ 4,707,246	\$ 4,293,457	\$ 413,789	9.64%
Building Aid	\$ 1,552,587	\$ 1,768,349	\$ (215,762)	-12.20%
Charter School Transitional Aid	\$ 1,106,208		\$ 1,106,208	
	<b>\$ 99,752,962</b>	<b>\$ 86,312,011</b>	<b>\$ 13,440,951</b>	<b>15.57%</b>
**Less Pre K (ARP Universal Pre-K will remain within GF) dependent upon number of slots	\$ (3,027,487)	\$ (3,027,487)		
	<b>\$ 96,725,475</b>	<b>\$ 83,284,524</b>	<b>\$ 13,440,951</b>	<b>16.14%</b>

- 23-24 is the last year of running the formula which will provide much needed relief to offset the end of the COVID Federal Stimuli one-shot funding
- In the Governor's 23-24 State Aid Run, Community Aid at prior year's level remains within Foundation Aid where it was separated out in the 21-22 NYS approved aid.

\*High Impact Tutoring Setaside = \$1,439,368 included in foundation aid

# 2023-24 Preliminary Revenues

Description	2023-24 Draft Budget	2022-23 Approved Budget	Dollar Change	Percentage Change
Real Property Tax	\$ 31,258,258	\$ 31,258,258	\$ -	0.00%
PILOTS & Other Tax	\$ 1,875,000	\$ 1,875,000		
Miscellaneous Fees	\$ 527,700	\$ 561,700	\$ (34,000)	-6.44%
State Aid	\$ 96,725,475	\$ 82,884,524	\$ 13,840,951	14.31%
Federal Aid	\$ 200,000	\$ 200,000	\$ -	0.00%
Interfund Transfers	\$ 55,000	\$ 55,000	\$ -	0.00%
*Appropriated Fund Balance	\$ -	\$ 1,500,000	\$ (1,500,000)	#DIV/0!
	<u>\$ 130,641,433</u>	<u>\$ 118,334,482</u>		<u>9.42%</u>

**\*TO BE DETERMINED**

*The revenue estimates above represent the earliest stage of budget development. At this time, the estimate for Real Property Tax has been held constant and will be later evaluated as the budget development proceeds.*



# Next Steps In the Budget Process

- Follow State-Aid Developments
- Review Staffing, Salary Estimates and Benefit Costs
- Review Grant Funded Positions
- Review BOCES Budgets
- Review Existing Debt Schedule/Capital Project & Estimate New
- Continue Reviewing Revenue and Expenditure Projections
- Review School-Level/Department Budgets
- Review Requests for Additional Resources
- Evaluate Program Needs
- Compute Tax Cap
- Develop Preliminary Plans for Budget Adjustments & Reductions
- Incorporate Feedback on the Budget

# Grant Funding

**The District currently receives approximately \$13.6 million in grant funding:**

## Common Aspects of Grants

- Must be used for a specific purpose - new or different
- Cannot supplant existing expenses
- Often requires some type of (\$) contribution from the District
- Are new initiatives sustainable when grant ends?

## Some examples of Grants

- Title grants provide supplemental student supports
- School improvement grants- targeted to a school building
- Services to special education students
- Universal Pre-K and early childhood
- Community Schools (Prospectively to be included in State Aid)



# Grant Funding

	2023-24	2022-23
Title I	\$ 2,980,644	\$ 2,980,644
Title IIA, IIIA & IVA	\$ 546,330	\$ 546,330
Universal Pre K	\$ 2,085,205	\$ 2,085,205
MBK	\$ 125,000	\$ 125,000
Federal Stimulus	\$ -	\$ 6,716,837
IDEA - Students with Exceptionalities	\$ 1,746,526	\$ 1,746,526
Records Management	\$ 56,500	\$ 56,500
	<u>\$ 7,540,205</u>	<u>\$ 14,257,042</u>

*\*All grants are estimated at current year levels (since 23-24 allocations are not yet released) less the CRSSA & ARP funds which are expiring*

# Fund Balance and Reserves

- Fund Balance and Reserves represent the net worth and savings of the District
- Fund Balance and Reserves represent long-term funds
- Prudent financial management dictates that long-term financial resources be used for singular events (non-recurring) and/or long-term financing
- When long-term funds are utilized for short-term reoccurring items, budget shortfalls will occur in subsequent budget cycles when long-term funds are no longer available.
- Utilizing Fund Balance and Reserve Accounts strategically helps to smooth irregularities in the economic environment and stabilize taxes

# Fund Balance

	2021-22	2020-2021	2019-2020
<b>Fund Balance</b>			
Non-Spendable	\$ 455,471	\$ 357,112	\$ 491,869
*Restricted (Reserves including Capital, Tax Cert, Etc.)	\$ 19,233,605	\$ 7,563,217	\$ 912,846
Assigned to Subsequent Year's Budget	\$ 1,500,000	\$ -	\$ 500,000
Assigned as Carryover Encumbrance PY	\$ 1,238,439	\$ 1,683,540	\$ 0
Unassigned	\$ 4,446,083	\$ 12,600,954	\$ 7,334,840
	<u>\$ 26,873,598</u>	<u>\$ 22,204,823</u>	<u>\$ 9,239,555</u>

*In the 2018-19 fiscal year, the District experienced a \$6.8 million loss.*

*The unassigned fund balance will fluctuate based on the results of the 22-23 fiscal year.*

# Discussion

