



# Mexico Academy & Central School District



**Budget Update  
February 15, 2024**



# Today's Topics

- Expenses
- Revenues
- Fund Balance Projection
- Bus Purchases
- Next Steps
- Where we go from here





# *Expenses*



# Expense Look – Function & Object

Let's take a look at the change in anticipated expense by Function & Object.

*But what does that mean???* 🍏

**FUNCTION** – What area of the District is the expense supporting?

*Examples: Board of Education, Instruction, Special Education, Transportation, Athletics, etc*

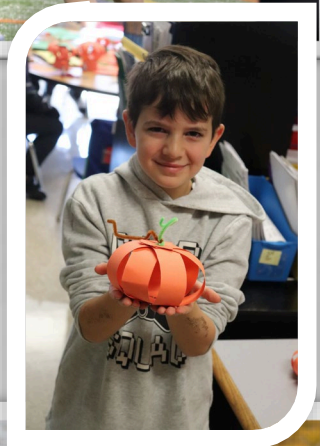
**OBJECT** – What kind of expense it is?

*Examples: Salaries, Benefits, Contractual items, Materials & Supplies, etc.*





# Expense Look by FUNCTION



Areas of the District the Expense is supporting				
Expense - by Function	24/25 Initial Projection	23/24 Budget	Budget to Budget \$\$ Change	Budget to Budget % Change
Board of Education	\$ 40,483	\$ 40,505	- \$ 22	- 0.05%
Central Administration ( <i>Superintendent's Office</i> )	\$ 271,775	\$ 259,726	\$ 12,049	4.43%
Finance ( <i>Business Office</i> )	\$ 549,898	\$ 586,020	- \$ 36,122	- 6.57%
Other Staff ( <i>Personnel, Legal, etc</i> )	\$ 607,622	\$ 621,832	- \$ 14,210	-2.34%
Central Services & Special Items ( <i>Operations &amp; Maintenance</i> )	\$ 6,549,536	\$ 6,444,734	\$ 104,802	2.02%
Administration & Professional Development	\$ 1,855,256	\$ 1,938,035	- \$ 82,779	- 4.46%
Instruction ( <i>Regular &amp; Special Education</i> )	\$ 25,343,601	\$ 24,195,838	\$ 1,147,763	4.53%
Instructional Media ( <i>Library &amp; Technology</i> )	\$ 2,662,782	\$ 2,628,089	\$ 34,693	1.30%
Pupil Services ( <i>Attendance &amp; SEL</i> )	\$ 2,996,418	\$ 2,864,079	\$ 132,339	4.42%
Transportation	\$ 3,318,482	\$ 3,593,049	- \$ 274,567	- 8.27%
Community Services ( <i>Community Center</i> )	\$ 125,000	\$ 154,680	- \$ 29,680	-23.74%
Employee Benefits	\$ 14,987,688	\$ 14,521,246	\$ 466,442	3.11%
Debt Service	\$ 4,863,160	\$ 5,138,667	-\$ 275,507	-5.67%
Interfund Transfers	\$165,000	\$165,000	\$0	0%
<b>TOTALS</b>	<b>\$ 64,336,701</b>	<b>\$ 63,151,500</b>	<b>\$1,185,201</b>	<b>1.84%</b>



# Expense Look by OBJECT

## Areas of the District the Expense is supporting

Expense – by Object	24/25 Initial Projection	23/24 Budget	Budget to Budget \$\$ Change	Budget to Budget % Change
Professional Salaries	\$ 20,734,748	\$ 19,762,876	\$971,872	4.69%
Non-Professional Salaries	\$ 8,201,055	\$ 8,270,331	- \$69,276	- 0.84%
Equipment	\$ 477,100	\$ 477,100	\$ 0	0%
Contractual	\$ 3,859,580	\$ 3,776,005	\$ 83,575	2.17%
Materials & Supplies	\$ 1,499,012	\$ 1,490,917	\$ 8,095	0.54%
BOCES	\$ 9,599,358	\$ 9,599,358	\$ 0	0%
Debt Service	\$ 4,863,160	\$ 5,138,667	- \$ 275,507	- 5.67%
Benefits	\$ 14,937,688	\$ 14,471,246	\$ 466,442	3.12%
Interfund Transfers	\$ 165,000	\$ 165,000	\$ 0	0%
<b>TOTALS</b>	<b>\$ 64,336,701</b>	<b>\$63,151,500</b>	<b>\$1,185,201</b>	<b>1.84%</b>



*Inspiring  
Excellence &  
Leadership in All*



# DATA HIGHLIGHTS

## So what expenses are changing?

### AREAS OF EXPENSE

- Instruction - \$1,147,763 increase
- Benefits - \$466,442 increase
- O&M - \$104,802 increase
- Pupil Services - \$132,339 increase

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- Admin & PD - \$82,779 decrease
  - Transportation - \$274,567 decrease
  - Debt Service - \$275,507 decrease

\*as of now; BOCES needs still under review



### TYPES OF EXPENSE

- Professional Salaries - \$971,872 increase
  - Benefits - \$466,442 increase
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- Non-Professional Salaries - \$69,276 decrease
  - Debt Service - \$275,507 decrease
- \*as of now; BOCES needs still under review



# *Revenue*





# 2023-2024 Draft Revenue Summary

Source of Revenue	2024-2025 Draft Budget	2023-2024 Approved Budget	\$\$ Change	% Change
<b>General Aids (Foundation)</b>	\$ 24,141,104	\$ 23,211,370	\$ 929,734	3.85%
<b>High Cost Aid</b>	\$ 1,130,000	\$ 950,000	\$ 180,000	15.93%
<b>Private Excess Cost Aid</b>		\$ -	\$ -	0.00%
<b>Hardware &amp; Technology Aid</b>	\$ 33,709	\$ 33,428	\$ 281	0.83%
<b>Software, Library &amp; Textbook Aid</b>	\$ 158,154	\$ 156,114	\$ 2,040	1.29%
<b>Transportation Aids</b>	\$ 3,950,000	\$ 3,800,000	\$ 150,000	3.80%
<b>BOCES Aids</b>	\$ 3,600,000	\$ 3,500,000	\$ 100,000	2.78%
<b>Building Aid</b>	\$ 3,350,000	\$ 3,398,618	\$ (48,618)	-1.45%
<b>Total Budgeted State Aid</b>	\$ 36,362,967	\$ 35,049,530	\$ 1,313,437	
<b>Local Tax Levy</b>	\$ 13,272,031	\$ 13,011,795	\$ 260,236	1.96%
<b>PILOT</b>	\$ 9,100,000	\$ 9,052,146	\$ 47,854	0.53%
<b>Miscellaneous Non-tax</b>	\$ 2,103,510	\$ 975,000	\$ 1,128,510	53.65%
<b>Debt Service Fund</b>	\$ 100,000	\$ 100,000	\$ -	0.00%
<b>Total Local &amp; Non-tax</b>	\$ 24,575,541	\$ 23,138,941	\$ 1,436,600	
<b>Reserves</b>	\$ -	\$ 1,213,029	\$ (1,213,029)	-100.00%
<b>Appropriated Fund Balance</b>	\$ -	\$ 3,750,000	\$ (3,750,000)	-100.00%
<b>Total Revenue</b>	\$ 60,938,508	\$ 63,151,500	\$ (2,212,992)	-3.63%
<b>Budget Appropriations</b>	\$ 64,336,701	\$ 63,151,500		
<b>\$\$ Proposed Budget Increase</b>	\$ 1,185,201	\$ 1,770,500		
<b>% Proposed Budget Increase</b>	1.88%	2.88%		
<b>% Estimated Tax Levy Increase</b>	2.00%	2.50%		
<b>POTENTIAL BUDGET GAP</b>	\$ (3,398,193)	\$ -		

## Revenue Notes

- Shown with a 2% Levy Increase
  - Estimated as an acceptable amount after Budget Committee meeting
  - Tax Cap still needs to be calculated
- CHANGES from last projection:
  - \$1.5M decrease in Interest earnings, more conservative
  - \$900K decrease in PILOT revenue; still in PILOT negotiations
- Potential Budget Gap of approximately \$3,400,000
 

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- Aid Increase - \$1,313,437
  - If the Governor's Proposed Foundation Aid formula change falls through, the District will receive approximately an additional \$328,500 in Foundation Aid
- Misc. Revenues - \$1,128,510 increase
  - Foster Tuition: \$200K, not budgeted in the past
  - Interest: \$350K
  - Refund Prior Year Expense – BOCES: \$200K, previously underbudgeted



# 2024-2025 Draft Budget Summary

Projected budget based on current known & estimated changes:

**\$ 64,336,701**

Increase of \$1,185,201 or 1.84%

Current Estimated Gap:

**\$3,398,193**





# *Fund Balance*



# FUND BALANCE PROJECTION

## Estimated Change in Fund Balance

<b>Total Beginning Fund Balance 7/1/23</b>		<b>\$ 45,529,057</b>
<i>Plus: Projected Total Revenues</i>	<i>A 980</i>	<i>\$ 59,330,488</i>
<i>Less: Projected Total Expenditures</i>	<i>A 522</i>	<i>\$ 58,436,695</i>
<b>Projected Ending Fund Balance - 6/30/24</b>		<b>\$ 46,422,850</b>

Net Change: \$ 893,793

- *This increases the prior year's Beginning Fund Balance -*



# FUND BALANCE PROJECTION

## A look at current Fund Balance allocations

Reserves	
Reserve Account	Balance as of 1/31/24
Unemployment Insurance Reserve	\$355,301
ERS Retirement Contribution Reserve	\$ 1,714,551
TRS Retirement Contribution Reserve	\$ 492,188
Liability Reserve	\$ 976,997
Employee Benefits Reserve	\$ 4,537,752
Capital Projects Reserve (2022)	\$ 2,551,987
Capital Reserve: Turf Maint	\$ 922,528
Tax Stabilization Reserve	\$ 26,829,664
<b>TOTALS</b>	<b>\$ 38,380,970</b>

Other Fund Balance Pieces	
Fund Balance Type	
Non-Spendable Fund Balance	\$ 0
Assigned Fund Balance	
Appropriated for Next Year's Budget	\$ 0
Reserve for Encumbrances (est)	\$ 237,000
Unassigned Fund Balance	\$ 2,573,469
<i>* limited to 4% of the 24-25 budget</i>	
<b>TOTALS</b>	<b>\$ 2,810,469</b>



# FUND BALANCE PROJECTION

Estimated Fund Balance @ 6/30/24: \$ 46,422,850

Reserved Funds: \$ 38,380,970

Other Fund Balance Items: \$ 2,810,469

Unallocated: \$ 5,231,410

*What do we do with the unallocated funds?*



# 2024-2025 Bus Purchase Request

- 4 Large Diesel Buses
  - \$160,000 each (est.)
- 1 Mid-size Bus
  - \$90,300 (est.)
- 1 Large Electric Bus
  - \$475,000 (est.) – before available funding
    - Purchase dependent upon receiving funding
    - After funding cost - \$160,000 (est.)
    - If purchased will also need charger & other infrastructure changes
- 2 Separate Bus Propositions
  - 1 - \$730,000 est. (for 4 large & 1 Mid-size Diesel buses)
  - 1 - \$160,000 est. (for 1 Electric bus)





# 2024-2025 Budget Next Steps

- Still in process...
  - Continue to verify salaries
  - Tax Cap Calculation
  - Review Building Aid projections
  - BOCES needs assessment & Budgeted Expense
  - Continue PILOT negotiations
  - Further conversations to help uncover as many unknowns that I may currently have as possible



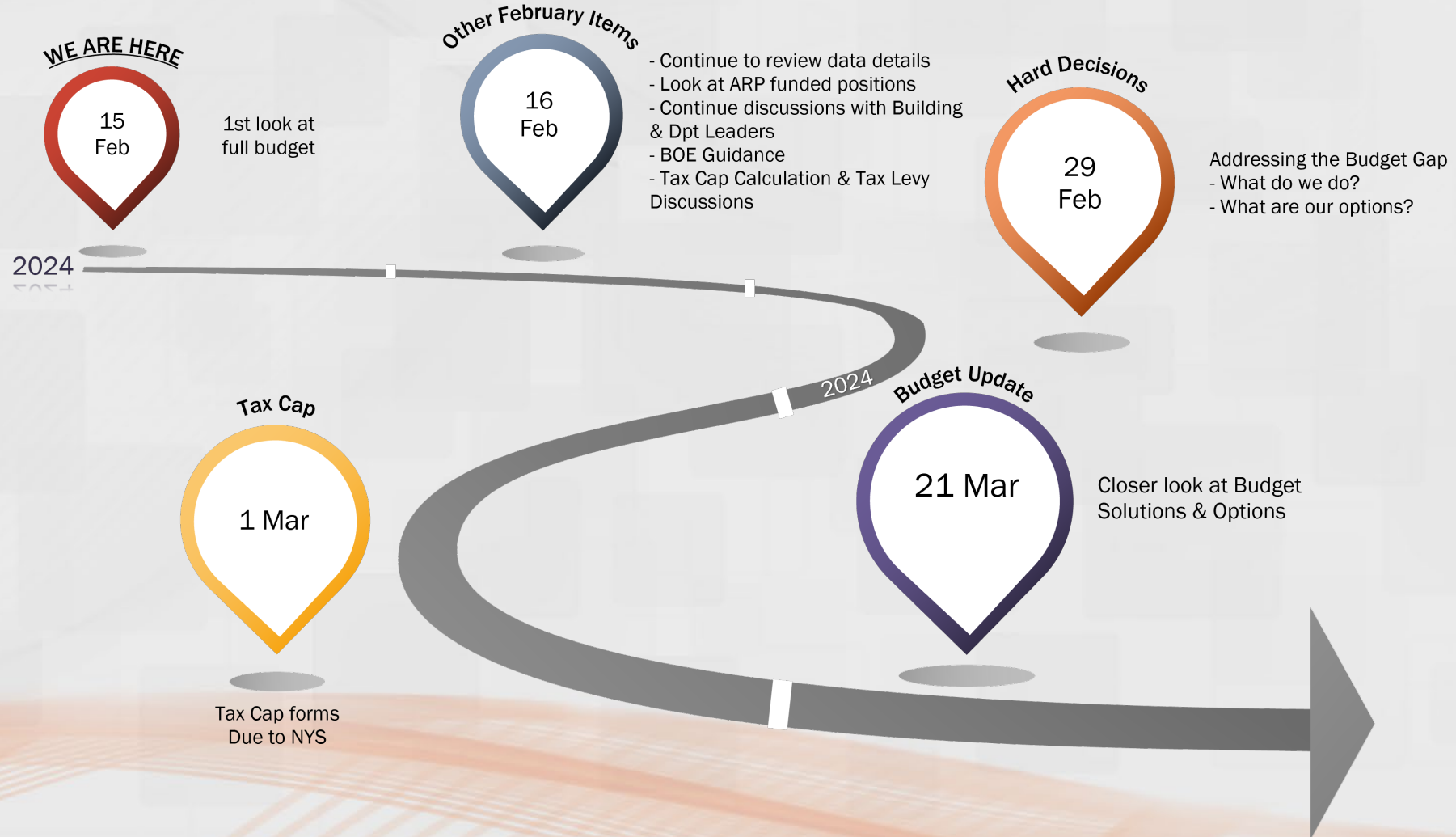


# 2024-2025 Budget Next Steps

- **Decide on proposed Tax Levy Increase**
  - Review Tax Cap & Tax Levy History
- **Decide on possible Use & Funding of Reserves**
- **Decide on possible Use of Fund Balance**
- **Determine what the goal Budget Increase will be**
  - What ARP and other requested expenses can be kept/added
- **Provide 3-5 Year Projection**
- **Provide Detail Budget**
- **Final Budget Proposal**

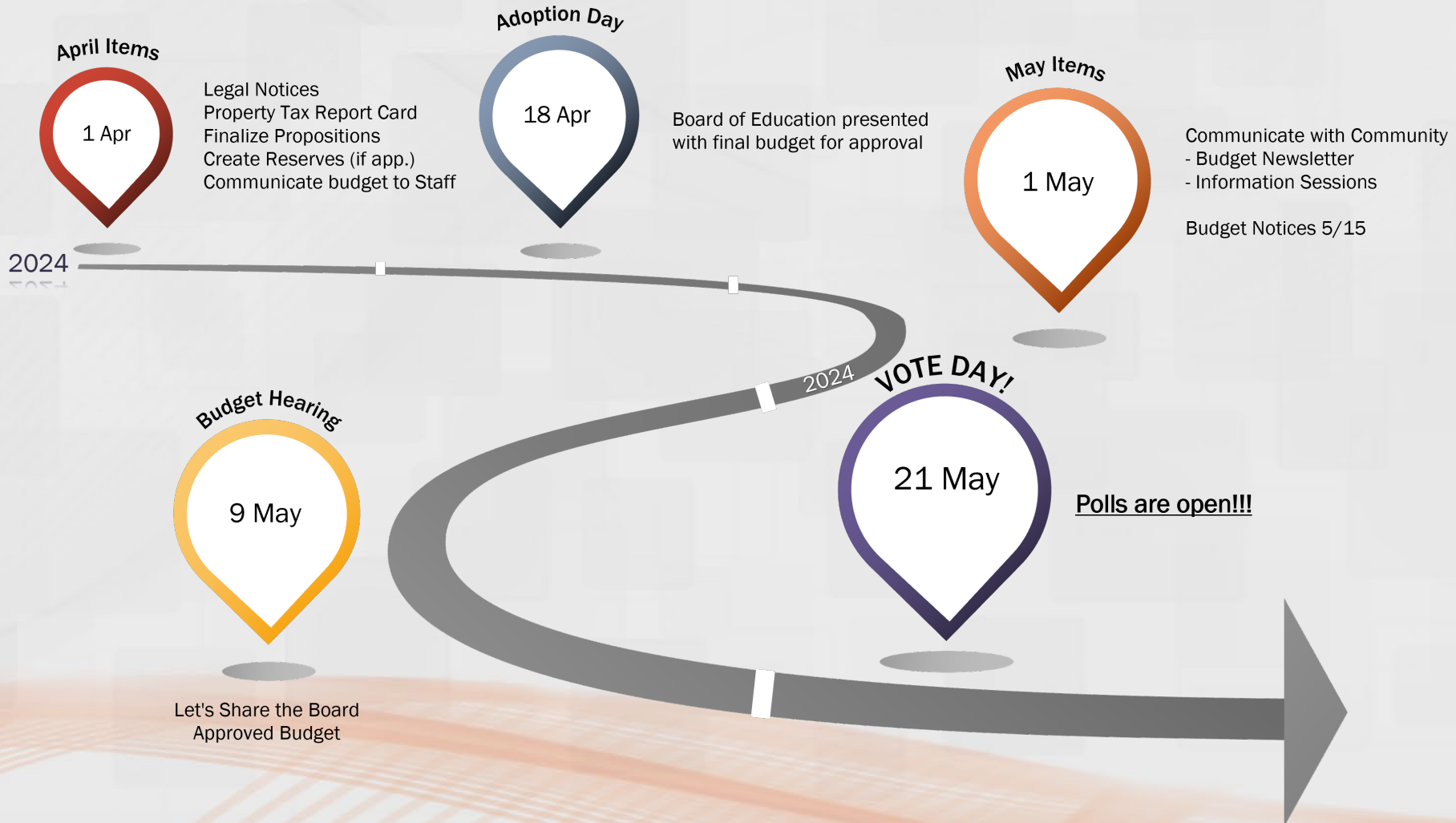


# Our Path





# The End Game





*Questions?*