

MAHOPAC CENTRAL SCHOOL DISTRICT



**2022-2023 BUDGET REVOTE
BUDGET WORK SESSION
MAY 24, 2022**

BUDGET PREPARATION SUMMARY



- **THE BUDGET PROCESS BEGINS WITH ROLLING OF THE CURRENT YEAR BUDGET AND INCREASING FOR CONTRACTUAL OBLIGATIONS.**
- **ROLLOVER EXPENDITURES WERE ESTIMATED TO GROW \$7.6M. (5.96%).**
- **WHILE REVENUES WERE EXPECTED TO INCREASE \$5.4M.**
- **RESULTED IN A BUDGET GAP OF \$2.2M.**
- **THE DISTRICT ADMINISTRATIVE TEAM REVIEWED THE EXPENDITURES TO DETERMINE WHAT ADJUSTMENTS COULD BE MADE.**

MEASURES TO REDUCE THE BUDGET GAP



VACANCIES DUE TO RETIREMENT/RESIGNATION WERE EVALUATED INDIVIDUALLY AND CERTAIN POSITIONS WERE PROPOSED FOR REDUCTION:

- **THERE WAS A REDUCTION OF NINE (9) POSITIONS**
- **THE STAFFING REDUCTION REFLECTED TOTALED \$ 1.4M**
- **ADDITIONAL REDUCTIONS FOR RETIREE REPLACEMENTS TOTALED \$412K**

REVIEW OF STUDENT PLACEMENTS AND STUDENT PROGRAMS

- **REDUCTIONS TO BOCES, OUT OF DISTRICT TUITIONS AND MATERIALS AND SUPPLIES AND MISCELLANEOUS TOTALED \$672K**



BUDGET -EXPEDITURE BUDGET DRIVERS

- **OF THE TOTAL BUDGET INCREASE OF \$5.6M –**
 - **\$4.6M IS:**
 - **\$3.1M CONTRACTUAL SALARIES AND BENEFITS
(STAFF COMPENSATION, PAYROLL TAXES, RETIREMENT
COSTS, INSURANCES)**
 - **\$1.5M DEBT SERVICE PAYMENTS**
- **THE REMAINDER IS BOCES AND OUT OF DISTRICT TUITION**



REVENUE PROJECTION

- **ESTIMATES ARE BASED ON THE GOVERNOR'S PROPOSAL FOR STATE AID AND THE TAX CAP CALCULATION.**
- **THE GOVERNOR'S PROPOSAL INCREASED BUDGETED STATE AID BY \$1.2M.**
- **ANTICIPATED BUILDING AID WAS ADDED TO STATE AID REVENUE OF \$1.2M FOR PHASE 1 OF THE CAPITAL PROJECT. AID IS DETERMINED BY SUBSTANTIAL COMPLETION AND THE FILING OF THE FINAL COST REPORTS BY DECEMBER 31, 2022.**



FOUNDATION AID INCREASE EXPLAINED

- **THE 2022-23 FOUNDATION AID IS EQUAL TO THE 2021-22 FOUNDATION AID BASE PLUS THE GREATER OF:**

(A) A 50 PERCENT PHASE-IN INCREASE, OR (B) A 3 PERCENT MINIMUM INCREASE.

A. 50 PERCENT PHASE-IN INCREASE. THE 50 PERCENT PHASE-IN PROVIDES ADDITIONAL FOUNDATION AID FOR DISTRICTS NOT YET RECEIVING TOTAL FOUNDATION AID. THE VALUE IS EQUAL TO 50 PERCENT OF THE POSITIVE DIFFERENCE BETWEEN TOTAL FOUNDATION AID AND THE 2021-22 FOUNDATION AID BASE.

B. 3 PERCENT MINIMUM INCREASE. THE 3 PERCENT MINIMUM ENSURES THAT NO DISTRICT RECEIVES AN INCREASE LESS THAN 3 PERCENT OF THE 2021-22 FOUNDATION AID BASE.



BUDGET COMPARISONS

2022-2023

		Mahopac	Carmel	Putnam Valley	Brewster	Lakeland	Yorktown
Foundation Aid	22-23	\$ 21,500,485	\$ 21,520,115	\$ 7,335,231	\$ 14,936,707	\$ 29,541,346	\$ 12,805,226
	21-22	20,262,669	18,611,378	5,856,645	11,788,978	26,143,921	10,246,231
	Increase \$	\$ 1,237,816	\$ 2,908,737	\$ 1,478,586	\$ 3,147,729	\$ 3,397,425	\$ 2,558,995
	Increase %	6.10%	15.63%	25.25%	26.70%	13.00%	24.97%
Total Aid - Budget	22-23**	\$ 34,844,726	\$ 32,400,000	\$ 14,359,825	\$ 25,900,000	\$ 47,039,820	\$ 21,158,867
	21-22	32,301,708	29,200,000	12,268,089	21,700,000	42,166,985	18,490,137
	Increase \$	\$ 2,543,018	\$ 3,200,000	\$ 2,091,736	\$ 4,200,000	\$ 4,872,835	\$ 2,668,730
	Increase %	7.87%	10.96%	17.05%	19.35%	11.56%	14.43%
Budget Increase		\$ 5,600,000	\$ 2,900,000	\$ 2,600,000	\$ 5,600,000	\$ 7,400,000	\$ 6,900,000
		4.42%	2.17%	4.94%	5.38%	4.41%	6.77%
Tax Levy Increase	Increase \$	\$ 3,000,000	\$ 1,000,000	\$ 600,000	\$ 1,300,000	\$ 2,300,000	\$ 1,637,270
	Increase %	3.35%	0.97%	1.49%	1.69%	1.99%	2.02%
How is the Budget Funded?							
Increase to:							
State Aid**		\$ 2,500,000	\$ 3,100,000	\$ 2,200,000	\$ 4,200,000	\$ 4,900,000	\$ 2,700,000
Taxes		3,000,000	1,000,000	600,000	1,300,000	2,300,000	1,600,000
Miscellaneous		100,000	(100,000)		100,000	300,000	500,000
Fund Balance			(1,100,000)	(200,000)	-	(100,000)	2,100,000
Total Budget Increase		\$ 5,600,000	\$ 2,900,000	\$ 2,600,000	\$ 5,600,000	\$ 7,400,000	\$ 6,900,000
** Includes Building Aid Estimate of \$1.2M							

BUDGET CHANGES SINCE MAY 17TH



- **REDUCE MAINTENANCE EQUIPMENT - HS BOYS LOCKERS (-44,000)**
- **REDUCE MAINTENANCE EQUIPMENT – CARPENTER/SNOW REMOVAL VEHICLE (-\$52,000)**
- **REMOVE HS STUDENT WAITING AREA PROJECT (-\$85,000)**
- **REMOVE TRANSFER TO CAPITAL FUND FOR PLAYGROUNDS (-\$100,000)**
- **REVISE CONTRACTUAL SALARIES ESTIMATES TO REFLECT CONTRACT SETTLEMENTS WITH ADMINISTRATORS AFTER FIRST BUDGET PREPARATION (-\$58,418)**
- **REVISE SALARIES DUE TO RETIREMENTS AND RESIGNATIONS AFTER FIRST BUDGET PREPARATION (-\$177,216)**
- **REMOVE PSAT/SAT PREP COURSE COST FROM BOCES – MATERIALS PROVIDED AT NO COST BY VENDOR THROUGH BOCES (-\$30,853)**



Net Impact of Budget Changes

	May 17, 2022	May 24, 2022
Revenue Budget = Expenditure Budget	\$ 133,011,332	\$ 132,463,845
Budget Increase	4.42%	3.99%
Property Tax Increase	3.35%	2.75%
Average Annual Tax Increase:		
Carmel (Assessed Value \$435,040)	\$ 299	\$ 247
Putnam Valley (Assessed Value \$438,320)	\$ 364	\$ 311

2022 ESTIMATED TAX INCREASE ON AVERAGE HOME @ 2.75%



➤ 2022 TOTAL TAX ASSESSMENTS - TENTATIVE INCREASE

CARMEL	8.76%
PUTNAM VALLEY	9.58%

➤ 2022 AVERAGE HOME VALUE INCREASE

CARMEL	$\$400,000 * 1.0876 = \$435,040$
PUTNAM VALLEY	$\$400,000 * 1.0958 = \$438,320$

➤ 2022 TENTATIVE TAX IMPACT – REVISED BUDGET AT 2.75%

CARMEL	2021 \$ 8,813.53	PUTNAM VALLEY	2021 \$ 8,817.53
	<u>2022 \$ 9,060.22</u>		<u>2022 \$ 9,128.52</u>
	\$ 246.69		\$ 311.16

BASED ON 2022 TENTATIVE TAX ROLL PER PUTNAM COUNTY

USE OF STIMULUS FUNDS



- **RECOMMENDED USE OF STIMULUS FUNDS:**
 - **CONSIDERED A “ONE SHOT” REVENUE**
 - **GOVERNOR ADVISES AGAINST USING FOR OPERATIONS.**
- **2022-2023 EXPENDITURE BUDGET WAS REDUCED \$450K FOR “ONE TIME EXPENDITURES”.**
- **2021 -2022 ESTIMATED STIMULUS FUND USAGE ~ \$2.6 MILLION FOR: SUMMER PROGRAM (LEAP), COVID ACADEMY, VIRTUAL ACADEMY, ITUTOR, EDUCERE (CREDIT RECOVERY), PPE, INSTRUCTIONAL (5.0 FTE) AND INSTRUCTIONAL SUPPORT POSITIONS (6 FTE) ADDED DURING 2021-2022.**
- **ADDITIONAL USAGE MAY BE NEEDED DUE TO THE \$1.2 MILLION DECREASE IN (ACTUAL VERSUS BUDGETED) TRANSPORTATION AID.**
- **2021-2022 FINAL FUNDS USAGE TO BE DETERMINED BASED ON FUND BALANCE AT 6/30/22.**
- **STIMULUS FUNDS WILL BE APPLIED STRATEGICALLY TO WARD OFF A FINANCIAL CLIFF.**

CONTINGENT BUDGET LIMITATIONS



- **UNDER A CONTINGENT BUDGET, A DISTRICT CANNOT EXCEED THE PRIOR YEAR'S TAX LEVY.**
- **THE BUDGET WILL NEED TO BE DECREASED BY \$3M.**
- **ALL THREE COMPONENTS WILL BE AFFECTED:**
 - ADMINISTRATION**
 - PROGRAM**
 - CAPITAL**

Reductions in Contingency



ADMINISTRATIVE COMPONENT – (\$397K)

ADMINISTRATIVE SALARIES/BENEFITS, RELATED OFFICE STAFFING, BOARD OF EDUCATION EXPENSES, LEGAL, AUDITING, INSURANCE, BOCES ADMIN/CAPITAL EXPENSES AND DATA PROCESSING COSTS.

PROGRAM COMPONENT – (\$1.75M)

INSTRUCTIONAL SALARIES/BENEFITS/MATERIALS/SUPPLIES, GUIDANCE, HEALTH SERVICES, BOCES PROGRAMS, INTERSCHOLASTIC SPORTS, EXTRACURRICULAR PROGRAMS, AND TRANSPORTATION.

CAPITAL COMPONENT – (864K)

FACILITY MAINTENANCE/OPERATIONS, TRANSFER TO CAPITAL, AND DEBT SERVICE PAYMENTS.

WHAT IS “CONTINGENT”?



ORDINARY CONTINGENT EXPENSES ARE THOSE NECESSARY TO PROVIDE THE MINIMUM SERVICES LEGALLY REQUIRED TO:

- **OPERATE AND MAINTAIN SCHOOL BUILDINGS**
- **PRESERVE THE PROPERTY OF THE DISTRICT**
- **ENSURE THE HEALTH AND SAFETY OF STUDENTS AND STAFF**

THE BOARD OF EDUCATION DETERMINES WHICH APPROPRIATIONS CONSTITUTE ORDINARY AND CONTINGENT EXPENSES.



NEXT STEPS FOR SECOND BUDGET VOTE

- **TUESDAY, MAY 31, 2022: BUDGET FORUM 7:00PM FALLS AUDITORIUM**
- **THURSDAY, JUNE 2, 2022: - BOE ADOPTION OF BUDGET (AND CONTINGENCY BUDGET) FOR JUNE 21ST VOTE - 7:00 PM FALLS AUDITORIUM**
- **MONDAY, JUNE 6, 2022: BUDGET STATEMENT IS MADE AVAILABLE AND POSTED ON MCSD WEBSITE**
- **THURSDAY, JUNE 9, 2022: BUDGET HEARING – 7:00 PM FALLS AUDITORIUM**
- **TUESDAY, JUNE 21, 2022: BUDGET VOTE**
MAHOPAC HIGH SCHOOL 6:00AM – 9:00PM
- **IF THE BUDGET IS NOT PASSED ON TUESDAY, JUNE 21, 2022, THE BOARD OF EDUCATION MUST ADOPT A CONTINGENCY BUDGET**