

2023-24 Budget

Board of Education Update

Joseph A. Karas

Assistant Superintendent for Business and Finance

April 6, 2023

DISTRICT VISION

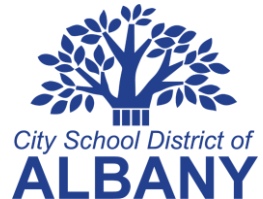
The City School District of Albany will be a district of excellence with caring relationships and engaging learning experiences that provide equitable opportunities for all students to reach their potential.

DISTRICT MISSION

We will work in partnership with our diverse community to engage every learner in a robust educational program designed to provide the knowledge and skills necessary for success.

DISTRICT GOALS

Increase student achievement; Enhance the delivery of quality instruction; Build our leadership capacity; Empower families; Partner with our diverse community



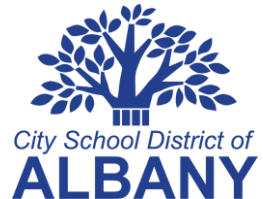
Tonight's Agenda

- 2023-24 budget
- Proposition #2 overview
- Budget calendar
- Next steps



2023-2024 Budgetary Notes

- Continuation of existing programs and services
- Continuation of contractual obligations
- Continuation of operations
- Continuation of staffing and benefits under labor contracts
- Continued monitoring of overtime and related work



Staffing Ratios (General and Federal Funds)

	Actual 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Estimated 2023-24
APSAA	63	69	61	67	69	71
APSUE	804	763	628	653.8	648.5	648.5
APSTA	976	912	863	980.9	998.4	1012.5
MC/Cabinet	40	46	44	45.6	39.6	44.6
Total Staff	1883	1790	1596	1747.3	1755.6	1776.6
K-12 Enrollment	8821	8610	8231	7992	7832	7950
Gross Per Student Ratio						
APSAA	140.0:1	124.8:1	134.9:1	119.3:1	116.9:1	111.9:1
APSUE	10.9:1	11.3:1	13.1:1	12.2:1	12:0:1	12.3:1
APSTA	9.0:1	9.4:1	9.5:1	8.1:1	7.9:1	7.9:1
MC/Cabinet	220.5:1	187.2:1	187.1:1	175.3:1	168.1:1	178.25:1

Budget Variables

- State Aid: \$16,373,840
Estimated Increase
- Tax Cap Calculation 1.49%
- Levy (set in early April)



Budget Variables

- **Health Insurance:**
Estimated increase of 15%
- **NYS Teacher Retirement System:**
Decrease from 10.29% to 9.76%
- **NYS Employee Retirement System:** Increase from 11.6% to 13.1%
- Impact of Retirements



General Fund Expenditures Included in Rollover

Expenditures	Roll Over Actions
SALARIES	<ol style="list-style-type: none">1. Add salary increases for current GF staff, including vacancies.2. Move staff from CRSSA/ARP to GF, plus salary increases.3. Add 7.5 new 7th grade teachers at North Albany MS.4. Add 1 Knd. Self Contained SE section
BENEFITS	<ol style="list-style-type: none">1. Health Care increase (15%)2. New TRS rate.3. New ERS rate.
TUITION	<ol style="list-style-type: none">1. Enrollment changes (Projected increase in 115 students)2. Uniform percent increase.
DEBT SERVICE	<ol style="list-style-type: none">1. Projected 2023-24 vs. 2022-23 (Final Est TBD)
CONTRACT SERVICES	<ol style="list-style-type: none">1. Transportation cost plus 8.5%2. AIC - Playground #2 vs. Playground #1 +\$150,0003. Cushion for the Unexpected

General Fund Expenditures

(Estimated Budget 23-24)

BOCES	<ol style="list-style-type: none">1. Private school textbook service2. General 3% increase for continuing services.
SUPPLIES	<ol style="list-style-type: none">1. General 3% increase
EQUIPMENT	<ol style="list-style-type: none">1. \$300,000 Reduction
LIBRARY, SOFTWARE, BOOKS	<ol style="list-style-type: none">1. General 3% increase
TEXTBOOKS	<ol style="list-style-type: none">1. General 3% increase

Budgetary Needs: Staffing

Elementary

- Dual Language Teacher 2nd Grade 1.0 FTE
- Theater Teacher
0.6 FTE
- Assistant Director/Pre-K
1.0 FTE

Secondary

- Special Ed Instructional Coach
1.0 FTE
- AHS Cosmetology Teacher
1.0 FTE
- AHS Health Science Teacher
1.0 FTE



Budgetary Needs: Staffing

Assessment, Accountability, and Technology Innovation

- Data Engineering
1.0 FTE
- Tech Support Lead
1.0 FTE
- Instructional Computer Tech
FTE

3.0

Transportation

- Assistant Director
1.0 FTE



General Fund Expenditures (Estimated Budget 23-24)

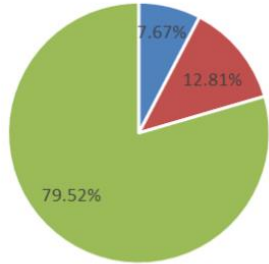
Expenditures	2020-21 Actuals	2021-22 Actuals	2022-23 Budget	2023-24 Estimated Budget w/ Positions
SALARIES	\$96,372,910	\$103,968,452	\$122,602,566	\$130,364,927
BENEFITS	\$51,309,402	\$54,755,646	\$65,977,468	\$72,785,439
TUITION (Charter)	\$42,029,447	\$37,378,320	\$38,324,815	\$40,425,000
TUITION		\$4,800,642	\$8,547,470	\$8,912,815
DEBT SERVICE	\$17,587,580	\$17,952,622	\$19,014,073	\$20,314,073
CONTRACT SERVICES	\$18,407,066	\$25,536,814	\$18,507,228	\$19,095,661
BOCES	\$4,975,987	\$5,301,097	\$6,323,049	\$6,611,640

General Fund Expenditures (Estimated Budget 23-24)

SUPPLIES	\$2,784,770	\$3,319,115	\$4,788,508	\$4,932,163
EQUIPMENT	\$523,286	\$712,165	\$1,756,783	\$1,456,783
LIBRARY, SOFTWARE, BOOKS	\$707,825	\$1,228,664	\$1,125,439	\$1,159,202
TEXTBOOKS	\$1,040,861	\$503,987	\$693,112	\$713,905
INTERFUND TRANSFERS	\$424,956	\$74,442	\$496,850	\$496,850
Totals	\$236,164,091	\$255,531,967	\$288,157,361	\$307,268,458

Total budget increase includes transfer of 73 FTE positions from federal ARP funding to General Fund (\$6,000,000)

3-Part Expense Budget



■ Administration ■ Capital ■ Program

2022-23

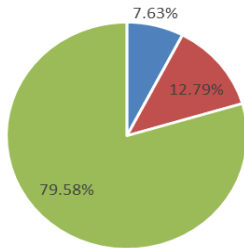
Administration \$ 22,106,983

Capital \$ 36,913,395

Program \$ 229,136,983

Total \$ 288,157,361

23-24



■ Administration ■ Capital ■ Program

2023-24

Administration \$ 23,438,063

Capital \$ 39,304,136

Program \$ 244,524,259

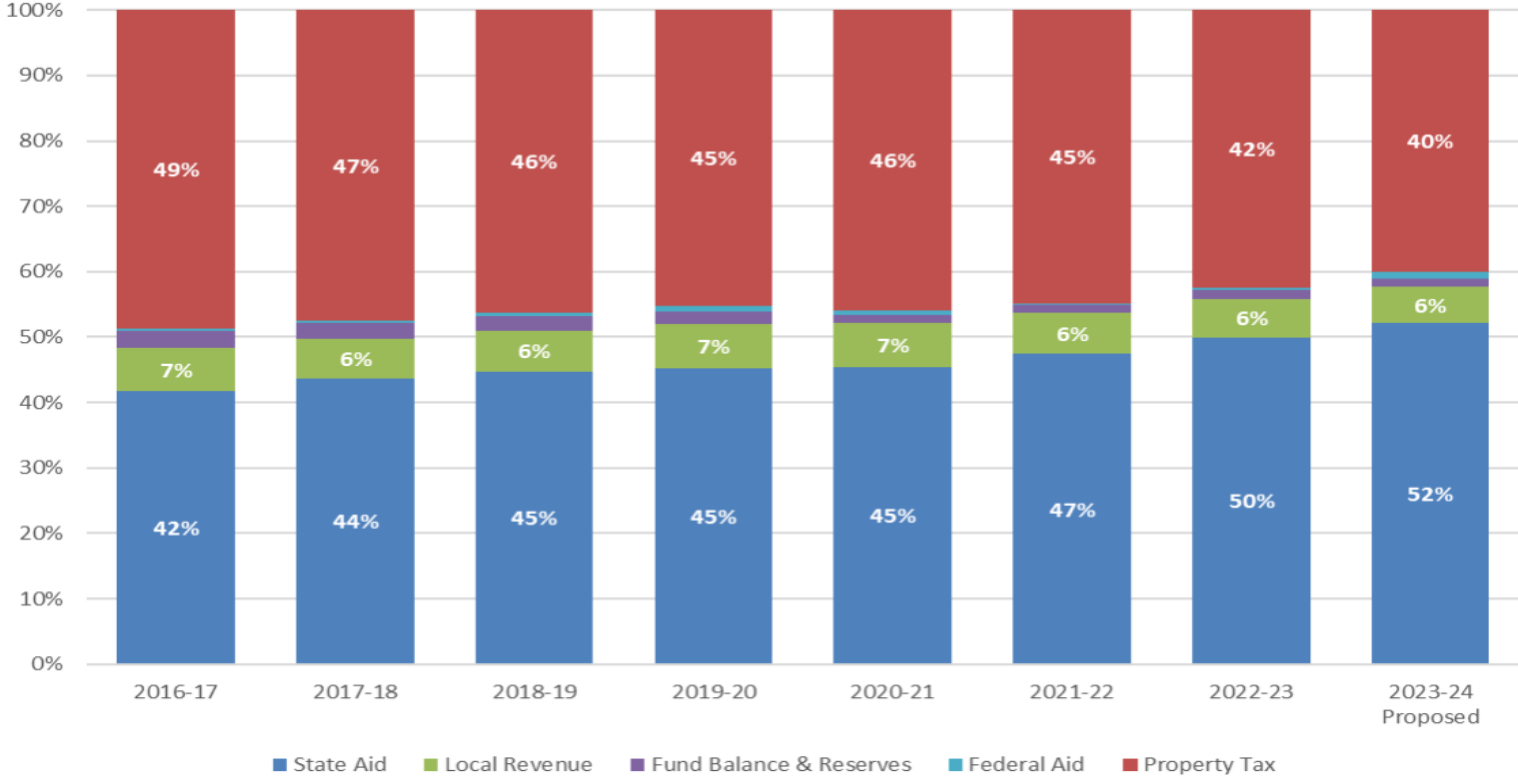
Total \$ 307,268,458

General Fund Revenue (Estimated Budget 23-24)

Revenues	2020-21 Actuals	2021-22 Actuals	2022-23	2023-24 Projected
Property Taxes	\$131,292,948	\$132,828,213	\$122,351,302	\$122,351,302
State Aid	\$113,481,385	\$126,548,351	\$143,880,616	\$160,254,456
Local Revenues	\$10,822,578	\$8,443,091	\$17,110,443	\$17,510,443
Appropriated Fund Balance			\$3,765,000	\$4,052,257
Federal Aid	\$5,344,175	\$1,458,500	\$1,050,000	\$3,100,000
Total/Actuals	\$260,941,087	\$269,278,155	\$288,157,361	\$307,268,458

General Fund Revenue (Estimated Budget 23-24)

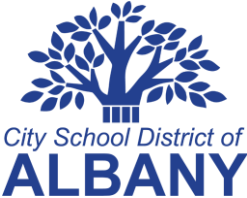
CSDA Declining Reliance on Property Taxes



General Fund Revenue

(Estimated Budget 23-24)

Property Taxes	Tax-levy allocation
State Aid	Increase of estimated State Aid of \$16,373,840
Local Revenue	PILOTS and Tax on Consumer Utilities
Appropriated Fund Balance	Increase of \$287,257 from 2022-23 budget
Federal Aid	Increase in Medicaid Reimbursement and Erate



General Fund Estimated Expenditures/Revenues

2023-24 Budget

Expenditures \$307,268,458

Revenues \$307,268,458

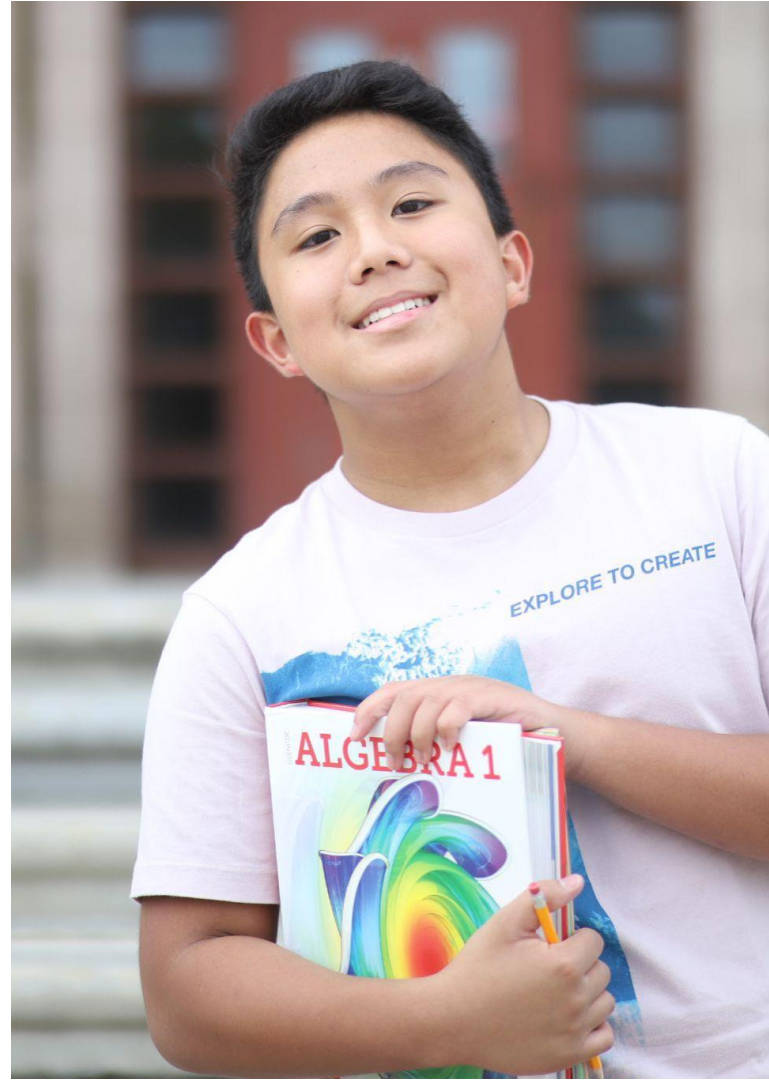
Difference 0

Tax-levy increase 0%



Tax Levy History

YEAR	TAX-LEVY INCREASE
2016-17	0.0%
2017-18	0.0%
2018-19	1.33%
2019-20	1.99%
2020-21	1.96%
2021-22	0.95%
2022-23	0.90%
2023-24	0.0% (Proposed)
AVERAGE	0.89%



Multi-Year Projection

	Budget	REVENUE/EXPENDITURE PROJECTIONS					
	2023	2024	%	2025	%	2026	%
REVENUE							
Property Taxes	\$ 122,351,302	\$ 122,351,302	0.00%	\$ 124,798,328	2.00%	\$ 127,294,295	2.00%
State Aid	\$ 143,880,616	\$ 160,254,456	11.38%	\$ 168,267,179	5.00%	\$ 176,680,538	5.00%
Local Revenue	\$ 17,110,443	\$ 17,510,443	2.34%	\$ 17,710,443	1.14%	\$ 17,910,443	1.13%
Appropriated Fund Balance	\$ 3,765,000	\$ 4,052,257	7.63%	\$ 4,590,000	13.27%	\$ 4,590,000	0.00%
Federal Aid	\$ 1,050,000	\$ 3,100,000	195.24%	\$ 3,100,000	0.00%	\$ 3,100,000	0.00%
TOTAL REVENUE	\$ 288,157,361	\$ 307,268,458	6.63%	\$ 318,465,950	3.64%	\$ 329,575,275	3.49%
EXPENDITURES							
Salary and Benefit Costs	\$ 188,580,034	\$ 203,150,366	7.73%	\$ 211,276,381	4.00%	\$ 219,727,436	4.00%
Other	\$ 99,577,327	\$ 104,118,092	4.56%	\$ 107,762,225	3.50%	\$ 111,533,903	3.50%
TOTAL EXPENDITURES	\$ 288,157,361	\$ 307,268,458	6.63%	\$ 319,038,606	3.83%	\$ 331,261,339	3.83%
SURPLUS/DEFICIT	\$ -	\$ -		\$ (572,656)		\$ (1,686,064)	
* Assumes 0% tax levy increase for 2024; 2% tax levy increase for 2025 and 2026; additional appropriated funds for potential student enrollment into new Charter School							
* Assumes 5% State Aid increase for the 2025 and 2026 years							
* Includes 5 additional positions for 2025 Estimate (4 core teachers NAMS and 1 Dual Lang AIC)							

Proposition 2:

Use of Capital Project Reserve

Proposition #2 will be a proposal to expend approximately \$9 million from the district's Capital Reserve Fund to offset increased costs due primarily to inflation on the Rebuilding Albany High School construction project.

- **Proposition #2 would have no additional impact on taxes as this will be funded by the Capital Reserve that was created in 2016**



Proposition 2:

Use of Capital Project Reserve

SHALL the supplemental bond resolution adopted by the Board of Education on March 30, 2023 authorizing (a) an increase in the estimated maximum cost of the High School capital project approved by the voters on February 9, 2016 of \$9 million for an aggregate estimated maximum cost of \$188,900,000; and (b) the expenditure of \$9 million from the 2016 Capital Reserve Fund to pay for such increased cost, be approved?

Escalation Averages

Year	Escalation Between
2008	6.30%
2009	-8.40%
2010	-4.00%
2011	1.60%
2012	2.10%
2013	4.10%
2014	4.10%
2015	4.50%

10% Average

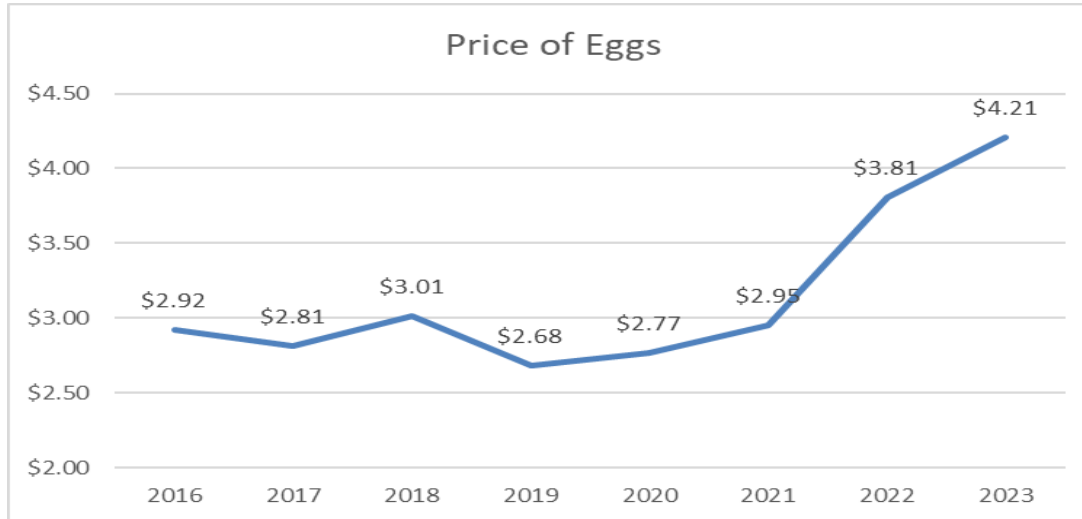
At Time of Referendum
Last 8 Year Study

Year	Escalation Between	Dollar
2016	4.8%	\$1.05
2017	5.0%	\$1.10
2018	5.6%	\$1.16
2019	5.5%	\$1.23
2020	1.8%	\$1.25
2021	1.9%	\$1.27
2022	8.3%	\$1.38

38% With Compound

10% Held (above)

33%



<https://www.in2013dollars.com/Eggs/price-inflation>

Proposition 2: Use of Capital Project Reserve

Estimated variance	Amount
Existing building factors not known at referendum (lead, abatement, structural integrity)	\$1,500,000
Referendum allowance delta to scope developed	\$2,424,075
Referendum escalation delta <ul style="list-style-type: none">• 2008-15 increase – 10%• 2016-22 increase – 33%	\$10,457,400
Design control/strategies to offset impact of escalation	(\$4,723,215)
Total estimated variance	\$9,658,260

Proposition 2: Use of Capital Project Reserve

Summary	Amount
Total adjusted estimated variance	\$7,659,106
Add alternates (regrade soccer and football fields, topsoil/seed old tennis courts, outside storage building)	\$767,075
Temporary food service plan	\$170,000
Additional food service equipment	\$100,000
Estimated net underfunded	\$8,696,181

Proposition #2 would be fully funded from the Capital Reserve Fund and **have no additional impact on taxes.**



Budget Calendar

April 6

Board of Education budget update and anticipated approval of budget proposal

April 26

Common Council budget presentation

April 27

District virtual community budget presentation

May 3

presentation

Council of Albany Neighborhood Associations

May 4

Budget hearing

May 10

District virtual community budget presentation

May 16

Budget vote



Next Steps

- Incorporate new information as it becomes available
- Continue reviewing projects, budget estimates and assumptions
- Incorporate feedback from Board, community and staff
- Continue legislative advocacy efforts
- New addition of nursing charter school
- Additional aid for charter school enrollment

QUESTIONS?

