

2023 - 2024 Budget Proposal

DRAFT 2

Presented March 22, 2023



*Today's Students.
Tomorrow's Leaders.*

TROY

CITY SCHOOL DISTRICT MISSION STATEMENT

The Troy City School District will provide a strong educational and social foundation to graduate all students college and career ready.



- We continue to be proud of all that is happening throughout the district
- We are still feeling the effects of the pandemic
- We are committed to doing what is necessary to build on our successes and ensure that we meet the needs of all of our students
- We will develop a budget that will allow us to do just that
- We need to plan accordingly
- We need to be conservative and strategic with our choices



Budget Development Process

- **Educationally Sound**

What do our students need to be successful?

- Mission Statement
- Staffing/Programs
- Supports
- Academic Achievement - How do we fully support our students going forward

- **Fiscally Responsible**

Good stewards of the taxpayers' money

- Mindful of our overburdened taxpayers
- Continue to search for other funding sources
- Under the tax cap for the last eleven years
- State and Federal money
- Long-term financial (strategic) planning



Looking Ahead: Foundation Aid Recap

- We will be fully funded (great news!), but there are concerns
 - Aid increases at the state level will moderate
 - The State projects 3-4% annual aid increases
 - In recent years, districts who are fully funded have been guaranteed a minimum increase of 1% - 3%
- For a typical year, to maintain our staff and programs, it costs approximately \$2 Million
 - A 1% Foundation Aid increase results in approximately a \$600,000 increase
 - A 3% Foundation Aid increase results in approximately a \$1.8 Million increase
- High needs/low wealth districts like ours are more dependent on State Aid
 - Approximately 70% of our revenues come from State Aid
- Will there be adjustments to the Foundation Aid formula going forward?
- Will High need/low wealth districts be given priority?
- We need to plan accordingly



Recap

- This budget maintains current staffing levels and programs.
- Approximately \$2.8 M for continuing current operations
- Approximately \$900,000 in expanded student/district services (Tier 1 additions)
 - 2 Elementary teachers
 - Special Education supports based on student need - TMS
 - Safety and security at THS/TMS - 3 additional monitors
 - 3 Additional attendance liaisons - Elementary
 - Technology Department



Capital Project Recap

- The 2019 Building Modernization Project is currently in Phase 3 of 5 phases
- Inflation continues to significantly impact the construction industry and this project
- We continue to be concerned about anticipated shortfalls moving forward
- We are recommending a Transfer to Capital in this budget of \$5 M



Small City Capital Outlay

- One year of overlap for federal funding and fully funded Foundation Aid
- Want to use funds conservatively and strategically (one-time costs)
- Short window of opportunity to do a Small City School District Capital Outlay Project
 - Only available to Small City School Districts
 - Only available for districts that would exceed 95% of constitutional debt limit
 - Project must be paid for with cash
 - District receives **ALL** State Aid back in the following school year ***
 - Troy aid ratio - 91.9%
- District elevators – dire need at numerous buildings
- Athletic Fields – re-skin football field (heavy usage – 15 years old), turf softball and baseball fields(multi-purpose soccer/lacrosse) – last year played 4 total modified baseball games on our varsity field – ZERO varsity games
- End of life boilers, upgrade lighting, and domestic water service



Revenues Recap

- State Aid - \$83.4 M
 - Overall increase \$8.4 M (11.2%)
 - Foundation Aid increase \$7.7 M (14.7%) - 3 year phase-in complete
- Tax Levy - \$37.9 M
 - Tax Cap - 2.46%
 - Tax Levy increase - 0%
- PILOTS and Interest - \$3.6 M
- Tuition, Refunds, and Misc. - \$1.35 M
- Federal Aid - \$300 K
 - Slight increase in estimated Medicaid reimbursement
- Appropriated Fund Balance - \$4 M



Changes since Draft 1

- Charter school tuition number finalized – reduced for 2023-2024
- Allowed additional budget requests (Tier 2)
 - District Occupational Therapist
 - Social Worker (TCS)
- Slight increase to interest earned - rates continue to increase on bank accounts



Proposed Budget Draft 2

- 2022-23 Budget \$ 126,903,272
- 2023-24 (Draft 1) \$ 131,890,045
- (Draft 2) \$ 131,898,112
- Dollar Change \$ 4,994,840
- Percent Change 3.94%
- Draft 2 Revenues \$ 131,898,112
- Tax Levy increase – 0%



Next Steps

- Monitor State Budget situation
- Senate and Assembly One House Budgets approved last week
 - Both Houses agreed to:
 - Foundation Aid - phase-in
 - Expense-Based Aids - fully funded
 - Both Houses rejected:
 - High-impact Tutoring set aside



2023-2024 Budget

- Barring any major changes with the State Budget, we anticipate our budget being adopted at the April 5th Board Meeting
 - From our budget calendar, contingent budget adoption date is April 19th
- Budget Vote is May 16, 2023



TROY
CITY SCHOOL DISTRICT

We Can.

We Will.

End Of Story