

2024 - 2025 Budget Proposal

DRAFT 2

Presented March 27, 2024



*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 (from January 3, 2024 Board Presentation)
 - We continued our district-wide trend of increased student performance
 - Proficiency in Math increasing by 11% over last year
 - Proficiency in ELA increased by 6.7% over last year
 - Every school in the District increased proficiency rates in both ELA and Math
 - District proficiency rates are well above the pre-pandemic proficiency rates in both ELA and Math
 - We are significantly outperforming similar needs districts in both State assessments and high school graduation rates



Budget Development Process

- How do we sustain this progress and build on our successes?
- How do we ensure that we are meeting the needs of all of our students?
- How do we maintain our environment of continuous improvement?
- How do we do this in the most fiscally responsible way possible?



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



Tax Cap

- The mandated 2% Tax Cap is not necessarily 2%
- This year, the CPI (Consumer Price Index) is 2%
- Our Tax Cap is 2.68%
 - This would generate approximately \$1,016,552 in additional revenue
- Draft 1 assumes 0% tax levy increase
 - We may not be able to keep it 0% in the final draft



Tax Cap

Year	Tax Cap (What we could have done)	Tax Levy We Chose (What we did)
2012-2013	3.61%	2.89%
2013-2014	4.01%	2.99%
2014-2015	3.61%	2.99%
2015-2016	2.75%	2.49%
2016-2017	.13%	0%
2017-2018	.45%	.45%
2018-2019	1.88%	1.54%
2019-2020	1.89%	1.00%
2020-2021	2.13%	1.99%
2021-2022	1.4%	0%
2022-2023	1.15%	0%
2023-2024	2.46%	0%



Overview

- Remember from last year's budget development process, we discussed the need to be conservative and strategic with our choices.
 - Federal funding ending
 - Fully Funded Foundation Aid
- This budget addresses the removal of the federal funds and the integration of some of those supports and positions into the General Fund
- Requests from principals/administrators have been prioritized



State Budget Update

- Governor's budget
 - Foundation Aid increase statewide was lower than expected:
 - The Governor used a lower inflationary growth factor (CPI) than was historically used
 - The Governor eliminated the long-standing practice of “Save Harmless”
 - Foundation Aid increased \$507 million (2.1%) Statewide
 - Under the current formula, the fully funded amount Statewide is \$927 million (the Governor's proposal is \$420 million below that)
 - This is the lowest increase in Foundation Aid since 2015-2016, with the exception of the pandemic year
- One House Budgets
 - Both Houses reject Governor's use of lower CPI growth factor
 - Both Houses reject Governor's “Save Harmless” reduction
 - Both Houses add an additional 3% to all districts
- Negotiations ongoing
- Concerns about timeliness of State budget



Revenues

- State Aid - \$83.9 M
 - Overall increase \$502,988 (0.6%)
 - Foundation Aid increase \$684,490 (1.13%)
 - **\$832,034** less than we expected to receive due to CPI
- Tax Levy - \$37.9 M
 - Tax Cap 2.68%
 - Draft 1 assumes 0% levy increase
- PILOTS and other tax items - \$4.24 M
- Tuition, Refunds, Interest and Misc. - \$2.35 M
- Federal Aid (Medicaid, etc.) - \$290 K
- Appropriated Fund Balance - \$3 M



Federal Funding Usage

- We were awarded \$22 Million over 3+ years
 - We were able to add significant supports/positions, including those listed
 - The deadline to spend the funding is September 2024
 - We met with Administration (Principals and Directors) to establish a priority list of these additions, based on impact
- ENL Teachers
 - Attendance Improvement Specialists
 - Social Workers
 - Additional Instructional Coaches (Pre-K & TMS)
 - Elementary Co-teaching Model
 - Additional summer programming
 - Additional afterschool programming
 - Chromebooks and Hotspots
 - Re-Engagement Tutors/Counselors
 - Equity Liaisons
 - College and Career Exploration Liaisons
 - Increased embedded support from Teachers College and Eureka Math Squared (New Mathematics Program)
 - Staff attendance/retention bonus



Proposed Budget Draft 1

2023-24 Budget

\$131,898,112

2024-25 Budget

Draft 1 Revenues

\$132,269,587

Draft 1 rollover without ARP federal positions

\$131,105,057

Draft 1 with all full-time ARP federal positions

\$134,186,729

Change

- Surplus without ARP \$1,164,530
- Deficit with all full-time ARP Positions \$(1,917,142)



Changes since Draft 1

- Worker's Compensation
 - \$350,000 reduction (from \$1M to \$650K)
- Electric and Gas Costs
 - \$500,000 increase (from \$1.4M to \$1.9M)



Proposed Budget Draft 2

2023-24 Budget

\$131,898,112

2024-25 Budget

Draft 2 Revenues

\$132,269,587

Draft 2 rollover without ARP federal positions

\$131,255,057

Draft 2 with all full-time ARP federal positions

\$134,336,729

Change

- Surplus without ARP \$1,014,530
- Deficit with all full-time ARP Positions \$(2,067,142)



Capital Project

- Last Capital Project vote was in 2019
 - The 2019 Building Modernization Project is currently in Phase 4 of 5
 - We still have significant needs throughout the district
 - Identified in the Building Conditions Survey (BCS)
 - Continue our Safety and Security Upgrades in all buildings
 - No additional tax impact to the taxpayers
 - We will use our Capital Reserve for our local share
 - Currently have \$7M in Capital Reserve
 - Allows for up to \$46M project with no local share
- Secure Vestibules and Entryways
 - THS, CHS, PS2
 - LED lighting throughout the district
 - CHS locker room repurpose
 - TMS/THS pool
 - THS site work
 - THS classroom doors and hardware
 - Other smaller BCS items



Next Steps

- Decide on Tax Levy
- Reserve Usage
- Retiree Breakage
- Attrition Plan
- Stipend Plan
- Continue to monitor State budget process and adjust accordingly
- Draft 3 will be presented at the **April 17th** Board Meeting
- Budget Vote is May 21, 2024



TROY
CITY SCHOOL DISTRICT

We Can.

We Will.

End Of Story