


To: Susan Swartz, Superintendent  
From: Drew Giaquinto, Business Administrator   
Subject: State Aid Analysis Budget 24/25  
Date: January 20, 2024

The Governor's budget includes \$100 million in additional pre-kindergarten aid which assumes the assumption of federal funding for this program. When this is backed of the Governor's budget, the increase in state aid is only 2.1%. The Governor's budget bypassed the current law which required a CPI adjustment to foundation aid (an inflation factor) which would have been 4.1% increase to foundation aid. The Governor is proposing to incorporate a 2.4% multi-year inflation factor. The Governor also eliminated the "Hold Harmless Clause" which guaranteed districts at least the prior year amount in foundation aid regardless of factors under the formula which may result in an aid reduction (declining enrollment).

The Governor's budget reflects no changes to expense-based categories or consolidations of such categories in contrast to recent budget proposals from Governor Cuomo and Governor Hochul. There are no substantive changes to the Zero Emission Bus mandate. The Governor also amended prior estimates on state aid increases going forward from 4% annually to 2.5% annually.

I have reviewed the Governor's aid runs and based on this review will incorporate \$24,778,369 in the first draft of the 2024-25 budget to be presented at the February 26, 2024, BOE meeting. The State Aid reflects a 2.22% increase from the 2023-24 budget and generates 38% of the funding for the budget (same % as 23/24 budget). An early look at the 2024/25 budget displays an expense increase of 4% or \$2.5 million dollars and a state aid increase of \$537,406 or 2.2%. I will have the tax cap calculation at the next board of education meeting. An estimated increase to the tax levy would be 4.76%.

Scotia Glenville CSD Foundation Aid generates \$16,003,818 and comprises 65% of our state aid. The increase is 2.95% for our 23/24 budget which approximates the 3% increase I have been providing in updates to the board of education.

I have attached an Aid analysis chart for your review and will be glad to answer any questions on the Aid we carry into the budget process compared to the Governor's aid runs.

Key Differences are as follows:

- Building Aid, Governor shows \$2,876,664, we will use \$3,640,560. The Governor's run does not reflect the aid we will receive from the \$12.8 million project as her data pulls from Final Cost reports that have been submitted to SED. We submitted FCR's in December 2023 in time to receive building aid in 2023-24. Our building aid percentage has decreased from 78.6% to 76.8% on all past and current projects going forward; the state had reduced such percentages state-wide.

Universal Pre-K is shown at \$790,464 in the aid runs but I do not carry in the State Aid budget as we do not have a program at t this time. Funds are only obtainable through an approved grant application. Funding is per student in the program and is not an aggregate amount.

Please feel free to upon your review discuss further or request additional information.

Governor's Budget 24/25 vs. 23/24 adopted budget					
First output report 11/30/23	adopted budget 23/24	Governor's budget 24/25	over/(under)		
FOUNDATION AID	15,545,941	16,003,818	457,877	2.95%	
deduct local share	-	-	-		
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HARDWARE & TECH	41,884	39,783	(2,101)	-5.02%	
SOFTWARE/LIB/TEXTBK	190,918	185,698	(5,220)	-2.73%	
TRANSPORTATION	1,994,000	1,981,339	(12,661)	-0.63%	
PRIVATE EXCESS COST	641,103	563,349	(77,754)	-12.13%	
HIGH COST EXCESS COST	427,700	430,652	2,952	0.69%	
BOCES	1,681,112	1,933,170	252,058	14.99%	
BUILDING	3,718,305	3,640,560	(77,745)	-2.09%	
	-	-	-		
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STATE AID	24,240,963	24,778,369	537,406	2.22%	