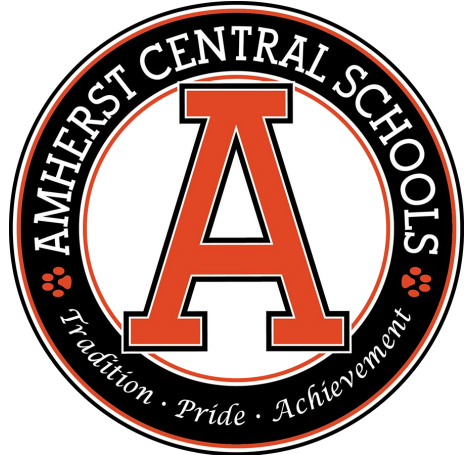




2020-2021 Budget Development



3 Year Program Continuation Budget Forecast

December 10, 2019



Overview

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Revenue Assumptions

- Property Tax Levy - based on estimated tax cap calculation of 1.98%, about \$730K. Our Tax Base Growth Factor is 1.000 and CPI is estimated at 1.8%. Final figures not released.
- Capital Exclusion - will be confirmed with updated output reports and state aid runs.
- State Aid – estimated with a 2% increase in foundation aid only, about \$150K. First set of state aid runs have not yet been released. Building aid anticipated to increase about \$1M.
- Miscellaneous Revenues – projected to increase about 7%, or \$435K, due to increases in PILOT payments of \$35K, interest earnings of \$40K, BOCES refund of \$35K, tuition charges of \$185K, and Medicaid reimbursements of \$140K.
- Transfers – maintain transfer of funds from Tax Certiorari Reserve of \$60K and Employee Benefits Accrued Liability Reserve (EBALR) of \$200K to offset expenditures included in projected budget.



Revenue Projections

	Adopted 19/20	Projected 20/21	% Change	Projected 21/22	% Change	Projected 22/23	% Change
Property Tax Levy	\$36,886,652	\$36,623,018		\$37,355,478		\$38,102,588	
Capital Exclusion		\$994,982		\$1,105,020		\$1,110,132	
Total Property Tax Levy Allowable	\$36,886,652	\$37,618,000	1.98%	\$38,460,498	2.24%	\$39,212,720	1.96%
State Aid	\$12,805,085	\$12,958,190	1.20%	\$13,152,563	1.50%	\$13,349,851	1.50%
Building Aid	\$3,549,902	\$4,631,609	30.47%	\$4,860,633	4.94%	\$4,769,537	-1.87%
Total State Aid	\$16,354,987	\$17,589,799	7.55%	\$18,013,196	2.41%	\$18,119,388	0.59%
PILOTS	\$365,000	\$400,000	9.59%	\$430,000	7.50%	\$460,000	6.98%
County Sales Tax	\$3,600,361	\$3,600,361	0.00%	\$3,618,363	0.50%	\$3,636,455	0.50%
Community Education	\$88,500	\$88,500	0.00%	\$88,500	0.00%	\$88,500	0.00%
Interest/Penalties Earnings	\$177,500	\$218,373	23.03%	\$220,557	1.00%	\$222,762	1.00%
Other Revenues	\$1,490,000	\$1,854,000	24.43%	\$1,872,540	1.00%	\$1,891,265	1.00%
Total Misc Revenues	\$5,721,361	\$6,161,234	7.69%	\$6,229,960	1.12%	\$6,298,982	1.11%
Transfers	\$260,000	\$260,000	0.00%	\$260,000	0.00%	\$260,000	0.00%
Appropriated Fund Balance	\$920,000	\$500,000	-45.65%	\$500,000	0.00%	\$500,000	0.00%
Total Revenue	\$60,143,000	\$62,129,033	3.30%	\$63,463,654	2.15%	\$64,391,091	1.46%



Expenditure Assumptions

- Personnel – 3.7% increase, about \$1M, in contractual obligations and substitute costs.
- Benefits –
 - ERS – projected at current rate of 14.6%, 2020-21 rate not yet determined.
 - TRS – projected at 9.25%, increased from 8.86% in 19-20, final rate not yet determined. Estimated range for 2020-21 is 9.25-10.25%. An increase of about \$211K is currently included in this budget. Possible use of TRS reserve if rate is set higher.
 - Fica/Med - expected to increase about \$100K due to increased salary expenditures.
 - Health Insurance – estimated 5% increase of overall expenditures of \$253,000, final numbers are not yet finalized.
 - Workers' Compensation – rates not yet established, premiums expected to remain stable.



Expenditure Assumptions, cont.

- General Support – Projected 7% increase of \$154K due to increases in utility lines of \$28K, mandated water testing of \$25K, and legal fees of \$100K. Continue capital outlay project and \$500K contingency line (offset by fund balance appropriation, yielding no impact to the taxpayers).
- Instruction - Projected 3% increase of \$134K due to costs for health services to other districts of \$25K, charter school tuition of \$13K, student programming of \$10K (Athletic trainer and officials' fees), and special education tuition and services of \$86K. Continue state aided hardware purchase of security cameras of \$35K (funds received following year).



Expenditure Assumptions, cont.

- BOCES – Estimated 6% increase of \$220K based on an overall increase of 3%, or \$105K, and an increase of \$115K to support our new Science curriculum program, Amplify. Participation meeting held in late January/early February.
- Transportation – overall estimated increase of approximately 5%, or \$172K. Current contract expires this year and will need to be extended or rebid. Additional costs incurred for increased number of runs needed to transport various students to alternate educational facilities.
- Debt Service – Anticipated increase of about 30%, or \$1.3M due to payments for current \$29.6M capital project. Mostly offset by anticipated building aid increase of \$1M.



Expenditure Projections

	Adopted 19/20	Projected 20/21	% Change	Projected 21/22	% Change	Projected 22/23	% Change
Personnel	\$29,062,371	\$30,142,336	3.72%	\$31,046,606	3.00%	\$31,978,004	3.00%
Benefits	\$12,815,310	\$13,391,106	4.49%	\$13,792,839	3.00%	\$14,206,624	3.00%
General Support	\$2,179,362	\$2,334,071	7.10%	\$2,380,752	2.00%	\$2,428,367	2.00%
Instruction	\$4,139,705	\$4,269,216	3.13%	\$4,397,292	3.00%	\$4,529,211	3.00%
BOCES	\$3,635,726	\$3,854,412	6.01%	\$3,931,500	2.00%	\$4,010,130	2.00%
Transportation	\$3,477,314	\$3,649,681	4.96%	\$3,704,426	1.50%	\$3,759,993	1.50%
Debt Service	\$4,333,212	\$5,626,591	29.85%	\$5,965,654	6.03%	\$5,879,669	-1.44%
Contingency	\$500,000	\$500,000	0.00%	\$500,000	0.00%	\$500,000	0.00%
Total	\$60,143,000	\$63,767,413		\$65,719,071		\$67,291,999	
\$ Change	\$1,591,000	\$3,624,413		\$1,951,658		\$1,572,929	
% Change	2.72%	6.03%		3.06%		2.39%	



Overall Budget Forecast

	Adopted	Projected	Projected	Projected
	2019-20	2020-21	2021-22	2022-23
Projected Overall Revenues	\$60,143,000	\$62,129,033	\$63,463,654	\$64,391,091
Projected Overall Expenditures	\$60,143,000	\$63,767,413	\$65,719,071	\$67,291,999
Budget Surplus (Gap)	\$0	-\$1,638,380	-\$2,255,417	-\$2,900,909



Summary

- Revenues projected to increase by approximately \$2M, or 3.3%, in 20-21. Will have updated revenue projections after state aid runs are released at the end of January and again in April.
- Expenditures projected to increase by approximately \$3.6M, or 6%, in large part due to contractual obligations for personnel and benefits (\$1.6M) and debt service (\$1.3M). The remaining \$700K is due to misc programmatic and operational expenses.
- Overall budget demonstrates a \$1.6M gap, using \$500,000 in fund balance to offset contingency budget code, thereby eliminating an impact on the taxpayer.
- Optional gap closers include:
 - increases to state aid,
 - salary breakage from retirements,
 - spending reductions,
 - an increase fund balance allocation,
 - levy increase above cap, and/or
 - additional appropriation from reserve(s).



Questions

**Next Budget Update:
February 11, 2020**

~Thank you!~