

# Williamson Central Schools

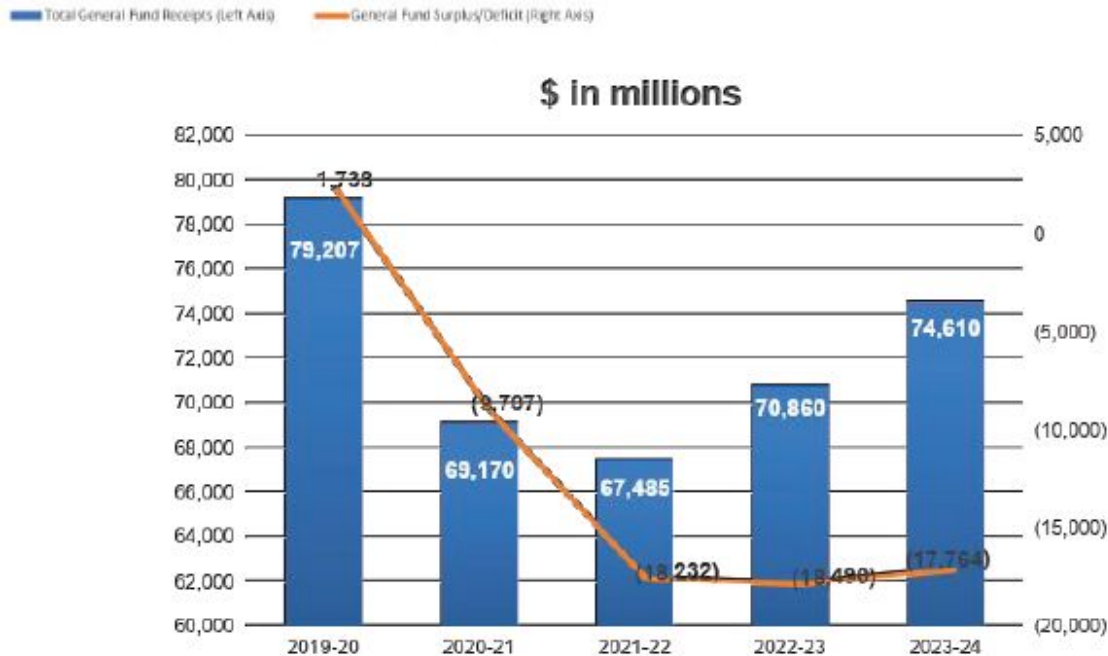
Budget Development 2020-21

January 6, 2021



# Macroeconomic Updates (NYS Budget)

## Projected State Receipts and Surpluses/Deficits



- The NYS Division of Budget projects it will take several years for revenues to recover
- The final “measurement period” defined by the 2021 NYS budget ended December 31, 2020
- NYS projects \$8.7B deficit in 2022
- No announcement to date regarding reduced state aid, but mid-year plan calls for spending reductions

Source: NYS Division of the Budget, Mid-Year Update | FY21 Financial Plan, November 2020



# Macroeconomic Updates

## Federal Stimulus Package

- \$82 Billion aid for K-12 education (compared to \$13.5 billion in CARES act)
- It will take time for NYS to release guidance on the distribution of this funding

## Transportation Aid Update/Advocacy

- Contacted State Legislators to ask that schools be aided for mandated transportation expenses during the closure (March - June)

## Legislative Priorities for Schools

- Advocate for full funding of foundation aid (at minimum no reduction to foundation aid)
- Preserve expense based aid categories (Governor's proposals have attempted to consolidate)
- Increased fund balance and reserve fund flexibility (NYSSBA)



# Year-to-Year Cost Drivers

## Fringe Benefits

- Health Insurance Premiums (Projected at 11%)
- NYS Pension System Contributions (ERS up 1.6%, TRS projected stable or modest increase)

## Contractual Expenses

- Salary increases pursuant to collective bargaining agreements
- IEP mandated services for students with special needs
- Technology and software maintenance for digital instruction (hardware and platforms)



# Preliminary Look - Rollover Budget

		2021 - 22				
Function Area	Description	Proposed Budget	2020 - 21 Budget	Dollar Change	Percent Change	Noteworthy Items
10	TOTAL BOARD OF EDUCATION	\$26,115	\$26,113	\$2	0.01%	
12	TOTAL CENTRAL ADMINISTRATION	\$236,900	\$230,612	\$6,288	2.73%	
13	TOTAL FINANCE AND AUDIT	\$369,125	\$309,438	\$59,687	19.29%	Additional BOCES services for fiscal management
14	TOTAL STAFF / PUBLIC INFORMATION	\$106,670	\$127,266	-\$20,596	-16.18%	Printing of newsletters shifted to BOCES (Central Service)
16	TOTAL CENTRAL SERVICES AND OPERATIONS	\$1,828,430	\$1,698,241	\$130,189	7.67%	Increased printing services and BOCES data services
19	TOTAL SPECIAL ITEMS (INSURANCES)	\$245,150	\$232,703	\$12,447	5.35%	Uncertainty of BOCES administrative costs (not requested service)
20	TOTAL ADMINISTRATION & IMPROVEMENT	\$989,980	\$1,106,271	-\$116,291	-10.51%	Attrition and administrative restructuring
21	TOTAL TEACHING - REGULAR SCHOOL	\$5,867,766	\$5,634,684	\$233,082	4.14%	
22	TOTAL SPECIAL AND OCCUPATIONAL EDUCATION	\$3,639,293	\$3,572,551	\$66,742	1.87%	Teacher's Assistant salaries moved to Library where applicable
23	TOTAL SUMMER SCHOOLS	\$89,150	\$147,994	-\$58,844	-39.76%	ELL instruction moved to function 22
26	TOTAL INSTRUCTIONAL MEDIA AND TECH	\$1,273,680	\$1,102,576	\$171,104	15.52%	Assistant's salaries moved from special education, increased expenditure on hardware and programs for instruction
28	TOTAL PUPIL SERVICES (HEALTH/PSYCH)	\$1,285,042	\$1,315,136	-\$30,094	-2.29%	Realizing grant funding offset for counselor and psych salaries
55	TOTAL PUPIL TRANSPORTATION	\$1,298,365	\$1,265,300	\$33,065	2.61%	
90	TOTAL EMPLOYEE BENEFITS	\$6,185,650	\$5,700,124	\$485,526	8.52%	Anticipated increases in health care and retirement benefits
97	TOTAL DEBT SERVICE	\$1,892,595	\$2,031,168	-\$138,573	-6.82%	Based upon tentative debt service budget from Fiscal Advisors
99	TOTAL INTERFUND TRANSFERS	\$200,000	\$130,552	\$69,448	53.20%	Reflecting general fund subsidy for CEP lunch program
<b>Grand Totals:</b>		<b>\$25,533,911</b>	<b>\$24,630,729</b>	<b>\$903,182</b>	<b>3.67%</b>	



# Tiered Expenditure Reductions (Definite)

## Attrition or Consolidation (No current staffing impact)

- Head Custodian/Supervisor Resignation (\$43K)
- 2 Anticipated Support Staff Retirements (Not yet reflected in rollover - \$100K)
- Director of Technology Resignation - Consolidation (\$100K)
- Deputy Superintendent Retirement - Consolidation (\$70K)
- Total Potential Cost Avoidance - \$313K

## Non-Personnel Related

- Negotiate savings on contractual services
- Temporarily eliminate purchases of classroom furniture or non-essential materials and services



# Tiered Expenditure Reductions (Potential)

## Reductions in Force (Staffing impact)

*Based upon potential levels of state aid reduction*

- Tier 1 (Least Impact to Instruction)
  - 2.6 FTE - \$97K
- Tier 2 (Serious Impact to Instruction)
  - 6.5 FTE - \$440K
- Tier 3 (Extensive Impact to Instruction)
  - 4.5 FTE - \$310K



# Preliminary Look - Revenue Projections

Description	2021 - 22		Dollar Change	Percent Change	Noteworthy Items
	Proposed Budget	2020 - 21 Budget			
LOCAL TAX ITEMS	\$11,724,000	\$11,360,729	\$363,271	3.20%	Tax Cap projected at 3.5% (rollover from 2020 levy)
OTHER LOCAL REVENUES	\$320,000	\$328,000	-\$8,000	-2.44%	Stable less "admissions" charges at events
NEW YORK STATE AID	\$12,230,000	\$12,305,000	-\$75,000	-0.61%	Foundation aid flat, increases transportation and BOCES aid, reduction in building aid
FEDERAL MEDICAID	\$50,000	\$52,000	-\$2,000	-3.85%	Stable
INTERFUND TRANSFERS (RESERVE USE/DEBT RESERVE)	\$240,000	\$435,000	-\$195,000	-44.83%	Includes debt service reserve to offset capital tax levy. Does not include potential budgeted use of reserves
<b>Grand Totals:</b>	<b>\$24,564,000</b>	<b>\$24,480,729</b>	<b>\$83,271</b>	<b>0.34%</b>	

## Limitations:

- State Aid for 20-21 still uncertain, state aid for 21-22 will be dependent upon NYS budget and potential federal stimulus
- Tax cap calculation factors are not all finalized
- State aid relative to high cost tuition placements may change if student enrollments change





# Summary

Current Anticipated Revenues	\$24,564,000
Current Anticipated Expenditures	<u>\$25,533,911</u>
Current Anticipated Gap	\$ 969,911

## Options:

- Appropriate more from reserve funds
- Appropriate more from current budget surplus (if available)
- Expenditure reductions
- *Combination of all options above aligned with District's long-term financial and instructional plans*

