

Williamson Central Schools

Budget Development 2020-21

January 27, 2021



Macroeconomic Updates (NYS Budget)

School District Funding 2021-22 Governor's Proposed Budget



District: TOTAL STATE

County: --

Aid Category	2020-21	2021-22	Change	% Change
Foundation Aid	18,411,787,836	18,411,787,836	-	0.0%
Services Aid (see below)	3,725,289,508	3,332,756,417	(392,533,091)	-10.5%
Building Aid	3,036,196,391	3,045,429,569	9,233,178	0.3%
Reorganization Incentive Building Aid	19,001,946	17,651,115		
Reorganization Incentive Operating	5,368,205	4,491,252		
High Cost Public Excess Cost Aid	619,769,941	666,931,747	47,161,806	7.6%
Private Excess Cost Aid	395,722,826	440,803,560		
Full-Day Kindergarten Conversion Aid	2,485,436	1,402,239	(1,083,197)	-43.6%
Universal Prekindergarten Aid	836,119,279	848,613,111	12,493,832	1.5%
Pandemic Adjustment	(1,130,645,395)	-	1,130,645,395	-100.0%
STAR	2,030,376,683	1,938,864,150	(91,512,533)	-4.5%
Local District Funding Adjustment	-	(1,352,361,404)	#####	NA
State Subtotal	27,951,472,656	27,356,369,592	(595,103,064)	-2.1%
Federal CARES Act Restoration	1,133,623,251	-	#####	-100.0%
Federal COVID-19 Supplemental	-	3,851,691,953	3,851,691,953	NA
Total Funding, with STAR & Federal	29,085,095,907	31,208,061,545	2,122,965,638	7.3%
Total State Funding (School Aid &	27,951,472,656	27,356,369,592	(595,103,064)	-2.1%

Total State Budget

- State's commitment to funding down 2.1% (\$600M)
- Federal funds of \$3.8B replace the State's cuts
- Foundation aid flat for second straight year
- Expense based aids consolidated (slide 4)
- Makes permanent increased school share for CSE maintenance costs

Why is STAR reimbursement in School Aid runs? (2 potential hypothesis)

- State attempting to circumvent "Maintenance of Effort" stipulations in stimulus acts by making tax payments appear as "school aid"
- State moving towards defining tax reimbursements as "school aid" in order to withhold in the future



Revenues (Current Year Aid)

	2020-21 Enacted Budget	2020-21 Output Reports
Foundation Aid	\$7,975,878	\$7,775,000
Public High Cost	\$192,183	\$180,391
Private High Cost	\$168,286	\$98,726
Building Aid	\$2,066,937	\$2,066,937
BOCES Aid	\$1,125,292	\$1,310,200
Transportation Aid	\$702,359	\$1,219,411
IMA (Hardware, Software, Library, Text)	\$98,860	\$98,861
Total NYS Aid	\$12,329,795	\$12,749,526
	<i>Williamson Budgeted</i>	<i>Positive Variance</i>
	\$12,305,000	\$444,526

CARES act \$200,000 Federal Funds

Additional Reported 19-20 Year End Expenses

Corrected Non-Allowable Pupil Decimal (NAPD) and Emergency Purchase of Bus Lift / Radios Approved for NYS Aid



Revenues (2021-22 Data)

	21-22 Executive Budget Proposal	21-22 Current Williamson Projection
Foundation Aid	\$7,975,878	\$7,975,000
Public High Cost	\$143,865	\$185,000
Private High Cost	\$173,981	\$125,000
Building Aid**	\$816,906	\$1,550,000
BOCES Aid**		\$1,180,000
Transportation Aid**		\$1,080,000
IMA (Hardware, Software, Library, Text)		\$100,000
"Services Aid"	\$3,024,761	
Total NYS Aid	\$12,135,391	\$12,195,000

Will be subsidized by over \$900k Federal Funds

Final Cost Reports (FCR) for 2017 Capital Project Due 6/30/21 (Assumed \$750k Aid)

Governor Attempts to Consolidate:

- BOCES Aid
- Transportation Aid
- Instructional Materials Aid



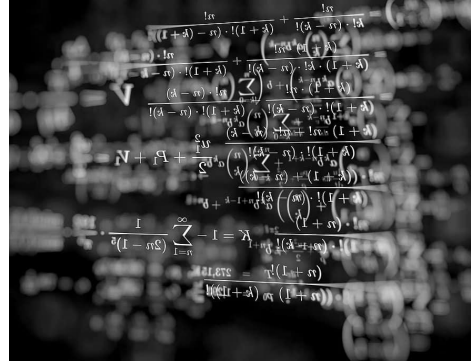
** With a substantial reduction in building aid from 2020-21, this budget is “tighter” on the estimates of variable aids (BOCES / Transportation / High Cost). This means positive variance (excess revenue) in next year’s revenue budget will likely be reduced.**

Why “Services Aid” is problematic

- No longer associated with school expenditure patterns (previous slide)
- State will control associated increases via foundation formula (how did that work out with general aid?)
- Contact Senator Helming and Assemblyman Manktelow to voice concerns



Revenues (Local Sources)



Williamson CSD Tax Cap Calculations		
	2021	2022
	Current	Projected
Prior Year Levy	\$10,578,335	\$10,728,729
Growth Factor	1.0052	1.0086
Subtotal	\$10,633,342	\$10,820,996
Prior Year PILOT	\$238,169	\$239,315
Subtotal	\$10,871,511	\$11,060,311
Allowable CPI	1.0181	1.0123
Subtotal	\$11,068,286	\$11,196,353
Incoming PILOT	\$239,315	\$230,687
Carryover	\$6,139	\$106,381
Total	\$10,835,110	\$11,072,047
Upcoming Year Cap Exclusion	\$0	\$4,766
Final Possible Levy	\$10,835,110	\$11,076,813
Final Actual Levy	\$10,728,729	\$11,076,813
Tax Cap % Increase	1.42%	3.2%
Actual Levy Below Legal Cap	\$106,381	\$0

Key Factors

- Tax Levy Growth Factor

(Newly Taxable Properties)

- PILOTS Agreements

(Wayne Co IDA)

- Allowable Growth Factor

(Inflation/CPI)

- Carryover

(Any Allowable Value NOT Levied in Prior Year)

- Capital Exclusion

(Any Value by Which Capital Debt Expense Exceeds Related State Aid)



If the District had always employed the practice of adhering to the allowable tax cap, the levy would currently be \$11,387,000 which would represent a 2.3% year-to-year increase

Total Revenues

Description	2020 - 21 Budget	2021 - 22 Proposed Budget	Dollar Change	Percent Change	Noteworthy Items
LOCAL TAX ITEMS	\$11,360,729	\$11,704,000	\$343,271	3.02%	Tax Cap now projected at 3.2%, reduction of \$20,000 due to lower CPI
OTHER LOCAL REVENUES	\$328,000	\$325,000	-\$3,000	-0.91%	Adjustment to ARC Pre-K Transportation service charges
NEW YORK STATE AID	\$12,305,000	\$12,195,000	-\$110,000	-0.89%	Based upon Governor's budget proposal and WCSD expense projections
FEDERAL MEDICAID	\$52,000	\$50,000	-\$2,000	-3.85%	Stable
INTERFUND TRANSFERS (RESERVE USE/DEBT RESERVE)	\$435,000	\$240,000	-\$195,000	-44.83%	Includes debt service reserve to offset capital tax levy. Does not include potential budgeted use of reserves
Grand Totals:	\$24,480,729	\$24,514,000	\$33,271	0.14%	

Items of Note:

- The NYS budget is highly reliant upon federal stimulus money
 - If federal stimulus is not maintained indefinitely in future years, the state will need to increase its spending just to maintain current aid levels (\$900k in our current budget)
 - If more federal stimulus is passed, it could result in more short-term support for schools
- Projected changes to expense based aid reimbursements
 - Transportation, Public and Private Excess cost - down slightly
 - BOCES - up slightly



Expenditures

- **Since last update we have**

- Updated debt service projections with current bus BANS
 - Adds approximately \$80k debt service
- Certified the enrollment in occupational education programs
 - Enrollment increasing from 38 to 57 (19 students x \$10,161 per student)
- Received 11 letters notifying the District of **potential** retirements
 - Total potential reduction from salary and benefits is \$337k

- **Net impact is the budget gap has increased by approximately \$250k**

- **Moving forward we will get further clarity**

- We still have not applied expenditure reductions due to any of the above **potential** retirements
- We have not made adjustments to building level budgets
- We do not know benefit rates - potentially the largest cost driver
- We are completing a technology inventory that may help us identify equipment currently incurring support fees that is no longer in use or needed for instructional program



Expenditures

Function Area	Description	2020 - 21 Budget	2021-22 Proposed Budget	Dollar Change	Percent Change	Noteworthy Changes From Rollover Draft
10	TOTAL BOARD OF EDUCATION	\$26,113	\$26,115	\$2	0.01%	
12	TOTAL CENTRAL ADMINISTRATION	\$230,612	\$236,900	\$6,288	2.73%	
13	TOTAL FINANCE AND AUDIT	\$309,438	\$369,125	\$59,687	19.29%	
14	TOTAL STAFF / PUBLIC INFORMATION	\$127,266	\$106,670	-\$20,596	-16.18%	
16	TOTAL CENTRAL SERVICES AND OPERATIONS	\$1,698,241	\$1,828,430	\$130,189	7.67%	
19	SPECIAL ITEMS (INSURANCES/BOCES CAPITAL)	\$232,703	\$245,150	\$12,447	5.35%	
20	TOTAL ADMINISTRATION & IMPROVEMENT	\$1,106,271	\$989,980	-\$116,291	-10.51%	
21	TOTAL TEACHING - REGULAR SCHOOL	\$5,634,684	\$5,867,766	\$233,082	4.14%	
22	TOTAL SPECIAL AND OCC ED	\$3,572,551	\$3,768,293	\$195,742	5.48%	Enrollment in Occ Ed programs increase Out of District tuition costs reduced based upon placement projections
23	TOTAL SUMMER SCHOOLS	\$147,994	\$89,150	-\$58,844	-39.76%	
26	TOTAL LIBRARY/MEDIA & TECH	\$1,102,576	\$1,273,680	\$171,104	15.52%	
28	TOTAL PUPIL SERVICES (HEALTH/PSYCH)	\$1,315,136	\$1,285,042	-\$30,094	-2.29%	
55	TOTAL PUPIL TRANSPORTATION	\$1,265,300	\$1,298,365	\$33,065	2.61%	
90	TOTAL EMPLOYEE BENEFITS	\$5,700,124	\$6,182,585	\$482,461	8.46%	Eliminated increase in premiums for Workers Compensation
97	TOTAL DEBT SERVICE	\$2,031,168	\$1,969,383	-\$61,785	-3.04%	Bus BANS issued late November now projected on Debt Service
99	TOTAL INTERFUND TRANSFERS	\$130,552	\$200,000	\$69,448	53.20%	
	Grand Totals:	\$24,630,729	\$25,736,634	\$1,105,905	4.49%	

Expenditure Reductions Realized

Cost reduction measures already implemented prior to rollover budget **(\$125k)**:

- Change in Duties Due to Retirement - Deputy Superintendent replaced by Director of Curriculum, Instruction, and Assessment
 - Projected \$65k reduction
- Change in Duties Due to Resignation - Director of Technology position re-assigned within existing personnel
 - \$15k reduction (Added a technology support position unbudgeted in 20-21)
- Grant funding supporting student support staff in MTSS duties reflected as reduction
 - \$30k grant funded reduction
- Administrative support position reduced at HS
 - \$15k reduction



Summary

Current Anticipated Revenues	\$24,514,000
Current Anticipated Expenditures	<u>\$25,736,634</u>
Current Anticipated Gap	\$ 1,222,634

Fund Balance Use

- If we apply this years use of fund balance it would equal
 - \$150,000 of appropriated fund balance (20-21 surplus)
 - \$235,000 of appropriated reserve funds
 - The gap would become **\$837,634**

