



# 2024-25 2nd Draft Budget Review

March 4, 2024



## Our Mission

To **educate, inspire** and **empower** each student to become a creative, engaged and productive citizen.

## Our Vision

We aspire to graduate **all students** prepared to pursue their hopes and dreams.

# First Draft Budget Gap

As of February 26, 2024:

**\$2,426,109**

Included:

- Governor's Foundation Aid Proposal (Reduced Foundation Aid)
- 2% Tax Levy Increase
- \$1 million in Appropriated Fund Balance as Revenue
- All positions funded by federal stimulus grants rolled into general fund
- Science 7-12 position, vacated and absorbed in August 2023, removed
- Estimated "savings" from known retirements
- Projected salary and benefits (increases) for all other positions
- "Flat" program budgets (no increases for supplies, services, etc.)
- Confirmed/actual health insurance, Workers' Compensation, ERS, and TRS rates and projections
- Projected increase in interest revenue
- Projected increase in special education tuition revenue
- Reduced "contingencies" for unanticipated costs
- Purchase of 5 school buses

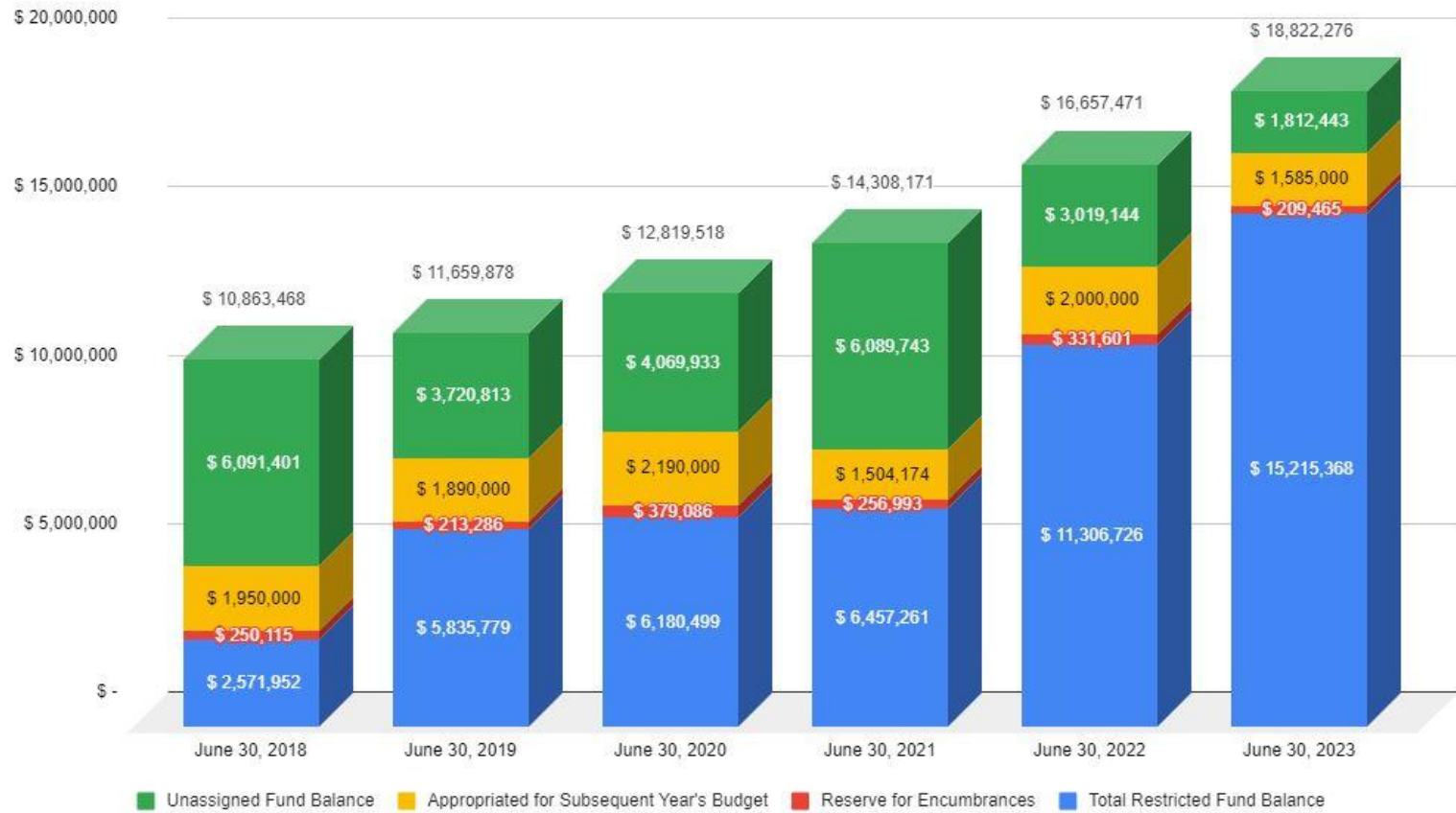
# Enrollment, Demographics, and Spending

Year	Enrollment	Econ. Disadv.	Spending Inc.	Tax Levy Inc.	Tax Levy Limit
2023-2024	1519*	N/A	+ 1.0%	+1.91%	+1.91%
2022-2023	1511*	51%	+4.09%	+1.76%	+1.76%
2021-2022	1547	45%	+0.23%	0	+0.42%
2020-2021	1574	49%	+1.05%	+1.98%	+1.98%
2019-2020	1639	51%	+2.36%	+1.92%	+1.92%
2018-2019	1649	51%	+2.85%	+4.6%	+11.33%
2017-2018	1689	52%	+0.27%	+0.6%	+0.6%
2016-2017	1692	52%	+2.73%	+0.27%	+0.27%
2015-2016	1725	51%	+2.48%	+1.99%	+2.00%
2014-2015	1800	50%	+2.76%	+2.36%	+2.36%

# Fund Balance and Reserves

General Fund Reserves & Fund Balance:	Audited Balance as of	Audited Balance as of	Audited Balance as of	Audited Balance as of	Audited Balance as of	Audited Balance as of
	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Capital Bus Purchase Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 705,000
Capital Construction Reserve	\$ -	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 7,000,000	\$ 8,800,000
Emp Benefit Accrued Liability Res.	\$ 1,013,817	\$ 1,013,817	\$ 1,013,817	\$ 1,013,817	\$ 1,013,817	\$ 1,013,817
Insurance Reserve	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
Repair Reserve	\$ 357,875	\$ 357,875	\$ 357,875	\$ 357,875	\$ 357,875	\$ 357,875
Retirement Contribution Res. - ERS	\$ 1,200,260	\$ 1,200,260	\$ 1,200,260	\$ 1,200,260	\$ 1,200,260	\$ 2,200,260
Retirement Contribution Res. - TRS	\$ -	\$ 263,827	\$ 533,547	\$ 810,309	\$ 1,084,774	\$ 1,388,416
Tax Certiorari Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unemployment Reserve	\$ -	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Workers' Compensation Reserve	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ 175,000
<b>Total Restricted Fund Balance</b>	<b>\$ 2,571,952</b>	<b>\$ 5,835,779</b>	<b>\$ 6,180,499</b>	<b>\$ 6,457,261</b>	<b>\$ 11,306,726</b>	<b>\$ 15,215,368</b>
Appropriated for Subsequent Year's Budget	\$ 1,950,000	\$ 1,890,000	\$ 2,190,000	\$ 1,504,174	\$ 2,000,000	\$ 1,585,000
Reserve for Encumbrances	\$ 250,115	\$ 213,286	\$ 379,086	\$ 256,993	\$ 331,601	\$ 209,465
<b>Total Assigned Fund Balance</b>	<b>\$ 2,200,115</b>	<b>\$ 2,103,286</b>	<b>\$ 2,569,086</b>	<b>\$ 1,761,167</b>	<b>\$ 2,331,601</b>	<b>\$ 1,794,465</b>
<b>Unassigned Fund Balance</b>	<b>\$ 6,091,401</b>	<b>\$ 3,720,813</b>	<b>\$ 4,069,933</b>	<b>\$ 6,089,743</b>	<b>\$ 3,019,144</b>	<b>\$ 1,812,443</b>
<b>Total</b>	<b>\$ 10,863,468</b>	<b>\$ 11,659,878</b>	<b>\$ 12,819,518</b>	<b>\$ 14,308,171</b>	<b>\$ 16,657,471</b>	<b>\$ 18,822,276</b>

# Fund Balance and Reserves



# District Fund Balance History

- Unassigned Fund Balance (4% cap) vs. Restricted Reserves
- Efforts to manage an anticipated debt gap/bubble (2018-2021)
- Early stages of pandemic -
  - Reduced costs due to limited operations
  - Governor's threat to withhold 20% school aid mid-year
- District exceeded 4% limit on unassigned fund balance
- OSC Audit and Corrective Action Plan; steps taken to move unassigned fund balance to restricted reserves
- Federal stimulus funds - unanticipated revenues
- Workforce challenges/unfilled positions, volatile utility costs - unanticipated "savings"
- Planning for facilities improvements and electric buses (capital reserves)
- Contribution to ERS Reserve and TRS sub-fund as future revenue sources
- Restricted reserves are limited to restricted/regulated uses.
- It has been many years since the District experienced a "normal/predictable" budget.



# Early End-of-Year Fund Balance Projections

Estimated amount: ~\$3 million

- ARP-ESSER Stimulus Grant Liquidation (as recommended by NYSED)
- Utilities savings (costs lower than anticipated/budgeted)
- Unfilled positions (Clerical, IT, Transportation)
- Unspent program budgets
- Higher interest earnings than anticipated
- Savings from unanticipated staff turnover

EOY fund balance will be used to offset some non-recurring expenses in 2024-25 budget and fund restricted reserves.



# Tax Levy Limit Calculation

<b>Prior Year (2023-24) Tax Levy</b>		<b>\$17,479,400</b>	
Tax Base Growth Factor	x	1.0054	
		<hr/>	
		\$17,573,789	
2023-24 PILOTs	+	780,872	
		<hr/>	
		\$18,354,661	
2023-24 Exclusions	-	848,552	
		<hr/>	
<b>Adjusted Prior Year Levy</b>		<b>\$17,506,109</b>	
Allowable Levy Growth Factor	x	1.0200	← 2%
		<hr/>	
		\$17,856,231	
2024-25 PILOTs	-	796,929	
		<hr/>	
<b>Tax Levy Limit Before Exclusions</b>		<b>\$17,059,302</b>	
2024-25 Exclusions	+	827,407	
		<hr/>	
<b>2024-25 Tax Levy Limit Plus Exclusions</b>		<b>\$17,886,709</b>	

# Tax Levy Limit Calculation

Allowable Tax Levy	\$ 17,886,709
2023-24 Tax Levy	\$ 17,479,400
Allowable Increase	\$ 407,309
Percentage Increase	<b>2.33%</b>

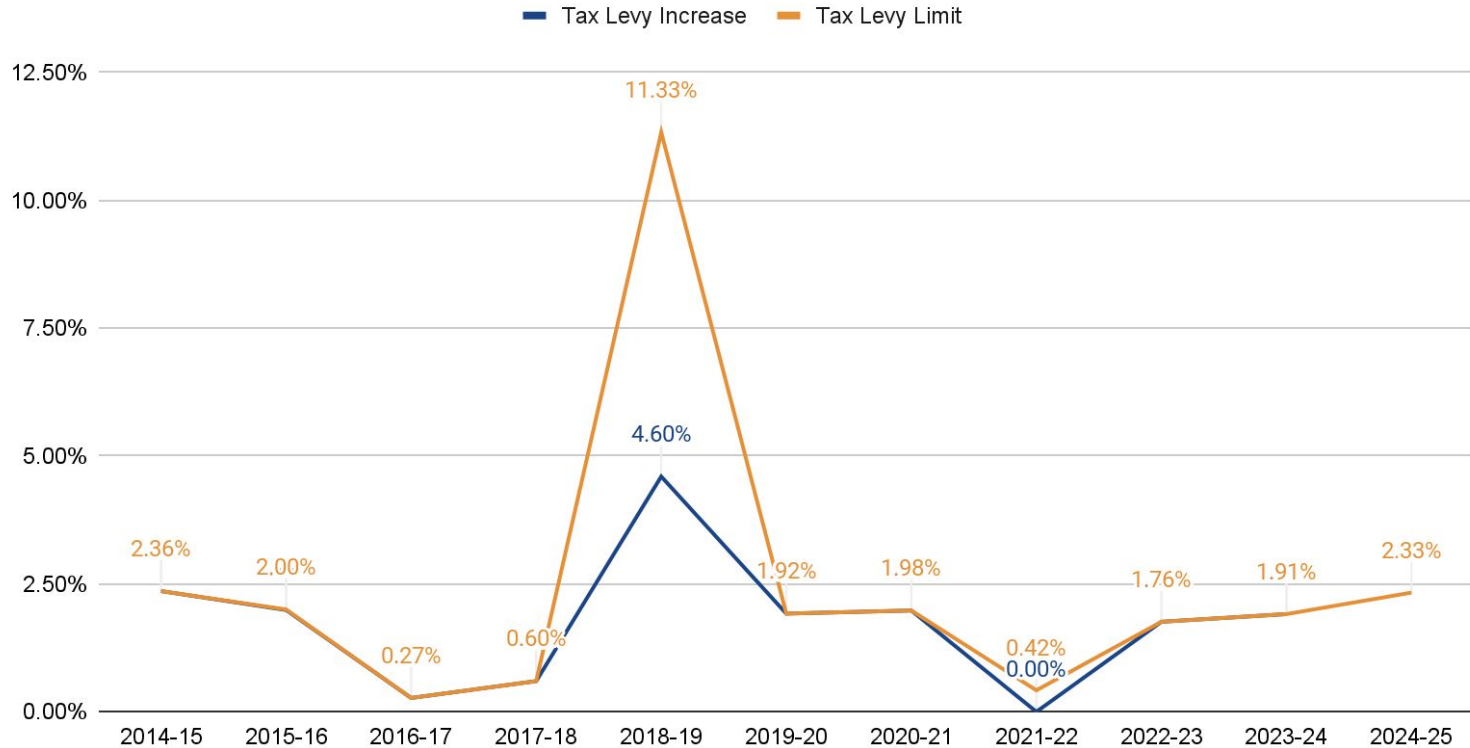
# Tax Levy Impact

Tax Levy Increase	Net Tax Levy Increase	Total Tax Levy 2024-205	Net Change vs. 2%	Tax impact on \$100,000 home*
1.00%	\$174,794	\$17,654,194	- \$174,794	+ \$ 6.88
1.50%	\$262,191	\$17,741,591	- \$ 87,397	+ \$ 14.37
2.00%	\$349,588	\$17,828,988	0	+ \$ 21.85
<b>2.33%</b>	<b>\$407,309</b>	<b>\$17,886,709</b>	<b>+ \$ 57,721</b>	<b>+ \$ 26.79</b>
2.50%	\$436,985	\$17,916,385	+ \$ 87,397	+ \$ 29.34
3.00%	\$524,382	\$18,003,782	+ \$174,794	+ \$36.82

← 1st Draft

\* Estimated increase shown for the *average* home valued at \$100,000. Actual increases will be affected by equalization rates and other factors and will vary by town.

# Historical Tax Levy Limit & Adopted Tax Levy Increase



# What changes have been made since the first draft budget?

## Revenue Adjustments:

- Increased use of Fund Balance & Reserves + \$525,000
- Increased anticipated tax levy (from 2% increase to 2.33% increase) + \$ 57,721

# What changes have been made since the first draft budget?

## Expenditure Reductions:

- 1.0 FTE Administrative Position (resignation) \$ 100,416
- 1.0 FTE Physical Education Teacher (resignation) \$ 96,763
- 1.0 FTE Coordinator of Compensatory Services (retirement) \$ 109,386
- 1.0 FTE Social Studies Teacher (retirement) \$ 93,000
- 1.0 FTE Elementary Teacher (retirement) \$ 93,000
- 0.5 FTE Speech Teacher (known reduction, stimulus grant) \$ 31,254
- 3.0 FTE Teaching Assistants (retirement) \$ 83,023

# What changes have been made since the first draft budget?

## Expenditure Reductions, continued:

● 1 School Monitor (reassignment/attrition)	\$ 23,770
● 1.0 FTE I.T. Resource Manager (vacancy)	\$ 59,180
● Reduce 1 Administrative Support I from 12-mo. to 10-mo.*	\$ 11,065
● Eliminate Inquiry Team stipends	\$ 44,909
● Reduce allowance for summer curriculum work	\$ 12,708
● Eliminate summer cleaner positions	\$ 20,669

\* Voluntary, and reflected on March 4, 2024 Board agenda



# What changes have been made since the first draft budget?

## Offsetting Addition and Reduction (Shifting Resources)

- + 1.0 FTE Special Education Teacher
  - Compliance with new federal mandate to educate qualifying students with disabilities through Age 22
- - 1.0 FTE Special Education Teacher
  - Elimination of GMS Bridge Program, funded by federal stimulus grant

# Expenditures - Second Draft Budget - Slide 1

<b>General Support and Administration</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>
Board of Education	\$32,026	\$32,476	\$32,476
Central Administration	\$240,991	\$250,295	\$250,295
Finance	\$369,558	\$394,783	\$394,783
Support Services	\$239,589	\$258,023	\$258,023
Central Services	\$3,614,347	\$3,707,160	\$3,689,216
Special Items	\$354,491	\$368,893	\$368,893
<b>Subtotal:</b>	<b>\$4,851,002</b>	<b>\$5,011,630</b>	<b>\$4,993,686</b>

## Expenditures - Second Draft Budget - Slide 2

Instruction	2023-24 Adopted	2024-25 1st Draft	2024-25 2nd Draft
Administration and Curriculum	\$1,331,203	\$1,376,377	\$1,365,577
Teaching---Regular School	\$9,028,623	\$9,225,357	\$8,904,035
Teaching---Special Programs	\$7,961,770	\$8,628,675	\$8,422,814
Teaching---Special Schools	\$50,000	\$46,000	\$46,000
Instructional Media	\$1,125,208	\$1,176,608	\$1,136,272
Pupil Personnel Services	\$2,065,657	\$2,319,002	\$2,318,146
<b>Subtotal:</b>	<b>\$21,562,461</b>	<b>\$22,772,020</b>	<b>\$22,192,845</b>

## Expenditures - Second Draft Budget - Slide 3

<b>Transportation</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>
Transportation Services	\$3,041,928	\$3,140,146	\$3,140,608
<b>Subtotal:</b>	<b>\$3,041,928</b>	<b>\$3,140,146</b>	<b>\$3,140,608</b>

<b>Benefits, Debt Service, and Interfund Transfers</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>
Active Employee Benefits	\$8,851,043	\$9,640,733	\$9,458,247
Retiree Benefits	\$5,066,726	\$5,595,682	\$5,595,682
Short-Term Borrowing	\$550,000	\$1,295,163	\$1,295,163
Debt Service and Interfund Transfers	\$1,429,550	\$848,750	\$848,750
<b>Subtotal:</b>	<b>\$15,897,319</b>	<b>\$17,380,328</b>	<b>\$17,197,842</b>

# Expenditures - Second Draft Budget - Summary

Summary	2023-24 Adopted	2024-25 1st Draft	2024-25 2nd Draft
Subtotal - General Support & Administration	\$4,851,002	\$5,011,630	\$4,993,686
Subtotal - Instruction	\$21,562,461	\$22,772,020	\$22,192,845
Subtotal - Transportation	\$3,041,928	\$3,140,146	\$3,140,608
Subtotal - Benefits, Debt Service, & Interfund Transfers	\$15,897,319	\$17,380,328	\$17,197,842
<b>Total:</b>	<b>\$45,352,710</b>	<b>\$48,304,123</b>	<b>\$47,524,980</b>

# Revenues - Second Draft Budget - Slide 1

Local Sources	2023-24 Adopted	2024-25 1st Draft	2024-25 2nd Draft
Real Property Tax Levy	\$17,479,400	\$17,828,988	\$17,886,709
Property Tax Items	\$825,872	\$841,929	\$841,929
Charges for Services	\$3,020,803	\$3,504,979	\$3,504,979
Interest Earnings	\$200,000	\$400,000	\$400,000
Use of Property	\$1,000	\$1,000	\$1,000
Refund of Prior Year Expense	\$245,000	\$260,000	\$260,000
<b>Subtotal:</b>	<b>\$21,772,075</b>	<b>\$22,836,896</b>	<b>\$22,894,617</b>

## Revenues - Second Draft Budget - Slide 2

State and Federal Sources	2023-24 Adopted	2023-24 Actual	2024-25 1st Draft	2024-25 2nd Draft
Foundation Aid	\$16,277,827	\$16,265,896	\$16,132,045	\$16,132,045
Building Aid	\$1,317,458	\$1,317,457	\$1,701,186	\$1,701,186
Excess Cost Aid	\$418,809	\$663,349	\$555,466	\$555,466
BOCES Aid	\$1,322,386	\$1,289,739	\$1,344,057	\$1,344,057
Transportation Aid	\$2,418,580	\$2,319,235	\$2,075,706	\$2,075,706
Instructional Materials Aid	\$118,326	\$117,124	\$116,960	\$116,960
Hardware and Technology Aid	\$27,249	\$27,072	\$25,698	\$25,698
Incarcerated Youth Aid	\$15,000	unknown	\$15,000	\$15,000
Medicaid	\$80,000	unknown	\$75,000	\$75,000
<b>Subtotal:</b>	<b>\$21,995,635</b>	<b>\$21,999,872</b>	<b>\$22,041,119</b>	<b>\$22,041,119</b>



## Revenues - Second Draft Budget - Slide 3

Other Sources	2023-24 Adopted	2024-25 1st Draft	2024-25 2nd Draft
Appropriated Reserves:			
ERS Reserve	\$0	\$0	\$500,000
EBALR	\$0	\$0	\$15,000
Workers' Compensation Reserve	\$0	\$0	\$10,000
One-time Appropriation of Fund Balance (for truck)	\$85,000	\$0	\$0
Appropriated Fund Balance	\$1,500,000	\$1,000,000	\$1,000,000
<b>Subtotal:</b>	<b>\$1,585,000</b>	<b>\$1,000,000</b>	<b>\$1,525,000</b>

# Revenues - Second Draft Budget - Summary

Summary	2023-24 Adopted	2024-25 1st Draft	2024-25 2nd Draft
Subtotal - Local Sources	\$21,772,075	\$22,836,896	\$22,894,617
Subtotal - State & Federal Sources	\$21,995,635	\$22,041,119	\$22,041,119
Subtotal - Other Sources	\$1,585,000	\$1,000,000	\$1,525,000
<b>Subtotal:</b>	<b>\$45,352,710</b>	<b>\$45,878,015</b>	<b>\$46,460,736</b>

# Budget Gap - Second Draft 3/4/24

	2023-24 Adopted	2024-25 1st Draft	2024-25 2nd Draft
Total Expenditures	\$45,352,710	\$48,304,123	\$47,524,980
Total Revenues	\$45,352,710	\$45,878,015	\$46,460,736
<b>Budget Deficit</b>	<b>\$ -</b>	<b>\$2,426,109</b>	<b>\$1,064,244</b>

	2024-25 Draft
<b>1st Draft Budget Deficit</b>	<b>\$2,426,109</b>
Revenue Adjustments	\$582,721
Expenditure Reductions	\$779,143
<b>2nd Draft Budget Deficit</b>	<b>\$1,064,245</b>

# Variables Yet to be Determined

- Foundation Aid (Governor's proposal?)
- Excess ("High") Cost Aid (based on prior year spending, therefore still evolving)
- Projected BOCES expenses
- Projected utility costs
- Program budgets

# Next Steps

- Continue to evaluate 2023-2024 budget to identify additional adjustments and efficiencies.
- Continue to work with administrative team to identify and evaluate potential expense reductions.
- Citizens' Budget Committee meeting - March 19th
- 3rd Draft Budget Presentation - April 8th Board Meeting
  - Updated budget gap projection
  - General review of gap closing strategies under consideration
  - Feedback from Citizens' Budget Committee

The background features a large, faint, circular seal. The outer ring of the seal contains the text "COBLESKILL-RICHMONDVILLE" at the top and "CENTRAL SCHOOL DISTRICT" at the bottom. In the center of the seal is a large, stylized "CR" monogram.

**QUESTIONS**

**&**

**COMMENTS**