

Harrison Central School District

Superintendent's Preliminary

Budget 2021-22



Board of Education Meeting

April 7, 2021



2021-22 Changes in Financial Indicators

Financial Challenges

- Consumer Price Index (CPI) is 1.23% for 2021-22, down from last year (1.81%) - loss of approximately \$600,000 in levy
- Increased rate for Teachers' Retirement System adds approximately \$300,000 to budget
- Interest rates on investments have continued to decrease significantly since last budget



Changes in Financial Indicators

Financial Improvements

- Teacher Retirement Incentive - saves approximately \$560,000
- Slight increase in Tax Base Growth Factor provides increase in levy of \$270,000



Budget Status- March 8, 2021

Includes Teacher Retirement Incentive

Harrison Central School District
 Tax Cap Calculation 2021-22- PRELIMINARY
 As of March 8, 2021

| | | 2020-21 | 2021-22 |
|--|----------|----------------------|----------------------|
| 1) Prior Year Tax Levy | | \$ 108,704,351 | \$ 110,990,190 |
| 2) 1 + Tax Base Growth Factor (provided by Commissioner of Tax & Finance by February 15th.) | x | 1.0036 | 1.0060 |
| Total Tax Levy plus Growth Factor | | \$109,095,687 | \$111,656,131 |
| 3) Prior Year PILOTS | + | 1,179,981 | 1,169,629 |
| 4) Levy for Judgements over 5% of total tax levy | - | - | - |
| Capital Debt Service(net of Bldg. Aid) (prior Yr) | - | (3,795,725) | (3,771,689) |
| Capital Tax Levy | - | | |
| TAX LEVY LIMIT | = | \$106,479,943 | \$109,054,071 |
| 5) Allowable Levy Growth Factor (1 + inflation factor, up to 2%) | x | 1.81% | 1.23% |
| | | \$1,927,287 | \$1,341,365 |
| 6) Next Years PILOTS | - | (1,169,629) | (1,193,283) |
| TAX LEVY LIMIT (to be submitted to State Comptroller, Commissioner of Tax & Finance and the Commissioner of Education by March 1st) | = | \$107,237,601 | \$109,202,153 |
| Levy for excess increases to ERS | + | - | - |
| Levy for excess increases to TRS | + | - | - |
| Debt Service(net of Bldg. Aid) & EPC | + | 3,110,887 | 3,062,640 |
| Capital Tax Levy (expenditures not budget) | + | 540,802 | 551,151 |
| Capital Closeout Revenue | + | 120,000 | - |
| 9) Erroneous levy plus interest from prior year | - | \$0 | \$0 |
| ALLOWED TAX LEVY WITH 50% plus 1 voter approval | = | \$111,009,290 | \$112,815,944 |
| ACTUAL LEVY | | \$110,990,190 | \$112,815,944 |

2.10%

1.64%



Budget Status- March 8, 2021

Includes Teacher Retirement Incentive

| <u>Summary of Tax Levy and Adjustments</u> | | Bud. To Bud. |
|--|----------------|-----------------------|
| Estimated Budget 2021-22 | | \$ 126,328,789 |
| Estimated Local Revenue | | \$ (9,771,451) |
| | Projected Levy | \$ 116,557,338 |
| Maximum Allowable Levy | | \$ 112,815,944 |
| Actual Levy Amount (to be determined) | | \$ - |
| Excess of Limit | | \$ (3,741,394) |
| TRS Reserve | | \$ - |
| ERS Reserve | | \$ - |
| Appropriated FB | | \$ - |
| | Sub Total | \$ (3,741,394) |
| Anticipated savings from ERI | | \$ 559,011 |
| | Sub Total | \$ (3,182,383) |
| Amount over Tax Levy Cap | | \$ (3,182,383) |

2.35% Budget to Budget

Information above does not include any possible new positions

Following the State Aid Process





Harrison Central School District State Aid Analysis

Enacted Budget 2021-22 As of April 7, 2021

| | Exec. Bud Proposal 2021-22 | Enacted Budget 2021-22 | Enacted Budget 2020-21 | 2021-22 Enact. Bud vs. 2020-21 Enacted Bud |
|---------------------------|----------------------------------|------------------------------|------------------------------|---|
| | A | B | C | B-C |
| Foundation Aid | \$ 3,296,046 | \$ 3,361,966 | \$ 3,296,046 | \$ 65,920 |
| Services Aid** | \$ 1,248,266 | \$ - | \$ 1,164,118 | \$ (1,164,118) |
| Boces Aid | \$ - | \$ 437,787 | \$ - | \$ 437,787 |
| High Cost Excess Cost Aid | \$ 141,623 | \$ 141,623 | \$ 26,298 | \$ 115,325 |
| Private Excess Cost Aid | \$ 106,460 | \$ 100,007 | \$ 81,109 | \$ 18,898 |
| Supp. Excess Cost Aid | \$ - | \$ 13,169 | \$ - | \$ 13,169 |
| Software/Library/Textbook | \$ - | \$ 354,071 | \$ - | \$ 354,071 |
| Transportation Aid | \$ - | \$ 407,751 | \$ - | \$ 407,751 |
| Building Aid | \$ 40,189 | \$ 40,189 | \$ 37,723 | \$ 2,466 |
| Pandemic Adjustment | \$ - | \$ - | \$ (460,773) | \$ 460,773 |
| Federal Cares Restoration | \$ - | \$ - | \$ 460,773 | \$ (460,773) |
| Sub Total | \$ 4,832,584 | \$ 4,856,563 | \$ 4,605,294 | \$ 251,269 |



**Harrison Central School District
Revenue Budget
2021-22**

| Revenue Type | 2016-17 Actual Revenue | 2017-18 Actual Revenue | 2018-19 Actual Revenue | 2019-20 Actual Revenue | 2020-21 Adopted Revenue | 2021-22 Proposed Revenue |
|----------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|-------------------------------|--------------------------------|
| PAYMENTS IN LIEU OF TAXES | 1,040,600 | 1,091,274 | 1,186,567 | 1,236,771 | 1,169,629 | 1,193,283 |
| NON-PROPERTY TAX DIST. BY COUNTY | 1,497,217 | 1,583,371 | 1,599,024 | 2,159,239 | 1,980,000 | 2,250,000 |
| INTEREST & EARNINGS | 246,030 | 518,869 | 856,914 | 720,687 | 370,000 | 218,000 |
| STATE AID - BASIC FORMULA | 3,364,821 | 3,469,584 | 3,628,074 | 3,719,248 | 3,961,849 | 4,064,705 |
| EXCEL AID | 8,751 | 8,660 | 16,795 | 12,770 | - | - |
| BOCES AID | 289,739 | 285,617 | 306,455 | 309,345 | 391,981 | 437,787 |
| CRP TUITION | 152,663 | 203,356 | 235,284 | 285,422 | 263,270 | 347,370 |
| TEXTBOOK AID | 269,348 | 271,038 | 269,523 | 271,853 | 267,663 | 261,741 |
| COMPUTER SOFTWARE AID | 62,946 | 63,725 | 63,860 | 64,909 | 63,860 | 65,149 |
| LIBRARY AID | 26,262 | 26,587 | 26,643 | 27,081 | 26,643 | 27,181 |
| ALL OTHER REVENUE SOURCES | 1,252,331 | 1,387,388 | 1,793,006 | 1,617,991 | 1,343,214 | 930,214 |
| Total Revenue | \$8,210,707 | \$8,909,469 | \$9,982,145 | \$10,425,316 | \$9,838,109 | \$9,795,430 |



Projected Staffing Adjustments 2021-22

| Proposed Positions for 2021-22 | FTE |
|--|---------------|
| Elementary Teachers | 1.20 |
| Support Staff | |
| Teacher Aide | 1.00 |
| Teacher Aides - Special Education | 2.00 |
| Teacher Aides - included in proposed 2021/22 budget | (2.00) |
| Total Proposed Support Staff | 1.00 |
| Total Proposed New Positions | 2.20 |



Harrison Central School District
Possible Savings as of April 7, 2021
2021-22

| | |
|--|-----------------------|
| Proposed Budget 3/8/21 | \$ 126,328,789 |
| <u>Budget Adjustments Since 3/8/21</u> | |
| Teacher Salary Adjustments | \$ 92,414 |
| Special Education outplacements & Maint. | 53,330 |
| Total Adjustments | \$ 145,744 |
| <u>Expense Reductions - April 7, 2021</u> | |
| Clerical Position - Central Office | (80,680) |
| Childcare Interns Post Covid | (210,000) |
| Health Insurance Adj. | (100,000) |
| Purchase New Server in 20-21 | (35,000) |
| Boces Career Services | (113,178) |
| Add'l. Summer Support | 1,600 |
| Total Exp. Reduction | \$ (537,258) |
| <u>Expense Addition:</u> | |
| Possible New Staffing | 180,221 |
| Adjusted Budget 3/24/21 | \$ 126,117,496 |

Revenue Addition:

Accounts Payable Write-off (one time) \$ 221,651

Capital Exclusion

| | |
|--|--------------------------|
| Remove hepa filters & covid exp. from 2021-22 budget and reclassify these expenses to the Capital portion of budget. This will allow us to build the capital line, preserve the baseline budget and take a \$230,000 exclusion resulting in not having to cut \$230,000 from the budget. Purchases will be made in 2020-21 | |
| Possibly encumb. Hepa filters in 20-21 | \$ 130,000 Tax Cap Sheet |
| Possibly encumber Covid exp. In 20-21 | \$ 100,000 Tax Cap Sheet |
| | \$ 230,000 |

Net Summary of Proposed Budget Changes

| | |
|---|------------------|
| Expense Reductions | \$(537,258) |
| Staffing Additions | 180,221 |
| Accounts Payable Write-Off | (221,651) |
| | |
| Purchase Covid PPE in 20-21 and transfer expense to Transfer to Capital | (230,000) |
| | |
| Net Change to Tax Levy Position | \$810,288 |



Harrison Central School District
 Tax Cap Calculation 2021-22- PRELIMINARY
 As of April 7, 2021 - Possible Capital Adjustment

| | | As of 3/10/21 | | As of 4/7/21 | |
|---|---|---------------------|---------------------|---------------------|--|
| | | 2020-21 | 2021-22 | 2021-22 | |
| 1) Prior Year Tax Levy | | \$ 108,704,351 | \$ 110,990,190 | \$ 110,990,190 | |
| 2) 1 + Tax Base Growth Factor (provided by Commissioner of Tax & Finance by February 15th.) | x | 1.0036 | 1.0060 | 1.0060 | |
| Total Tax Levy plus Growth Factor | | \$109,095,687 | \$111,656,131 | \$111,656,131 | |
| 3) Prior Year PILOTS | + | 1,179,981 | 1,169,629 | 1,169,629 | |
| 4) Levy for Judgements over 5% of total tax levy | - | - | - | - | |
| Capital Debt Service(net of Bldg. Aid) (prior Yr) | - | (3,795,725) | (3,771,689) | (3,771,689) | |
| Capital Tax Levy | - | - | - | - | |
| TAX LEVY LIMIT = | | \$106,479,943 | \$109,054,071 | \$109,054,071 | |
| 5) Allowable Levy Growth Factor (1 + inflation factor, up to 2%) | x | 1.81% | 1.23% | 1.23% | |
| | | \$1,927,287 | \$1,341,365 | \$1,341,365 | |
| 6) Next Years PILOTS | - | (1,169,629) | (1,193,283) | (1,193,283) | |
| TAX LEVY LIMIT (to be submitted to State Comptroller, Commissioner of Tax & Finance and the Commissioner of Education by March 1st) | | \$107,237,601 | \$109,202,153 | \$109,202,153 | |
| | | ⇩ | ⇩ | ⇩ | |
| Levy for excess increases to ERS | + | - | - | - | |
| Levy for excess increases to TRS | + | - | - | - | |
| Debt Service(net of Bldg. Aid) & EPC | + | 3,110,887 | 3,062,640 | 3,012,587 | |
| Capital Tax Levy (expenditures not budget) | + | 540,802 | 551,151 ** | 876,204 ** | |
| Capital Closeout Revenue | + | 120,000 | - | - | |
| 9) Erroneous levy plus interest from prior year | - | \$0 | \$0 | \$0 | |
| ALLOWED TAX LEVY WITH 50% plus 1 voter approval = | | \$111,009,290 | \$112,815,944 1.64% | \$113,090,944 1.89% | |
| ACTUAL LEVY | | \$110,990,190 2.10% | | | |

**By moving \$230,000 of B & G operations budget down to the capital line and encumbering the \$230,000 for filters and PPE in 2020-21, it will allow us to preserve the tax levy base and gain an additional exclusion while strengthening the Capital transfer line. This reduces the budget gap by \$230,000.



Tax Levy Cap Calculation Continued:

| <u>Summary of Tax Levy and Adjustments</u> | | Bud. To Bud. As of 3/10/21 | Bud. To Bud. As of 4/7/21 |
|--|----------------|-------------------------------|------------------------------|
| Estimated Budget 2021-22 | | \$ 126,474,533 | \$ 126,474,533 |
| Estimated Local Revenue | | \$ (9,771,451) | \$ (10,017,081) |
| | Projected Levy | \$ 116,703,082 | \$ 116,457,452 |
| Maximum Allowable Levy | | \$ 112,815,944 | \$113,090,944 |
| Actual Levy Amount (to be determined) | | \$ - | - |
| Excess of Limit | | \$ (3,887,138) | \$ (3,366,508) |
| TRS Reserve | | \$ - | |
| ERS Reserve | | \$ - | |
| Appropriated FB | | \$ - | |
| | Sub Total | \$ (3,887,138) | \$ (3,366,508) |
| Anticipated savings from ERI | | \$ 559,011 | \$ 559,011 |
| Budget Reductions | | \$ - | \$ 537,258 |
| New Staffing | | \$ - | \$ (180,220) |
| Accounts Pay. Write off (Recorded above in Revenue) | | \$ - | |
| Amount over Tax Levy Cap | | \$ (3,328,127) | \$ (2,450,459) |

2.47%

2.18%



**Harrison Central School District
Key Budget Rates and Ten Year Average**

| | | Proposed 2021-22 | Ten Year Average |
|---------------------------------|--|---------------------|---------------------|
| Proposed Tax Levy Change | | 1.89%** | 2.14% |
| | | | |
| Budget to Budget Change | | 2.18%** | 2.02% |
| | | | |

**** Numbers are not yet final**



Next Steps

- **Finalize staffing needs for 2021-22**
- **Follow up on Guidance for State and Federal Aid**
- **Continue to explore for possible savings**
- **On-going monitoring of student enrollment**
- **On-going projections of 2020-21 budget for carry-forward possibilities**
- **Prepare and distribute all legally required budget documents**
- **Continue Citizens' Budget Advisory Committee meetings**