2023-2024 Budget Discussion
Board of Education Meeting
December 6, 2022
Contents

- Budget Development
- Driving Factors for 2023-2024
- Budget History
- Four Year Reserve and Fund Balance Analysis
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Budget Development

Ensure the continuing excellence in all academic and extra-curricular programs while developing a fiscally responsible budget that stays within the tax levy cap.

**Step 1**
Develop Guiding Principles
- Align budget decision with strategic vision - "Forward in Excellence"
- Educate the Whole Child
- Consider degree of impact on students and number of students impacted

**Step 2**
Input From Stakeholders
- Ongoing input from Board of Education, PTA Council, Citizens' Finance Committee, Building Administration, and other.

**Step 3**
Budget Variables
- Calculate Estimated Tax Levy Cap
- Use of Fund Balance or use of other Reserves
- Expenditure Increases
- State Aid/Building Aid

**Step 4**
Budget Calendar
- July-October - Ongoing budget discussions
- December - Budget overview made to the Board
- January-March - Budget presentations made to the Board
- April - Board adopts the budget

**Step 5**
Budget Vote
- May 16, 2023 - Budget Vote and Trustee Election
2023-2024 Annual Budget

Revenues
- Property Taxes
- State Aid
- Sales Tax
- Other

Expenses
- Salaries & Benefits
- Transportation
- Debt Service
- Utilities
- Other
Driving Factors - Revenues

- CPI for Tax Levy Cap Calculation - CPI trending above 2.0% (Currently around 6.0%, last year it was at 4.7%)
  - Maximum levy with exclusions anticipated between 2.75%-3.50%

- State Aid
  - Increase in Foundation Aid - Projected $1.3M-$1.5M
  - Decrease in Building Aid - Projected $600K-$700K
  - Net Increase - Projected $700K-$800K

- Sales Tax
  - Projected increase - $200K-$300K

- Appropriated Fund Balance
  - Current use - $528,555
  - Projected use - $400K-$600K
NYS TRS Pension Rate Decrease – from 10.29% to 9.50%-10.00%

NYS ERS Pension Rate Potential Increase – from 11.6% to 13.1%

Anticipated Health Insurance Rate Increases
  - Empire Plan –
    - Calendar Year 2023 Aggregate Projected Increase of 6%-7%
    - Calendar Year 2024 Aggregate Projected Increase of 6%-7%
  - PNW Consortium Plan –
    - Fiscal Year Projected Increase of 5%-7%

Utilities Uncertainty
  - Oil prices today $4.90 per gallon vs last year $2.61 per gallon
  - Electricity supply rate increased from $0.0561 to $0.1279 per KWh
  - Cost avoidance with Energy Performance Contract
# Budget History

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
<th>B to B Change</th>
<th>Tax Rate % Increase</th>
<th>Assessments</th>
<th>CPI Figure</th>
<th>Dollars Raised via CPI or $ Change in Tax Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022-23</td>
<td>$100,982,930</td>
<td>3.59%</td>
<td>2.66%</td>
<td>475,651,355</td>
<td>4.70%</td>
<td>$1,653,984</td>
</tr>
<tr>
<td>2021-22</td>
<td>$97,483,143</td>
<td>2.98%</td>
<td>1.81%</td>
<td>478,764,547</td>
<td>1.23%</td>
<td>$1,576,203</td>
</tr>
<tr>
<td>2020-21</td>
<td>$94,658,222</td>
<td>1.05%</td>
<td>1.63%</td>
<td>478,020,792</td>
<td>1.81%</td>
<td>$1,345,220</td>
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<tr>
<td>2019-20</td>
<td>$93,677,220</td>
<td>2.65%</td>
<td>2.51%</td>
<td>477,821,337</td>
<td>2.44%</td>
<td>$2,037,808</td>
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<tr>
<td>2018-19</td>
<td>$91,257,500</td>
<td>3.31%</td>
<td>1.84%</td>
<td>477,380,603</td>
<td>2.13%</td>
<td>$1,747,595</td>
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<tr>
<td>Average</td>
<td></td>
<td>2.77%</td>
<td>2.26%</td>
<td>477,181,877</td>
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</table>
### 4 Year Reserve and Fund Balance Analysis

<table>
<thead>
<tr>
<th>Reserve</th>
<th>6/30/2022</th>
<th>6/30/2021</th>
<th>6/30/2020</th>
<th>6/30/2019</th>
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</thead>
<tbody>
<tr>
<td>Retirement Contributions (ERS Reserve)</td>
<td>$1,176,919</td>
<td>$3,449,610</td>
<td>$3,273,119</td>
<td>$1,163,707</td>
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<tr>
<td>Retirement Contributions (TRS Reserve)</td>
<td>$1,327,825</td>
<td>$1,325,572</td>
<td>$787,188</td>
<td>$0</td>
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<tr>
<td>Tax Certiorari Reserve</td>
<td>$8,219,991</td>
<td>$6,708,586</td>
<td>$4,491,565</td>
<td>$4,480,364</td>
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<tr>
<td>Employee Benefit Accrued Liability Reserve</td>
<td>$230,592</td>
<td>$229,138</td>
<td>$194,051</td>
<td>$139,268</td>
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<tr>
<td>Capital Reserve</td>
<td>$4,489,687</td>
<td>$0</td>
<td>$0</td>
<td>$3,178,705</td>
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<tr>
<td>Unassigned Fund Balance</td>
<td>$4,036,578</td>
<td>$3,899,427</td>
<td>$3,788,143</td>
<td>$3,743,569</td>
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<tr>
<td>Appropriated Fund Balance/Retirement Contribution Reserve (ERS)</td>
<td>$528,555</td>
<td>$324,982</td>
<td>$1,168,497</td>
<td>$674,191</td>
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<tr>
<td>Total</td>
<td>$20,010,147</td>
<td>$15,937,315</td>
<td>$13,702,563</td>
<td>$13,379,804</td>
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## Tax Certiorari Review

<table>
<thead>
<tr>
<th>Tax Certiorari Payments</th>
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<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$15,870</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,483,242</td>
<td>$1,064,247</td>
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</tbody>
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**Amount Available in Tax Certiorari Reserve** $4,672,502

**Plaintiffs’ Claims Pending** $16,227,384

Many of these claims are ongoing and will be resolved in upcoming years. There is one large tax certiorari that represents over 70% of the potential liability.

The District continues to monitor these claims and reserves funds accordingly. Currently, we are reserved for 28.79% of the petitioners’ requests.
### Debt Service 2022-2023 and Beyond

<table>
<thead>
<tr>
<th>Debt Issued</th>
<th>2022-2023</th>
<th>2023-2024</th>
<th>2024-2025</th>
<th>2025-2026</th>
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</thead>
<tbody>
<tr>
<td>$13.6M Building Project</td>
<td>$889,300</td>
<td>$884,550</td>
<td>$888,550</td>
<td>$886,175</td>
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<tr>
<td>$10.7M Safety &amp; Security Project</td>
<td>$562,528</td>
<td>$563,778</td>
<td>$564,028</td>
<td>$563,278</td>
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<tr>
<td>$8.9M Energy Performance Contract</td>
<td>$380,931</td>
<td>$761,862</td>
<td>$761,862</td>
<td>$761,862</td>
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<tr>
<td>Totals</td>
<td>$5,212,203</td>
<td>$5,589,034</td>
<td>$5,613,240</td>
<td>$5,608,265</td>
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</table>
The voters will be asked via a separate proposition on the ballot, to authorize use of $6,000,000-$6,500,000 of funds from the Capital Reserve Fund 2022 that was established in May 2022.
Capital Reserve Fund 2022 Planned Usage:

- Athletic upgrades including, but not limited to the following:
  - Tennis
    - Six new tennis courts at the High School
  - Softball
    - Turf entire field at Primrose
  - Baseball
    - Turf entire field at the High School
  - Building renovations at the High School and Primrose
<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>Jan. 17, 2023</td>
<td>Budget Planning Session (Non-Instructional)</td>
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<tr>
<td>Feb. 14, 2023</td>
<td>Budget Planning Session (Instructional)</td>
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<tr>
<td>March 21, 2023</td>
<td>Budget Planning Session (Summary)</td>
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<tr>
<td>April 18, 2023</td>
<td>Budget Summary and Budget Adoption</td>
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<tr>
<td>May 2, 2023</td>
<td>Public Budget Hearing</td>
</tr>
<tr>
<td>May 16, 2023</td>
<td>Budget Vote and Trustee Election</td>
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</tbody>
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Questions?