



# Wheatland-Chili Central Schools 2021-2022 Budget Development

## General Support, Transfers, and Debt Service

Board of Education Meeting  
January 11, 2021

# District Objectives

- ▶ Build a 2021–2022 budget that:
  - Supports Board of Education goals
  - Preserves District assets
  - Is fiscally responsible, reasonable, and balanced
- ▶ Build the 2021–2022 budget with future budgets in mind:
  - Assess dependence on appropriated fund balance
  - Thorough analysis of five–year plan for use of reserves

# Board of Education Priorities

- ▶ Support a curricular strategy that develops College and Career Readiness Skills resulting in a well-rounded educational experience for students.
- ▶ Support an environment of high expectations for all staff.
- ▶ Continue to focus on social and emotional learning and culturally responsive environment.
- ▶ Continue to support integrated technology in every classroom.
- ▶ Monitor and manage the district facilities and budget to maximize resources based on current and future needs.

# 2021–2022 Budget Development Timeline

Date	Presentation
<b>January 11</b>	<b>General Support, Capital/Debt Service</b>
January 25	Facilities and Transportation
February 8	Instruction (Pupil Services, Special Education, BOCES)
February 22	Instruction (Elementary, Secondary, Sports, Co-Curricular, Technology) and Employee Benefits
March 8	Review Preliminary Draft Budget
March 22	Review Draft Budget
April 5	Budget Workshop
April 12	Adoption of Proposed Budget
May 10	Budget Hearing and Meet the Candidates Night
May 18 (Tues.)	Budget Vote
June 15 (Tues.)	Statewide Budget Revote Day

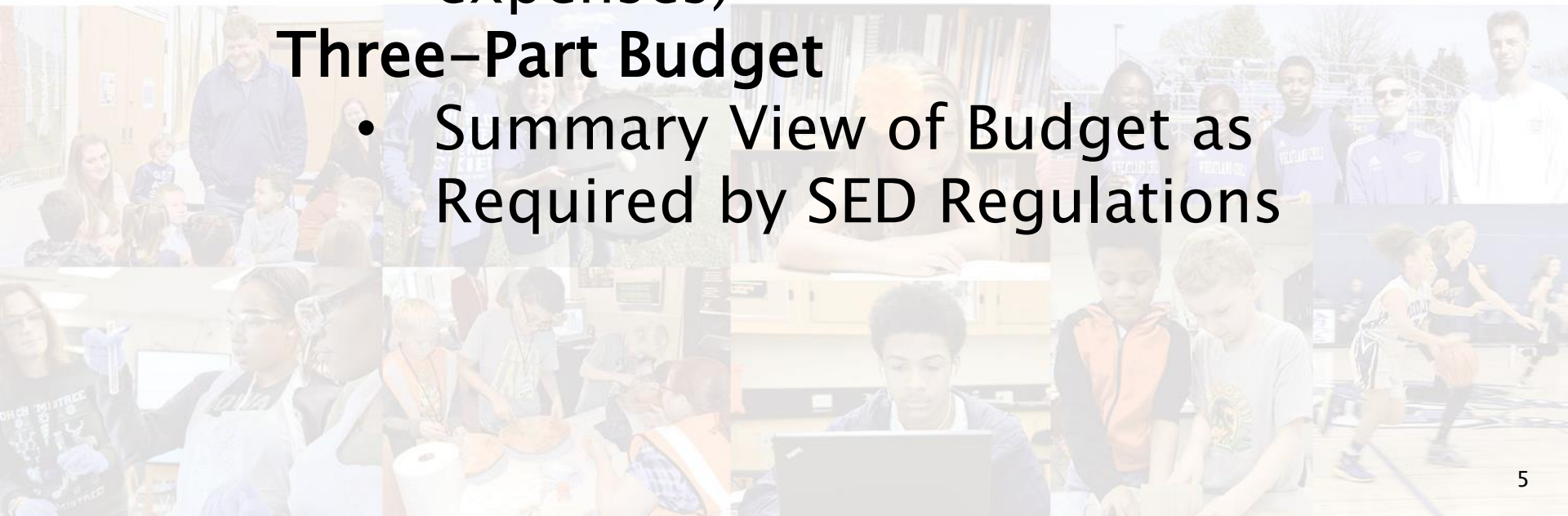
# Budget Views

## Areas of Expenditure

- Budget View by Function Codes (general types of expenses)

## Three-Part Budget

- Summary View of Budget as Required by SED Regulations



# Areas of Expenditure (function codes)

**Expenditure codes** are arranged by functional unit and object of expenditure. The term **function** refers to the primary classification and description as to purpose (what was the purpose of the expenditure). The first four digits identify the function:

- ▶ **1000 – 1999 General Support**
- ▶ 2000 – 2999 Instruction
- ▶ 5000 – 5999 Transportation
- ▶ **6000 – 8999 Community Service**
- ▶ 9000 – 9099 Employee Benefits
- ▶ **9700 – 9799 Debt Service**
- ▶ **9900 – 9999 Interfund Transfers**

Each function is further subdivided to better classify the expenditure. For example, expenditure code 1325 in the General Support function identifies the Treasurer's Office within the financial office of the school district.

# Three-Part Budget (Function Codes)

Budget Type	Components
Administrative	<p>Overall general support and management of the operations of the District:</p> <ul style="list-style-type: none"><li>• Board of Education costs</li><li>• Central and school administration</li><li>• Finance (including tax collection, purchasing, legal and auditing expenses)</li><li>• Curriculum development</li><li>• BOCES administrative expenses</li></ul>
Program	<p>Largest portion of all planned expenditures for instruction and support services:</p> <ul style="list-style-type: none"><li>• Instructional, co-curricular, and athletic programs</li><li>• Counseling and health services</li><li>• Pupil transportation</li></ul>
Capital	<p>Costs associated with maintaining facilities and grounds:</p> <ul style="list-style-type: none"><li>• Building and equipment repairs</li><li>• Custodial and maintenance supplies</li><li>• Utilities</li><li>• Debt service</li></ul>

# What is included in the General Support portion of the Budget?

## Board of Education

- Membership in Monroe County School Boards and New York State School Boards Associations
- BOCES Policy Maintenance (Erie I BOCES)
- Legal Notices, Board Clerk Expenses, Annual Voting Expenses

## Central Administration

- Superintendent's Office: salaries and benefits, supplies, professional development

## Finance

- Business Office: salaries and benefits, supplies
- Auditing: internal auditor, external auditor, claims auditor
- Fiscal Planning and Advisory Services
- Tax Collection
- Treasury and Purchasing Functions



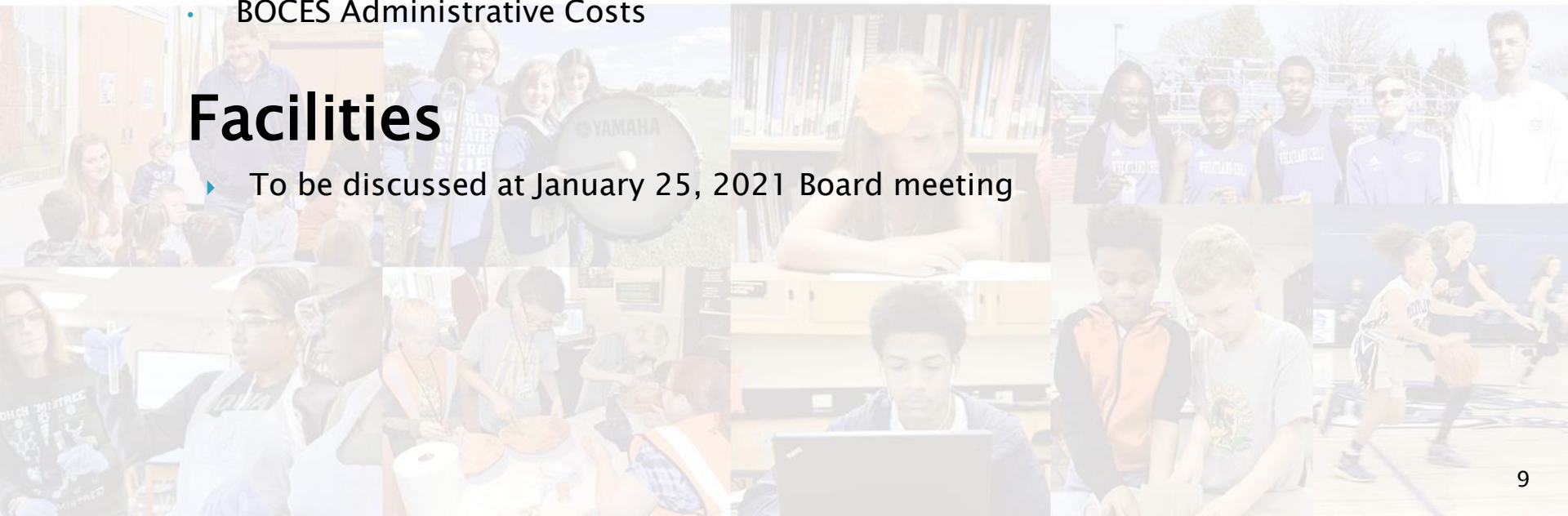
# What is included in the General Support portion of the Budget?

## Other Costs

- Legal Expenses, including Labor Relations Service (Monroe #2 BOCES)
- Personnel: recruiting and fingerprinting (Monroe #2 BOCES)
- Public Information: newsletters, calendars, and legal notices
- Central Data Processing: financial management system
- Liability and Property Insurance
- BOCES Administrative Costs

## Facilities

- ▶ To be discussed at January 25, 2021 Board meeting



# General Support (Continued)

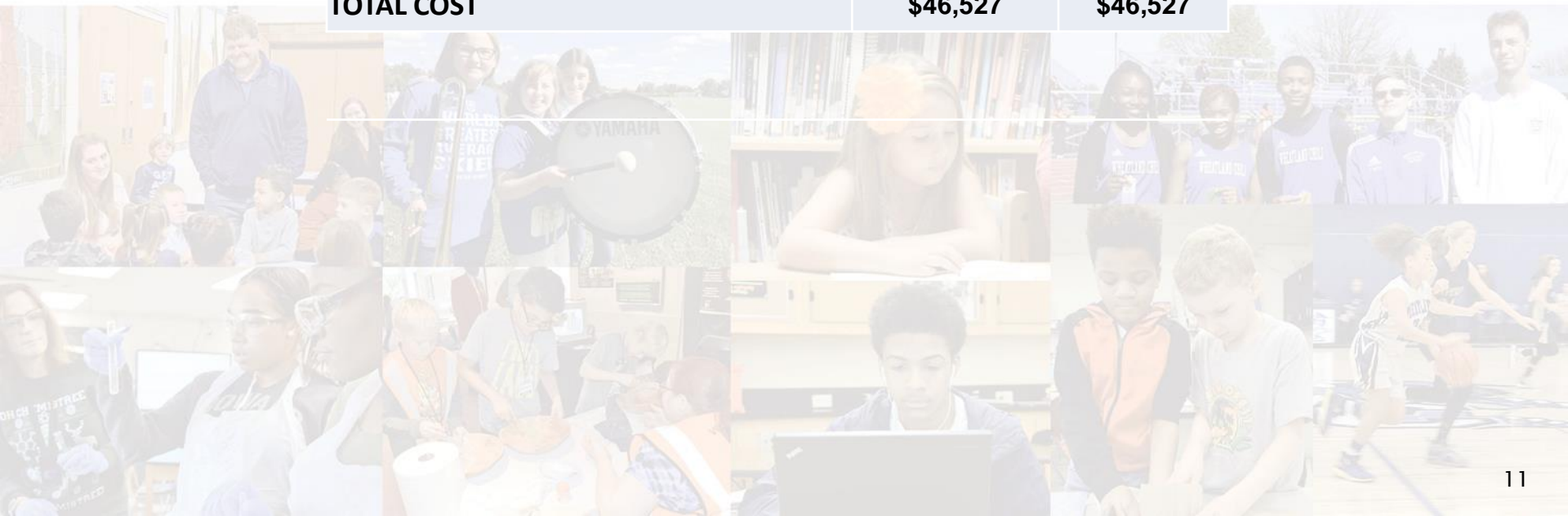
Type / Codes	2020-21 Budget	Projected 2021-22 Budget
Board of Education / Central Administration (1010-1240)	260,180	310,531
Finance (1310-1345)	309,503	312,653
Personnel / Public Information Services (1420-1480)	263,097	243,841
Central Services (1670-1680)	141,448	173,371
Special Items (1910-1999)	288,592	292,272
<b>TOTAL COST</b>	<b>1,262,820</b>	<b>1,332,668</b>

**NOTES:**

- General Support also includes Facility Operations to be discussed at 1/25/21 Board meeting
- Reduction made to District Office Staff position – School Secretary (to be reflected in Instructional budget – curriculum codes)
  - Work redistributed and registrar duties absorbed by Business Office staff member for a minimal increase in salary

# What do we know about Transfers, and Debt Services?

Type (9901)	2020-21 Budget	Projected 2021-22 Budget
Transfer to Special Aid Funds	46,527	46,527
<b>TOTAL COST</b>	<b>\$46,527</b>	<b>\$46,527</b>



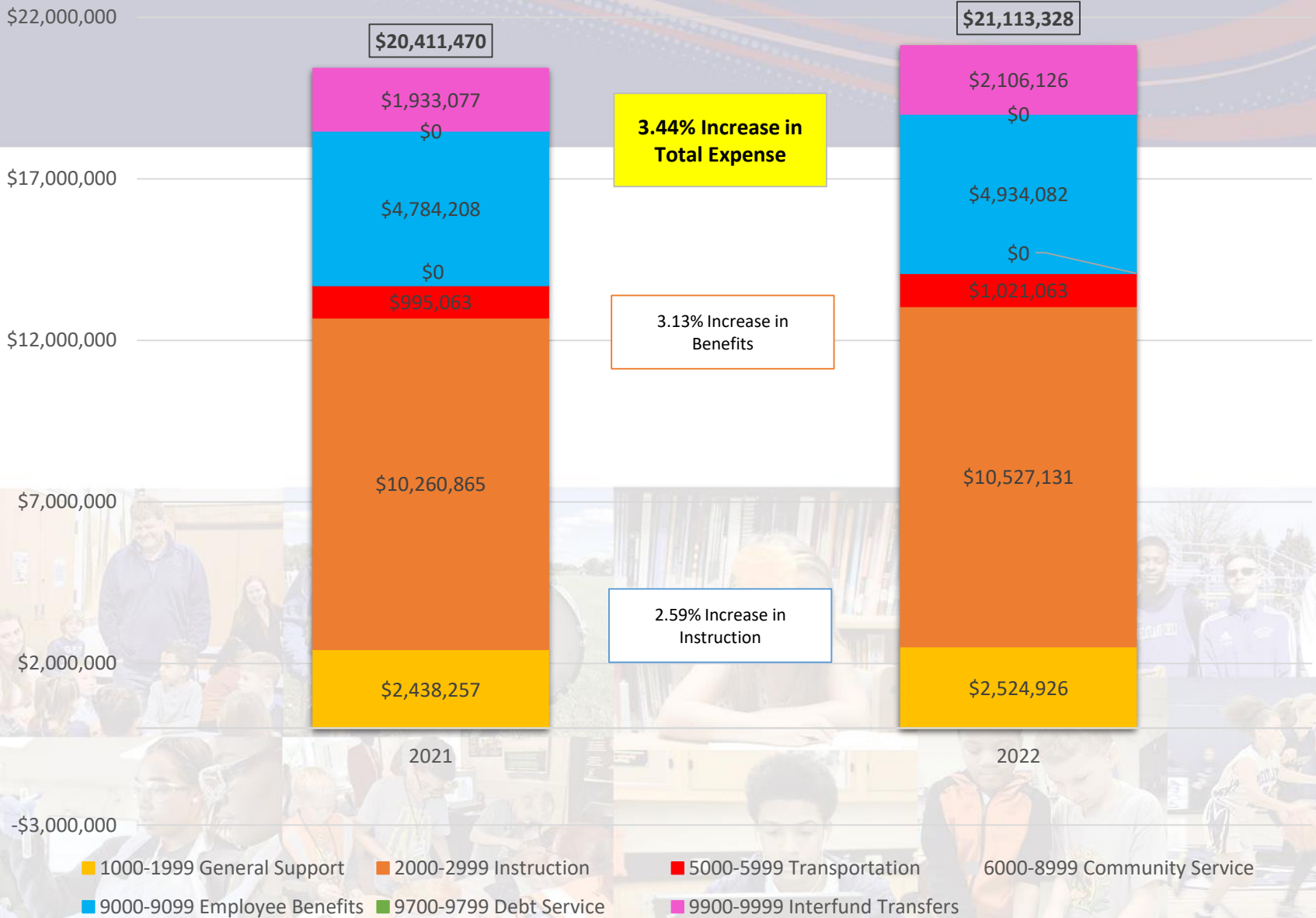
# Transfers, and Debt Services (Continued)

Type (9901)	2020-21 Budget	Projected 2021-22 Budget
<b>Annual payments on serial bonds issued to fund past capital building projects</b>		
• <b>Bonds issued 2009</b>	801,188	289,255
• <b>Bonds Issued 2016</b>	369,363	373,363
• <b>BAN Issued 2019</b>	301,000	
• <b>Bond to be Issued in 2021</b>		1,296,981
Energy Performance Contract	0	0
<b>TOTAL FIXED COST</b>	<b>\$1,471,551</b>	<b>\$1,959,599</b>

# Major Expense Assumptions 2021–2022

- ▶ Increase in expenses from 2020–2021 to 2021–2022:
  - Percentage increase in all contractual salary codes
  - Employee benefit trends
    - Teachers Retirement System – 10% increase
    - Employees Retirement System – 16.2% increase
    - Health, dental, and vision – 8%
  - Debt service from schedule
  - BOCES Budget – 2% in various categories
  - Contractual, materials, and supplies – 0% increase

# 2020-21 vs 2021-22 Projected Expenses



## 2021-22 PROPOSED BUDGET

### SUMMARY OF APPROPRIATIONS

	Actual Expenditures 2019-20	Adopted Budget 2020-21	Projected Expense 2021-22	Adopted vs. Projected Expense Variance Amount	% Variance
<b>General Support</b>	2,258,076	2,438,268	2,524,926	86,658	3.55%
<b>Instruction</b>	10,362,011	10,260,865	10,527,131	266,266	2.59%
<b>Pupil Transportation</b>	965,440	995,062	1,021,063	26,001	2.61%
<b>Employee Benefits, Transfers, Debt</b>	4,386,856	4,784,198	4,934,082	149,884	3.13%
<b>Community Services</b>	0	0	0	0	0.00%
<b>Debt Services</b>	1,183,729	1,471,550	1,959,599	488,049	33.17%
<b>Transfers to School Lunch</b>	38,391	0	0	0	0.00%
<b>Transfers to Capital</b>	99,141	415,000	100,000	(315,000)	-75.90%
<b>Transfers to Special Aid</b>	56,095	46,527	46,527	0	0.00%
<b>TOTAL</b>	<b>\$19,349,739</b>	<b>\$20,411,470</b>	<b>\$21,113,328</b>	<b>\$701,858</b>	<b>3.44%</b>

- Other areas of the budget to be discussed at future meetings

# Major Revenue Assumptions 2021–2022

- Increase in state aid of 0.0% (Foundation Aid)
  - Slight increase to overall state aid built in due to expected building aid from 2017 CIP Phase II
  - Allowable levy growth (tax levy limit) is projected at 1.64% (reduction from 2020–21)
  - District projections are based on 1.5% allowable growth factor and is subject to change
- Five-year plan for use of reserve funds
  - Appropriated Fund Balance – \$370,000
  - ERS Reserve – \$200,000
  - Unemployment Reserve – \$45,000
  - Transportation/Grounds Equipment – \$200,000



# 2020-21 vs 2021-22 Projected Revenues

\$25,000,000

\$20,000,000

\$15,000,000

\$10,000,000

\$5,000,000

\$0

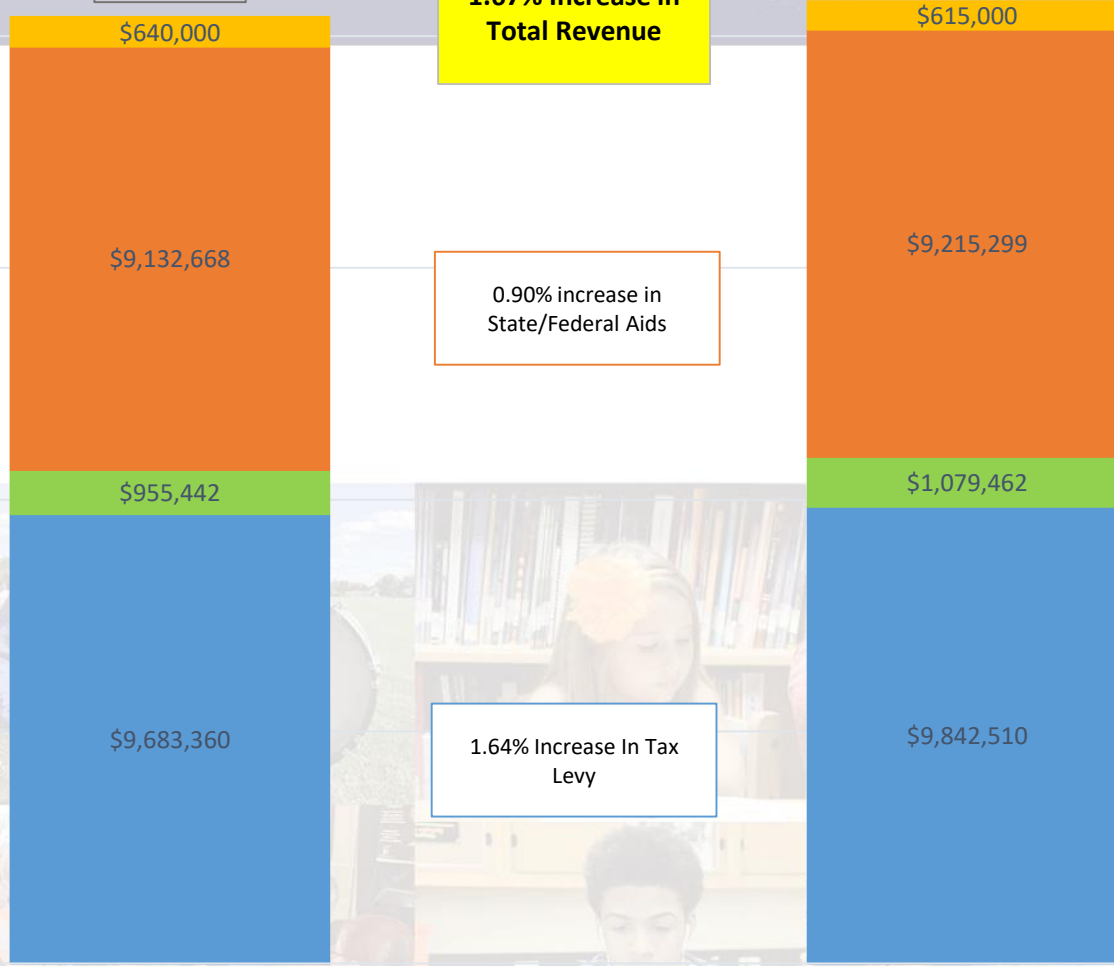
\$20,411,470

**1.67% Increase in Total Revenue**

\$20,752,271

0.90% increase in State/Federal Aids

1.64% Increase In Tax Levy



■ Tax Levy, Including Star   ■ Other Local Sources   ■ State/Federal Aids   ■ Interfund Transfers

# What is our starting point based on the budget variables?

- We are limited in our ability to raise additional revenue due to the tax levy limit
- To stay within a tax levy limit of 1.64%, assuming 0% increase in state aid, we begin the process with \$368,569 of anticipated expenses that are not covered by estimated revenues
- The amount of this “difference” will change as
  - Revenues are better defined through our tax levy limit and state aid numbers
  - Expenses are adjusted to align with revenues
  - Governor’s Executive Budget – To be delivered on or before January 21, 2021

**Update – 1-11-21 BOE Meeting – Reduction to \$361,054 of anticipated expenses not covered by estimated revenues**



# 2021–2022 Budget Development Process

- Continue to refine expenses
- Work with leadership to develop draft budget

January 25, 2021

- General Support (Facilities)
- Transportation