



# Wheatland-Chili Central Schools 2021-2022 Budget Development

Review of Draft Budget

**Board of Education Meeting**

**March 22, 2021**

# 2021-2022 Budget Development

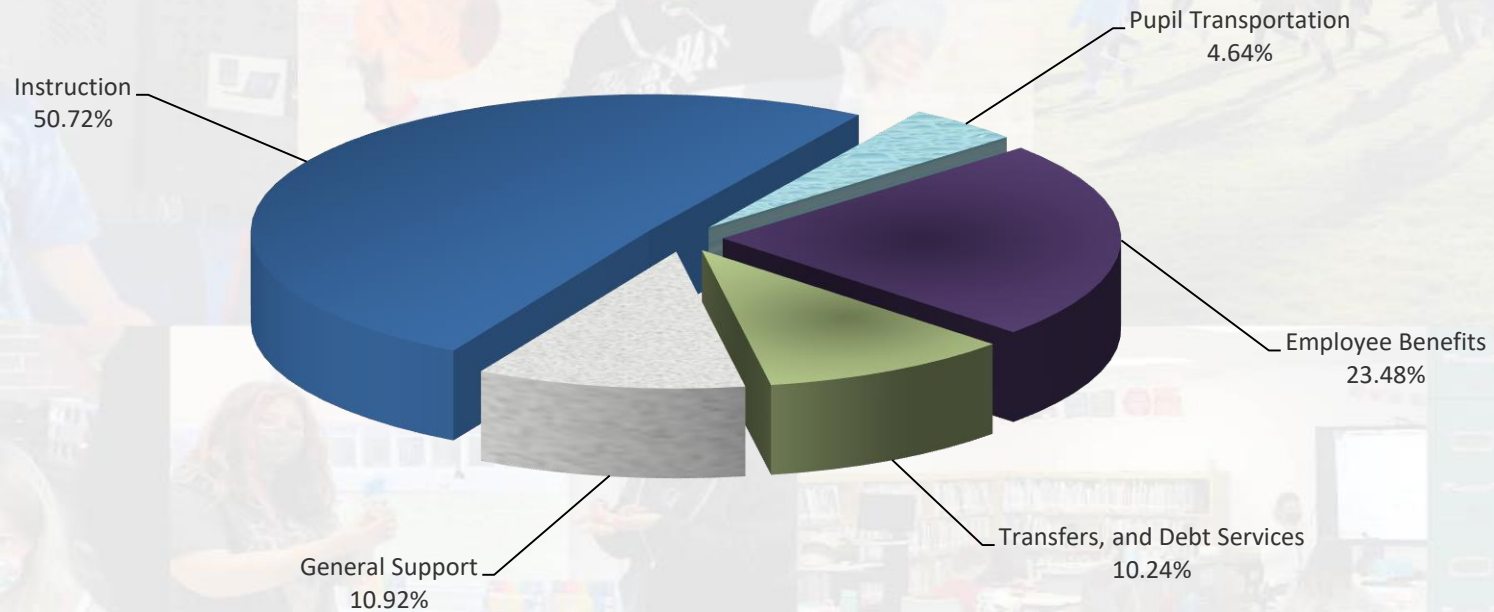
Date	Presentation
January 11	General Support, Capital/Debt Service
January 25	Facilities and Transportation
February 8	Instruction (Pupil Services, Special Education, BOCES)
February 22	Instruction (Elementary, Secondary, Sports, Co-Curricular, Technology) and Employee Benefits
March 8	Review Preliminary Draft Budget
<b>March 22</b>	<b>Review Draft Budget</b>
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

## 2021-22 PROPOSED BUDGET

### SUMMARY OF APPROPRIATIONS

	Actual Expenditures 2019-20	Adopted Budget 2020-21	Projected Expense 2021-22 - 2/8/21	Projected Expense 2021-22 - 2/22/21	Projected Expense 2021-22 - 3/8/21	Adopted vs. Projected Expense Variance Amount	% Variance
<b>General Support</b>	2,258,076	2,438,268	2,348,602	2,290,662	2,283,959	(154,309)	-6.33%
<b>Instruction</b>	10,362,011	10,260,865	11,110,707	10,654,788	10,606,080	345,215	3.36%
<b>Pupil Transportation</b>	965,440	995,062	1,004,246	969,246	969,246	(25,816)	-2.59%
<b>Employee Benefits, Transfers, Debt</b>	4,386,856	4,784,198	4,934,082	4,909,082	4,909,082	124,884	2.61%
<b>Community Services</b>	0	0	0	0	0	0	0.00%
<b>Debt Services</b>	1,183,729	1,471,550	1,959,599	1,959,599	1,959,599	488,049	33.17%
<b>Transfers to School Lunch</b>	38,391	0	0	35,000	35,000	35,000	0.00%
<b>Transfers to Capital</b>	99,141	415,000	100,000	100,000	100,000	(315,000)	-75.90%
<b>Transfers to Special Aid</b>	<u>56,095</u>	<u>46,527</u>	<u>46,527</u>	46,527	46,527	0	0.00%
<b>TOTAL</b>	<b>\$19,349,739</b>	<b>\$20,411,470</b>	<b>\$21,503,763</b>	<b>\$20,964,904</b>	<b>\$20,909,493</b>	<b>\$498,023</b>	<b>2.44%</b>

# Summary by Function – 2021-2022



## 2020-21 Summary by Function

- 50.27% - Instruction
- 11.95% - General Support
- 4.88% - Pupil Transportation
- 23.44% Employee Benefits
- 9.47% Transfers and Debt Service

# General Support

	2020-21 Adopted Budget	2021-22 Proposed Budget
Board of Education	\$22,534	\$15,904
Central Administration	\$237,646	\$287,927
Central Services	\$141,448	\$173,371
Facility Operations	\$1,175,448	\$1,007,584
Finance	\$309,503	\$312,650
Personnel/Public Information Services	\$263,097	\$209,251
Special Items	\$288,592	\$277,272
<b>Grand Total</b>	<b>\$2,438,268</b>	<b>\$2,283,959</b>

# Modifications to General Support Budget in 2021-22

- Reduction to .6 FTE from .8 FTE – Communications Specialist (BOCES)
- Reduction to .4 FTE from .6 FTE – Human Resources Manager (BOCES)
- Removal of NYSSBA membership dues - \$6.7k
- Reduction of budgeted legal expenses by \$15k
- Reduction of Facilities supplies/contractual budget by \$25k

# Instruction: Elementary & Secondary, Administrative, Sports, Co-Curricular, Library, Technology, BOCES (except Special Education)

	2020-21 Adopted Budget	2021-22 Proposed Budget
Administrative & Improvement	\$737,185	\$567,311
BOCES	\$1,474,925	\$1,231,023
Co-curricular	\$115,751	\$118,982
Districtwide	\$109,705	\$214,705
Instruction	\$4,233,800	\$4,220,155
Interscholastic Sports	\$279,139	\$286,156
Library	\$142,476	\$154,765
Teaching – Special Schools	\$17,125	\$17,590
Technology	\$39,807	\$134,806
<b>Grand Total</b>	<b>\$7,149,913</b>	<b>\$6,945,493</b>

# Modifications to Instruction: Elementary & Secondary, Administrative, Sports, Co-Curricular, Library, Technology, BOCES budget in 2021-22

- Exited Managed IT Service at Monroe #1 BOCES & removed Shared Technician Position through Monroe 2 BOCES
  - Budgeted for 1.0 FTE Network Administrator and 1.0 FTE Microcomputer Maintenance Technician to be employed by Wheatland-Chili CSD
- Reduced 1.0 FTE - Executive Director of Curriculum & Instruction
- Reduced 0.6 FTE - Teacher Center Director (budget neutral due to Social Studies .6 FTE reduction)
- Reduced 1.0 FTE - K-6 Teaching Position through attrition
- Reduced 0.6 FTE - Social Studies Teacher
- Reduced 1.0 FTE - Teaching Assistant
- Reduced 2.0 FTE - Teacher Aide Positions, 1 through attrition
- Reduced 1.0 FTE - District Office Secretary Position
- Reduced 1.4 FTE - Food Service employees through Genesee Valley BOCES
- Reduction of District Based Initiatives Budget - \$25k
- Reduction of supplies/contractual budget at the Secondary level - \$25k
- Reduction of supplies/contractual budget at the Elementary level - \$15k
- Increase BOCES Instructional Budget by \$20k – Remote Learning Option



# Instruction: Special Education, Occupational Education, PPS, BOCES

	2020-21 Adopted Budget	2021-22 Proposed Budget
BOCES	\$1,410,516	\$1,689,305
Guidance	\$203,033	\$209,088
Health Services	\$168,697	\$229,170
Psychologists	\$92,433	\$94,329
Social Workers	\$150,909	\$153,696
Special Education	\$1,085,363	\$1,284,999
<b>Grand Total</b>	<b>\$3,110,951</b>	<b>\$3,660,587</b>

# Modifications to Instruction: Special Education, Occupational Education, PPS, BOCES budget in 2021-22

- Increase to BOCES Special Education Budget
  - 6 student placements budgeted in 2020-21, 10 student placements budgeted in 2021-22 (\*Budget reflects anticipated placements as of February 2020 – not actually placements in 2020-21)
  - Increase for in house student with special needs provided by BOCES staff
- Decrease to BOCES Special Education Budget
  - Reduction of 1.0 FTE Contract Student Behavioral Assistant Position
- Increase to tuition for students in Private Placements
  - 6 Student placements budgeted in 2020-21, 8 Student placements budgeted in 2021-22 (\*Budget reflects anticipated placements as of February 2020 – not actually placements in 2020-21)
- Increase to Health Services Budget
  - Cost incurred for health services for students in private placements – District where private school is located bills student's district of residence on a per pupil basis for providing health services)

# Instruction: Grand Total

	2020-21 Adopted Budget	2021-22 Proposed Budget
Elementary & Secondary, Administrative, Sports, Co- Curricular, Library, Technology, BOCES	\$7,149,913	\$6,945,493
Special Education, Occupational Education, PPS, BOCES	\$3,110,951	\$3,660,587
<b>Grand Total</b>	<b>\$10,260,864</b>	<b>\$10,606,080</b>

# Transportation

	2020-21 Adopted Budget	2021-22 Proposed Budget
BOCES	\$3,389	\$3,457
Bus Garage	\$43,957	\$45,829
Contracted Services	\$44,285	\$42,318
Fuel	\$85,319	\$85,319
Insurance	\$39,391	\$39,391
Salary	\$738,872	\$711,332
Supplies	\$39,850	\$41,600
<b>Grand Total</b>	<b>\$995,063</b>	<b>\$969,246</b>



# Modifications to Transportation budget in 2021-22

- Retirement of Head Automotive Mechanic
  - Position replaced – reduction to overall salary budget
- Reduced by 1.0 FTE – Facilities/Transportation Assistant

# Benefits

	2020-21 Adopted Budget	2021-22 Proposed Budget
Health Insurance	\$3,011,319	\$3,106,756
Life Insurance	\$3,060	\$3,060
Unemployment	\$20,000	\$20,000
Worker's Compensation	\$79,030	\$80,611
Retirement	\$965,685	\$991,289
Social Security/FICA	\$649,774	\$652,021
Other Benefits	\$55,345	\$55,345
<b>Grand Total</b>	<b>\$4,784,213</b>	<b>\$4,909,082</b>

# Modifications to Benefits budget in 2021-22

- Reductions made to health insurance
  - \$95,437 overall increase. Without reduction of FTE's and a 8% projected rate increase, health insurance budget would have increased by \$240,906
  - Budget reflects costs or actual plans our staff members are currently in
  - New positions – budgeted for the cost of family plans
- Retirement and Social Security Budget are calculated based on TRS, ERS and FICA rates and are assessed based on actual salary figures.
  - Reductions to FTE's reduced overall cost of these benefits

# Transfers & Debt Service

	2020-21 Adopted Budget	2021-22 Proposed Budget
Interfund Transfer – Debt Service	\$1,471,550	\$1,959,599
Interfund Transfer – Special Aid	\$46,5274	\$46,527
Interfund Transfer – Capital Fund	\$415,000	\$100,000
Interfund Transfer – School Lunch	\$0	\$35,000
<b>Grand Total</b>	<b>\$1,933,077</b>	<b>\$2,141,126</b>



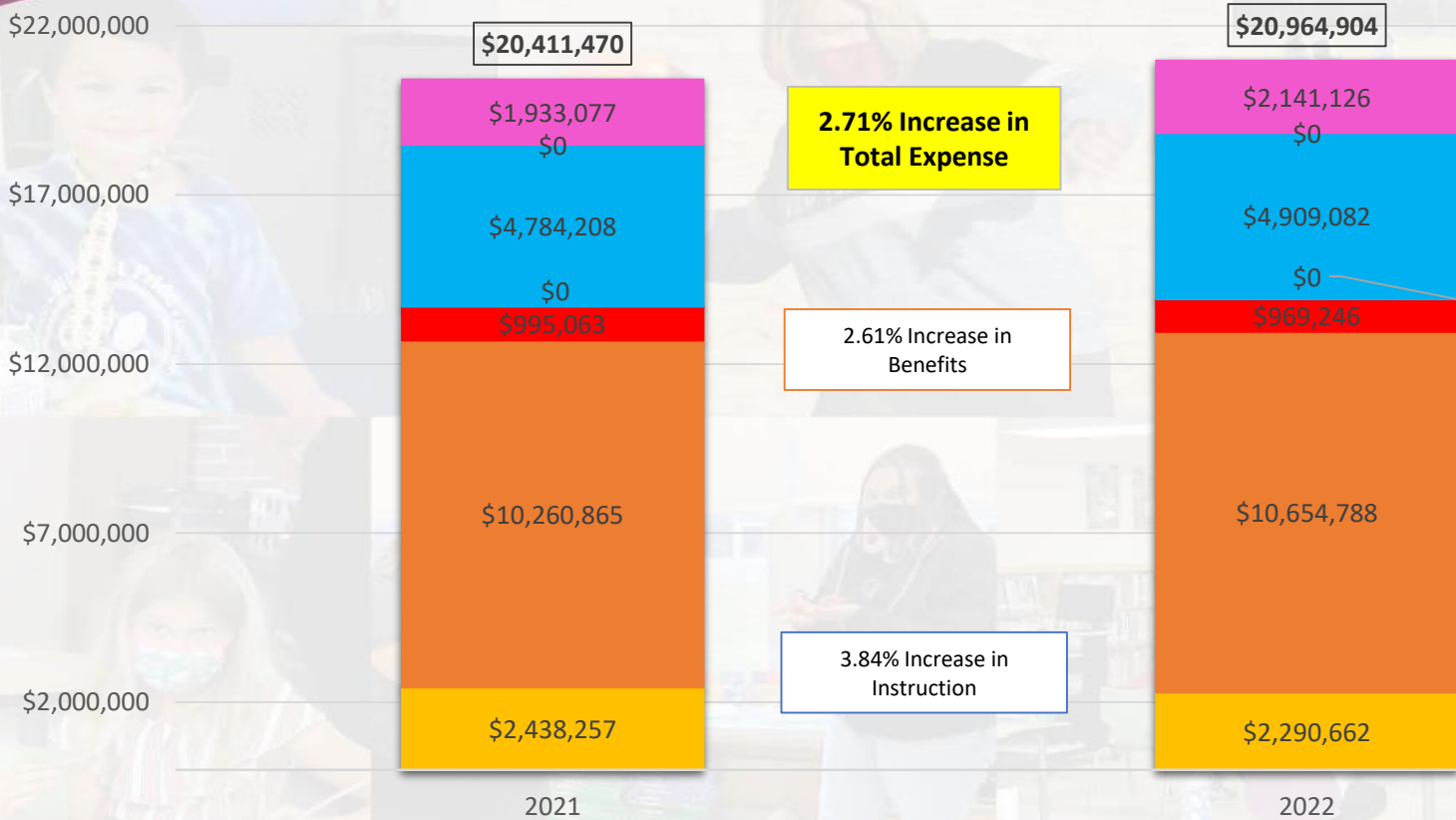


# Modifications to Transfers & Debt Service budget in 2021-22

- Increase to overall debt service budget
  - Due to Bonding for 2017 Capital Project in June 2021 – First Principal & Interest payments due on new borrowing
  - Offset by Building aid that will be received in 2021-22
- Increase to Interfund Transfer for School Lunch
  - Creation of School Lunch Position to be employed by Wheatland-Chili Central School District – salary to be funded by General Fund

# 2020-21 vs 2021-22 Projected Expenses

February 22, 2021 Board of Education Meeting



**2.71% Increase in Total Expense**

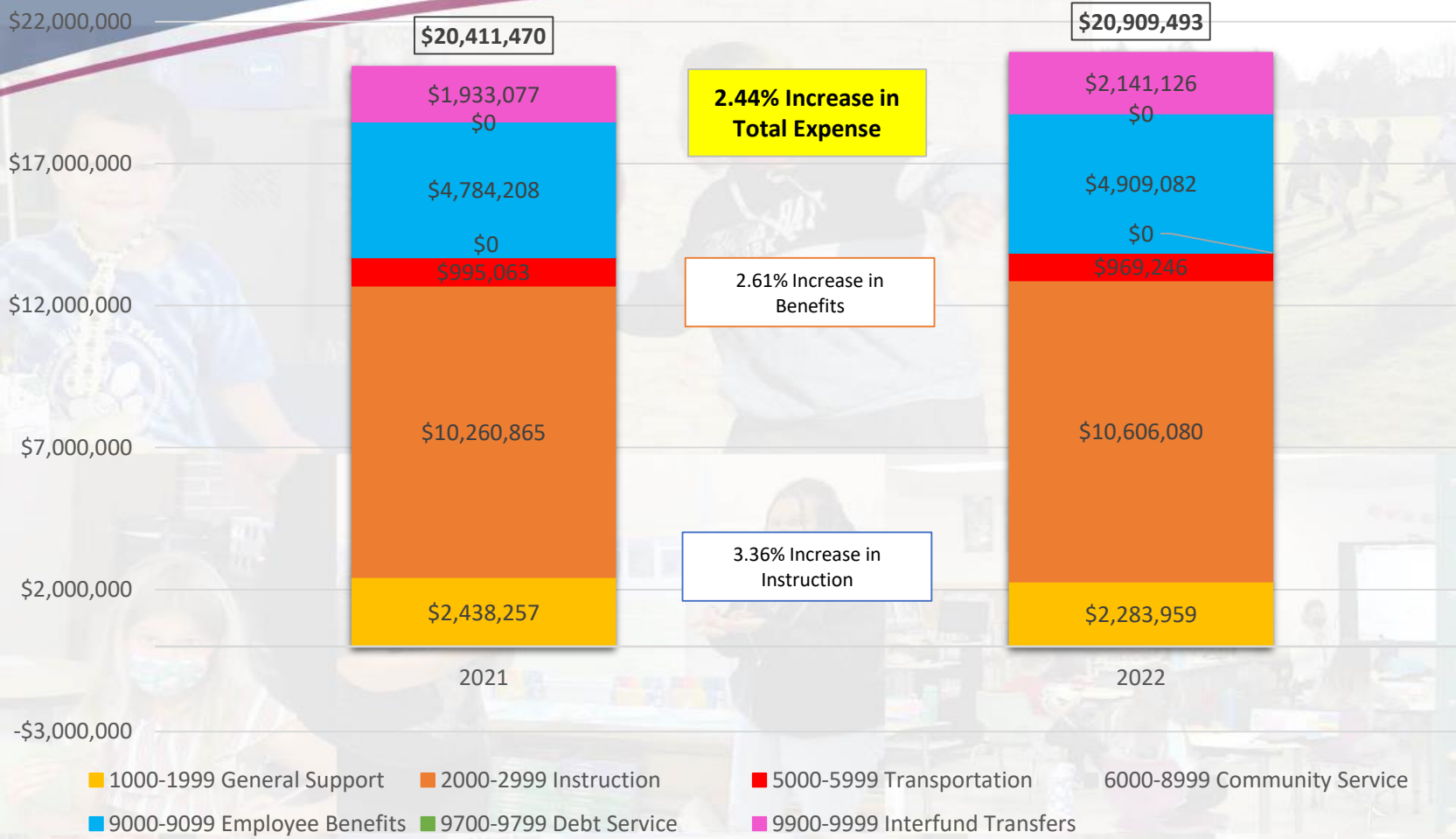
2.61% Increase in Benefits

3.84% Increase in Instruction

- 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

## 2020-21 vs 2021-22 Projected Expenses

March 8, 2021 Board of Education Meeting



- ADJUSTMENTS FROM 2.22.21 BOE MEETING
  - Reduction of \$25k – Secondary Supplies/Contractual Expenses
  - Reduction of \$15k – Elementary Supplies/Contractual Expense
  - Reduction of \$6,700 – NYSSBA Membership Dues
  - Reduction of \$20k – District Based Initiatives Budget
  - Increase of \$20k – To Support Remote Learning Option

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# Major Revenue Sources – Tax Levy

- The Tax Levy makes up 46% of Wheatland-Chili CSD's total revenue package to support the budget
- Property tax legislation requires municipalities, such as school districts, to adhere to a formula when calculating their allowable tax levy for the following school year
  - MYTH: There is a 2% cap on what can be raised
  - FACT: The formula determines your tax levy limit, or what percentage increase over the prior year the district can collect in taxes
- **Key Terms**
  - Tax Based Growth Factor - A district's tax base growth factor is a measure of the change in real property value due to physical or quantity changes (construction and capital improvements) of real property in the district from the July 2020 (Prior Year) Assessment Roll. This figure is provided to the district by the Office of Real Property Tax Services (1.0011).
  - Allowable Growth Factor - This figure is provided by the Bureau of Labor Statistics and is commonly known as the Consumer Price Index. The increase over the prior year is known as the rate of inflation. In regards to the calculation, we use the inflation rate or 2%, whichever is less. In the 2021 calendar year, this was calculated at 1.23%. As you can see we used 1.0123 in our calculation.
  - Tax Levy Limit - The tax levy limit is the conclusion of the calculation. It determines the amount that the school district is allowed to collect in taxes in the following school year.
- ***See Tax 2021-22 Tax Cap Calculation on next slide***

<b>Wheatland Chili CSD - Tax Levy Calculation</b>	<b>Projected</b>	
<b>Tax Levy Limit Before Adjustments &amp; Exclusions</b>	<b>2021-22</b>	
Prior Year Tax Levy	\$ 9,683,360	Prior Year Levy
+ Tax Cap Reserve Plus Interest from FYE 2021 Used to Reduce 2022		
+ Total Tax Cap Reserve Amount (including interest earned) from FYE 2021		
Tax Base Growth Factor (cannot be lower than 1.0)	1.0011	Tax Based Growth Factor
+ PILOTs Receivable FYE 06/30/2021	\$ 30,000	
- Tort Exclusion Amount Claimed in FYE 06/30/2021		
- Capital Levy for FYE 06/30/2021	\$ 164,090	Prior Year Capital Exclusion
Allowable Levy Growth Factor	1.0123	Allowable Growth Factor
- PILOTs Receivable FYE 06/30/2022	\$ 30,000	
+ Available Carryover from FYE 06/30/2022		
<b>Total Levy Limit Before Adjustments/Exclusions</b>	<b>\$ 9,647,510</b>	Total Levy Before Exclusions
<b>Exclusions</b>		
Tax Levy Necessary for Expenditures Resulting from Tort Orders/Judgements Over 5%		
+ Capital Levy for FYE 06/30/2022	\$ 156,597	Current Year Capital Exclusion
+ Teachers Retirement System		
+ Employees Retirement System		
<b>Total Exclusions</b>	<b>\$ 156,597</b>	
<b>Tax Levy Limit, Adjusted for Transfers, Plus Exclusions</b>	<b>\$ 9,804,107</b>	
- Total Tax Cap Reserve Amount Used to Reduce 2022 Levy		
2022 Proposed Levy, Net of Reserve		
<b>Difference between Tax Levy Limit Plus Exclusions and Proposed Levy</b>		
<b>Do you plan to override the cap in 2022?</b>	NO	
Maximum Allowable Percent Increase	1.25%	Tax Levy Limit
Actual Percent Increase	1.25%	Proposed Levy Increase
Property Tax Cap Proposed Levy vs. Actual Levy on Revenue Tab (must be zero)	\$ 9,804,107	Current Year Tax Levy
	\$ 120,747	Increase Over Prior Year Levy

# Major Revenue Sources – State Aid

- State Aid makes up 45% of the Wheatland-Chili CSD's total revenue package to support the budget
- ***Executive Budget Proposal*** –
  - Foundation Aid – Frozen for a 3<sup>rd</sup> year in a row.
  - Proposed Combination of Expense Aids into Service Aids with a percentage increase in subsequent years
    - 11 major aid categories would be combined
    - Combined with the tax cap, this is another measure to handcuff District's ability to generate revenues to support the budget
    - Potential impact in 2021-22 – Projected loss of \$220,487 (will vary based on actual expenditures)
  - Supplementation of State Aid with Federal Aid
    - 2020-21 – Pandemic Adjustment – Reduction of \$283,536 in State Aid, supplemented by Federal Aid CARES Act funding
    - 2021-22 – Local District Funding Adjustment – Reduction of \$846,358 in State Aid, supplemented by Federal Aid COVID-19 Supplemental Stimulus Funding
    - Reduction to STAR Reimbursement – Proposal for STAR payments to be backfilled by Federal Aid through the Coronavirus Relief and Response Supplementary Allocation Act
    - Supplanting current state aid funds with federal funds will have a long-term effect on the District's financial health. If federal funds are not provided in future years (and state aid is not reinstated to necessary levels), there will be no way for them to make up for the lost revenues.

# STATE AID YEARLY ANALYSIS

	2019/20	2020/21	2021/22
General Aid	Aid Received	Output Reports	Executive Proposal w/ Building Aid & Urban Suburban Aid
Foundation Aid	\$ 4,420,292	\$ 4,420,293	\$ 4,420,293
<b>Total Pub</b>	<b>\$ (1,194,440)</b>	<b>\$ (1,213,513)</b>	
High Tax Aid	\$ 181,923	\$ 181,923	
Building Aid	\$ 1,184,009	\$ 1,595,222	\$ 1,821,337
Transportation Aid	\$ 752,663	\$ 732,399	
Urban/Suburban Aid	\$ 370,929	\$ 599,676	\$ 611,729
<b>Services Aid</b>			<b>\$2,300,311</b>
<b>Total Gen Aid</b>	<b>\$ 5,715,376</b>	<b>\$ 6,316,000</b>	<b>\$ 9,153,670</b>
<b>Excess Cost Aid</b>			
Pub Ex Cost Aid	\$1,175,402	\$1,196,424	
Public High Cost Aid	\$ 114,004	\$ 99,045	\$ 87,784
Private Excess Cost Aid	\$ 140,378	\$ 225,889	\$ 154,718
<b>Total Excess Cost Aids</b>	<b>\$ 1,429,784</b>	<b>\$ 1,521,358</b>	<b>\$ 242,502</b>
<b>Instructional Materials Aid</b>			
Textbook	\$ 39,319	\$ 38,387	
Computer Software	\$ 9,917	\$ 9,767	
Library Materials	\$ 4,048	\$ 4,075	
Computer Hardware & Tech Aid	\$ 10,270	\$ 10,193	
<b>Total IMA's</b>	<b>\$ 63,554</b>	<b>\$ 62,422</b>	<b>\$ -</b>
<b>BOCES Aid</b>			
BOCES	\$ 1,398,687	\$ 1,102,907	
Charter School Aid	\$ 6,270	\$ 4,000	
<b>TOTAL STATE AID</b>	<b>\$ 8,613,671</b>	<b>\$ 9,006,687</b>	<b>\$ 9,396,172</b>



Increase in Building Aid due to scheduled Debt Service starting June 2021

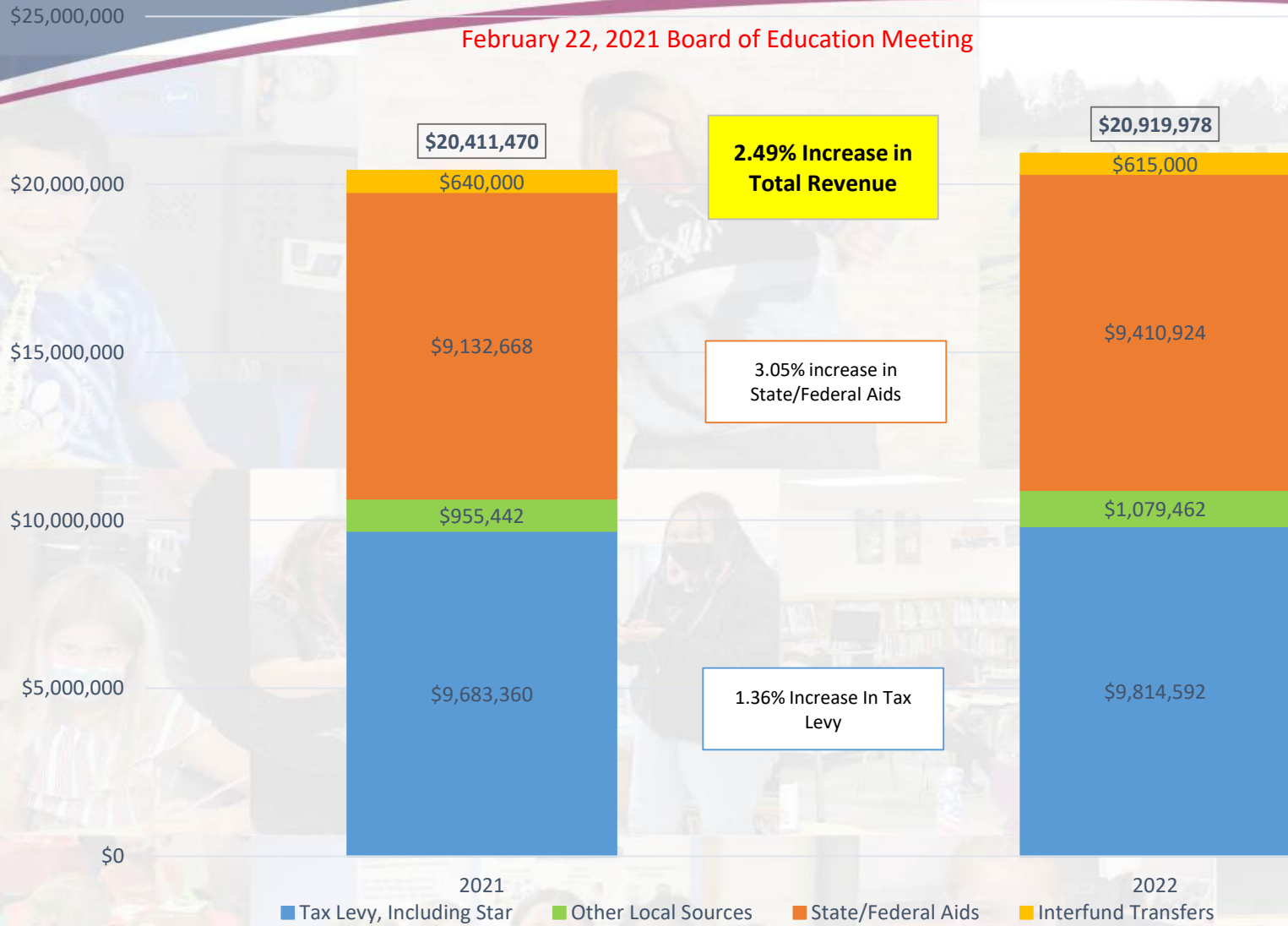


Categories of Expenditures included in Services Aid per Executive Budget Proposal



## 2020-21 vs 2021-22 Projected Revenues

February 22, 2021 Board of Education Meeting



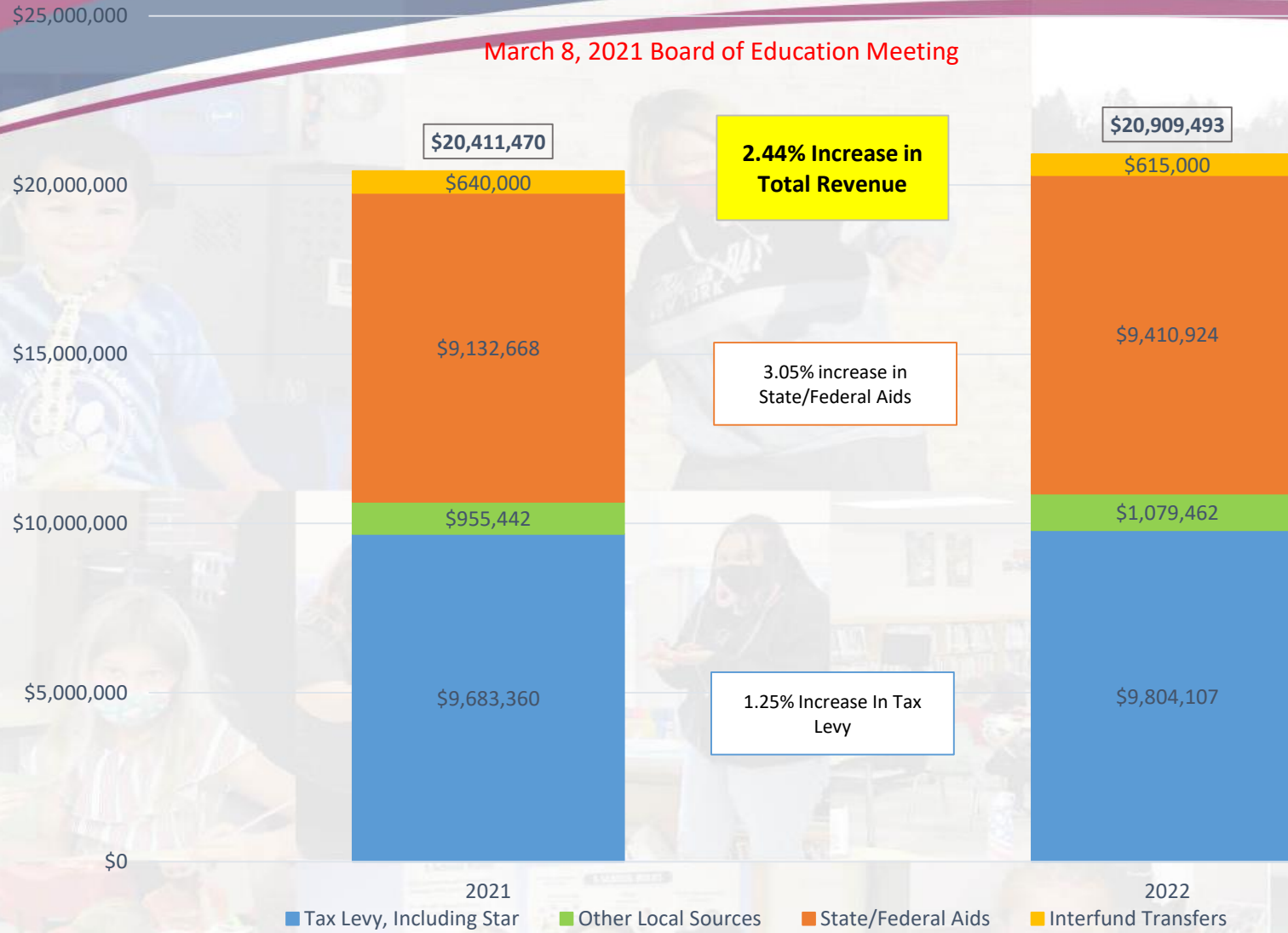
**2.49% Increase in Total Revenue**

3.05% increase in State/Federal Aids

1.36% Increase In Tax Levy

## 2020-21 vs 2021-22 Projected Revenues

March 8, 2021 Board of Education Meeting



- ADJUSTMENTS FROM 2.22.21 BOE MEETING
  - Adjusted to reflect reduction of Tax Cap Calculation based on lower than projected tax based growth factor

# 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
  - We have adjusted our tax levy limit to 1.36%, and modified state aid to reflect increase in urban suburban aid
  - Update – adjusted our tax levy limit to 1.25% to reflect tax based growth factor
- 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
    - Delivered and reflected in updates

Update – 3.8.21 BOE Meeting – Budget and Revenues  
in balance



# What happens if we receive additional federal stimulus money?

- Additional money is expected to be distributed to schools as part of the federal Covid-19 Relief Bill
- There will be restrictions and limitations on what the money can be spent on:
  - At least 20 percent must be devoted to address learning loss due to Covid
  - Remainder is to be spent on Covid related expenses, including social and emotional impacts of the pandemic, use of education technology, improving air quality and to establish summer and afterschool programs
- Districts can use the money to cover expenditures dating to March 2020 and will have until the 2023-24 school year to spend the money
- Statewide experts are recommending that the latest federal aid should be used to help plan for the NYS budget deficits expected in the next several years as the federal aid is phased out
- We await additional details from the NYS legislature

# 2021-2022 Budget Development Process

- April 12, 2021
- Adoption of Proposed Budget

