



Board of Education Meeting

Wednesday, April 5, 2023

Budget Presentation Six: *Revenue and Expenditure Update*

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Jennifer Segui, Assistant Superintendent for Finance and Management Services

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Schedule of Budget Meetings and Presentations

~~January 18, 2023~~

- ~~Review of the Budget Process Long Term Planning~~

~~February 1, 2023~~

- ~~Tax Cap & Revenue Overview~~

~~February 15, 2023~~

- ~~1000 General Support, Operation & Maintenance, Security, Utilities~~
- ~~5000 Transportation~~
- ~~9000 Employee Benefits, Debt Service, Fund Transfers & Capital Expenditures~~

~~March 8, 2023~~

- ~~2000 Curriculum & Instruction~~

~~March 22, 2023~~

- ~~Staffing Analysis~~

April 5, 2023

- Expenses and Revenues Update**

April 19, 2023

- Budget Adoption**



May 3, 2023

Budget Hearing

May 16, 2023

BUDGET VOTE & ELECTION

Budget Process Timeline

November / December

Initiate conversations with administrators regarding the budget process, including but not limited to procedures, considerations, and the identification of program needs.

December

Provide training to stakeholders (administration / clerical) on new budgeting process, including the use of the district's financial software to increase accuracy and efficiency.

January

Building and departmental budgets, staffing tables, and new / special program requests are submitted to district office for review by cabinet members.

February

Staffing counts as FTEs, (Full Time Equivalent), are due to district office and meetings are held with the administration to discuss staffing and program requests. (Wants versus Needs)

March

Staffing requests are verified through projected enrollment (Elementary and Middle Schools) and course requests (High School)

April

School budget is finalized, presented to BOE, and adopted.

May

Budget Hearing and vote is held



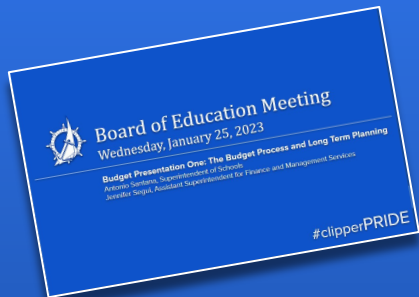
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Budget Process Quick Recap



Please note that all prior budget presentations are available on the SCCSD website



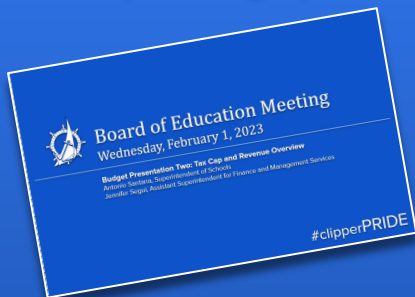
Ongoing review of programs to reduce expenditures.

Ongoing exploration of alternative revenue sources. (Donations, Grants, etc)

Strategic use of reserves to the extent possible.

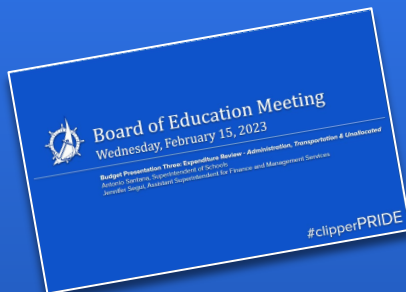
Engage in ongoing capital improvement projects, generating revenue in building aid at a 76.2% reimbursement rate.

- Capital Reserve Vote (\$2.6 Million)
- Energy Performance Contract (\$5.6 Million)
- Capital Transfer Budget Line
- Future Bond Proposals
- **May Capital Reserve Vote**



Based on the state formula, the tax levy limit for the South Country Central School District including an interfund transfer to capital will be **4.64%**.

The final tax levy will be presented at the April 19 BOE meeting.

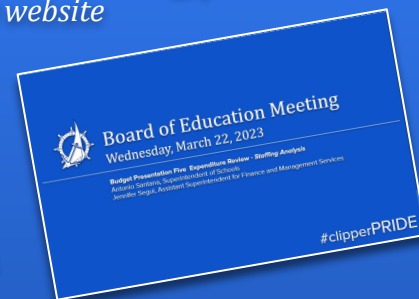


Administration (1000 Code) represents all costs associated with the general administration and operation of the school district.

Transportation (5000 Code) represents all costs associated with transportation, including field trips and athletics.

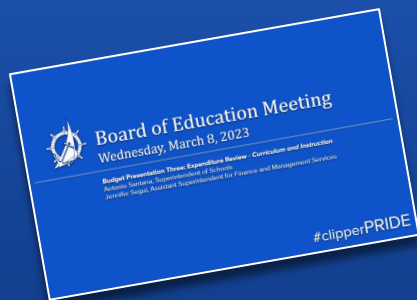
Unallocated (9000 Code) represents all costs associated with employee entitlements and benefits, debt and governmental obligations.

Curriculum and Instruction (2000 Code) represents all costs associated with both what is taught and how it is delivered, including staff, supplies, and other miscellaneous expenses.



South Country is looking to enhance our instructional programs, while maintaining class size. Additional staffing is being proposed to:

- Restructure the sixth grade program to mirror a secondary school model, provide additional support and choices for students.
- Add special classes to better serve our community and limit the number of students who require outside placements.
- Allow for more student choice at the secondary level; AP Courses and Electives.





Budgetary Considerations



Budgetary Analysis - Focus on Revenue / Expenditures

1. Assure the budget development process is consistent with Board Priorities.

6. Develop a fiscally responsible and transparent budget, maximizing efficiency and economy, ensuring the district is using its resources to deliver the best educational program and meeting our long range planning goals.

2. While there have been increases to budget lines, including but not limited to inflation, entitlements, staffing, and fuel, we have engaged in a line-by-line analysis of the overall budget, looking to make reductions to accommodate for these increases and better align ourselves with actual expenditures, while allowing for contingencies.

3. While the addition of a capital transfer budget line represents an increase, it will allow South Country to engage in ongoing capital improvement projects which generate building aid in the long term.

4. Use of reserves is an important component of budgetary planning. The idea is to use reserves as permissible by mandates, while replenishing the funds to the greatest extent possible. The *reserve plan* will be submitted to the BOE in June.

5. Ultimately the goal is to propose a budget that meets the demands of the school district in terms of operating costs; ensures the school district is in a good financial position to address unforeseen costs and to have an appropriate fund balance to mitigate future challenges; and ensures that our larger community is considered when proposing the final tax levy. The process is ongoing and the final budget, along with the proposed tax levy, will be presented April 19.



Projected Revenue Update

Revenue - Funds used to operate the school district



Description	2022-2023	2023-2024
Tax Levy	65,475,965	67,275,993
State Aid	54,588,929	57,381,606
PILOTs (Payments In Lieu Of Taxes)	8,023,904	7,840,357
Miscellaneous Revenue	1,423,272	1,634,044
Federal: CRRSA	3,119,524	0
Federal: ARP	3,417,386	0
Subtotal	136,048,980	134,132,000
Appropriated Fund Balance	4,000,000	4,000,000
ERS Contribution Reserve	500,000	950,000
TRS Contribution Reserve	750,000	750,000
Workers Comp Reserve	500,000	500,000
Unemployment Reserve	200,000	50,000
Employee Benefits Accrued Liability Reserve (EBALR)	800,000	500,000
Total	142,798,980	140,882,000

Tax Levy: This is the contribution made by taxpayers. The final tax levy will be presented at the April 19 BOE meeting.

Miscellaneous Revenue: Includes, but is not limited to - Day School Tuition, Health Services, Interest and Earnings, Medicaid Reimbursement, E-Rate, Rental Income, and Donations.

Federal Funds: CRRSA and ARP were included in the district's revenue in prior years, however, with the funds ending in the 2024/2025 school year, they have been removed in the proposed budget. The remaining funds will be included in the Special Aid Fund and used to offset expenditures.

Use of Reserves: Reserves will be used to offset expenditures in a deliberate manner. Please note that we have not changed the overall use of our reserves, they are just redistributed.

Revenue: All revenue represents the General Fund. South Country's *State Aid* may change as the state's budget is formally adopted. Our *Tax Levy* may also change as we continue to look at expenditures.



Projected Expenditure Update

Budgetary Increases Detail



Account	Function	2022 - 2023	2023 - 2024	Difference	Explanation
1010	Board of Education	3,800	4,000	200	
1040	District Clerk	32,766	65,533	32,766	
1240	Central Administration	4,200	6,500	2,300	
1310	Business Office	552,164	633,267	81,102	
1325	Treasurer	72,802	100,000	27,198	
1430	Human Resources	213,109	217,421	4,312	
1620	Operation of Plant	4,607,487	5,021,482	413,995	
2010	Curriculum	453,799	468,005	14,206	
2020	Supervision Regular School	1,657,612	1,697,648	40,036	
2021	Supervision District Wide (Dept Chairs)	32,600	72,829	40,229	
2110	Instruction Teaching	13,993,573	15,126,222	1,132,649	
2130	Art Department	1,279,327	1,390,087	110,760	
2138	Music Department	725,718	1,004,174	278,457	
2250	Special Education	3,226,579	3,470,269	243,691	
2280	Career & Occupational Education	507,248	522,213	14,965	
2610	Library	466,318	487,903	21,585	
2630	Computer Assisted Instruction	645,000	1,005,603	360,603	
2810	Guidance	1,055,966	1,151,550	95,584	
2815	Health Services	0	10,800	10,800	
2820	Psychologist	483,487	509,483	25,996	
2825	Social Worker	932,215	1,067,648	135,433	
2850	Co-curricular	397,638	403,614	5,976	
2855	Physical Education and Athletics	1,873,943	2,205,384	331,441	
5510	District Transportation	44,417	46,138	1,721	
5530	Lease of Building	43,822	44,698	876	
5545	Transportation Field Trips Dist Wide	18,783	22,459	3,676	
5546	Transportation Field Trips by Building	5,500	34,500	29,000	
9010	Employees Retirement	1,160,241	1,206,651	46,410	
9030	Social Security	4,996,903	5,123,282	126,379	
9045	Life Insurance	90,000	91,339	1,339	
9060	Health Insurance	16,892,822	17,587,115	694,293	
9711	Serial Bonds Principal and Interest	5,595,000	5,625,000	30,000	
9760	Tax Anticipation Note Interest	400,000	500,000	100,000	
9950	Transfer to Capital Fund	0	1,000,000	1,000,000	
	Total:			5,457,978	

Increases are generally based on multiple factors, including inflation, increased staffing, Mac Lab, Music Instruments, Chromebook replacement plan, playground equipment, new scoreboard, field trips, staffing to accommodate new sixth grade program and special classes district wide, a director of technology, and a capital transfer line.

\$5,457,978 in increases thus far.

Budget lines are sorted by the function codes. Each function code listed represents multiple budget lines.

1000 Code: All costs associated with the general administration and operation of the school district.

2000 Code: All costs associated curriculum and instruction, including salaries, supplies, etc.

5000 Code: All costs associated with transportation, including field trips and athletics.

9000 Code: All costs associated employee entitlements and benefits, debt and governmental obligations.



Projected Expenditure Update



Budgetary Reduction Detail

Account	Function	2022-23	2023-24	Difference	Explanation
1240	Central Administration	128,744	95,978	(32,766)	
1310	Business Office	42,000	31,000	(11,000)	
1430	Human Resources	213,602	185,226	(28,376)	
1620	Operations and Maintenance	464,471	205,055	(259,417)	
1622	Safety Officers	153,800	25,000	(128,800)	
1680	Central Printing and Data	280,000	263,230	(16,770)	
2010	Curriculum	762,380	600,510	(161,870)	
2020	Supervision Regular School	1,579,767	1,546,942	(32,825)	
2060	Research Planning, and Evaluation	27,270	22,270	(5,000)	
2070	Inservice Training	10,000	8,500	(1,500)	
2110	Instruction Teaching	16,831,432	15,350,395	(1,481,037)	
2130	Art Department	2,150	0	(2,150)	
2138	Music Department	816,554	759,487	(57,067)	
2250	Special Education	16,727,517	14,127,634	(2,599,883)	
2280	Career & Occupational Education	1,620,672	1,496,870	(123,802)	
2330	Summer Program	644,742	506,742	(138,000)	
2610	Library	427,541	397,010	(30,530)	
2630	Computer Assisted Instruction	204,523	194,163	(10,360)	
2805	Attendance	50,890	50,606	(284)	
2810	Guidance	177,619	170,287	(7,332)	
2815	Health Services	837,500	790,088	(47,412)	
2820	Psychologist	446,324	252,779	(193,545)	
2825	Social Worker	447,089	298,834	(148,255)	
2830	Special Programs	142,840	85,000	(57,840)	
2850	Co-Curricular	6,000	4,000	(2,000)	
2855	Physical Education and Athletics	1,144,731	873,655	(271,077)	
5510	District Transportation	225,000	105,000	(120,000)	
5540	Contract Transportation	9,498,280	9,350,693	(147,587)	
5545	Transportation Field Trips Dist Wide	5,200	1,000	(4,200)	
5546	Transportation Field Trips by Building	14,500	10,000	(4,500)	
5581	Transportation BOCES	31,200	0	(31,200)	
9020	Teacher Retirement	6,099,417	6,041,782	(57,635)	
9040	Workers' Compensation	1,000,000	850,000	(150,000)	
9050	Unemployment Insurance	200,000	100,000	(100,000)	
9055	Disability Insurance	70,000	60,655	(9,345)	
9060	Health Insurance	1,603,339	1,500,000	(103,339)	
9070	Dental Insurance	643,330	618,877	(24,453)	
9080	BTA Sick Leave Buyout	75,000	0	(75,000)	
9089	Tuition Reimbursement	3,000	0	(3,000)	
9711	Serial Bonds Principal and Interest	1,640,550	1,402,975	(237,575)	
9901	Transfer to School Food Service	704,227	250,000	(454,227)	
	Total:			(7,364,958)	

Reductions are generally based on multiple factors, including a three year analysis, contractual changes, diminishing requests for BOCES contracts, and adjustments which still cover operating costs and allows for contingencies.

\$7,364,958 in reductions thus far.

The budget is a tool that helps school district manage their expenditures.

Reductions do not represent cuts to programs.

The amount in each school budget code represents the maximum the district can spend while allowing for unforeseen changes.

Once a school budget is adopted, the goal is to operate in an efficient manner to avoid spending the maximum allowable allocation.

Monies leftover, or fund balances, are used to fund reserves as per the district's reserve plan.

New York State allows for up to a four percent unassigned fund balance. Any funds above and beyond the unassigned fund balance must be used to fund the district's reserves.



Projected Expenditure Update

Including Increases and Reductions



	2022-23	2023-24
Description	Budget	Proposed
1000s	15,933,818	16,021,561
2000s	73,876,131	71,363,775
5000s	10,300,702	10,028,488
9000s	42,678,329	43,468,176
Total	142,788,980	140,882,000

*As of March 22, 2023

Through careful analysis and consultation with multiple resources, the budgetary process yielded \$5,457,978 in increases and \$7,364,958 in decreases. Consequently, the overall proposed budget has been reduced by \$1,906,980.

*As of April 5, 2023

The final tax levy will be presented to the community on April 19.

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[10]

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Questions?