



WILLIAMSVILLE CENTRAL SCHOOL DISTRICT



2020-2021 BUDGET DEVELOPMENT DECEMBER 2019

Scott Martzloff, Ed.D. – Superintendent
Thomas Matuski - Assistant Superintendent



NEW YORK STATE PUBLIC SCHOOL BUDGET REQUIREMENTS

- New York State **requires** the Expense budget to equal the Revenue budget
- Each budget (fiscal year) **must be approved** by the Board of Education and be passed by the District's Community in a public vote. (Villages, Towns, Counties, and State Budgets are approved by elected officials)
- School districts **must follow applicable State law** regarding the budget process (ex. Tax cap, Public notice, Budget vote)



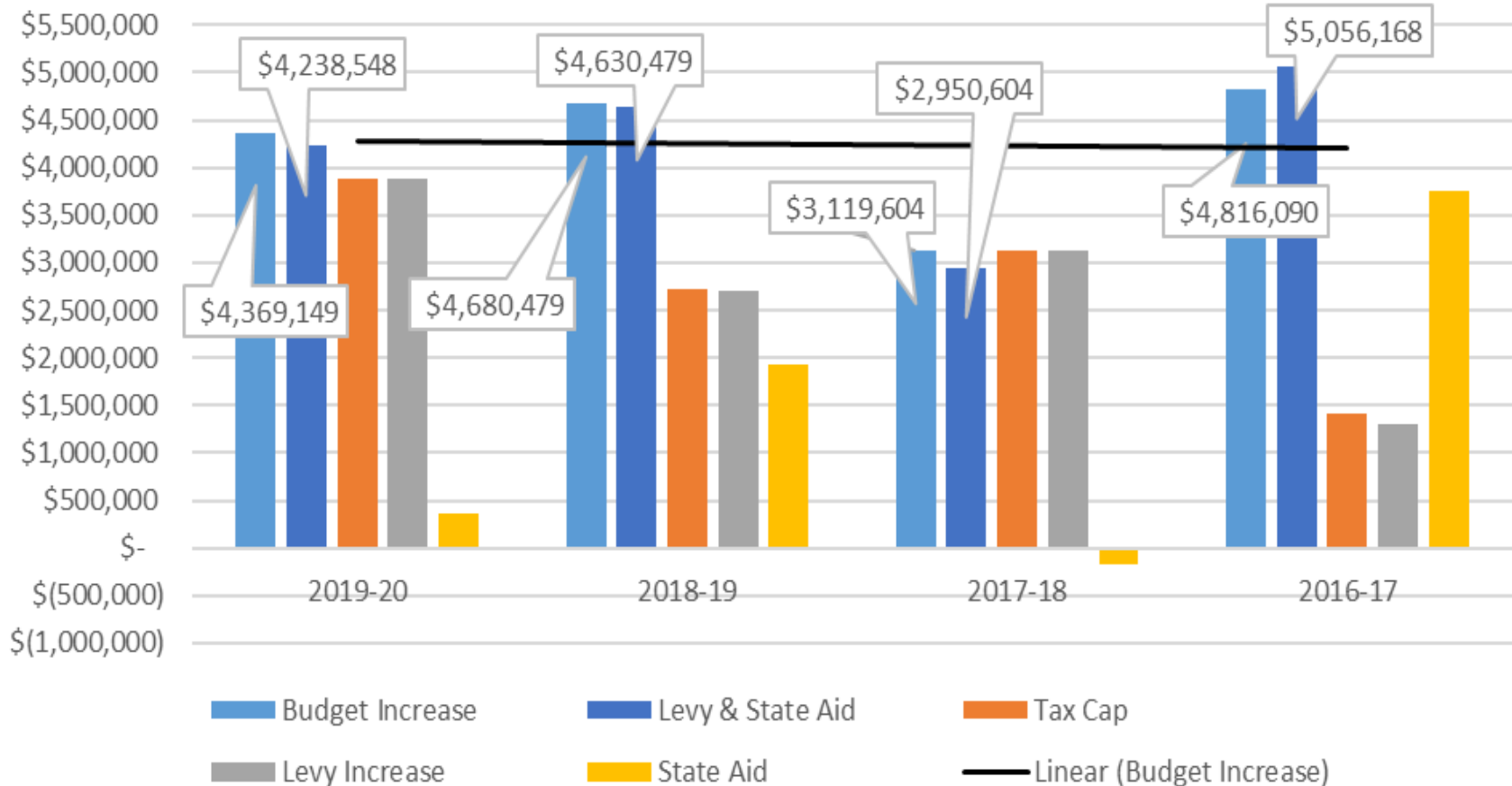
REVENUE – FACTS ABOUT THE TAX CAP

1. There is no tax levy increase limit for school districts.
2. If a District chooses to exceed the annual calculated Tax Cap amount, it may do so with the added requirement that for the budget to be approved the District, it must receive a minimum of 60% of the votes (**Super-majority**)
3. Districts whose budgets are defeated by their voters may only choose to have one re-vote
4. If there are two budget vote defeats, there is a mandated **0% levy increase**



REVENUE INCREASES

Historical Changes in Budget-Tax Cap-Levy and State Aid





LONG-RANGE FORECAST - REVENUE

- **State Aid** – New York State foundation aid is estimated to increase at approximately 2.0% each year or \$667,000
 - *Enrollment decreases lower the actual increase below 2.0%*
- **Sales Tax** –No increase is projected
- **Tax Levy** – The tax levy is projected under the tax cap amount - 2.25%
- **Appropriated Reserves** – Limited reduction \$180,000
- **Fund Balance** – Limited reduction - \$200,000



ANNUAL HUMAN RESOURCE BUDGET INCREASES

- **Salary** increases per negotiated contracts
- **New York State Retirement** system rate changes
- **Health insurance** (self-insured) – Claims
- **Workers compensation** – Claims
- **Social security payments** (Federal law) – increase based on Social Security rates, wage limits, and district salaries
- **Staffing** – Retirements, instructional program changes, other employee positions



HUMAN RESOURCES – SALARY AND BENEFITS

Year	Total Budget	Total Salary	Salary % of Budget	Total Benefits	Benefits % of Budget	Total Salary and Benefits	Salary & Benefits % of Total Budget
2006-07	\$ 139,104,702	\$ 83,153,060	59.78%	\$ 25,332,882	18.21%	\$ 108,485,942	77.99%
2007-08	\$ 145,255,205	\$ 86,282,914	59.40%	\$ 27,170,927	18.71%	\$ 113,453,841	78.11%
2008-09	\$ 151,217,615	\$ 88,709,443	58.66%	\$ 29,169,844	19.29%	\$ 117,879,287	77.95%
2009-10	\$ 154,737,216	\$ 91,096,686	58.87%	\$ 29,867,013	19.30%	\$ 120,963,699	78.17%
2010-11	\$ 159,291,824	\$ 94,183,152	59.13%	\$ 31,944,451	20.05%	\$ 126,127,603	79.18%
2011-12	\$ 161,813,545	\$ 91,987,964	56.85%	\$ 36,540,480	22.58%	\$ 128,528,444	79.43%
2012-13	\$ 164,545,249	\$ 93,304,071	56.70%	\$ 37,741,605	22.94%	\$ 131,045,676	79.64%
2013-14	\$ 170,003,254	\$ 94,744,126	55.73%	\$ 41,576,953	24.46%	\$ 136,321,079	80.19%
2014-15	\$ 173,956,594	\$ 96,178,682	55.29%	\$ 42,735,177	24.57%	\$ 138,913,859	79.86%
2015-16	\$ 178,199,516	\$ 98,603,454	55.30%	\$ 43,560,177	24.40%	\$ 142,163,631	79.80%
2016-17	\$ 183,015,606	\$101,430,863	55.40%	\$ 43,441,794	23.70%	\$ 144,872,657	79.20%
2017-18	\$ 186,135,210	\$103,561,252	55.64%	\$ 37,513,143	20.15%	\$ 141,074,395	75.79%
2018-19	\$ 190,815,689	\$106,433,397	55.78%	\$ 38,912,843	20.39%	\$ 145,346,240	76.17%
2019-20	\$ 195,184,838	\$109,709,698	56.21%	\$ 39,212,843	20.09%	\$ 148,922,541	76.30%
Percent Change over Fourteen Years			-3.57%		1.88%		-1.69%
Average % of Budget - Fourteen Years			57.05%		21.35%		78.41%



LONG-RANGE FORECAST - EXPENSE

- **Salary** – The forecasted increase ranges from 2.75%-2.25%
- **Teacher and Employee Retirement Systems** – Essentially, no increase of decrease
- **Health Insurance** – Increases initially at 4.0%, 6.0%, 6.0% and 8.0%
- **Utilities** – Essentially, no change is made in the forecast.
- **Facilities** – No increase or decreases are included to these budgets. Facility maintenance and improvements are highly dependent on the Repair Reserve.
- **Transportation** – Contract increases based on the Student Transportation of America agreement. Increases are set by the New York State Education Department, transportation CPI rate. Estimated at \$200,000 per year.



2019-20 - LONG-RANGE PLAN

Forecast Summary	2020-21		2021-22		2022-23		2023-24	
Revenue Budget	\$ 198,586,719		\$202,044,768		\$ 205,528,678		\$209,140,132	
Expense Budget	\$ 201,092,628		\$205,814,963		\$ 210,393,377		\$216,547,311	
Current Year Reductions Required	\$ (2,505,909)		\$ (3,770,195)		\$ (4,864,698)		\$ (7,407,180)	
Forecasted Balanced Budget	\$ 198,586,719		\$202,044,768		\$ 205,528,678		\$209,140,132	
Projected Budget Increases	\$ 3,401,881	1.83%	\$ 3,458,049	1.74%	\$ 3,483,910	1.72%	\$ 3,611,453	1.76%

Revenue Summary	2020-21		2021-22		2022-23		2023-24	
Revenue Increase for State Aid	\$ 875,289		\$ 587,960		\$ 598,119		\$ 608,482	
Revenue Increase for Tax Levy	\$ 2,855,833		\$ 2,920,089		\$ 2,985,791		\$ 3,052,971	
Revenue State Aid + Tax Levy	\$ 3,731,122		\$ 3,508,049		\$ 3,583,910		\$ 3,661,453	
Other Revenue Changes	\$ (329,241)		\$ (50,000)		\$ (100,000)		\$ (50,000)	
Total Revenue Changes	\$ 3,401,881		\$ 3,458,049		\$ 3,483,910		\$ 3,611,453	



FACTORS AFFECTING FUTURE BUDGETS

New York State Finances:

Post-Star editorial board - Jul 19, 2019

“The comptroller’s reports says state spending is projected to increase at an average of 4.1 percent a year from 2021 to 2023, while revenues are projected to increase at 3 percent” , “Budget shortfalls of \$3.9 billion in 2021, growing to \$4.7 billion for 2023 are predicted, and that is only if the state personal income tax continues to grow at a 5.2 percent rate”

https://poststar.com/opinion/editorial/editorial-gov-cuomo-s-budget-trickery-worries-us/article_88b686fd-aa17-5b4b-a709-ed0f8f1ba640.html

New York State School Aid:

Potential change or replacement in Foundation Aid State Formula – Positive or negative for Williamsville CSD?



LONG-RANGE PLANNING GOALS

- Awareness on the need to address lower revenue increases versus higher expense increases each year – *Long-Range Planning*
- Using appropriated reserves and fund balance can create a funding deficit if the revenue cannot be replaced in the next budget – *Long-Range Planning*
- Awareness on the impact of future labor negotiations on future budget cycles in new bargaining unit agreements – *Long-Range Planning*
- Changing New York State laws pertaining to school district budgets (expense and revenues) – *Long-Range Planning*



NEXT STEPS: 2020-21 BUDGET DEVELOPMENT

- December – January – Compile school building administrator's budget requests
- January – Initial presentation of Budget increases to the Board of Education
- January – Anticipated receipt of the District's 2020-21 Governor's State Aid run
- January – District begins developing the BOCES budget
- February – Complete tax cap calculation