



Williamsville Central School District Budget Development March 9, 2021

Presentation Topic:

21-22 Preliminary Budget

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Assistant Superintendent**



March 2021-22 Preliminary Budget Presentation Outline

- Revenue – Update on federal aid
- Revenue – Update on tax cap calculation
- Revenue – Updated revenue budget
- Expenses – Program continuation increases
- Preliminary budget summary
- Review budget reduction decision-making criteria
- Review selected budget reductions
- Followed decision-making criteria - **no major program reductions**
- State preliminary budget status and positioning for the 2022-23 year
- Tax rate/bill estimates
- Action steps for receipt of more or less federal aid
- Preliminary budget discussion



Budget Impact Information since the February Board of Education Meeting

- Revenue – Additional Federal Revenue +\$3,417,000 (Federal revenue has been passed by Congress, final revenue to be determined)
- Usage of Additional Federal Revenue

Federal Revenue Summary	2021-22 February Budget	2021-22 March Budget	2022-23 Available Budget
NYS - Supplementary Stimulus (available in 21-22 and/or 22-23)	\$ 9,607,193	\$ 6,607,193	\$ 3,000,000
March - Projected Additional Federal Revenue	\$ -	\$ 3,417,000	\$ -
Total Budgeted Federal Revenue	\$ 9,607,193	\$ 10,024,193	\$ 3,000,000
Increase in Budgeted Federal Revenue from February Estimate		\$ 417,000	



2021-22 Tax Cap – Submitted to OSC

Key Points:

- a. Under Tax Cap
- b. 2.59% increase

		Tax Cap Calculation	
Tax Levy (2020)		\$	130,415,000
Growth Factor	x		1.0102
		\$	131,745,233
2020-21 PILOTS	+	\$	2,850,000
		\$	134,595,233
Tax Levy Judgements-Torts			
Capital Expenses - Debt Svc	-	\$	-
Capital Expenses - Equip	-	\$	-
		\$	134,595,233
CPI Allowed Increase (1.23%)	x		1.0123
		\$	136,250,754
2021-22 PILOTS (Estimated)	-	\$	2,461,138
Subtotal		\$	133,789,616
Capital Expenses - Debt Svc	+		
Capital Expenses - Equip	+	\$	-
TRS Exemption	+	\$	-
ERS Exemption	+	\$	-
Tax Levy Limit	=	\$	133,789,616
Levy Increase		\$	3,374,616
Available Levy Carryover		\$	7,956
Adjusted Levy Increase		\$	3,382,572
Adjusted Tax Levy Limit		\$	133,797,572
Percent Levy Increase			2.59%
Proposed Levy		\$	133,790,000
Levy Increase		\$	3,375,000
Percent Levy Increase			2.59%
Amount under Levy Limit		\$	(7,572)

March 2021-22 - Revenue Projection

	Budget 2018-19	Budget 2019-20	Budget 2020-21	Governor's Budget 2021-22	Governor's Dollar Change 21-22 vs. 20-21
STATE AID:					
Basic Formula Aid - Foundation Aid	\$ 24,651,680	\$ 24,900,000	\$ 25,072,791	\$ 25,072,791	\$ -
Basic Formula Aid - Excess Cost Aids	1,351,353	1,508,497	1,534,559	1,706,079	\$ 171,520
Transportation Aid	5,138,898	5,276,901	4,976,528		\$ (4,976,528)
BOCES Aid	2,526,151	2,392,861	2,848,142		\$ (2,848,142)
Software, Library and Textbook Aid	1,057,337	1,056,440	1,033,904		\$ (1,033,904)
Services Aid				6,536,056	\$ 6,536,056
Building Aid	7,790,270	7,744,481	6,903,138	6,607,618	\$ (295,520)
COVID-19 Supplementary Stimulus				6,607,193	\$ 6,607,193
NYS Pandemic Reduction					\$ -
Federal Restoration				3,417,000	\$ 3,417,000
TOTAL - STATE AID	\$ 42,515,689	\$ 42,879,180	\$ 42,369,062	\$ 49,946,737	\$ 7,577,675
FEDERAL AID (MEDICAID)	\$ 275,000	\$ 325,000	\$ 325,000	\$ 150,000	\$ (175,000)
OTHER INCOME:					
PILOTS	\$ 3,200,000	\$ 2,700,000	\$ 2,850,000	\$ 2,461,138	\$ (388,862)
Interest/Penalties on Real Property Taxes	10,000	10,000	10,000	10,000	\$ -
Sales Tax	10,925,000	11,225,000	11,325,000	10,550,000	\$ (775,000)
Tuitions:					
Day School Tuition - Nonresidents					
Day School Tuition - Other Districts	125,000	150,000	150,000	25,000	\$ (125,000)
Summer School Tuition					
Other Student Fees/Charges	90,000	90,000	90,000	5,000	\$ (85,000)
Admissions From Individuals	25,000	25,000	25,000	1,000	\$ (24,000)
Services Provided to BOCES	15,000	12,000	8,000	8,000	\$ -
Health Services to Other Districts	425,000	340,000	345,000	100,000	\$ (245,000)
Interest Earnings	70,000	510,000	910,000	40,000	\$ (870,000)
Rentals of Real Property to BOCES	18,000	14,000	14,000	2,000	\$ (12,000)
Rentals of Equipment to Individuals	16,000	16,000	16,000	10,000	\$ (6,000)
Charges for Use of Building	250,000	250,000	250,000	125,000	\$ (125,000)
Sale of Property	22,000	35,000	20,000	20,000	\$ -
Insurance Recoveries	5,000	750	550	550	\$ -
Refund of Prior Year's Expense	350,000	350,000	325,000	275,000	\$ (50,000)
Miscellaneous Revenue HCP	25,000	13,000	13,000	13,000	\$ -
Donations, Gifts, and Other Revenue	129,149	110,000	35,118	35,118	\$ -
TOTAL - OTHER INCOME	\$ 15,700,149	\$ 15,850,750	\$ 16,386,668	\$ 13,680,806	\$ (2,705,862)
APPROPRIATED FUND BALANCE	\$ 5,424,000	\$ 5,424,000	\$ 5,574,000	\$ 5,574,000	\$ -
EMPLOYEE BENEFITS RESERVE	400,000	400,000	600,000	600,000	\$ -
WORKERS COMPENSATION RESERVE	600,000	600,000	700,000	700,000	\$ -
REPAIR RESERVE	330,000	330,000	330,000	330,000	\$ -
UNEMPLOYMENT RESERVE	70,000	-	50,000	50,000	\$ -
RETIREMENT SYSTEM RESERVE	2,450,000	2,450,000	2,450,000	2,450,000	\$ -
TOTAL APPROPRIATED	\$ 9,274,000	\$ 9,204,000	\$ 9,704,000	\$ 9,704,000	\$ -
PROPERTY TAX LEVY ISSUED	\$ 123,050,851	\$ 126,925,908	\$ 130,415,000	\$ 133,790,000	\$ 3,375,000
NYS STAR FUNDING ADJUSTMENT (L DFA)				\$ (8,683,679)	\$ (8,683,679)
NET PROPERTY TAX LEVY				\$ 125,106,321	\$ (5,308,679)
TOTAL REVENUE BUDGET	\$ 190,815,689	\$ 195,184,838	\$ 199,199,730	\$ 198,587,864	\$ (611,866)
TOTAL EXPENSE BUDGET	\$ 190,815,689	\$ 195,184,838	\$ 195,184,838	\$ 205,020,967	
BALANCED BUDGET	-	-	-	(6,433,103)	
Budget	2.51%	2.29%	2.06%	-0.31%	
Net Levy (21-22 only)	2.24%	3.15%	2.75%	-4.07%	

-\$2.4 million State Aid deficit based on the Governor's State Aid reports

COVID-19 Supplementary Stimulus, \$9.6 million plus anticipated \$3,417,000.

Reduced multi-year stimulus aid \$3,000,000 to be used in 22-23 year

OSC tax cap submitted - \$133,797,572, \$7,572 under the tax cap



Williamsville CSD – Program Continuation (Increases)

2021-2022 Budget Development - March 2021 Report				2022-2023 Budget Development			
Program Continuation - Required Expense Increases				Program Continuation - Required Expense Increases			
Base Budget - 2020-2021 Budget			\$ 199,199,730	Projected Base Budget - 2021-2022 Budget			\$ 205,020,967
Expense Description	Justification	Classification		Expense Description	Justification	Classification	
		M=Mandated C=Contractual I=Inflation PS=Program Support				M=Mandated C=Contractual I=Inflation PS=Program Support	
Employee Salaries	Salary increases for district staff. Actual budgeted increase.	C	\$ 4,706,237	Employee Salaries	Salary increases for district staff. Represents a 2.0% increase	C	\$ 2,450,000
Social Security (FICA) Employer portion	Salary increases result in a higher Social Security Administration liability.	M	\$ 325,000	Health Insurance	Increases dependent on district claims.	M	TBD
New York State Retirement system increases (TRS and ERS)	The District is mandated to contribute an employer's share of retirement system payments each year. Both systems contribution rates are increasing. ERS = 16.2% and TRS=9.53%	M	\$ 450,000	BOCES	BOCES services for career and technical student courses, special education, and administrative support functions	M	\$ 400,000
BOCES	BOCES services and increases in the career and technical student courses, special education, and administrative support functions - Early estimate	M	\$ 340,000				
TOTAL REQUIRED EXPENSE INCREASES			\$ 5,821,237	TOTAL REQUIRED EXPENSE INCREASES			\$ 2,850,000
2021-22 BUDGET DEVELOPMENT TOTAL			\$ 205,020,967	2022-23 BUDGET DEVELOPMENT TOTAL			\$ 207,870,967
Comparison - Percentage of Budget Increase			2.92%	Comparison - Percentage of Budget Increase			1.39%



Williamsville CSD – 2021-22 Budget Development Status Summary March 2021

February Revenue Estimate	\$198,587,864
February Expense Estimate	\$205,020,967
Budget Deficit	-\$6,433,103

Revenue estimates **do** include federal aid per NYS of \$6 billion for education and do include COVID-19 Supplemental Stimulus aid of \$3,417,000. Deficit reduced by **\$417,000** due to additional federal aid.



Budget Reductions: Criteria and Prioritization Factors for Non Mandated Items

- **Minimize** significant impacts to the core instructional programs
- **Minimize** significant impacts to instructional student supports for educational learning
- **Do not dismantle** non mandatory program structures (selective reductions that allow for reinstatement of reductions in the future)
- Allocate reductions in an **equitable manner across K-12 and all support areas**
- Consider **proportional reductions over a number of areas** rather than a large reduction in few areas
- Budget reduction areas must consider the **potential need for future budget year reductions**
- Address the **reality of the deficit situation** in reviewing and discussing all reductions



2021-22 – Explanation of Preliminary Budget Reduction List

Comprehensive distribution of reductions across the District's budget

- **25% Reductions** (Contractual, Supplies, Equipment and Conference) – allows for future decrease if required in 22-23, \$1,773,703, saves program
- **Utility budget** – provides appropriate budget, \$150,000 saves program
- **Usage of planned fund balance** - \$1,000,000 saves program
- **Reduced Bond Anticipation Note payment** - \$200,000 saves program
- **(25) teacher retirements** - \$1,400,000, saves program
- **December staffing report**-No impact on program - \$588,063, saves program
- **Class staffing plans** (**No change** in class size guidelines)\$1,082,509
 - Staff planning to upper limits
 - Minimal reductions, spread across all school, one position reduction at each school
 - Position reductions are likely to be new hires (i.e. teacher retirements)
 - Some classes may be over the limit and aides to be provided for support
 - Allows for lower class sizes to be easily implemented in the future
- **Administrative, aide and clerical** reduction - \$238,829



Williamsville CSD – 2021-22 Preliminary Budget Reduction List - March 2021

March Reductions Required to Balance 2021-22 Budget =		\$ 6,433,103	\$ 6,433,103	
Budget Reductions in March 2021 Preliminary Budget:				
		25%	30%	50%
Budget	Total Budget	\$ 6,433,103	\$ 6,433,103	\$ 6,433,103
Contractual (25% reduction)	\$ 2,903,475	\$ (725,869)	\$ (871,043)	\$ (1,451,738)
Supplies (25% reduction)	\$ 2,344,082	\$ (586,021)	\$ (703,225)	\$ (1,172,041)
Equipment (25% reduction)	\$ 1,603,084	\$ (400,771)	\$ (480,925)	\$ (801,542)
Conference expenses (25% reduction)	NA	\$ (61,042)	\$ (73,250)	\$ (122,084)
Utility code reduction	NA	\$ (150,000)	\$ (150,000)	\$ (150,000)
HR Salary	NA	\$ (500,000)	\$ (500,000)	\$ (500,000)
Benefit Health Ins	NA	\$ (500,000)	\$ (500,000)	\$ (500,000)
Reduce BAN payment	NA	\$ (200,000)	\$ (200,000)	\$ (20,000)
Projected Retirements (25)	NA	\$ (1,400,000)	\$ (1,400,000)	\$ (1,400,000)
Staffing Reduction (Dec Rpt)	NA	\$ (588,063)	\$ (588,063)	\$ (588,063)
Class staffing Elem (to current max level -6) - Salary	NA	\$ (313,800)	\$ (313,800)	\$ (313,800)
Class staffing Elem (to current max level) - Benefits	NA	\$ (190,254)	\$ (190,254)	\$ (190,254)
Class staffing MS (to current max level -4) - Salary	NA	\$ (209,200)	\$ (209,200)	\$ (209,200)
Class staffing MS (to current max level - 4) Benefits	NA	\$ (126,836)	\$ (126,836)	\$ (126,836)
Class staffing HS (to current max level -3) - Salary	NA	\$ (156,900)	\$ (156,900)	\$ (156,900)
Class staffing HS (to current max level - 3) Benefits	NA	\$ (85,519)	\$ (85,519)	\$ (85,519)
Reduce aides	NA	\$ (65,000)	\$ (65,000)	\$ (65,000)
Reduce clerical staff	NA	\$ (50,000)	\$ (50,000)	\$ (50,000)
Reduce Administration	NA	\$ (123,829)	\$ (123,829)	\$ (123,829)
Total Reductions		\$ (6,433,103)	\$ (6,787,843)	\$ (8,026,806)
Additional Reductions Required		\$ (0)	\$ (354,740)	\$ (1,593,703)
Salary for class size (per staffing report, Dec. 2020)		\$ 52,300		
Benefits (per staffing report, Dec. 2020)		\$ 31,709		
Total		\$ 84,009		



Williamsville 2021-22 Preliminary Budget Summary

2021-22 Program Impact and Strategic reduction planning

- Instructional programs are **not** reduced
- Non mandatory programs: music, athletics and others are **not** reduced
- **Minimizes** teacher and staff eliminations (retirements and personnel changes should address position reductions)
- **Utilizes** fund balance planning (requires close monitoring in the future)

Considers next year's budget - 2022-23 Budget

- **\$3,000,000** COVID-19 Supplementary stimulus will be available in the 2022-23
- The 25% reduction level **allows for future** reductions if needed
- **Realistic** revenue estimates are based on current information and have been reduced \$2,880,862 to reflect COVID-19 impacts
- **Under** the tax cap, **preserves** the STAR refund for our taxpayers
- **Allows for program budget restoration** in the future (25% reduction areas)



2021-22 Preliminary Budget Status March 2021

- **Budget Total = \$198,587,864, -0.31%** (budget to budget), **decrease**
- **Levy = \$133,790,000, 2.59% increase**
- **Net Levy (due to STAR)* = \$125,106,321, -4.07% decrease**
- **Tax rate (Amherst) = \$18.04 – 2.59%****

FUTURE CONSIDERATIONS

- **Must continue to be concerned about funding cliff in the future when federal funds disappear** – Per New York State School Boards, “Use of (CRRSA Act) funding results in **a significant financial cliff for the following year**” when reviewing budget reductions
- **Full Disclosure** – The development of the 2022-23 budget is likely to be much more difficult than the 2021-22 budget

* Taxpayer STAR tax bill reductions **will occur as in the past**

**2020 assessment and equalization rates used for tax rate estimate



Williamsville Preliminary Budget Tax Rate and Tax Bill Estimates

Town of Amherst Assessed Value	STAR Subsidy	Tax Increase
\$ 150,000	Basic	\$ 32.46
	Enhanced	\$ 16.44



- Based on 2020 assessed values and equalization rates
- Taxpayer STAR tax bill reductions **will occur as in the past**



What Steps will be Taken if Additional Federal Aid or less Federal Aid is received

Additional Federal Aid

- **Apply** aid to reduce the STAR revenue loss, **transfer** Federal aid to 2022-23 budget
- **Partially retract class staffing** adjustments to maximums starting at the elementary level
- **Restore** the BAN reduction
- **Restore** utility budget reduction
- **Restore** aide reduction
- **Restore** clerical reduction
- **Equitably** restore 25% reductions

Reduction in Federal Aid

- Review non-mandatory reduction list and select new reduction options using the 2020-21 budget reduction criteria
- Fund balance reductions are not available due to the allocation amounts being used to a maximum level in the preliminary budget



2021-22 Budget Development Action Items

- Receive feedback on preliminary budget
- Update program continuation items if applicable
- Update New York State Aid if new information becomes available
- Update revenue estimates if new information becomes available
- Update federal aid if changed (COVID-19 Supplemental Stimulus Aid)
- Budget work session on March 23, 2021
- Proposed 2021-22 budget review approval on April 13, 2021



Preliminary Budget Discussion:

