



Williamsville Central School District Budget Development-Work Session March 23, 2021

Presentation Topic:

21-22 Updated Preliminary Budget

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Assistant Superintendent



Budget Development -Work Session Presentation Outline March 23, 2021

- Revenue – Update on Federal and New York State aid
- Revenue – Projected revenue budget with potential aid changes
- Preliminary 2021-22 budget summary
- Action steps applicable to the 2022-23 revenue budget
- Preliminary budget discussion

South High
East High
North High
Aim
Casey Middle
Heim Middle
Mill Middle
Transit Middle



Country Parkway Elementary
Dodge Elementary
Forest Elementary
Heim Elementary
Maple East Elementary
Maple West Elementary



New York State Aid/Federal Aid Current State Assembly and Senate Discussions

- Both the State Senate and Assembly's budget bills **reject** the Governor's STAR aid reduction proposal
- Potential restoration of STAR aid reduction **+\$8,683,679**
- Both the State Senate and Assembly **reject** the Services aid consolidation proposal
- Other state aid revenue additions?
- April 1, 2021 – New York State's Budget Adoption Deadline



March 9, 2021 - 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 (LDFA)				\$ (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%	

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

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

March 23, 2021 - Revenue Projection

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Federal Restoration				3,240,000	\$ 3,240,000
TOTAL - STATE AID	\$ 42,515,689	\$ 42,879,180	\$ 42,369,062	\$ 47,696,161	\$ 5,327,099
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)
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EMPLOYEE BENEFITS RESERVE	400,000	400,000	600,000	600,000	\$ -
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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 (LDFA)					\$ -
NET PROPERTY TAX LEVY				\$ 133,790,000	\$ 3,375,000
TOTAL REVENUE BUDGET	\$ 190,815,689	\$ 195,184,838	\$ 199,199,730	\$ 205,020,967	\$ 5,821,237
TOTAL EXPENSE BUDGET	\$ 190,815,689	\$ 195,184,838	\$ 195,184,838	\$ 205,020,967	
BALANCED BUDGET	-	-	-	-	
Budget	2.51%	2.29%	2.06%	2.92%	

1. Restoration of STAR funding of \$8,683,679

2. Federal Aid increased by \$2,073,576 in 2022-23

3. Eliminates the District's working deficit of (\$6,433,103)

4. Revenue budget is increased by \$6,433,103



Budget Impact Information since the March Board of Education Meeting

- Revenue – Previously based on additional Federal Revenue **+\$3,417,000** (March 9, 2021 presentation)
- Federal Revenue now set at **+\$3,240,000, Lower by (\$177,000)**
- Revenue – Projected restoration of STAR revenue reimbursement

Federal Revenue Summary (March Work Session)	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	\$ 4,533,617	\$ 5,073,576
March - Projected Additional Federal Revenue	\$ -	\$ 3,240,000	\$ -
Total Budgeted Federal Revenue	\$ 9,607,193	\$ 7,773,617	\$ 5,073,576
Budgeted Federal Revenue transferred to 2022-23 year			\$ 5,073,576



Williamsville CSD – Program Continuation (No Change)

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 M=Mandated C=Contractual I=Inflation PS=Program Support		Expense Description	Justification	Classification 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 Work Session

March Revenue Estimate	\$205,020,967
March Expense Estimate	\$205,020,967
Budget Deficit	\$0

Revenue estimates is based on **restoration of STAR reimbursement** payments to school districts **+\$8,683,679**.

Federal aid (stimulus 3) was **reduced** by **(\$177,000)**, \$3,417,000 to \$3,240,000, budget not changed. Allows for staffing flexibility that may still be required due to the plausibility of continued COVID-19 instructional impact in 2021-23, (i.e. Remote instruction), as well as budget planning for 2022-23.



2021-22 Preliminary Budget Status March 23, 2021

- **Budget Total = \$205,020,967, +2.92%** (budget to budget)
- **Levy = \$133,790,000, +2.59% increase**
- **Tax rate (Amherst) = \$18.04, +2.59%**

FUTURE BUDGET YEAR CONSIDERATIONS

- **Funding cliff** when **federal funds disappear is not known**
- **Full Disclosure** – The development of the **2022-23** and **2023-24** budgets are likely to be more difficult than the 2021-22 budget

Federal dollars allocated to 2021-22	= \$7,773,617
Federal dollars allocated to 2022-23	= <u>\$5,073,576</u>
Federal dollar or revenue loss in 2022-23	= -\$2,700,041

No revenue loss is acceptable, 2022-23 revenue loss is more manageable, 2023-24 will see a revenue loss of \$5,073,576



Williamsville Preliminary Budget Tax Rate and Tax Bill Estimates (No Change) from March 9, 2021

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**



Williamsville 2021-22 Preliminary Budget Summary

2021-22 Program Impact and Strategic budget planning

- Instructional programs are **maintained**
- Non mandatory programs: music, athletics and others are **maintained**
- **All** March 9, 2021 budget reductions have been **restored**
- **Considers long-range planning by allocating funds to 2022-23 budget**

Contingent on New York State STAR revenue restoration





What Steps will be Taken if Federal Aid / State Aid is MORE or LESS than Projected

Additional Federal Aid/State Aid

- **Transfer** Federal aid to 2022-23 budget to **reduce \$2.7 million revenue deficit**



Reduction Federal Aid/State Aid

- Implement the **least impactful** budget reductions listed in the March 9, 2021, preliminary budget presentation:
 - Retirements (\$1,400,000)
 - 25% reductions (\$1,712,661)
 - Fund Balance (\$1,000,000)
 - Use Federal Aid allocated to 22-23

Note: Consider 2022-23 normal budget increases; minimally \$2,850,00, 21-22 increase is \$5,821,967; must be added to any revenue deficit



2021-22 Budget Development Action Items

- Continue to consider feedback on preliminary budget
- Update New York State Aid (may impact)
- Update Federal aid if **direct aid payment** comes to school districts
- Budget **approval** scheduled for **April 13, 2021**





Preliminary Budget Discussion:





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



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		



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