



WILLIAMSVILLE CENTRAL SCHOOL DISTRICT



2022-2023 BUDGET DEVELOPMENT LONG-RANGE PLAN - DECEMBER 2021

Dr. Brown-Hall - Superintendent

Thomas R. Maturski-Assistant Superintendent for Finance and Management Services



LONG-RANGE PLAN – BACKGROUND NEW YORK STATE PUBLIC SCHOOL BUDGET REQUIREMENTS

- New York State **requires** a balanced budget meaning that the Expense budget must equal the Revenue budget
- Each budget (fiscal year) **must be approved** by the Board of Education and 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)



LONG-RANGE PLAN-BACKGROUND 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 stipulation that requires a minimum of 60% of the votes for approval (**Super-majority**)
3. Districts whose budgets are defeated by their voters may only choose to have one re-vote
4. After **two** budget vote defeats, there is a mandated **0% levy increase**
5. Discussion on changes to the tax cap for the 2022-23 year



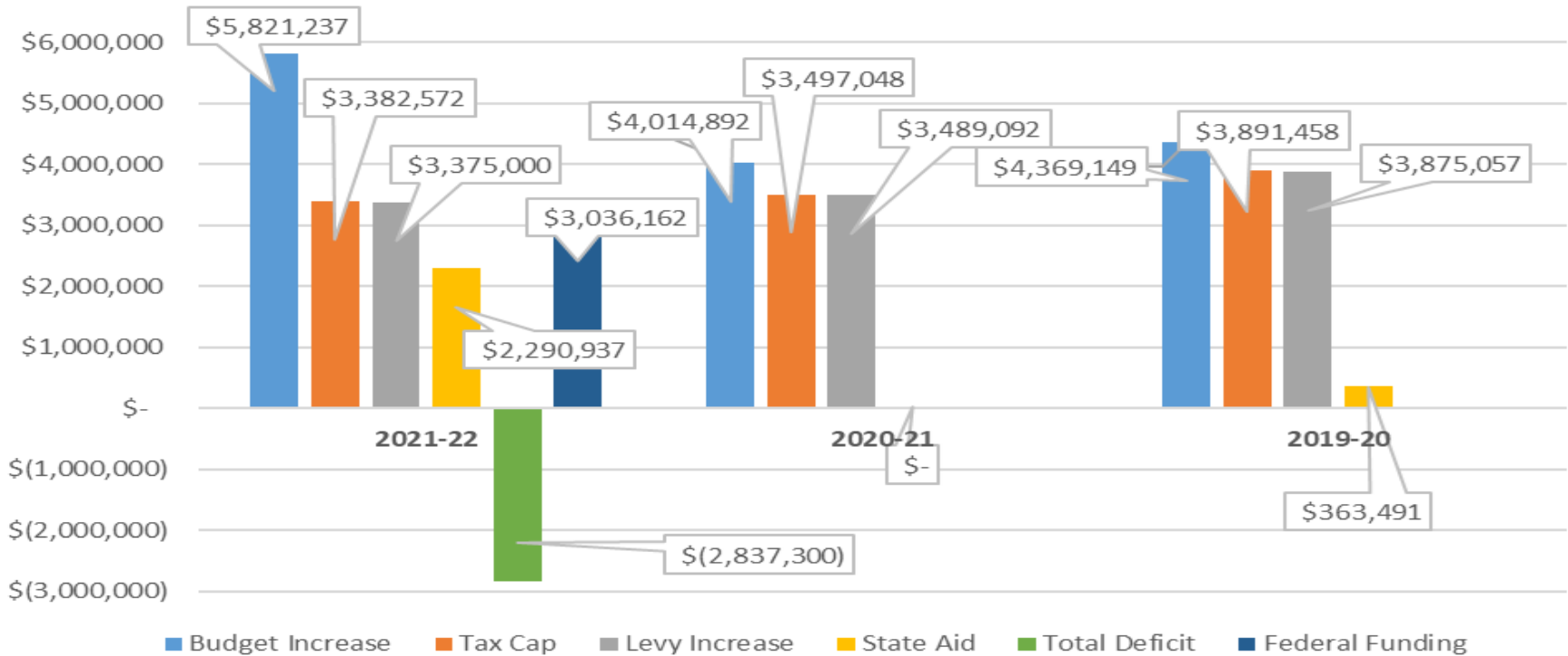
LONG-RANGE PLAN- BACKGROUND NOTABLE REVENUES-2021-22 BUDGET

- New York State Aid-23.26%
- Sales Tax Receipts-5.15%
- Interest Earnings-0.02%
- Medicaid-0.07%
- Tax Levy-65.26%
- Tuition-other districts-0.01%
- Fees and charges-0.001%
- Admissions-0.001%
- Health services other districts-0.05%
- Charges for use of buildings-0.06%



LONG-RANGE PLAN-BACKGROUND REVENUE CORRELATION TO EXPENSE INCREASES

Budget-Tax Cap-Levy-State Aid and Revenue Deficits





LONG-RANGE PLAN REVENUE FORECAST-STATE AID

Revenue	2022-23	2023-24	2024-25	2025-26
Total State Aid	\$ 47,918,271	\$ 47,604,741	\$ 47,303,341	\$ 48,014,313
Dollar Change	\$ 222,110	\$ (313,530)	\$ (301,400)	\$ 710,972
% of Change	0.55%	-0.65%	-0.63%	1.50%

2022-23: Includes \$2,000,000 of federal grant funding, \$1.2 million in Foundation aid due to full implementation of program

2023-24: Includes \$1,000,000 of federal grant funding, 2.0% increase in Foundation aid

2024-25: No federal grant funding, 2.0% increase in Foundation aid

2025-26: No federal grant funding, 2.0% increase in Foundation aid



LONG-RANGE PLAN REVENUE FORECAST-TAX LEVY

Revenue	2022-23	2023-24	2024-25	2025-26
Total Tax Levy	\$ 137,790,000	\$ 141,790,000	\$ 145,790,000	\$ 149,790,000
Dollar Change	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
% of Change	2.98%	2.90%	2.82%	2.74%

- All tax levies are under the tax cap
- Estimated CPI rate is 2.0%
- Estimated assessment growth is 2.0%
- Impact of CPI rate and assessment growth results in levy change above 2.0%



LONG-RANGE PLAN- BACKGROUND NOTABLE EXPENSES-2021-22 BUDGET

- Salaries – 57.14%
- Benefits – 18.89%
- Utilities-1.71%
- Instructional contractual-6.49%
- Instructional supplies-0.08%
- Equipment-1.16%
- Bus transportation-4.19%
- Debt service-2.37%
- Salaries and benefits represent 76% of the total budget
- Athletic budget is \$1.8 million
- BOCES budget is \$9 million and most expenses are aidable at 59%
- Program component – 77.17%
- Capital component – 14.44%
- Administrative component – 8.39%



LONG-RANGE PLAN- BACKGROUND

NOTABLE EXPENSES-SALARY/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%
2020-21	\$ 199,199,730	\$112,523,350	56.49%	\$ 39,177,493	19.67%	\$ 151,700,843	76.16%
2021-22	\$ 205,020,967	\$117,140,506	57.14%	\$ 38,726,381	18.89%	\$ 155,866,887	76.02%
Percent Change over Sixteen Years			-2.64%		0.68%		-1.96%
Average % of Budget - Sixteen Years			57.02%		21.09%		78.12%



LONG-RANGE PLAN EXPENSE FORECAST-HUMAN RESOURCE

Budget Item	Year 22-23	Year 23-24	Year 24-25	Year 25-26
Salaries	3.00%	3.00%	3.00%	3.00%
NYS Retirement (TRS & ERS)	1.80%	1.00%	1.00%	1.00%
Health Insurance	5.00%	6.00%	6.00%	6.00%
Social Security	1.80%	1.00%	1.00%	1.00%

Health Insurance – This may be the most volatile human resource expense due to the impact that COVID-19 may have on healthcare. Double-digit increases could occur in the future.



LONG-RANGE PLAN EXPENSE FORECAST-OTHER

Budget Item	Year 22-23	Year 23-24	Year 24-25	Year 25-26
Facilities	0%	5.2%	5.2%	5.2%
Contracted Bus Transportation	2.0%	2.0%	2.0%	13%

Facility budget increases are for supplies and maintenance expenses related to our school buildings. Supplies include clean solutions/materials, hand sanitizers, electrical, plumbing, and masks for staff and students.

The first three years of the transportation expense forecast projects normal contractual increases that are based the consumer price index for school transportation. The last year projects an increase for a new transportation contract.



LONG-RANGE PLAN FORECAST SUMMARY

Budget Item	Year 22-23	Year 23-24	Year 24-25	Year 25-26
Revenue	\$209,601,409	\$213,362,879	\$217,086,479	\$221,797,451
Expense	\$208,022,556	\$213,878,335	\$219,914,885	\$227,065,746
Current Year Surplus/ (Reductions)	\$1,578,852	(\$515,456)	(\$2,828,406)	(\$5,268,294)
Yearly Reductions	\$0	(\$515,456)	(\$2,312,950)	(\$2,955,344)

- Yearly reductions assume that the prior year reductions were implemented to balance the budget.
- Greater deficits are due to the projected termination of the COVID federal grant programs combined with normal budget increases.



LONG-RANGE PLAN SUMMARY

- Awareness on the impact and importance of New York State aid on our budget development process – *Long-Range Planning*
- Awareness that COVID related Federal Aid will likely end and the District must financially plan for the loss of this revenue – *Long-Range Planning*
- Awareness on the impact of future labor contract settlements and benefit increases on budgets (Compounding effect) – *Long-Range Planning*
- Awareness that the consumer price increases we are seeing may lead to inflation which will stress the District's budget in all areas that will likely increase budget deficits – *Long-Range Planning*



LONG-RANGE PLAN

GENERAL FUND-FUND BALANCE/RESERVES

Williamsville Central School
Appropriated Reserve Plan
Fund Balance Reserve Plan
December 2021

	Appropriated Reserves - Projection Current year - 2021-22				Appropriated Reserves - Projection Year Five-2025-26 of Reserve Appropriations			
	Appropriation Budget 2021-22	(Per Audit) 6/30/2021 Reserve Balances	Net Change in Reserve Exp/Funding	Estimated Reserve Balances at 6/30/2022	Budget 2025-26	Estimated 6/30/2025 Reserve Balances	Net Change in Reserve Exp/Funding	Estimated Reserve Balances at 6/30/2026
EMPLOYEE BENEFITS	\$ 600,000	\$ 9,765,185	\$ 300,000	\$ 9,465,185	\$ 600,000	\$ 9,665,185	\$ 200,000	\$ 9,265,185
WORKERS COMPENSATION	700,000	3,491,552	700,000	\$ 3,491,552	700,000	\$ 4,091,552	700,000	\$ 4,091,552
UNEMPLOYMENT RESERVE	50,000	200,915	-	\$ 150,915	50,000	\$ 130,915	30,000	\$ 110,915
REPAIR RESERVE	330,000	5,314,284	-	\$ 4,984,284	330,000	\$ 3,994,284	-	\$ 3,664,284
RETIREMENT SYSTEM	2,450,000	12,268,310	2,000,000	\$ 11,818,310	2,450,000	\$ 10,868,310	1,800,000	\$ 10,218,310
UNASSIGNED FUND BALANCE		8,200,801		8,200,801		7,632,350		7,632,350
NONSPENDABLE - Ins. Policies		640,000		640,000		640,000		640,000
Total Appropriated Reserves	\$ 4,130,000	\$ 39,881,047	\$ 3,000,000	\$ 38,751,047	\$ 4,130,000	\$ 37,022,596	\$ 2,730,000	\$ 35,622,596
		<i>Reduction - replace revenue</i>				<i>Reduction - replace revenue</i>		
Appropriated Fund Balance	\$ 4,130,000	→			\$ -	4,130,000		
Total Reserves/Fund Balance	5,574,000				5,574,000			
	9,704,000				\$ 9,704,000	Stabilized Funding Level		Total
	-	Annual State Aid / Other revenue Increase			\$ -	Total Reduction in reserves		\$ -



LONG-RANGE PLAN GENERAL FUND-FUND BALANCE/RESERVES

Long-Range Plan Objectives:

1. Stable revenue for annual district budget - **Impact: appropriated fund balance and reserve amounts do not change in forecast**
2. Use reserve balances in a planned and methodical manner when budget constraints tighten future budgets - **Impact: total reserve balances will decrease allowing general fund budget reductions-short-term financial strategy only**
3. Awareness that the District's self-funding reserve balances must be maintained at responsible levels to meet future expenses (i.e. workers compensation and unemployment) – **Impact: ability to pay self-funding annual expenses from reserves**
4. Do not overuse or deplete reserves, maintain acceptable balances to support the District's exceptional Aa1 bond rating – **Impact: continuation of bond rating results in lower interest rates on borrowings, saving the District money**



NEXT STEPS: 2022-23 BUDGET DEVELOPMENT

- December – January – Compile budget requests and initiate a review on how to sustain identified ESSER2/GEER2 and ARP programs after the federal funds are not available
- January – District begins developing the BOCES budget
- January – First review of budget position (Projected revenue vs. Projected expenses)
- January – Initial presentation of Budget position to the Board of Education
- January – Anticipated receipt of the District's 2022-23 Governor's State Aid run
- February – Complete tax cap calculation
- February – Updated budget position with initial tax cap information presented to the Board of Education
- March – Preliminary 2022-23 budget presentation