



2024-2025 Budget Development: Financial Analysis of 2023 Audit and Summary of Historical Budget Changes

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New York State School District Audits



Audit Requirement:

Education Law, Section 2116-a and the Regulations of the Commissioner, Section 170.2(r) requires annual audit by an independent auditor.

What is Audited?

General Fund, Special Aid fund– Federal grants (i.e. IDEA, Title I, Title II), Capital Project fund, School lunch fund, Debt service fund, Community Education fund and the Extra-classroom fund

Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balance

General Fund	2022-23	2021-22
Description	As of June 30, 2023	As of June 30, 2022
Total Revenues	\$ 215,182,391	\$ 202,004,696
Total Expenses	\$ 181,113,132	\$ 179,036,633
Net Change in Fund Balance	\$ 34,069,259	\$ 22,968,063
Transfers (Debt, leases and Capital Projects)	\$ (22,806,140)	\$ (27,916,732)
Fund Balance	\$ 11,263,119	\$ (4,948,669)

General Fund	Assets	=	Liabilities	+	Fund Balance
2022-23	\$ 105,533,072		\$ 15,934,283		\$ 89,598,789
2021-22	\$ 93,405,607		\$ 15,069,937		\$ 78,335,670
Change	\$ 12,127,465		\$ 864,346		\$ 11,263,119

Expenses were lower due to using ESSER funding, \$5.2 applied in 22-23. \$16.1 million total over grant time. All ESSER funds have been expended in 22-23.



Financial Status Applicable to 2024-25 Budget



Expense Increase (Statement of Activities, p. 13) +14.04%

Post-Pandemic – Rising costs in instruction (includes salary and benefits) and pupil transportation

Similar increases projected for 2024-25

Revenue Increase (Statement of Revenues, Expenditures, and Changes in Fund Balance, p. 16) +6.52%

Significant increase, however, less than expense increase



2024-25 Budget Audit Implications



1. Positive performance in 2022-23, post-pandemic growth, (Budget safety)
2. The 2023-24 year will be first year without ESSER funding which continues into the 2024-25 budget, (Budgets must perform positively)
3. Total Long-term Net Debt service = \$5,172,216, (Favorable position)
4. Unassigned fund balance is at 4.00%, \$8,935,002 (Compliant with law)
5. Restricted fund balance increased by 19.5%, (Capital reserve \$9.5 million (85.5% of increase) necessary to offset tax increases on new capital projects)
6. Balance sheet positions the district for the future



Summary Update on Historical Budget Changes

Budgets From (2007/08 through 2023/24)

Total Budget Requests – All categories = \$115,249,883 (seventeen years)

Total Reductions – All categories = \$30,966,582 (seventeen years)

Total Budget Increases – All categories = \$84,283,301 (seventeen years)

Average Annual Budget Increase = \$ 4,957,841

Average salary and benefit increase before reductions = \$5,296,555

Average salary and benefit Increase = \$4,419,597 (after reductions)

Salary and benefit Increases \$75,133,142 = 89.14% of total increases



Budget Trends from Historical Increases



- The impact of human resource expense increases will not change significantly over time
- Non-human resource budget additions continue to be minimal
- Review of past budget increase areas may result in the ability to reallocate funds to new initiatives or reduce increases in mandatory expense areas
- Budget growth will continue into the future, even in recessions growth continued, therefore keep this in mind each budget cycle
- Historical increases reflect the compounding effect of budgets