



2020-21 Budget Hearing

May 26, 2020



GATES CHILI CENTRAL SCHOOL DISTRICT

Together we teach and inspire excellence for all learners.



Agenda

- State of Affairs
- Budget Goals and Priorities
- Expenditure Proposal
- Revenue Proposal
- Next Steps
- Summary
- Public Comment Response



Public Comment

Email

communications@gateschili.org





State of Affairs



State of Affairs

- COVID-19
- Atypical budget cycle
 - Modified deadlines
 - Reduced revenues
 - Tighter expenditure projections





Budget Goals and Priorities



Budget Goals and Priorities

What are we trying to accomplish with this budget?

- Protect current programming and staffing
- Maintain focus on district goals
 - Student-centered learning
 - Culturally-responsive practices
 - Improving graduation rates and student achievement





Expenditures



Expenditure Budget Proposal

- Modified zero-based
- Currently maintains nearly all prior year programming
- No frills budget
- Reduced expenditure flexibility
- *Much Uncertainty*
 - based on revenue instability



Highlighted Cost Increases

	2019-20 Actual Est.	2020-21 Est.	\$ Change	% Change	Notes
TRS Salaries	\$ 32,216,986	\$ 33,728,037	\$ 1,511,051	4.69%	Per Contracts
ERS Salaries	\$ 11,709,855	\$ 11,971,846	\$ 261,991	2.24%	Per Contracts
Pension Costs TRS	\$ 2,770,661	\$ 3,214,282	\$ 443,621	16.01%	Rate Change: 8.86% to 9.53%
Pension Costs ERS	\$ 1,744,768	\$ 1,795,777	\$ 51,009	2.92%	Rate Change: 14.9% to 15.0%
Health Insurance	\$ 11,510,050	\$ 11,970,452	\$ 460,402	4.00%	8% Increase Over Prior Year
Debt Service	\$ 9,377,500	\$ 10,863,633	\$ 1,486,133	15.85%	Tied to \$68M project
Total	\$ 69,329,820	\$ 73,544,027	\$ 4,214,207	6.08%	

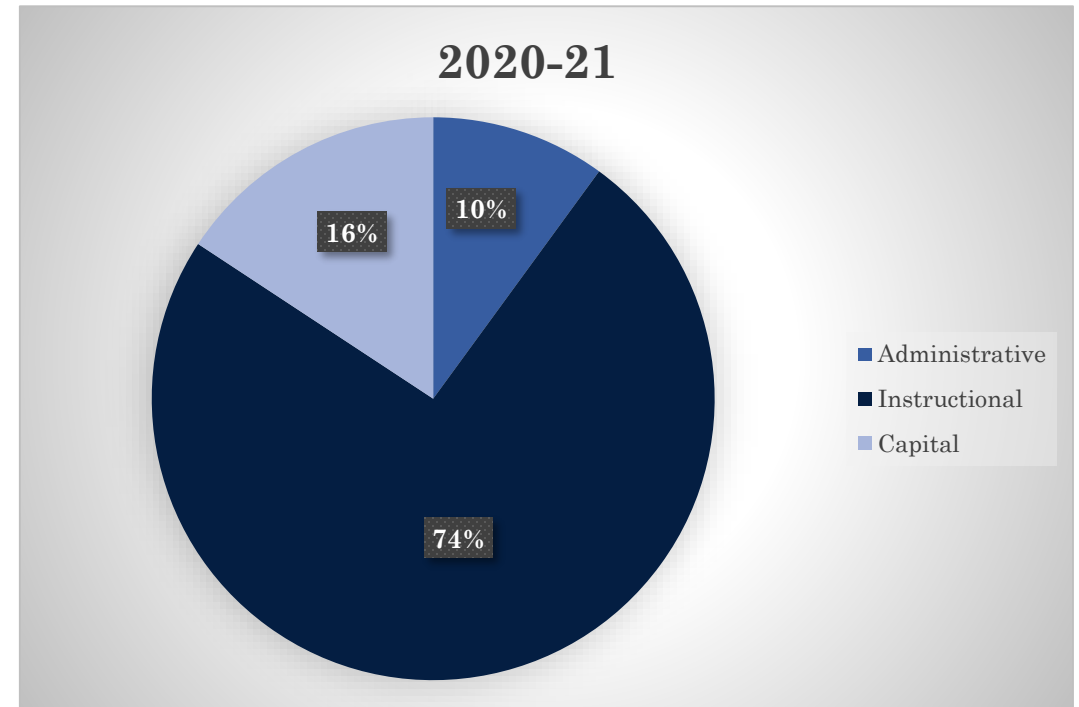
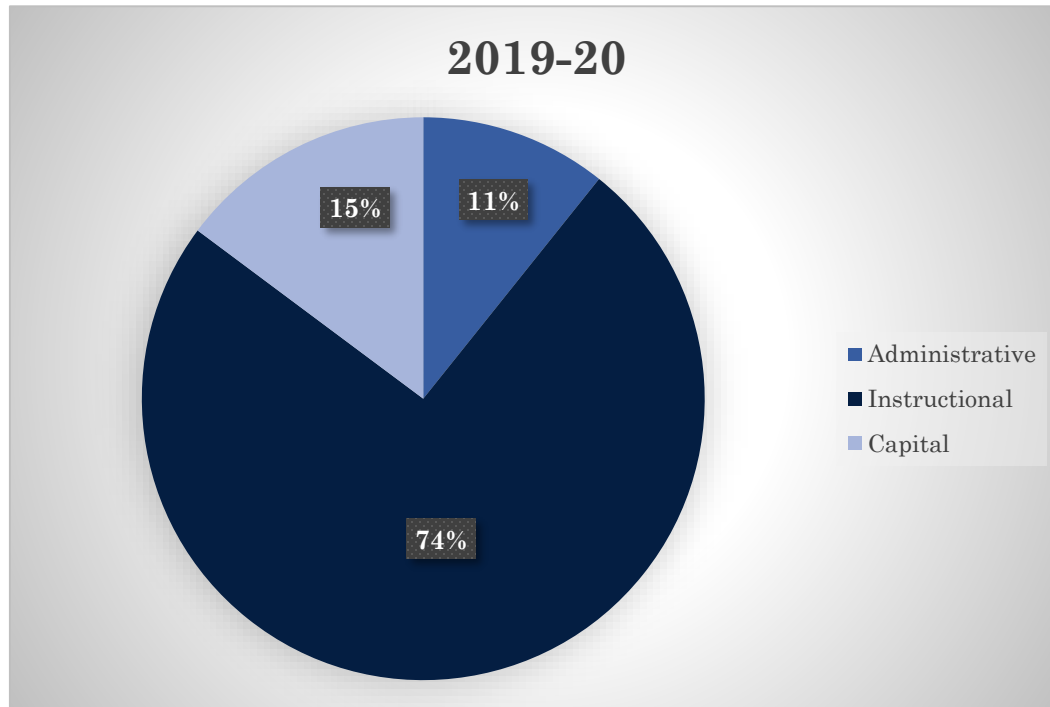


Highlighted Belt-Tightening

	2019-20 Budget	2020-21 Budget	\$ Change	% Change
BOCES Spec. Ed.	\$ 12,000,000	\$ 11,000,000	\$ (1,000,000)	-8.33%
Transfer to Reserves	\$ 1,155,000	\$ -	\$ (1,155,000)	-100.00%
Total	\$ 13,155,000	\$ 11,000,000	\$ (2,155,000)	-16.38%



Three-Part Budget



Administrative Budget (10%)

	Actual 2019-20 Budget	Proposed 2020-21 Budget	\$ Change	% Change
ADMINISTRATIVE				
Board of Education	\$20,000	\$28,000	\$8,000	40.00%
Central Administration/Finance	\$1,283,225	\$1,330,100	\$46,875	3.65%
Legal, Personnel, Public Information	\$704,100	\$895,310	\$191,210	27.16%
Central Services and Special Items	\$1,130,500	\$1,159,030	\$28,530	2.52%
BOCES Admin. Costs	\$1,257,000	\$1,360,000	\$103,000	8.19%
Curriculum Development & Supervision	\$3,610,700	\$3,723,064	\$112,364	3.11%
Research, Planning, Evaluation & Benefits	\$3,824,190	\$2,884,594	(\$939,596)	-24.57%
TOTAL ADMINISTRATIVE	\$11,829,715	\$11,380,098	(\$449,617)	-3.80%



Instructional Program Budget (74%)

	Actual 2019-20 Budget	Proposed 2020-21 Budget	\$ Change	% Change
INSTRUCTIONAL				
Teaching - Regular School	\$27,802,280	\$27,583,160	(\$219,120)	-0.79%
Programs for Students with Disabilities	\$19,587,320	\$19,869,222	\$281,902	1.44%
Pupil Personnel, Guidance, & Health	\$6,649,105	\$6,963,647	\$314,542	4.73%
Athletics	\$971,920	\$1,098,406	\$126,486	13.01%
Transportation	\$5,093,100	\$5,086,173	(\$6,927)	-0.14%
Community Services	\$468,400	\$504,737	\$36,337	7.76%
Benefits	\$21,468,100	\$23,091,007	\$1,622,907	7.56%
TOTAL INSTRUCTIONAL	\$82,040,225	\$84,196,352	\$2,156,127	2.63%



Capital Budget (16%)

	Actual 2019-20 Budget	Proposed 2020-21 Budget	\$ Change	% Change
CAPITAL				
Operation & Maintenance of Plant	\$5,087,950	\$5,018,329	(\$69,621)	-1.37%
Employee Benefits	\$1,482,280	\$1,601,901	\$119,621	8.07%
Debt Service and Bus Purchases	\$9,377,500	\$10,863,633	\$1,486,133	15.85%
Transfer to Other Funds	\$360,000	\$360,000	\$0	0.00%
Refund on Real Property Tax	\$3,000	\$4,000	\$1,000	33.33%
Planned Transfer to Capital	\$0	\$0	\$0	0.00%
TOTAL CAPITAL	\$16,310,730	\$17,847,863	\$1,537,133	9.42%



Expenditure Budget Breakdown



Salaries and Benefits 65¢

BOCES Services 15¢

Debt Service, Capital Outlay, Transfers 10¢

Services, Tuition, Fees, Insurance 6¢

Materials, Supplies, Books 2¢

Utilities <1¢

Equipment and School Buses <1¢

Fuel <1¢





Revenues



Revenue:

Early Signs of Crisis

- Local property tax: assume the cap
- Local sales tax: anticipating reduction
- State funding:
 - Expecting significant reduction / look to history
 - Federal support: unknown
- Other revenues: consistent
- Fund balance and reserve use: increased dependence



Local Property Tax

- Local Property Taxes account for **49.21%** of all revenues
- Current 2019-20 Property Tax: \$54,521,227
- Estimated 2020-21 Property Tax: \$55,821,084
- Increase of 2.38%
 - (2019-20 was 3%)



Local Sales Tax

- Accounts for **3.09%** of all revenue
- Comes through Monroe County
- 2019-20 (Est.): \$4,500,000
- 2020-21 (Est.): \$3,500,000
- For 2020-21 and as a result of COVID-19, assuming reduction based on the following schedule:
 - Q1 (July-Sept.): 60%
 - Q2 (Oct.-Dec.): 65%
 - Q3 (Jan.-Mar.): 80%
 - Q4 (Apr.-Jun.): 100%



State Funding

- Accounts for **37.44%** of all revenue
- Current Estimate: \$42,467,738

Foundation Aid: + \$8,896

Categorical/Expense Based Aid: + \$1,733,092



State Funding Breakdown

	2019-20 Budget	2020-2021 State	\$ Change	% Change
Foundation Aid	\$23,007,000	\$23,015,896	\$8,896	0.04%
Excess Cost Aid	\$2,600,000	\$2,785,000	\$185,000	7.12%
BOCES Aid	\$3,470,000	\$3,414,621	(\$55,379)	-1.60%
Textbook/Computer/Software/Library	\$433,750	\$422,588	(\$11,162)	-2.57%
High Tax Aid	\$1,155,000	\$1,154,706	(\$294)	-0.03%
Transportation ¹	\$4,999,000	\$5,269,749	\$270,749	5.42%
Building Aid ²	\$5,061,000	\$6,405,178	\$1,344,178	26.56%
Pandemic Adjustment ³	\$0	(\$831,530)	(\$831,530)	N/A
Federal Cares Restoration ⁴	\$0	\$831,530	\$831,530	N/A
TOTAL	\$40,725,750	\$42,467,738	\$1,741,988	4.28%

Notes:

1. New Aid coming back as result of State Aid audit
2. Majority of Aid increase tied to \$68M Capital Project
3. Estimated reduction of aid by NYS for COVID-19 (lost state revenue/increased expense)
4. Offsetting adjustment assuming federal government contribution to recovery



Appropriated Fund Balance and Reserve Usage

- Accounts for **4.50%** of all revenue
- These funds are exhaustible and should not be relied upon long-term
- Current Estimate: \$5,100,000



Appropriated Fund Balance and Reserve Use

Source	2019-20	Initial Pre 4/1/2020 2020-21	Post 4/1/2020 2020-21	% Change
Appropriated Fund Balance	\$ 2,400,000	\$ 2,600,000	\$ 2,800,000	\$ 400,000
TRS Reserve	\$ -	\$ 500,000	\$ 800,000	\$ 800,000
Tax Cert Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
EBALR Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Capital - Technology	\$ -	\$ 100,000	\$ 100,000	\$ 100,000
ERS Reserve	\$ 354,800	\$ 1,000,000	\$ 1,200,000	\$ 845,200
Unemployment Insurance	\$ 1,055,000	\$ -	\$ -	\$ (1,055,000)
TOTAL	\$ 4,009,800	\$ 4,400,000	\$ 5,100,000	\$1,090,200

Utilization Data	2019-20	2020-21 Pre 4/1/2020	2020-21 Post 4/1/2020
Current/Estimated Budget	\$ 110,180,670	\$ 113,424,313	\$ 113,424,313
Percentage (per budget)	3.64%	3.88%	4.50%
Max Reserve Usage (Based on Est. Budget)	\$ 4,407,227	\$ 4,536,973	\$ 4,536,973
Max Recommended Utilization	4.00%	4.00%	4.00%



Other Revenue

- Accounts for 3.47% of revenue
- Current Estimate: \$3,935,491
- Includes items such as tuition, fees, interest earning, sale of property, and Medicaid reimbursement



Revenue Budget Breakdown



School Property Taxes 49¢

NY State Aid 37¢

Monroe County Sales Tax 3¢

Fund Balance and Reserves 5¢

Other Revenues 4¢
*Interest earnings, payments in-lieu
of taxes, Medicaid, admissions,
fees, tuition*



Overall Revenue Snapshot

	2019-20	2020-21	\$ Change	% Change	% of Budget
Local Property Tax	\$ 54,521,227	\$ 55,821,084	\$ 1,299,857	2.38%	49.21%
PILOTS	\$ 2,580,000	\$ 2,600,000	\$ 20,000	0.78%	2.29%
Sales Tax	\$ 4,500,000	\$ 3,500,000	\$ (1,000,000)	-22.22%	3.09%
State Aid	\$ 40,725,750	\$ 42,467,738	\$ 1,741,988	4.28%	37.44%
Other	\$ 3,843,893	\$ 3,935,491	\$ 91,598	2.38%	3.47%
FB & Reserves	\$ 4,009,800	\$ 5,100,000	\$ 1,090,200	27.19%	4.50%
Total	\$ 110,180,670	\$ 113,424,313	\$ 3,243,643	2.94%	100.00%





Next Steps



Next Steps

- Budget vote
 - Ballot only
 - Must be received by 5 p.m. June 9th
- To see a video of BOE candidates, review budget documents, and see this presentation again, please go to:

www.gateschili.org/vote





Summary



Summary

There is still a lot unknown and will continue to be for the foreseeable future; therefore

- Our intention is to maintain current staffing/programming and to continue with current district goals;
- Assuming we get the \$832K federal cares money (if not, tough decisions to be made);
- While acknowledging that this a very tight budget that uses exhaustible reserves and fund balance.





Thank you!



Public Q&A

Email

communications@gateschili.org

