



Superintendent's Preliminary 2020-21 Budget

CROTON-HARMON UFSD

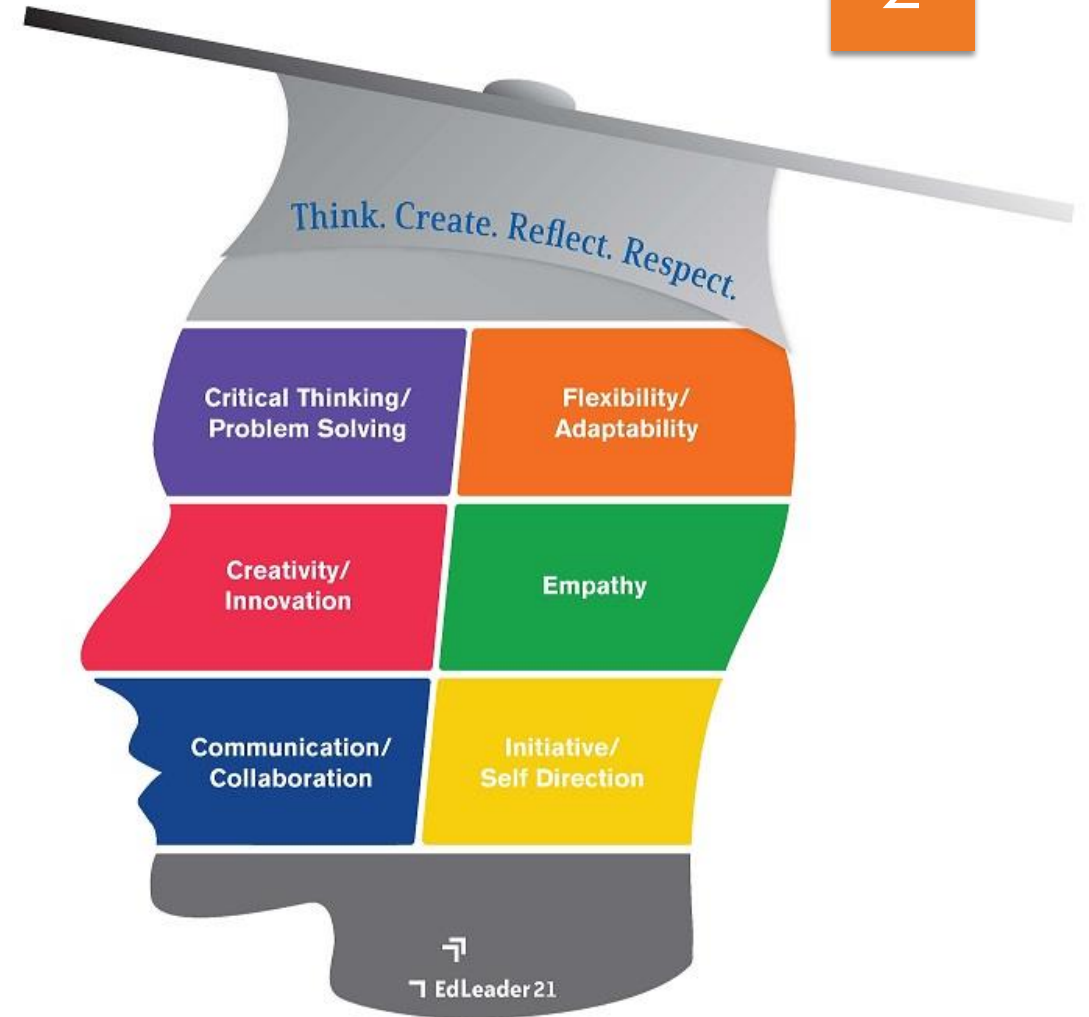
December 5, 2019

Vision

All Croton-Harmon students will develop the habits of mind and social skills to become lifelong learners, able to contribute to the well-being of society.

Mission

We are committed to challenging all students, community inclusion, and fostering respect. We will develop skills that enable students to become effective communicators, problem solvers, and researchers who are **INDEPENDENT LEARNERS RESPONSIBLE FOR THEIR OWN LEARNING.**



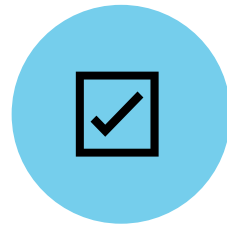
Initial Budget Priorities



Support the goals of the Board of Education



Remain fiscally responsible and within the Allowable Tax Levy



Comply with all state and federal mandates



Preserve all educational programs and staffing where possible

Navigating the Challenges

- State Aid Uncertainty
 - Federal and State political landscape
 - Foundation Aid underfunded; modest increases but formula and full-foundation aid still not being implemented
 - Proposed caps on growth of expense based aids such as Transportation/BOCES/Building Aid
 - Concerns of shifting aid to Upstate/NYC/Big 5
- The limitations of the Tax levy cap formula hindering districts' ability to plan for the future
- Government continues to issue mandates without financial relief
 - K-12 Guidance; ESSA, Transparency, Education Law §2-d
- Changes in enrollment
- Special Education needs
 - Out-of-District Tuition
 - 1:1 Aide requirements, support services, transportation, etc,
 - New enrollments
 - Least restrictive environment
- Contractual obligations beyond our control - such as pension contributions, health insurance costs, utility costs, BOCES fees

Revenue Variables



State Aid – Governor's Budget



Interest Rates - Investments



Will Taxpayer Protection Act
Remain in affect?



Building Use Revenue



Tax-Cap Components

TAX CAP FORMULA





Base Formula

$$\left(\left[\left(\begin{array}{l} \text{Total taxes levied for} \\ \text{prior fiscal year} \end{array} + \begin{array}{l} \text{Prior year reserve} \\ \text{offset} \end{array} - \begin{array}{l} \text{Reserve amount} \\ \text{(including interest} \\ \text{earned)} \end{array} \right) \times \begin{array}{l} \text{Tax base} \\ \text{growth factor}^1 \end{array} \right] + \begin{array}{l} \text{PILOTS} \\ \text{receivable in the} \\ \text{prior fiscal year} \end{array} - \begin{array}{l} \text{Capital tax levy} \\ \text{exclusion, prior} \\ \text{fiscal year} \end{array} - \begin{array}{l} \text{Tort exclusion,} \\ \text{prior fiscal} \\ \text{year} \end{array} \right) \\
 \times \begin{array}{l} \text{Allowable levy} \\ \text{growth factor} \\ \text{(1.00 to 1.02)}^2 \end{array} - \begin{array}{l} \text{PILOTS} \\ \text{receivable in} \\ \text{coming fiscal} \\ \text{year} \end{array} + \begin{array}{l} \text{Available} \\ \text{carryover, if} \\ \text{any} \end{array} = \text{Tax Levy Limit}$$

+ Exclusions

$$\begin{array}{l} \text{Tax Levy Limit} \end{array} + \begin{array}{l} \text{Tax levy necessary for} \\ \text{expenditures resulting} \\ \text{from court} \\ \text{orders/judgments} \\ \text{arising out of tort} \\ \text{actions for any amount} \\ \text{in excess of 5\% of the} \\ \text{total taxes levied in} \\ \text{the prior fiscal year} \end{array} + \begin{array}{l} \text{Capital tax levy} \end{array} + \begin{array}{l} \text{Tax levy necessary to pay} \\ \text{for increases to the system} \\ \text{average actuarial} \\ \text{contribution rate (ERS) or} \\ \text{normal contribution rate} \\ \text{(TRS) of pension funds over} \\ \text{2 percentage points} \end{array} = \begin{array}{l} \text{Tax Levy Limit,} \\ \text{with Exclusions} \\ \text{(if applicable)}^3 \end{array}$$

Estimated Tax Levy Cap Calculation 2020-21

PRIOR YEAR (2019/20) Approved Actual Tax Levy			40,159,191
Multiply by Tax Base Growth Factor (TBD by ORPS)		Actual 	1.0056
	Total		40,384,082
Add: 2019/20 PILOTS			0
	Total		40,384,082
PRIOR YEAR (2019/20) Exemptions			
Less: Capital Tax Levy (debt service less building aid)		Actual 	(2,404,000)
Prior Year Adjusted Tax Levy			37,980,082
Multiply by Allowable Levy Growth Factor (lesser of 2% or CPI)		Estimated 	1.015
			38,549,784
Less: 2020/21 PILOTS			0
Current Year Tax Levy Limit			38,549,784
Add: Capital Tax Levy (debt service less building aid)		Estimated 	2,818,231
Allowable tax levy prescribed by Chapter 97 of the Laws of 2012			\$ 41,368,014
ESTIMATED Tax Levy Increase		\$ 1,208,823	3.01%

Factors Affecting the Tax – Cap Calculation and Allowable Tax Levy

#1 (ALGF)

Allow Levy Growth Factor

Currently projected at 1.5%. If CPI comes in higher it will provide additional revenue and increase the ATL. A lower CPI will have the reverse effect

#2 (CE)

Capital Exclusion

Debt-Service amounts related to anticipated bonding in June 2020 will impact the calculation up or down depending on interest rates & bond structure

#3 (BA)

Building Aid

Building generated only after the projects are closed-out, CoSC are issued and FCR submitted. Delays will impact generated aid.

Estimated Analysis of Revenue 2020-21

Description	2020-21 Preliminary	2019-20 Budget	2018-19 Budget	2017-18 Budget	2016-17 Budget
County Sales Tax	\$550,000	\$525,000	\$525,000	\$508,500	\$490,000
Interest & Earnings	\$210,000	\$50,000	\$25,700	\$14,000	\$14,000
Building Use Fees	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Misc., gifts etc.	\$125,000	\$121,000	\$135,000	\$145,000	\$171,880
Total Non-State Aid:	\$935,000	\$746,000	\$735,700	\$717,500	\$725,880
State Aid	\$5,979,435	\$5,862,191	\$5,830,943	\$5,613,861	\$5,285,665
Total State Aid:	\$5,979,435	\$5,862,191	\$5,830,943	\$5,613,861	\$5,285,665
Fund Balance	\$1,092,113	\$1,345,836	\$1,125,000	\$1,125,000	\$926,016
Debt Service Fund	\$0	\$0	0	\$20,000	\$0
Reserves	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Total Reserves:	\$1,492,113	\$1,745,836	\$1,525,000	\$1,545,000	\$1,326,016
Taxes	\$41,368,014	\$40,159,191	\$39,080,561	\$38,623,465	\$38,568,414
Budget	\$49,774,562	\$48,513,218	\$47,172,204	\$46,499,826	\$45,905,975

PROJECTED Expenditure Increases



Employee Benefits

Healthcare rates expected to increase between 3 - 3.5%-\$148K
Increase FICA \$45K

Total Impact + \$193K



Salary Obligations

Salary increase related to our previously negotiated Collective Bargaining Agreements.

Total Impact + \$707K



NYS Retirement Rates

Employer Contribution Rates: TRS expected to increase by .39-1.39% at \$216K + \$41K for ERS

Total Impact + \$257K



Debt Service & Other

Debt Service, Lead Testing and other miscellaneous contingency

Total Impact + \$120K



Total Impact + \$1,277,000

Preliminary Budget Comparison

Description	2020-21 Preliminary	2019-20 Budget
Budget	\$49,774,562	\$48,513,218
Tax Levy Increase \$	\$1,208,823	\$1,078,630
Tax Levy Increase %	3.01%	2.76%
Budget to Budget \$	\$1,261,344	\$1,341,014
Budget to Budget %	2.60%	2.84%

Questions or Comments?

A LOOK AHEAD

Dates to Remember

- February 27th - Budget Work Session
- March 14th - Budget Saturday
- April 2nd - Budget Adoption
- May 7th - Public Budget Hearing
- May 19th - ANNUAL BUDGET VOTING DAY (6am-9pm @CHHS)