



Budget Work Session

Croton-Harmon Schools

2021-2022 Proposed Budget - February 25, 2021



Budget Priorities

- Support the goals of the Board of Education
- Preserve the integrity of our quality educational programs
- Remain fiscally responsible, within the Allowable Tax Levy (ATL), and mindful of the entire school community
- Align Staffing with Enrollment
- Meet Contractual Obligations
- Comply with all state and federal mandates
- Flexibility and Adaptability



Role of the Board in the Budget Process

- ✓ Provide Administration with budget priorities and direction
- ✓ Determine the budgetary ceiling and responsible growth
- ✓ Determine whether to increase/decrease fund balance appropriation level
- ✓ Maintain a sustainable financial future for our community, students and staff



Executive Budget



Overview of Executive Budget

- \$3.85B allocated to the 2021-22 Executive Budget Proposal in Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Federal Stimulus Funds (AKA COVID #2 Funds)
- Hold-harmless: Removes \$401K of State Aid from SA Revenue and moves it to Federal Aid
 - Strings attached: must file applications and final cost reports for the \$401K
 - Caution: “one-time” Federal revenue used entirely in 2021-22
 - NYS Comptroller common audit citation: “do not use non-recurring revenues to fund recurring operating expenditures”
 - \$401K allocated “one-time” to Croton-Harmon, but where will the next \$400K come from in 2022-23?



Overview of Executive Budget (con't)

- Consolidation of 11 aid categories, including Transportation, BOCES and Instructional Materials, into a single category called “Services Aid”
 - Third year in a row (rejected in each of the last two years)
 - Limits future aid increases to 2% (problematic from many perspectives-TRANS Aid)
 - Eliminates the incentive for school districts to share services through BOCES
- Foundation Aid – Largest and only unrestricted Aid Category (40%)
 - Frozen for 3rd year in a row



Navigating Challenges

- Challenges from COVID-19
 - Requirements and impact on the learning environment
- National and State political and economic landscape
- State Aid Uncertainty
 - Federal Stimulus used to offset reductions in state aid – What happens next year?
 - Implications of “Combined Services Aid”
 - Stagnant and under funded Foundation Aid
- Tax levy cap formula –CPI limit does not reflect economic reality or address increased costs
- Contractual obligations
 - Collective Bargaining Settlements
 - Pension contributions, health insurance costs, BOCES fees, etc.
- Out-of-District Tuition
- Growing mandates without financial relief
- New Enrollments and Special Education needs



Enrollment Projections

Jun-20	Jan-21	Projected Enrollment (based on February '21 Actual)				# of Sections			Class Size	# of Sections		Chg in # of Sections	
		Gr.	Full time	Part time	Total	4	5	6	Guidelines	20/21	21/22	By Grade	By Cohort
117	102	K	103	0	103	25.8	20.6	17.2	Up to 22	6	5	-1	N/A
109	111	1	102	3	105	25.5	20.4	17.0	Up to 22	6	5	-1	-1
116	104	2	111	2	113	27.8	22.2	18.5	Up to 22	5	6	1	0
118	109	3	104	1	105	26.0	20.8	17.3	Up to 24	5	5	0	0
111	114	4	109	2	111	27.3	21.8	18.2	Up to 26	5	5	0	0
571	540	<i>(3)</i>	<i>CET Total</i>		537					27	26	-1	
123	112	5	114		114	28.5	22.8	19.0	Up to 26	5	5	0	0
141	116	6	112		112	28.0	22.4	18.7		6	5	-1	0
135	136	7	116		116								
123	131	8	136		<u>136</u>								
522	495	<i>(17)</i>	<i>PVC Total</i>		478					11	10	-1	
105	121	9	131		131								
129	102	10	121		121								
125	126	11	102		102								
130	124	12	126	5	<u>131</u>								
489	473	<i>12</i>	<i>CHHS Total</i>		485								
1582	1508		<i>Total</i>		1513					38	36		

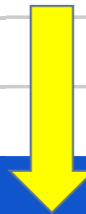


Revenues



Allowable Growth and TBGF History

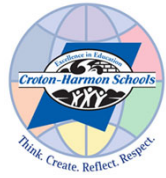
Year	CPI	ALGF	TBGF	Δ in TBGF
2014	1.46%	1.46%	1.001	
2015	1.62%	1.62%	1.0025	0.0015
2016	0.12%	0.12%	1.0005	-0.0020
2017	1.26%	1.26%	1.0007	0.0002
2018	2.13%	2.00%	1.003	0.0023
2019	2.44%	2.00%	1.0016	-0.0014
2020	1.81%	1.81%	1.0056	0.0040
Dec-20	1.43%	1.43%	1.0022	-0.0034
Jan-21	1.31%	1.31%	1.0022	-0.0034
Feb-21	1.23%	1.23%	1.0022	-0.0034
8 Year Average	1.51%	1.44%	1.0021	0.0002





Croton-Harmon UFSD				PRIOR YEAR COMPARISON	
Preliminary Property Tax Cap Calculation					
(This analysis calculates the allowable tax levy for 2021-22 school year)					
		2021-22	2020-21		
PRIOR YEAR Approved Actual Tax Levy		40,844,252	40,159,191		
Multiply by Tax Base Growth Factor (TBD by ORPS)	Actual ✕	1.0022	1.0056		
Total		40,934,109	40,384,082	-0.34%	
Add: PY PILOTS		0	0	Reflects a loss of \$138,870	
Total		40,934,109	40,384,082		
PRIOR YEAR Exemptions					
Less: Capital Tax Levy (Debt Service less Building & Trans Aid)	Actual -	(2,703,919)	(2,404,000)		
Less: Boces Capital Exclusion Adjustment	BOCES ADJ -		(26,706)	Reflects a loss of \$294,372	
Prior Year Adjusted Tax Levy		38,230,190	37,953,376		
Multiply by Allowable Levy Growth Factor (lesser of 2% or CPI)	Actual ✕	1.0123	1.0181	-0.58%	
		38,700,421	38,640,333		
Less: CY PILOTS		0	0	Reflects Permanent \$500,000 Taxpayer Giveback in the Levy for 2020-21	
Current Year Tax Levy Limit		38,700,421	38,640,333		
Add: Capital Tax Levy (Debt Service less Building & Trans Aid)	Estimated +	2,742,012	2,703,919		
Allowable tax levy prescribed by Chapter 97 of the Laws of 2012		\$41,442,433	\$40,844,252	\$ 598,181	
ALLOWABLE 2021-22 Tax Levy Increase Percentage		1.46%	1.71%	-0.2%	
Growth in Levy		\$598,181	\$685,061	-\$86,879	
Preliminary Proposed Tax Levy Increase (\$41,442,433) \$ 598,181 1.46%					

(with simple majority vote)



Analysis of Revenue Budget 2021-22

Description	2021-22 Feb 2021	2020-21 Final	Change in Revenue
County Sales Tax	\$400,000	\$400,000	\$0
Interest & Earnings	\$12,000	\$125,000	-\$113,000
Building Use Fees	\$5,000	\$50,000	-\$45,000
Other Revenue	\$100,000	\$125,000	-\$25,000
Total Non-State Aid:	\$517,000	\$700,000	-\$183,000
State Aid	\$5,254,962	\$5,591,438	-\$336,476
Federal Stimulus Funds (CRRSA)	\$401,314		\$401,314
Total State Aid:	\$5,656,276	\$5,591,438	\$64,838
Fund Balance	\$1,888,835	\$1,888,835	\$0
Additional GAP Fund Balance needed	\$870,554		\$870,554
Reserves	\$400,000	\$400,000	\$0
Total Reserves:	\$3,159,389	\$2,288,835	\$870,554
Tax Levy:	\$41,442,433	\$40,844,252	\$598,181
Budget	\$50,775,098	\$49,424,525	



Fund Balance

What is the fund balance?

- End of year difference between expenses & revenue is transferred to fund balance or reserves where appropriate
- State allows and recommends 4% of budget to be retained by school districts

How is it used?

- To cover emergency (unbudgeted/unplanned) necessities
- Used for cash flow from July 1 until October (when property tax receivables are low) to pay bills and salaries and eliminate interest costs and the need to borrow via a Tax Anticipation Note (TAN)

What are the ramifications for using it?

- Not a sustainable source to balance budgets
- Could lower bond rating, resulting in higher interest rates
- District could receive “Fiscal Stress” designation from NYS



Reserves

Reserves	Balance 6/30/2020	Balance 6/30/2019	Balance 6/30/2018
Workers' Compensation Reserve	\$ 537,000	\$ 537,000	\$ 400,000
Unemployment Insurance Reserve	\$ 196,969	\$ 196,969	\$ 246,969
Reserve for Retirement Contribution	\$ 1,445,453	\$ 1,345,453	\$ 1,245,453
Reserve for TRS Contribution	\$ 385,000	\$ 250,000	\$ -
Reserve For Accrued Liability	\$ 598,061	\$ 198,061	\$ 198,061
Reserve for Tax Certiorari	\$ 4,978,070	\$ 4,978,071	\$ 5,000,944
Employee Benefit Accrued Liability Reserve	\$ 523,930	\$ 492,430	\$ 489,008
Capital Reserves (2016 & 2013)	\$ 7,101,115	\$ 8,140,434	\$ 7,096,936
Total Reserves	\$ 15,765,598	\$ 16,138,418	\$ 14,677,371



Expenditures



General Support Budget

Description	2021-22 Proposed Budget	2020-21 Current Budget	Dollar Change	Percent Change	2019-20 Budget
Board of Education	130,684	134,970	-4,286		138,700
Central Administration	368,092	371,803	-3,711		369,544
Finance (Auditing, Fiscal Agent, Treasurer)	702,947	657,062	45,885		631,782
Legal, Personnel, Public Information Services	667,193	659,418	7,775		642,589
Operations & Maintenance	4,369,555	4,273,899	95,656		4,009,201
Property Assessments, Insurance, Boces Admin	611,746	591,056	20,690		589,594
Total General Support	6,850,217	6,688,208	\$162,009	2.42%	6,381,410



Instructional Budget

Description	2021-22 Proposed Budget	2020-21 Current Budget	Dollar Change	Percent Change	2019-20 Budget
Instruction, Administration and Improvement	1,820,725	1,853,798	-33,073		1,850,410
Teaching - Regular School	14,173,959	13,917,981	255,978		14,158,711
Programs for Students w/Disabilities & Career & Tech	6,022,876	5,998,422	24,454		5,755,426
Instructional Media, Instruction & Special Schools	1,899,337	1,730,311	169,026		1,689,387
Guidance, Health Psychological & Social Services	1,645,567	1,679,975	-34,408		2,718,882
Co-Curricular Activities-Reg School	244,823	247,613	-2,790		
Interscholastic Athletics-Regular School	859,695	886,852	-27,157		
Total Instructional	26,666,982	26,314,952	\$352,030	1.34%	26,230,316



Transportation, Benefits & Debt Service

Description	2021-22 Proposed Budget	2020-21 Current Budget	Dollar Change	Percent Change	2019-20 Budget
Pupil Transportation	2,639,746	2,636,698	3,048		2,597,900
Total Pupil Transportation	2,639,746	2,636,698	\$3,048	0.12%	2,597,900
Employee Benefits	9,972,018	9,565,761	406,257		8,981,096
Debt Service	4,536,135	4,108,906	427,229		4,212,496
Other Financing Uses	110,000	110,000	0		110,000
Benefits, Debt Service & Interfund Transfers	14,618,153	13,784,667	\$833,486	6.05%	13,303,592
Total Budget	\$50,775,098	\$49,424,525	\$1,350,573	2.73%	48,513,218



Highlights & Summary

- \$206,000 – COVID related needs (PPE, supplies & materials, nursing costs)
- Technology
 - 6 Switch upgrades and enhanced fiber at CHHS for greater virtual learning efficiency and security
 - Apple iPad's – 25 for Kindergarten
 - New Dell 1:1 Devices:
 - 1st Grade - 120
 - 4th Grade - 120
 - 5th Grade - 125
 - 9th Grade - 140
 - Dell 5490 Laptops for Teaching Staff - 150
 - T-Mobile- 40 MIFI Hotspots for remote learners
- Meets all contractual obligations and maintains current staff and programs



Summary

Proposed Budget

\$50,775,098

↑ 2.73%

Tentative Tax Levy

\$41,442,433

↑ 1.46%



Unknown Future Variables

- Final “Tax Cap”
- Final State Aid Allocation-April 1st
- Actual Enrollment
- English as a New Language (ENL) Classifications?
- Special Education Classifications?
- Contract Settlements
- Unanticipated Expenditures for Full Phase-in of In-Person Learning
- Current Year Fund Balance
- Use of Fund Balance & Reserves



District & Statewide Advocacy Initiatives

- Decrease the overreliance on federal funding
- Reject attempts to consolidate Aid categories
- Eliminate the transference of SPED costs
- Disconnect tie between STAR and State Aid
- Increase the Undesignated Fund Balance limit
- Increase flexibility with Restricted Reserve Funds
- Adjust the property tax cap minimum 2%
- Relief from cost drivers and unnecessary mandates
- Reimburse transportation expenses- COVID
- Repeal of the duplicative transparency reporting
- Support the repeal of cap on the SALT deduction
- School Bus Electrification Support!



Important Dates to Remember

- March 11th – Bus BAN Resolution
- March 20th – Budget Saturday
- March 24th – Budget Q & A
- April 20th – 2021-2022 Budget Adoption
- May 6th – Official Public Budget Hearing
- May 18th – Budget Vote & Trustee Election (6 am – 9 pm)

Please Visit our Website!

Budget Info

Current Year

Previous Years

Voter Registration

Absentee Ballot Q & A

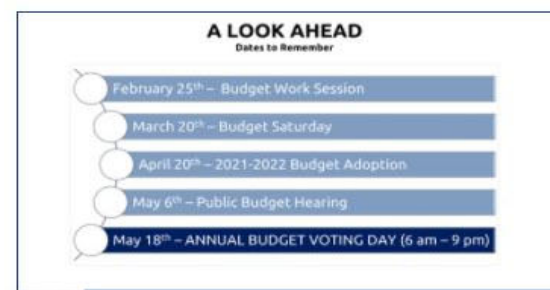
Budget Updates



◦ [Presentation: 2021-2022 Preliminary Budget 01-7-2021](#)



Budget Questions?



Do you have questions about the 2021-2022 budget? You can email your questions to: Budget.Questions@chufsd.org



Questions/Comments