



Enlarged City School District



Budget 2020-21

Cortland Enlarged City School District
February 25, 2020

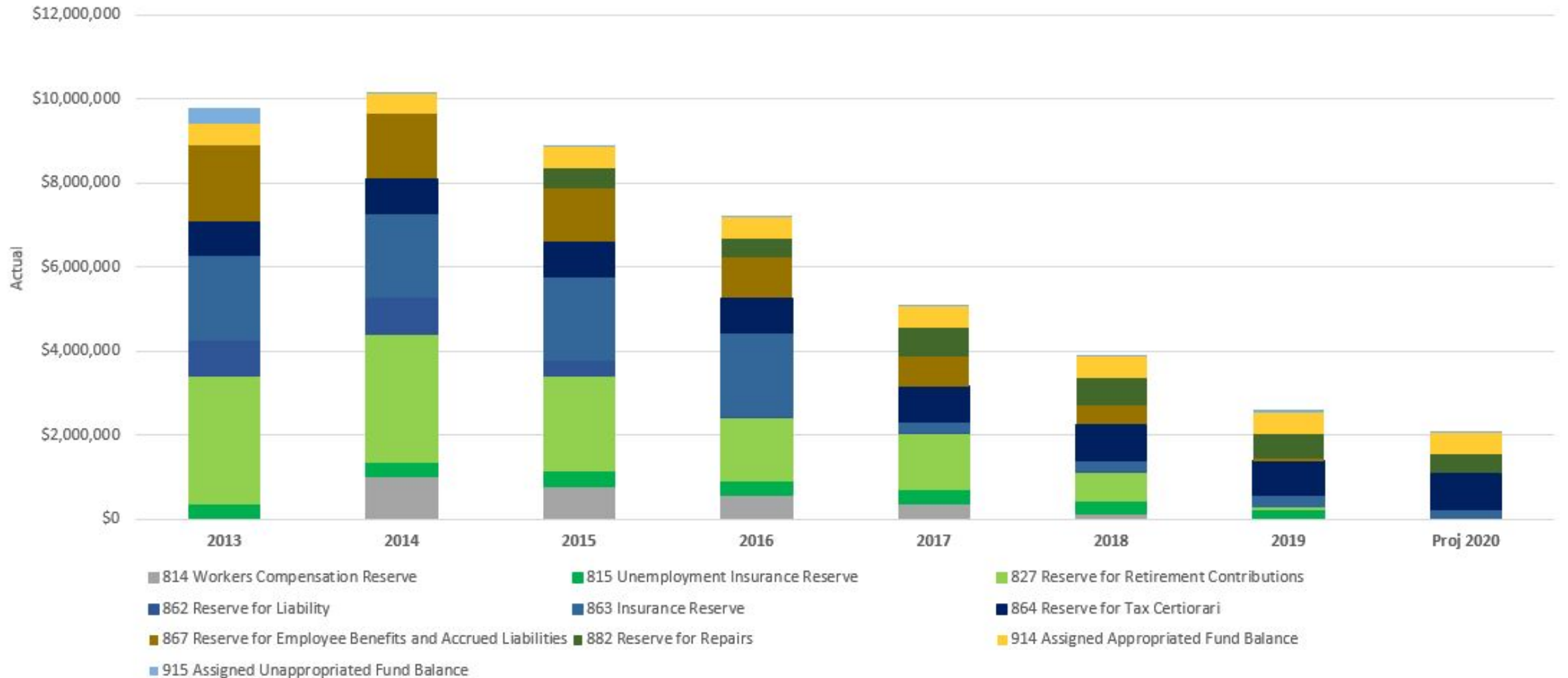
Reserve historical review

- In a budget, projected expenses have to balance with revenues
- CECSD has been allocating our reserves as a “revenue”
- Using reserves as a revenue is not sustainable when they are not replenished -- you will run out!
- Revenues such as taxes and state aid come in every year
- Revenue increases have not been keeping pace with rising expenses

Reserves allocated to balance the budget

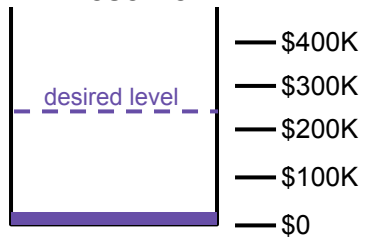
- 2014-15 & 2015-16 reserve allocation of \$4,500,000
- 2016-17 reserve allocation of \$3,976,711
- 2017-18 reserve allocation of \$2,353,142
- 2018-19 reserve allocation of \$1,875,887
- 2019-20 reserve allocation of \$764,171
- 2020-21 can we afford to continue to allocate reserves?

Fund Balance and Reserves without Capital



Understanding Our Reserves

Workers Compensation Reserve



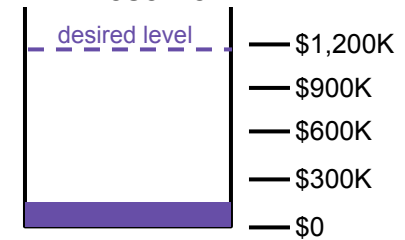
Underfunded

Unemployment Insurance Reserve



May need to transfer to another reserve

Retirement Contributions Reserve



Underfunded

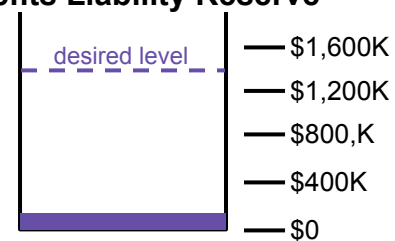
Understanding Our Reserves

Insurance Reserve



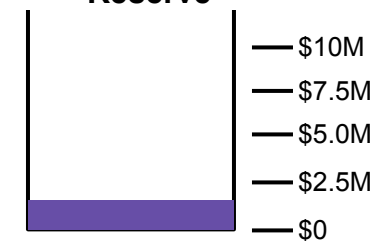
May need to transfer to another reserve

Accrued Employee Benefits Liability Reserve



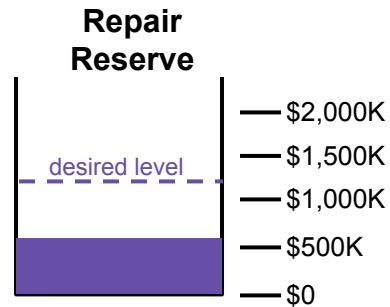
Underfunded

Capital Projects Reserve

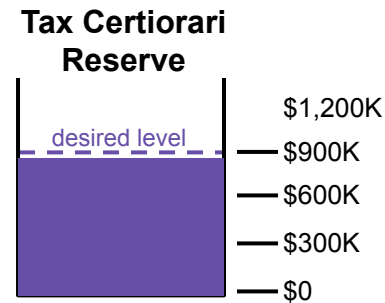


the more that is in this reserve the more can be allocated on capital projects without additional local tax impact

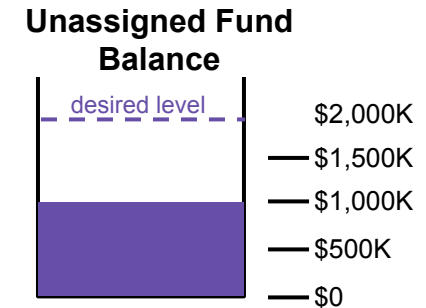
Understanding Our Reserves



because our schools are aging, the more in this reserve, the better.



the amount is matched to the potential claims



→ take out to cover costs
↺ refill same amount
+ add more to get to desired level

Tax Levy Limit Formula

- Tax base growth factor - District specific provided by State
- Inflation and allowable levy growth factor
- Pilots - Payment in lieu of taxes
- Exclusions
 - Capital exclusions
 - Retirement contribution

Tax Levy Limit Calculation

19-20	Prior Year tax levy		17,559,679.00		
	Tax base growth factor	X	1.0021		
			17,596,554.33		
19-20	Prior year pilot	+	144,127.00		
19-20	Prior year exclusions	-	745,625.00		
	Adjusted Prior Year Levy	=	16,995,056.33		
	Allowable growth factor	X	0.0181		
19-20		=	17,302,666.85		
	Pilots for coming year	-	141,000.00		
	Available Carryover	+	0.00		
Tax Levy	Limit		17,161,666.85		
20-21	Coming school year exclusions	+	571,798.50		
Max	Tax Cap Allowable Levy		17,733,465.35	173,786.35	
20-21	Tax Levy Increase			0.99	Percent
	Revised: February 19 2020				

Balancing the budget

	2015-16	2016-17	2017-18	2018-19	2019-20	Projected expenses 1% tax levy increase
Budgeted expenses	\$49,576,887	\$49,576,887	\$49,576,887	\$49,576,887	\$49,576,887	\$50,945,200
Revenues	\$44,076,887	\$45,100,176	\$46,723,745	\$47,201,000	\$48,312,716	\$49,311,407
Budget Gap	\$5,500,000	\$4,476,711	\$2,853,142	\$2,375,887	\$1,264,171	\$1,633,792
Appropriated fund balance	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Reserves	\$5,000,000	\$3,976,711	\$2,353,142	\$1,875,887	\$764,171	\$1,133,792
Change in budget	0	0	0	0	0	\$1,368,313 or 2.76%