



Enlarged City School District



Budget 2023-2024

Cortland Enlarged City School District
November 22, 2022

Kristopher Williamson, Business Administrator



Barry Primary



Smith Intermediate



Randall Middle



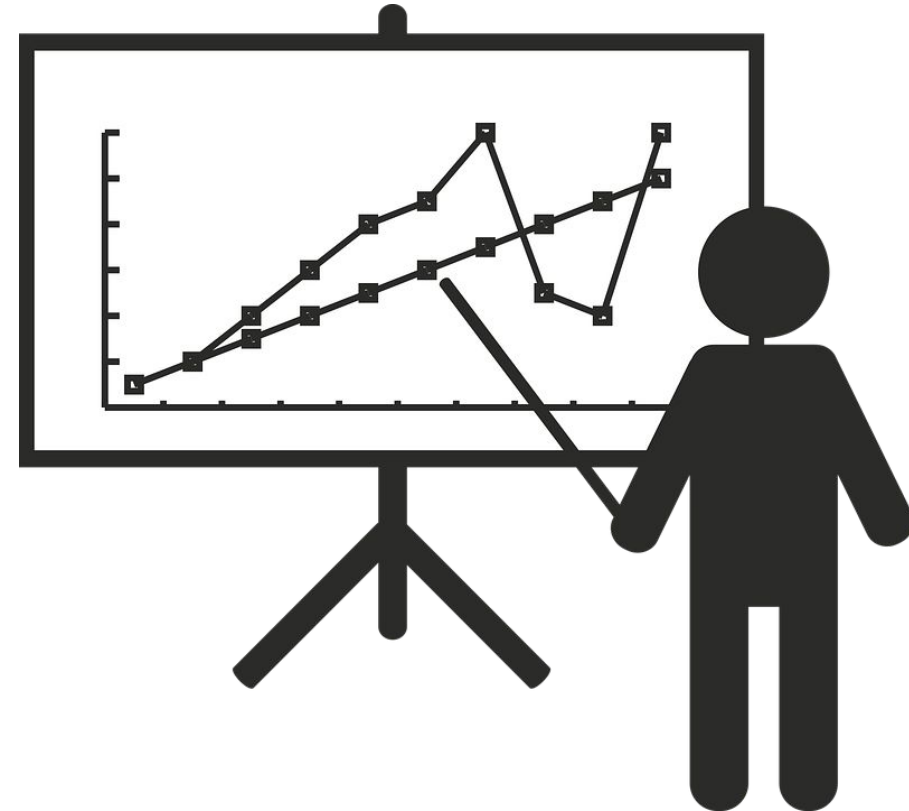
Junior High School



Cortland High School

Budget Presentation #3

- ❖ Long-Term Financial Plan
 - Overview of Plan
 - Debt Service Schedule
 - Capital Projects
 - Electric Buses
 - Reserves
 - Expense and Revenue Projections

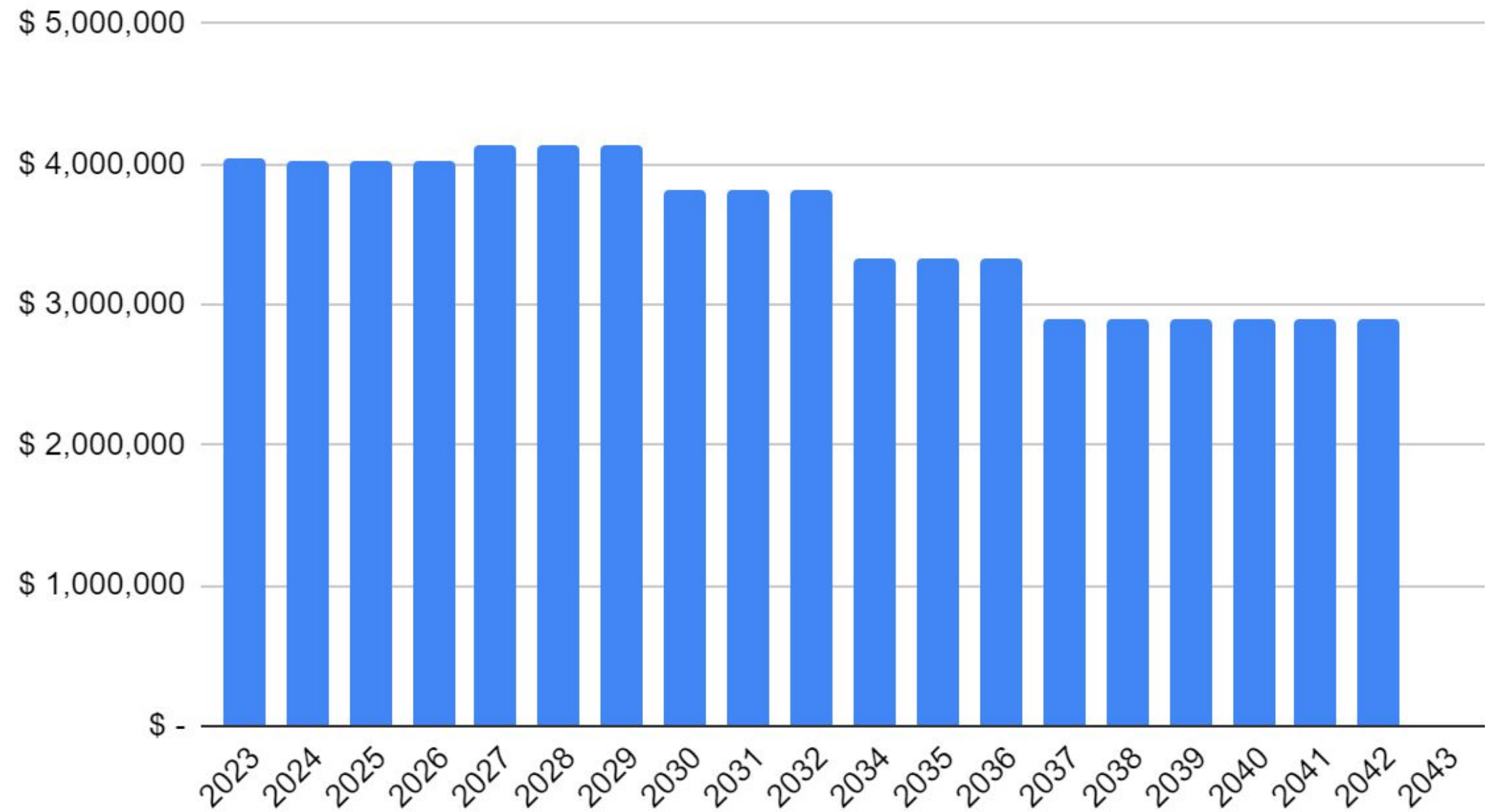


Long-Term Financial Plan

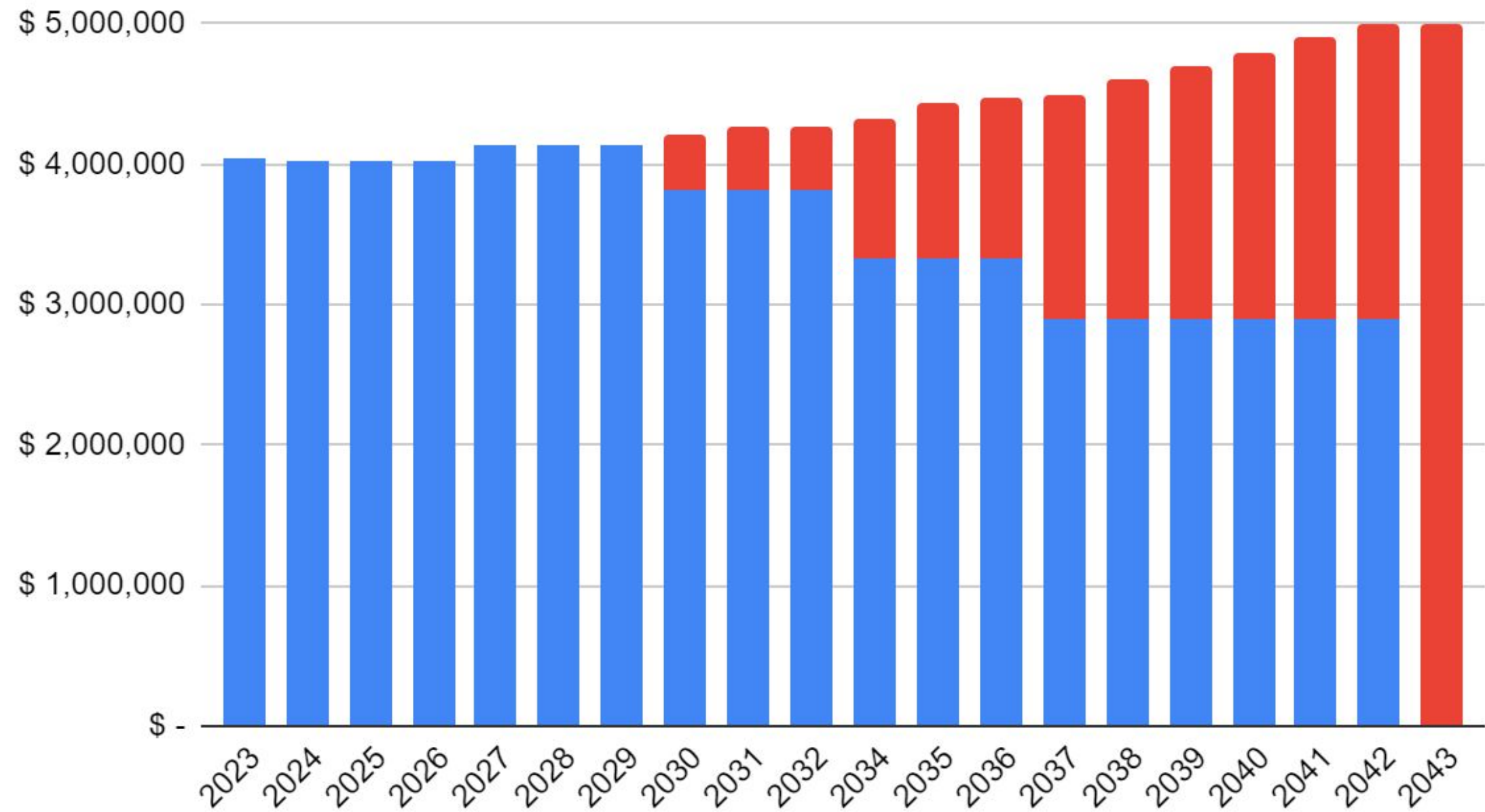
- ❖ Goals:
 - Keep budget within **reasonable limits**
 - **Minimal impacts** to the taxpayer
- ❖ Things to consider:
 - Debt Service schedule
 - Electric buses
 - Maintaining facilities
 - Rising costs
 - Potential fiscal cliff(s)
 - State Aid projections
 - Tax cap limitations



Debt Service Schedule - Capital Projects



Potential Increase in Debt Service to \$5 million per year



Debt Service Schedule

❖ Capital Projects (Current Cliffs in Schedule)

- **-\$320,000** in 2029-2030
 - ◆ Capital Project requiring **\$3.3 million** in Bonds
- **-\$485,000** in 2033-2034
 - ◆ Capital Project requiring **\$4.7 million** in Bonds
- **-\$425,000** in 2036-2037
 - ◆ Capital Project requiring **\$4.3 million** in Bonds
- **-\$2,900,000** in 2042-2043
 - ◆ Capital Project requiring **\$30 million** in Bonds

❖ Bus Purchases

- Relatively steady (~\$540,000/year)
- About to change drastically...



Electric Buses

Time to Start Planning

❖ Things to consider

➤ Electric Buses

- Cost (\$250K - \$400K per bus)
- Batteries (\$125K - \$200K each)
- Financing
 - 12-year amortization
 - However, only a 5-year battery life...

➤ Facilities

- Charging stations (\$400 - \$40,000 each)
 - Not just at the bus garage!
 - Charging Software
- Need larger facilities?
- Utilities

➤ Training

- Electric batteries



Questions Yet to be Answered...

- ❖ Can the electric grid handle the extra power demands?
- ❖ How many buses are needed?
 - Length of routes
 - Time needed for charging
- ❖ Will there be additional funding?
- ❖ Facilities - What counts towards building aid and what counts towards transportation aid?
- ❖ Where do we place chargers?
 - Visiting buses will need to charge
- ❖ Do we need to finance replacement batteries?
- ❖ So many more...



Financial Assumptions - Buses

- ❖ Need to increase fleet size (up to 7 additional buses)
- ❖ Assume batteries need to be replaced after 4 years
- ❖ Diesel and electric buses need to be financed separately
- ❖ Costs:
 - \$150,000 per diesel bus
 - \$400,000 per electric bus
 - \$200,000 per battery
 - Trade-ins:
 - \$30,000 per diesel bus
 - \$30,000 per electric bus
 - \$10,000 per battery

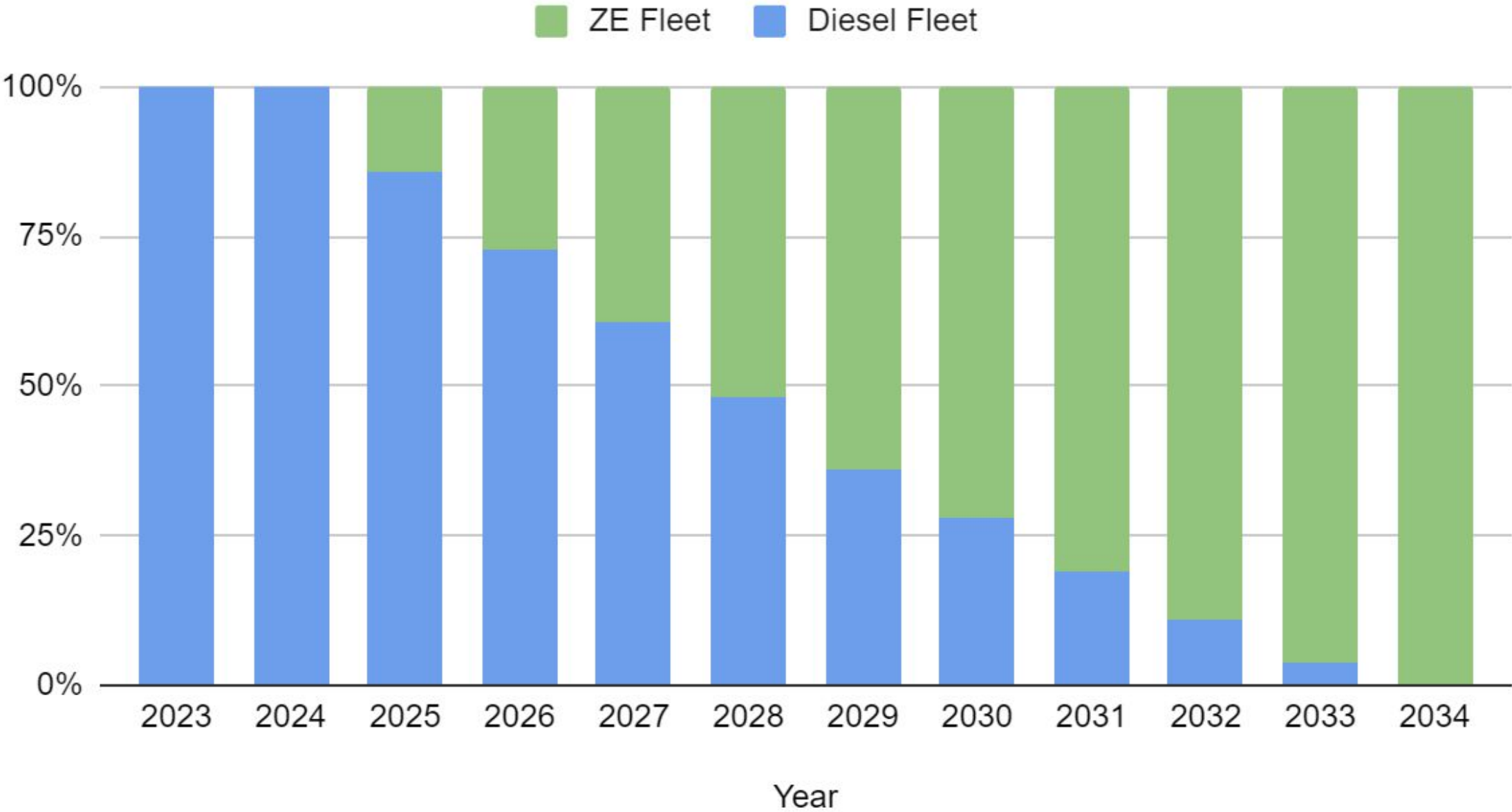


Bus Replacement Schedule: Preliminary Plans

Year	# Buses Owned	# Trade Diesel	# Trade ZE	# Trade Batteries	# New Diesel	# New ZE	# New Batt #1	# New Batt #2	# Fleet Diesel	# Fleet ZE	Est Bonds Diesel	Est Bonds ZE
2023	20	4			4				20		\$ 440,000	
2024	20	4			4				20		\$ 480,000	
2025	21	4			2	3			18	3	\$ 180,000	\$ 1,200,000
2026	22	4			2	3			16	6	\$ 180,000	\$ 1,200,000
2027	23	4			2	3			14	9	\$ 180,000	\$ 1,200,000
2028	25	4			2	4			12	13	\$ 300,000	\$ 1,480,000
2029	25	4		3	1	3	3		9	16	\$ 150,000	\$ 1,650,000
2030	25	2		3		2	3		7	18		\$ 1,310,000
2031	26	2		3		3	3		5	21		\$ 1,710,000
2032	27	2		4		3	4		3	24		\$ 1,900,000
2033	27	2		6		2	3	3	1	26		\$ 1,880,000
2034	27	1		5		1	2	3		27		\$ 1,320,000

Note: This plan assumes that CECSD is granted the 2-year extension for purchasing only ZE buses.
Currently, all districts must begin purchasing only ZE vehicles after July 1, 2027, unless granted this 2-year extension.

Transition from Diesel to Electric (Percent of Fleet)



Projected Debt-Service Schedule

Assumptions:

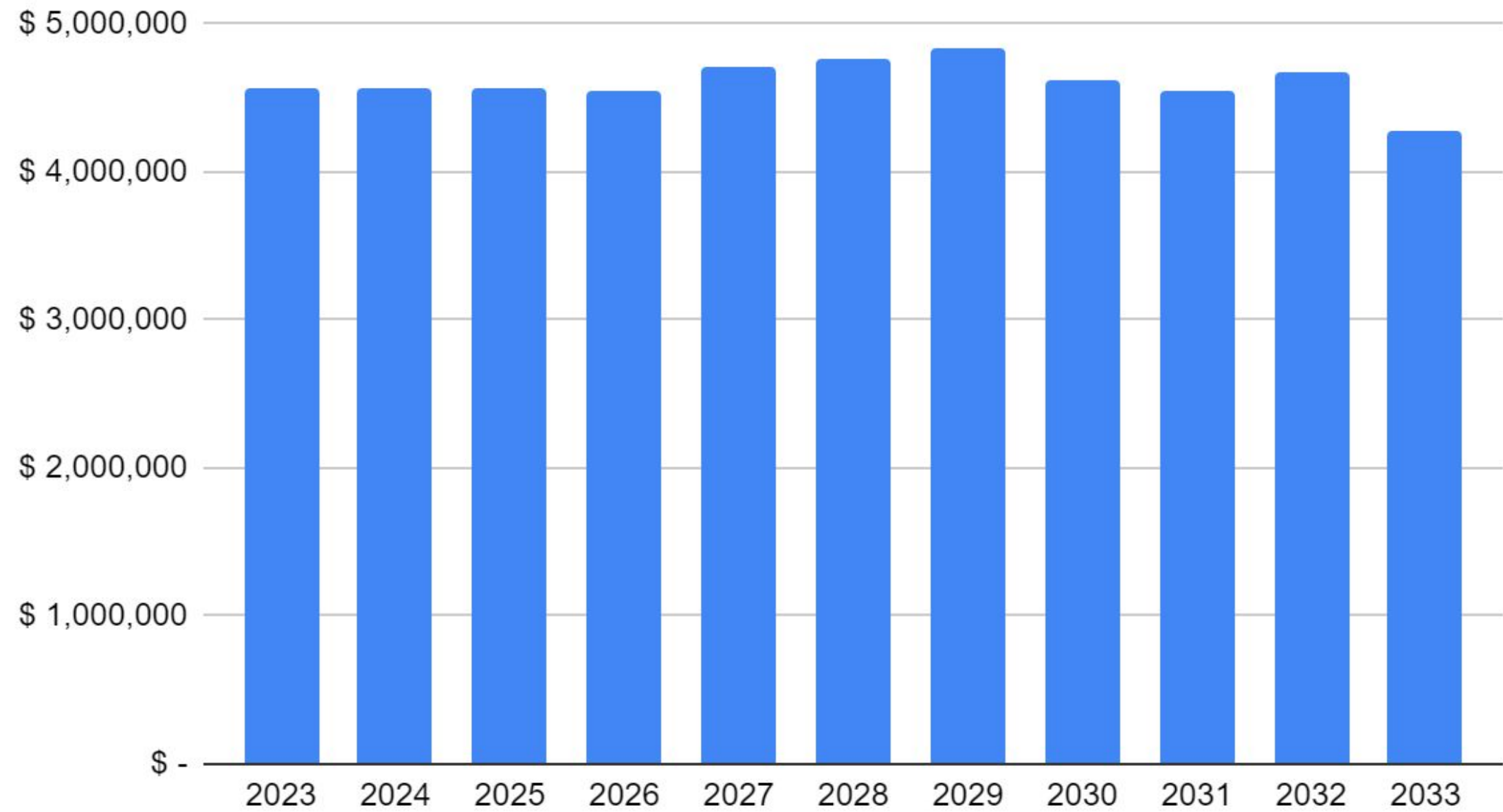
- ❖ No additional capital project work
 - Need additional funding
 - Cost is covered 100% by district
- ❖ ZE buses financed for 12-years
 - Finance battery replacements
 - Trade-ins for buses and batteries

Questions:

- ❖ How do we finance the transition of other district vehicles to zero-emission?

Year	TOTAL DUE
2023	\$ 4,571,673
2024	\$ 4,563,218
2025	\$ 4,563,513
2026	\$ 4,549,345
2027	\$ 4,712,938
2028	\$ 4,772,962
2029	\$ 4,843,429
2030	\$ 4,616,880
2031	\$ 4,540,710
2032	\$ 4,666,390
2033	\$ 4,271,070

Total Anticipated Debt Service - Buses and Capital Projects



Reserves

❖	Using reserves within the budget		Refunding:	
➤	Worker's Compensation:	\$150,000	\$150,000	
➤	Unemployment:	\$5,000	\$5,000	
➤	ERS:	\$250,000	\$250,000	
➤	TRS:	\$200,000	\$330,000	+\$130,000
➤	Repair:	\$45,000	\$45,000	
➤	<u>Accrued Liability:</u>	<u>\$150,000</u>	<u>\$770,000</u>	<u>+\$620,000</u>
➤	Total Budgeted:	\$800,000	\$1,550,000	
❖	Reserves that can be used for certain purposes:			
➤	Insurance			
➤	Capital			
➤	Tax Certiorari			

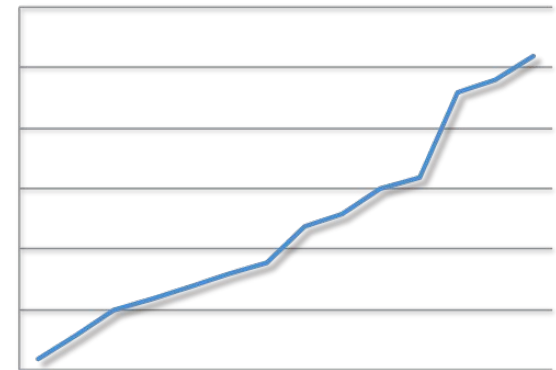
Expense & Revenue Projections

❖ Yearly Expense Increase Assumptions:

- General Support: 1.50%
- Instruction: 1.50%
- Transportation: 1.07%
- Community Service: Steady
- Employee Benefits: 1.11%
- Debt Service: Steady
- Interfund Transfers: Steady

❖ Yearly Revenue Increase Assumptions:

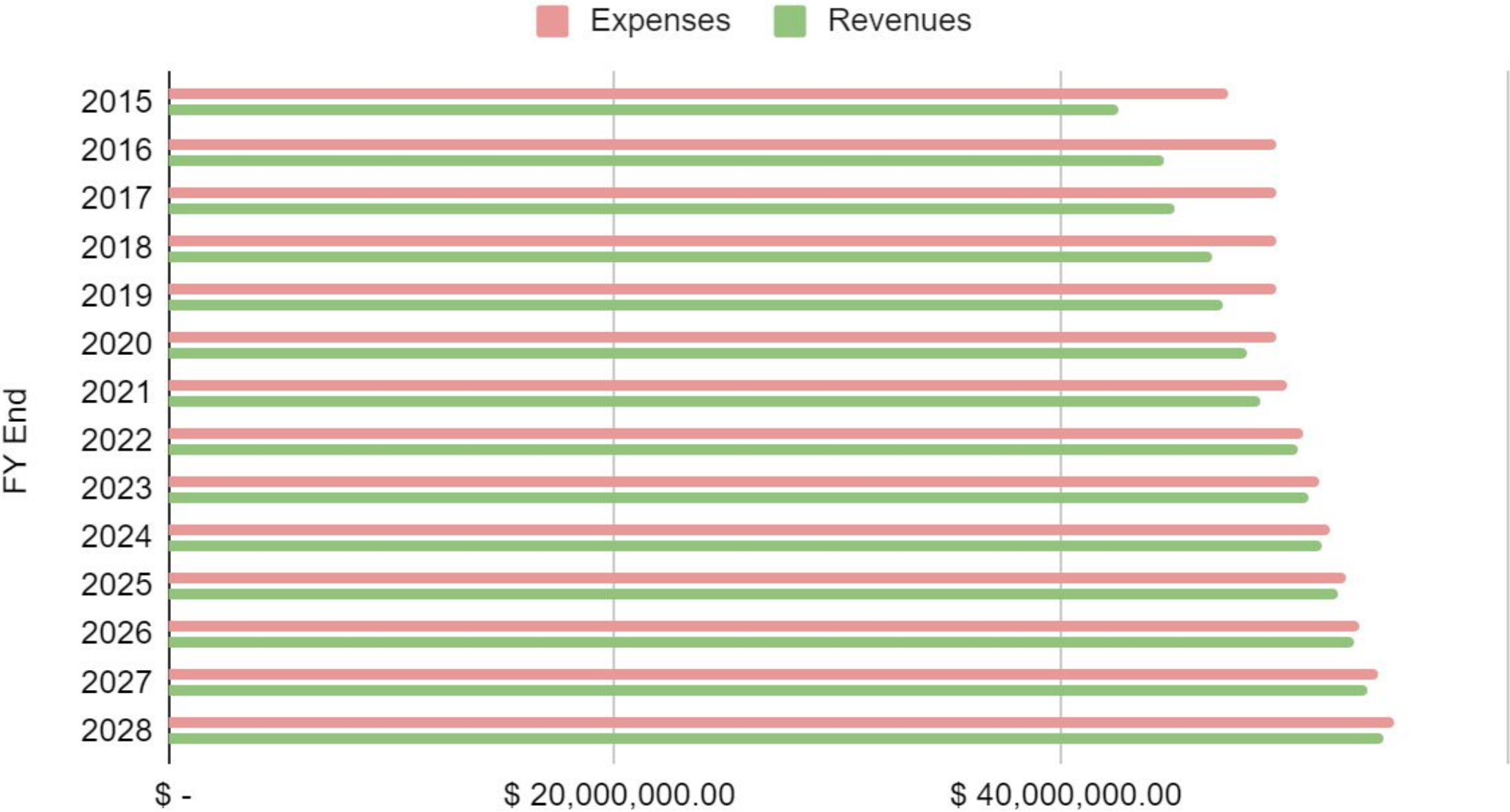
- Taxes and PILOTs: 1%
- State Aid: 1.5%
- Miscellaneous: Steady



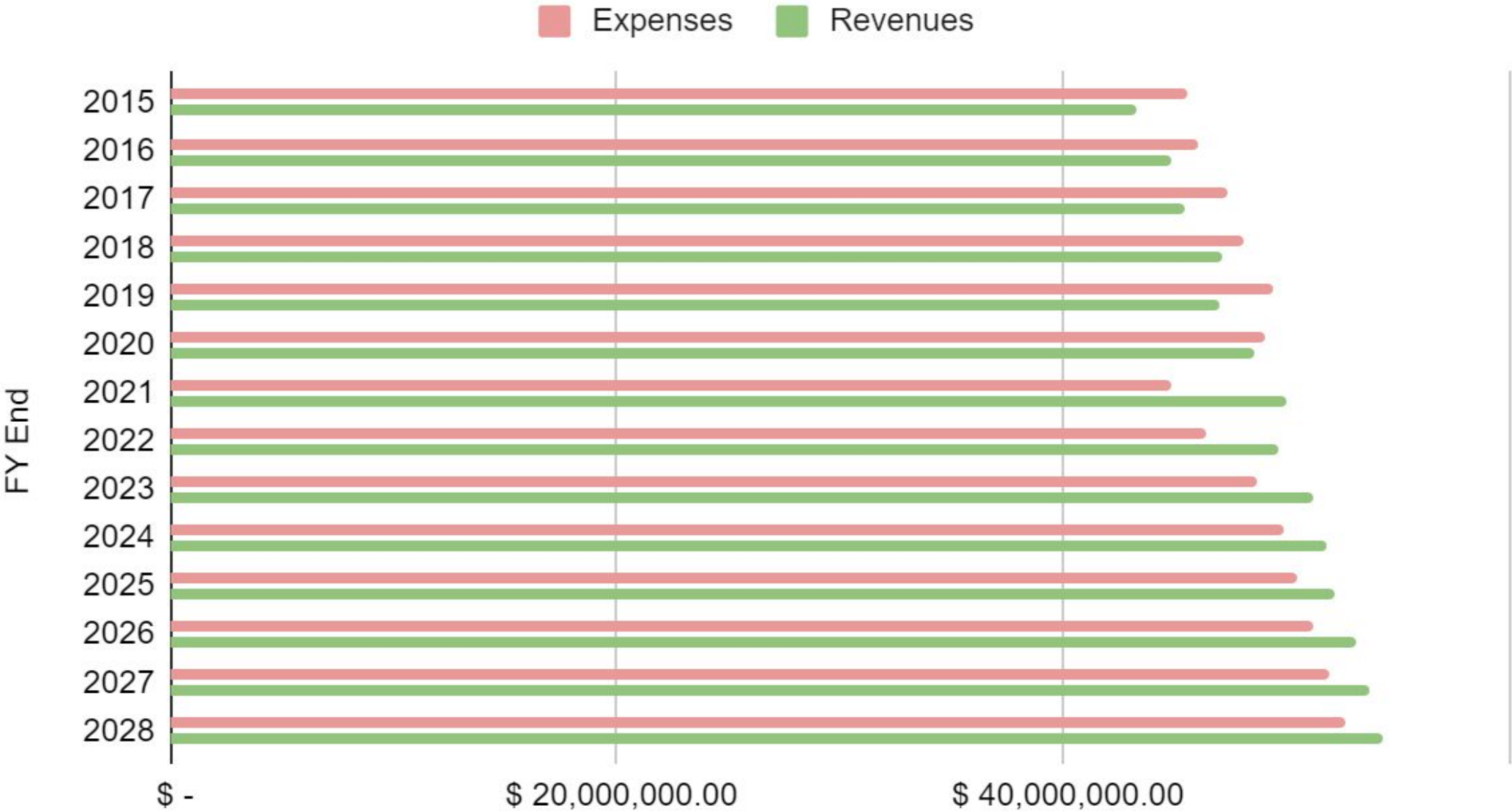
Expense & Revenue Projections

	EXPENSES			REVENUES			OVERALL
FY End	Budgeted	Actual	Difference	Budgeted	Actual	Difference	Net Position
2015	\$ 47,504,329.00	\$ 45,592,883.31	\$ (1,911,445.69)	\$ 42,504,329.00	\$ 43,283,917.39	\$ 779,588.39	\$ 2,691,034.08
2016	\$ 49,576,887.00	\$ 46,009,800.28	\$ (3,567,086.72)	\$ 44,576,887.00	\$ 44,813,425.17	\$ 236,538.17	\$ 3,803,624.89
2017	\$ 49,576,887.00	\$ 47,371,210.30	\$ (2,205,676.70)	\$ 45,100,176.00	\$ 45,482,943.28	\$ 382,767.28	\$ 2,588,443.98
2018	\$ 49,576,887.00	\$ 48,084,018.44	\$ (1,492,868.56)	\$ 46,723,745.00	\$ 47,057,415.69	\$ 333,670.69	\$ 1,826,539.25
2019	\$ 49,576,887.00	\$ 49,396,210.02	\$ (180,676.98)	\$ 47,201,000.00	\$ 46,949,875.01	\$ (251,124.99)	\$ (70,448.01)
2020	\$ 49,576,887.00	\$ 48,980,148.89	\$ (596,738.11)	\$ 48,312,716.00	\$ 48,537,549.24	\$ 224,833.24	\$ 821,571.35
2021	\$ 50,170,001.00	\$ 44,831,354.53	\$ (5,338,646.47)	\$ 48,966,150.00	\$ 50,004,933.31	\$ 1,038,783.31	\$ 6,377,429.78
2022	\$ 50,848,256.00	\$ 46,332,186.30	\$ (4,516,069.70)	\$ 50,539,897.00	\$ 49,632,851.59	\$ (907,045.41)	\$ 3,609,024.29
2023	\$ 51,565,151.00	\$ 48,619,340.42	\$ (2,945,810.58)	\$ 51,065,151.00	\$ 51,199,978.41	\$ 134,827.41	\$ 3,080,637.99
2024	\$ 52,057,293.80	\$ 49,907,343.46	\$ (2,149,950.35)	\$ 51,725,158.72	\$ 51,827,014.18	\$ 101,855.46	\$ 2,251,805.81
2025	\$ 52,704,960.59	\$ 50,526,948.35	\$ (2,178,012.24)	\$ 52,394,147.13	\$ 52,161,208.91	\$ (232,938.23)	\$ 1,945,074.01
2026	\$ 53,347,084.44	\$ 51,140,734.60	\$ (2,206,349.84)	\$ 53,072,241.75	\$ 53,075,135.71	\$ 2,893.96	\$ 2,209,243.80
2027	\$ 54,177,488.92	\$ 51,941,048.25	\$ (2,236,440.66)	\$ 53,759,569.89	\$ 53,716,164.65	\$ (43,405.25)	\$ 2,193,035.42
2028	\$ 54,912,819.28	\$ 52,646,683.57	\$ (2,266,135.72)	\$ 54,456,260.67	\$ 54,361,892.51	\$ (94,368.16)	\$ 2,171,767.56

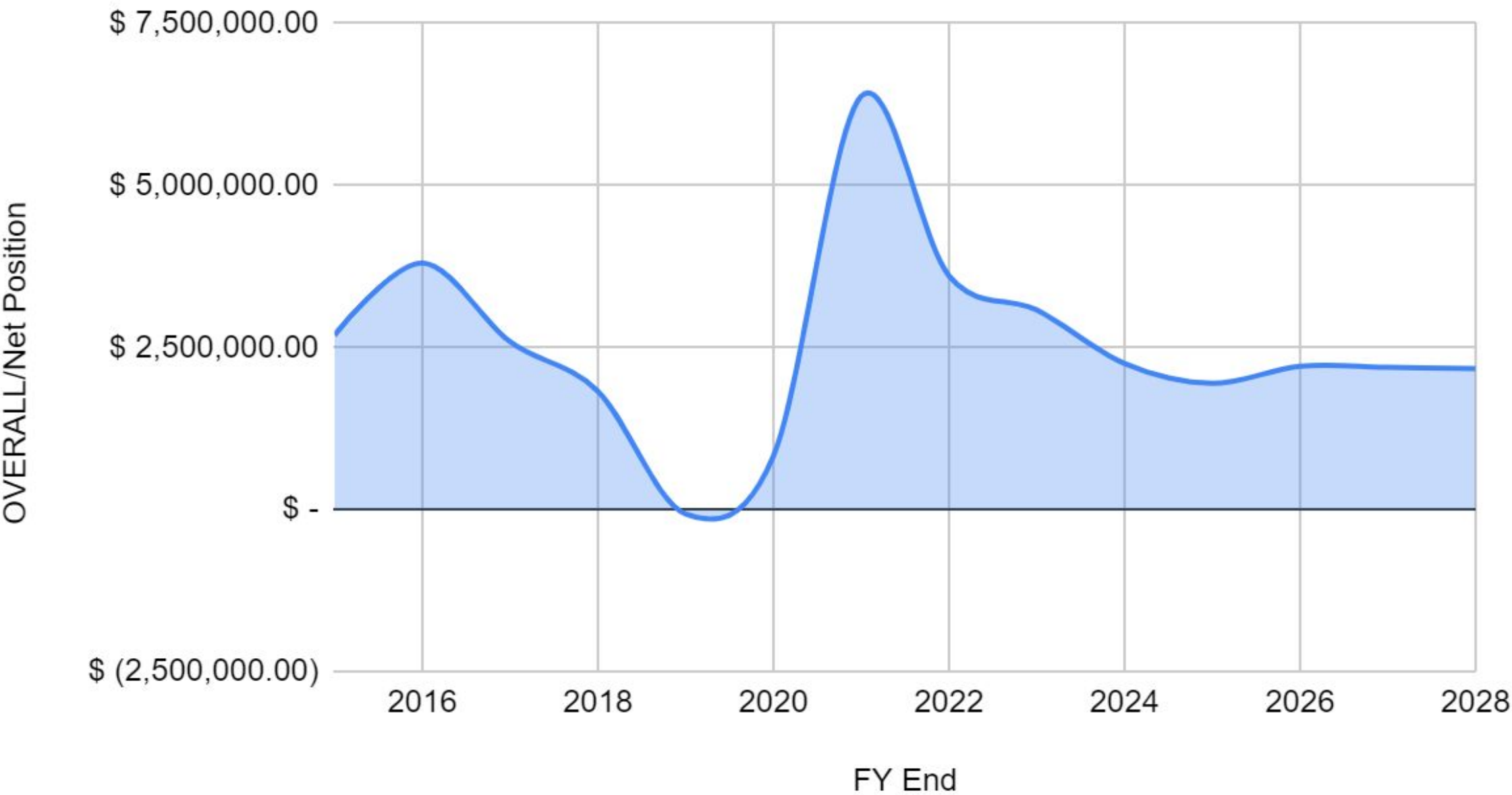
Budgeted Expenses vs Budgeted Revenues



Actual Expenses vs Actual Revenues



Overall Net Position



Key Take-Aways



By Frits Ahlefeldt

- ❖ Electric Busing - Many unanswered questions
 - Need to start planning soon!

- ❖ Goal to use Reserves as part of annual budget
 - Improves cash-flow in the summer months
 - Excess fund balance to refund all reserves used

- ❖ Projected net position over next five years
 - Averaging \$2 million per year increase to fund balance

Next Steps in Budget Process

- ❖ Meetings with budget builders
- ❖ BOCES Initial Service Requests (next BOE meeting)
- ❖ Calculate “known” projected expenses

Note: Negotiations with KC and CAA this year



Questions?

