



Enlarged City School District



# Budget 2024-2025

Cortland Enlarged City School District  
October 24, 2023

Kristopher Williamson, Business Administrator



**Barry Primary**



**Smith Intermediate**



**Randall Middle**

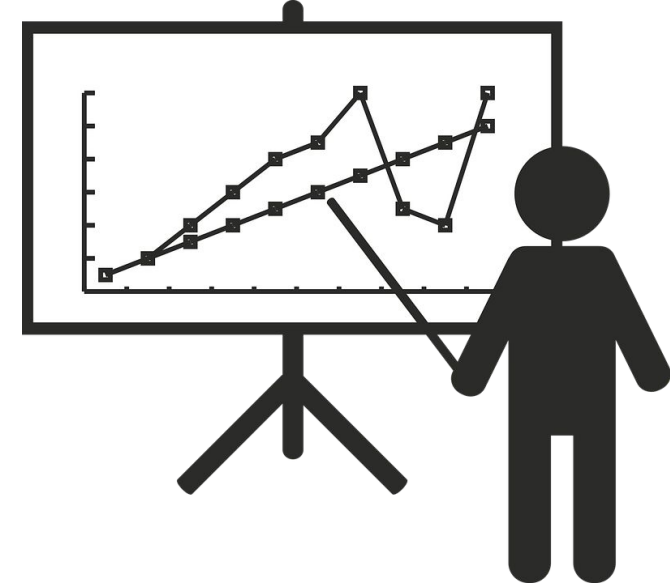


**Junior High School**



**Cortland High School**

# Budget Presentation #2



- **Long-Range Financial Plan**
  - Multi-year budgeting factors
  - Fund balance and reserve plan
  - Projected Revenue Budget
  - Projected Revenues vs Expenses
- **Reserves Update**
  - Current balances
  - Projected balances

Projections through 2026-27 school year (3-year projections)

# Multi-Year Budgeting - Expenses

- **Payroll and Benefits Projections**
  - Staffing and Student Enrollment Projections
  - Anticipated Retirements
  - Federal Grants (Title, UPK, 611/619)
  - Health Insurance Premiums
  - TRS/ERS Employer Contribution Rates
- **Debt Service Projections**
  - Future Capital Projects
  - Electrification of Vehicles
- **Programmatic Needs**
  - Curriculum Reviews
  - BOCES Services



# Revenue Factors to Consider

- **Tax Levy Increases**

- Assume 2-4% Increases
- Potential Tax Levy Overrides
  - Messaging to Community
- PILOTs

- **State Aid Increases**

- NYS is projecting a deficit for 2024-25
- Foundation Aid - 3% Hold Harmless?

- **Fund Balance**

- **Reserves**

- Goal: Use and refund each year
- Balance should be 12-18% of subsequent budget to be considered stable



# Revenue Budget Projections

	Budgeted	Budgeted	Budgeted	Projected	Projected	Projected
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Tax Levy/PILOTs	\$ 18,107,360	\$ 18,388,459	\$ 18,738,999	\$ 19,207,474	\$ 19,687,661	\$ 20,179,853
State Aid	\$ 31,347,787	\$ 31,741,542	\$ 32,090,698	\$ 32,475,786	\$ 32,865,495	\$ 33,259,881
Miscellaneous Revenue	\$ 1,084,750	\$ 935,150	\$ 935,150	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Fund Balance	\$ 308,359	\$ 400,000	\$ 740,000	\$ 650,000	\$ 600,000	\$ 500,000
Reserves	\$ -	\$ 100,000	\$ 961,195	\$ 700,000	\$ 700,000	\$ 650,000
<b>TOTALS:</b>	<b>\$ 50,848,256</b>	<b>\$ 51,565,151</b>	<b>\$ 53,466,042</b>	<b>\$ 54,233,260</b>	<b>\$ 55,053,156</b>	<b>\$ 55,789,734</b>
Percent Increase:		1.41%	3.69%	1.43%	1.51%	1.34%

## Assumptions:

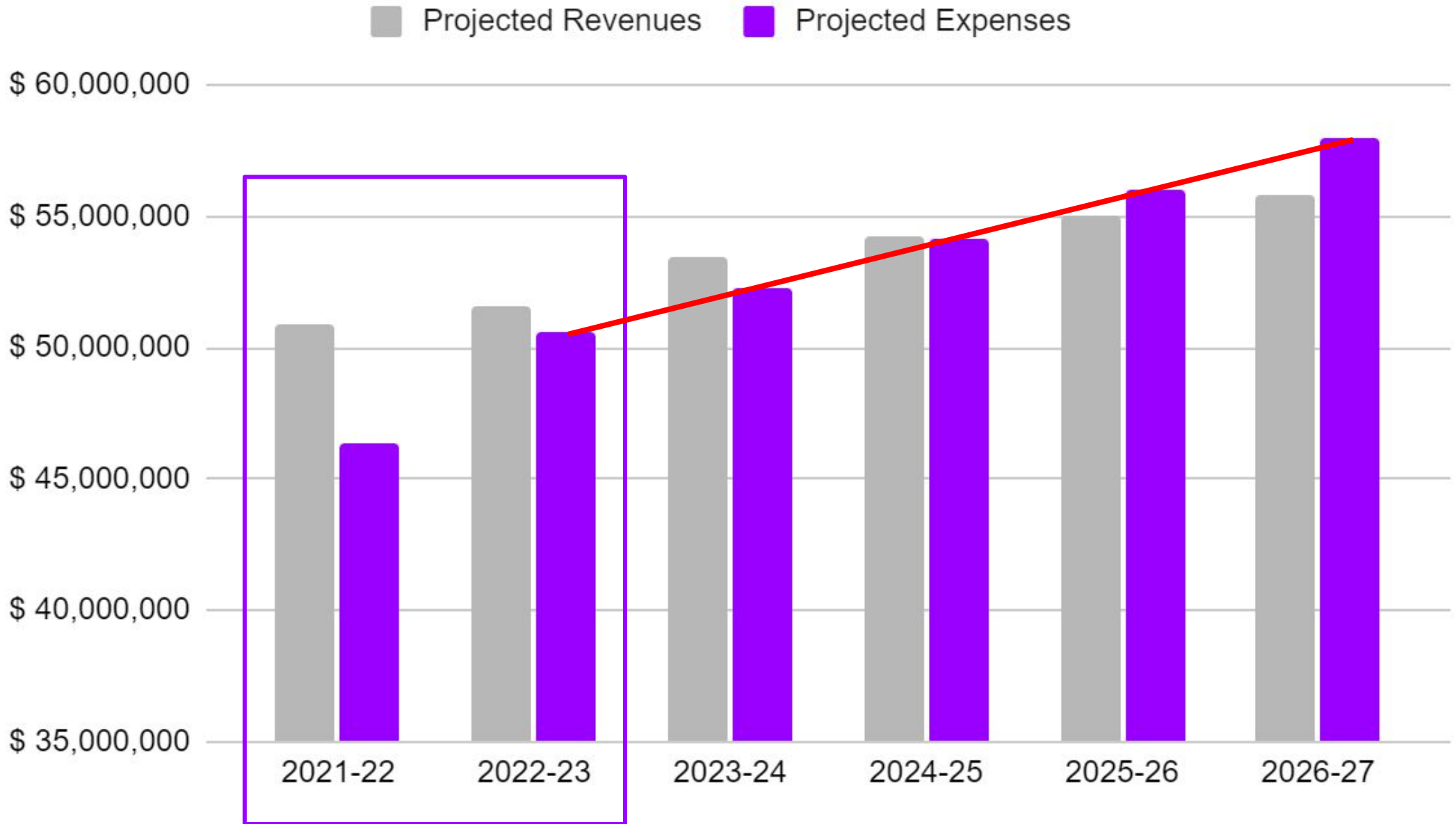
2.5% Tax Increase

1.2% State Aid Increase

Increased Interest from NYCLASS Investments

Decreased reliance on Fund Balance and Reserves

# Projected Revenues and Projected Expenses





# Fund Balance/Reserve Plan Goals

**Goal:** Reduce reliance on Fund Balance and Reserves.

**Goal:** Appropriated Fund Balance should be as close to \$0 as possible.

**Goal:** Reserves should be refunded at a higher rate than used.

**Reality:** End of Year Fund Balance is difficult to project.





# Reserve Use Projections

	EOY 2023	EOY 2024	EOY 2025	EOY 2026	EOY 2027
Workers Compensation		\$ (220,000)	\$ (100,000)	\$ (120,000)	
Unemployment					
Retirement (ERS)		\$ (351,195)	\$ (300,000)	\$ (250,000)	\$ (250,000)
Insurance					
Accrued Employee Benefits		\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)
Capital			\$ (2,000,000)		
Repair	\$ (100,000)	\$ (120,000)	\$ (50,000)	\$ (80,000)	\$ (100,000)
Tax Certiorari					
TRS		\$ (220,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)
<b>Total Reserve Use:</b>	<b>\$ (100,000)</b>	<b>\$ (961,195)</b>	<b>\$ (2,700,000)</b>	<b>\$ (700,000)</b>	<b>\$ (600,000)</b>

# Reserve Balance Projections

	EOY 2023	EOY 2024	EOY 2025	EOY 2026	EOY 2027
Workers Compensation	\$ 537,465	\$ 330,092	\$ 342,292	\$ 334,079	\$ 351,793
Unemployment	\$ 300,148	\$ 312,046	\$ 328,592	\$ 346,015	\$ 364,362
Retirement (ERS)	\$ 1,102,314	\$ 1,031,026	\$ 969,787	\$ 1,007,952	\$ 1,048,141
Insurance	\$ 245,877	\$ 255,624	\$ 269,178	\$ 283,451	\$ 298,480
Accrued Employee Benefits	\$ 898,031	\$ 881,677	\$ 875,775	\$ 869,560	\$ 863,015
Capital	\$ 3,629,276	\$ 3,797,989	\$ 1,893,323	\$ 1,993,712	\$ 2,099,424
Repair	\$ 440,990	\$ 433,704	\$ 454,049	\$ 393,882	\$ 409,464
Tax Certiorari	\$ 797,297	\$ 828,923	\$ 872,875	\$ 919,157	\$ 967,893
TRS	\$ 656,900	\$ 754,187	\$ 883,572	\$ 1,019,817	\$ 1,163,286
<b>Total Reserves:</b>	<b>\$ 8,608,298</b>	<b>\$ 8,625,268</b>	<b>\$ 6,889,443</b>	<b>\$ 7,167,625</b>	<b>\$ 7,565,858</b>
Percent of Budget:	16.10%	15.90%	12.51%	12.85%	13.39%

# Key Take-Aways

- It is typical for the Expense side of the budget to exceed the Revenue side of the budget early in the budget process
  - Expense and Revenue budgets must match
- Potential Request for Tax Levy Override for a few years
  - Close review of the expense side of the budget is needed
- It is possible to use and refund reserves over the next few years and keep balances at healthy levels
  - Difficult to predict end of year fund balances



# Next Steps in Budget Process

- **Budget Builders meet with their departments/staff**
  - Initial Budget Requests Due December 18
- **Project “Known” Expenses**
  - Payroll and Benefits
  - Debt Service Projections
  - Contractual Expenses
- **Review Past Budgets**
  - Revenue vs Expenses
  - By category
  - Debt schedule and fixed costs



Questions?

