



Enlarged City School District



Budget 2024-2025

Cortland Enlarged City School District
November 28, 2023

Kristopher Williamson, Business Administrator



Barry Primary



Smith Intermediate



Randall Middle

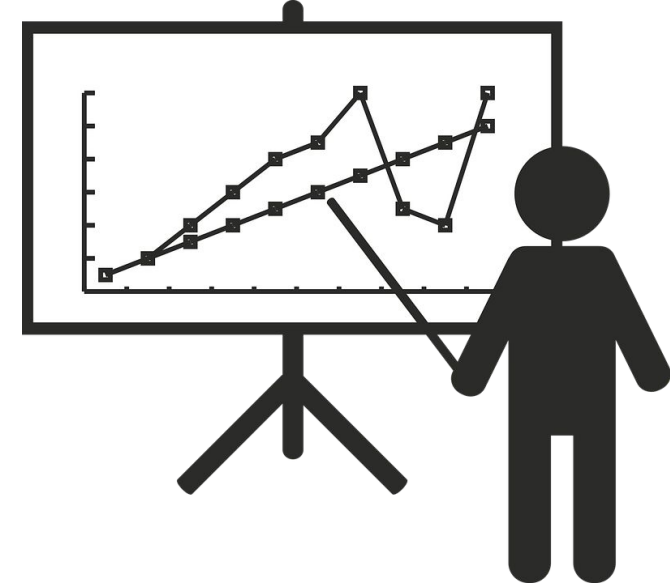


Junior High School



Cortland High School

Budget Presentation #3

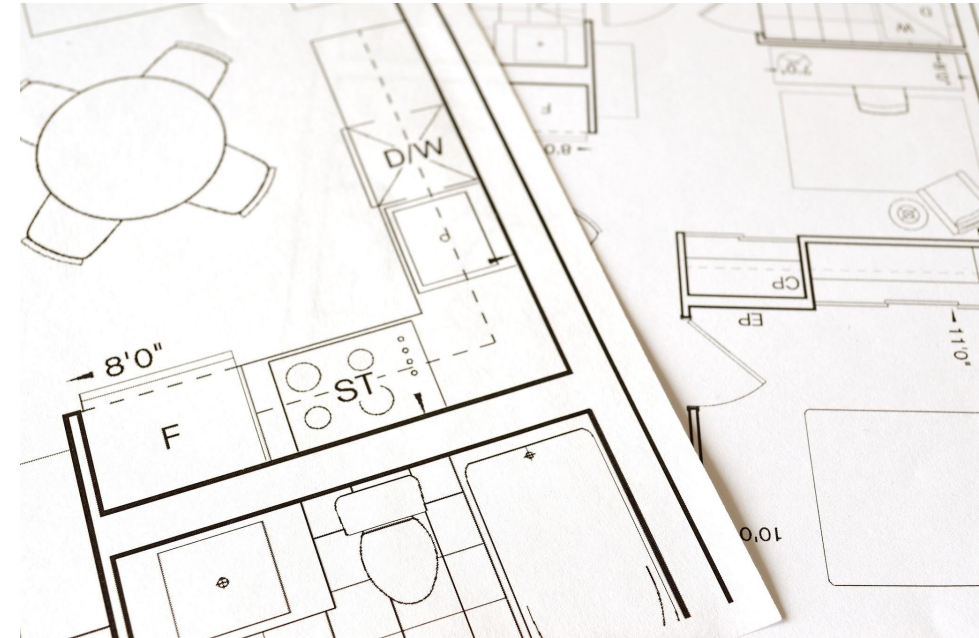


- **Debt Service Information**

- Long-Term Debt Service Goals
- What is included in the Debt Service Budget?
- Passage of Proposition 1 - How will this help CECSD?
- Maximum Cost Allowance

- **Debt Service Projections**

- Current Year Expenses
- Projected Expenses for 2024-25
- Future Projections



Long-Term Debt Service Goals

- **Minimal Impact to Tax Payers**
 - Tax Levy Formula (Exclusions)
- **Maintaining Facilities**
 - Safe and Secure for all students and staff
 - Capital Projects (Debt Service)
 - Mechanical and HVAC
 - Plumbing
 - Electrical
 - Site
 - General Contractors
 - Capital Outlay Projects (Not Debt Service)
- **Monitor Maximum Cost Allowances**



What is Included?

- **Principal and Interest for Capital Work**
 - BANs
 - Bonds
- **Principal and Interest for Bus Purchases**
 - Bonds
- **Other Capital Work to be budgeted for (not part of Debt Service)**
 - Capital Outlay Projects (100K)
 - Repairs
 - Routine Maintenance



Passage of Proposition 1

- Debt Limit is now on par with all NYS School Districts
- Debt Limit changed from 5% to 10% of full value of taxable assessments
 - Old Debt Limit: \$57,020,103
 - Current Debt Limit: \$116,989,028
- Impacts to Passage of future capital projects
 - Simple Majority votes needed for all future capital projects
 - Current Outstanding Debt: \$49,423,620 in Principal
- Maximum Cost Allowance must still be considered

Maximum Cost Allowance

- **Calculation:** BAU (Building Aid Units) x Cost Index

<u>Building:</u>	<u>K-6:</u>	<u>7-12:</u>	<u>Sp Ed:</u>
• BAUs (Building Aid Units)			
• Barry	432	0	45
• Smith	351	0	0
• Randall	288	0	60
• JSHS	0	1,484	158
• Cost Index			
• Construction	\$15,542	\$23,313	\$46,627
• Incidental	\$3,108	\$5,828	\$11,657



Maximum Cost Allowance

<u>Building</u>	<u>MCA</u>	<u>5 Year Costs</u>	<u>Remaining</u>
• Maximum Construction Costs			
• Barry	\$8,812,359	\$1,828,386	\$6,983,973
• Smith	\$5,455,242	\$4,864,620	\$590,622
• Randall	\$7,273,716	\$433,160	\$6,840,556
• JSHS	\$41,963,558	\$317,529	\$41,646,029
• Maximum Incidental Costs			
• Barry	\$1,867,221	\$1,258,491	\$608,730
• Smith	\$1,090,908	\$1,427,154	\$(336,246)
• Randall	\$1,594,524	\$343,611	\$1,250,913
• JSHS	\$10,490,558	\$65,225	\$10,425,333

Current-Year Debt Service

- **Bus Bonds (5-years)**
 - Principal \$502,000
 - Interest \$31,767
- **Capital Bonds (15-years)**
 - Principal \$3,215,000
 - Interest \$814,450
- **Capital BANs (short-term)**
 - Interest \$18,417



TOTAL DEBT SERVICE for 2023-24:

\$4,581,634

Debt Service Projections - 24/25

- **Bus Bonds (5-years)**
 - Principal \$496,620
 - Interest \$48,290
- **Capital Bonds (15-years)**
 - Principal \$3,370,000
 - Interest \$656,150
- **Capital BANs (short-term)**
 - Principal \$430,000
 - Interest \$426,313



TOTAL DEBT SERVICE for 2024-25:

\$5,427,373

Future Debt Service Projections

<u>Fiscal Year</u>	<u>Principal:</u>	<u>Interest:</u>	<u>Total:</u>
2024-25	\$4,296,620	\$1,130,753	\$5,427,373
2025-26	\$4,370,000	\$861,419	\$5,231,419
2026-27	\$2,135,000	\$657,280	\$2,792,280
2027-28	\$2,768,000	\$1,282,024	\$4,050,024
2028-29	\$3,152,000	\$1,001,513	\$4,153,513
2029-30	\$2,820,000	\$1,070,319	\$3,890,319



Considerations for Future Capital Work

Planned Debt Service Costs

- Phase 2 Work for \$32.5 million project - Bids to be awarded in Feb 2024
- Barry Cluster Reconstruction - May 2024 Projected vote

Anticipated Debt Service Costs

- BCS (Building Condition Survey)
- Zero-Emission Mandate
 - Capital Work (Charging stations, utilities)
 - Buses (2027 - Purchase only ZEV) (2035 - Full ZEV Fleet)



ZEV Initial Projections

Costs for Implementing ZE Buses:

- Buses (\$180K → \$500K each)
- Capital Work (????)
 - Charging Stations
 - Facilities and Site Work (???)

Incentive and Rebate Programs

Challenges

- Electrical Capacity
- Voter Approval
- Navigating Incentive/Rebate Programs
- Phased Capital Work
- Evolving Technology

Fiscal Year	New Buses		Trade-Ins		Fleet Size	Bonds	
	Diesel	ZEV	Diesel	ZEV		Diesel	ZEV
2023	4	0	4	0	24	\$ 600,000	
2024	4	0	4	0	24	\$ 600,000	
2025	4	0	4	0	24	\$ 600,000	
2026	3	1	4	0	24	\$ 400,000	\$ 500,000
2027	3	2	4	0	25	\$ 400,000	\$ 1,000,000
2028	0	3	4	0	24		\$ 1,380,000
2029	0	3	3	0	24		\$ 1,410,000
2030	0	3	3	0	24		\$ 1,600,000
2031	0	3	3	0	24		\$ 1,790,000
2032	0	3	3	0	24		\$ 1,980,000
2033	0	2	2	0	24		\$ 1,510,000
2034	0	2	2	0	24		\$ 1,700,000
2035	0	1	1	0	24		\$ 1,420,000
2036	0	1	1	0	24		\$ 1,610,000
2037	0	1	0	0	25		\$ 1,450,000
2038	0	1	0	1	25		\$ 1,420,000
2039	0	2	0	2	25		\$ 1,700,000

Note: Not shown above are costs to install chargers, complete capital work, and utility upgrades. The bond amounts include projected replacement of batteries. Rebates/Incentive programs, if approved, will lower bonding amounts.

Key Take-Aways

- **Passage of Proposition 1 - Debt Limit for Small City Schools**
 - Puts all Small City Schools on par with every other district in NYS
 - Ensures that Capital Projects only need a simple majority for approval
- **Debt Service increasing slightly for 2024-25**
 - Building aid is projected to also increase
- **Next Capital Project will be Barry Cluster**
 - Keeps the Debt Service schedule steady with minimal impact on taxes
- **Zero-Emission Mandate**
 - Goal: Develop a multi-year plan by June 30, 2024



Next Steps in Budget Process

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



Questions?

