
2022-23 BUDGET VOORHEESVILLE CSD

MAY 9, 2022 PRESENTATION OF
2022-23 BUDGET FOR BUDGET
HEARING

2022-23 SCHOOL BUDGET DATES

- ✘ May 9 – District holds budget hearing
- ✘ May 17 – Annual School Budget Vote and Board of Education election

REVIEW OF SIGNIFICANT FACTORS OF REVENUE FOR 2022-23 BUDGET

- ✘ State Aid- Makes up **25.81%** of the projected budget based on the executive state budget aid runs.
- ✘ Tax Levy- Makes up **70.16%** of the projected budget using a **2.5%** increase which is below the allowed tax levy increase of the tax cap (projected at **4.16%**).
- ✘ Other Revenue- An amount of about **1.38%** of the projected budget from various local sources
- ✘ Federal Revenue- Includes only **\$40,000** for Medicaid. Makes up **0.14%** of budget.
- ✘ Allocated Fund Balance of **\$703,665** which is **2.50%**. Amount based on “normal year” budgeting.
- ✘ Projected Current Gap- This leaves an amount of **\$0** as our current projected gap between revenues and expenses.

STATE AID- LEGISLATIVE STATE BUDGET FROM APRIL 4, 2022

- ✘ The projected state aid for 2022-23 in the executive proposed state budget was **\$7,422,628**.
- ✘ Amount budgeted for 2021-22 was **\$6,125,259** adjusting for potential issues with Transportation Aid and BOCES Aid. Projected Actual is **\$6,535,082** per the state aid run from the updated 2021-22 state budget information.
- ✘ Projected 2022-23 state aid in proposal is **\$7,265,145** based on increases in Foundation Aid, BOCES Aid, and Transportation Aid. Adjustments were made based on historical overstatement of state aid.

TAX LEVY- CONSUMER PRICE INDEX IN TAX CAP CALCULATIONS

- ✘ Maximum CPI adjustment capped at 2% for Tax Cap calculation (no matter the actual CPI). Actual CPI is 4.7% for the measurement period.
- ✘ Difference of 2.7% in maximum CPI and actual CPI for 2022-23 reduces taxing capacity by \$520,199.
- ✘ CPI-U is the measure used and compares the cost of a household basket of goods/services. As a personnel heavy industry, CPI-U is always significantly lower than actual school district cost increases.

TAX CAP- INFORMATION FILED

- ✘ Start with 2021-22 Tax Levy of \$19,266,635
- ✘ Apply Tax Base Growth Factor of 1.0168, subtract Capital Levy Exclusion from 2021-22 of \$0, apply CPI Factor of 1.02 to arrive at Tax Levy Limit (before exclusions) of \$19,982,121. This is an allowed increase of \$715,486 or 3.71%.
- ✘ Only known exclusion is Capital Levy Exclusion (including BOCES Capital) which is the difference between capital and bus purchase expenses and the revenue from Building Aid, BOCES Aid, and Transportation Aid for those expenses. Amount is \$85,534 for 2022-23 which would make the total tax levy limit \$20,067,655 or 4.16%.
- ✘ Current budget draft includes a tax levy increase of 2.5% and is projected to be a tax rate increase less than 1% due to value growth.

OTHER REVENUE/ALLOCATED FUND BALANCE

- ✘ Other Revenues are local revenues like interest and refund of prior year expenses.
- ✘ With interest earnings minimal compared to prior years, this segment cannot be increased without likely overstating the amount.

FEDERAL REVENUE

- ✗ Federal Revenue in the general funds budget includes only Medicaid.
- ✗ New Federal aid from the ARP passed in March 2021 amounts to **\$282,513** which can be used over 3 fiscal years. We project full use during 2022-23 and this budget has been approved. This is accounted for under the F fund and is not included in the general fund budget.

REVIEW OF SIGNIFICANT FACTORS FOR PROPOSED EXPENSE BUDGET

- Start with Rollover Budget
- Adjust Services/Items
- Adjust Staffing
- Adjust Employee Benefits
- Adjust Debt Service Items

PROPOSED EXPENSE BUDGET- SERVICES/ITEMS

Services/Items added to a Rollover budget include:

- Maintenance contract for telephone system
- Needed maintenance projects at all buildings including security, network, fields/athletics maintenance, camera upgrades and a \$100,000 Capital Outlay project focused on the MS/HS Campus.
- New Reading Program at Elementary School
- In-service Training Increase for new reading program
- BOCES Services including Installment Purchases
- Technology upgrades for each school (devices and network)
- Replace pool timing equipment

BENEFITS OF BUDGET CHANGES

- Needed maintenance projects at all buildings including security, network, fields/athletics maintenance, camera upgrades(\$325,000) and a \$100,000 Capital Outlay project focused on the MS/HS Campus.
- New Reading Program at Elementary School (\$80,000) to aid in literacy levels for all students which impacts all subjects and Professional Development for program to make it effective(\$25,000).
- BOCES Installment Purchases that will result in interactive displays in every instructional space, new computers to replace 6+ year old devices, bring the district to the ability to implement 1:1, new copiers, and improve large spaces on each campus for multimedia presentations (Estimated \$220,000/year, 5 years)

STAFFING CHANGES

- Additional Kindergarten section at Elementary School based on enrollment projections
- Teaching Assistant for additional section at Elementary School
- One 0.6 FTE Business position in Middle School to offer business and other courses and 0.4 FTE teacher aide for coverage.

PROPOSED EXPENSE BUDGET- EMPLOYEE BENEFITS

Employee Benefit Items to be considered:

- NYS and Local Employee Retirement System(ERS) rate averages out at **11.2%** contribution for 2022-23
- Maximum Teachers' Retirement System contribution for 2022-23 is projected to be **10.29%**
- Workers' Compensation Consortium is projecting an increase of about **2%**.
- Health Insurance and Rx are projected to be flat overall.

PROPOSED EXPENSE BUDGET- DEBT SERVICE

Debt Service Items to be considered:

- New Payment for most recent capital project bond borrowing to coincide with state aid payments.
- Tax cap capital levy exclusion is determined by difference between debt service expense and debt service revenue from the state (Is **\$85,534** for 2022-23 which is what is included in tax cap calc).

SUMMARY OF PROPOSED BUDGET

- Projected Expenses of \$28,146,611
- Projected Revenues of \$28,146,611
- Projected Revenue assumes below tax cap increase of \$481,666, significantly increased state aid (mostly foundation aid 50% due amount), and allocated fund balance of \$703,665.
- Projected Gap of \$0.

Questions?
Thank You

